APPENDICES

APPENDIX 4.1
(Para 4.43)

Fiscal Deficit and Debt: State Level Sustainability Conditions

4.1.1 In the plan for restructuring state finances, an overall fiscal deficit target for the states of 3 per cent of GDP is to be achieved by 2009-10. It has been suggested that the states should enact their fiscal responsibility legislations, bringing down the revenue deficit to zero and fiscal deficit to sustainable levels by 2008-09. While these reforms are to be undertaken at the initiative of the state governments, the Commission has also emphasized the need for imposing a hard budget constraint and suggested that the overall borrowing programme of a state should be within a prescribed limit, determined annually, taking into account borrowing from all sources. It has also been suggested that centre may discontinue its on-lending to states, subject to some exceptions where on-lending can be managed through a public account, and facilitate their accessing the market directly for their borrowing requirements.

4.1.2 In this context, there is a need to ensure that the ceiling for annual borrowing prescribed for each state is (a) consistent with the fiscal deficit target for all states taken together in view of the restructuring programme that has been drawn up taking into account the macro considerations, (b) that such ceilings are consistent with the sustainability requirements of each state. This note suggests a methodology by which the aggregate fiscal deficit target is translated into permissible levels of fiscal deficit for individual states. It also identifies states where a large adjustment may be required, considering their initial positions in regard to debt burden and other relevant parameters.

4.1.3 As discussed in Chapter 4 that the debt-sustainability conditions can be defined in terms of the debt-GDP ratio and equivalently in terms of the interest payments relative to revenue receipts. The reference to revenue receipts is particularly important in the case of states, because revenues accrue to them not only on the basis of their own revenues but also on the basis of transfers from the centre which, to some extent, compensates for deficiencies in own fiscal capacities. It is easier for the states to follow interest payments to revenue receipts targets as these are budgetary data whereas the GSDP data become available with a lag.

4.1.4 Using the sustainability conditions, the level at which the fiscal deficit to GDP ratio (f*) will be consistent with a stabilized debt-GDP ratio (b*) at sustainable level was derived as:

$$f^* = p.g/(g-i) \text{ and } b^* = p(1+g)/(g-i)$$

This condition can be written in terms of the interest payments to revenue receipts ratio indicated by (ip) and revenue receipts to GSDP ratio indicated by (r). Revenue receipts include transfers from the centre. Thus,

$$f^* = (ip)^* r.g/i \text{ and } b^* = (ip)^* r(1+g)/i$$

The target level of interest payments relative to revenue receipts can be written as:

$$(ip)^* = f^*.i/r.g$$

Thus, the level of interest payments relative to revenue receipts consistent with stabilizing fiscal deficit and debt at sustainable levels will be

(a) higher, the higher the fiscal deficit target, and the average nominal interest rate, and

(b) lower, the higher the revenue-GSDP ratio and the nominal growth rate.

4.1.5 Table 4.1.1 gives the levels of the ratio of interest payments to revenue receipts (hereinafter, IP-RR ratio) consistent with given levels of sustainable fiscal deficit to GDP ratio and alternative combinations of other parameters.

4.1.6 Considering a fiscal deficit level of 3 per cent to GDP (f*=.03), interest rate at 7 per cent, and revenue receipts to GDP ratio of about 13 per cent, achievable by 2009-10, the target level of interest payments to revenue receipts ratio for all states considered together comes out to be 13.5

