

ANNEXURES

Annexure-1.1

(Refer Para no. 1.2 and 6.3)

Fiscal policy statements and disclosure forms prescribed under the FRBM Act

Fiscal policy statements	
Medium Term Fiscal Policy Statement	MTFP Statement contain three year rolling targets for three fiscal indicators, Tax Revenue and Total Outstanding Liabilities as a percentage to GDP with specifications of underlying assumptions, including assessment of sustainability relating to balance between revenue receipt and revenue expenditure; use of capital receipts including market borrowings for generating productive assets.
Fiscal Policy Strategy Statement	FPS Statement contain policies of the Central Government for the ensuing financial year, relating to taxation, expenditure, market borrowings and other liabilities, lending and investment, pricing of administered goods and services, securities and description of other activities etc.
Macro-economic Framework Statement	MF Statement contain an assessment of overview of the Economy, growth in GDP, fiscal balance of the Union Government and external sector balance of economy as reflected in current account of balance of payment.
Medium Term Expenditure Framework Statement	MTEF Statement contain three year rolling target for prescribed expenditure indicators, with specification of underlying assumptions and risks involved.
Disclosure Statements	
Form No.	Details
D-1	Tax Revenue raised but not realized
D-2	Arrears of Non-Tax Revenue
D-3	Guarantees given by the Government
D-4	Asset Register
D-5	Liability on Annuity Projects
D-6	Grants for creation of capital assets

Annexure-3.1
(Refer Graph 3.1, 3.2, 3.4 and Para 6.1.1)
Deficits, GDP and Grants for creation of capital assets

(₹ in crore)

Financial Year	GDP*	Derived from Annual Financial Statement/Union Government Finance Accounts					As per Budget at a Glance					Variation in fiscal deficit
		Revenue Deficit	Effective Revenue Deficit	Fiscal Deficit	Expenditure on Grants for creation of capital assets	Grants for creation of capital assets as %age of Revenue Deficit	Revenue Deficit	Effective Revenue Deficit	Fiscal Deficit	Expenditure on Grants for creation of capital assets	Grants for creation of capital assets as %age of Revenue Deficit	
	1	2	3=2-5	4	5	6=5/2	7	8=7-10	9	10	11	12=4-9
2011-12	87,36,039 RE ₂	3,94,918	2,93,687	5,17,881	1,01,231	25.6	3,94,348	2,61,766	5,15,990	1,32,582	33.6	1,891
2012-13	99,51,344 RE ₂	3,64,582	2,48,872	4,94,514	1,15,710	31.7	3,64,282	2,48,572	4,90,190	1,15,710	31.8	4,324
2013-14	1,12,72,764 RE ₂	3,57,303	2,27,465	5,03,230	1,29,838	36.3	3,57,048	2,27,630	5,02,858	1,29,418	36.2	372
2014-15	1,24,88,205 RE ₁	3,66,228	2,35,468	5,15,948	1,30,760	35.7	3,65,520	2,34,760	5,10,725	1,30,760	35.8	5,223
2015-16	1,35,76,086 PE	3,43,369	2,12,414	5,85,497	1,30,955	38.1	3,42,736	2,10,982	5,32,791	1,31,754	38.4	52,706

* GDP (new series) released in May 2016 has been adopted. RE-Revised Estimates, PE- Provisional Estimates

Annexure-3.2

(Refer Para No. 3.4.4.2)

Deficiency in estimating grants for creation of capital assets

(₹ in crore)

Sl. No.	Ministry/ Department	Estimates for FY 2015-16 as provided in		Variation	Remarks
		Expenditure Budget Vol-I	DDG		
	1	2	3	4=3-2	5
1.	Finance- Transfer to State/UT Governments	Nil	13,500.00	13,500.00	
2.	Food Processing	Nil	10.00	10.00	
3.	Health Research	Nil	98.00	98.00	
4.	Women & Child Development	Nil	457.37	457.37	Ministry in December 2016 intimated that BE of ₹ 457.37 crore was intimated to the MoF which was not included in the Expenditure Budget of 2015-16.
5.	Civil Aviation	80.00	122.40	42.40	Ministry while accepting this, stated (February 2017) that the amount was inadvertently omitted while furnishing data for Expenditure Budget.
6.	Earth Science	55.90	31.27	(-)24.63	Ministry accepted the observation and stated (March 2017) that variation was due to receipt of less BE 2015-16 under the object head 35 as reflected in DDG.
7.	Environment & Forest	126.06	125.80	(-)0.26	Ministry stated (March 2017) that in DDG the amount was inadvertently shown under a different object head resulting in discrepancy.
8.	Higher Education	6,156.42	6,962.31	805.89	
9.	Health & Family Welfare	2,571.87	2,727.39	155.52	
10.	Information & Broadcasting	610.65	531.05	(-)79.60	
11.	Law & Justice	792.14	563.00	(-)229.14	
12.	Power	5,149.94	5,280.00	130.06	
13.	Tourism	196.00	213.00	17.00	Ministry in February 2017 accepted the observation.
14.	Urban Development	5,859.49	5,834.21	(-)25.28	Ministry of Urban Development has accepted the observation.
15.	Water Resources, River Development & Ganga Rejuvenation	4,446.00	4,442.00	(-)4.00	Ministry stated (March 2017) that amount of ₹ 4442 crore communicated to the MoF was correct.
16.	Petroleum	50.00	2.00	(-)48.00	In DDG the provision of ₹ 48 crore to Rajiv Gandhi Institute of Petroleum Technology was made under the head Grants-in-aid general but in Expenditure Budget Vol. I it was shown under grants for creation of capital assets.
17.	Posts	331.65	Nil	(-)331.65	Object head grants for creation of capital assets was not being operated by Posts and the entire provision of ₹ 331.65 crore were shown under

