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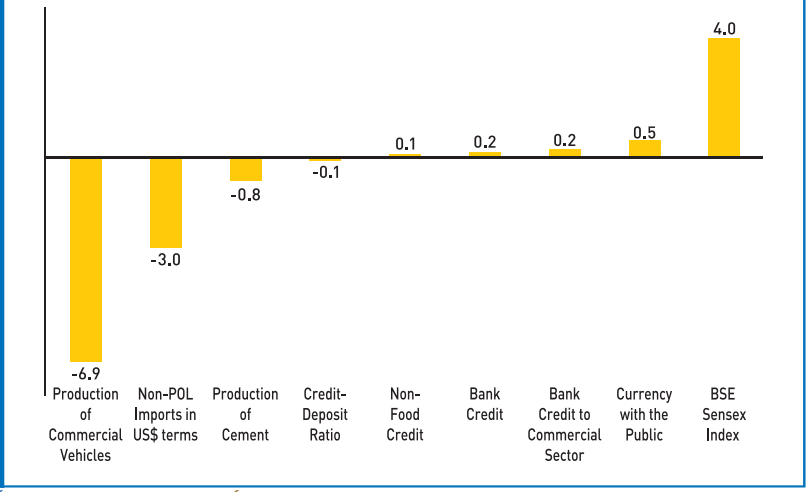
LEADING ECONOMIC INDICATORS: OCTOBER 2013

Grim future



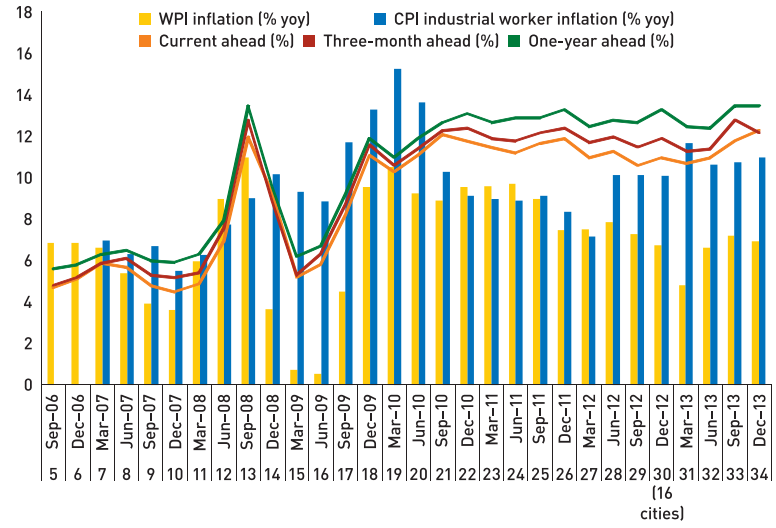
Inflationary Expectations

Although statistically significant, the correlation between INFLWPI and the three measures of expectations remain low, approximately around 0.6 and for INFLCPIIW that is 0.5.

THE SPECTRE OF inflation continues to haunt India. After the global financial recession in 2008, headline year-on-year (yoy) inflation as measured by the Wholesale Price Index (INFLWPI, Base Year 2004–05) has averaged 7.2 per cent between 2009–10:Q1 and 2013–14:Q3. During the same period, yoy retail inflation as measured by the Consumer Price Index Industrial Worker (INFLCPIIW, Base Year 2001=100) has averaged 10.5 per cent. The average WPI inflation between 1952–53 and 2012–13 was 6.3 per cent. Retail inflation averaged 8.1 per cent between 1970–71 and 2012–13. Clearly, the recent few years have been a period of heightened inflation.

Has this period of high and persistent inflation since 2009–10 changed our expectations about the "normal" inflation rate? It is important to track inflationary expectations because they 'affect people's behaviour in ways that have a long-term economic impact', whereas 'inflation is what affects the purchasing power of the money in one's wallet'[1]. The Reserve Bank of India (RBI) started tracking inflationary expectations since September 2006. It collects (surveys) current expectations, one month ahead and three years ahead on a quarterly basis. The focus of this analysis is from September 2006 (2006–07:Q2) to December 2013 (2013–14:Q3). In this article we examine three questions: (i) accuracy of expectations, (ii) influence of actuals on expectations, and (iii) influence of expectations on actuals.

