

**Ministry of Finance
Department of Economic Affairs
Economic Division
8(2)/Ec. Dn./2007**

**MONTHLY ECONOMIC REPORT
JULY, 2007**

HIGHLIGHTS

- The overall growth of GDP during 2006-07 (as per the Revised Estimates of CSO) has been placed 9.4 per cent.
- The Monsoon Season rainfall from June 1, 2007 to August 8, 2007 was normal/excess in 89 per cent of meteorological sub-divisions.
- Food grain stocks were 25.92 million tonnes as on June 1, 2007.
- Overall industrial growth was 11.0 per cent during April-June, 2006-07 as compared with 10.5 per cent in April-June, 2005-06.
- Core infrastructure sectors achieved an average growth rate of 8.1 per cent during April-May, 2006-07 as compared with 7.2 per cent in April-May, 2005-06.
- Broad Money (M3) growth (year-on-year) was 21.7 per cent as on July 20, 2007 as compared with 19.4 per cent last year.
- Exports grew by 18.11 per cent in dollar terms during April-June, 2007. Imports increased by 34.30 per cent in April-June, 2007.
- Forex reserves (excluding Gold and SDRs) stood at \$219.75 billion at the end of July, 2007.
- Rupee appreciated against US Dollar, stable against Japanese Yen and depreciated against Pound Sterling and Euro in July, 2007.
- The annual inflation rate in terms of WPI (Base 1993-94=100) was 4.45 per cent for the week ended July 28, 2007 as compared with 4.72 per cent a year ago.
- Tax revenue (net to Centre) during April-June, 2006-07 was higher by 29.3 per cent compared with corresponding period 2005-06.
- In terms of value, Fiscal deficit during April-June, 2006-07 was increased by 44.6 per cent over corresponding period last year.
- In terms of value, Revenue deficit during April-June, 2006-07 was lower by 2.9 per cent over corresponding period last year.

**(M. C. Singhi)
Adviser**

Economic growth

As per the Quick Estimates released by the Central Statistical Organization, the economic growth is estimated at 9.0 per cent in 2005-06. The overall growth of GDP during 2006-07 (as per the Revised Estimates of CSO) has been placed 9.4 per cent. At disaggregated level the growth during 2006-07 (R) was 2.7 per cent in Agriculture, 10.9 per cent in Industry and 11.0 per cent in Services as compared 6.0 per cent, 9.6 per cent and 9.8 per cent respectively during 2005-06 (Q).

Growth of GDP at factor cost by Economic Activity									
(at constant 1999-2000 prices)									
	Industry	Growth				Percentage share in GDP			
		2003-04	2004-05 (P)	2005-06 (Q)	2006-07 (R)	2003-04	2004-05 (P)	2005-06 (Q)	2006-07 (R)
1	Agriculture, forestry & fishing	10.0	0.0	6.0	2.7	21.7	20.2	19.7	18.5
2	Industry	7.4	9.8	9.6	10.9	25.6	26.1	26.2	26.6
a	Mining & quarrying	3.1	7.5	3.6	5.1	2.2	2.2	2.1	2.0
b	Manufacturing	6.6	8.7	9.1	12.3	15.0	15.1	15.1	15.5
c	Electricity, gas & water supply	4.8	7.5	5.3	7.4	2.3	2.3	2.2	2.2
d	Construction	12	14.1	14.2	10.7	6.1	6.5	6.8	6.9
3	Services	8.5	9.6	9.8	11.0	52.7	53.7	54.1	54.9
a	Trade, hotels, transport & communication	12.1	10.9	10.4	13.0	25.0	25.8	26.1	27.0
b	Financing, insurance, real estate & business services	5.6	8.7	10.9	10.6	13.4	13.5	13.8	13.9
c	Community, social & personal services	5.4	7.9	7.7	7.8	14.3	14.4	14.2	14.0
4	GDP at factor cost	8.5	7.5	9.0	9.4	100	100	100	100

(P) Provisional, (Q): Quick estimates (R) Revised Estimates

AGRICULTURE

MONSOON SEASON RAINFALL*

In the Monsoon Season (June-September), the rainfall from June 1, 2007 to August 8, 2007 was normal/excess in 32 meteorological sub-divisions (89 per cent) and deficient/scanty in the remaining 4 (11 per cent). The annual average for 2002-2006 was normal/excess in 25 (71 per cent) meteorological sub-divisions and deficient/scanty in the remaining 11 (29 per cent).