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					capital major head.
18.	Pharmaceuticals	Nil	96.97	96.97	
19.	Housing and Urban and Poverty Alleviation	Nil	4,086.41	4,086.41	Ministry did not furnish the information to Ministry of Finance.
20.	Ministry of Defence	Nil	170.00	170.00	Provisions were made in DDG but were not included in Expenditure Budget Vol I.
Total underestimation of grants for creation of capital assets					19,569.62
Total overestimation of grants for creation of capital assets					742.56
Net impact					18,827.06

MoF - Ministry of Finance, Department of Economic Affairs, Budget Division

Annexure- 4.1

(Refer Para No. 4.3.1)

Misclassification of expenditure as reported in Para 4.4 of CAG's Report No. 34 of 2016

Sl. No	Description of Grant	Major head	Object head in which expenditure was incorrectly booked	Amount (₹ in crore)
(A) Para No.4.4.1-Misclassification of expenditure of capital nature as revenue expenditure				
1.	04-Department of Atomic Energy	2852	51/52/60	10.71
2.		3401	51/52	11.26
3.	60-Department of Higher Education	2202	53	2.99
4.	66-Ministry of Micro, Small and Medium Enterprises	2851	52	3.27
Total (A)				28.23
(B) Para No.4.4.2-Misclassification of expenditure of revenue nature under capital head of expenditure				
1.	89-Ministry of Shipping	5051	50	0.64
2.		5052	50	0.35
3.	97-Ministry of Tourism	5452	28	0.62
4.	103-Lakshadweep	4810	35	2.00
Total (B)				3.61
(C) Para No.4.4.3-Misclassification of expenditure of revenue nature under capital head of expenditure				
1.	15-Department of Telecommunications	5275/4552	60	319.99
2.	21-Ministry of Defence (Civil)	5054	53	1,600.25
3.	93-Department of Space		60/53/52	4.39
Total (C)				1,924.63
(D) Para No.4.4.3-Misclassification of expenditure of capital nature under revenue head of expenditure				
1.	93-Department of Space		21/50	317.23
Total (D)				317.23
Understatement of capital expenditure (A+D)				345.46
Overstatement of capital expenditure (B+C)				1,928.24
Net overstatement of capital expenditure				1,582.78

Annexure-4.2
(Refer Para No. 4.3.2)

Short transfer of levy/cess collected during financial year 2015-16

(₹ in crore)

Sl. No.	Levy/Cess	Receipts collected	Transfer to the Fund	Short Transfer
1.	Universal Service Obligation (USO) Fund was setup in April 2002 to be utilized exclusively for meeting the Universal Service Obligation by providing access to basic telegraph services, viz. public telecommunication and information services and household telephones in rural and remote areas, as may be determined by the Central Government. The resources for meeting the USO Fund are to be credited to the Consolidated Fund of India (CFI) raised through a 'Universal Access Levy' and subsequently transferred to the non-lapsable USO Fund in the Public Account of India for being utilized exclusively towards the stated objectives. (Head 8235.118)	9,835.70	3,100.00	6,735.70
2.	National Clean Energy (NCE) Fund was established in 2010-11 for funding research and innovative projects in clean energy technology by levying a clean energy cess on coal produced in India and imported coal. The cess credited to the CFI is subsequently transferred to the NCE Fund in the Public Account. (Head 8235.129)	12,675.60	100.00	12,575.60
3.	Cess on Feature Film collected during the year and credited to CFI was to be transferred to Cine Workers Welfare Fund in the Public Account. (8229.115)	4.13	1.93	2.20
4.	Cess on Tea collected during the year and credited to CFI was to be transferred to Development Fund for Tea Sector. (Head 8229.126)	60.12	Nil	60.12
5.	Cess on Iron Ore collected during the year and credited to CFI was to be transferred to Mines Welfare Fund.	15.84	35.42	11.25
	Cess on Limestone and Dolomite collected during the year and credited to CFI was to be transferred to Mines Welfare Fund. (Head 8229.00.114)	30.83		
6.	Swachh Bharat Cess collected during the year and credited to CFI was to be transferred to Rasrtiya Swachhata Kosh. (Head 8235.135)	3,925.74	2,400.00	1,525.74
Total		26,547.96	5,637.35	20,910.61

