

**State Finances Audit Report of the
Comptroller and Auditor General of India
for the year ended 31 March 2020**



लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest



Government of Jharkhand
Report No. 2 for the year 2021

**State Finances Audit Report of the
Comptroller and Auditor General of India
for the year ended 31 March 2020**

Government of Jharkhand

Report No. 2 for the year 2021

TABLE OF CONTENTS

	Reference	
	Paragraph	Page No.
Preface	-	v
Executive Summary	-	vii
CHAPTER 1: OVERVIEW		
Profile of the State	1.1	1
Basis and Approach to State Finances Audit Report	1.2	1
Overview of Government Account Structure and Budgetary Processes	1.3	2
Fiscal Balance: Achievement of deficit and total debt targets	1.4	6
Deficits and Total Debt after examination in audit	1.5	8
CHAPTER 2: FINANCES OF THE STATE		
Major changes in Key fiscal aggregates <i>vis-à-vis</i> 2019-20	2.1	11
Sources and Application of Funds	2.2	11
Resources of the State	2.3	12
State's Revenue Receipts	2.3.1	14
Capital receipts	2.3.2	22
State's performance in mobilization of resources	2.3.3	23
Application of resources	2.4	23
Revenue Expenditure	2.4.1	25
Committed Expenditure	2.4.2	27
Capital Expenditure	2.4.3	29
Quality of capital expenditure	2.4.4	30
Loans and Advances given by the Government	2.4.5	32
Capital locked in incomplete projects	2.4.6	33
Capital expenditure transferred to public accounts	2.4.7	34
Implementation of Ujwal Discom Assurance Yojana (UDAY)	2.4.8	35
Resource availability of the State under Public Private Partnership Projects	2.4.9	35
Expenditure priorities	2.4.10	36
Object head wise expenditure	2.4.11	36
Public Account	2.5	37
Net Public Account Balances	2.5.1	37
Reserve Funds bearing interest	2.5.2	38
Reserve Funds not bearing interest	2.5.3	40
Debt management	2.5.4	40
Debt Maturity profile and Repayment	2.6	43
Management of Cash Balances	2.7	46
Conclusion	2.8	47
CHAPTER 3: BUDGETARY MANAGEMENT		
Budget Process	3.1	49
Charged and voted disbursement	3.2	50
Appropriation Accounts	3.3	50

	Reference	
	Paragraph	Page No.
Comments on transparency of budgetary and Accounting process	3.4	56
Rush of expenditure	3.5	59
Audit of Budgetary provision of Grant No. 56- Rural Development Department (Panchayati Raj Division)	3.6	60
Budgetary Process for Grant No. 29 – Mines and Geology Department	3.7	70
Conclusion	3.8	77
CHAPTER 4: QUALITY OF ACCOUNTS AND FINANCIAL REPORTING PRACTICES		
Labour Cess	4.1	79
Off Budget Borrowings	4.2	81
Funds transferred directly to State implementing agencies	4.3	81
Deposit of Local Funds	4.4	82
Delay in submission of Utilisation Certificates	4.5	82
Abstract Contingent bills	4.6	84
Delay in submission of DC bills	4.7	86
Personal Ledger Accounts	4.8	87
Personal Deposit Accounts	4.9	88
Indiscriminate use of Minor head 800	4.10	88
Outstanding balance under major Suspense and DDR heads	4.11	89
Non-reconciliation of Departmental figures	4.12	90
Reconciliation of Cash Balances	4.13	91
Compliance with Accounting Standards	4.14	91
Submission of Accounts/Separate Audit Reports of Autonomous Bodies	4.15	92
Non-submission of details of grants / loans given to bodies and authorities	4.16	95
Misappropriations, losses, thefts, etc.	4.17	96
Follow up action on State Finances Audit Report	4.18	96
Conclusion	4.19	96

Appendices

Appendix No.	Description	Page No.
Appendix 1.1 Part-A	Profile of Jharkhand	99
Appendix 1.1 Part-B	Structure and Form of Government Accounts	100
Appendix 1.1 Part-C	Layout of Finance Accounts	100
Appendix 1.2	Abstract of Receipts and Disbursements for the year 2019-20	101
Appendix 2.1	Time series data on the State Government finances	104
Appendix 2.2	Summarised financial position of the Government of Jharkhand as on 31 March 2020	107
Appendix 3.1	Grant-wise summary of schemes where expenditure incurred without budget provision	108
Appendix 3.2	Details of cases where supplementary provision (₹ 0.50 crore or more in each case) proved unnecessary	109
Appendix 3.3	Unnecessary or excessive re-appropriation	111
Appendix 3.4	Large savings (savings above ₹ 100 crore) during the year	112
Appendix 3.5	Surrender of funds in excess of ₹ 10 crore at the end of March	114
Appendix 3.6	Excess disbursements over grants/appropriations during 2019-20	116
Appendix 3.7	Excess over provisions of previous years requiring regularisation	122
Appendix 3.8	Details of the schemes for which provision (₹ 1 crore and above) was made but no expenditure was incurred	123
Appendix 3.9	Rush of expenditure	133
Appendix 3.10	Details of DDOs who submitted the Budget to the department	134
Appendix 3.11	Statement showing budget provisions and its utilization	134
Appendix 3.12	Details of non-utilization of whole budget provision	135
Appendix 3.13	Statement showing Rush of Expenditure	136
Appendix 3.14	Surrender in the last day of the financial year 2019-20	137
Appendix 3.15	Statement showing no. of Adiwasi Vikash Samiti and Fund Transfer under AVS	138
Appendix 3.16	Statement Showing Allotment - Expenditure under Adivasi Vikas Samiti in Eight test check Districts	139
Appendix 3.17	Release of fund under Basic Grant of Fourteen Finance Commission	140
Appendix 3.18	Statement showing blockage of fund	140
Appendix 3.19	Non-utilisation and surrender of entire budget provision	141

Appendix No.	Description	Page No.
Appendix 3.20	Surrender of fund on the last day of the financial year	142
Appendix 3.21	Rush of Expenditure	143
Appendix 3.22	Details of Non-reconciliation of departmental expenditure	143
Appendix 4.1	Details of outstanding DC bills in Mines and Geology department	144
Appendix 4.2	Statement showing details of receipts classified as “800 Other Receipts	145
Appendix 4.3	List of auditable units identified u/s 14 & 15 of CAG's DPC Act	146
Glossary and Basis of Calculation		148

Preface

This Report has been prepared for submission to the Governor of Jharkhand under Article 151 of the Constitution.

Chapter 1 of this Report contains the basis and approach to State Finances Audit Report, structure of the Report, structure of Government Accounts, budgetary processes, trends in key fiscal parameters like revenue surplus/deficit, fiscal surplus/ deficit, etc. and fiscal correction path.

Chapters 2 & 3 of the Report contain audit findings on matters arising from an examination of the Finance Accounts and Appropriation Accounts respectively, of the State Government for the year ended 31 March 2020. Information has been obtained from Government of Jharkhand, wherever necessary.

Chapter 4 on 'Quality of Accounts & Financial Reporting Practices' provides an overview and status of the State Government's compliance with various financial rules, procedures and directives during the current year.

The Reports containing the findings of Performance Audit and Compliance Audit in various Government departments, observations arising out of audit of Statutory Corporations, Boards and Government Companies and observations on Revenue Receipts are presented separately

EXECUTIVE SUMMARY

Executive Summary

The Report

Based on the audited accounts of the Government of Jharkhand for the year ending 31 March 2020, this Report provides an analytical review of the finances of the State Government. The Report is structured in four Chapters.

Chapter 1-Overview: This Chapter describes the basis and approach to the Report and the underlying data, provides an overview of structure of government accounts, budgetary processes, macro-fiscal analysis of key indices and State's fiscal position including the deficits/ surplus.

Chapter 2-Finances of the State: This chapter provides a broad perspective of the finances of the State, analyses the critical changes in major fiscal aggregates relative to the previous year, overall trends during the last five years, debt profile of the State and key Public Account transactions, based on the Finance Accounts of the State.

Chapter 3-Budgetary Management: This chapter is based on the Appropriation Accounts of the State and reviews of the appropriations and allocative priorities of the State Government and reports on deviations from Constitutional provisions relating to budgetary management.

Chapter 4-Quality of Accounts & Financial Reporting Practices: This chapter comments on the quality of accounts rendered by various authorities of the State Government and issues of non-compliance with prescribed financial rules and regulations.

Audit findings

Fiscal Position

The fiscal position of the State is viewed in terms of three key fiscal parameters – Revenue Deficit/ Surplus, Fiscal Deficit/ Surplus and the ratio of Outstanding Debt to GSDP. The State was a Revenue Surplus State since 2006-07 except the year 2009-10 and 2014-15. During 2019-20, the Revenue Surplus was ₹1,960 crore. However, this surplus has to be viewed in the light of non-contribution to the required causes by the State Government and misclassification of revenue items under capital category. Incorporating these would result in the State having a Revenue Surplus of ₹ 440.16 crore during 2019-20.

During the five-year period 2015-20, the outstanding debt of the State remained between 27.36 and 28.73 *per cent* of GSDP, which was above the targets prescribed in Medium Term Fiscal Policy statement prepared under Jharkhand Fiscal Responsibility and Budget Management Act, 2007.

(Chapter 1&2)

Finances of the State

Deficit indicators, revenue augmentation and expenditure management are major yardsticks for judging the fiscal performance of the Government.

The State had a revenue surplus of ₹1,960 crore in 2019-20. The fiscal deficit of the State was 2.45 *per cent* of GSDP at the end of March 2020 against the FRBM target and FFC norm of three *per cent*.

In total expenditure of the State, share of expenditure on General Services increased consistently from 2015-16 onwards whereas, share of expenditure on Economic Services decreased significantly from 45.33 *per cent* in 2015-16 to 35.48 *per cent* in 2019-20. Share of expenditure on Social Service fluctuated between 31 and 35 *per cent* during 2015-20.

Revenue expenditure of the State constituted 85 *per cent* of the total expenditure of which 42.74 *per cent* was spent on salaries, subsidy, interest and pension payment.

Capital expenditure during 2019-20 decreased by ₹ 833 crore over the previous year due to less expenditure on social services by 11 *per cent* and economic service by 13 *per cent*.

As per annual accounts of the State ending 31 March 2020, the Government had invested ₹447.95 crore in Government Companies, Rural bank and Co-operative institutions since inception of the State in November 2000. The returns on these investment was 'nil' during 2019-20 while the Government paid an average interest rate of 6.34 *per cent* on its borrowings during 2019-20.

Apart from investments, huge amount of loans (₹ 20,846 crore) given by the Government to various entities were outstanding at the end of March 2020.

Overall fiscal liabilities increased from ₹ 83,783 crore in 2018-19 to ₹ 94,407 crore in 2019-20. The ratio of fiscal liabilities to GSDP was 28.73 *per cent* against the MTFP target of 27.10 *per cent*. Increasing liabilities raised the issue of sustainability of State Government Finances. Apportionment of fiscal liabilities of the composite Bihar State between successor States of Bihar and Jharkhand has not been done so far.

Government of Jharkhand (GoJ) had not paid any interest to State Disaster Response Fund (SDRF) since its creation, which works out to ₹ 681.76 crore. Although, the Government made budget provision of ₹ 280.16 crore for transfer to the Sinking Fund during the year, however, the same was not transferred.

(Chapter 2)

Budgetary Management

Total savings of ₹ 23,984.71 crore (25.31 *per cent* of the total budget), during 2019-20, under the grants was indicative of improper budget estimation.

Further, these grants had persistent savings of at least ₹ 6,184.28 crore during last four years.

Supplementary provisions aggregating ₹ 9,277.22 crore (99.37 per cent) obtained in 58 cases (₹ 0.50 crore or more in each case) during the year, proved unnecessary as the expenditure did not come up even to the level of the original provisions.

Excess disbursements over grants/appropriations amounting to ₹ 3,015.37 crore, pertaining to the years 2001-02 to 2017-18, are yet to be regularised by the State Legislature. Further, excess expenditure of ₹ 313.32 crore was incurred in one grant and one appropriation during 2019-20.

(Chapter 3)

Quality of Accounts & Financial Reporting Practices

Labour cess amounting to ₹550.18 crore collected upto March 2020 was not transferred to the Labour Welfare Board (October 2020) thereby inflating the revenue surplus and understating the fiscal deficit of the State during the relevant years and represent the unaccounted liabilities of the State.

The fees collected by the Jharkhand State Electricity Regulatory Commission were kept in a nationalised bank account of Jharkhand State Electricity Regulatory Commission (JSERC), out of Public Account. As such, an amount of ₹ 32.90 crore of receipts were kept outside of the Public Account of the State during 2014-15 to 2019-20. As on 31 March 2020, 29,358 Utilisation Certificates (UCs) amounting to ₹69,702.99 crore were outstanding in the State upto 2019-20 by different departments.

Drawal of funds on AC bills and non-submission of DC bills within the prescribed time not only breaches financial discipline but also entails risk of misappropriation of public money and unhealthy practices. As of 31 March 2020, a huge number of DC bills (18,219) amounting to ₹ 6,444.44 crore were not submitted against the AC bills drawn up to 2019-20.

(Chapter 4)

Chapter-1
OVERVIEW

CHAPTER 1

OVERVIEW

1.1 Profile of the State

The State of Jharkhand was created in November 2000 by dividing the State of Bihar. It has an area of 79,714 sq. km. It is the 16th largest State of the country in terms of geographical area, of which, 29.62 *per cent* area is covered by forest. The State has 24 Districts, of which, nine districts have coverage of forestland between 30 and 56 *per cent* of its geographical area.

The land of Jharkhand is endowed with varieties of mineral resources. The major mineral resources are like coal, iron ore, bauxite, limestone, copper, mica, graphite, china clay, and uranium. Jharkhand is the only state producing coking coal and uranium in the country. There are 373 mines of major minerals, 3,572 mines of minor minerals and seven mines of both major as well as minor minerals in the state as on 31st March 2020.

As indicated in **Appendix 1.1 Part-A** the State's population increased from 3.33 crore in 2011 to 3.82 crore in 2020, an increase of 14.71 *per cent* in 10 years. The Gross State Domestic Product (GSDP) in 2019-20, at current prices, was ₹ 3,28,598 crore. At current prices, the estimated per capita income of the State was ₹ 90,475 during 2019-20.

1.2 Basis and Approach to State Finances Audit Report

The State Finances Audit Report (SFAR) is prepared and submitted under Article 151 (2) of the Constitution of India.

Principal Accountant General (Accounts & Entitlements) prepares the Finance Accounts and Appropriation Accounts of the State annually, from the vouchers, challans and initial and subsidiary accounts rendered by the treasuries, offices and departments responsible for keeping of such accounts, and the statements received from the Reserve Bank of India. These accounts are audited independently by the Principal Accountant General (Audit), and certified by the CAG. Finance Accounts and Appropriation Accounts of the State constitute the core data for this report. Other sources include the following:

- Budget of the State for assessing the fiscal parameters and allocative priorities *vis-à-vis* projections, as well as for evaluating the effectiveness of its implementation and compliance with the relevant rules and prescribed procedures;
- Results of audit carried out by the Office of the Principal Accountant General (Audit);
- Other data with Departmental Authorities and Treasuries (accounting as well as MIS),
- GSDP data and other State related statistics; and

- Various audit reports of the CAG of India.

The analysis was also carried out in the context of recommendations of the Fourteenth Finance Commission (FFC), State Financial Responsibility and Budget Management Act, best practices and guidelines of the Government of India. A meeting was held with State Finance Department, wherein the audit approach was explained and the draft Report was forwarded to the State Government for comments. Replies of the Government, where received, were incorporated in this Report at appropriate places.

1.3 Overview of Government Account Structure and Budgetary Processes

The Accounts of the State Government are kept in three parts:

1. Consolidated Fund of the State (Article 266(1) of the Constitution of India)
2. Contingency Fund of the State (Article 267(2) of the Constitution of India)
3. Public Accounts of the State (Article 266(2) of the Constitution)

There is a constitutional requirement in India (Article 202) to present before the House or Houses of the Legislature of the State, a statement of estimated receipts and expenditures of the government in respect of every financial year. This 'Annual Financial Statement' constitutes the main budget document. Further, the budget must distinguish expenditure on the revenue account from other expenditures.

Revenue receipts consist of tax revenue, non-tax revenue, share of Union Taxes/ Duties, and grants from Government of India.

Revenue expenditure consists of all those expenditures of the government which do not result in creation of physical or financial assets. It relates to those expenses incurred for the normal functioning of the government departments and various services, interest payments on debt incurred by the government, and grants given to various institutions (even though some of the grants may be meant for creation of assets).

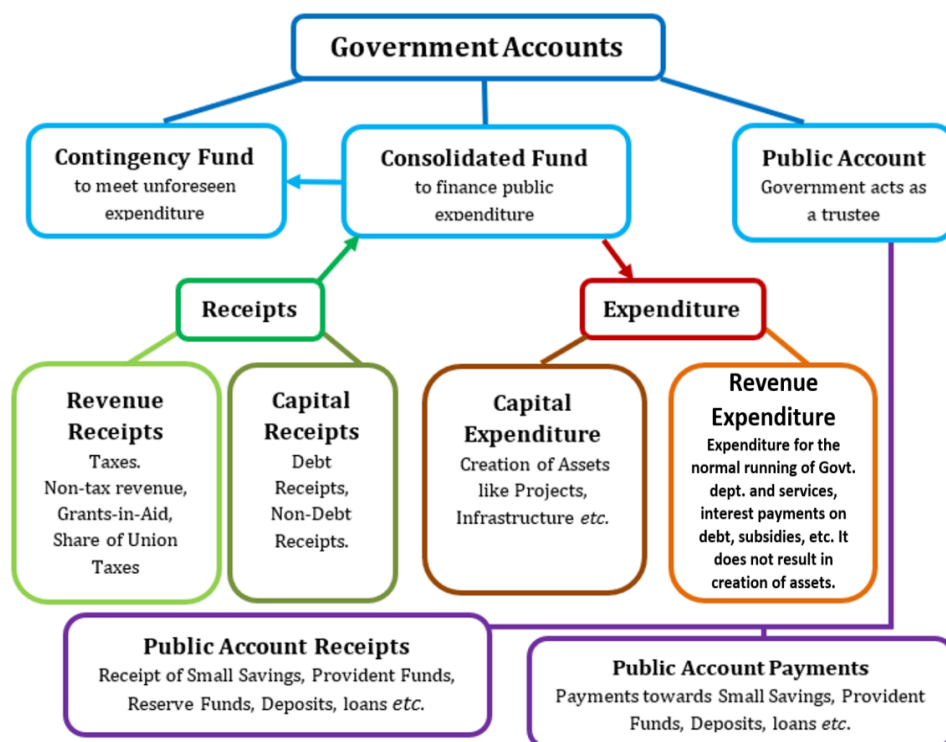
The **capital receipts** consist of:

Debt receipts: Market Loans, Bonds, Loans from financial institutions, Net transaction under Ways and Means Advances, Loans and Advances from Central Government, *etc.*;

Non-debt receipts: Proceeds from disinvestment, Recoveries of loans and advances;

Capital Expenditure includes expenditure on the acquisition of land, building, machinery, equipment, investment in shares, and loans and advances by the government to PSUs and other parties.

Chart 1.1: Structure of Government Accounts



At present, we have an accounting classification system in government that is both functional and economic.

Table 1.1: Classification system of Government Accounts

	Attribute of transaction	Classification
Standardized in LMMH by CGA	Function- Education, Health, etc.	Major Head under Grants (4-digit)
	Sub-Function	Sub Major head (2-digit)
	Programme	Minor Head (3-digit)
Flexibility left for States	Scheme	Sub-Head (2-digit)
	Sub scheme	Detailed Head (2-digit)
	Economic nature/Activity	Object Head-salary, minor works, etc. (2-digit)

The functional classification lets us know the department, function, scheme or programme, and object of the expenditure. Economic classification helps organize these payments as revenue, capital, debt etc. Economic classification is achieved by the numbering logic embedded in the first digit of 4-digit Major Heads. For instance, 0 and 1 is for revenue receipts, 2 and 3 for revenue expenditure, etc. Economic classification is also achieved by an inherent definition and distribution of some object heads which is the primary unit of appropriation in the budget documents. For instance, generally object head “salary” is revenue expenditure and object head “construction” is capital expenditure. Details of Finance Accounts are given in **Appendix 1.1 Part B**.

Budgetary Processes

In terms of Article 202 of the Constitution of India, the Governor of State cause to be laid before the State Legislature, a statement of the estimated

receipts and expenditure of the State for the year 2019-20, in the form of an Annual Financial Statement. In terms of Article 203, the statement is submitted to the State Legislature in the form of Demands for Grants/ Appropriations and after approval of these, the Appropriation Bill is passed by the Legislature under Article 204 to provide for appropriation of the required money out of the Consolidated Fund.

The State Budget Manual details the budget formulation process and guides the State Government in preparing its budgetary estimates and monitoring its expenditure activities. Results of audit scrutiny of budget and implementation of other budgetary initiatives of the State Government are detailed in **Chapter 3** of this Report.

1.3.1 Gross State Domestic Product of Jharkhand

Gross State Domestic Product (GSDP) is the value of all the goods and services produced within the boundaries of the State in a given period of time. Growth of GSDP is an important indicator of the State's economy, as it denotes the extent of changes in the level of economic development of the State over a period of time.

Changes in sectoral contribution to the GSDP are also important to understand the changing structure of economy. The economic activity is generally divided into Primary, Secondary and Tertiary sectors, which correspond to the Agriculture, Industry and Service sectors.

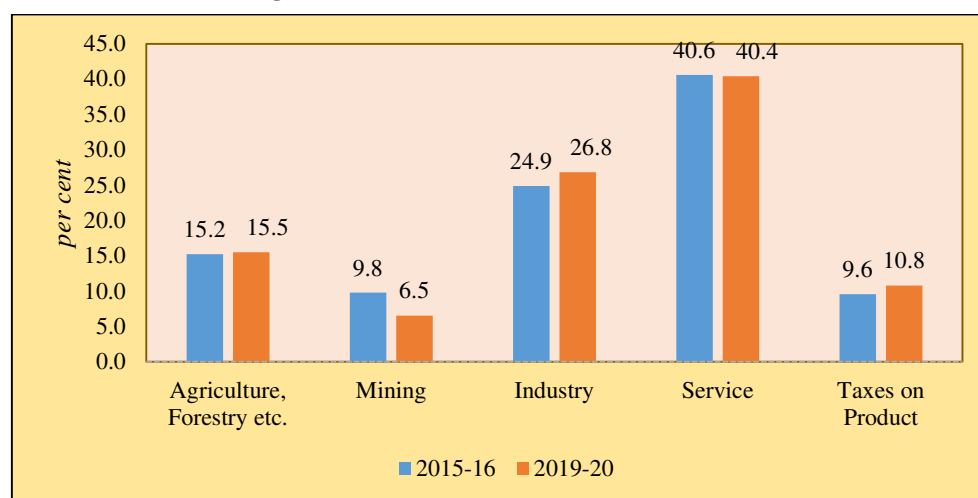
Table 1.2: Trends in GSDP compared to the national GDP

Year	2015-16	2016-17	2017-18	2018-19	2019-20
National GDP (2011-12 Series)	1,37,71,874	1,53,91,669	1,70,98,304	1,89,71,237	2,03,39,849
Growth rate of GDP over previous year (in per cent)	10.46	11.76	11.09	10.95	7.21
State's GSDP (2011-12 Series)	2,06,613	2,36,250	2,69,816	2,97,204	3,28,598
Growth rate of GSDP over previous year (in per cent)	-5.45	14.34	14.21	10.15	10.56

(₹ in crore)

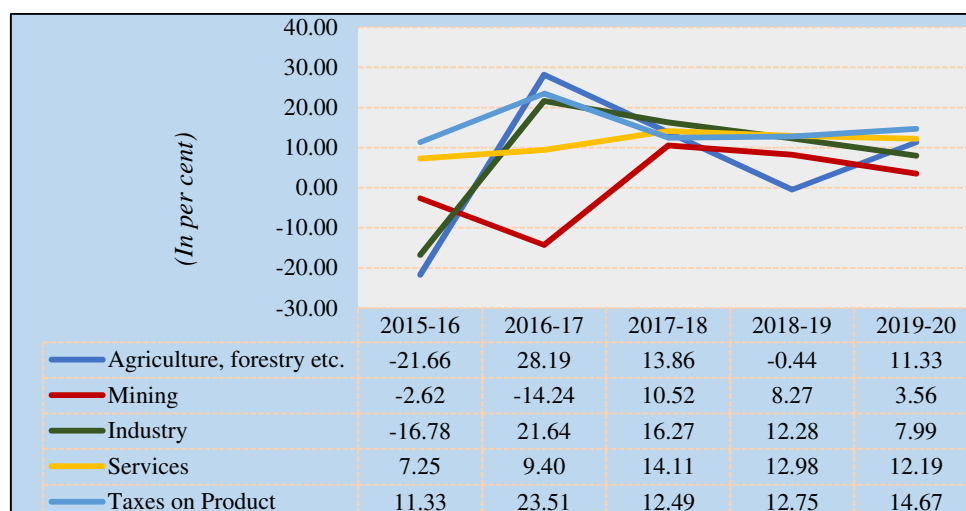
Source: MoSPI, GoI

Chart 1.2: Change in sectoral contribution to GSDP (2015-16 to 2019-20)



Source: MoSPI, GoI

Chart 1.3: Sectoral growth in GSDP



1.3.2 Snapshot of Finances

The following table provides the details of actual financial results *vis-a-vis* Budget Estimates for the year 2019-20 *vis-a-vis* actual of 2019-20.

Table: 1.3 Actual Financial Results vis-à-vis Budget estimates

Sl. No.	Components	2018-19 (Actual)	2019-20 (Budget Estimate)	2019-20 (Actuals)	Percentage of Actual to B.E. (2019-20)	Percentage of Actuals to GSDP (2019-20)
(₹ in crore)						
1	Tax Revenue	14,752	24,319	16,771	68.96	5.10
2	Non-Tax Revenue	8,258	11,771	8,750	74.34	2.67
3	Share of Union taxes/duties	23,903	21,399	20,593	96.23	6.27
4	Grants-in-aid and Contributions	9,236	15,370	12,303	80.05	3.74
5	Revenue Receipts (1+2+3+4)	56,152	72,859	58,417	80.18	17.78
6	Recovery of Loans and Advances	47	55	49	89.09	0.02
7	Other Receipts	0	0	0	0	0.00
8	Public debt	7,803	12,000	9,593	79.94	2.92
9	Capital Receipts (6+7+8)	7,850	12,055	9,642	79.98	2.93
10	Total Receipts (5+9)	64,002	84,914	68,059	80.15	20.71
11	Revenue Expenditure	50,631	66,317	56,457	85.13	17.18
12	Interest payments	4,852	5,187	5,308	102.33	1.62
13	Grants in aid for creation of capital assets	8,447	8,169	7,079	86.66	2.15
14	Capital Expenditure	12,197	14,419	10,044	69.66	3.06
15	Capital outlay	10,712	12,864	9,879	76.80	3.01
16	Loan and advances	1,485	1,555	165	10.61	0.05
17	Total Expenditure (11+14)	62,828	80,736	66,501	82.37	20.24
18	Revenue Surplus (5-11)	5,521	6,542	1,960	29.96	0.60
19	Effective Revenue Deficit (18-13)	-2926	-1627	-5119	314.63	-1.56
20	Fiscal Deficit {17-(5+6+7)}	6,629	7,822	8,035	102.72	2.45
21	Primary Deficit (20-12)	1,777	2,635	2,727	103.49	0.83

1.4 Fiscal Balance: Achievement of deficit and total debt targets

The State Government has passed Fiscal Responsibility and Budget Management Act (FRBM), 2007 with the objective of ensuring prudence in fiscal management by eliminating revenue deficit, reducing fiscal deficit and overall/ outstanding debt to acceptable level, establishing improved debt management and improving transparency in a medium term framework. In this context the Act provides quantitative targets to be adhered by the State with regard to deficit measures and debt level.

Table 1.4: Compliance with provisions in MTFP of State under FRBM Act

Fiscal Parameters	Fiscal targets set in the Act	Achievement (₹ in crore)				
		2015-16	2016-17	2017-18	2018-19	2019-20
Revenue Surplus	Revenue Surplus	4,085	1,965	1,804	5,521	1,960
		✓	✓	✓	✓	✓
Fiscal Deficit (as percentage of GSDP)	Three per cent	11,523 ¹ (5.58)	10,193 (4.31)	11,933 (4.42)	6,629 (2.23)	8,035 (2.45)
		✓	✗	✗	✓	✓
Ratio of total outstanding debt to GSDP (in per cent)	Ranging between 27.1 and 28.3 per cent	27.4	28.3	27.9	27.2	27.1
		27.36	28.29	28.57	28.19	28.73
	Actuals	✓	✓	✗	✗	✗

Table 1.5: Actuals vis-à-vis projection in MTFP for 2019-20

(₹ in crore)				
Sl. No.	Fiscal Variables	Projection as per MTFP	Actuals (2019-20)	Variation (in per cent)
1	Own Tax Revenue	20,850	16,771	(-)19.56
2	Non-Tax Revenue	10,674	8,750	(-)18.03
3	Share of Central Taxes	29,000	20,593	(-)28.99
4	Grants-in-aid from GoI	13,834	12,303	(-)11.07
5	Revenue Receipts (1+2+3+4)	74,358	58,417	(-)21.44
6	Revenue Expenditure	65,803	56,457	(-)14.20
7	Revenue Deficit (-)/ Surplus (+) (5-6)	(+) 8,555	(+) 1,960	(-)77.09
8	Fiscal Deficit (-)/ Surplus (+)	(-) 7,155.63	(-) 8,035	12.29
9	Debt-GSDP ratio (per cent)	27.10	28.73	1.63
10	GSDP growth rate at current prices (per cent)	7.20	10.56	3.36

¹ Increased due to borrowings on UDAY bonds.