Number of Meteorological Sub-divisions

	2002	2003	2004	2005	2006	2002-2006+	2007
Excess/Normal	11	33	27	30	26	25	32
Deficient/Scanty/Nil	25	03	09	06	10	11	04
Total	36	36	36	36	36	36	36

*(June-September)

+ Annual Average

PROCUREMENT

Wheat procurement as on June 30, 2007 in the current marketing year (i.e. 2006-07) increased by 20.0 per cent at 11.08 million tonnes as compared with 9.23 million tonnes in the corresponding period of 2005-06. Procurement of rice during the marketing year 2006-07 (as on June 30, 2007) at 24.14 million tonnes was declined by 4.9 per cent than the level of 25.39 million tonnes during the corresponding period of 2005-06.

	Full Marketing Year				As on June 30		% change
	2003-04	2004-05	2005-06	2006-07	2006	2007	
	Million Tonnes						
Rice(Oct-Sept.)	22.83	24.68	27.66	-	25.39	24.14	-4.9
Wheat(Apr-Mar)	15.80	16.80	14.79	9.23	9.23	11.08	20.0
Total	38.63	41.48	42.45	9.23	34.62	35.22	1.7

OFF-TAKE

Off-take from the Public Distribution System from Central Pool during April-May, 2007 was 3.03 million tonnes as against 3.30 million tonnes during April-May, 2006.

Million Tonnes

	2004-05(P)	2005-06(P)	2006-07(P)	April-May	
				2006	2007
Rice	23.20	24.74	25.04	2.09	2.02
Wheat	18.27	17.16	17.16	1.21	1.01
Total	41.47	41.90	42.20	3.30	3.03

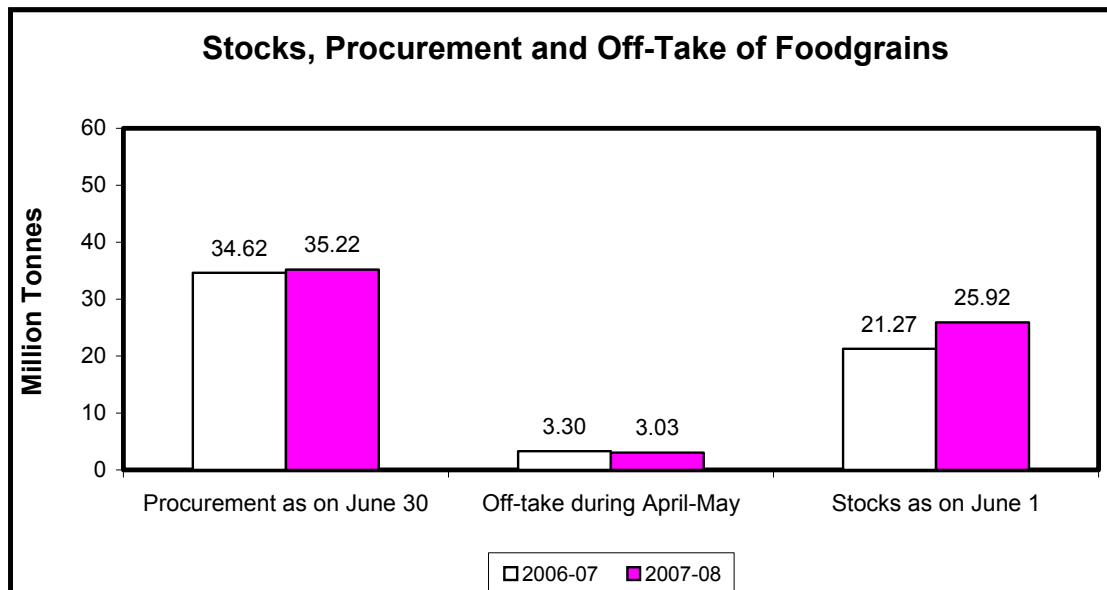
P : Provisional

STOCKS

Stocks of food-grains as on June 1, 2007 was 25.92 million tonnes, which was higher by 21.9 per cent than the level of 21.27 million tonnes as on June 1, 2006.