Table 4.1.1

Target Levels of Interest Payment to Revenue Receipts Under Alternative combinations of Parameter Values

f	**0.03**	**r**	**12.0**			
			Interest rate			
Growth rate (%)	**0.07**	**0.075**	**0.08**	**0.085**	**0.09**	**0.095**
11.0	15.91	11.79	16.97	12.52	17.97	13.22
12.0	14.58	15.63	16.67	17.71	18.75	19.79
13.0	13.46	14.42	15.38	16.35	17.31	18.27
14.0	12.50	13.39	14.29	15.18	16.07	16.96
15.0	11.67	12.50	13.33	14.17	15.00	15.83

f	**0.03**	**r**	**13.0**			
			Interest rate			
Growth rate (%)	**0.07**	**0.075**	**0.08**	**0.085**	**0.09**	**0.095**
11.0	14.69	11.79	15.66	12.52	16.59	13.22
12.0	**13.46**	**14.42**	**15.38**	**16.35**	**17.31**	**18.27**
13.0	12.43	13.31	14.20	15.09	15.98	16.86
14.0	11.54	12.36	13.19	14.01	14.84	15.66
15.0	10.77	11.54	12.31	13.08	13.85	14.62

f	**0.03**	**r**	**14.0**			
			Interest rate			
Growth rate (%)	**0.07**	**0.075**	**0.08**	**0.085**	**0.09**	**0.095**
11.0	13.64	11.79	14.55	12.52	15.40	13.22
12.0	12.50	13.39	14.29	15.18	16.07	16.96
13.0	11.54	12.36	13.19	14.01	14.84	15.66
14.0	10.71	11.48	12.24	13.01	13.78	14.54
15.0	10.00	10.71	11.43	12.14	12.86	13.57

per cent. In Table 4.1.1, the row relating to the growth rate of 12 per cent, and revenue receipts to GDP ratio of 13 per cent shows alternative levels of the IP-RR target for different levels of interest rates. Further, as shown in Table 3.13 of Chapter 4, which describes the fiscal profile of combined, central, and state finances in accordance with the suggested restructuring plan, it should be possible to achieve a level of interest payments to revenue receipts ratio of 15 per cent by 2009-10. It will be useful to consider the implications for this aggregate level of the IP-RR ratio for individual states. The all-state target [= (IP_a / RR_a)] can be decomposed into targets for individual states as follows:

$(IP_a / RR_a) = [(RR_1/RR_a)*(IP_1/RR_1) + (RR_2/RR_a)*(IP_2/RR_2) + \ldots + (RR_n/RR_a)*(IP_n/RR_n)]$

If states are indexed by subscript j, j=1,2,…,n, we have, $IP_a = \sum IP_j$ and $RR_a = \sum RR_j$ and $\sum IP_j / \sum RR_j = (IP_a / RR_a)$

The term (IP_a / RR_a) indicates the IP-RR ratio for the all-state average. The fiscal deficit and debt levels of individual states relative to their respective GSDP can be related to those for the 'average' state, consistent with the all-state sustainability requirements, under certain assumptions. Assuming that each state may achieve the same target in regard to IP/RR, we have,

$IP_1/RR_1 = IP_2/RR_2 = \ldots\ldots = IP_n/RR_n = \mathbf{IP_a/RR_a}$

4.1.7 This condition implies that states with higher than average interest rates and lower than average revenue to GDP ratio, will need to have lower than average debt-GSDP ratios, provided growth rates do not differ. The relevant conditions can be written as follows. For any state:

$IP/RR= (i.B_{t-1})/(r.Y)= (i/r).(b_{t-1})/(1+g)= (i/r).b^*/(1+g)$ (when $b_{t-1}=b_t=b^*$)

If an individual state is denoted by the subscript 'j', and the all-state average, by subscript 'a', we have

$(i_j/r_j).b_j^*/(1+g_j)= (i_a/r_a).b_a^*/(1+g_a)$ (if $IP_j/RR_j=IP_a/RR_a$)

Rearranging terms, we have

$b_j^*= b_a^*[(i_a/i_j)(r_j/r_a)] [(1+g_j) /(1+g_a)]$

Similarly, for stabilized levels of fiscal deficit, we can write [1]

$f_j^* = f_a.^* \{i_j\, r_a.g_a / i_a\, r_j.g_j\}$

Thus, in the context of stabilizing the all-state debt-GSDP ratio, the fiscal deficit to GSDP ratio and the debt-GSDP ratio of a state should be lower as compared to the average,

(a) the higher its interest-rate,
(b) the lower its revenue-GDSP ratio, and
(c) the lower its growth rate,

compared to the corresponding averages, respectively.