Figure P.1: Inflation Expectations, WPI and CPI Industrial Workers Inflation Rate, September 2006 to December 2013



Notes: 1. Base Year of CPI is 2001 and WPI is 2004–05.
2. In December 2012, the 30th round was conducted with both 12 and 16 cities and thereafter only the larger sample was used.
3. The average inflation expectations is used in the analysis here instead of the median.
Sources: Reserve Bank of India, Office of Economic Advisor and Labour Bureau.

ACCURACY OF EXPECTATIONS

Figure P.1 plots the three measures of inflationary expectations against both the current inflation measures of INFLWPI and INFLCPIIW. All the three measures of inflationary expectations jumped to double digits and have stayed in double digits since December 2009 (time after the drought). The standard deviations of these three measures are actually lower than the inflation indicators, which show entrenchment of expectations.

Although it is statistically significant, the correlation between INFLWPI and the three measures of expectations remain low, approximately around 0.6 and for INFLCPIIW that is 0.5. Expectations of current inflation has always been higher than the INFLWPI except for five quarters – 2006–07:Q2, 2006–07:Q3, 2006–07: Q4, 2007–08:Q4, and 2008–09:Q1. However, inflationary expectations, after remaining below INFLCPIIW until September 2010 (2010–11:Q2), reversed. The gap between INFLCPIIW and current inflationary expectations has been getting smaller over time, especially since June 2012 or 2012–13:Q1. In contrast, the gap is increasing for INFLWPI. Similar dynamics hold true for the other measures of inflationary expectations and the indicators of inflation.

INFLUENCE OF ACTUALS ON EXPECTATIONS OR INFLUENCE OF EXPECTATIONS ON ACTUALS

By carrying out dynamic cross-correlations, one can assess lead-lag features of two series.

Figure P.2 shows the lead-lag relationship between various measures of inflation and current inflationary expectations using 12 lags, which translates into three years. Essentially, we are testing whether past inflation lags current expectations or backward-looking expectations. Or, do we have forward-looking expectations, past inflation leads current expectations?

INFLWPI and INFLCPIIW behave in different ways. While the former is forward looking or INFLWPI leads expectations, INFLCPIIW is backward looking with it leading expectations. However, the relationship of the WPI with expectations dies after three quarters and is relatively weak. In contrast, INFLCPIIW has a strong relationship with expectations and takes nine quarters to dissipate. For sensitivity analysis, CPI Agricultural Labour was also used (base year 1986–87=100) to test the lead and lag relationship with current expectations. This is also backward looking (Figure P.2).

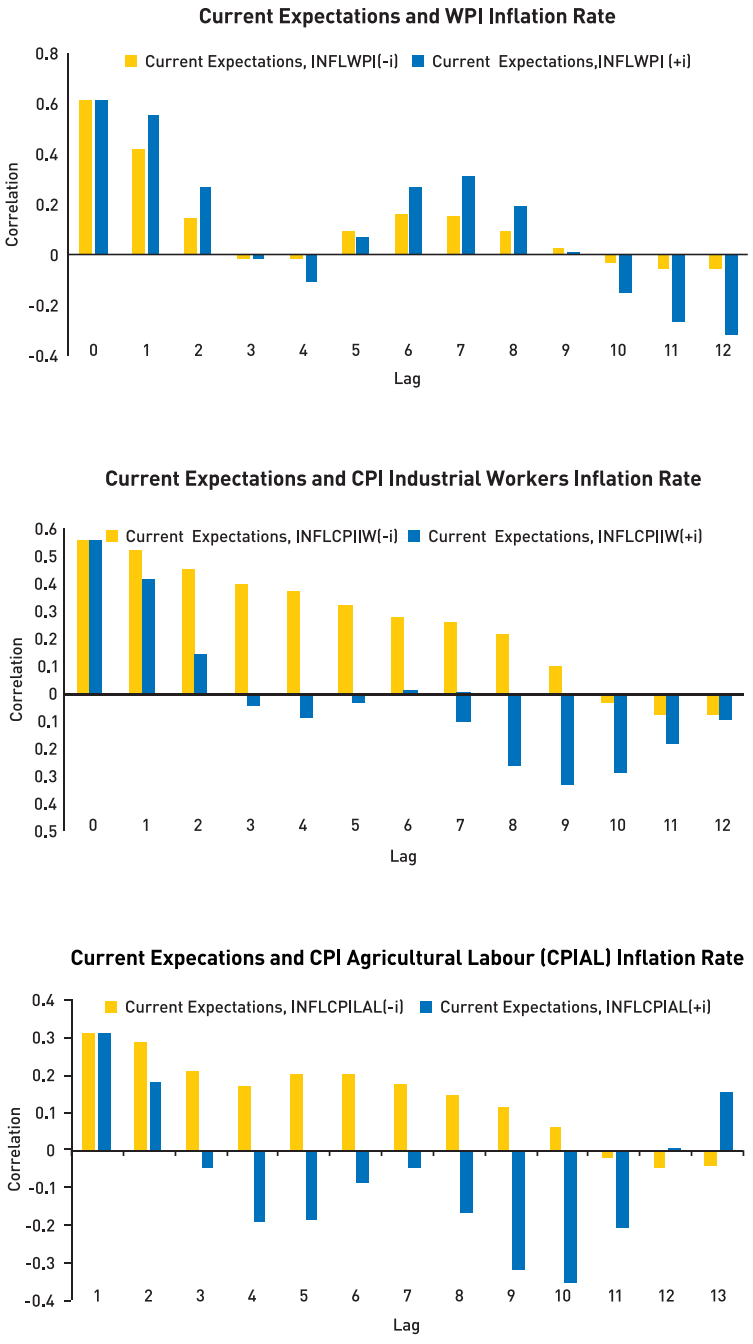
Using four lags, bivariate Granger causality tests were carried out. They show that INFLWPI Granger causes all the three indicators of inflationary expectations in a statistically significant manner.