Million Tonnes

	As on June 1	
	2006	2007
Rice	11.95	12.61
Wheat	9.32	13.31
Total	21.27	25.92



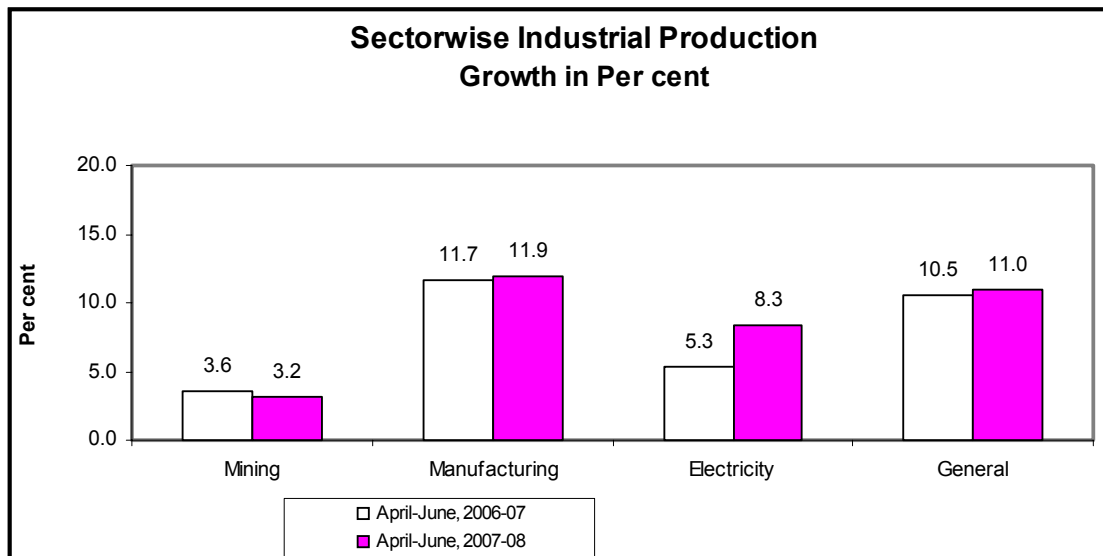
[Rice-Kharif marketing year (October-September)]
[Wheat - Rabi marketing year (April-March)]

INDEX OF INDUSTRIAL PRODUCTION

The overall growth rate of index of industrial production (IIP) during April-June, 2006-07 was 11.0 percent as compared to 10.5 percent in April-June, 2005-06. The growth rate achieved by the mining, manufacturing and electricity sectors during April-June, 2007 was 3.2 percent, 11.9 percent and 8.3 percent respectively as compared to 3.6 percent, 11.7 percent and 5.3 percent during corresponding period last year.

As per the use-based classification, growth rate of basic goods, capital goods and consumer goods showed higher growth whereas intermediate goods showed lower growth as compared to April-June, 2005-06.