Chart 1.4: Trends in surplus/deficit parameters

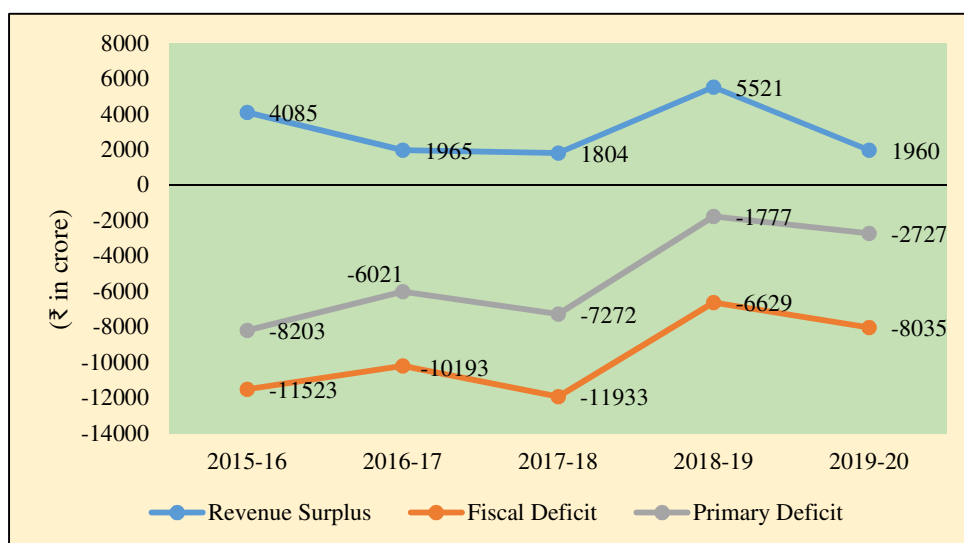


Chart 1.5: Trends in Surplus/Deficit relative to GSDP

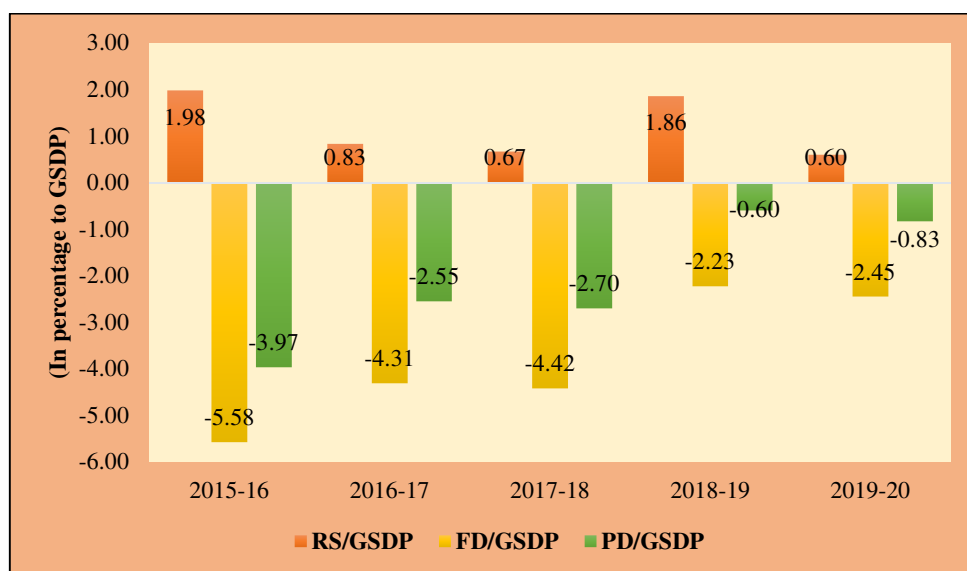
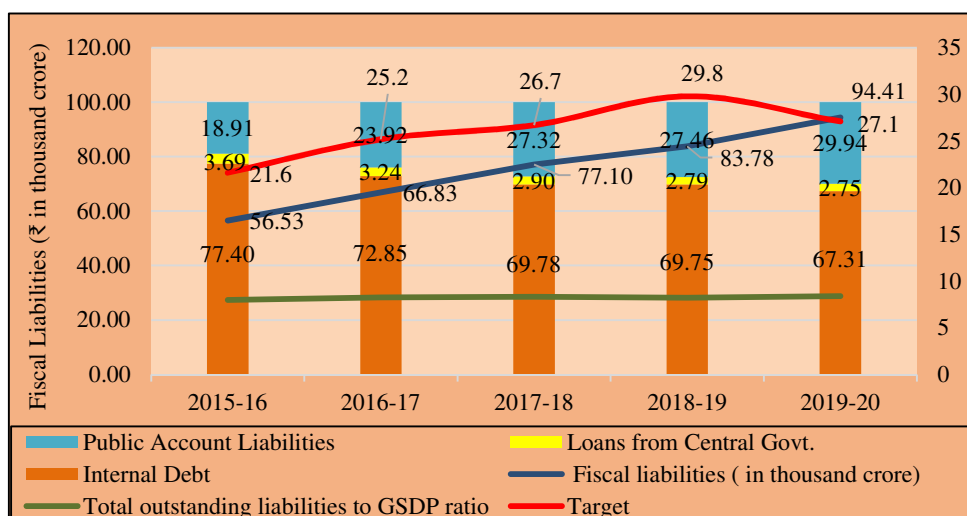


Chart 1.6: Trends in Fiscal Liabilities and GSDP



1.5 Deficits and Total Debt after examination in audit**1.5.1 Post audit - Deficits**

Misclassification of revenue expenditure as capital and off budget fiscal operations gives distorted picture of finances of the state. Besides, deferment of clear cut liabilities, not depositing cess/royalty to Consolidated Fund, short contribution to New Pension Scheme, sinking and redemption funds, etc. also impacts liabilities, revenue and fiscal deficit figures. In order to arrive at actual figures, the impact of such irregularities needs to be reversed.

Table 1.6: Revenue and Fiscal Deficit as per findings of Audit

Particulars	Impact on Revenue Deficit (+)/overstated(-) (₹ in crore)	Impact on Fiscal Deficit (Understated) (₹ in crore)	Para Reference
Non/ Short transfer of Cess to dedicated Funds in Public Account	550.18	550.18	4.1
Non-contribution to Consolidated Sinking Fund	280.16	280.16	2.5.3
Major works budgeted/ booked under Revenue section instead of Capital	0.40	0.00	3.3.3
Non discharge of Interest liabilities on SDRF	689.61	689.61	2.5.2
Total	1,520.35	1,519.95	

Source: Finance Accounts and audit analysis

It may be seen that the revenue surplus is overstated by ₹ 1,520.35 crore and fiscal deficit is understated by ₹ 1,519.95 crore. Thus revenue surplus and fiscal deficit stated ₹ 1,960.51 crore and ₹ 8,034.44 crore in the Finance Accounts would actually be ₹ 440.16 crore and ₹ 9,554.39 crore respectively. It is also evident from the above table that the liabilities of the State was understated to the extent of ₹ 1,519.95 crore.

Table: 1.7: Pre and post audit major fiscal variables for 2019-20

(in per cent)

Fiscal variables	2019-20				Actuals after post audit
	FFC projection for the State	Target as prescribed in MTFP Statement	Targets as per Budget estimates	Actuals	
Revenue deficit (-) /surplus (+) w.r.t GSDP	Positive	(+)2.49	(+) 1.91	(+)0.60	(+)0.13
Fiscal deficit w.r.t. GSDP	3.25	2.09	2.28	2.45	2.70
Ratio of total outstanding debt of the Government to GSDP	26.80	27.10	-	28.73	28.98

The State achieved the targets provided in the FRBM Act, 2007 by turning the deficit into revenue surplus except during 2014-15² but in terms of percentage of GSDP it was lower than the budget estimate and of MTFP estimate. However, after taking into account the undischarged liability shown in **Table 1.7** a change of 0.47 *per cent* was noticed.

During 2019-20, the fiscal deficit to GSDP ratio was well within the FFC recommended ceiling of 3.25 *per cent*, whereas, it was higher than the target given in MTFP. The debt-GSDP ratio of the State was higher than the FFC projection and MTFP estimate.

Total debt/ liabilities of the State including public debt and public account have been discussed in details in Chapter-2 of this report. As per information provided to this office no off budget borrowings were made by the state public sector companies, corporations, SPVs etc. during the year 2019-20.

² Revenue deficit of ₹230 crore

Chapter-2

FINANCES OF THE STATE

CHAPTER 2

FINANCES OF THE STATE

2.1 Major changes in Key fiscal aggregates *vis-à-vis* 2018-19

This chapter provides a bird's eye view and an audit perspective on the finances of the State Government during 2019-20 and analyses changes in major fiscal aggregates relative to 2018-19 keeping in view the overall trends during the preceding five years.

Table 2.1 gives a view of the major changes in key fiscal aggregates of the State during 2019-20, compared to previous year.

Table 2.1: Changes in key fiscal aggregates in 2019-20 compared to 2018-19

Revenue Receipts	<ul style="list-style-type: none">✓ Revenue receipts of the State increased by 4.03 <i>per cent</i>✓ Own Tax receipts of the State increased by 13.69 <i>per cent</i>✓ Own Non-tax receipts increased by 5.96 <i>per cent</i>✓ State's Share of Union Taxes and Duties decreased by 13.86 <i>per cent</i>✓ Grants-in-Aid from Government of India increased by 33.21 <i>per cent</i>
Revenue Expenditure	<ul style="list-style-type: none">✓ Revenue expenditure increased by 11.51 <i>per cent</i>✓ Revenue expenditure on General Services increased by 5.99 <i>per cent</i>✓ Revenue expenditure on Social Services increased by 14.17 <i>per cent</i>✓ Revenue expenditure on Economic Services increased by 14.84 <i>per cent</i>
Capital Expenditure	<ul style="list-style-type: none">✓ Capital expenditure decreased by 7.80 <i>per cent</i>✓ Capital expenditure on General Services increased by 56.65 <i>per cent</i>✓ Capital expenditure on Social Services decreased by 11.46 <i>per cent</i>✓ Capital expenditure on Economic Services decreased by 13.20 <i>per cent</i>
Loans and Advances	<ul style="list-style-type: none">✓ Disbursement of Loans and Advances decreased by 88.89 <i>per cent</i>✓ Recoveries of Loans and Advances increased by 3.41 <i>per cent</i>
Public Debt	<ul style="list-style-type: none">✓ Public Debt Receipts increased by 22.93 <i>per cent</i>✓ Repayment of Public Debt increased by 38.28 <i>per cent</i>
Public Account	<ul style="list-style-type: none">✓ Public Account Receipts increased by 66.27 <i>per cent</i>✓ Disbursement of Public Account increased by 68.81 <i>per cent</i>
Cash Balance	<ul style="list-style-type: none">✓ Cash balance increased by ₹ 2,668.09 crore (335.44 <i>per cent</i>) during 2019-20 compared to previous year

2.2 Sources and Application of Funds

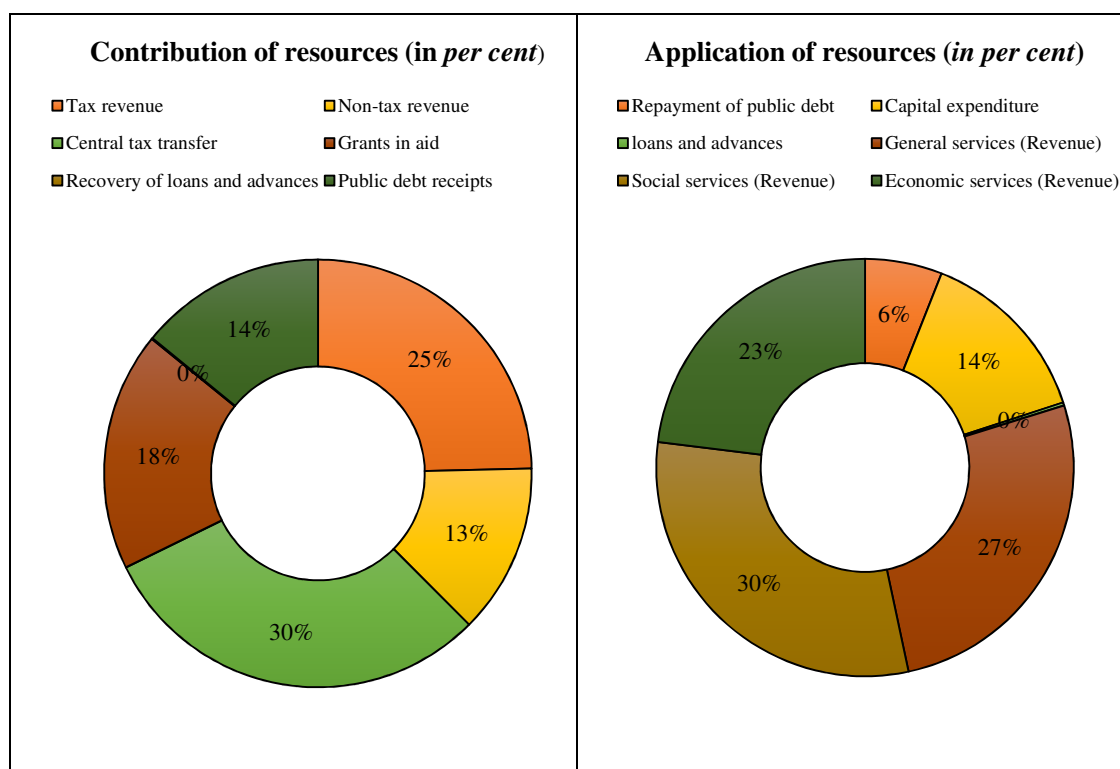
Table 2.2 compares the sources and application of funds of the State during 2019-20 with 2018-19.

Table 2.2: Details of Sources and Application of funds during 2018-19 and 2019-20

(₹ in crore)

	Particulars	2018-19	2019-20	Increase/Decrease
Sources	Opening Cash Balance with RBI	-242.16	188.30	430.46
	Revenue Receipts	56,151.70	58,417.14	2,265.44
	Recoveries of Loans and Advances	47.57	49.19	1.62
	Public Debt Receipts (Net)	4,743.32	5,361.72	618.40
	Public Account Receipts (Net)	2,315.90	2,430.28	114.38
	Total	63,016.33	66,446.63	3,430.30
Application	Revenue Expenditure	50,630.73	56,456.63	5,825.90
	Capital Expenditure	10,711.71	9,878.71	-833.00
	Disbursement of Loans and Advances	1,485.59	165.43	-1,320.16
	Closing Cash Balance with RBI	188.30	-54.14	-242.44
	Total	63,016.33	66,446.63	3,430.30

Chart 2.1 gives details of receipts into and expenditure from the Consolidated Fund during 2019-20 in terms of percentages.

Chart 2.1: Details of Sources and Application of funds during 2019-20

2.3 Resources of the State

This paragraph provides the composition of the overall receipts. Besides, the Capital and Revenue Receipts, funds available in the Public Account (net of disbursement made from it) are also utilised by the Government to finance its deficit.

The resources of the State are described below:

- Revenue receipts** consist of tax revenue, non-tax revenue, State's share of Union taxes and duties and grants-in-aid from the Government of India (GoI).

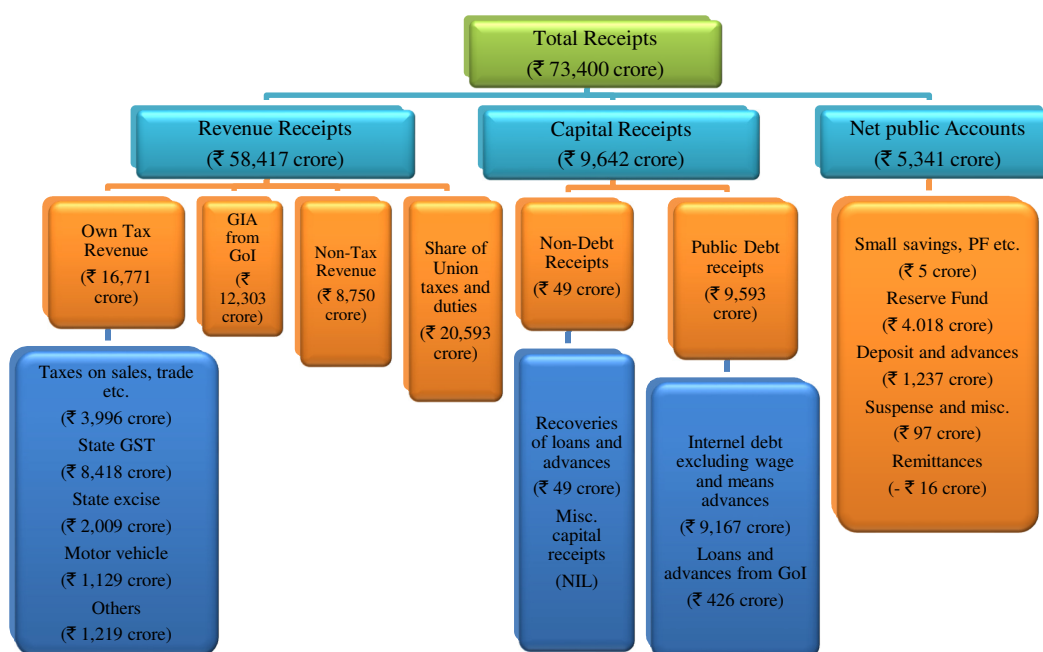
2. **Capital receipts** comprise miscellaneous capital receipts such as proceeds from disinvestments, recoveries of loans and advances, debt receipts from internal sources (market loans, borrowings from financial institutions/commercial banks) and loans and advances from GoI.

Both revenue and capital receipts form part of the Consolidated Fund of the State.

3. **Net Public Accounts receipts:** There are receipts and disbursements in respect of certain transactions such as small savings, provident fund, reserve funds, deposits, suspense, remittances, etc. which do not form part of the Consolidated Fund. These are kept in the Public Account set up under Article 266 (2) of the Constitution and are not subject to vote by the State Legislature. Here, the Government acts as a banker. The balance after disbursements is the fund available with the Government for use.

Composition of receipts of State during 2019-20 is given in **Chart 2.2**.

Chart 2.2: Composition of receipts of the State during 2019-20



2.3.1 State's Revenue Receipts

2.3.1.1 Trends and growth of Revenue Receipts

Table 2.3 provides the trends and growth of revenue receipts as well as revenue buoyancy with respect to GSDP over the five-year period. Further, trends in revenue receipts relative to GSDP and composition of revenue receipts are given in **Appendix 2.1**.

Table 2.3: Trend in Revenue Receipts

Parameters	2015-16	2016-17	2017-18	2018-19	2019-20
Revenue Receipts (RR) (₹ in crore)	40,638	47,054	52,756	56,152	58,417
Rate of growth of RR (per cent)	28.74	15.79	12.12	6.44	4.03
Own Tax Revenue	11,478	13,299	12,353	14,752	16,771
Non-Tax Revenue	5,853	5,351	7,847	8,258	8,750
Rate of growth of Own Revenue (Own Tax and Non- tax Revenue) (per cent)	18.0	7.6	8.3	13.9	10.9
Gross State Domestic Product (₹ in crore) (2011-12 Series)	2,06,613	2,36,250	2,69,816	2,97,204	3,28,598
Rate of growth of GSDP (per cent)	-5.45	14.34	14.21	10.15	10.56
RR/GSDP (per cent)	19.67	19.92	19.55	18.89	17.78
Buoyancy Ratios¹					
Revenue Buoyancy w.r.t GSDP	*	1.10	0.85	0.63	0.38
State's Own Revenue Buoyancy w.r.t GSDP	*	0.53	0.58	1.37	1.03

Source of GSDP figures: Directorate of Economics and Statistics, P.E. - Provisional Estimates; Q.E. - Quick Estimates

*Since growth of GSDP was negative hence buoyancy was not calculated.

The growth of revenue receipts of the State decreased consistently from 28.74 per cent in 2015-16 to 4.03 per cent in 2019-20 due to decrease in growth rate of State share of Union taxes from 68.30 per cent in 2015-16 to (-)13.86 per cent in 2019-20. However, revenue receipt growth was highest in 2015-16 due to one-time borrowings on UDAY bonds.

¹ Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable.

Chart 2.3: Trend in Revenue Receipts

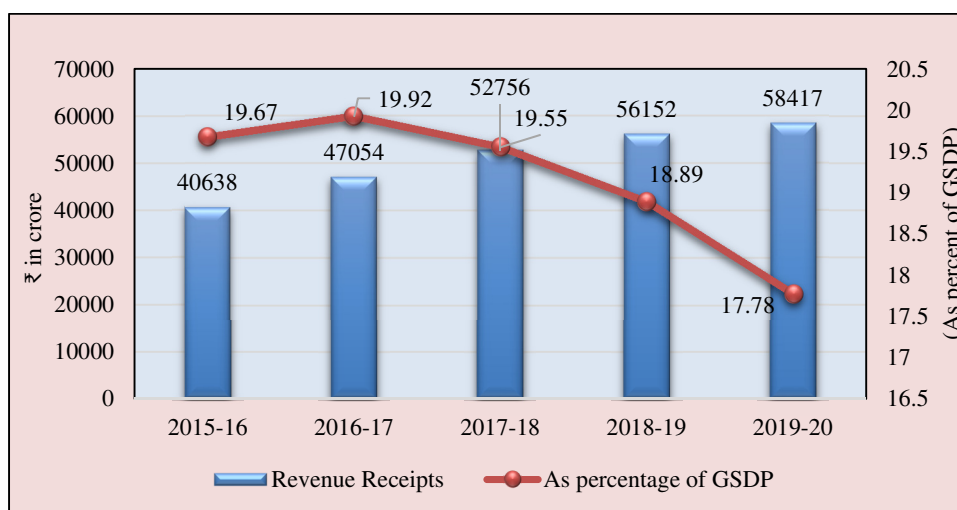
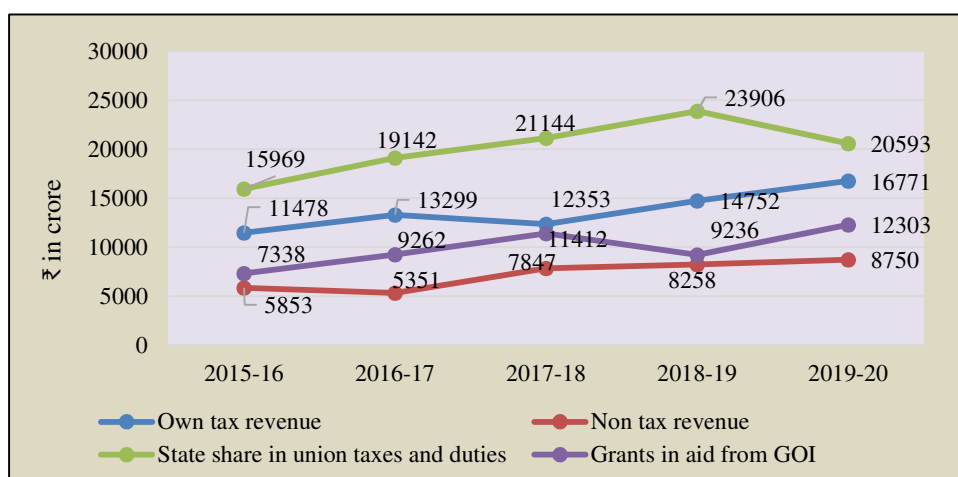


Chart 2.4: Trend of components of Revenue Receipts



Further, as shown in **Table 2.3** and **Charts 2.3** and **2.4** the State’s own revenues during 2019-20 grew by 10.90 per cent over the previous year, whereas, the revenue received from GoI (CTT & GIA) decreased by 0.74 per cent. The CTT decreased substantially (by ₹ 3,313 crore) during the year mainly due to taxes subsumed in the GST which was offset by the significant increase in GIA (by ₹ 3,067 crore).

2.3.1.2 State’s Own Resources

State’s share in Central taxes is determined on the basis of recommendations of the Finance Commission. Grants-in-aid from Central government are determined by the quantum of collection of Central tax receipts and anticipated Central assistance for schemes. State’s performance in mobilisation of additional resources has been assessed in terms of its own resources comprising revenue from its own tax and non-tax sources.

A. Own Tax revenue

Own tax revenues of the State consist of State GST, State excise, Taxes on vehicles, Sales Tax on Petroleum and alcohol for human consumption, Stamp duty and Registration fees, Land revenue, Taxes on goods and passengers, etc. **Chart 2.5** shows growth of tax revenues of the State during the period 2015-20.

Chart 2.5: Growth of Tax Revenue during 2015-20

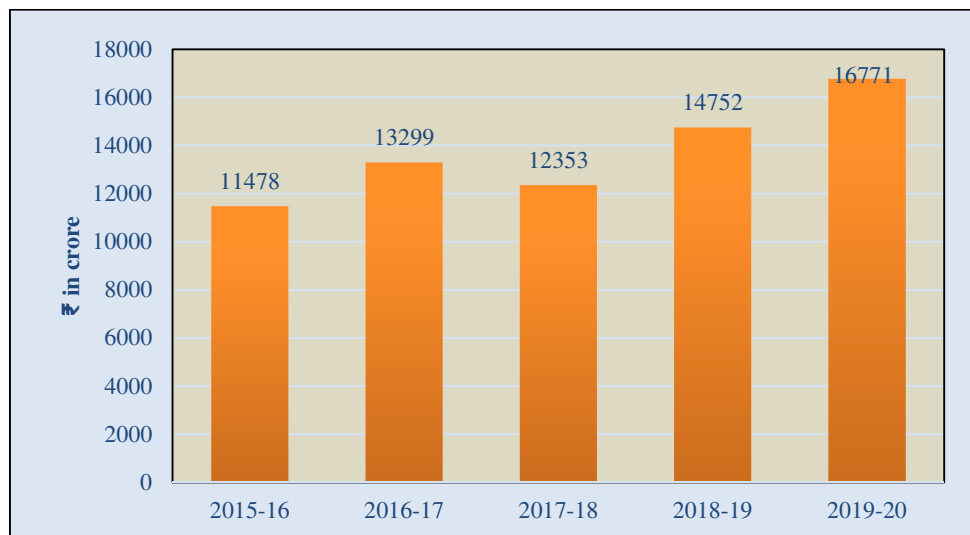


Table 2.4: Components of State's Own Tax Revenue

Year	2015-16	2016-17	2017-18	2018-19	2019-20	Sparklines
Sales tax	8,999	10,549	5,715	3,475	3,996	
SGST	0	0	4,124	8,201	8,418	
State excise	912	962	841	1,083	2,009	
Taxes on vehicles	633	682	779	864	1,129	
Stamp duty and registration fees	532	607	469	451	560	
Land revenue	164	240	156	389	338	
Others	238	259	270	289	321	
Total	11,478	13,299	12,354	14,752	16,771	

The growth rate of own tax revenue ranged between 10.90 to 19.40 *per cent* during the period 2015-20, except in 2017-18 when it was (-) 7.10 *per cent* due to introduction of GST. The own tax revenue growth during 2018-19 (19.40 *per cent*) was higher than 2019-20 (13.69 *per cent*). The growth rate during 2018-19 was higher due to less collection of taxes in 2017-18 as a result of implementation of GST.

Collection of State Excise during 2019-20 was nearly double to its collection during 2018-19. It was mainly due to increase in number of shops and due to implementation of new retail excise policy during 2019-20. Collection of taxes on vehicles also increased due to new tax structure and collection of arrear from the defaulters.

State Goods and Services Tax (SGST)

As per the GST (Compensation to States) Act, 2017, States will be compensated for the shortfall in revenue arising on account of implementation of the Goods and Services Tax considering an annual growth of 14 *per cent* from the base year (2015-16), for a period of five years. The Centre levies the Integrated GST (IGST) on inter-state supply of goods and services, and apportions the state's share of tax to the State where the goods or services are consumed.

The compensation payable to the State shall be calculated for every financial year after the receipt of final revenue figures, as audited by the CAG of India. A base year (2015-16) revenue figure of taxes subsumed under GST was finalised under GST Act. In the case of Jharkhand, the revenue was ₹ 6,410.51 crore during the base year (2015-16). The projected revenue for any year in a State shall be calculated by applying the projected growth rate (14 *per cent* per annum) over the base year revenue of that State.