These analyses show us a couple of things. First, inflationary expectations have become entrenched and exhibit a stickiness that has a significant but low correlation with actual inflation. Second, the limited sample suggests that there has been a change in the economy on how inflationary expectations are being formed. It used to be closer to the WPI but the gap between expectations and retail inflation seems to be diminishing since 2012. Third, expectations about the two different indicators are being formed in different ways. While WPI inflation is forward looking, retail inflation is backward looking. The latter effect is very strong. Given this, there is a strong possibility or perhaps we are already in that cycle of a self-fulfilling tendency to retail inflation.

What is the way out? In the short run, inflation expectations have to be brought down. Since expectations are being formed based on past trends of retail inflation, retail inflation itself needs to be brought down. Tight monetary policy aimed at reducing retail inflation is the recommended answer. In the long run, of course, structural issues have to be addressed. One thing that is fairly clear is that double-digit inflationary expectations are leading people to make economic decisions that have a worsening impact on the domestic economy such as investing in gold and houses instead of buying infrastructure bonds. This affects the short to medium term growth of the country. Decisive action is needed for expectations to weaken. Unfortunately, it is easier said than done in an election year.

INFLWPI and INFLCPIIW behave in different ways.

Figure P.2: Inflation Measures and Inflation Expectations, Lead-Lag, 2006–07:Q4 to 2012–13:Q3



Notes: 1. Base Year of CPI Industrial Worker is 2001 and WPI is 2004–05 and CPI Agricultural Labour is 1986-87.
2. In December 2012, the 30th round was conducted with both 12 and 16 cities and thereafter only the larger sample was used.
3. The average inflation expectations is used in the analysis here instead of the median.
4. Vertical axis is correlations and horizontal axis shows lags.
Sources: Reserve Bank of India, Office of Economic Advisor and Labour Bureau.

Gender Educational Gap: Evidence from India

The gender gap in educational attainment has decreased from 1.46 in 1983 to 1.33 in 2004–05.

SIGNIFICANT EMPIRICAL EVIDENCE exists which show that increase in educational attainment has a positive impact on both economic growth and development. There are positive externalities associated with education of the labour force both in terms of economic and social capital. The economic gain from women's education in general is considered to be atleast as high as those from men's education. Further, there is a multiplier effect associated with women's education. However, developing countries experience gender gap in terms of educational attainment as well as enrolment. India is no exception to this.

This article examines whether there is any convergence in educational attainment of men and women in India during the period 1983–2005. This is a significant time frame because it covers the time period both before and after economic liberalisation in 1991. Five quinquennial rounds (1983, 1987–88, 1993–94, 1999–2000 and 2004–05) of National Sample Survey (NSS) data are used, which is a nationally representative survey database. The dataset consists of pooled cross section data collected from both rural and urban India where the age group of the respondents are between 16 and 65.