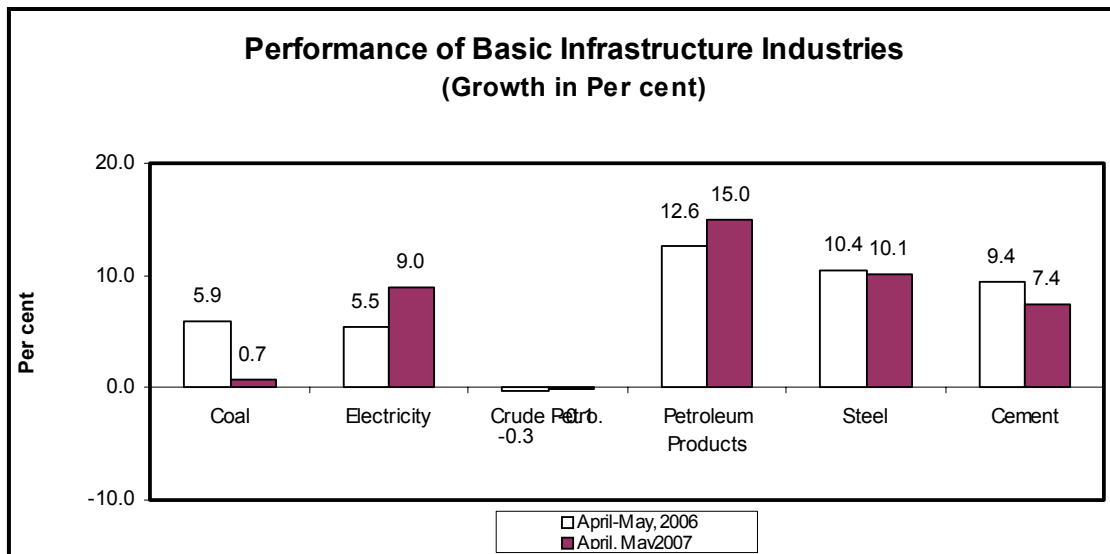
(PERCENTAGE CHANGE IN SECTORWISE INDEX OF INDUSTRIAL PRODUCTION (Base: 1993-94=100))						
	2005-06	2006-07	Jun '06	Jun '07	April-June	
					2006-07	2007-08
General	8.2	11.6	9.7	9.8	10.5	11.0
Mining	1.0	5.4	4.7	3.6	3.6	3.2
Manufacturing	9.1	12.5	10.7	10.6	11.7	11.9
Electricity	5.2	7.2	4.9	6.8	5.3	8.3
Use-Based Classification						
Basic goods	6.7	10.3	8.5	9.6	9.0	9.5
Capital goods	15.8	18.2	21.6	29.0	21.0	22.3
Intermediate goods	2.5	12.0	11.2	8.3	10.8	9.5
Consumer goods	12.0	10.1	6.1	4.2	8.5	9.9
<i>Of which</i>						
Consumer durables	15.3	9.2	19.9	0.6	15.0	3.0
Consumer non-durables	11.0	10.4	1.8	5.4	6.3	12.4



INFRASTRUCTURE

The six core infrastructure industries registered a growth of 8.1 per cent during April-May, 2007 as compared to 7.2 per cent in corresponding period last year.

Industry/Infrastructure	Unit	May		Full Year		% Change	
		2006-07	2007-08	2005-06	2006-07	2006-07	2007-08
Coal	Mn tonnes	33.23	33.54	64.76	65.23	5.9	0.7
Electricity Generation	Mn Gwh	55631	60814	109026	118841	5.5	9.0
Crude petroleum	000 tonnes	2863	2818	5615	5609	-0.3	-0.1
Petroleum Products	000 tonnes	10784	12396	20903	24038	12.6	15.0
Finished steel	000 tonnes	3732	4171	7490	8250	10.4	10.1
Cement	000 tonnes	13490	14760	27220	29235	9.4	7.4
Average growth rate*		7.2	8.7	-	-	7.2	8.1



MONEY AND BANKING

During the current financial year 2007-08, broad money stock (M3) (up to July 20, 2007) increased by 4.3 per cent as compared with the growth rate of 3.9 per cent registered during the corresponding period of the last year. The year-on-year growth, as on July 20, 2007, was 21.7 per cent as compared with 19.4 per cent on the corresponding date of last year.

Net foreign exchange assets (NFA) of banking sector (up to July 20, 2007) have increased by 3.0 per cent as compared to 10.2 per cent in the same period last year. The year on year growth rate of NFA, as on July 20, 2007, was 17.6 per cent as against 27.5 per cent on the corresponding date of last year.