4.1.8 In taking the all-state fiscal deficit targets, since these are defined relative to GDP, an adjustment factor needs to be applied to express it relative to the sum of GSDPs of all states. In discussing the restructuring plan in Chapter 4, a distinction was made between an 'adjustment phase' where fiscal deficit and debt-GSDP ratios are expected to decline from their current levels, and a 'stabilization phase' where these remain stable with respect to the GDP. Similar considerations apply to state level adjustments. Some states will have to adjust more than others because of their high levels of debt relative to GSDP and interest payments relative to revenue receipts. In the next section, the states, where large adjustments are required, have been identified.

Trends in Interest Payments to Revenue Receipts

4.1.9 The indicators of fiscal balance like revenue and fiscal deficits of states deteriorated significantly during the period since 1996-97. One dimension of this deterioration was the inordinate increase in the level of interest payments relative to revenue receipts in the period since 1996-97, which reflects, to a large extent, the impact of salary revisions in the states in the wake of the recommendations of the fifth Central Pay Commission. Table 4.1.2 gives the position of interest payments to revenue receipts for two three period averages: 1993-94 to 1995-96 and 2000-01 to 2002-03, for individual states as well as group averages. It is shown that for the general category states (GCS group), the average IP-RR ratio increased from 16.7 per cent to 25.5 per cent, comparing the 1993-96 average to 2000-03 average. In the case of special category states, the corresponding increase was from 13.5 per cent to 17.0 per cent. The all-state average increased from 16.4 per cent during 1993-96 to 24.6 per cent in 2000-03.

4.1.10 It may be noted that the all-state average level of the IP-RR ratio at 16.4 per cent during 1993-96 is about 1.4 percentage points higher than the level being targeted for 2009-10 in the restructuring plan. The overall correction would be facilitated by the recommended rescheduling of state debt to centre at lower interest rates and favourable macroeconomic factors including a nominal growth rate of 12 per cent and the continuation of a benign interest rate regime. At the level of individual states, however, some states will have to undertake larger corrections than at the level of the all-state average, which also has to go down substantially. Considering the 2000-03 average of the general category states, the states that show a higher than average IP-RR ratio, listed in order of the magnitude of excess over the group average are West Bengal, Punjab, Orissa, Rajasthan, Uttar Pradesh, Kerala, and Bihar. In the case of the special category states, the states with above average IP-RR ratios are Himachal Pradesh, Uttaranchal, Manipur, and Assam, although the latter three states are close to the group average.

Operationalizing the Scheme for Sustainable

Table 4.1.2

Trends in Interest Payments Relative to Revenue Receipts: State-wise and Group-wise