Educational information is collected for each of the respondent on the basis of highest educational level attained. We have categorised level of educational attainment into five groups following the NSS: illiterate (persons who cannot read or write a simple message with understanding in at least one language), below primary (individuals who are literate by definition through formal schooling, but have yet to complete primary standard education), primary (class 5 passed), middle (class 8 passed) and secondary and above (class 10 passed, class 12 passed, completed graduation, post-graduation, and diploma/ certificate courses).[1]

In each round, the mean educational level for both males and females for the sample has increased. On an average, majority of men have attended school at primary level while women are either illiterate or dropped out at below primary level. Men are consistently more educated than females in rural as well as in urban areas. The relative educational gap is calculated as the ratio of the average level of educational attainment of males to females.The gender gap in educational attainment has decreased from 1.46 in 1983 to 1.33 in 2004–05 (Table G.1). It is promising to note that this convergence phenomenon is common in both rural and urban areas. The educational gap has shrunk relatively more rapidly in urban than in rural areas. Further, the reduction in gap has acquired pace after 1993–94.

Table G.1: Relative Gender Educational Gaps, 1983 to 2004–05

Year	All	Rural	Urban
1983	1.46	1.49	1.35
1987–88	1.44	1.49	1.31
1993–94	1.42	1.48	1.27
1999–00	1.38	1.45	1.22
2004–05	1.33	1.4	1.19

Source: Author's calculation based on five rounds of NSS data; 1983, 1987–88, 1993–94, 1999–2000, and 2004–05.

What are the patterns of educational distribution and how does it vary between the female labour force and their male counterparts? It is presented in Table G.2. In 1983, 75 per cent of the total female labour force was either illiterate or had below primary level education, whereas it was 54 per cent for men. Illiteracy decreased to 45 per cent for women and 21 per cent for men by 2004–05. In contrast, the proportion of people with secondary and above education has increased sharply for both men and women between 1983 and 2004–05 in their respective groups. In 1983, only seven per cent of the total female labour force and 16 per cent of the total male labour force fell in this category. By 2004–05, the share of men in the total male labour force with secondary and above education had increased to 32 per cent. For women, the corresponding share was 19 per cent. It was the most significant change in educational attainment among all categories.

The gap in gender educational attainment is examined across different occupational groups

1. Definition of primary and middle may vary across states.

Table G.2: Educational Distribution in the Labour Force (%), 1983 to 2004–05

Gender	Illiterate	Below Primary	Primary	Middle	Secondary and above
Male					
1983	40.05	13.54	16.33	13.79	16.29
Standard error	0.00	0.00	0.00	0.00	0.00
1987–88	34.85	13.43	16.26	14.18	21.29
Standard error	0.00	0.00	0.00	0.00	0.00
1993–94	29.62	12.91	13.94	16.07	27.47
Standard error	0.00	0.00	0.00	0.00	0.00
1999–00	26.32	11.59	12.93	17.75	31.41
Standard error	0.00	0.00	0.00	0.00	0.00
2004–05	21.49	11.48	15.12	19.55	32.36
Standard error	0.00	0.00	0.00	0.00	0.00
Female					
1983	67.41	8.38	10.37	6.96	6.88
Standard error	0.00	0.00	0.00	0.00	0.00
1987–88	61.98	9.11	11.08	7.83	10.00
Standard error	0.00	0.00	0.00	0.00	0.00
1993–94	54.76	9.73	10.97	10.35	14.19
Standard error	0.00	0.00	0.00	0.00	0.00
1999–00	49.14	9.63	10.97	12.38	17.88
Standard error	0.00	0.00	0.00	0.00	0.00
2004–05	43.64	10.33	13.04	14.29	18.70
Standard error	0.00	0.00	0.00	0.00	0.00

Source: Author's calculation based on five rounds of NSS data; 1983, 1987–88, 1993–94, 1999–2000, and 2004–05.

(Table G.3). We use three major classifications of occupations: white-collar jobs, blue-collar jobs and agriculture or agriculture-related work following the National Classification of Occupation (NCO), 2004[2]. The average level of education has increased for all the occupation groups, while the sharpest increase is observed in agriculture or agricultural related jobs (33%) and blue-collar jobs (24%). Men are consistently more educated than women, on, average in each occupational category. The convergence in the relative educational gap is the highest in blue-collar jobs during the period of the study. The ratio of male to female average educational attainment remained almost the same in agricultural work. Therefore, the results indicate that educational attainment is converging for males and females in the organised sector (white-collar plus blue-collar jobs).