Items	Outstanding as on (Rs. crore)		% Variations			
			Financial year so far		Year-on-year	
	March 31, 2007	July 20, 2007	2006-07	2007-08	2006	2007
M3(I+II+III+IV)	3310278	3451070	3.9	4.3	19.4	21.7
I. Currency with the public	483471	495814	5.3	2.6	17.3	13.9
II. Demand deposits with banks	474228	436312	-9.6	-8.0	22.7	18.8
III. Time deposits with banks	2345083	2505853	6.6	6.9	19.3	23.5
IV. Other deposits with RBI	7496	13090	-16.1	74.6	16.3	127.2
Sources (1+2+3+4-5)						
1. Net bank credit to Govt. (A+B)	838177	912604	5.0	8.9	4.4	13.4
A. RBI's net credit to Govt.	5752	21884	-	-	-	-
B. Other bank credit to Govt.	832425	890720	6.3	7.0	3.6	10.5
2. Bank credit to commercial sector	2123362	2117917	2.6	-0.3	28.0	21.9
3. Net foreign exchange assets of banking sector	913179	940914	10.2	0.3	27.5	17.6
4. Government's currency liabilities to the public	8286	8457	-9.9	2.1	-3.7	7.3
5. Banking sector's net non-monetary liabilities other than time deposits	572727	528822	10.5	-7.7	32.4	2.9

Scheduled Commercial Banks (SCBs): Business in India

During the current financial year (up to July 20, 2007) gross bank credit declined to 0.7 per cent as compared with 2.7 per cent during the same period of the previous year. The year-on-year growth of gross bank credit as on July 20, 2007 was 23.7 per cent as against 31.7 per cent on the corresponding date of last year.

Non-Food credit during the financial year so far (up to July 20, 2007), declined by 0.5 per cent as compared an increase of 3.1 per cent during the same period of the last year. The year-on-year growth rate of non-food credit, as on July 20, 2007, was 23.9 per cent as compared with 33.1 per cent on the corresponding date of last year.

The year-on-year growth of time deposits with SCBs as on July 20, 2007 was 25.1 per cent as compared with 19.0 per cent on the corresponding date of last year.

Select Scheduled Commercial banks – Business in India						
Items	Outstanding as on (Rs. Crore)		% Variations			
	Mar 31, 2007	July 20, 2007	Financial year so far		Year-on-year	
			2006-07	2007-08	2006	2007
1. Bank credit	1928914	1914456	2.7	-0.7	31.7	23.7
Food credit	46521	41296	-11.3	-11.2	-9.0	14.4
Non-Food credit	1882393	1873160	3.1	-0.5	33.1	23.9
2. Aggregate deposit	2608310	2729856	4.1	4.7	21.2	24.4
Demand deposit	429138	393046	-10.4	-8.4	24.0	20.3
Time deposits	2179172	2336810	7.1	7.2	20.7	25.1
3. Investments in Govt. and other approved securities	790432	855249	6.4	8.2	3.1	12.0
Government securities	774981	834681	6.7	7.7	3.6	11.7
Other approved securities	15451	20568	-3.4	33.1	-16.1	27.4

INTEREST RATES (PER CENT PER ANNUM)

As on July 20, 2007 Bank Rate was 6.00 per cent, which is the same as on the corresponding date of last year. Call money rates (borrowing) were in the range of 0.20/0.65 per cent as compared with 4.65/6.25 per cent on the corresponding date of last year.

Item/week ended	2006	2007
	July 21	July 20
Bank Rate	6.00	6.00
IDBI ¹	10.25	10.25
Prime Lending Rate ²	10.75-11.25	12.75-13.25
Deposit Rate ³	6.25-7.00	7.50-9.60
Call Money Rate⁴(Low/High)		
Borrowings	4.65/6.25	0.20/0.65
Lending	4.65/6.25	0.20/0.65

1. Minimum Term Lending Rate (MTLR)
2. Prime Lending Rate relates to five major Banks
3. Deposit Rate relates to major banks for term deposits of more than one-year maturity.
4. Call money rates are based on data covering 90-95 per cent of total transactions reported by major participants.

FOREIGN TRADE

Exports, in dollar terms, during April-June, 2007 increased by 18.11 percent. Imports increased by 34.30 percent. Oil imports increased by 4.21 percent and Non-oil imports increased by 50.36 per cent.

