

Glossary of Terms

Term	Basis of Calculation
Buoyancy of a Parameter	Rate of Growth of a Parameter / GSDP Growth Rate
Development Expenditure	Social Services Expenditure + Economic Services Expenditure
Fiscal Deficit	Revenue Expenditure + Capital Expenditure + Net Loans and Advances – Revenue Receipts – Miscellaneous Capital Receipts
Non Debt Receipts	Revenue Receipts + Miscellaneous Capital receipts + Recoveries of Loans and Advances
Primary Deficit	Fiscal Deficit – Interest payments
Primary Expenditure	Revenue Expenditure – Interest payments + Capital Expenditure + Loans and Advances + Inter State Settlements
Primary Revenue Expenditure	Revenue Expenditure – Interest payments
Primary Revenue Surplus	Non Debt Receipts - Primary Revenue Expenditure
Revenue Surplus	Revenue Receipts – Revenue Expenditure

Term	Description
Appropriation	Appropriation is the provision made in the budget for incurring expenditure which is directly charged and not subject to the voting of the Legislature
Capital Expenditure	Expenditure of a capital nature such as construction of irrigation projects, bridges, buildings, laying of roads, irrigation and electricity projects, <i>etc.</i>
Debt sustainability	Debt sustainability is defined as the ability of the State to maintain a constant Debt - GSDP ratio over a period of time. It means that rise in fiscal deficit should match with the increase in the State's capacity to service the incremental debt from additional revenues generated from the use of such debt in creating income generating capital assets.
GDP/GSDP	Gross Domestic Product (GDP) and Gross State Domestic Product (GSDP) refers to the market value of all officially recognised final goods and services produced within the Country and the State respectively in a given period of time, accounted without duplication and are an important indicator of the Country and State's economy.

Term	Description
Grant	Grant means the amount voted by the Legislative Assembly in respect of a demand for Grant
Loan account	Loan account is the account of public debt incurred and discharged and loans and advances made by the State Government to local bodies, employees and others and recovered from them.
Public Debt	Public Debt comprises of loans raised by Government such as market loans, loans from the Life Insurance Corporation of India <i>etc.</i> , and the borrowings from the Central Government.
Revenue Expenditure	Revenue Expenditure is the account of current expenditure of the State. For example, wages, salaries, maintenance works, repairs, <i>etc.</i>
Ways and Means Advances	Ways and Means Advances are temporary advances extended by RBI to the Government. These are meant to bridge the gap between expenditure and receipts. They are not a source of finance but are meant to provide support, for purely temporary difficulties that arise on account of mismatch/shortfall in revenue or other receipts for meeting Government liabilities