The projected revenue for the year 2019-20 in accordance with the base year figure was ₹ 10,827.10 crore. However, the revenue receipt of the State Government in respect of taxes subsumed under GST during 2019-20 was ₹ 8,419.25 crore. The GoI provided ₹ 1,531.82 crore as compensation during the year to protect the revenue collection of the State. However, compensation amount pertaining to the months of February and March 2019 (₹ 172.00 crore) was received in May 2019 and amount pertaining to the period of December 2019 to March 2020 was not received during the year 2019-20. Amount (₹ 470.17 crore) pertaining to the period from December 2019 to February 2020 received in June 2020 and pertaining to March 2020 (₹ 199.83 crore) received in July 2020.

Hence, against the projected revenue of ₹ 10,827.10 crore, the SGST collection and compensation received was ₹ 10,621.07 crore leading to short receipt of ₹ 206.03 crore.

Advance apportionment of IGST and its adjustment against GST compensation

GoI is to apportion IGST to State Governments under section 17 of the IGST Act, 2017. The State Tax Division, Ministry of Finance, Department of Revenue (GoI) sanctioned provisional/advance settlement of apportionment of ₹ 69.12 crore with the condition that the amount will be settled from future payments of IGST.

Audit of GST Receipts

The Government of India's decision to provide access to Pan-India data at GSTN premises was conveyed on 22 June 2020. The required access to data has been provided in January 2021. The accounts for the year 2019-20 have, therefore, been certified on the basis of test audit, as was being done when records were being maintained manually, pending full implementation of GoI's decision to provide Audit access to GSTN data.

Analysis of arrears of revenue and arrears of assessment

The arrears of revenue indicate delayed realization of revenue due to the Government. Similarly, arrears of assessment indicate potential revenue which is blocked due to delayed assessment. Both deprive the State of potential revenue receipts and affect ultimately the revenue deficit.

As on 31 March 2020, arrears in collection of revenue were ₹ 6,532.33 crore (Commercial Tax Department, Excise & Prohibition Department, Motor Vehicle Tax Department and Land Revenue Department) of which ₹ 1,474.53 crore was outstanding for more than five years. Out of the total arrears in these departments, amounts held up by the Courts and other appellate authorities were ₹ 7.72 crore pertaining to the Excise and Prohibition Department.

The total revenue arrears as on 31 March 2020 constituted 37.25 per cent of own tax (₹ 16,771 crore) of the State as against 44.22 per cent during 2018-19.

Details of evasion of tax detected by Department, refund cases etc.

The cases of evasion of tax detected by the departments, cases finalised and the demands for additional tax raised are important indicators of revenue collection efforts of the State Government. Promptness in disposal of refund cases is also an important indicator of performance of the Department.

Table 2.5: Evasion of Tax Detected

(₹ in crore)

Head of revenue	Cases pending as on 1 April 2020	Amount of demand	Cases detected during 2019-20	Amount of demand	Total cases	Amount of demand	Cases in which additional demand with penalty raised		Cases pending as on 31-Mar-2020	Amount of demand as on
							No. of cases	Amount of demand		
Taxes/VAT on sales, Trade	3	27.95	0	0	3	27.95	0	0	3	27.95

As on 31 March 2020, three cases of evasion of taxes amounting to ₹ 27.95 crore were informed by the Commercial Tax Department. No case of evasion of taxes was reported by Excise & Prohibition Department, Motor Vehicle Tax Department and Land Revenue Department.

Table 2.6: Details of refund cases

(₹ in crore)

Sl. No.	Particulars	Sales Tax/VAT		State Excise		Total	
		No. of cases	Amount	No. of cases	Amount	No. of cases	Amount
1.	Claims outstanding at the beginning of the year	37	32.12	67	3.79	104	35.91
2.	Claims received during the year	69	17.97	Nil	Nil	69	17.97
3.	Refunds made during the year	30	6.79	Nil	Nil	30	6.79
4.	Refunds rejected during the year	Nil	Nil	Nil	Nil	Nil	Nil
5.	Balance outstanding at the end of year	76	43.30	67	3.79	143	47.09

As on 31 March 2020, 143 cases of refund of taxes amounting to ₹ 47.09 crore were outstanding in Commercial Tax Department (₹ 43.30 crore) and State Excise and Prohibition Department (₹ 3.79 crore).

B. Non Tax Revenue

Non-Tax revenue (NTR) consists of interest receipts, dividends and profits, mining receipts, departmental receipts, etc.

Non-Tax revenue collected during 2019-20 was ₹ 8,750 crore. The collection of NTR was higher than the normative projection of ₹ 6,224 crore made by the FFC for the year but was significantly lower than the budget estimates of ₹ 11,771 crore.

Component-wise non-tax revenue collected during 2015-20 is as shown in **Table 2.7**

Table 2.7: Non-tax revenue collected during 2015-20

Revenue Head	2015-16	2016-17	2017-18	2018-19	2019-20	Sparkline
Interest receipts	122	121	169	47	310	
Dividends and profits	0	0	0	0	0	
Other non-tax receipts	5731	5230	7678	8211	8440	
(a) Non ferrous mining	4384	4094	5941	5935	5461	
(b) Education	20	21	20	590	169	
(c) Urban development	268	144	122	265	529	
(d) Major irrigation	19	20	131	321	424	
(e) Civil supplies	19	4	5	6	420	
(f) Others	1021	947	1459	1094	1437	
Total	5853	5351	7847	8258	8750	

The share of NTR in revenue receipts remained nearly same at 14 *per cent* during the period 2015-20 except 2016-17 (11.37 *per cent*). The main source of NTR was receipts from Non-ferrous Mining and Metallurgical Industries. However, collection under Non-ferrous Mining and Metallurgical Industries decreased by ₹ 473.28 crore due to less collection of mineral concession fees, rents and royalties, which was compensated by increased collection under Civil supplies and others. Interest receipts increased significantly during 2019-20 due to interest accrued on cash balance investment. Average rate of interest at which government borrowed funds was 6.34 *per cent* per annum whereas, rate of interest received on its cash balance was only five *per cent* per annum.

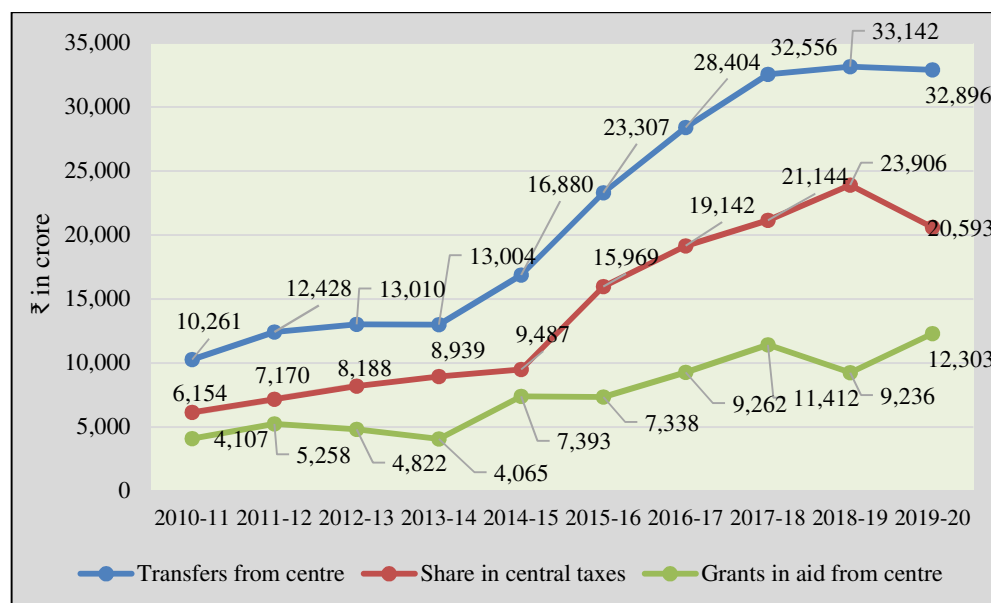
It was noticed that receipts under urban development and civil supplies increased significantly during 2019-20 over the previous year mainly due to recoveries of unspent balances of Grants-in-aid.

Irregular deposit under Minor Head-913

A total amount of ₹ 1,800.00 crore (unspent balances of Grants-in-aid and unutilised scheme funds) has been deposited by the State Government under Minor head '913-recovery of unspent balance of Grants-in-aid' below 40 revenue receipt Major heads during the year 2019-20. Bifurcation of the deposited amount into those pertaining to Centrally Sponsored Schemes and State Schemes is not available. The deposited amount, not being actual revenue, is included in the revenue receipts resulting in overstatement of revenue surplus of the State Government to that extent.

C. Transfers from the Centre

The central transfer to the State in shape of Central Tax Transfer and Grants-in-aid was more than 50 per cent of total Non-debt revenue of the State during 2010-20, except in 2013-14 when it was just below this mark. The ratio of central transfer to non-debt receipt was highest during 2017-18 (62 per cent) due to less collection of own revenue and receipts of compensation for revenue loss arising out of implementation of GST. During 2019-20 the ratio stood at 56 per cent.

Chart 2.6: Transfer from Centre to the State

The devolution of taxes by the Central to State increased consistently from ₹ 6,154 crore in 2010-11 to ₹ 23,906 crore in 2018-19. However, it decreased to ₹ 20,593 crore (decrease of ₹ 3,313 crore) in 2019-20 over the previous year.

Central tax transfer

Component wise trend of Central Tax Transfers (CTT) over the past five years are depicted in **Table 2.8**.

Table 2.8: Central Tax Transfers

(₹ in crore)

Head	2015-16	2016-17	2017-18	2018-19	2019-20
Central Goods and Services Tax (CGST)	NA	NA	299	5,900	5,844
Integrated Goods and Services Tax (IGST)	NA	NA	2,134	471	0
Corporation Tax	5,031	6,135	6,475	8,313	7,021
Taxes on Income other than Corporation Tax	3,503	4,264	5,467	6,122	5,502
Customs	2,551	2,639	2,134	1,695	1,305
Union Excise Duties	2,117	3,013	2,230	1,126	908
Service Tax	2,755	3,077	2,404	220	0
Other Taxes ²	12	14	0	59	13
Central Tax transfers	15,969	19,142	21,144	23,906	20,593
Percentage of increase over previous year	68	20	10	13	-14
Percentage of Central tax transfers to Revenue Receipts	39	41	40	43	35

NA- not applicable

The decrease of CTT in 2019-20 over the previous year was mainly due to less receipt of taxes on income other than corporation tax (by ₹ 621 crore), Corporation Tax (by ₹ 1,292 crore) and non-receipt of IGST. Central Tax Transfer constituted 35.25 per cent of the revenue receipts (₹ 58,417.14 crore) of the State during 2019-20 as against 42.57 per cent in 2018-19.

Grants-in-aid from GoI

The growth rate of GIA from GoI showed wide fluctuation between 23.23 per cent and 33.21 per cent during the period 2015-20, including (-) 19.02 per cent in 2018-19. It was lowest during the year 2018-19 mainly due to less grants received for Centrally sponsored schemes viz., Pradhan Mantri Gram Sadak Yojana by ₹ 528 crore, Swachh Bharat Abhiyan (Gramin) by ₹ 249 crore and Basic Grants to Local Bodies by ₹ 538 crore. While, its growth was maximum during 2019-20 mainly due to more basic grants received for Rural and Urban Local Bodies of the State under recommendation of the Fourteenth Finance Commission.

Table 2.9: Grants-in-aid from Government of India

(₹ in crore)

Head	2015-16	2016-17	2017-18	2018-19	2019-20
Non-Plan Grants*	1,685.82	1,875.29	-	-	-
Grants for State Plan Schemes*	4,950.18	6,792.89	-	-	-
Grants for Central Plan Schemes*	50.90	78.01	-	-	-
Grants for Centrally Sponsored Schemes*	650.74	515.16	-	-	-
Grants for Special Plan Schemes	-	-	-	-	-
Grants for Centrally Sponsored Schemes (CSS)	-	-	7,985.24	6,996.85	7,339.05
Finance Commission Grants	-	-	1,583.03	1,059.89	3,154.60
Other transfers/Grants to States/Union Territories with Legislature	-	-	1,844.02	1,178.78	1,809.01
Total	7,337.64	9,261.35	11,412.29	9,235.52	12,302.66
Percentage of increase over the previous year	-0.74	26.21	23.23	-19.07	33.21
Percentage of GIA to Revenue Receipts	18.06	19.68	21.63	16.45	21.06

Source: Finance Accounts

*No figures, since, the nomenclature of plan and non-plan grants was stopped from the year 2017-18 and replaced by Grants for CSS, Finance Commission Grants and Other Grants to States.

² Include Taxes on Wealth, Other Taxes on Income and Expenditure, Other Taxes and Duties on commodities and Services

Fourteenth Finance Commission Grants (FFC)

Details of grants released by the Central Government to the State Government, on the recommendation of FFC, for urban local bodies and Panchayati Raj Institutions of the State in shape of basic and general performance grants are given in **Table 2.10**.

Table 2.10: Recommended amount, actual release and transfers of Grants-in-aid

(₹ in crore)

Transfers	Recommendation of the XIV-FC			Actual release by GoI			Release by State Government [#]		
	2015-19	2019-20	Total	2015-19	2019-20	Total	2015-19	2019-20	Total
Local Bodies									
(i) Grants to PRIs	4,214.62	1,832.12	6,046.74	3,493.54	2,236.71	5,730.25	10,149.07	2,497.70	12,646.77
(a) General Basic Grant	3,809.48	1,632.59	5,442.07	2,997.51	2,236.71	5,234.22	10,149.07	2,497.70	12,646.77
(b) General Performance Grants	405.14	199.53	604.67	496.03	0.00	496.03			
(ii) Grants to ULBs	1,328.72	585.83	1,914.55	670.11	586.39	1,256.50	7,695.52	1,504.45	9,199.97
(a) General Basic Grant	1,072.16	459.48	1,531.64	670.11	518.42	1,188.53	7,695.52	1,504.45	9,199.97
(b) General Performance Grants	256.56	126.35	382.91	0.00	67.97	67.97			
Total for Local Bodies	5,543.34	2,417.95	7,961.29	4,163.65	2,823.10	6,986.75	17,844.59	4,002.15	21,846.74
State Disaster Response Fund*	1,568.00	442.00	2,010.00	1,176.00	331.50	1,507.50	1,568.00	442.00	2,010.00
Grand Total	7,111.34	2,859.95	9,971.29	5,339.65	3,154.60	8,494.25	19,412.59	4,444.15	23,856.74

* Including State share of 25 per cent of total grant.[#] includes grants received from GoI

Source: XIV-FC Report and Finance Accounts

2.3.2 Capital receipts

Capital receipts comprise miscellaneous capital receipts such as proceeds from disinvestments, recoveries of loans and advances, debt receipts from internal sources (market loans, borrowings from financial institutions/commercial banks) and loans and advances from GoI. Details of capital receipts during 2015-20 are given in **Table 2.11**.

Table 2.11: Trends in growth and composition of capital receipts

(₹ in crore)

Sources of State's Receipts	2015-16	2016-17	2017-18	2018-19	2019-20
Capital Receipts	13,276.00	7,119.42	8,203.85	7,850.43	9,642.31
Miscellaneous Capital Receipts	0	0	25.09	0	0
Recovery of Loans and Advances	31.06	38.46	42.41	47.57	49.19
Net Public Debt Receipts	10,999.49	5,003.51	5,187.81	4,743.34	5,361.72
<i>Internal Debt</i>	11,001.00	4,927.00	5,117.24	4,637.10	5,109.14
<i>Growth rate (in per cent)</i>	128.46	(-)55.21	3.86	(-)9.37	10.17
<i>Loans and advances from GoI</i>	(-)1.51	76.51	70.57	106.22	252.44
<i>Growth rate (in per cent)</i>	(-)70.79	5,166.89	(-)7.76	50.52	137.66
Rate of growth of debt Capital Receipts	97.98	(-)46.54	14.90	(-)4.10	22.93
Rate of growth of non-debt capital receipts	(-)6.06	22.58	76.32	(-)29.85	4.66
Rate of growth of GSDP	(-)5.45	14.34	14.21	10.15	10.56
Rate of growth of Capital Receipts (per cent)	97.47	(-)46.37	15.23	(-)4.31	22.83

Source: Finance Accounts and MoSPI website

As depicted in the above table, rate of growth of capital receipts showed wide fluctuation during 2015-20. During 2019-20, capital receipts of the State increased significantly over the previous year mainly due to increased borrowings under Market loans (by ₹ 1,991 crore). The debt capital receipts was significantly high in 2015-16 due to one-time borrowings of ₹ 5,553.37 crore under Ujjwal DISCOM Assurance Yojana (UDAY) bonds. No borrowing was made on UDAY bonds after 2015-16.

2.3.3 State's performance in mobilisation of resources

State's performance in mobilisation of resources is assessed in terms of its own resources comprising own-tax and non-tax sources.

Table 2.12: Tax and non-tax receipts vis-à-vis projections for 2019-20

(₹ in crore)

	FC projections	Budget Estimates	Actual	Percentage variation of actual over	
				Budget estimates	FC projections
Own Tax revenue	26,090.00	24,319.00	16,771.45	(-)31.04	(-)35.72
Non-tax revenue	6,224.00	11,770.93	8,749.98	(-)25.66	40.58

As shown in **Table 2.12**, actual collection of Own-tax revenue and Non-tax revenue during the year 2019-20 was much less than the budget estimates.

2.4 Application of resources

The State Government is vested with the responsibility of incurring expenditure within the framework of fiscal responsibility legislations, while at the same time ensuring that the ongoing fiscal correction and consolidation process of the State is not at the cost of expenditure directed towards development of capital infrastructure and social sector.

Growth and composition of expenditure

Table 2.13, **Chart 2.7** and **Appendix 2.1** present the trends in Total Expenditure and its composition over the last five years (2015-20).

Table 2.13: Total expenditure and its composition

(₹ in crore)

Parameters	2015-16	2016-17	2017-18	2018-19	2019-20
Total Expenditure (TE)	52,192	57,285	64,756	62,827	66,501
Revenue Expenditure (RE)	36,553	45,089	50,952	50,631	56,457
Capital Expenditure (CE)	8,159	10,861	11,953	10,712	9,879
Loans and Advances	7,480	1,335	1,852	1,485	165
As a percentage of GSDP					
TE/GSDP	25.30	24.20	24.00	21.10	20.20
RE/GSDP	17.70	19.10	18.90	17.04	17.18
CE/GSDP	3.95	4.60	4.43	3.60	3.01
Loans and Advances/GSDP	3.62	0.57	0.69	0.50	0.05

As shown in the **Table 2.13** ratio of TE, RE, CE etc. to GSDP decreased consistently from 2015-16 onwards which shows that the government was neither spending money on development activities nor on creation of capital asset.

Table 2.14: Relative share of various sectors of expenditure

(per cent)

Parameters	2015-16	2016-17	2017-18	2018-19	2019-20
General Services	24.09	23.76	26.82	29.36	30.00
Social Services	30.48	35.15	32.64	32.51	34.44
Economic Services	45.33	40.99	40.46	38.06	35.48

From **Table 2.14** it is evident that the share of expenditure on general services had been increasing consistently from 2015-16 whereas, share of expenditure on economic services has decreased significantly from 45.33 per cent in 2015-16 to 35.48 per cent in 2019-20. Share of expenditure on social services was almost constant during these years.

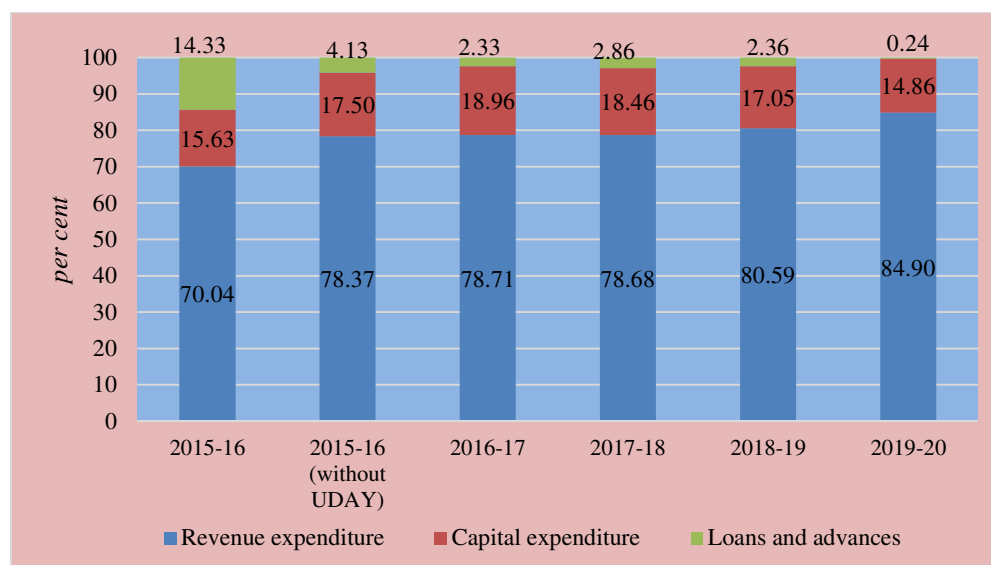
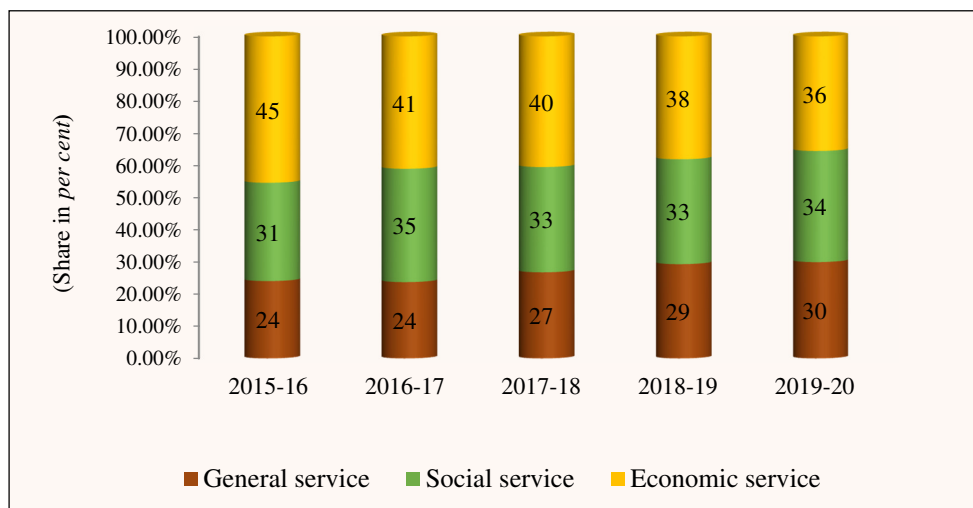
Chart 2.7: Total Expenditure- Trends in share of its components

Chart 2.8: Total Expenditure- Expenditure by Activities

2.4.1 Revenue Expenditure

Revenue expenditure is incurred to maintain the current level of services and payment for the past obligation. As such, it does not result in any addition to the State's infrastructure and service network.

It was observed that revenue expenditure (RE) as a percentage of total expenditure, increased significantly from 70 *per cent* in 2015-16 to 85 *per cent* in 2019-20. However, revenue expenditure as a percentage of GSDP remained nearly same during 2018-19 and 2019-20 at 17 *per cent*.

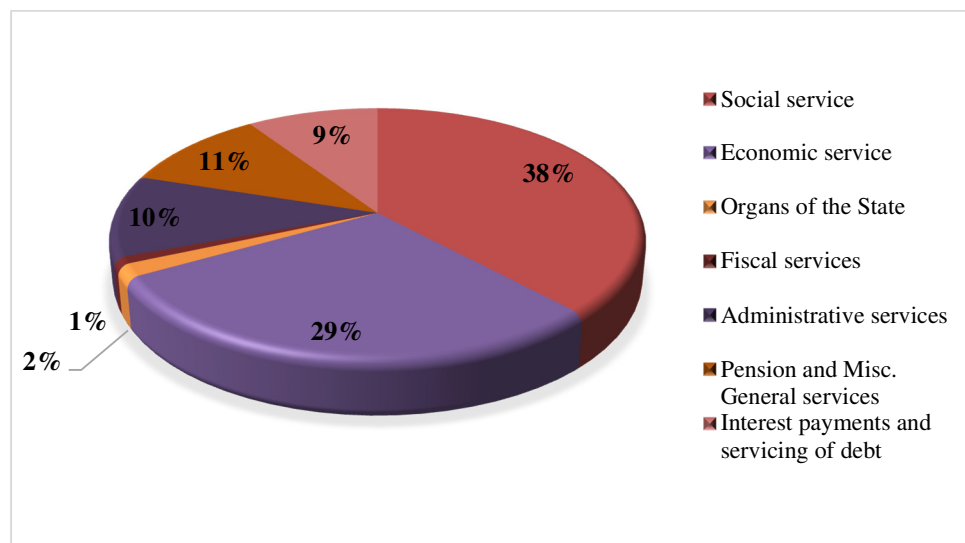
Out of total revenue expenditure of ₹ 56,456.63 crore during 2019-20, ₹ 28,829.69 crore was spent on establishment and ₹ 27,626.94 crore on State and Central schemes. Further, out of ₹ 56,456.63 crore, major share (38 *per cent*) was spent on social service, followed by general service (33 *per cent*). The overall Revenue Expenditure, its rate of growth, its ratio to Total Expenditure and buoyancy *vis-à-vis* GSDP and Revenue Receipts are indicated in **Table 2.15** and the sectoral distribution of Revenue Expenditure pertaining to 2019-20 is given in **Chart 2.9**.

Table 2.15: Revenue Expenditure – Basic Parameters

Parameters	2015-16	2016-17	2017-18	2018-19	2019-20
Total Expenditure (TE)	52,192	57,285	64,756	62,827	66,501
Revenue Expenditure (RE)	36,553	45,089	50,952	50,631	56,457
Rate of Growth of RE (<i>per cent</i>)	15.0	23.4	13.0	-0.6	11.5
Revenue Expenditure as percentage of TE	70.0	78.7	78.7	80.6	84.9
RE/GSDP (<i>per cent</i>)	17.70	19.10	18.90	17.04	17.18
RE as percentage of RR	89.9	95.8	96.6	90.2	96.6
Buoyancy of Revenue Expenditure with					
GSDP (ratio)	-2.75	1.63	0.91	-0.06	1.09
Revenue Receipts (ratio)	0.52	1.48	1.07	-0.09	2.85

Source: Finance Accounts of respective years

Revenue expenditure on different services as percentage of total revenue expenditure during 2019-20 has been shown in **Chart 2.9**.

Chart 2.9: Sector wise Distribution of Revenue Expenditure

During 2019-20, the growth rate of Revenue Expenditure increased to 11.5 per cent in comparison to (-) 0.6 per cent in 2018-19 and its percentage in total expenditure increased by 4.3 per cent during the year. However, as a percentage of GSDP, Revenue Expenditure had marginally increased by 0.14 per cent over the previous year. Further, Revenue Expenditure was lower by ₹ 9,860 crore *vis-à-vis* the budget estimate (₹ 66,317 crore) during 2019-20.

Major changes in Revenue Expenditure

Significant variations under various Heads of Account with regard to Revenue Expenditure of the State during the current year and the previous year are detailed in **Table 2.16**.

Table 2.16: Variation in Revenue Expenditure during 2019-20 compared to 2018-19

(₹ in crore)

Major Heads of Account	2018-19	2019-20	Increase (+)/ Decrease (-)
2040-Taxes on Sales, Trade etc.	83.06	80.26	(-) 2.80
2075-Miscellaneous General Services	4.96	2.02	(-) 2.94
2215-Water Supply and Sanitation	1,379.57	655.47	(-) 724.10
2216-Housing	17.23	12.79	(-) 4.44
2225-Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	1146.45	1205.41	58.96
2236 -Nutrition	547.47	436.15	(-) 111.32
2501-Special Programmes for Rural Development	485.37	607.69	122.32
2505-Rural Employment	3391.95	3495.94	103.99
2515-Other Rural Development Programmes	3554.32	3769.15	214.83

As shown in the above table, the revenue expenditure on water supply and sanitation decreased significantly during 2019-20 over the previous year mainly due to less expenditure on (1) special component plan for scheduled caste (mainly under National Rural Drinking Water Programme and Rural Sanitation), (2) tribal area sub-plan (mainly under Rural Piped Water Supply Scheme, Rural Sanitation and National Rural Drinking Water

Programme) and (3) sewerage services (mainly under Rural Sanitation) by 65 per cent, 56 per cent and 89 per cent respectively.

Revenue expenditure on nutrition decreased mainly on special nutrition programmes and tribal area sub-plan (mainly under special scheme for distribution of nutritious food for welfare of family and child) by 20 per cent and 23 per cent respectively.

Increase in revenue expenditure on special programs for rural development was result of more expenditure on Swarna Jayanti Gram Swarajgar Yojna by 57 per cent and tribal area sub-plan by 40 per cent. Similarly, increase in other rural development programmes was a result of more assistance to rural local bodies by ₹ 1,621 crore.