States	Average (1993-94 to 1995-96)	% of group average	Average 2000-01 to 2002-03	% of group average	% increase (average 93-96 over 2000-03)
General Category States					
Andhra Pradesh	14.07	84.33	22.37	87.76	58.99
Bihar*	21.78	130.52	26.27	103.05	20.62
Chhattisgarh			15.84	62.13	
Goa	14.26	85.50	19.62	76.96	37.52
Gujarat	15.18	90.99	24.60	96.51	62.05
Haryana	15.46	92.69	23.29	91.38	50.62
Jharkhand			20.69	81.18	
Karnataka	12.08	72.42	18.07	70.91	49.59
Kerala	17.66	105.86	27.39	107.46	55.09
Madhya Pradesh*	13.34	79.98	19.04	74.68	42.67
Maharashtra	11.93	71.52	20.76	81.45	74.01
Orissa	22.39	134.20	35.85	140.64	60.11
Punjab	32.27	193.43	38.77	152.12	20.15
Rajasthan	17.48	104.79	30.57	119.93	74.86
Tamil Nadu	11.98	71.84	18.64	73.13	55.53
Uttar Pradesh*	21.88	131.13	28.99	113.73	32.51
West Bengal	20.35	121.97	44.35	173.99	117.95
Total General Category	**16.68**	100.00	**25.49**	100.00	**52.78**
Special Category States					
Assam	16.39	121.70	17.16	100.77	4.67
Arunachal Pradesh	5.04	37.43	11.34	66.57	124.82
Himachal Pradesh	15.93	118.26	28.76	168.90	80.55
Jammu & Kashmir	16.57	122.99	14.75	86.60	-10.99
Manipur	8.78	65.16	17.48	102.64	99.14
Meghalaya	7.52	55.83	11.10	65.17	47.57
Mizoram	5.40	40.07	14.11	82.84	161.37
Nagaland	10.72	79.55	15.08	88.55	40.71
Sikkim	9.90	73.46	11.67	68.52	17.90
Tripura	10.09	74.91	14.27	83.83	41.47
Uttaranchal			17.87	104.95	
Total Special Category	**13.47**	**100.00**	**17.03**	**100.00**	**26.41**
All States	**16.36**		**24.58**		**50.28**

Source (Basic data): State Finance Accounts

Borrowing by the States

4.1.11 The Commission has suggested that the annual borrowing undertaken by the states should be kept within sustainable limits. The central government has powers to do so under article 293(2) and the state legislatures also have the power to do so under article 293(1). Once the fiscal responsibility legislation is enacted, state legislatures are expected to exercise greater control on ensuring that the annual borrowing programme of a state remains within the contours prescribed under the legislation. As long the centre is lending to the states through its public account like the NSSF, it will be in a position to approve the borrowing programme of the states. This should be implemented through an autonomous regulatory body like a Loan Council.

4.1.12 The regulatory body needs to ensure that the borrowing programme of a state is consistent with the sustainability requirements of that state, which should be determined on the basis of the relevant state-specific parameters. It should also ensure that the borrowing programme of all states considered together remains consistent with the requirements of macroeconomic stability and fiscal deficit targets of all states.

4.1.13 In particular, this can be ensured by relating the average annual borrowing requirement for all states with that of the individual state. In the adjustment phase, fiscal deficit levels should be such that the debt-GDP ratio continuously falls. In the stabilization phase, fiscal deficit should be such as to ensure that the debt-GDP ratio remains stable. The period 2005-09 should be taken as part of the adjustment phase. The suggested year-wise all state fiscal deficit to GDP targets for 2005-06 to 2009-10, consistent with the restructuring programme are: 4.13, 3.75, 3.38, 3.0, and 3.0 per cent of GDP.

4.1.14 The following steps are involved in operationalizing the scheme:

1) Determining the fiscal deficit to GSDP ratio relevant for the 'average' state as all-state average;
2) Adjusting the all-state fiscal deficit as percentage of all-state GSDP by applying an adjustment factor equal to [GDP/(sum of GSDPs)];
3) Determining the relevant interest rate, growth rate, and revenue-GSDP ratio for individual states and corresponding averages for all states, which may be applied to the current year; and
4) Applying the formula relating to the fiscal deficit of an individual state to that of all states to determine the permissible borrowing requirement for a given state and year.

It may be noted that some adjustments may have to be provided for states where existing interest payments are large relative to revenue receipts, and the correction required in the initial years is too large.