Million US Dollar

Item			April-June (P)		% Change April-June
	2005-06(P)	2006-07 (P)	2006-07	2007-08	2007-08
Exports	100607	124629	29045	34304	18.11
Imports	140238	181368	40886	54909	34.30
POL	43951	57271	14231	14830	4.21
Non-POL	99482	124097	26655	40079	50.36
Trade Balance	-39631	-56739	-11841	-20605	-

Source: Provisional Data for April-June, 2007 as per the press note of the Ministry of Commerce and Industry.

FOREIGN EXCHANGE RESERVES (EXCLUDING GOLD & SDRs)

	Amount		Variation	
	Rs.Crore	\$ Million	Rs.Crore	\$ Million
At the end of			(over last year)	
March, 1999	125412	29522	22905	3547
March, 1999	152924	35058	27512	5536
March, 2001	184482	39554	31558	4496
March, 2002	249118	51049	64636	11495
March, 2003	341476	71890	92358	20841
March, 2004	466215	107448	124739	35558
March, 2005	593121	135571	126906	28123
March, 2006	647327	145108	54206	9537
March, 2007	836597	191924	7064	4713
2007-2008			(over last month)	
April	812995	196899	-23602	4975
May	817440	200697	4445	3789
June	839879	206105	22439	5408
July*	888680	219753	48801	13648

* Provisional

Source : RBI.

EXTERNAL ASSISTANCE AND DEBT SERVICE PAYMENTS

Gross external aid during April-June, 2007 at Rs 4037 crore was 32.0 percent higher than that of Rs 3058 crore in April-June, 2006. Net disbursements were Rs 2022 crore as compared with Rs. 665 crore during same period last year. Net aid transfers were Rs 928 crore as compared with Rs (-)388 crore during corresponding period last year.

EXTERNAL ASSISTANCE AND DEBT SERVICE PAYMENTS*

	<i>(Rs crore)</i>					
	Receipts		Repayment of Principal		Payment of Interest	
	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08
Back- to- Back Loans	9	170	0	0	8	17
External Assistance - Govt A/C	2335	2493	1994	1625	813	829
External Assistance – Non-Govt A/C	258	319	399	391	232	247
Back- to -Back Grants	15	22	0	0	0	0
Govt. Grant	217	517	-	-	-	-
Non-Govt Grant	8	0	-	-	-	-
Grand Total	3058	4037	2393	2016	1053	1093
Net Disbursement	665	2022	-	-	-	-
Net Transfers	-388	928	-	-	-	-
* April-June						

Rupees per Unit of Foreign Currency

The average market exchange rate of the Rupee during July, 2007 appreciated against US Dollar, stable against Japanese Yen and depreciated against Pound Sterling and Euro as compared with average market exchange rate of the Rupee during June, 2007.

Rupees Per Unit of Foreign Currency

	<i>(Market Rate)@</i>			
	US Dollar	Pound Sterling	Japanese Yen	Euro
March, 2003	47.64	75.44	0.4015	51.52
March, 2004	45.08	82.29	0.4141	55.25
March, 2005	43.69	83.25	0.4152	57.66
March, 2006	44.48	77.62	0.3793	53.46
March, 2007	44.03	85.68	0.3754	58.27
2007-2008				
April	42.15	83.82	0.3546	56.96
May	40.78	80.91	0.3377	55.11
June	40.77	80.99	0.3325	54.71
July	40.41	82.18	0.3325	55.43
@ FEDAI Rates, Rupee- dollar rate as on 8/8/2007 was Rs. 40.575				

INFLATION

The annual rate of inflation based on Wholesale Price Index (WPI) stood at 4.45 per cent for week ended July 28, 2007 compared with 4.72 per cent a year ago. This rate was contributed by an increase of 9.83 per cent in Primary Articles, 1.74 per cent decrease in Fuel, Power, Lights and Lubricants and 4.86 per cent increase in Manufactured Products as against an increase of 4.79 per cent, 7.59 per cent and 3.51 per cent respectively on the corresponding date of last year.