2.4.2 Committed expenditure

The committed expenditure of the State Government on revenue account consists of interest payments, expenditure on salaries and wages and pensions. Upward trend on committed expenditure leaves the Government with lesser flexibility for development sector.

Table 2.17 presents the trends in the components of committed expenditure during 2015-20 and percentage of committed expenditure to Revenue Receipts and Revenue Expenditure during 2015-20.

Table 2.17: Components of Committed Expenditure

(₹ in crore)

Components of Committed Expenditure	2015-16	2016-17	2017-18	2018-19	2019-20
Salaries & Wages	8,218	8,927	11,221	12,138	12,832
Expenditure on Pensions	3,990	4,135	5,913	5,991	6,005
Interest Payments	3,320	4,172	4,662	4,852	5,308
Total	15,528	17,234	21,796	22,981	24,145
As a percentage of Revenue Receipts (RR) (₹ 58,417 crore)					
Salaries & Wages	20.20	19.00	21.30	21.60	22.00
Expenditure on Pensions	9.82	8.79	11.21	10.67	10.28
Interest Payments	8.17	8.87	8.84	8.64	9.09
Total	38.19	36.65	41.34	40.91	41.37
As a percentage of Revenue Expenditure (RE) (₹ 56,457 crore)					
Salaries & Wages	22.50	19.80	22	24	22.7
Expenditure on Pensions	10.92	9.17	11.61	11.83	10.64
Interest Payments	9.08	9.25	9.15	9.58	9.40
Total	42.50	38.22	42.75	45.42	42.74

During 2019-20, Salaries & Wages, Interest Payments and Pension together accounted for 42.74 per cent of the revenue expenditure against 45.42 per cent in 2018-19 whereas, it consumed 41.37 per cent of the revenue receipts in 2019-20.

Interest payment

The growth rate of interest payments in 2019-20 was 9.40 per cent against 4.10 per cent in 2018-19. Percentage of interest payments to revenue receipts increased from 8.64 per cent in 2018-19 to 9.09 per cent in 2019-20 mainly due to payment of more interest on other internal debts. The interest payment to revenue receipt ratio was higher than the FFC recommendation of 8.08 per cent.

Undischarged liabilities in National Pension System

State Government employees recruited on or after 1 December 2004 are covered under the National Pension System (NPS) which is a defined contributory pension scheme. In terms of the Scheme, the employee contributes 10 *per cent* of basic pay and dearness allowance, which is matched by the State Government and the entire amount is transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/ Trustee Bank.

During 2019-20, employer's contribution of ₹ 496.27 crore was transferred to NSDL. The State Government transferred ₹ 495.51 crore against receipt of ₹ 522.43 crore as employees' contribution to the designated fund manager through NSDL during 2019-20. A balance of ₹ 39.55 crore remained in the Public Account (Major Head 8342-117-Defined Contribution Pension Scheme) at the end of 2019-20.

Subsidies

As can be seen from the details given in **Table 2.18** there was a significant increase in expenditure on subsidies during the year 2019-20. Subsidies as a percentage of Revenue Receipts increased significantly from 3.73 *per cent* in 2018-19 to 7.32 *per cent* in 2019-20. In absolute terms, expenditure on payment of subsidies increased from ₹ 2,092 crore in 2018-19 to ₹ 4,275³ crore in 2019-20.

During 2019-20, Government of Jharkhand paid subsidy mainly under Major Heads 2401-Crop Husbandry (₹ 1,746 crore), 2801-Power (₹ 1,350 crore) and 3456- Civil Supplies (₹ 1,044 crore). No subsidy was given for irrigation. The increase in subsidy during 2019-20 by ₹ 2,183 crore over the previous year was mainly due to subsidy for crop husbandry under programme Agriculture Farms by ₹ 600 crore, special component plan for Scheduled caste by ₹ 200 crore, tribal area sub-plan by ₹ 500 crore etc. and tariff subsidy by ₹ 755 crore for consumers through Jharkhand Bijli Vitran Nigam Limited.

Table 2.18: Expenditure on subsidies during 2015-20

	2015-16	2016-17	2017-18	2018-19	2019-20
Subsidies (₹ in crore)	522	1,859	1,440	2,092	4,275
Subsidies as a percentage of RR	1.28	3.95	2.73	3.73	7.32
Subsidies as a percentage of RE	1.43	4.12	2.83	4.13	7.57

Source: Finance and Appropriation Accounts

Financial assistance by the State Government to Local Bodies and Other Institutions

Financial assistance is provided by the State Government to Local bodies and other institution by way of grants.

³ Appendix II of Finance Accounts 2019-20

Table 2.19: Financial Assistance to Institutions etc.

(₹ in crore)

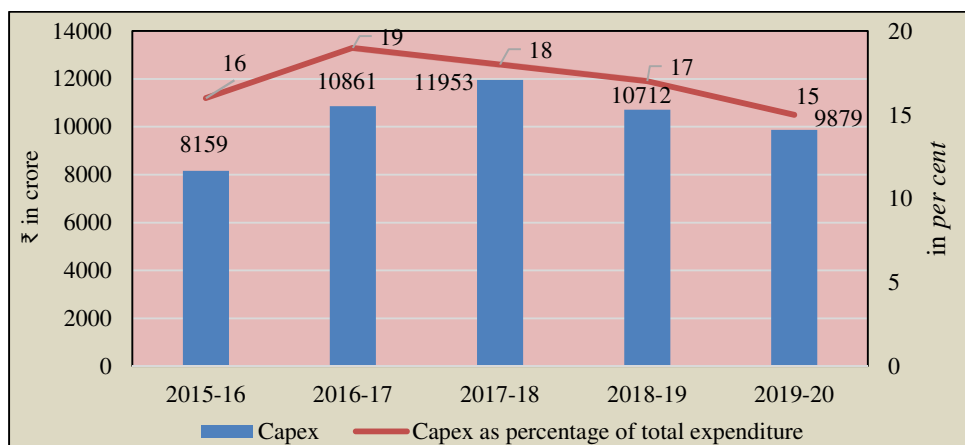
Financial Assistance to Institutions	2015-16	2016-17	2017-18	2018-19	2019-20
(A) Local Bodies					
Municipal Corporations and Municipalities	1,830.77	2,961.14	1,155.11	1,748.5	1,505.45
Panchayati Raj Institutions	3,407.48	2,533.77	1,270.13	2,937.69	2,497.70
Total (A)	5,238.25	5,494.91	2,425.24	4,686.19	4,003.15
(B) Others					
Universities	826.24	1,133.03	671.67	621.08	1,265.29
Development Authorities	3,410.53	3,915.39	7,447.41	3,952.30	10,771.73
Public Sector Undertakings	3,987.54	0	0	0	1,753.28
Other Institutions	1,427.46	9,788.69	10,169.67	8,716.24	1,398.01
Total (B)	9,651.77	14,837.11	18,288.75	13,289.62	15,188.31
Total (A+B)	14,890.02	20,332.02	20,713.99	17,975.81	19,191.46
Revenue Expenditure	36,553	45,089	50,952	50,631	56,457
Assistance as percentage of Revenue Expenditure	40.74	45.09	40.65	35.50	33.99

During 2019-20, financial assistance to PRIs decreased by ₹ 439.99 crore mainly due to less release of grant on recommendation of Thirteen Finance Commission as given in previous year (₹ 167.15 crore), less GIA for Rastriya Gram Swaraj Abhiyan by ₹ 2,184.68 crore. Financial assistance to ULBs decreased by ₹ 243.05 crore during the year mainly due to decrease in GIA for water supply and sanitation by ₹ 375.13 crore and GIA for land management and acquisition by ₹ 274.81 crore offset by more basics grants on recommendation of FFC by ₹ 432.91 crore.

2.4.3 Capital Expenditure

Capital Expenditure (CE) is primarily expenditure on creation of fixed infrastructure assets such as roads, buildings etc.

Chart 2.10: Capital Expenditure in State



Major changes in Capital Expenditure

There was consistent increase in capital expenditure during 2015-16 to 2017-18 which recorded significant decrease by ₹ 1,241 crore in 2018-19 and by ₹ 833 crore in 2019-20. During 2019-20, the capital expenditure decreased due to less expenditure on social services by 11 per cent and economic services by 13 per cent over previous year.

In spite of less capital expenditure (CE) on economic services in comparison to the previous year the major share of CE was on economic services (₹ 7,209 crore) in 2019-20. Priority was given to transport (₹ 3,687 crore), rural development (₹ 1,991 crore) and irrigation and flood control (₹ 1,328 crore). However, in comparison to the previous year, there was less expenditure on all these services during 2019-20.

Out of the total allocation (₹ 12,863.92 crore) under capital section, ₹ 2,985.21 crore remained unutilised during 2019-20. A major portion of the savings were mainly from the funds provided for construction of major roads (₹ 355 crore), widening and strengthening of state highways (₹ 250 crore), construction of bridges (₹ 145 crore), minimum need programme for rural roads (₹ 436 crore).

Table 2.20: Capital Expenditure during 2019-20 compared to 2018-19

(₹ in crore)			
Major Heads of Accounts	2018-19	2019-20	Increase (+)/ Decrease (-)
4059-Capital Outlay on Public Works	269.05	366.15	97.10
4210-Capital Outlay on Medical and Public Health	273.39	347.69	74.30
4702-Capital Outlay on Minor Irrigation	311.96	158.85	-153.11
4711-Capital Outlay on Flood Control Projects	18.22	5.47	-12.75
5054-Capital Outlay on Roads and Bridges	3,843.01	3,674.33	-168.68
5055-Capital Outlay on Road Transport	9.56	9.2	-0.36

2.4.4 Quality of capital expenditure

This section presents an analysis of investments and other capital expenditure undertaken by the Government during the current year.

Quality of investments in the companies, corporations and other bodies

As per latest finalised accounts received from 13 companies, net worth of five companies⁴ was completely eroded as their cumulative net worth was (-) ₹ 7,006.84 crore as on 31 March 2019.

Further as per those accounts 12 companies were loss making and their loss during 2018-19 was ₹ 583.63 crore. Out of these loss making companies, three companies (JBVNL, JUSNL and Jharkhand Rail Infrastructure Development Corporation Ltd.) received Government loans amounting to ₹ 1,465.85 crore during 2018-19. Since, loans to these loss making companies were included in the capital expenditure of the State, it resulted in overestimation of assets.

It was also noticed that the total paid up capital of these PSUs was ₹14,610.81 crore, of which, paid up capital by the state was ₹13,402.33

⁴ Tenughat Vidyut Nigam Ltd. (- ₹ 1,013.63 crore), Jharkhand Bijli Vitran Nigam Ltd. (- ₹ 5,954.48 crore), Jharkhand Hill Area Lift Irrigation Corporation Ltd. (- ₹ 13.81 crore), Jharkhand Silk Textile and Handicraft Development Corporation Ltd. (- ₹ 23.14 crore) and Jharkhand Plastic Park Ltd. (- ₹ 1.78 crore).

crore as on 31 March 2019. Accumulated loss of these PSUs was ₹5,503.22 crore as on 31 March 2019.

Investment in equity by the Government

As per Finance Accounts of the State ending 31 March 2020, the Government had invested ₹447.95 crore in, one Regional Rural Bank (₹45.73 crore), 18 Government companies (₹241.38 crore) and 21 co-operatives banks and societies (₹160.84 crore) since inception of the State in November 2000. However, verification of PSUs accounts and sanction orders of the State during 2016-17 revealed that the Government accounts had understated investment by ₹124.54 crore during 2000-2016, due to erroneous budgetary categorisation, viz., not providing the investment under the appropriate minor head and depicting investment in share capital as GIA. After being pointed out by Audit, Finance Department of the State had reconciled and corrected investment figures in respect of four companies amounting to ₹65 crore⁵ at the end of 2019-20, however, investments of ₹59.54 crore⁶ against five entities at the end of the current financial year remained still unsettled.

Table 2.21: Return on Investment

Investment/return/ cost of borrowings	2015-16	2016-17	2017-18	2018-19	2019-20
Investment at the end of the year (₹ in crore)	261.7	320.83	376.87	432.87	447.95
Return (₹ in crore)	0.47	0	0	0	0
Return (<i>per cent</i>)	0.18	0	0	0	0
Average rate of interest on Government Borrowings(<i>per cent</i>)	6.63	6.76	6.98	6.29	6.34
Difference between interest rate and return (<i>per cent</i>)	6.45	6.76	6.98	6.29	6.34

Source: Finance Accounts

Despite no return from its investments, the State Government made investment of ₹15.08 crore in four⁷ State PSUs and one corporation (Tribal Co-operative development) in the form of equity during 2019-20. As evident from the above table there was a huge gap between the cost of government borrowings and return on investment.

Audit further observed that investments made by the erstwhile State of Bihar in form of equities in Damodar Valley Corporation (₹1,781.55 crore) and Tenughat Vidyut Nigam Limited (₹100 crore) up to 14 November 2000 have not been apportioned between the successor States of Bihar and Jharkhand.

⁵ Jharkhand Hill Area Lift Irrigation Corporation ₹5 crore; Jharkhand Urban Infrastructure Development Corporation ₹35 crore; Jharkhand Silk Textile and Handicraft Development Corporation ₹10 crore and Jharkhand Urban Transport Corporation Ltd.- ₹15 crore.

⁶ Greater Ranchi Development Authority- ₹39.14 crore; Jharkhand State Agriculture Development Corporation Ltd.-₹2 crore; Jharkhand Medical and health Infrastructure Development and Procurement Corporation Ltd.-₹5 crore; Jharkhand Urja Vikash Nigam Ltd.- ₹8.40 crore and Jharkhand State Food and Civil Supplies Corporation Ltd.- ₹5 crore.

⁷ Minority Development and Finance Corporation (₹0.50 crore), Jharkhand Industrial Infrastructure Development Corporation (₹4 crore), Jharkhand Rail Infrastructure Development Corporation Limited (₹10 crore) and Goods and service tax network (₹0.08 crore).

2.4.5 Loans and Advances given by the Government

Apart from equity investments in the entities shown in **Table 2.21** the State Government has also been providing loans and advances to many of these entities and its employees. **Table 2.22** presents the outstanding loans and advances as on 31 March 2020 and interest receipts *vis-à-vis* interest payments during the last five years.

Table 2.22: Quantum of loans disbursed and recovered during five years

(₹ in crore)

Quantum of loans disbursed and recovered	2015-16	2016-17	2017-18	2018-19	2019-20
Opening Balance of loans outstanding	8,738	16,187	17,483	19,292	20,730
Amount advanced during the year	7,480	1,335	1,852	1,486	165
Amount recovered during the year	31	39	43	48	49
Closing Balance of the loans outstanding	16,187	17,483	19,292	20,730	20,846
Net addition	7449	1296	1809	1438	116
Interest received	4.33	3.88	87.66	14.72	38.91
Interest rate on Loans and Advances given by the Government.	0.05	0.02	0.50	0.08	0.19
Rate of Interest paid on the outstanding borrowings of the Government	6.63	6.76	6.98	7.98	6.34
Difference between the rate of interest paid and interest received (<i>per cent</i>)	6.58	6.74	6.48	7.90	6.15

A significant portion of the total outstanding loans at the end of March 2020 (₹ 20,846 crore) was mainly outstanding with power companies (₹ 19,947 crore) and Water Supply, Sanitation, Housing and Urban Development (₹ 753 crore).

Outstanding arrears of loanee entities at the end of March 2020 amounted to ₹3,136.40 crore (principal: ₹ 1,663.07 crore and interest: ₹ 1,473.33 crore).

Loan to Jharkhand State Food and Civil Supplies Corporation Ltd. (₹ 44 crore) in 2011-12 was understated in the Government accounts due to incorrect budgetary categorisation under revenue expenditure instead of capital expenditure. Loans to Jharkhand State Electricity Board (JSEB) amounting to ₹ 7,222.18 crore continue to be depicted in the government accounts as receivable from the Board, even though the Board was unbundled in January 2014 into separate companies. Thus, the assets of the State were inflated to the extent of ₹ 7,222 crore.

Audit, further, observed that loans made by the erstwhile State of Bihar to Tenughat Vidyut Nigam Limited (₹ 608 crore) before 14 November 2000 have not been apportioned between the successor States of Bihar and Jharkhand.

Recommendation 1: *The State Government should rationalise its investments and loans advanced to various entities such that the return on investment and loans at least matches the Government borrowing costs. Otherwise increasing fiscal liabilities accompanied by negligible rate of returns in investments might lead to a situation of unsustainable debt.*

2.4.6 Capital locked in incomplete projects

An assessment of trends in capital blocked in incomplete capital works would also indicate quality of capital expenditure. Blocking of funds on incomplete projects/ works impinges negatively on the quality of expenditure and deprives the State of the intended benefits for prolonged periods. Further, the funds borrowed for implementation of these projects during the respective years leads to the extra burden in terms of servicing of debt and interest liabilities.

Year wise and Department-wise information pertaining to incomplete projects which were to be completed on or before 31 March 2020 is given in **Table 2.23** and **Table 2.24** respectively.

Table 2.23: Age profile of incomplete projects as on 31 March 2020

(₹ in crore)

Completion Year	No of incomplete projects	Estimated cost	Expenditure (as on 31 March 2020)	Revised estimates	
				No. of projects	Amount
Upto 2011	3	33.39	43.23	1	27.84
2012	3	54.10	17.01	1	43.04
2013	2	10.64	7.74	0	0
2014	3	16.69	13.46	2	7.49
2015	21	232.30	186.24	3	8.87
2016	22	697.73	437.39	1	13.88
2017	50	568.00	470.48	7	52.09
2018	104	989.43	739.94	9	42.48
2019	170	2,227.00	1,370.83	6	6.69
Total	378	4,829.28	3,286.32	30	202.38

Table 2.24: Department-wise profile of incomplete projects as on 31 March 2020

(₹ in crore)

Department	No. of incomplete projects	Estd. cost	Expenditure	Revised estimates	
				No. of projects	Estimate increased by
Road construction department	90	2,575.67	1,729.46	11	69.58
Rural works department	89	197.28	120.40	3	0.99
Drinking water and sanitation	32	533.96	436.68	0	0.00
Water resources department	85	1,033.81	727.99	12	131.11
Rural development department	61	242.72	160.46	3	0.67
Building construction department	21	245.84	111.33	1	0.03
Total	378	4,829.28	3,286.32	30	202.38

Source: Finance Accounts

Out of 378 projects shown in the above table, revised cost of only 30 projects were provided which showed that estimated cost of ₹ 661.03 crore in those 30 projects escalated by ₹ 202.38 crore due to non-completion of those projects in time. Since the details of the remaining projects were not

furnished by the departments, their revised cost was not exhibited in the Finance Accounts and was thus not ascertainable.

2.4.7 Capital expenditure transferred to public accounts

It was observed from the Finance Accounts that ₹ 982.47 crore was transferred from the capital head of accounts of the consolidated fund to deposit heads in public account. Out of total amount transferred ₹388.82 crore were transferred to public works deposit head and ₹ 593.65 crore to the deposits of local funds.

Table 2.25: Transfer from Consolidated fund to Public Account

Sl. No.	Head of Account				Amount (₹ in crore)
	From		To		
1	4047	Other fiscal services	8443	Civil deposit- works deposit 108 -public	49.48
2	4055	Capital outlay on police	8443	Civil deposit- works deposit 108 -public	29.31
3	4202	Capital outlay on education, sports, art and culture	8443	Civil deposit- works deposit 108 -public	10.12
4	4210	Capital outlay on medical and health	8443	Civil deposit- works deposit 108 -public	21.71
5	4225	Capital outlay on welfare of SC, ST and other backward classes	8443	Civil deposit- works deposit 108 -public	51.95
6	4515	Capital outlay on other rural development programmes	8443	Civil deposit- works deposit 108 -public	174.68
7	5054	Capital outlay on roads and bridges	8443	Civil deposit- works deposit 108 -public	23.98
8	5452	Capital outlay on tourism	8443	Civil deposit- works deposit 108 -public	27.59
9	4055	Capital outlay on police	8448	Deposit of local fund-120-other funds	126.59
10	4202	Capital outlay on education, sports, art and culture	8448	Deposit of local fund-120-other funds	24.62
11	4210	Capital outlay on medical and health	8448	Deposit of local fund-120-other funds	223.72
12	4225	Capital outlay on welfare of SC, ST and other backward classes	8448	Deposit of local fund-120-other funds	218.72
Total					982.47

The book transfer of fund to public account was mere transfer of fund from one head to another and was not actual expenditure leading to over statement of expenditure under capital section. Expenditure of those transferred amount from the deposit heads during the financial year could not be ascertained due to non-availability of any details in the accounts of the State. However, it was noticed that under Minor Head 108- public Works Deposits ₹ 3,164 crore was added (including the transactions shown in the above table) in opening balance of ₹ 3,630 crore and ₹ 2,302 crore was spent leading to a balance of ₹ 4,492 crore at the end of March 2020. Similarly, ₹ 5,508 crore (including the transactions shown in the above

table) was added in the opening balance of ₹ 6,837 crore under the Minor Head 120- Other funds and ₹ 4,578 crore spent during the year leading a balance of ₹ 7,767 crore.

2.4.8 Implementation of Ujwal Discom Assurance Yojana (UDAY)

The Ministry of Power, Government of India (GoI) had launched (November 2015) the Ujwal Discom Assurance Yojana (UDAY) Scheme for the financial turnaround of Power Distribution Companies (DISCOMs).

With an objective to improve the operational and financial efficiency of the State DISCOMs, a tripartite Memorandum of Undertaking (MoU) was executed between Ministry of Power (GoI), concerned State Government and State Power Distribution Companies. This scheme facilitated State Governments to take over 75 per cent of DISCOM's outstanding debt over a period of two years.

The outstanding debt of the DISCOMs was to be taken over in the form of equity, loan and grant/subsidy. The loan extended to DISCOMs under UDAY has to be converted into grant and equity in the subsequent three years. Accordingly, the States had to convert loan into equity and subsidy.

Further, the State Government would have to take over losses, if any, of the DISCOMs in a graded manner as below:

Year	2017-18	2018-19	2019-20	2020-21
Loss to be taken over by State.	5% of loss of 2016-17	10% of loss of 2017-18	25% of loss of 2018-19	50% of loss of previous year

During scrutiny it was observed that the State of Jharkhand took over 100 per cent liabilities of outstanding dues of JBVNL with Central Public Sector Undertakings (CPSUs) and 75 per cent of the outstanding debt of JBVNL as on 30.09.2015. State issued a loan of ₹ 6,136 crore to JBVNL of which, ₹ 5,553 crore was raised as borrowings on UDAY bonds and ₹ 583.00 crore was given from the consolidated fund of the State. Borrowings on UDAY bond have been raised at an interest rate of 8 to 8.99 per cent per annum which were to be repaid between the years 2021-22 to 2030-31, whereas the loan was given to JBVNL at an interest rate of 13 per cent per annum.

The loan by the State government to DISCOM was not converted into grant and/or equity as per requirement of the scheme as of 31 December 2020. However, as per latest finalised accounts, JBVNL was running a loss of ₹ 212.17 crore and its net worth was completely eroded and stood at negative ₹ 5,954.48 crore as on 31 March 2019. No borrowing was made on UDAY bond by the State after 2015-16.

2.4.9 Resource availability of the State under Public Private Partnership Projects

Public Private Partnership (PPP) is an arrangement between the government or statutory entity and a private sector entity, to provide a

framework that enables them to work together to meet the rising demand of the public for infrastructure development.

Table 2.26: Sector-wise details of PPP Projects

(₹ in crore)

Sl. No.	Sector*	Completed		Ongoing		Planned for future	
		No.	Estimated Cost	No.	Estimated Cost	No.	Estimated Cost
1.	Energy	1	181.43	1	77.00	-	-
2.	Tourism	-	-	1	250.00	-	-
3.	Medical	-	-	1	80.10	-	-
4.	Water Supply & Sanitation	-	-	1	12.00	1	150.00
5.	Roads and Bridges	11	5,560.10	2	642.60	1	2,768.68
	Total	12	5,741.53	6	1,061.70	2	2,918.68

Source: www.pppinindia.gov.in*Current status not available hence, posted in planned for future column.

2.4.10 Expenditure priorities

Enhancing human development levels requires the States to step up their expenditure on key social services like education, health etc. Low fiscal priority (ratio of expenditure under a category to aggregate expenditure) is attached to a particular sector, if the allocation is below the respective national average. The higher the ratio of these components to total expenditure, the quality of expenditure is considered to be better.

Table 2.27: Expenditure priority of the State with regards to Health, Education and Capital expenditure

(per cent)

	AE/GSDP	CE/AE	SSE/AE	ESE/AE	Education/AE	Health/ AE
General Category States Average (2014-15)	15.99	13.98	36.14	32.36	16.54	4.92
Jharkhand	17.46	14.52	33.66	37.60	15.27	4.24
General Category States Average (2019-20)	15.15	12.97	36.73	28.69	15.91	5.21
Jharkhand	20.24	14.86	34.44	35.48	15.04	4.72

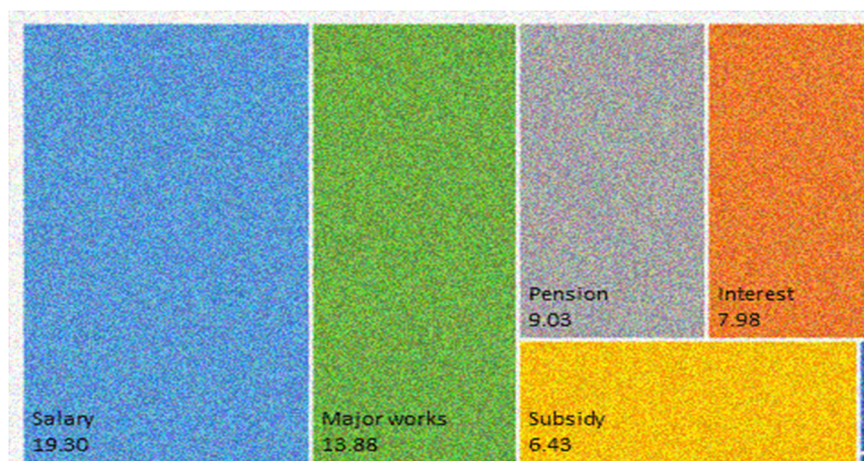
As evident from the table, during 2019-20 the ratio of education expenditure and economic service expenditure to aggregate expenditure (AE) decreased in comparison to its ratio during 2014-15, whereas, the ratio of other expenditures to AE showed improvement during 2019-20.

In comparison to the average of the General Category States (GCS) on social sector expenditure including education and health the ratio of Jharkhand was less in both the years 2014-15 and 2019-20.

2.4.11 Object head wise expenditure

Finance Accounts depict transactions only up to the Minor Head level. Therefore, statement four of the Finance Accounts give a view down to the extent of object head level. **Chart 2.11** gives information about the share of object/ purpose of the expenditure on major items.

Chart 2.11: Expenditure on Major Items



As depicted in the **Chart 2.11** a huge share of Total Expenditure consumed by the expenditure on Salaries, Pension, Interest Payments and Subsidies during the year 2019-20, however, nearly 14 per cent of TE was utilized on the major works i.e. for creation of infrastructure and assets in the State.

2.5 Public Account

Receipts and Disbursements in respect of certain transactions such as Small Savings, Provident Funds, Reserve Funds, Deposits, Suspense, Remittances etc., which do not form part of the Consolidated Fund, are kept in the Public Account set up under Article 266(2) of the Constitution and are not subject to vote by the State Legislature. The Government acts as a banker in respect of these. The balance after disbursements during the year is the fund available with the Government for use for various purposes.

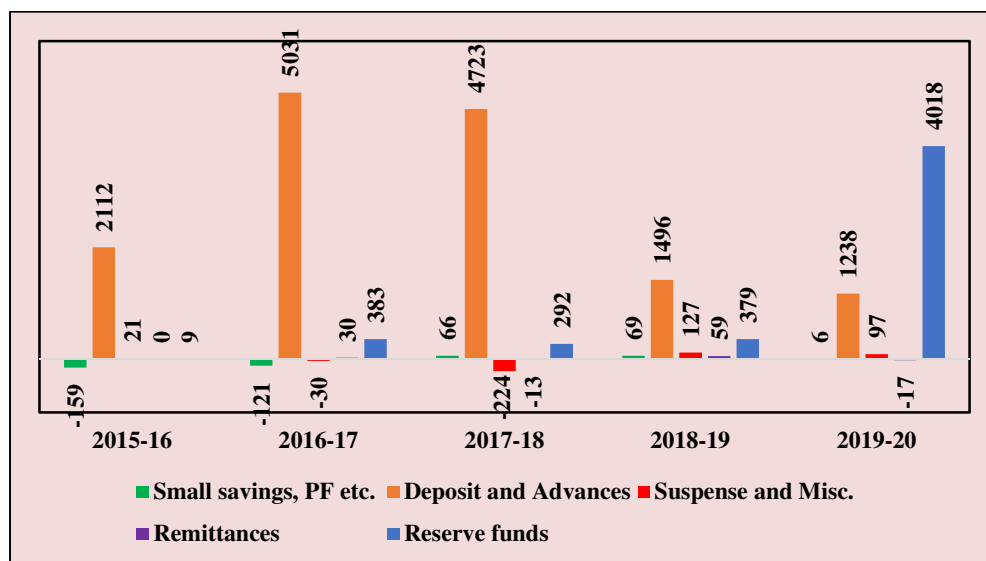
2.5.1 Net Public Account Balances

The component-wise net balances in Public Account of the State are given in **Table 2.28**.