The transformation in India's economy is significantly marked by the narrowing gap in educational attainment during the past three decades. However, the country has yet to walk a long way to bridge the educational gender gap. The Global Gender Gap Report published by the World Economic Forum ranked India 101 among 136 countries in 2013[3]. It remained a low performing country in terms of closing the educational gap. We need to focus on effective strategies to promote girl education in order to fully close the gap. These policies may range from promoting health in schools, flexible school timings, full-time regular teachers and gender sensitive curriculum, teachers, etc.

The convergence in the relative educational gap is the highest in blue-collar jobs during the period of the study.

Table G.3: Gender Educational Gap across Occupations, 1983 to 2004–05

Year	White-collar Jobs	Blue-collar Jobs	Agriculture or Agriculture related work
1983	1.05	1.76	1.58
1987–88	1.04	1.72	1.61
1993–94	1.07	1.63	1.68
1999–00	1.07	1.57	1.58
2004–05	1.04	1.48	1.57

Source: Author's calculation based on five rounds of NSS data; 1983, 1987–88, 1993–94, 1999–2000, and 2004–05.

2. White-collar jobs include legislators, senior officers and managers; professionals; technicians and associate professionals; clerks; and service workers and shop & market sales workers. Blue-collar jobs include crafts and related trade workers; plant and machinery operators and assemblers; and elementary occupations. Agriculture and related jobs relates to skilled agricultural and fishery workers. (Directorate General of Employment and Training, Ministry of Labour, Government of India, http://dget.nic.in/nco/jobdescription/welcome.html).
3. World Economic Forum. 2013. The Global Gender Gap Report 2013. http://www3.weforum.org/docs/WEF_GenderGap_Report_2013.pdf. Geneva, Switzerland. Table 3a, pp. 10.

e-Governance: Smart Government for Smart People

Seven states are offering more than 100 services through its e-platforms, with Andhra Pradesh leading with as many as 552 services.

AS AN INCREASINGLY assertive populace demands greater operational efficiency, transparency and accountability from their government, e-Governance is seen as a partial solution. While there is no standard definition of the term e-Governance, it basically means the application of information and communication technology platforms such as wide area networks, internet and mobile phones to enable interaction between the government and citizens (G2C), the government and business enterprises (G2B), inter-agency relationships (G2G), and government to employees (G2E)[1]. India has made significant progress on e-Governance with the implementation of the National e-Governance Plan (NeGP).

Under the NeGP, 14 mission mode projects (MMPs) of the 31 MMPs are delivering the full range of services, while nine have started delivering some services to citizens[2]. According to e-TAAL, a portal that aggregates and analyses the transaction statistics of central and state level e-governance projects on a near real-time basis, the number of e-transactions increased from 5.1 million in 2012 to 1.9 billion in 2013.

Seven states are offering more than 100 services through its e-platforms, with Andhra Pradesh leading with as many as 552 services. Gujarat reported the highest number of e-transactions per 1,000 people, while Arunchal Pradesh the lowest.

Table ICT.1 starkly brings out the digital divide in India. Plus, supply may not necessarily create demand. For example, Andhra Pradesh has three times the number of e-services as Madhya Pradesh, but e-transactions per 1,000 people is lower. Therefore, complementary inputs are needed to increase usage. The e-Readiness Reports of the NCAER and DeitY[3] discuss the need for equal emphasis on environment (market, regulatory and infrastructure), readiness of households, firms and government and usage to make a state e-Ready.

Table ICT.1: e-Services and e-Transactions – Summary 2013, 1st January 2013 – 31st December 2013