Endnotes

[1] Let the fiscal deficit of state j be fj and that for all-state average be fa. We know that

$$f_a=(ip)_a^*.r_a.g_a/i_a \quad \text{or} \quad (ip)_a^*= f_a.i_a/ r_a.g_a$$

Correspondingly for state j, $(ip)_j^*= f_j.i_j/ r_j.g_j$

Using the condition $(ip)_a^*=(ip)_j^*$,

we have, $f_j = f_a. \{i_j\, r_a.g_a / i_a\, r_j.g_j\}$

APPENDIX 4.2
(Chapter 4)

Trends in Employment and Salaries: An Inter-State Perspective

4.2.1 Salary payments account for a major share of the committed expenditures in the state budgets. In this note, the state-wise pattern of government employment, average salaries, and the share of salaries in the revenue expenditures of the states have been examined over the period 1994-95 to 2002-03. The salary revisions undertaken by the state governments, in the wake of the fifth Central Pay Commission, resulted in substantial increases in the average salaries. In spite of the increasing convergence in the salary structures, there are considerable differences in the average salaries per employee, which may be due to the differences in the composition of government employees and their age-profile, as well as differences in some allowances, among other factors.

4.2.2 The Eleventh Finance Commission had recommended that states should attempt to limit their salary expenditures relative to revenue receipts or revenue expenditures. Decisions relating to salary levels and levels of government employment should be taken keeping in view the fiscal capacity of the state and the size of population that needs to be served by the government. If the number of employees is relatively large, average salaries should be relatively less. A state that has a large work force, a high level of per employee salary, and low fiscal capacity, will find a large part of its revenue receipts being claimed by the overall salary bill. The work force, even if large, would not prove to be productively employed unless the state is able to provide complementary expenditures, that is, non-salary revenue expenditure and capital

Table 4.2.1

Per Employee Salary Expenditure: Per cent Increase After Salary Revisions

(Rs. per employee)

States	1995-96[A]	Average (1997-98 to 1999-00)[B]	Percentage increase [B over A]
Andhra Pradesh	38033	50278	32.20
Arunachal Pradesh	51369	79101	53.99
Assam	41616	60709	45.88
Bihar*	62482	100948	61.56
Goa	51333	83268	62.21
Gujarat	58745	83302	41.80
Haryana	44201	66869	51.28
Himachal Pradesh	50975	78364	53.73
Karnataka	38344	63997	66.90
Kerala	42762	63130	47.63
Madhya Pradesh*	52963	82372	55.53
Maharashtra	49083	73934	50.63
Meghalaya	62001	83172	34.15
Orissa	36040	66285	83.92
Punjab	51659	92325	78.72
Rajasthan	47682	72327	51.69
Sikkim	49012	100815	105.70
Tamil Nadu	52731	88570	67.97
Tripura	50654	59654	17.77
Uttar Pradesh*	45998	84675	84.09
West Bengal	45838	78723	71.74
Weighted Average (21 states)	**47398**	**75364**	**59.00**

Source (Basic Data): State Memoranda

expenditure.

4.2.3 Expenditure on government salaries includes basic salary, dearness allowance, city compensatory allowance, and other benefits including LTC and medical benefits. Table 4.2.1 shows salary expenditure of a state as percentage of its revenue expenditure excluding interest payments. The data used in this and tables of the appendix are based on information provided by the state governments. It has not been possible to go into the accuracy and comparability of data across states. There is a need for states to make salary and employment related data available on an annual basis in the budget documents.

4.2.4 The states implemented the salary revisions with effect from 1st January 1996, or some other specified date around this period, but were given effect to much later. Employees were given arrears, payments of which were also spread out in different ways across states. In order to consider the impact of salary revisions, it is useful to compare the pre-revised salary, i.e., of 1995-96 with the average of per employee salary in the later years. We find that the maximum impact of salary revision in different states was felt in 1997-98 to 1999-00. The average of these is centered in 1998-99. Table 4.2.1 shows that as compared to 1995-96, the average per employee salary over 1997-98 to 2000-01, centered in 1998-99, shows an increase of 59 per cent.

4.2.5 Table 4.2.2 shows the ratio of salary expenditure to revenue expenditure excluding interest payments and pensions. This ratio increased from a level of about 35 per cent prior to revisions to more than 40 per cent in 2000-01, after which it has started coming down, but it is still higher than the average pre-revision levels.