Table 2.28: Component-wise net balances in Public Account as of 31 March 2020

		(₹ in crore)				
Sector	Sub Sector	2015-16	2016-17	2017-18	2018-19	2019-20
I. Small Savings, Provident Funds etc.	Small Savings, Provident Funds etc.	-1,197.17	-1,075.67	-1,142.18	-1,211.11	-1,216.86
J. Reserve Funds	(a) Reserve Funds bearing Interest	-876.46	-1,259.21	-1,551.04	-1,930.09	-5,948.02
	(b) Reserve Funds not bearing Interest	0	0	0	0	0
K. Deposits and Advances	(a) Deposits bearing Interest	-14.13	-9.7	-13.52	-12.64	-39.55
	(b) Deposits not bearing Interest	-8,601.67	-13,637.8	-18,356.4	-19,853.8	-21,065.2
	(c) Advances	4.5	4.94	5.78	6.28	7.15
L. Suspense and Miscellaneous	(b) Suspense	-122.45	-92.08	132.14	5.42	-91.29
	(c) Other Accounts	2,108.66	1,445.59	392.6	207.09	3,117.62
	(d) Accounts with Govt. of Foreign Countries	0	0	0	0	0
	(e) Miscellaneous	0	0	0	0	0
M. Remittances	(a) Money Orders, and other Remittances	-0.96	28.65	-66.84	-118.85	-114.25
	(b) Inter- Governmental Adjustment Account	23.62	24.15	27.16	19.57	31.95
TOTAL		-8,676.06	-14,571.13	-20,572.30	-22,888.13	-25,318.45

Note: +ve denotes debit balance and -ve denotes credit balances

Chart 2.12: Year-wise changes in composition of public account balances

Net additions in Deposits and Advances during 2019-20 was mainly due to significant increase in credit in the Personal Deposits (by ₹ 1,156 crore), public works deposit (by ₹ 862 crore) under major head- ‘8443- civil deposits’ and other funds (by ₹ 930 crore) under major head- ‘8448- deposits of local funds’ in comparison to the previous year. Reserve fund bearing interest increased significantly due to credit of ₹ 4,158 crore to State Compensatory Afforestation Fund during the year.

2.5.2 Reserve Funds bearing interest

Reserve Funds are created for specific and defined purposes under the Public Account of the State Government. These funds are met from contributions or grants from the Consolidated Fund of the State. There are two interest bearing reserve funds in the State during the year 2019-20; (1) State Disaster Response Fund and (2) State Compensatory Afforestation Fund.

State Disaster Response Fund

As per Para 7 of SDRF guidelines 2015, the State Government is required to transfer the contribution to the SDRF received from GoI along with its share to Public Account head within 15 days of its receipt. Any delay will require the State Government to release the amount with interest (Bank Rate of RBI) for the number of days of delay.

It was noticed that during 2019-20, the State Government transferred the contribution from GoI along with its share into Public Account with a delay of 74 days (₹ 165.75 crore) and 162 days (₹ 165.75 crore) after receipt of Central share, for which the State Government was liable to pay interest of ₹ 7.85 crore, which was not paid.

As per Para 19 and 20 of SDRF guidelines 2015, the balances under the funds should be invested by the State in (a) Central Government dated securities (b) auctioned treasury bills and (c) interest earning deposits and certificates of deposits with Scheduled Commercial Banks. The Finance

Department of the Government of Jharkhand, had informed (July 2019) that ₹ 400 crore was invested in Scheduled Commercial Banks during the year 2012-13.

Further, as per the guidelines, the Government was required to pay interest on the non-invested balances at the rate of interest (7.59 per cent) payable on overdrafts, which is to be added to the corpus of the fund itself. However, GoJ had not paid any interest to SDRF since its creation, which works out to ₹ 681.76 crore at the applicable rates of interest for the period 2011-20. Of this, unpaid interest for 2019-20 alone amounted to ₹ 146.49 crore, resulting in overstatement of revenue surplus and understatement of fiscal deficit for the year. Consequently, the non-invested balances of ₹ 1,930.09 crore in the Fund as on 31 March 2020 are only book entries and do not represent actual cash balance. Such unpaid interest, since the operation of the fund represents the unaccounted liabilities of the State.

Table 2.29: Details of expenditure charged to SDRF

(₹ in crore)

Major Head of Account	Minor Head of Account	Expenditure during 2019-20
2245- Relief on Account of Natural Calamities 01- Drought	101-Gratuitous Relief	38.28
	102-Drinking Water Supply	109.68
Sub Total		147.96
2245- Relief on Account of Natural Calamities 02- Floods, Cyclones etc.	101-Gratuitous Relief	1.29
	113-Repairs and reconstruction of Houses	2.24
	114- Assistances to farmers for purchase of agriculture input	0.10
Sub Total		3.64
05-State Disaster Response Fund	101-Transfer to reserve fund and deposit account- SDRF	221.00
	901- Deduct - Amount met from State Disaster Response Fund	214.10
Sub Total		6.90
2245- Relief on Account of Natural Calamities 80- General	Direction and administration, Training of disaster preparedness, management of Natural Disasters etc.	62.74
Sub Total		62.74
Grand Total		221.24

State Compensatory Afforestation Fund

As per CAF (Accounting Procedure) Rules, 2018, all monies realised from the User Agencies are required to be credited to Minor Head “103-State Compensatory Afforestation Deposits” below the Major Head “8336-Civil Deposits” at the first instance. Thereafter, 90 per cent shall be transferred to Minor Head “129-State CAF” below the Major Head “8121-General and other Reserve Funds”. Balance 10 per cent shall be transferred to National Fund on monthly basis by crediting Minor Head “102-National Compensatory Afforestation Deposits” under the Major Head “8336-Civil Deposits-11-Jharkhand”.

Besides, on receipt of 90 per cent of the State’s share from *ad hoc* Authority (onetime measure), the same shall also be credited to Minor Head “129-State Compensatory Afforestation Fund” below the Major Head “8121-General and other Reserve Funds.”

During 2019-20, the State Government received ₹ 4,158.02 crore (reconciled amount upto 7 February 2019) from the Central Government towards 90 *per cent* of the State's share lies with *ad hoc* Authority including interest of ₹ 220.13 crore and credited to the Jharkhand Compensatory Afforestation Fund (JCAF). In addition, a sum of ₹ 568.73 crore received (8 February 2019 to 31 March 2020) from the beneficiaries were directly remitted to Central Fund instead of crediting 90 *per cent* of the amount to JCAF and remaining balance 10 *per cent* to Central Fund. The expenditure incurred out of the fund during the year was ₹ 146.99 crore, whereas the total balance in JCAF as on 31 March 2020 was ₹ 4,011.03 crore.

2.5.3 Reserve Funds not bearing interest

Consolidated Sinking Fund

Following the recommendations of the Twelfth Finance Commission, the State has created a Consolidated Sinking Fund for amortisation of all loans including loans from banks, liabilities on account of National Small Savings Funds etc., during 2016-17.

GoJ had an outstanding debt of ₹ 83,782.93 crore at the beginning of the year 2019-20, for which, GoJ made budget provision of ₹ 280.16 crore to transfer into the Sinking Fund during the year. However, no amount was transferred during the year. Similarly, budget provisions made during the previous years were also not transferred to the fund and the fund remained inactive. Moreover, non-transfer of Fund resulted in overstatement of revenue surplus and understatement of fiscal deficit of the State as discussed in **Paragraph 1.5.1**.

Guarantee Redemption Fund

The Constitution of India provides that a State may borrow, within the territory of India, upon the security of its Consolidated Fund, within such limits, as may from time to time, be fixed by the Act of its Legislature and give guarantees within such limits as may be fixed.

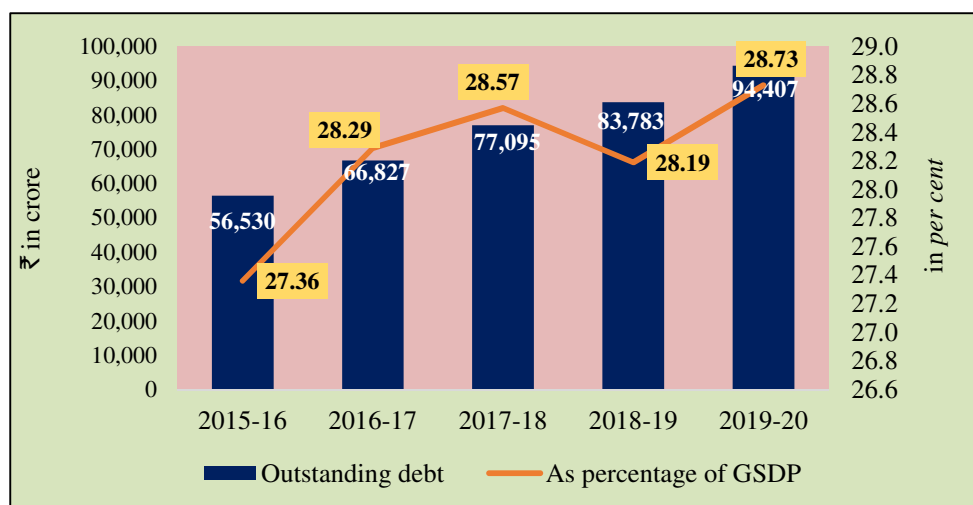
As per the recommendation of the Twelfth Finance Commission, the GoJ was required to constitute a Guarantee Redemption Fund (GRF) through earmarked guarantee fees. This was to be preceded by risk weighting of guarantees. The quantum of contribution to the fund was to be decided accordingly. The accumulations in the Fund are to be utilised only towards payment of the guarantees issued by the Government and not paid by the institutions on whose behalf guarantee was issued. However, the Fund has not been created.

2.5.4 Debt management

Debt management is the process of establishing and executing a strategy for managing the Government's debt in order to raise the required amount of funding, achieve its risk and cost objectives, and to meet any other sovereign debt management goals that the Government may have set through enactment or any other annual budget announcements.

Total debt of the Government and its percentage to GSDP for the period 2015-20 has been shown in **Chart 2.13**. Abstract of liabilities and assets of the state as on 31.03.2020 are given in **Appendix 2.2**.

Chart 2.13: Total debt of the Government and its percentage to GSDP



2.5.4.1 Debt profile: Components

Total debt of the State Government typically constitutes of internal debt of the State (market loans, ways and means advances from RBI, special securities issued to National Small Savings Fund and loans from financial institutions, etc.), loans and advances from the Central Government.

Details of availability of funds on account of receipts and repayments under public debt and public account liabilities during 2015-20 are given in **Table 2.30**.

Table 2.30: Component wise debt trends

		(₹ in crore)				
		2015-16	2016-17	2017-18	2018-19	2019-20
Total Debt		56,530.49	66,826.97	77,095.03	83,782.93	94,406.60
Public Debt	Internal Debt	43,755.57	48,682.31	53,799.09	58,436.19	63,545.46
	Loans from GoI	2,085	2,162	2,233	2,339	2,592
Liabilities on Public Account		10,689.43	15,982.37	21,063.09	23,007.66	28,269.62
Rate of growth of outstanding debt (percentage)		29.75	18.21	15.37	8.67	12.68
Gross State Domestic Product (GSDP)		2,06,613	2,36,250	2,69,816	2,97,204	3,28,598
Total Debt/GSDP (per cent)		27.36	28.29	28.57	28.19	28.73
Total Debt Receipts		33,843.34	19,192.64	25,205.53	22,223.80	30,980.35
Total Debt Repayments		20,881.94	8,896.17	14,937.47	15,535.90	20,356.68
Interest payments		3,320.00	4,172.00	4,661.68	4,851.97	5,307.71
Net availability of borrowed funds		9,641.40	6,124.47	5,606.38	1,835.93	5,315.96
Debt Repayments/Debt Receipts (percentage)		71.51	68.09	77.76	91.74	82.84

Overall fiscal liabilities (Total Debt) of the State increased from ₹ 83,783 crore in 2018-19 to ₹ 94,407 crore in 2019-20. The fiscal liabilities to GSDP ratio was 28.73 per cent against the MTFP target of 27.10 per cent. Increasing liabilities raised the issue of sustainability of State Government Finances. Moreover, apportionment of fiscal liabilities of the composite

Bihar State between successor States of Bihar and Jharkhand has not been done so far.

Net availability of borrowed funds decreased gradually from ₹ 9,641 crore in 2015-16 to ₹ 1,836 crore in 2018-19 which increased significantly to ₹ 5,315.96 crore during 2019-20. During 2019-20, the main contributors in the available borrowed funds was receipts of the state compensatory afforestation fund under reserve funds (₹ 4,011 crore) and deposit not bearing interest (₹ 1,211 crore).

During 2019-20, the receipts of the State under public debt and other liabilities increased by 39.40 *per cent* whereas, repayment of public debt and other liabilities including interest increased by 25.88 *per cent* over the previous year resulting in more availability of borrowed funds to the State. However, major share of borrowed funds was utilised for discharging existing liabilities during 2019-20. Component wise debt trends during 2019-20 has shown in **Chart 2.14**, whereas, **Chart 2.15** shows further breakup of components of public debt and public accounts in overall debt of the state. **Chart 2.16** shows receipts and repayment of internal debt during the period 2015-20.

Chart 2.14: Break up of Total Debt at the end of 2019-20

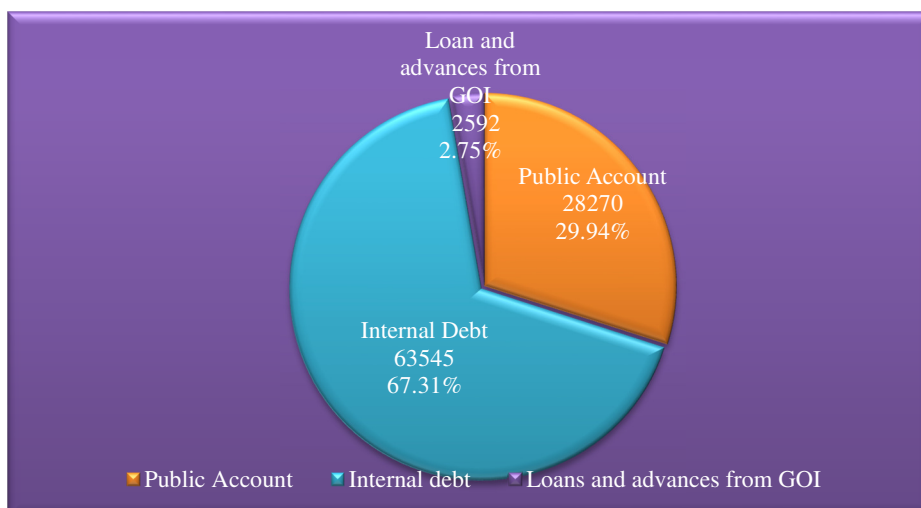


Chart 2.15: Components of public debt and public accounts in overall debt

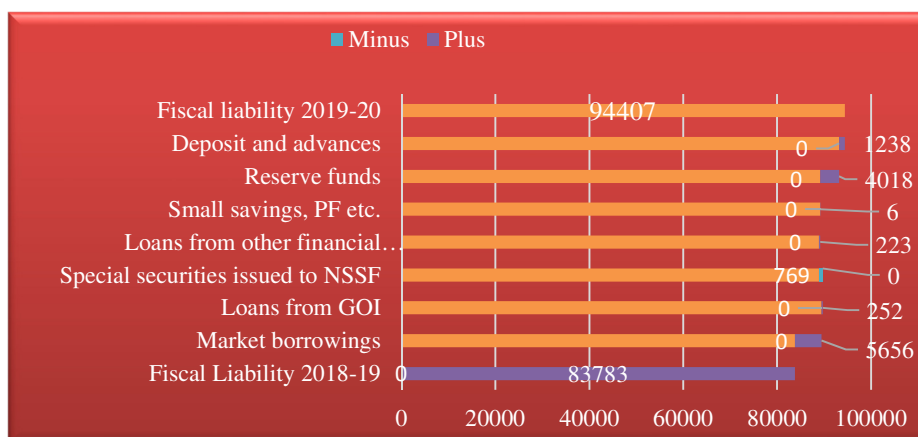
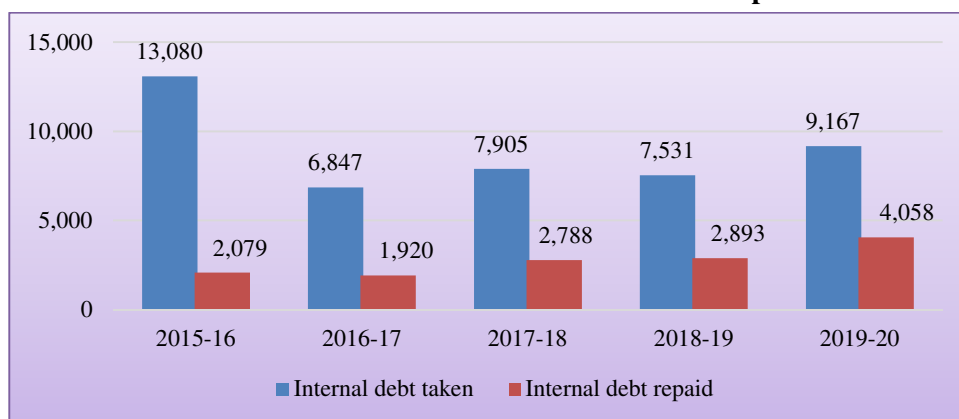


Chart 2.16: Internal Debt taken vis-a-vis repaid

Details of financing pattern of fiscal deficit during the period 2015-20 are given in **Table 2.31**.

Table 2.31: Components of fiscal deficit and its financing pattern

(₹ in crore)

Particulars	2015-16	2016-17	2017-18	2018-19	2019-20
Composition of Fiscal Deficit					
1 Revenue Surplus	4,085	1,965	1,804	5,521	1,960
2 Net Capital Expenditure	8,159	10,861	11,928	10,712	9,879
3 Net Loans and Advances	7,449	1,296	1,809	1,438	116
Financing Pattern of Fiscal Deficit					
1 Market Borrowings	4,755	4,725	4,807	4,023	5,656
2 Loans from GOI	-2	77	71	106	252
3 Special Securities issued to NSSF	573	-733	-746	-757	-769
4 Loans from Financial Institutions	5,673	934	1,054	1,371	222
5 Small Savings, PF, etc.	-159	-121	66	69	6
6 Deposits and Advances	2,112	5,031	4,722	1,496	1,238
7 Suspense and Miscellaneous	21	-30	-224	127	97
8 Remittances	1	-30	93	60	-17
9 Reserve Fund	10	383	292	379	4018
10 Overall Deficit	12,984	10,236	10,135	6,874	10,703
11 Increase/Decrease in cash balance	-1,461	-43	1,798	-245	-2,668
12 Gross Fiscal Deficit	11,523	10,193	11,933	6,629	8,035

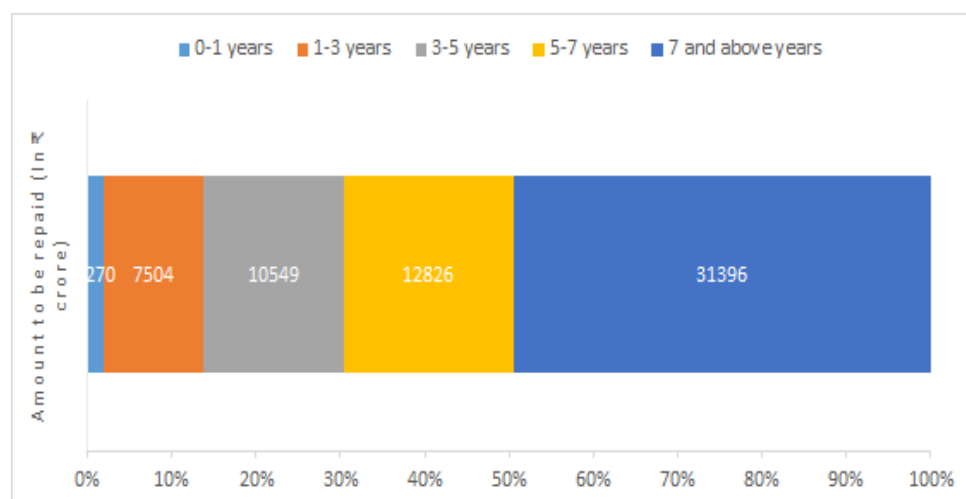
During 2019-20, the fiscal deficit of ₹ 8,035 crore was mainly financed by Market Borrowings (₹ 5,656 crore), Reserve fund (₹ 4,018 crore) and Deposits and Advances (₹ 1,238 crore). Amount utilised from reserve fund relates to Jharkhand compensatory afforestation fund received from GoI in August 2019 and March 2020.

2.6 Debt Maturity profile and Repayment

Debt maturity and repayment profile indicates commitment on the part of the Government for debt repayment or debt servicing.

Table 2.32: Debt Maturity profile of repayment of State debt

Period of repayment (Years)	Amount (₹ in crore)	Percentage (w.r.t. Public debt)
0 – 1	1,483.01	2.24
1 – 3	7,972.00	12.05
3 – 5	11,061.14	16.72
5 – 7	13,169.87	19.91
7 and above	32,450.97	49.08
Total	66,136.99	100.00

Chart 2.17: Debt Maturity profile

As evident from the **Table 2.32** and **Chart 2.17** depicting maturity profile of public debt, the redemption pressure is likely to rise from the year 2022-23 and reach a peak from the year 2025-26 due to maturity of Jharkhand Government stock.

2.6.1. Fiscal Deficit and Debt Sustainability

In the above context of fiscal sustainability, the Thirteenth Finance Commission defined debt sustainability in terms of debt-GSDP ratio and also in terms of interest payments relative to revenue receipts. The Fourteenth Finance Commission (FFC) recommended for fiscal consolidation for the Central and State Government and provided limits for fiscal deficit and debt stock as a percentage of GSDP. Government of Jharkhand in its FRBM Act, 2007 decided to maintain its fiscal deficit at not more than three *per cent* of the estimated GSDP. In view of FRBM Act, target of debt stock to GSDP percentage were given every year in the MTFP statement submitted with the budget.

The status of debt stock *vis-à-vis* the FFC targets and FRBM targets were as provided in **Table 2.33**.

Table 2.33: Debt sustainability – FRBM indicator based analysis

Year	Fiscal Deficit to GSDP (in per cent)		Debt stock to GSDP (in per cent)		Interest Payment to Revenue Receipts (in per cent)	
	Target as per MTFP prepared under FRBM Act	Achievement	Target as per MTFP prepared under FRBM Act	Achievement	FFC targets	Achievement
2015-16	2.80	5.58	27.4	27.36	8.68	8.17
2016-17	2.16	4.31	28.3	28.29	8.63	8.87
2017-18	2.49	4.42	27.9	28.57	8.54	8.84
2018-19	2.61	2.23	27.2	28.19	8.32	8.64
2019-20	2.09	2.45	27.1	28.73	8.08	9.09

Source: Finance Accounts of the respective years, MTFP and FFC Report

The State Government was able to contain the fiscal deficit below the FRBM targets (three *per cent*) during 2019-20, however, failed to achieve revised target (2.09 *per cent*) fixed in Medium Term Fiscal Policy (MTFP) statement. Normative projection for ratio of interest payment to revenue

receipts (burden of interest payment) by FFC was not achieved by the State and it remained higher than the projection from 2016-17 onwards.

Recommendation 2: *Although the State has already achieved the target laid down in its FRBM Act to reduce the revenue deficit to zero and generate revenue surplus the State has to put in concerted efforts to maintain its fiscal deficit within the FRBM target and revised target in MTFP statement after mid-term review.*

2.6.2 Utilisation of borrowed funds

Borrowed funds should ideally be used for capital creation and developmental activities. Using borrowed funds for meeting current consumption and repayment of interest on outstanding loans is not sustainable.

Table 2.34: Utilisation of borrowed funds

(₹ in crore)

Sl. No.	Year	2015-16	2016-17	2017-18	2018-19	2019-20
1	Total Borrowings	13,244.65	7,081.42	8,136.85	7,803.43	9,593.12
2	Repayment of earlier borrowings (Principal) (percentage)	2,245.93	2,077.88	2,949.50	3,060.10	4,231.40
3	Net capital expenditure	8,159.00	10,861.00	11,927.62	10,711.71	9,878.71
4	Net loans and advances	7,449.00	1,296.00	1,809.00	1,438.43	116.24
5=(1-2-3-4)	Portion of Revenue expenditure met out of net available borrowings	-4,609.28	-7,153.46	-8,549.27	-7,406.81	-4,633.23

Source: Finance Accounts

The State had to repay of ₹ 4,231.40 crore for earlier borrowings during 2019-20 of which, ₹ 1,960.51 crore met from revenue surplus and balance ₹ 2,270.89 crore met from the borrowings of the current year leading to less availability of borrowed funds for the capital expenditure and loans and advances given by the state. The part of capital expenditure not covered by the public debt was met from the public account balances.

2.6.3 Status of Guarantees (Contingent Liabilities)

The Constitution of India provides that a State may borrow, within the territory of India, upon the security of its Consolidated Fund, within such limits, as may from time to time, be fixed by the Act of its Legislature and give guarantees within such limits as may be fixed. Guarantees are liabilities contingent on the Consolidated Fund of the State in case of default by the borrower for whom the guarantee has been extended.

The Government of Jharkhand has neither created guarantee redemption fund nor made any policy in this regard. However, the government has given letter of comfort (LOC) amounting to ₹ 450 crore in favour of Jharkhand Bijli Vitaran Nigam Limited in December 2018. Further, LOC of ₹ 157.15 crore given on behalf of JSEB in February 2013 was pending for clearance in the accounts of the government even after unbundling of the JSEB in January 2014.

Table 2.35: Guarantees given by the State Government

(₹ in crore)

Guarantees	2015-16	2016-17	2017-18	2018-19	2019-20
Outstanding amount of guarantees including interest	157.15	157.15	157.15	607.15	607.15

2.7 Management of Cash Balances

As per an agreement with the Reserve Bank of India, State Governments have to maintain a minimum daily cash balance with the Bank. If the balance falls below the agreed minimum on any day, the deficiency is made good by taking ordinary Ways and Means Advances (WMA)/Special Ways and Means Advances (SWMA)/Overdrafts (OD) from time to time. The limit for ordinary WMA to the State Government was revised by the RBI from time to time (₹ 720.00 crore w.e.f. 1 February 2016). State Government invests its surplus cash balance in short and long-term GoI Securities and Treasury Bills. The profits derived from such investments are credited as receipts under the head '0049-Interest Receipts'. The cash balances are invested in the Consolidated Sinking Fund Guarantee Redemption Fund as well. **Table 2.36** shows comparative details of general cash balance and its investment during 2018-19 and 2019-20 and **Table 2.37** shows position of Cash Balance Investment Account (Major Head-8673) during the period 2015-20.

Table 2.36: Cash Balances and their investment

(₹ in crore)

	Opening balance on 1 April 2019	Closing balance on 31 March 2020
A. General Cash Balance		
Cash in treasuries	0	0
Deposits with Reserve Bank of India	188.30	-54.14
Deposits with other Banks	0	0
Remittances in transit – Local	0	0
Sub-total	188.30	-54.14
Investments held in Cash Balance investment account	167.90	3070.62
Total (A)	356.20	3,016.48
B. Other Cash Balances and Investments		
Cash with departmental officers viz., Public Works, Forest Officers	39.05	46.84
Permanent advances for contingent expenditure with department officers	0.13	0.16
Investment in earmarked funds	400.00	400.00
Total (B)	439.18	447.00
Total (A + B)	795.38	3,463.48
Interest realised	31.43	147.42

Source: Finance Accounts

Table 2.37: Cash Balance Investment Account (Major Head-8673)

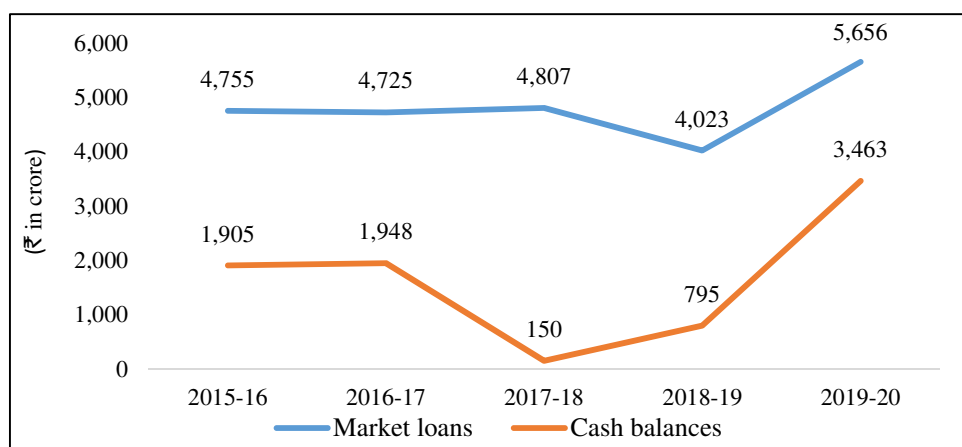
(₹ in crore)

Year	Opening Balance	Closing Balance	Increase (+) / decrease (-)	Interest earned
2015-16	666.13	2,102.04	1,435.91	117.26
2016-17	2,102.04	1,439.09	-662.95	117.01
2017-18	1,439.09	354.56	-1,084.53	78.56
2018-19	354.56	167.9	-186.66	31.43
2019-20	167.9	3,070.62	2,902.72	147.42

The balance in the Cash Balance Investment Account as on 31 March 2020 was ₹ 3,070.62 crore and the interest realised on investment during 2019-20 was ₹ 147.42 crore. Substantial increase in cash balances was due to receipt of State Compensatory Afforestation Fund from GoI. Earmarked funds (SDRF) amounting to ₹ 400 crore was invested in Scheduled Commercial Banks during 2012-13.