State/Union Territory	Number of Services	No of e-Transactions (in thousands)	e-Transactions Per 1,000 People	Thousands of e-Transactions Per Service
A&N Islands	17	50	131	3
Andhra Pradesh	552	4,13,662	4,886	749
Arunachal Pradesh	27	40	29	1
Assam	57	22,167	711	389
Bihar	73	8,992	87	123
Chandigarh	68	2,023	1,918	30
Chhattisgarh	40	23,083	904	577
D&N Haveli	35	122	357	3
Daman and Diu	19	35	145	2
Delhi	84	31,993	1,910	381
Goa	21	976	669	46
Gujarat	198	3,99,967	6,624	2,020
Haryana	96	49,883	1968	520
Himachal Pradesh	67	4,063	593	61
Jammu and Kashmir	76	1,977	158	26
Jharkhand	65	8,187	248	126
Karnataka	98	37,949	621	387
Kerala	118	31,127	932	264
Lakshadweep	14	2	39	0
Madhya Pradesh	179	3,91,693	5,395	2,188
Maharashtra	201	2,04,837	1,823	1,019
Manipur	50	924	339	18
Meghalaya	45	1,333	450	30
Mizoram	44	687	630	16
Nagaland	53	1,246	629	24
Odisha	67	19,912	475	297
Puducherry	62	435	350	7
Punjab	98	4,434	160	45
Rajasthan	153	77,066	1,123	504
Sikkim	34	135	222	4
Tamil Nadu	100	49,752	690	498
Tripura	79	1,335	364	17
Uttar Pradesh	138	100,660	504	729
Uttarakhand	74	6,853	677	93
West Bengal	88	14,794	162	168
Total	3,190	1,912,394		11,365

Source: e-Transactions Aggregation and Analysis Layer website. Department of Electronics and Information Technology, Government of India. http://etaal.gov.in/etaal. Accessed on January 27, 2014.

1. Adapted from World Bank definition of e-Government.
2. Press Information Bureau. 2013. PM Reviews National e-Governance Plan. http://pib.nic.in/newsite/erelease.aspx?relid=96938. July 1.
3. DeitY: Department of Electronics and Information Technology.