Table 4.2.2

Expenditure on Salaries Relative to Revenue Expenditures (Excluding Interest Payments and Pension)

(per cent)

States	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03
Andhra Pradesh	26.5	26.5	20.3	23.8	24.5	29.6	26.1	23.6	25.5
Arunachal Pradesh	40.5	41.1	39.7	45.2	50.1	48.6	46.7	43.6	47.8
Assam	60.7	60.7	70.4	71.7	74.3	75.9	71.1	71.5	71.7
Bihar	62.7	64.1	63.4	59.3	65.5	65.5	77.3	73.5	67.6
Goa	27.6	19.3	19.3	21.5	20.1	22.2	49.1	22.0	19.5
Gujarat	16.4	17.7	16.0	15.7	15.1	14.2	11.1	12.0	14.8
Haryana	20.8	29.6	27.5	28.3	39.6	52.5	52.6	47.0	49.6
Himachal Pradesh	45.9	46.7	47.6	45.9	51.4	51.7	51.5	58.9	58.3
Karnataka	37.3	35.9	34.6	39.3	39.3	40.0	37.6	36.3	38.3
Kerala	40.1	37.7	36.5	31.5	34.1	39.9	40.1	38.4	32.0
Madhya Pradesh	45.7	44.5	39.5	43.4	45.9	44.1	45.9	43.4	50.0
Maharashtra	25.3	25.4	22.3	22.5	22.7	31.2	21.2	21.8	19.8
Meghalaya	48.6	45.8	51.7	55.0	52.3	52.7	50.1	54.3	57.5
Orissa	44.0	43.2	54.0	61.5	65.4	57.2	64.6	57.0	65.5
Punjab	36.7	50.0	47.9	52.3	69.8	60.1	52.5	49.6	45.5
Rajasthan	39.6	37.8	45.9	50.4	54.4	52.6	49.2	49.3	48.0
Sikkim	16.8	11.6	10.6	11.1	17.9	18.3	37.6	17.1	16.5
Tamil Nadu	40.6	42.9	42.5	45.0	50.6	51.2	49.2	51.6	40.8
Tripura	53.1	68.8	54.5	55.8	59.9	64.4	60.2	67.0	69.9
Uttar Pradesh	33.8	34.1	34.7	39.7	37.3	38.5	38.8	35.4	37.5
West Bengal	31.8	31.2	29.8	31.5	36.6	30.4	30.1	30.1	35.4
Total (21states)	**35.2**	**36.2**	**34.8**	**37.0**	**39.7**	**41.3**	**38.3**	**36.8**	**37.3**

Source (State Memoranda)

4.2.6 The Commission has recommended in Chapter 4 that states should achieve a ratio of salary expenditure to revenue expenditure net of interest payments and pensions of 35 per cent, which is consistent with its average level in 1996-97. With a view to reaching this target, for the states that are above it, there are three possible routes, viz., (a) reducing the number of employees, (b) reducing the average per employee salary, and (c) increasing the level of revenue receipts without increasing the revenue deficit. If the number of employees is relatively large, average salaries should be relatively less. In contrast, if the state has kept the growth in the number of government employees within prudent limits, it will be easier for it to attain prudent levels of salary expenditures relative to revenue receipts. Adjustments would be largest for a state that has both a large work force, a high level of per employee salary, and low fiscal capacity. Tables 4.2.3 and 4.2.4 give, state wise, the total number of employees and per employee expenditure for the period 1994 to 2002-03

Table 4.2.3

Statewise Number of Government Employees

(Number)