VARIATION IN WHOLESALE PRICE INDEX (Base: 1993-94)					
Items/Groups	Weight (%)	Percent variation during			
		Month end		Year (Point to Point)	
		(week ending 28-7-2007)			
		Last year	Current year	Last year	Current year
All Commodities	100.00	0.25	0.42	4.72	4.45
1. Primary articles	22.03	0.00	0.81	4.79	9.83
2. Fuel, Power, Light and Lubricants	14.23	0.34	-0.06	7.59	-1.74
3. Manufactured Products	63.75	0.34	0.43	3.51	4.86

CONSUMER PRICE INDEX

All India Consumer Price Index for Industrial Workers (CPI-IW) for June, 2007 stood at 602 (increased by previous month's level of 597). The level of CPI-IW of June, 2007 was higher than the level of June, 2006 by 5.69 per cent.

CONSUMER PRICE INDEX AND INFLATION RATE (%)		
(Base : 1982=100)		
	2006-07 (June, 2006)	2007-08 (June, 2007)
Annual Inflation	7.65	5.69
Financial Year Inflation	3.36	2.36
% Change over last month	1.65	0.78
Level of Index	569	602
Average of Index for 12 months ending June	550.77	587.62

WORLD COMMODITY PRICE

Commodity	Unit	Quarterly Averages			Monthly Averages		
		Oct-Dec	Jan-Mar	Apr-Jun	May	June	July
		2006	2007	2007	2007	2007	2007
Energy							
Coal, Australia	\$/mt	46.60	53.14	53.19	56.00	61.60	67.94
Crude oil, avg, spot	\$/bbl	59.02	57.23	57.23	65.16	68.19	73.60
Crude oil, Brent	\$/bbl	59.73	58.07	58.07	67.48	71.32	77.20
Crude oil, Dubai	\$/bbl	57.33	55.58	55.58	64.54	65.76	69.46
Natural gas, US	\$/mmbtu	6.66	7.23	7.23	7.61	7.30	6.22
Agriculture							
Coffee, robusta	c/kg	168.23	172.85	172.85	184.99	204.32	203.95
Tea, auctions (3), average	c/kg	182.35	177.95	177.95	194.14	207.38	212.29
Coconut oil	\$/mt	671.22	754.33	754.33	894.00	979.00	922.50
Groundnut oil	\$/mt	1120.44	1170.00	1170.00	1159.00	1209.00	1375.00
Palm oil	\$/mt	542.78	608.67	608.67	772.00	805.00	807.50
Palmkernel oil	\$/mt	600.44	677.67	677.67	863.00	969.00	918.75
Soybean meal	\$/mt	230.11	255.67	255.67	258.00	270.00	289.75
Soybean oil	\$/mt	662.22	709.67	709.67	788.00	833.00	886.00
Maize	\$/mt	155.69	170.88	170.88	160.23	165.25	147.46
Rice, Thailand, 25%	\$/mt	275.56	292.56	292.56	295.80	300.50	306.75
Wheat, US, HRW	\$/mt	208.69	198.38	198.38	195.72	223.04	238.41
Wheat US SRW	\$/mt	193.52	173.66	173.66	180.78	205.03	227.76
Oranges	\$/mt	942.26	820.56	820.56	886.84	935.34	1118.58
Sugar, world	c/kg	26.03	23.49	23.49	20.79	20.48	22.44
Raw Materials							
Logs, Malaysia	\$/cum	256.60	264.83	264.83	261.95	257.91	263.05
Plywood	c/sheets	637.17	629.49	629.49	641.10	642.65	649.73
Woodpulp	\$/mt	762.43	727.38	727.38	748.92	761.35	761.35
Cotton A Index	c/kg	127.61	128.86	128.82	122.47	133.60	150.36
Rubber, US	c/kg	199.38	241.55	241.55	253.09	252.98	232.21
Rubber, Singapore	c/kg	173.30	223.28	223.28	239.48	226.72	210.09
Wool	c/kg	565.00	565.00	565.00	565.00	565.00	565.00
Fertilizers							
DAP	\$/mt	254.21	344.49	344.49	426.38	434.50	436.25
Phosphate rock	\$/mt	45.50	45.50	45.50	54.13	80.00	80.00
Pottasium chloride	\$/mt	175.00	175.63	175.63	180.00	196.88	203.13
Urea, E. Europe, bulk	\$/mt	234.01	297.35	297.35	296.25	289.00	267.88
Metals and Minerals							
Aluminum	\$/mt	2723.67	2801.09	2801.09	2792.75	2676.93	2732.44
Copper	\$/mt	7068.22	5932.86	5932.86	7681.42	7474.38	7972.57
Gold	\$/toz	614.47	650.27	650.27	667.31	655.66	665.38
Iron ore	c/dmtu	77.35	77.35	84.70	84.70	84.70	84.70
Lead	c/kg	162.71	178.66	178.66	210.13	242.52	308.28
Nickel	\$/mt	33129.03	41440.05	41440.05	52127.17	41704.76	33416.59
Silver	c/toz	1263.27	1332.49	1332.49	1314.78	1314.43	1290.93
Steel cr coilsheet	\$/mt	658.33	650.00	650.00	650.00	650.00	650.00
Steel hr coilsheet	\$/mt	558.33	550.00	550.00	550.00	550.00	550.00
Tin	c/kg	1033.53	1272.93	1272.93	1414.00	1409.98	1473.78
Zinc	c/kg	420.35	345.58	345.58	383.13	360.29	354.56