There was a difference of ₹ 41.69 crore (net credit) between the figures reflected in the accounts {₹ 54.14 crore (credit)} and that intimated by the RBI {₹ 12.45 crore (debit)}. This difference in the Reserve Bank Deposit Balance has been taken up by the Principal Accountant General (A&E), Jharkhand with RBI, Ranchi for reconciliation and necessary correction.

Chart 2.18 shows comparative trend of market loans and cash balances during the last five years.

Chart 2.18: Trend of market loans and cash balances

It is not desirable that State Government take recourse to market loans despite having large cash balances leading to further accretion to cash balances without putting it to productive use.

During the year 2019-20, the State Government raised ₹ 5,656 crore from the market, while at the same time, the cash balance increased significantly from ₹ 795 crore to ₹ 3,463 crore, indicating that much of the borrowing was avoidable.

2.8 Conclusion

Deficit indicators, revenue augmentation and expenditure management are major yardsticks for judging the fiscal performance of the Government.

The State had a revenue surplus of ₹ 1,960.51 crore in 2019-20. The fiscal deficit of the State was 2.45 *per cent* of GSDP at the end of March 2020 against the FRBM target and FFC norm of three *per cent*.

In total expenditure of the state, share of expenditure on general services increased consistantly from 2015-16 onwards whereas, share of expenditure on economic services decreased significantly from 45.33 *per cent* in 2015-16 to 35.48 *per cent* in 2019-20. Share of expenditure on social service fluctuated between 30.48 and 35.15 *per cent* during 2015-20.

Revenue expenditure of the State constituted 84.90 *per cent* of the total expenditure of which 42.74 *per cent* spent on salaries, interest and pension payment. The expenditure on salaries, interest and pension payments consumed 41.37 *per cent* of revenue receipts.

Capital expenditure during 2019-20 decreased by ₹ 833 crore over the previous year due to less expenditure on social services by 11 *per cent* and economic service by 13 *per cent*.

As per annual accounts of the State ending 31 March 2020, the Government had invested ₹ 447.95 crore (in government companies, rural bank and co-operative institutions) since inception of the State in November 2000. The returns on these investments were 'nil' during 2019-20 while the Government paid an average interest rate of 6.34 *per cent* on its borrowings during 2019-20.

Apart from investments, a huge amount of loans (₹ 20,846 crore) given by the government to its entities were outstanding at the end of March 2020.

Overall fiscal liabilities (Total Debt) increased from ₹ 83,783 crore in 2018-19 to ₹ 94,407 crore in 2019-20. The fiscal liabilities to GSDP ratio was 28.73 *per cent* against the MTFP target of 27.10 *per cent*. Increasing liabilities raised the issue of sustainability of State Government Finances. Apportionment of fiscal liabilities of the composite Bihar State between successor States of Bihar and Jharkhand has not been done so far.

The government had not paid any interest to SDRF since its creation, which works out to ₹ 681.76 crore. Although government made budget provision of ₹ 280.16 crore to transfer into the Sinking Fund during the year however, the same was not transferred. This resulted in overstatement of revenue surplus and understatement of fiscal deficit for the year.

Chapter-3

BUDGETARY MANAGEMENT

CHAPTER 3

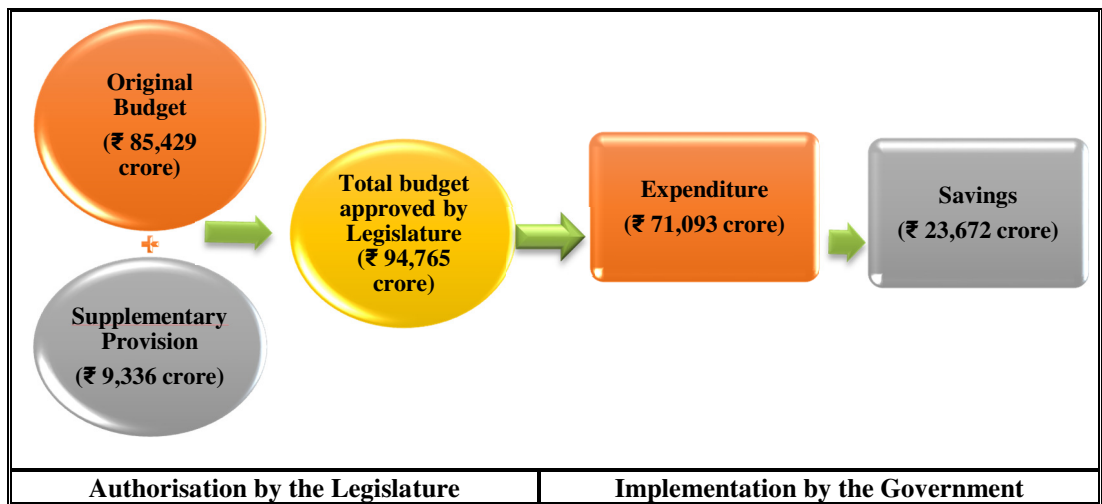
BUDGETARY MANAGEMENT

3.1 Budget Process

The annual exercise of budgeting is a means for detailing the roadmap for efficient use of public resources.

Audit of Appropriations seeks to ascertain whether the expenditure actually incurred under various grants is within the authorisation given in the Appropriation Act and if the expenditure is required to be charged under the provisions of the Constitution, it is so charged. It also ascertains whether the expenditure so incurred is in conformity with the law, relevant rules, regulations, and instructions. The various components of budget are depicted in the **Chart 3.1**.

Chart 3.1: Components of budget



Source: Appropriation Accounts

3.1.1 Summary of total provisions, actual disbursements and savings during financial year

A summarised position of total budget provision, disbursement and saving/excess with its further bifurcation into voted/charged are given in **Table 3.1**.

Table 3.1: Budget provision, disbursement and savings/excess during the financial year

Nature of Expenditure	Total budget		Disbursement		Savings/ excess	
	Voted	Charged	Voted	Charged	Voted	Charged
(I) Revenue	68,314.84	5612.62	51,387.13	5,430.58	16,927.71	182.04
(II) Capital	14,677.52	0	9,878.71	0	4,798.81	0
(III) Loans and Advances and Inter State Settlement	1,905.29	4,254.37	165.43	4,231.40	1,739.86	22.97
Total Voted	84,897.65	9,866.99	61,431.27	9,661.98	23,466.38	205.01

(₹ in crore)

During 2019-20, the total savings of ₹ 23,984.71 crore (25.31 per cent of the total budget) was the result of savings of ₹ 17,423.07 crore in 52 voted grants and four appropriations under the Revenue Section and ₹ 6,561.64 crore in 36 grants and one appropriation under the Capital Section.

Further, it was observed that out of total savings of ₹ 23,984.71 crore during 2019-20 savings of ₹ 15,263.32 crore occurred under nine grant {1-Agriculture, Animal Husbandry and Co-operative Department (₹ 1,364.54 crore), 10-Energy Department (₹ 3,101.12 crore), 20-Health, Medical Education and Family Welfare Department (₹ 1,453.53 crore), 36-Drinking Water and Sanitation Department (₹ 1,410.88 crore), 41-Road Construction Department (₹ 1,256.90 crore), 42-Rural Development Department (₹ 2,618.61 crore), 55-Rural Development Department (Rural Work Division) (₹ 1,771.61 crore), 59- School Education and Literacy Department (₹ 1,236.66 crore) and 60-Women, Child Development and Social Security Department (₹ 1,049.47 crore)} the reasons for which have not been appropriately explained in the Appropriation Accounts. Further, these grants had persistent total savings of at least ₹ 6,184.28 crore during each of the last four years (2016-20).

It was noticed that the savings of ₹ 23,671.39 crore during the year was surrendered in the month of March 2020 leaving the Finance Department virtually no time to reallocate the funds to other needy Departments. It also defeats the objective of achieving efficiency in budget management.

A detailed review of the Appropriation Accounts of the Government of Jharkhand 2019-20 revealed that except in a few cases, reasons for savings/excess against the budget provisions of the schemes/sub-heads were not furnished by the departments.

3.2 Charged and Voted disbursements

Break-up of total disbursement into charged and voted during the last five years (2015-20) is given in **Table 3.2**.

Table 3.2: charged and voted disbursement during 2015-20

(₹ in crore)

Year	Disbursements		Saving/Excess	
	Voted	Charged	Voted	Charged
2015-16	49,316.93	5,632.35	17,347.44	177.42
2016-17	53,108.80	6,324.00	13,057.61	475.30
2017-18	60,105.66	7,709.46	14,191.49	154.67
2018-19	57,908.04	8,022.04	18,727.57	1,496.17
2019-20	61,431.27	9,661.98	23,466.38	205.01

Table 3.2 shows that the budget provisions under voted section were not fully utilised by the departments and a huge savings occurred every year during the period 2015-20. A large share of provisions under charged sections were also not utilised during the last five years and a significant part of budget provision was surrendered by the departments.

3.3 Appropriation Accounts

Appropriation Accounts are accounts of the expenditure of the Government for each financial year, compared with the amounts of grants voted and appropriations charged for different purposes as specified in the schedules appended to the Appropriation Act passed under Articles 204 and 205 of the Constitution of India. Appropriation Accounts are on Gross basis. These Accounts depict the original budget provision, supplementary grants, surrenders and re-appropriations distinctly and indicate actual capital and

revenue expenditure on various specified services *vis-à-vis* those authorised by the Appropriation Act in respect of both Charged and Voted items of budget. Appropriation Accounts thus facilitate understanding of utilisation of funds, the management of finances and monitoring of budgetary provisions and are, therefore, complementary to the Finance Accounts.

Audit of appropriations by the CAG seeks to ascertain whether the expenditure actually incurred under various grants is in accordance with the authorisation given under the Appropriation Act and that the expenditure required to be charged under the provisions of the Constitution (Article 202) is so charged. It also ascertains whether the expenditure incurred is in conformity with the laws, relevant rules, regulations and instructions.

3.3.1 Expenditure incurred without budget provision

No money shall be withdrawn from the Consolidated Fund of the State except under appropriation made by law passed in accordance with the provisions of Article 204 of the Constitution. Expenditure on new scheme should not be incurred on a scheme/service without provision of funds except after obtaining additional funds by re-appropriation, supplementary grant or appropriation or an advance from the Contingency Fund of the State.

As per Article 115(1)(a) and 205(1)(a) of the Constitution, New Service means expenditure arising out of a new policy decision, not brought to the notice of Parliament/ State assembly earlier, including a new activity or a new form of investment.

‘New Instrument of Service’ means relatively large expenditure arising out of important expansion of an existing activity.

Audit scrutiny revealed that in 22 cases, expenditure amounting to ₹ 2,109.11 crore was incurred without budget provision as detailed in **Appendix 3.1**. Grant-wise summary of six schemes where expenditure without budget provision was ₹ 50 lakh or more is given in **Table 3.3**.

Table 3.3: Summary of Expenditure without Budget Provision

Grant/ Appropriation	Expenditure (₹ in crore)	Number of Schemes/ Sub Heads
14-Repayment of Loans	1,843.98	4
15-Pension	261.91	1
58-School Education and Literacy Dept.(Secondary Education Division)	2.07	1
Total	2,107.96	6

3.3.2 Fund credited under Minor Head 800 of Major Head 8443

It was observed during verification of statement no. 21 of the Finance Accounts that every year a significant amount was credited under Minor Head 800 of Major Head 8443 leading to a balance of ₹ 384.83 crore at the end of March 2020. On further verification it was observed that the amount credited under this head mainly pertains to fund allocated for compensation of land acquisition.

In December 2019, Government of Jharkhand, in consultation with AG (A&E), directed the state authorities to operate PD accounts under Minor Head 106 of Major Head 8443. Accordingly, PD accounts in 22 district

treasuries had been opened in the name of district land acquisition officers, but the amount under the Minor Head 800 was not transferred to PD accounts as of 31 March 2020.

3.3.3 Misclassification of capital expenditure as revenue expenditure

Classification of expenditure of revenue nature as capital expenditure or *vice-versa*, results in overstatement/understatement of revenue expenditure and revenue deficit/surplus.

During verification of accounts of the Government for the year 2019-20 it was observed that ₹ 0.40 crore provided in Revenue Section, under Major head 2202-03-796-12- 'Proposed Law University under Directorate of Higher Education,' was spent on Major Works i.e. on the creation of assets. The object heads pertaining to booking of expenditure of capital nature should correspond with capital major heads only because such expenditure overstates the revenue expenditure of the State and also the assets created out of the same fails to reflect in the accounts. Misclassification of capital expenditure as revenue expenditure resulted in understatement of revenue surplus.

3.3.4 Unnecessary or excessive supplementary grants

Rule 117 of the Bihar Budget Manual (as adopted by Jharkhand) states that supplementary grants should be obtained in consultation with the Finance Department to meet new specific items of expenditure or to cover probable excesses in the voted grant. Further, as per comments below Rule 57 of BM, the officer responsible for preparing estimate should be sure that there is no provision for a greater sum than that which can be spent.

As detailed in **Appendix 3.2**, out of total supplementary budget provision of ₹ 9,335.64 crore, supplementary provisions aggregating ₹ 9,277.22 crore (99.37 per cent) obtained in 58 cases (₹ 0.50 crore or more in each case) during the year, proved unnecessary/excessive as the expenditure did not come up even to the level of the original provisions in most of the cases.

***Recommendation 1:** Government should be more realistic in its budgetary assumptions and ensure efficient control mechanisms to curtail savings/ excess expenditure. Internal re-appropriations from Savings in other schemes may also be done wherever possible*

3.3.5 Unnecessary or excessive re-appropriation

'Re-appropriation' - means the transfer, by a competent authority, of savings from one unit of appropriation to meet additional expenditure under another unit within the same grant or charged appropriation.

During verification of grant registers, surrender orders, re-appropriation orders etc. it was observed that in several schemes additional funds were provided injudiciously to 16 sub-heads during 2019-20 as detailed in **Appendix 3.3** which proved excessive. As shown in the said appendix, under these schemes/sub-heads, in spite of savings of ₹ 60.47 crore additional funds of ₹ 24.28 crore were provided through re-appropriation which were either unnecessary or excessive.

As shown in the **Appendix 3.3** in nine cases savings under the schemes was more than the amount added by re-appropriating from other schemes.

3.3.6 Unspent amount and surrendered appropriations and/or large savings/ surrenders

Budgetary allocations based on unrealistic proposals and poor monitoring mechanism increase the propensity of huge savings of the budget provisions.

3.3.6.1 Savings above ₹ 100 crore or more

Out of total savings of ₹ 23,671.39 crore, savings of ₹ 21,153.91 crore (89 per cent) occurred in 25 grants as indicated in **Appendix 3.4**. In these cases, savings exceeded ₹ 100 crore or more of the total provisions in the grant, of which, ₹ 16,367.29 crore pertains to revenue heads and ₹ 4,786.62 crore pertains to capital heads. No specific reasons for non-utilisation of such huge amount under these grants were explained by the departmental authorities.

Further, out of 25 grants the savings in 12 grants were ₹ 500 crore or more during the year 2019-20 under revenue section and in four grants of capital section, which was indicative of unrealistic budget proposals, poor expenditure monitoring mechanism, weak scheme implementation capacities/ weak internal controls. Details are given in **Table 3.4**.

Table 3.4: List of grants having large savings (above ₹ 500 crore) during the year

(₹ in crore)

Sl. No.	Number and name of the grant	Original provision	Supplementary provision	Total	Actual expenditure	Saving	Surrender
Revenue (Voted)							
1	1-Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	3,230.59	143.18	3,373.77	2,062.07	1,311.70	1,311.51
2	10-Energy Department	3,533.09	926.33	4,459.42	3,059.10	1,400.32	1,379.80
3	20-Health Medical Education and Family Welfare Department	3,529.22	289.31	3,818.53	2,780.61	1,037.92	1,016.13
4	36- Drinking Water and Sanitation Department	1,789.76	50.30	1,840.06	641.45	1,198.61	1,198.41
5	39- Home, Jail and Disaster Management Department (Disaster Management Div.)	718.82	407.88	1,126.70	437.42	689.28	687.28
6	42-Rural Development Department (Rural Development Div.)	5,586.94	1,360.16	6,947.10	4,452.58	2,494.52	2,494.47
7	48-Urban Development and Housing Department	2,930.18	429.66	3,359.84	2,535.14	824.70	823.99
8	51-ST, SC, Minority and Backward Class Welfare Department	1,616.69	120.39	1,737.08	1,210.71	526.37	515.52
9	55- Rural Development Department (Rural Works Div.)	1,945.38	155.70	2,101.08	950.56	1,150.52	1,060.72
10	58-School Education and Literacy Department (Secondary Education Div.)	2,097.62	21.29	2,118.91	1,457.62	661.29	661.10
11	59- School Education and Literacy Department (Primary and Adult Education Div.)	7,222.34	414.85	7,637.19	6,400.54	1,236.65	1,236.45

Sl. No.	Number and name of the grant	Original provision	Supplementary provision	Total	Actual expenditure	Saving	Surrender
12	60-Women, Child Development and Social Security Department	4,291.59	634.87	4,926.46	3,911.60	1,014.86	1,007.83
Total		38,492.22	4,953.92	43,446.14	29,899.40	13,546.74	13,393.21
Capital (Voted)							
13	10-Energy Department	1,790.13	0	1,790.13	89.32	1,700.81	1,700.81
14	41-Road Construction Department	4,700.00	50.00	4,750.00	3,674.33	1,075.67	1,075.22
15	49-Water Resources Department	1,940.04	0	1,940.04	1,169.93	770.11	767.07
16	55-Rural Development Department	2,195.80	0	2,195.80	1,574.72	621.08	627.11
Total		10,625.97	50.00	10,675.97	6,508.30	4,167.67	4,170.21

Savings of more than 30 per cent in seven grants during the last five years are given in **Table 3.5**.

Table 3.5: Grants/Appropriations with non-utilisation of Budget more than 30 per cent

(in per cent)

Sl No	Grant	2015-16	2016-17	2017-18	2018-19	2019-20	No. of years*	budget 2019-20 (₹ in crore)
Revenue								
1	20-Health, Medical Education and Family Welfare Department	34	27	28	20	27	1	3818.53
2	1-Agriculture, Animal Husbandry and Co-operative Department (Agriculture Div.)	56	36	46	53	39	5	3373.77
3	18-Food, Public Distribution and Consumer Affairs Department	39	26	32	25	26	2	1540.92
4	23-Industries Department	31	34	50	33	38	5	442.98
5	26-Labour, Employment, Training and Skill Development Department	73	39	45	32	50	5	283.29
6	2- Agriculture, Animal Husbandry and Co-operative Department (Animal Husbandry Div.)	20	33	43	56	22	3	273.66
Capital								
1	49-Water Resources Department	33	26	36	39	40	4	1940.04

* Number of years with savings above 30 per cent

Since these grants were related to the social and economic services and the expenditure was to be made for development purposes, in spite of that, the Government was unable to utilise the provisions year after year depriving the envisaged benefits to the targeted beneficiaries.

3.3.7 Surrender of funds in excess of ₹ 10 crore at the end of March

Verification of Appropriation Accounts of the state revealed that out of total savings of ₹ 23,984.71 crore, savings of ₹ 10 crore or more amounting to ₹ 23,263.18 crore was surrendered at the end of March 2020 leaving no scope for the Government to utilise the funds on other development schemes. Also detailed in **Appendix 3.5**

Chart 3.2: The distribution of the number of Grants/Appropriations grouped by the percentage of Savings along with total savings

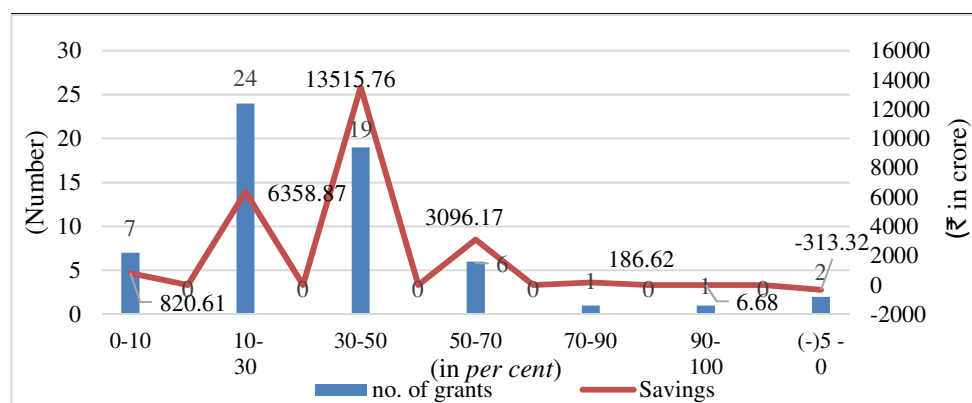
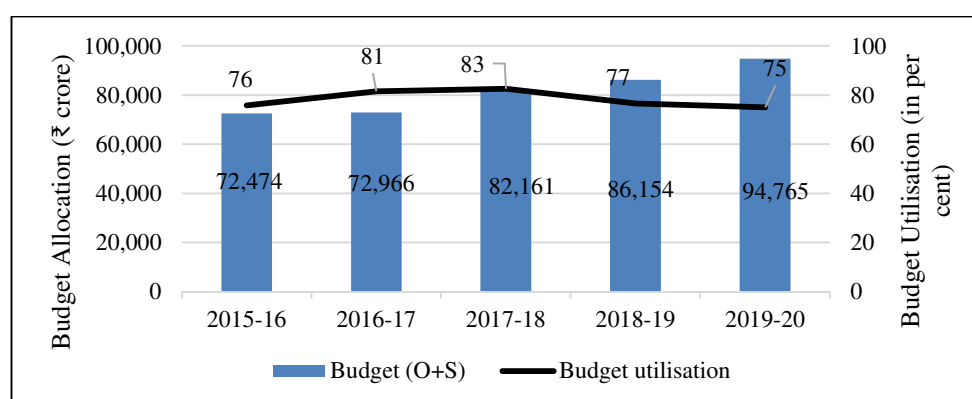


Chart 3.3: Budget Utilisation during 2015-16 to 2019-20



As evident from **Chart 3.3**, 24 departments had savings between 10 and 30 *per cent* whereas, 19 departments had savings between 30 and 50 *per cent*. Eight departments had savings of more than 50 *per cent* which was against the principles of budgetary procedure. Further, **Chart 3.4** reflects that significant part of budget allocations remained unutilised in last five years.

3.3.8 Excess expenditure and its regularisation

Article 205(1) (b) of the Constitution provides that if any money has been spent on any service during a financial year in excess of the amount granted for that service and for that year, the Governor shall cause to be presented to the Legislative Assembly of the State, a demand for such excess. This implies that, it is mandatory for a State Government to get excesses over grants/appropriations regularised by the State Legislature for the Financial Year.

Excess disbursement over grant/appropriation violates the Article 205 of the Constitution which provides for regularisation of the excess grants by the State Legislature. This vitiates the system of budgetary and financial control and encourages financial indiscipline in management of public resources.

3.3.8.1 Excess expenditure relating to 2019-20

Excess expenditure over the provision for the year is not only in contravention of the provisions requiring Legislative sanction but also indicative of poor planning, which could be avoided by keeping track of

expenditure progression with budget made for the purpose. Cases of excess expenditure over the provision of the financial year are to be carefully examined.

As observed in the appropriation accounts excess expenditure of ₹ 313.32 crore was incurred in one grant and one appropriation during 2019-20. Details are given in **Table 3.6**.

Table 3.6: Summary of excess disbursements over grants/appropriations during the financial year

(₹ in crore)

		Name of Grant/appropriations	
		Interest payment	Pension
Voted	Revenue	0	192.68
Charged	Revenue	120.64	0

Major head-wise excess expenditure over the authorisation from the Consolidated Fund of State during the financial year in other grants including the grants in **Table 3.6** have been given in **Appendix 3.6**.

3.3.8.2 Regularisation of excess expenditure of previous financial years

Excess expenditure remaining unregularised for extended periods dilutes legislative control over the executive.

Excess disbursement over grant/appropriation amounting to ₹ 3,015.37 crore pertaining to the years 2001-02 to 2017-18 is yet to be regularised by the State Legislature as detailed in **Appendix 3.7**. This vitiates the system of budgetary and financial control and encourages financial indiscipline in management of public resources. Excess expenditure of previous years was not regularised even after repeated reporting in State Finances Audit Report.

Recommendation 2: *Excess expenditure over grants approved by the Legislature is in violation of the will of the Legislature. It therefore, needs to be viewed seriously and regularised at the earliest.*

3.3.9 Grant-in-aid for creation of capital assets

Grants-in-aid are payments in the nature of assistance, donations or contributions made by one government to another government, body, institution or individual. Grants-in-aid are given for specified purpose of supporting an institution including construction of assets.

During 2019-20, ₹ 7,079.39 crore was given as grants for creation of capital assets to the bodies and authorities of the State, however, no such grant was booked as capital expenditure in accounts of the State.

3.4 Comments on transparency of budgetary and accounting process

3.4.1 Budget projection and gap between estimates and actual

Efficient management of tax administration/other receipts and public expenditure holds the balance for achievement of various fiscal indicators. Budgetary allocations should be based on realistic proposals, good

expenditure monitoring mechanism, strong scheme implementation capacities/ internal controls lead to optimal utilisation of funds on schemes to obtain intended benefits to the beneficiaries.

Table 3.7: Summarised position of Actual Expenditure vis-à-vis Budget (Original/Supplementary) provisions during 2019-20

(₹ in crore)

	Nature of expenditure	Original Grant/App.	Supplementary Grant/App.	Total	Actual expenditure	Net Savings	Surrender during March
Voted	Revenue	60,218.74	8,096.10	68,314.84	51,387.13	16,927.71	All the surrenders made in the month of March
	Capital	13,876.36	801.16	14,677.52	9,878.71	4,798.81	
	Loans & Advances	1,905.28	0.01	1,905.29	165.43	1,739.86	
Total	76,000.38	8,897.27	84,897.65	61,431.27	23,466.38		
Charged	Revenue	5,584.25	28.37	5,612.62	5,430.58	182.04	
	Capital	0	0	0	0	0	
	Public Debt-Repayment	3,844.37	410.00	4,254.37	4,231.40	22.97	
Total	9,428.62	438.37	9,866.99	9,661.98	205.01		
Grand Total	85,429.00	9,335.64	94,764.64	71,093.25	23,671.39		

Source: Appropriation Accounts

Table 3.8: Original Budget, Revised Estimate and Actual Expenditure during 2015-20

(₹ in crore)

	2015-16	2016-17	2017-18	2018-19	2019-20
Original Budget	55,492.95	63,502.68	75,673.42	80,200.00	85,429.00
Supplementary Budget	16,981.19	9,463.03	6,487.86	5,953.81	9,335.64
Revised Estimate	72,474.14	72,965.71	82,161.28	86,153.82	94,764.64
Actual Expenditure	54,949.28	59,432.80	67,815.12	65,930.08	71,093.25
Saving	17,524.86	13,532.91	14,346.16	20,223.74	23,671.39
Percentage of Saving	24.18	18.55	17.46	23.47	24.98

As evident from **Table 3.8** every year a huge amount of provision was not utilized and surrenders of savings made by the departmental officers of the state without giving any reason for the same. Every year these savings were much more than the supplementary provisions of the state which was indicative of budgetary allocations based on unrealistic proposals, poor expenditure monitoring mechanism, weak scheme implementation capacities/ weak internal control.

3.4.2 Supplementary budget and opportunity cost

At times, while obtaining supplementary provision, the Departments report to legislature large additional requirement for different purposes under various schemes/activities; but finally, they are unable to spend even the original budget provision which leads to large savings. At the same time, some of the schemes remained incomplete due to want of funds. Thus, the intended benefit of the unfinished schemes could not be extended to the public at a large in such cases. Further, this leads to escalation of project cost.