Annexure-5.1

(Refer Para No. 5.2)

Expenditure projection for FY 2015-16

(₹ in crore)

Heads of expenditure	Projections for FY 15-16 (in MTEF Statement for FY 2014-15)	BE in MTEF of 2015-16	% age change in BE 2015-16 (Col.3 w.r.t Col.2)	RE for 2015-16 in MTEF Statement for FY 2016-17	% age change in RE 2015-16 (Col.5 w.r.t Col.2)	
1	2	3	4	5	6	
Revenue Expenditure						
Salary	99,625	1,00,619	1.00	93,740	-5.91	
Interest	4,68,431	4,56,145	-2.62	4,42,620	-5.51	
Pension	90,154	88,521	-1.81	95,731	6.19	
Subsidy						
	Fertilizer	76,000	72,969	-3.99	72,438	-4.69
	Food	1,20,000	1,24,419	3.68	1,39,419	16.18
	Petroleum	50,000	30,000	-40.00	30,000	-40.00
Centralized Provision for Grants to States	1,27,926	1,12,690	-11.91	1,06,679	-16.61	
Defence	1,47,853	1,55,072	4.88	1,48,228	0.25	
Postal Deficit	6,908	6,665	-3.52	6,749	-2.30	
External Affairs	10,041	9,625	-4.14	9,674	-3.66	
Home Affairs	16,809	15,827	-5.84	16,471	-2.01	
Tax Administration	12,988	18,627	43.42	19,591	50.84	
Finance	22,546	30,902	37.06	24,484	8.60	
Education	76,762	55,916	-27.16	56,495	-26.40	
Health	34,259	26,110	-23.79	29,190	-14.80	
Social Welfare	38,671	25,142	-34.98	31,571	-18.36	
Agriculture and Allied	30,416	22,206	-26.99	21,362	-29.77	
Commerce and Industry	16,178	14,030	-13.28	13,602	-15.92	
Urban Development	15,588	13,259	-14.94	8,132	-47.83	
Rural Development	1,15,334	79,581	-31.00	90,319	-21.69	
Development of North East Region	2,348	2,187	-6.86	1,843	-21.51	
Planning and Statistics	6,419	6,064	-5.53	5,668	-11.70	
Scientific Department	10,393	10,827	4.18	10,639	2.37	
Energy	12,011	9,256	-22.94	10,310	-14.16	
Transport	18,125	14,314	-21.03	21,286	17.44	
IT and Telecom	8,060	5,627	-30.19	11,789	46.27	
UT	6,277	6,299	0.35	6,489	3.38	
Others	34,237	23,148	-32.39	23,155	-32.37	
Revenue Expenditure	16,74,359	15,36,047	-8.26	15,47,673	-7.57	
<i>of which Grants for creation of capital assets</i>	3,01,598	1,10,551	-63.34	1,32,004	-56.23	

Capital Expenditure					
Defence	1,08,776	98,176	-9.74	85,114	-21.75
Home Affairs	14,275	9,349	-34.51	9,539	-33.18
Finance	21,912	11,136	-49.18	32,316	47.48
Health	3,483	934	-73.18	1,021	-70.69
Commerce and Industry	1,637	1,657	1.22	1,022	-37.57
Urban Development	11,853	10,068	-15.06	10,636	-10.27
Planning and Statistics	1,113	375	-66.31	437	-60.74
Scientific Departments	5,273	3,615	-31.44	3,207	-39.18
Energy	9,904	6,107	-38.34	7,673	-22.53
Transport	69,767	75,873	8.75	63,105	-9.55
IT and Telecom	5,352	2,738	-48.84	2,473	-53.79
Loans to States	13,200	12,500	-5.30	12,500	-5.30
UT	2,244	1,946	-13.28	1,880	-16.22
Others	10,948	6,957	-36.45	6,794	-37.94
Capital Expenditure	2,79,738	2,41,430	-13.69	2,37,718	-15.02
Total Expenditure	19,54,096	17,77,477	-9.04	17,85,391	-8.63