States	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03
Andhra Pradesh	560138	564583	568907	697619	589998	581456	543147	514163	545859
Arunachal Pradesh	33222	36325	37420	39222	39606	39445	40231	40322	41165
Assam	413464	422690	430357	441590	459701	453245	447424	441634	435534
Bihar	627990	613440	595612	570241	548075	531633	515684	470825	462137
Goa	31241	31880	33807	34056	34230	35341	35379	34276	34499
Gujarat	209873	208680	204355	197768	215874	206036	205935	211008	203286
Haryana	300963	309795	315120	313790	316472	320515	319027	322217	325439
Himachal Pradesh	131497	138307	142934	148163	159542	168551	175324	177000	180540
Karnataka	593878	632117	654002	565072	606478	627973	619518	618062	622547
Kerala	357203	362540	361115	367572	377037	389563	385234	385881	352730
Madhya Pradesh	523583	526378	514677	513475	518381	516230	510115	505682	497985
Maharashtra	736607	747392	736591	736969	729546	707326	710802	695870	692265
Meghalaya	36194	38014	39613	42830	44928	46644	47427	48776	49813
Orissa	407290	426786	458295	468941	475791	458458	433452	426885	419468
Punjab	365703	367935	373468	371462	373270	378147	373702	376222	NA
Rajasthan	512224	531235	551054	569575	586452	596143	600835	611583	607469
Sikkim	19522	20158	21038	21701	20395	22728	22859	23426	23973
Tamil Nadu	690546	691515	691644	691644	708201	708699	708986	709599	NA
Tripura	90300	89242	96310	96725	96673	105038	103736	101604	98379
Uttar Pradesh	873351	865254	815213	809507	803801	705368	702666	705803	705803
West Bengal	432503	432403	433705	431599	436285	437018	441160	442544	439300
Total (21 states)	**7947292**	**8056669**	**8075237**	**8129521**	**8140736**	**8035557**	**7942643**	**7863382**	**6738191**

Source (State Memoranda)

Table 4.2.4

Per Employee Salary Expenditure

(In Rupees)

States	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03
Andhra Pradesh	35138	38033	40899	37991	49282	63562	75365	75897	80909
Arunachal Pradesh	48040	51369	57119	67613	81229	88462	94136	93558	98221
Assam	36895	41616	45720	51198	57860	73070	77432	81745	83720
Bihar*	54900	62482	67950	79987	97094	125763	125198	97677	105125
Goa	43989	51333	61566	76501	83729	89573	92510	100053	102491
Gujarat	46501	58745	62631	74892	84218	90795	94320	96782	108095
Haryana	38922	44201	50667	50027	68620	81960	84196	92624	101355
Himachal Pradesh	45542	50975	56717	66669	83728	84695	91691	101907	110582
Karnataka	36314	38344	42800	58445	61759	71788	73864	80491	81000
Kerala	40554	42762	48599	50699	59504	79187	79443	72359	85961
Madhya Pradesh*	46205	52963	60517	67392	85515	94208	99718	92114	106000
Maharashtra	43053	49083	53015	57885	64797	99119	87452	90126	86281
Meghalaya	53434	62001	70568	77378	82668	89471	96181	108088	113808
Orissa	33262	36040	44441	51104	66479	81272	82980	78748	92876
Punjab	45432	51659	62492	77198	98641	101137	114726	109846	NA
Rajasthan	41745	47682	53057	57281	78153	81548	81777	83651	87115
Sikkim	42665	49012	54430	62041	125552	114852	109617	113651	121684
Tamil Nadu	45173	52731	61775	71807	91394	102509	101463	102998	NA
Tripura	34891	50654	42277	49915	58755	70292	77736	89609	99631
Uttar Pradesh*	40045	45998	56940	74531	79486	100010	105592	94971	108602
West Bengal	41846	45838	52430	57728	84631	93809	100265	98601	103714
Weighted Average (21 states)	**41968**	**47398**	**53631**	**61377**	**75116**	**89600**	**92214**	**90353**	**94603**
Growth Rate (Average Salary)		**12.94**	**13.15**	**14.44**	**22.38**	**19.28**	**2.92**	**-2.02**	**4.70**

Source (State Memoranda)
*** These states were bifurcated in 2000. Data in 2000-01 and 2001-02 relate to the position after bifurcation.**