Table 3.9: Unnecessary/excessive supplementary provisions despite savings from original provision

(₹ in crore)

Sl. No.	Name of the Grant	Original allocation	Supplementary	Total	Actual expenditure	Unutilised funds
Capital (Voted)						
1	Building Construction Dept.	587.17	90.00	677.17	458.51	218.66
2	Energy Dept.	1,790.13	0	1,790.13	89.32	1,700.81
3	Health, Medical Education and Family Welfare Dept.	602.22	161.08	763.30	347.69	415.61
4	Home, Jail and Disaster Management Dept. (Home Division)	674.86	428.46	1,103.32	808.23	295.09
5	Labour, Employment and Skill Development Dept.	108.82	32.88	141.70	18.36	123.34
6	Drinking Water and Sanitation Dept.	750.00	1.00	751.00	538.73	212.27
7	Road Construction Dept.	4,700.00	50.00	4,750.00	3,674.33	1,075.67
8	Rural Development Dept. (Rural Development Division)	538.11	2.39	540.50	416.40	124.10
9	Rural Development Dept. (Rural Works Division)	2,195.80	0.41	2,196.21	1,574.72	621.49
Total		11,947.11	766.22	12,713.33	7,926.29	4,787.04

3.4.2.1 Non-utilisation of funds allocated to some major schemes

Review of the Appropriation Accounts of the State revealed that there were persistent large savings out of fund allocated for many schemes which was intended to provide benefits to public at a large. Persistent large savings in last three years in those schemes resulted in non-completion of those schemes and the intended benefit of the unfinished schemes could not be extended to the beneficiaries. Some of those schemes are shown in **Table 3.10**.

Table 3.10: Year-wise savings under some major schemes

(₹ in crore)

S.N.	Name of Scheme/Head	2017-18		2018-19		2019-20	
		Budget	Savings	Budget	Savings	Budget	Savings
36-Drinking Water and Sanitation Department							
1	4215-01-102-02-Rural Piped Water Supply Scheme	200.15	64.63	159.2	25.54	322.55	141.02
42- Rural Development Department (Rural Development Division)							
2	2501-06-101-05-Swarna Jayanti Gram Swarojgar Yojana Scheme for General (CASC)	146.4	37.18	177.25	114.83	205.21	86.26
3	2501-06-796-05-Swarna Jayanti Gram Swarojgar Yojana Scheme for General (CASC)	107.56	43.04	129.6	102.55	150.77	100.81
4	2505-01-702-02-Indira Awas Yojana Scheme for General (CASC)	628.28	149.24	978.22	508.52	950.26	459.82
5	2505-02-101-04-Overall Rural Employment Scheme (CASC)	979.21	811.69	492.4	228.72	367.5	205.46
6	2505-02-796-04-Overall Rural Employment Scheme (CASC)	719.42	596.34	360.8	167.55	270	150.95

S.N.	Name of Scheme/Head	2017-18		2018-19		2019-20	
		Budget	Savings	Budget	Savings	Budget	Savings
48-Urban Development and Housing Department (Urban Development Division)							
7	2217-80-191-81 Grant to Municipal Corporations on recommendation of 14 th Finance Commission	272.74	40.18	243.38	149.2	395.69	46.62
51-Scheduled Tribe, Scheduled Caste, Minority and Backward Class Welfare Department(Scheduled Tribe, Scheduled Caste and Backward Class Welfare Division)							
8	2225-01-789-59-Post -entrance Scholarships	53	37.28	53	43.23	27	4.86
9	2225-01-789-61-Primary School Scholarships	26	18.17	28	22.55	12.27	7.97

3.4.3 Major policy pronouncements in budget and their actual funding for ensuring implementation

Several policy initiatives taken up by Government were not executed which deprived the beneficiaries of intended benefits. However, reasons for non-utilisation of the provisions were not given by the departments. Savings in such schemes deprives other Departments of the funds which they could have utilized.

In 178 cases, 100 *per cent* of the provision (₹ one crore and above in each case) amounting to ₹ 3,118.08 crore was surrendered, resulting in non-implementation of schemes/programmes as detailed in **Appendix 3.8**.

Recommendation 3: Government should enforce its commitment to achieve its promised/intended objectives for overall development of the State through improved execution, monitoring and financial management of schemes/projects.

3.5 Rush of expenditure

Rule 113 of the Bihar Budget Manual (as adopted by Jharkhand) stipulates that rush of expenditure in the closing months of the financial year will ordinarily be regarded as a breach of financial regularity. Uniform flow of expenditure is essential to ensure that the primary requirement of budgetary control is maintained. Moreover, maintaining a steady pace of expenditure is a crucial component of sound public financial management. Steady pace of expenditure obviates fiscal imbalance and temporary cash crunches arising due to unanticipated heavy expenditure in a particular month.

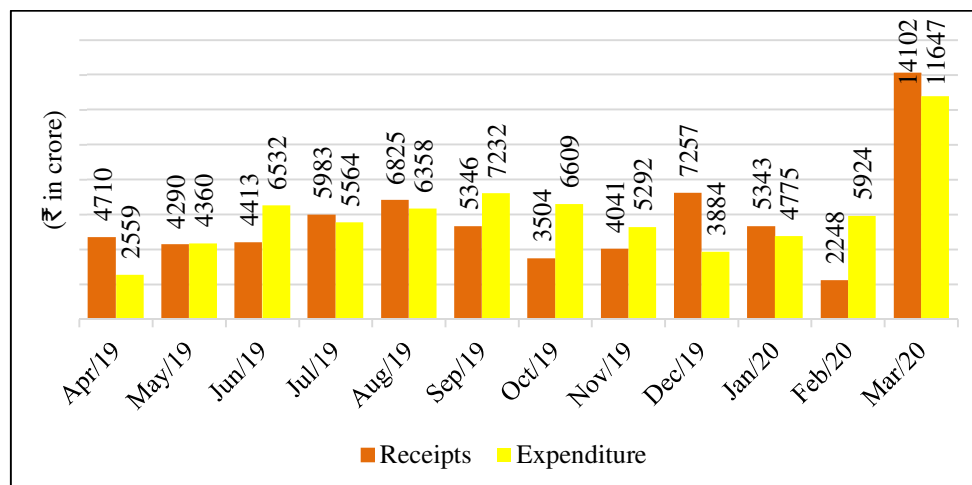
It was, however, observed that in 13 grants, expenditure of ₹ 1,947.69 crore (66.22 *per cent*) was incurred in the last quarter of the year against the total expenditure of ₹ 2,941.45 crore as detailed in **Appendix 3.9**. Of this, an expenditure of ₹ 833.39 crore (28.33 *per cent* of the total expenditure) was incurred in the month of March 2020.

Further, it was observed that ₹ 263.68 crore (12.16 *per cent*) was drawn on AC bills in March 2020 and ₹ 117.26 crore (5.41 *per cent*) was drawn on the last day of the Financial year mainly by Home, Jail & Disaster Management Department.

During the year 2019-20, ₹ 11,647 crore comprising 18.09 *per cent* of total expenditure (₹ 70,732 crore) was expended in March 2020. High percentage

of expenditure in March indicates that uniform flow of expenditure, a primary requirement of budgetary control, was not maintained. Rush of expenditure in the closing month of the financial year is against the provision of the Budget Manual and entails risk of misuse of public money and unhealthy practices.

Chart 3.4: Monthly receipts and expenditure of the State during 2019-20



Recommendation 4: An appropriate control mechanism needs to be instituted by the Government to enforce proper implementation and monitoring of budget to ensure that savings are curtailed, large savings within the Grant/Appropriation are controlled, and anticipated savings are identified and surrendered within the specified timeframe;

3.6 Audit of Budgetary provision of Grant No. 56- Rural Development Department (Panchayati Raj Division)

3.6.1 Introduction

The State Government enacted Jharkhand *Panchayat Raj* Act (JPR Act), 2001 and transferred functions, functionaries and funds (3Fs) to the *Panchayati Raj* Institutions (PRIs) which comprises of *Zila Parishad* (ZP), *Panchayat Samiti* (PS) and *Gram Panchayat* (GP).

PRIs are implementing agencies of the Centrally Sponsored Schemes that comprise Grants received under 14th Finance Commission (FFC), State Plans such as Rashtriya Gram Swaraj Abhiyan (RGSA), Backward Region Grant Fund (BRGF) etc. The Grants (FFC) provided are intended be used to support and strengthen the delivery of basic civic services including water supply, sanitation, maintenance of roads, footpaths, street-lighting, etc. Under RGSA grants are provided for Capacity building & training, technical support and to support related activities of PRI. Grants are also provided to execute works through newly constituted Adivasi Vikas Samiti/Village Vikas Samiti, the estimated cost of which is within ₹5 lakh and is according to the local necessity.

To meet the above responsibilities, the State Government provided a budget of ₹ 2,859.98 crore to the Department during 2019-20. Details of budget provision and its utilisation are given in the **Table 3.11**.

Table 3.11: Details of budget provision, expenditure and savings during 2019-20

(₹ in crore)			
Details	Capital Voted	Revenue Voted	Total
Original Grant	6.00	1,978.09	1,984.09
Supplementary Grant	0	875.89	875.89
Total Grant	6.00	2,853.98	2,859.98
Expenditure	0	2,482.11	2,482.11
Savings	6.00	371.87	377.87
Surrender	6.00	371.87	377.87
Lapse	0	0	0

Source: Appropriation Accounts of the Government of Jharkhand for the year 2019-20

3.6.2 Scope of Audit

Departmental Secretariat of Rural Development Department (Panchayati Raj Division) and 16 units¹(in 8 districts²) were selected for audit of the budgetary process.

Audit Findings

3.6.3 Persistent Savings

During scrutiny of the Department's budget and expenditure for the last four years (2016-20) it was noticed that the Department had persistent savings during the period and the percentage of savings in comparison to the budget estimates remained significantly high as detailed in **Table 3.12**.

Table 3.12: Trend of savings during last four years in Rural Development Department (Panchayati Raj Division)

(₹ in crore)							
Years		Original	Supplementary	Total	Actual Expenditure	Savings	Percentage of Savings
2016-17	Revenue	1,416.07	478.61	1,894.68	1,671.36	223.31	11.79
	Capital	6.00	0	6.00	3.30	2.70	44.92
	Total	1,422.07	478.61	1,900.68	1,674.67	226.01	11.89
2017-18	Revenue	1,647.22	154.65	1,801.87	1,574.95	226.92	12.59
	Capital	6.00	0	6.00	3.51	2.49	41.44
	Total	1,653.22	154.65	1,807.87	1,578.46	229.41	12.69
2018-19	Revenue	1,659.19	84.74	1,743.93	872.88	871.06	49.95
	Capital	6.00	0	6.00	2.39	3.61	60.12
	Total	1,665.19	84.74	1,749.93	875.27	874.66	49.98
2019-20	Revenue	1,978.09	875.89	2,853.98	2,482.11	371.87	13.03
	Capital	6.00	0	6.00	0	6.00	100
	Total	1,984.09	875.89	2,859.98	2,482.11	377.87	13.21

Source: Appropriation Accounts 2016-20

¹(i) Deputy Development Commissioner (DDC) cum Chief Executive Officer (CEO), Zila Parishad, Bokaro, (ii) District Panchayati Raj Officer (DPRO), Bokaro, (iii) DDC cum CEO, Zila Parishad, Dhanbad, (iv) DPRO, Dhanbad, (v) DDC cum CEO, Zila Parishad, East Singhbhum, (vi) DPRO, East Singhbhum, (vii) DDC cum CEO, Zila Parishad, Gumla, (viii) DPRO, Gumla, (ix) DDC cum CEO, Zila Parishad, Hazaribagh, (x) DPRO, Hazaribagh, (xi) DDC cum CEO, Zila Parishad, Ranchi, (xii) DPRO, Ranchi, (xiii) DDC cum CEO, Zila Parishad, Saraikela-Kharsawan, (xiv) DPRO, Saraikela-Kharsawan, (xv) DDC cum CEO, Zila Parishad, West Singhbhum and (xvi) DPRO, West Singhbhum.

²(i) Bokaro, (ii) Dhanbad, (iii) East Singhbhum, (iv) Gumla, (v) Hazaribagh, (vi) Ranchi, (vii) Saraikela-Kharsawan and (viii) West Singhbhum

As shown in **Table 3.12**, the Department had persistent savings ranging between 11.89 *per cent* and 49.98 *per cent* during the last four years. In reply to the audit observation no specific reply was provided by the departmental officers.

3.6.4 Delay in submission of Budget Estimates

Rule 62 of Bihar Budget Manual (as adopted by Jharkhand) provides the calendar for correct and timely preparation of the budget of the State. Audit observed that the Finance Department, Government of Jharkhand revised (November 2018) the prescribed dates for uploading/ submission of general budget and preparation of Comprehensive Outlay of Budgetary Transaction (COBT), after approval of the Minister concerned, to 28 November (for establishment) and 12 December (for schemes) against stipulated date of 1st October in the budget Manual.

In continuation, the RDD fixed prior to 25 October for receipts of estimates from the DDOs of the department. However, it was noticed that out of 60 DDOs only 37 DDOs submitted estimates of establishment expenditure to the RDD and 23 DDOs did not even submit the estimates. Out of 37 DDOs who submitted estimates of expenditure of establishment, only four DDOs submitted it before the due date and 31 DDOs submitted estimates with a delay ranging between one day and 37 days against the target date. Estimate for schemes was not submitted at all by the DDOs.

In eight test-checked districts, it was noticed that only one DDC submitted estimates of establishment expenditure with delay of five days and seven DDCs did not even submit the estimate of expenditure to the department. Further, eight District Panchayati Raj Officer (DPROs) submitted their estimates with a delay ranging between five days and 64 days. Out of 103 BDOs working under these DPROs only four BDOs submitted the estimates within the due dates. 57 BDOs submitted their estimates to DPROs with a delay ranging between one day and 46 days. Rest 42 BDOs did not submit their estimates (**Appendix 3.10**).

Scrutiny of records revealed that against the target date of 12 December 2018 the RDD (Panchayati Raj Division) submitted Budget Estimates (BEs) for schemes to the Finance Department on 28 December i.e., with a delay of 16 days. Budget estimates for establishment was submitted on time by the department without getting estimates from the field units.

Non-compliance of budget calendar not only affects the schedule of preparation of budget estimates but also curtails the time required for its scrutiny at different level. Moreover, non-submission of budget estimates from field units resulted in inaccurate provision.

3.6.5 Budget Estimates prepared without obtaining requirements from Disbursing Officers (DOs)

According to Rule 65 of Bihar Budget Manual (as adopted by Jharkhand) (BM), the Controlling Officer (CO) should examine the estimates received from the DOs to see that they are correct, that all details/explanations have been given and the explanations given are adequate.

Audit noticed that provisions of BM were not followed and budget estimates (State, Central and Centrally Sponsored Schemes) were prepared at the Department level without obtaining/ assessing the actual requirements from the DOs who are finally responsible to execute the work and utilise the fund.

It was further noticed that there was wide variation between the expenditure and budget provisions of the department leading to huge savings during the last four years ranging from 41.44 *per cent* to 100 *per cent* of the total allocation under capital section.

Similarly, in eight test-checked districts it was noticed that there was wide variation between the expenditure and budget provisions leading to huge unspent balance at the end of financial year as detailed in **Appendix 3.11**.

Non-observance of provisions of BM was a serious negligence during the year 2019-20 by the RDD.

3.6.6 Non-Preparation of Outcome and Gender Budget

As per instructions (November 2018) of Planning-cum-Finance Department, GoJ, Outcome Budget in Proforma-X was to be prepared separately for all the Schemes executed under State schemes and Centrally Assisted State schemes indicating primary targets and other quantifiable information of those schemes. Proforma-Y was to be submitted indicating details of Gender Budget along with amount required for schemes (where 30 *per cent* or more was to be spent on schemes for welfare of women) and fundamental goals set for qualitative reforms during 2019-20.

Scrutiny of records of the Department revealed that the above instructions were not followed and the Outcome and Gender budget for the year 2019-20 were not prepared. Thus, the result of outcome budget of Central and State Schemes could not be assessed. The records of expenditure on women specific works were also not maintained in the prescribed proforma. Thus, the achievement and outcome of Gender budgeting could not be assessed.

3.6.7 Non-utilisation of whole budget provision

As per comments below Rule 57 of BM, the officer responsible for preparing estimate should be sure that there is no provision for a greater sum than that which can be spent during the financial year.

Scrutiny of Appropriation Accounts for the year 2019-20 revealed that the entire budget provision of ₹ 251.92 crore was not utilized by the Department in 16 heads of account. At the time of re-appropriation, the whole budget provision for ₹ 251.92 crore was taken back as detailed in **Appendix 3.12**.

To enhance Capacity building & training and to provide technical support for carrying out the related activities of the three tiers Panchayati Raj Institutions, Ministry of Panchayati Raj, Govt. of India launched a new restructured scheme of Rashtriya Gram Swaraj Abhiyan (RGSA). The funding pattern in respect of RGSA is proposed to be implemented as a core Centrally Sponsored Scheme (CSS) for four years viz., from 2018-19 to 2021-22 with a ratio of 60:40 by Centre and State respectively. Funds for RGSA would be provided in two equal installments. The second installment

would be released after submitting utilization certificate of 60 *per cent* of the total available funds i.e. opening balance and funds released as first installment.

During the financial year 2019-20 a sum of ₹ 40 crore was sanctioned (June 2019) for implementation of RGSA with a share of ₹ 24 crore and ₹ 16 crore by the Centre and State respectively.

Scrutiny revealed that the central share marked for the year 2019-20 could not be released due to non-submission of utilisation certificate and audit report of Chartered Accountant for ₹ 14.26 crore (₹ 10.20 crore released during the year 2018-19 and unspent balance of ₹ 4.06 crore of 2017-18). That fund remained unutilised till January 2020 and due to the same the State suffered a loss of ₹ 24 crore as Central share during the year 2019-20. Therefore, budget provisions of ₹ 16 crore as State share was also surrendered.

During the year 2019-20, ₹ 199.53 crore was provided in budget for performance grant under 14th Finance Commission to Panchayats which was ultimately surrendered due to non-observance of criteria recommended by the FFC for disbursement of performance grants to Gram Panchayats viz. (1) the Gram Panchayats will have to submit audited accounts that relate to year not earlier than two years preceding the year in which the Gram Panchayats seeks to claim the performance grant (2) The Gram Panchayats will have to show an increase in their own revenues over the preceding year as reflected in the audited accounts.

It was observed that the Panchayats did not send audited accounts along with information regarding increase in their own revenue for the year 2017-18 & 2018-19 leading to non-release of central share of ₹ 199.53 crore and surrender of entire budget provision during 2019-20.

3.6.8 Non transfer of the Fund to the Implementing Agencies

According to the RGSA framework, Central Share should be released to implementing agencies within 15 days of its receipt by the State Government.

Scrutiny of the records revealed that a sum of ₹ 14.26 crore (Central: ₹ 8.55 crore, State: ₹ 5.71 crore) released during the year 2018-19 remained unutilised as of January 2020. Out of total receipt, ₹ 8.07 crore was transferred to implementing agencies during February and March 2020 after assessing requirements leaving a balance of ₹ 6.19 crore in the bank account, secretariat branch, Ranchi.

This clearly indicates that provisions of BM were not followed and budget estimates (Centrally Sponsored Schemes) were prepared at the department level without obtaining/ assessing the actual requirements from the DOs who were responsible to execute the work and utilise the fund.

3.6.9 Non-reconciliation of departmental expenditure figures

Rule 134 of Budget Manual requires that Controlling Officer should arrange to reconcile departmental accounts with the books of the Principal Accountant General (A&E) on a monthly basis to avoid misclassification of expenditure and receipts.

It was observed that during 2019-20, out of total expenditure of ₹ 2,482.11 crore, expenditure of ₹ 2,474.26 crore (99.68 per cent) was not reconciled by the Controlling Officer with the books of the Principal Accountant General (A&E). Head wise details are given in **Table 3.13**.

Table 3.13: Details of Non-reconciliation of departmental expenditure

(₹ in crore)

Sl. No.	Major Head	Total Expenditure	Reconciled Expenditure	Non-Reconciled Expenditure
1	2015	3.08	Nil	3.08
2	2515	2,478.16	7.37	2,470.79
3	3451	0.87	0.48	0.39
Total		2,482.11	7.85	2,474.26

3.6.10 Rush of Expenditure

It was observed that in four out of 40 heads of the department, entire expenditure for the year 2019-20 was incurred in the month of March 2020, whereas, in six heads, expenditure in the month of March 2020 ranged between 27.62 to 71.23 per cent (**Appendix 3.13**) which was against the rule 113 of Budget Manual and could be regarded as a breach of financial regularity.

3.6.11 Surrender on the last day of the financial year

Audit observed that Departmental Secretariat of Rural Development Department (Panchayati Raj Division), surrendered ₹378.09 crore (₹ 314.21 crore of schemes and ₹ 63.88 crore of establishment) against the budget provision of ₹2,578.61 crore on 31 March 2020 leaving no scope for utilisation of the funds on other important schemes.

In eight test-checked districts it was noticed that a huge amount of ₹19.17 crore was surrendered on the last day of the financial year as detailed in **Appendix 3.14**. Further, six offices of DDC cum CEO, Zila Parishad (Dhanbad, Hazaribagh, East Singhbhum and West Singhbhum), office of DPRO, East Singhbhum and office of DDC, DRDA, West Singhbhum had not submitted surrender reports.

Further, in two³ test-checked district allotment of ₹ 11.50 crore was provided to DDC cum CEO during the year 2019-20 to transfer it to the accounts of AVS/GVS. It was however observed that the funds were not transferred to AVS/GVS till the end of the financial year. Reasons for non-transfer of funds were not furnished to audit.

3.6.12 Adivasi Vikas Samiti

To ascertain active participation of people in development of villages, Govt. of Jharkhand decided to launch a new scheme during the year 2018-19. Under the scheme Adivasi Vikas Samiti(AVS)/Gramin Vikas Samiti(GVS) was required to be constituted in each village of State. The Samiti/committee were held responsible to execute programmes/schemes implemented by the various departments of the State Government whose

³ Hazaribagh and West Singhbhum

estimated cost was up to ₹ 5 lakh and whose construction period was maximum one year e.g. construction of check dam, water harvesting, ponds etc. As per provision, 80 per cent of the estimated cost was to be shared by the State Government and 20 per cent by the AVS/GVS.

It was observed that out of ₹ 120 crore the State Government released a sum of ₹ 112.75 crore during the year 2019-20 for 24 districts of Jharkhand, of which ₹ 54.82 crore was drawn by March 2020 and ₹ 65.18 crore was surrendered by the department.

In eight test-checked district units Audit observed that during the period 2018-20 a sum of ₹ 57.45 crore was allotted to DDC cum CEO, Zila Parishad, as grants- in-aid for schemes to be implemented through AVS/GVS. As per the guidelines, the funds were required to be transferred in the accounts of AVs/GVS in two installments. The works were being implemented in the district under monitoring of DDC/DPRO/DPM. The details of fund drawn and transferred in the accounts of AVS/GVS are given in **Table 3.14**.

Table 3.14: Details of fund drawn and transferred in the accounts of AVS/GVS

(₹ in crore)

Sl. No.	Year	Allotment	Fund transferred to AVS/GVS	Amount Lapsed/ Surrendered	Balance	Remarks
1	2018-19	20.83	4.86	0	15.97	Out of total closing balance of ₹ 30.20 crore, ₹ 19.92 crore was parked in PL Accounts and ₹ 10.51 crore was kept in Bank Account (along with ₹ 0.23 crore interest paid by the bank).
2	2019-20	36.62	5.79	16.60	14.23	
Total		57.45	10.65	16.60	30.20	

3.6.12.1 Wasteful Expenditure: ₹ 10.65 crore

To ensure public participation in development works AVS was constituted (Resolution No. -01 Estt.(Dev.)-25/2018-1969/Ranchi dated-02.07.2018) in all the villages of the State. The AVS was given responsibility to complete small schemes where estimated cost are upto ₹ 5 lakh and its completion period is one year or less.

Administrative approval of ₹ 28.57 crore was accorded by DDC for 2011 schemes (Construction of Paver Block Road/construction of TCB/ Construction of Ponds/Well/Dova) during the period 2018-20 of which 1819 schemes, at an estimated cost of ₹ 23.82 crore, were taken up for execution. A sum of ₹ 9.46 crore was transferred in the bank accounts of 873 AVS/GVS as first installment. The second installment of ₹ 1.22 crore was transferred to 113 schemes only. Details are given in **Appendix 3.15**.

During audit it was observed that none of the scheme was completed as of December 2020. Moreover, all these schemes involve significant earthwork and it could not be ruled out that the work executed was decimated due to wear and tear by rain and wind. Thus, the very purpose of the scheme was defeated and the beneficiaries were de-voided of intended benefits.

3.6.12.2 Blocking of Funds: ₹ 30.43 crore

Scrutiny of the records revealed that out of 9,837 villages, AVS/GVS were constituted in 9,343 villages for which ₹ 57.45 crore was released by the department.

As per scheme guidelines and allotment letters funds were to be transferred to the savings accounts of the AVS/GVS by the DDOs concerned. It was noticed that out of ₹ 57.45 crore, an amount of ₹ 10.65 crore was transferred to 873 AVS/GVS for the schemes. An amount of ₹ 16.60 crore provided to DDC Ranchi, Hazaribagh and West Singhbhum districts during 2019-20 was allowed to lapse/surrender without recording any reason and balance amounting to ₹ 30.42 crore remained irregularly parked in PL account of Zila Parishad and Bank accounts held by DDC as detailed in **Appendix 3.16**.

Thus, out of 9,343 AVS/GVS, funds were provided to only 9.34 per cent AVS/GVS in spite of availability of fund and rest (90.65 per cent) AVS/GVS were denied to get benefits of the scheme. Moreover, no work was completed during 2019-20 as stated in para 3.6.12.1.

Accordingly, the funds provided for the welfare of villages under test-checked districts could not be utilised and the purpose of the scheme to enhance active participation of villagers in development work could not be achieved.

The department should fix responsibility to the officers responsible for non-transfer of funds to the AVS/GVS so that such irregularity should be avoided in future.

3.6.13 Fund released under 14th Finance Commission

3.6.13.1 Short release of penal interest by the State: ₹ 6.45 crore

The 14th Finance Commission (FFC) has recommended Basic Grant to the Local bodies with the purpose of providing unconditional support to the Gram Panchayats (GPs) and Municipalities for delivering basic services. The Central Government released a grant of ₹ 2,236.71 crore under the basic grant head in the financial year 2019-20 to the Rural Development Department (Panchayati Raj Division), details of which are given in **Appendix 3.17**.

As per instruction of Department of Expenditure, GoI and para 17 of FFC the state government was required to transfer the above amount to Local Bodies within 15 days of receipt from Central Government. For delay, if any, the State Government was required to release the installment with interest, at bank rate of RBI, for number of days of delay.

It was observed that the central grants were transferred to the local bodies with a delay ranging between 11 days and 32 days (date of entry in Cash Book) creating an additional burden in form of penal interest amounting to

₹ 6.45 crore (**Appendix 3.17**). However, no such interest was paid by the government.

3.6.13.2 Non-completion of Work

Records regarding schemes covered under FFC revealed that a sum of ₹ 1,632.59 crore was released for the period 2019-20 to 24 districts, of which ₹ 1,272.35 crore was spent during 2019-20. Further, it was noticed that 82,654 schemes were taken up during the period of 2019-20 but their status of completion was not available with the department.

In eight test-checked districts ₹ 907.33 crore was released, of which ₹ 608.79 crore was spent during 2019-20. In those districts 23,867 schemes were taken up of which 16,408 schemes were completed. Scheme wise details were not available with DPRO. Thus, in spite of availability of fund nearly 31 *per cent* works remained incomplete. Non-completion of work on time leads to cost overrun and also deprives the beneficiaries of intended benefits. The details are given in **Table 3.15**.

Table 3.15: Details of Progress of work in 2019-20 in eight test- checked districts

(₹ in crore)

Sl. No.	Name of Districts	Amount Received	Expenditure incurred	Per cent of Exp.	Scheme taken	Scheme Completed	Physical progress
1	Ranchi	150.72	89.10	59.11	2,244	2,196	97.86
2	Gumla	88.99	48.20	54.16	641	592	92.35
3	Hazaribagh	127.66	62.81	49.20	4,014	1,662	41.40
4	Bokaro	118.97	74.01	62.21	3,644	1,877	51.51
5	Dhanbad	116.04	117.11	100.92	4,099	3,030	73.92
6	East Singhbhum	113.28	78.00	68.85	3,524	2,479	70.35
7	Saraikela Kharsawan	70.06	60.41	86.23	2,103	1,980	94.15
8	West Singhbhum	121.61	79.15	65.08	3,598	2,592	72.04
Total		907.33	608.79	67.09	23,867	16,408	68.75

3.6.14 Blockage of fund

As per letter no. 1367 dated 10.06.2019 of Jharkhand Government, Rural Development Department (Panchayati Raj), Ranchi, all Gram Panchayats, Panchayat Samiti and Zila Parishad of the State were instructed to organise International Yoga Day 2019 on 21.06.2019. Accordingly, ₹ 5.01 crore was allotted to DPROs of the state through RTGS to its onward transfer to Gram Panchayat, Panchayat Samiti and Zila Parishad at the rate of ₹10,000, ₹ 20,000 and ₹ 50,000 respectively.