Source : World Bank – Pink Sheet

PUBLIC FINANCE

Trends in Central Government Finances: April-June 2007

	Budget Estimates	April-June		Col.3 as % of	Col. 4 as % of	% Change over preceding year	
	2007-08	2006-07	2007-08	2006-07 BE	2007-08 BE	2006-07	2007-08 (4/3)
(Rs. Crore)							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Revenue Receipts	486422	52382	64428	13.0	13.2	37.8	23.0
Gross tax revenue	548122	69080	88495	15.6	16.2	32.1	28.8
Tax (net to Centre)	403872	44463	57470	13.6	14.2	40.4	29.3
Non Tax	82550	7919	6958	10.4	8.4	25.0	-12.1
2. Capital Receipts	194099	79088	115472	49.3	59.5	42.3	46.0
of which:							
Recovery of loans	1500	1348	701	16.9	46.7	26.8	-48.0
Other Receipts	41651*	0	2367		5.7	-100.0	-
Borrowings and other liabilities	150948	77740	112404	52.3	74.5	42.6	44.6
3. Total Receipts (1+2)	680521	131470	179900	23.3	26.4	40.5	36.8
4. Non-Plan Expenditure (a)+(b)	475421	92946	131999	23.8	27.8	34.1	42.0
(a) Revenue Account	383546	89795	93520	26.1	24.4	35.1	4.1
of which:							
Interest payments	158995	29614	34274	21.2	21.6	12.1	15.7
Major Subsidies	50987	17155	21297	38.5	41.8	58.9	24.1
Pensions	23488	4540	4442	23.2	18.9	24.3	-2.2
(b) Capital Account	91875*	3151	38479**	6.7	41.9	10.1	1121.2
5. Plan Expenditure (i)+(ii)	205100	38524	47901	22.3	23.4	58.8	24.3
(i) Revenue Account	174354	33262	39554	23.1	22.7	76.5	18.9
(ii) Capital Account	30746	5262	8347	18.2	27.1	-2.7	58.6
6. Total Expenditure (4)+(5)=(a)+(b)	680521	131470	179900	23.3	26.4	40.5	36.8
(a) Revenue Expenditure	557900	123057	133074	25.2	23.9	44.2	8.1
(b) Capital Expenditure	122621	8413	46826**	11.1	38.2	1.7	456.6
7. Revenue Deficit	71478	70675	68646	83.4	96.0	49.4	-2.9
8. Fiscal Deficit	150948	77740	112404	52.3	74.5	42.6	44.6
9. Primary Deficit	-8047	48126	78130	543.0	-970.9	71.3	62.3

* Includes an amount of Rs. 40,000 crore on account of transaction relating to transfer RBI's stake in SBI to the Government.

** The increase in fiscal deficit is due to increased capital expenditure on 'Acquisition of RBI stake in SBI' (Rs. 35,531 crore). This expenditure will be neutralized by realizing equal amount of receipts from RBI during the course of this financial year. After excluding transaction, the fiscal deficit up to June is Rs. 76,873 crore against Rs. 77,740 last year.

Source : Controller General of Accounts, MOF, GOI.