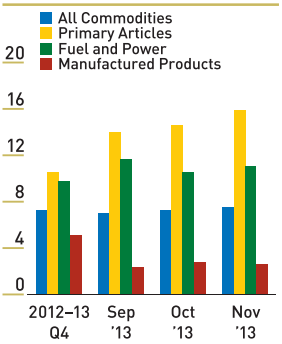
Select Economic Indicators

PERCENTAGE VARIATION (YOY)*

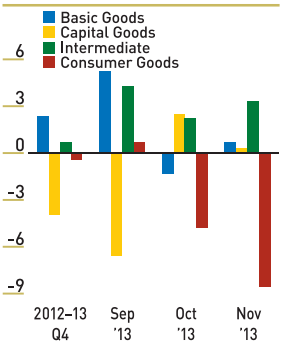
	2011–12	2012–13	2012–13 Q1	2012–13 Q2	2012–13 Q3	2012–13 Q4	2013 SEP	2013 OCT	2013 NOV
INDEX NUMBER OF WHOLESALE PRICES									
All Commodities	8.9	7.4	7.5	7.5	7.8	7.3	7.0	7.2	7.5
Primary Articles	9.8	9.8	9.9	10.2	9.4	10.5	14.0	14.6	15.9
Fuel, Power	14.0	10.3	11.9	10.6	10.8	9.8	11.7	10.5	11.1
Manufactured Products	7.3	5.4	5.3	5.5	6.3	5.1	2.4	2.8	2.6
Basic Goods	10.8	7.7	9.8	9.8	10.0	6.1	1.5	2.3	2.5
Capital Goods	2.9	2.8	2.5	3.0	2.8	2.8	2.8	3.0	2.8
Intermediate	10.9	6.7	6.1	5.4	6.8	6.8	9.6	8.8	9.1
Consumer Goods	8.0	6.3	6.0	5.9	7.0	6.4	2.3	2.7	2.6
Consumer Durables	10.1	6.1	8.4	8.3	5.8	5.0	0.8	1.5	0.9
Consumer Non-durables	7.3	6.4	5.2	5.1	7.4	6.9	2.8	3.1	3.1
CPI Industrial Workers	8.4	10.4	10.1	10.0	9.7	10.8	10.7	11.1	11.5
CPI Agricultural Labourers	8.2	10.0	7.9	8.1	9.5	11.3	12.8	12.6	13.4
INDUSTRY									
IIP General	2.9	1.1	-0.3	0.1	3.2	0.3	2.0	-1.6	-2.1
IIP Mining	-2.0	-2.3	-1.5	-1.8	0.5	-3.4	3.3	-3.2	1.0
IIP Electricity	8.2	4.0	6.4	5.8	3.8	4.7	12.9	1.3	6.3
IIP Manufacturing	3.0	1.3	-0.8	-0.3	3.5	0.4	0.6	-1.8	-3.5
IIP Basic Goods	5.5	2.5	3.3	3.0	3.4	2.4	5.3	-1.4	0.7
IIP Capital Goods	-4.0	-6.0	-20.1	-15.3	-4.4	-4.0	-6.7	2.4	0.3
IIP Intermediate	-0.6	1.6	0.8	1.5	4.6	0.7	4.2	2.2	3.3
IIP Consumer Goods	4.4	2.4	3.9	2.9	5.7	-0.5	0.7	-4.9	-8.7
IIP Consumer Durables	2.6	2.0	8.0	6.4	5.3	-2.6	-10.8	-12.1	-21.5
IIP Consumer Non-durables	5.9	2.8	0.6	0.0	6.1	1.0	11.6	2.2	2.5
Coal Production	1.3	3.7	8.0	6.7	14.2	-0.6	13.3	-3.3	4.0
Electricity Generation	8.1	4.0	6.7	5.8	3.8	4.7	12.6	1.3	5.9
Steel	10.3	2.5	3.4	3.0	-0.3	4.3	6.6	3.5	3.9
Cement	6.7	8.4	12.5	9.3	9.8	6.7	7.3	-3.0	4.5
Crude Oil	1.0	-0.6	-0.6	-0.3	-0.9	0.5	0.5	-0.8	1.1
Petroleum Refinery	3.1	15.8	23.5	25.2	21.2	7.3	32.1	15.8	15.8
MONEY & BANKING									
M3	15.8	13.5	14.3	14.5	13.7	12.6	12.5	5.9	14.5
Net Bank Credit to Central Government	21.8	18.5	22.1	21.1	20.3	16.2	12.1	13.3	14.6
RBI Credit to Central Government	69.6	33.5	49.0	47.9	45.7	20.6	26.8	22.6	22.9
Bank Credit to Commercial Sector	18.7	16.8	18.2	18.1	16.5	16.5	16.6	15.4	13.1
Bank Credit	18.7	16.6	18.1	17.9	16.3	16.5	17.9	16.6	14.3
Food Credit	33.0	36.6	57.0	44.9	35.0	30.3	7.1	-2.8	-3.3
Non-food Credit	18.5	16.3	17.4	17.4	16.0	16.2	18.1	17.0	14.7
Bank Rate (%)	9.7	35.8	50.0	50.0	50.0	50.0	9.0	9.0	9.0
PLR (%)	8.1	1.0	11.3	6.0	-2.0	-2.4	10.1	10.1	10.1
Auc 91 dtb (%)	8.5	-3.3	6.9	0.5	-3.8	-6.4	8.2	8.2	8.0
EXTERNAL SECTOR									
Exports ($)	21.8	-1.8	-3.9	-8.5	0.7	3.2	10.3	13.1	5.9
Imports ($)	32.3	0.3	-5.0	-0.7	6.4	1.9	-18.6	-14.5	-16.4
Trade Balance ($ million)*	-183356	-190336	-42978	-48842	-55257	-45887	-6754	-10654	-9220
Foreign Currency Assets ($ million)*	260069	292647	256958	259958	262014	292647	247924	254503	263736
Exchange Rate (₹/$)	5.1	13.4	19.9	22.6	14.6	6.1	17.3	16.0	14.1
Exchange Rate (₹/£)	7.8	12.3	17.8	18.5	14.7	8.7	15.4	16.1	15.2
FISCAL (CENTRE)									
Total Receipt	-5.0	16.6	22.9	13.7	5.2	20.8	7.3	23.4	10.1
Revenue Receipt	-4.8	16.2	30.6	14.9	5.8	18.4	7.2	23.8	12.4
Tax Revenue	10.3	17.3	32.8	15.7	7.7	16.1	4.3	22.1	11.0
Non-tax Revenue	-43.9	10.8	16.3	10.8	-1.7	35.8	43.8	29.0	20.7
Total Expenditure	8.3	8.5	19.3	21.4	12.1	3.2	13.6	32.2	12.5
Plan Expenditure	9.6	0.2	2.5	5.8	23.9	-1.8	-3.2	43.8	24.4
Non-plan Expenditure	7.7	12.5	27.3	29.0	7.2	5.2	26.0	28.1	9.3
Fiscal Deficit (₹ crore)*	509731	489890	190460	146444	67795	85191	7437	45798	51671
Revenue Deficit (₹ crore)*	384722	363459	152712	110572	34753	65422	-9550	30733	40009
CAPITAL MARKETS									
BSE-SENSEX	-6.4	4.7	-9.8	-8.4	7.6	20.3	3.3	14.4	7.5
Market Capitalisation	-7.1	2.6	-11.0	-10.3	4.6	21.0	-3.8	5.3	0.5
All India Net FII Investment (₹ crore)*	87083	168367	-494	44618	55877	68366	7380	2128	2133

* Actuals where indicated.

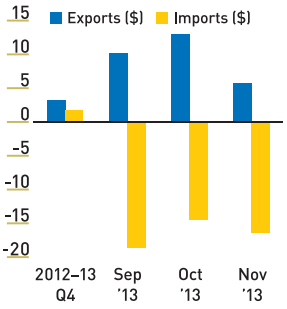
WPI (% yoy)



IIP (% yoy)



External Trade (% yoy)



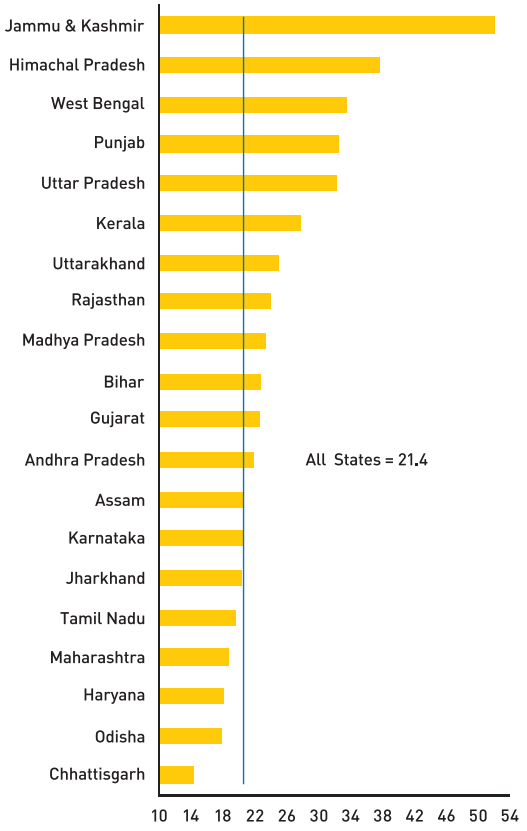
- The yoy headline inflation increased mildly to 7.5 per cent during November 2013. WPI inflation of primary goods and fuel & power increased further while manufactured goods decreased.
- The yoy increase in IIP Capital goods turned lower in November 2013. IIP Intermediate and Basic goods improved in November 2013 while IIP Consumer goods deteriorated on a yoy basis.
- YoY growth rates of both exports and imports declined in November 2013 compared to the previous month. However, exports was still growing while imports was declining.

State-wise Debt – Gross State Domestic Product (GSDP) Ratio (%)

STATE	AVERAGE 2004–05 TO 2007–8	2012–13 (RE)	2013–14 (BE)
Andhra Pradesh	30.9	22.7	22.4
Assam	30.4	20.4	21.0
Bihar	52.2	24.8	23.3
Chhattisgarh	22.3	12.5	14.6
Gujarat	32.9	23.5	23.2
Haryana	23.3	18.6	18.4
Himachal Pradesh	62.5	40.6	38.8
Jammu & Kashmir	59.6	52.2	53.8
Jharkhand	25.9	21.1	20.7
Karnataka	25.0	20.6	20.9
Kerala	34.8	29.4	28.5
Madhya Pradesh	37.5	23.9	23.9
Maharashtra	27.8	19.7	19.1
Orissa	42.7	18.5	18.2
Punjab	43.1	31.7	33.5
Rajasthan	43.7	24.3	24.5
Tamil Nadu	23.4	20.2	20.0
Uttar Pradesh	50.4	33.7	33.2
Uttarakhand	37.3	25.3	25.6
West Bengal	47.3	37.5	34.6
All States	29.5	21.7	21.4

Source: RBI, State Finances: A Study of Budgets of 2012–13.

State-wise Debt – GSDP Ratio (%), 2013–14 (BE)



Statistics: Devender Pratap; **Secretarial Support**: Sudesh Bala

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