In eight test-checked districts it was observed that out of ₹ 2.05 crore provided to DPROs, ₹ 1.19 crore was transferred to Gram Panchayats and ₹ 0.86 crore (42.08 *per cent*) was lying unused in the bank accounts of five DPROs (December 2020) as detailed in **Appendix 3.18**. Utilisation certificates of the fund transferred were also not submitted as of December 2020.

3.6.15 Discrepancy in Cash Book

As per Finance Division, Planning cum Finance Department, Government of Jharkhand letter no. Finance-20/Misc.-09/2016/2918 Dated 06.11.2019, Cash book balance and the bank balance should be the same. In case of any

difference, Bank Reconciliation Statement should be prepared so that the reasons of differences may be ascertained. Any amount found excess in bank without its use should be remitted to treasury/fund providing agency at the earliest.

In three out of eight test-checked districts it was observed that there was a huge difference of ₹ 4.51 crore between the closing balance of Cash book and Bank statement submitted by DPRO as detailed in **Table 3.16**.

Table 3.16: Discrepancy in Cash Book

SI No.	District	Closing Balance as per Cash Book (as on 31.03.2020)	Closing Balance as per Bank Statement (as on 31.03.2020)	Difference
		(1)	(2)	(1-2)
1.	Ranchi	15,78,16,486.41	15,11,40,529.65	66,75,956.76
2.	East Singhbhum	4,46,01,797.60	9,23,76,382.14	(-)4,77,74,584.54
3.	Saraikela Kharsawan	92,78,598.72	1,33,27,835.20	(-)40,49,236.48
Total		21,16,96,882.73	25,68,44,746.99	(-)4,51,47,864.26

In the office of DPRO, Ranchi Audit observed a difference of ₹ 0.75 crore between balance shown in the subsidiary cash book and closing balance of General cash book since November 2018. The difference was neither reconciled nor reasons for the same was found on the body of the cash book.

Huge difference between General Cash book, subsidiary cash book and bank accounts that too remained un-reconciled for such a long period may result in embezzlement/ misappropriation of government money.

3.6.16 Non Maintenance of Cash Book

As per Note below Rule 19 of Jharkhand Treasury code 2016, a complete record of transactions relating to the treasury will be kept in the Accountant's Cash Book either in manual register or in computer system. Further, as per Finance Division, Planning cum Finance Department, Government of Jharkhand letter no. Finance-20/Misc.-09/2016/2918 Dated 06.11.2019, Cash Book should be maintained and updated in every Government offices. The balance of Cash Book should be certified by the authorised officer every month.

Scrutiny of records of DPRO of two out of eight test-checked district revealed that General Cash Book was not updated and certified by the DPROs Jamshedpur and Saraikela since August 2017 and August 2019 respectively. Further, it was noticed that ₹ 12.05 crore received during 2019-20 on account of establishment expenditure, Panchayat by-election and installation of street light were not entered in the cash books. Hence, Misappropriation/Mis-utilisation of Government money could not be ruled out. Details are given in **Table 3.17**.

Table 3.17: Details of Amount Received

(₹ in crore)

Districts	Head	Amount Received
East	Establishment Head	7.33
Singhbhum (Jamshedpur)	Fund received from Gram Panchayat for installation of Street light	3.92
	Panchayat By-election	0.40
Saraikela Kharsawan	Fund received from Gram Panchayat for installation of Street light	0.40
Total		12.05

3.7 Budgetary Process for Grant No. 29 – Mines and Geology Department

3.7.1 Introduction

Department of Mines and Geology is one of the important Departments of Government of Jharkhand. It is the Administrative Department of the Directorate of Mines and the Directorate of Geology. The main functions and activities of the Department are systematic survey and assessment of the mineral deposits of the State, their exploitation, administration of mines and mineral concession, enforcement measures for prevention of illegal mining and smuggling of minerals and assessment and collection of mining revenue. The Department strives for sustainable development of mineral resources in a scientific and eco-friendly manner; so as to create a conducive environment for industrial growth in the State.

Directorate of Mines - Directorate of Mines is responsible for the grant of Prospecting Licences, Reconnaissance Permit & Mining Leases of Minerals. It collects mineral revenue in the State. It acts as nodal department of mineral administration and works as per acts, rules and provisions related to the mineral development, sustainable and lawful mining in the State.

Directorate of Geology- It conducts detailed geological exploration of important minerals, ground water survey, Geo technical studies and analysis of various minerals etc. Directorate has responsibility to prepare mineral blocks for auction with reference to newly enforced Mineral Auction Rule, 2015 of Government of India.

To complete the above mentioned responsibilities the State Government had provided a budget of ₹ 84.39 crore during 2019-20 to this department. Detail of budget and its utilisation is given in **Table 3.18**.

Table 3.18: Details of budget provisions, expenditure and saving during 2019-20

(₹ in crore)

Details	Capital Voted	Revenue Voted	Total
Original Grant	5.50	63.77	69.27
Supplementary Grant	0.00	15.12	15.12
Total Grant	5.50	78.89	84.39
Expenditure	0.00	57.46	57.46
Saving	5.50	21.43	26.93
Surrender	5.50	21.42	26.92
Lapse	0.00	0.01	0.01

Source: Appropriation Accounts of the Government of Jharkhand for the year 2019-20

Scope of audit

Departmental Secretariat, Directorate of Mines & Geology and 21 DDOs⁴ in eight⁵ out of 24 districts were selected for audit of the budgetary process.

Audit findings

3.7.2 Persistent savings

During study of department's budget and expenditure trends during last four years (2016-20) it was noticed that the department had a persistent savings in these years and the percentage of savings in comparison to the budget estimates remained very high as detailed in the **Table 3.19**.

Table 3.19: Trend of savings during last four years in Mines and Geology Department

(₹in crore)

Years		Original	Supplementary	Total	Actual Expenditure	Saving	Percentage of saving
2016-17	Revenue	48.62	0.93	49.55	29.06	20.49	48.74
	Capital	7.14	0.00	7.14	0.00	7.14	
	Total	55.76	0.93	56.69	29.06	27.63	
2017-18	Revenue	112.98	2.75	115.73	36.38	79.35	69.10
	Capital	2.00	0.00	2.00	0.00	2.00	
	Total	114.98	2.75	117.73	36.38	81.35	
2018-19	Revenue	82.99	0.46	83.45	41.86	41.59	50.29
	Capital	0.75	0.00	0.75	0.00	0.75	
	Total	83.74	0.46	84.20	41.86	42.34	
2019-20	Revenue	63.77	15.12	78.89	57.46	21.43	31.91
	Capital	5.50	0.00	5.50	0.00	5.50	
	Total	69.27	15.12	84.39	57.46	26.93	

Source: Appropriation Account 2016-20

As shown in **Table 3.19** the department had a persistent savings ranging between 32 per cent and 69 per cent during the last four years which was not only indicative of the inability of the department to utilise the fund but also resulted in non-completion of works included in the budget during the year.

3.7.3 Delay in submission of Budget Estimates

Rule 62 of Bihar Budget Manual as adopted by Government of Jharkhand (GoJ) provide the budget calendar for correct and timely preparation of budget for the State. Finance Department, GoJ revised (November 2018) the prescribed dates of submission of estimate of establishment expenditure and scheme budget after approval of the Minister concerned 28 November 2018 and 12 December 2018 respectively against the stipulated date of First October in the Budget Manual.

Scrutiny of records of Directorate of Geology revealed that Budget Estimates (BEs) for establishment expenditure were submitted to Finance Department

⁴ District Mining Offices-(i) Bokaro (ii) Gumla (iii) Hazaribagh (iv) Jamshedpur (v) Ramgarh (vi) Ranchi (vii) Saraikela (viii) Simdega; District Geological Offices- (ix) Bokaro (x) Gumla (xi) Hazaribagh (xii) Jamshedpur (xiii) Ranchi (xiv) Saraikela; (xv) Deputy Secretary of Mines (Govt. Side), Ranchi (xvi) Under Secretary of Directorate of Mines, Ranchi (xvii) North Chhotanagpur Circle Office Geology, Hazaribagh; (xviii) State Laboratory Geology, Hazaribagh (xix) Additional Director Geology, Hazaribagh (xx) Deputy Director Geology (Hqr), Ranchi (xxi) South Chhotanagpur Circle Office Geology, Ranchi

⁵ (i) Bokaro (ii) Gumla (iii) Hazaribagh (iv) Jamshedpur (v) Ramgarh (vi) Ranchi (vii) Saraikela (viii) Simdega

(FD) in time. However, BEs pertaining to scheme budget were submitted (on 16 January 2019) with a delay of 49 days.

Further, the Directorate of Mines submitted Budget Estimates for establishment expenditure on 4 December 2018 and for scheme budget on 27 December 2018 against the target date of 28 November 2018 and 12 December 2018 with a delay of six and 15 days respectively.

3.7.4 Budget Estimate prepared without obtaining requirements

According to Rule 65 of Budget Manual (BM), the Controlling Officer (CO) should examine the budgets received from the Disbursing Officers to see that they are correct, that all details and explanations have been given, and that explanations are adequate.

Scrutiny of records of Directorate of Geology revealed that provisions of BM were not followed and budget estimates for Schemes and state establishment were prepared after obtaining requirement only from eight and 17 out of 29 DDOs respectively. Further, budget estimates for schemes and establishment were prepared by Directorate of Mines after obtaining requirement only from six out of 34 DDOs. Hence, budget estimates were prepared at department level without obtaining/assessing the actual requirements from the disbursing officers who were finally responsible for execution of work and to utilise the fund which resulted in savings of ₹ 26.93 crore (32 per cent) out of total allotment of ₹ 84.39 crore.

3.7.5 Avoidable Supplementary Provision

As per comments below Rule 57 of Bihar Budget Manual (as adopted), the officer responsible for preparing estimate should be sure that there is no provision for a greater sum than that which can be spent.

It was noticed that during year 2019-20, out of seven sub-heads (five under revenue & two under capital) additional fund of ₹0.48 crore was provided to a scheme under revenue head (2853-02-001-01) through supplementary provisions without entirely utilising the original provisions of ₹17.95 crore.

During the year 2019-20, out of original provision of ₹ 17.95 crore the department spent ₹ 13.94 crore only leading to a savings of ₹ 4.01 crore which was much more than ₹ 0.48 crore provided through supplementary provision. Hence, additional supplementary provision was against the provisions of the BM and should have been avoided.

3.7.6 Non-utilisation and surrender of entire budget provision

As per comments below Rule 57 of Bihar Budget Manual (as adopted), the officer responsible for preparing estimate should be sure that there is no provision for a greater sum than that which can be spent.

(A) Establishment of Geological Museum and Purchase of New Vehicle:

Scrutiny of records of office of the Directorate of Geology, GoJ, Ranchi for the year 2019-20 revealed that ₹ 5.00 crore was provided for establishing a

world class Geological Museum (under head 4853-02-004-03) in premises of Khanij Nagar, Doranda, Ranchi to showcase the mineral resources of the State and to exhibit geological history of the earth, mining activities and many more interesting things about the earth, mineral, rocks and geological structure. It was noticed from the records that the amount provided was not utilised by the department due to non-receipt of detailed project report (DPR).

Similarly, ₹ 0.20 crore was provided (under head 2853-02-102-20) for purchase of a new vehicle in place of old vehicle for field visit but was not purchased in want of sanction of 'padvarg' committee.

The amount (₹ 5.20 crore) provided for the above mentioned works were surrendered at the end of the financial year. Hence, the provisions of the BM were not followed by the department.

(B) Surrender of renovation fund

During scrutiny it was noticed that ₹ 1.35 crore was allotted for maintenance, repair and furnishing (state scheme) of various office buildings of the department, of which, ₹ 0.06 crore (four *per cent*) only was spent and balance ₹ 1.29 crore (96 *per cent*) was surrendered at the end of financial year on the reasons of non-receipt of administrative approval.

Similarly, ₹ 0.50 crore was provided for construction work of residential and official building (under head 4853-02-004-01) but no amount was spent out of the provision and entire amount was surrendered in the month of March 2020.

Further, in eight test-checked districts it was noticed that entire budget provision of ₹ 0.38 crore of 52 units was not utilised on the reasons of non-requirement of fund, non-production of bills, non-completion of purchase through GeM and covid-19 pandemic. The entire amount was surrendered in the month of March 2020 as detailed in **Appendix 3.19**.

3.7.7 Surrender of fund on the last day of the financial year

It was observed that against the budget provision of ₹ 34.76 crore, ₹ 14.33 crore (₹ 13.59 crore under scheme and ₹ 0.74 crore under establishment), was surrendered at the end of the financial year by the Directorate of Geology without providing any reason. Directorate of Mines had not produced details of surrender to audit. Further, during scrutiny of records of eight test-checked districts, it was noticed that surrender of ₹ 0.94 crore (62 *per cent* of total provisions of the schemes) were made on the fag end on the financial year. Reasons for savings were late allocation of fund and non-generation of DDO code etc. the fund was kept till end of the financial year in anticipation of expenditure. Details are given in **Appendix 3.20**. Surrender on the fag end of the financial year leaves no scope to the Government for its utilisation on other important work/scheme which remained incomplete due to paucity of fund.

3.7.8 Rush of expenditure

In five out of eight test-checked districts it was observed that the expenditure under various head ranged between 45 and 100 *per cent* in the month of March which was against the provisions of BM. Details are given in **Appendix 3.21**.

3.7.9 Non-reconciliation of departmental expenditure figures

It was observed that during 2019-20, out of total expenditure of the department amounting to ₹ 57.46 crore, an expenditure of ₹ 29.29 crore (50.97 *per cent*) was not reconciled by the controlling officer with the books of the Principal Accountant General. Details are given in **Table 3.20**.

Table 3.20: Details of Non-reconciliation of departmental expenditure

(₹ in crore)

Sl.No	Major Heads	Total Expenditure (As per appropriation)	Reconciled amount	Un-reconciled amount
1	2853	55.00	28.17	26.83
2	3451	2.46	0.00	2.46
	Total	57.46	28.17	29.29

Further, in eight test-checked districts out of total expenditure of ₹ 17.54 crore, an expenditure of ₹ 12.22 crore (69.67 *per cent*) was not reconciled during the year 2019-20, as detailed in **Appendix 3.22**.

3.7.10 Non-submission of Estimates of Revenue

Finance Department, GoJ vide letter no. 29 B.S.G.-03/2018-19/352 dated 5 November 2018 read with Rule 54 of BM revised the prescribed date from 1 October 2018 to 19 November 2018 for submission of estimates of revenue after approval of the Minister concerned. However, no estimates of revenue were prepared and submitted by Directorate of Mines.

3.7.11 Less collection of Revenue against target fixed by department

As per budget document of Government of Jharkhand, revenue collection for Mines and Geology department for the year 2019-20 was estimated as ₹ 8,500.00 crore against which the actual collection during the year was ₹ 5,461.36 crore (64 *per cent*) only.

In eight test-checked districts ₹ 808.35 crore (36 *per cent*) was less collected against the target of ₹ 2,243.94 crore fixed by the department. As stated by the authorities it was mainly due to closure of plant and covid-19 pandemic. DMO Jamshedpur stated that the target could not be achieved due to unreasonable target fixed by the department. Details are given in **Table 3.21**.

The reasons given by the department was not tenable because the target was for the year 2019-20 whereas COVID pandemic spread at the end of the financial year. So far as unreasonable target was concerned it could have been done after extensive exercise and feedback from the field offices.

Table 3.21: Less collection of Revenue against fixed target by department

(₹ in crore)

Sl. No.	Name of Offices	Target fixed by department	Achievement	Shortfall in achievement
1.	DMO, Ranchi	129.12	104.45(81)	24.67(19)
2.	DMO, Ramgarh	872.53	375.24(43)	497.29(57)
3.	DMO, Bokaro	472.79	463.11(98)	9.68(2)
4.	DMO, Simdega	26.00	15.00(58)	11.00(42)
5.	DMO, Jamshedpur	150.00	62.81(42)	87.19(58)
6.	DMO, Saraikela	39.00	25.68(66)	13.32(34)
7.	DMO, Gumla	84.50	53.73(64)	30.77(36)
8.	DMO, Hazaribagh	470.00	335.57(71)	134.43(29)
Total		2,243.94	1,435.59(64)	808.35(36)

Note: Figures in bracket shows *per cent* of target fixed**3.7.12 Difference in report of revenue collection**

In seven out of eight-test checked district (District Mining Offices) it was noticed that the figures of revenue collection showed wide difference between the Jharkhand Integrated Mines & Mineral Management System (JIMMS) report and the amount of collection shown by the DMOs. During the year 2019-20, in these districts the collection shown by DMOs was ₹ 1,100.02 crore, whereas, as per JIMMS Report the collection was ₹ 1,094.60 crore. Difference in revenue collection between JIMMS and DMOs reports indicated that these reports were not depicting true picture of revenue collection and manipulations, if any, could not be ruled out. Details are given in **Table 3.22**.

Table 3.22: Revenue collection as per JIMMS and DMOs Annual Report

(₹ in crore)

Sl. No.	Name of Offices	Revenue collected as per JIMMS report including Demand Draft & Book Transfer	Revenue collected as per annual report prepared by concerned DMOs	Difference
1.	DMO, Ranchi	102.12	104.45	(-)2.33
2.	DMO, Ramgarh	380.81	375.24	(+)5.57
3.	DMO, Bokaro	465.69	463.11	(+)2.58
4.	DMO, Simdega	0.00*	15.00	(-)15.00
5.	DMO, Jamshedpur	68.75	62.81	(+)5.94
6.	DMO, Saraikela	24.60	25.68	(-)1.08
7.	DMO, Gumla	52.63	53.73	(-)1.10
Total		1,094.60	1,100.02	(-)5.42

(-) indicates excess revenue in annual report &

(+) indicates less revenue in annual report against JIMMS report.

* details not provided

Similarly, as per JIMMS report, collection of environment cess was ₹ 2.95 crore whereas as per bank statement total cess collected up to March 2020 was ₹ 3.08 crore.

3.7.13 Implementation of work plan

During scrutiny of the records of Directorate of Geology for the year 2019-20 it was noticed that in-spite of availability of fund of ₹ 7.65 crore out of total fund of ₹ 12.20 crore, physical progress of four works related to exploration of Mines & Minerals and Construction of World level Geological

Museum was negligible. Physical progress in these works were either negligible or nil as of December 2020. Details are given in the **Table 3.23.**

Table 3.23: Non-completion of works

Sl. No.	Name of work	Target as per budget speech	Achievement	Per cent achievement
1	Geological exploration of Ferrous Oxide mines block in West Singhbhum district	Four mines block	nil	0
2	Geological exploration of bauxite minerals in Ranchi district	Four mines block	One out of four	25
3	Geological exploration of Manganese in East Singhbhum district	Two mines block	nil	0
4	Construction of world level Geological Museum	One at Khanij Nagar, Doranda, Ranchi	nil	0

An expenditure of ₹ 4.55 crore has been incurred on above works but financial report of projects (sl.no.1 to 3) was neither prepared nor submitted to higher authorities by the Directorate of Geology. Only Physical Report on the above work was prepared and submitted.

As stated by the departmental authorities the works were affected for want of no objection certificates (NOCs) from forest department (sl.no. 1 to 3), DPR from concerned department (sl.no.4). Lack of manpower was also given as a reason for non-completion.

The reply of the department was not acceptable, as these steps should have been taken in time to assure the timely completion of the works.

3.7.14 Undue burden to the Government of ₹ 2.25 crore

Scrutiny of records of DMO, Ranchi revealed that auction of Kanchi River Balu Ghat under Sonahatu Circle in Ranchi District was made for the period 2015-16 to 2017-18 on 24.06.2015 in favour of highest bidder for an amount of ₹ 7.04 crore. Letter of Intent (LoI) was issued vide letter no. 1162/M dated 14.07.2015.

The bidder paid ₹ 3.52 crore comprising of security deposit of ₹ 0.70 crore (10 per cent of ₹ 7.04 crore) and first installment of ₹ 2.82 crore (40 per cent of ₹ 7.04 crore). Out of the total amount paid by the bidder ₹ 1.27 crore was deposited under mining head during June 2015 to February 2016 and as per department's order⁶ ₹ 2.25 crore was transferred to Gram Panchayat concerned in February 2016.

Forest Divisional Officer, Khunti (June 2016) has not provided environment clearance as it was the main route and catchment area of wild Elephant. The bidder failed to produce the environment clearance; hence, LoI was revoked by the Deputy Commissioner, Ranchi as per provisions.

Due to cancellation of bid the amount paid by the bidder was returned by DC, Ranchi after receiving allotments from the government in November 2018 (₹ 1.27 crore) and January 2020 (₹ 2.25 crore).

⁶ Vide letter no. M.D (Misc.) 176/2012-505 dated 17.03.2015

Further, it was noticed that the amount transferred to the Gram Panchayat (Telwadih) of Sonahatu Block was not returned by them in spite of letter written by DMO, Ranchi. Thus, ₹ 2.25 crore was irregularly retained with the Gram Panchayat despite cancellation of tender and government had to bear that undue burden to this extent.

3.7.15 Non-maintenance of Records

(A) Cash Book

As per Note below Rule 19 of Jharkhand Treasury code 2016, a complete record of transactions relating to the treasury will be kept in the Accountant's Cash Book either in manual register or in computer system. Further, as per Finance Division, Planning cum Finance Department, Government of Jharkhand letter no. Finance-20/Misc.-09/2016/2918 Dated 06.11.2019, Cash Book should be maintained and updated in every Government offices. The balance of Cash Book should be certified by the authorised officer every month.

During scrutiny of records of DMO, Simdega it was noticed (December 2020) that Cash Book was not written since 26 February 2019. In the meantime DDO was also transferred (November 2020). In spite of that Cash Book was not completed and handing and taking over of charge was not recorded in the Cash Book. Hence, chances of mis-utilisation of government money could not be ruled out.

(B) Non-maintenance of Geological Report (GR) Register

As per Plan write-up of Directorate of Geology it has responsibility to prepare mineral blocks for auction with reference to newly enforced Mineral Auction Rule, 2015 of Govt. of India.

Scrutiny revealed that the GR register pertaining to exploration and auction of mineral blocks were neither prepared neither by the Directorate of Mines and Geology nor by field offices under Directorate of Geology.

3.8 Conclusion

During 2019-20, the total savings of ₹ 23,984.71 crore (25.31 per cent of the total budget) under the grants was indicative of improper budget estimation. Further, these grants had persistent total savings of at least ₹ 6,184.28 crore during each of the last four years.

Supplementary provisions aggregating ₹ 9,277.22 crore (99.37 per cent) obtained in 58 cases (₹ 0.50 crore or more in each case) during the year, proved unnecessary as the expenditure did not come up even to the level of the original provisions.

Excess disbursements over grant/appropriation amounting to ₹ 3,015.37 crore pertaining to the years 2001-02 to 2017-18 are yet to be regularised by the State Legislature. Further, expenditure of ₹ 313.32 crore was incurred in one grant and one appropriation during 2019-20.

The Rural Development Department (Panchayati Raj Division) and Mines and Geology Department were not following the provisions of budget manual leading to lack of budgetary control in the departments.

Chapter-4

QUALITY OF ACCOUNTS AND FINANCIAL REPORTING PRACTICES

CHAPTER 4

QUALITY OF ACCOUNTS AND FINANCIAL REPORTING PRACTICES

This Chapter provides an overview on the quality of accounts and compliance of the State Government in its financial reporting practices, with prescribed financial rules, procedures and directives with regard to completeness, transparency, measurement and disclosure.

A sound internal financial reporting system with relevant and reliable information significantly contributes to efficient and effective governance by the State Government. Compliance with financial rules, procedures and directives as well as the timeliness and quality of reporting on the status of such compliance is, thus, one of the attributes of good governance. Reports on compliance and controls, if effective and operational, assist the Government in meeting its basic stewardship responsibilities, including strategic planning and decision-making.

4.1 Labour Cess

As per section 5 of the Building and other Construction Workers' Welfare Cess Rules 1998, amounts collected as labour cess from contractors was required to be transferred to the Labour Welfare Board.

As per the Finance Accounts, ₹ 550.18 crore was collected as cess from contractors executing government projects upto 2019-20. The cess collected has not been transferred to the Labour Welfare Board Fund (October 2020) thereby inflating the revenue surplus and understating the fiscal deficit of the State during the relevant years (2008-2020) and represent the unaccounted liabilities of the State.

4.1.1 Accounting and Utilisation of Labour Cess

It was observed that the Labour Welfare Board has finalised its accounts only upto 2012-13. However, receipts and utilisation of funds till 2019-20, as furnished by the Board, is shown in **Table 4.1**.

Table 4.1: Details of amounts received by the Board and its utilisation

(₹ in crore)

Year	Amount provided by the Govt. as Grant-in-aid	Cess received directly by the Board	Total Receipt	Amount spent by the Board on schemes ¹	Amount spent on establishment	Total Expenditure	Unutilised balance amount
(1)	(2)	(3)	{(2+3)=4}	(5)	(6)	{(5+6)=7}	{(4-7)=8}
Upto 2015-16	5.08	252.16	257.24	104.08	1.66	105.74	151.50
2016-17	0	70.26	70.26	48.33	1.29	49.62	20.64
2017-18	0	74.01	74.01	41.64	0.90	42.54	31.47
2018-19	0	90.19	90.19	59.19	0.89	60.09	30.10
2019-20	0	120.00	120.00	75.78	0.83	76.60	43.40
Total	5.08	606.62	611.70	329.02	5.57	334.59	277.11

Source: By Jharkhand Building and Other Construction Workers Welfare Board

¹ 22 schemes are running under the Welfare Board as per statement dated 16.01.2020 provided by Jharkhand Building and Other Construction Workers Welfare Board.

During the period 2009-10 to 2019-20, ₹ 329.02 crore was spent on welfare schemes while ₹ 5.57 crore was spent on establishment. The Board had utilised only 54.70 per cent of available funds.

Recommendation-1: *The Jharkhand Building and other Construction Workers' (BOCW) Welfare Board should take steps for timely preparation of annual accounts and its submission to the Principal Accountant General (Audit) for audit.*

Recommendation-2: *The GoJ should ensure transfer of Labour Cess to the Labour Welfare Board as early as possible and ensure proper utilisation of the available fund so that the Board can fulfil its objectives of improving the working conditions of building and other construction workers and providing adequate financial assistance to them.*

4.1.2 Funds of Regulators outside Government Account (₹ 35.98 crore)

A. Article 266(1) of the Constitution of India stipulates that all revenue receipt and all loans raised by the State Government shall form part of the Consolidated Fund of the State. Further, Article 266(2) stipulates that other public moneys received by or on behalf of the Government of a State shall be entitled to the Public Account of the State.

The Government of Jharkhand made “Jharkhand State Electricity Regulatory Commission Fund Rules, 2009” in-exercise of powers conferred to the State Government by Section 180 (2) (g) read with the provisions of Section 103 of Electricity Act, 2003. In terms of the above provisions Government established a Fund named as the “Jharkhand State Electricity Regulatory Commission (JSERC) Fund” for deposit of all grants and loans made to the Commission by the Government, all license fees, petition fees, processing fees etc. It was provided that the Fund should be operated in designated nationalized bank.

During verification of records of JSERC Fund for the period 2014-20, it was noticed that ₹ 6.40 crore was opening balance in 2014-15 and ₹ 32.90 crore were deposited during the period 2014-20, of which ₹ 18.24 crore spent during the period leaving a balance of ₹ 21.06 crore at the end of March 2020.

Thus, due to non-consideration of Article 266 (1) and 266 (2) of Constitution in Jharkhand State Electricity Regulatory Commission Fund Rules, 2009 by the State Government, the receipts of ₹ 32.90 crore were kept out of Public Account by the JSERC during 2014-15 to 2019-20. At the end of the year 2019-20, ₹ 21.06 crore was lying out of Government Account.

B. An Environment Management Fund (EMF) was to be set up for reviving the small mining area in which each mining lease holder of minor mineral had to deposit a contribution of one per cent of the royalty, which was to be used in the conservation of forest, environment and climate.

During scrutiny of records of Director of Mines it was noticed that ₹ 3.08 crore was collected as royalty during September 2018 to March 2020 and

deposited in commercial bank in place of PL Accounts of the State violating Article 266 (1) and 266 (2) of the Constitution. However, no amount from EMF was utilised on the purposes for which it was deposited.

4.2 Off budget borrowings

Off budget borrowings by the State PSUs and SPVs are either explicit payments or guarantees and are contingent liabilities of the State. No such borrowings by the State PSUs/SPVs were reported during 2019-20.

4.3 Funds transferred directly to State implementing agencies

The Union Government transfers substantial funds directly to State Implementing Agencies/ Non-Governmental Organizations for implementation of various schemes and Programmes. Since these funds are not routed through the State Budget, these are not reflected in the Accounts of the State Government. These transfers are exhibited in Appendix VI of Volume II of the Finance Accounts.

As of 31 March 2014, the Central Government had transferred a sizeable quantum of fund directly to State implementing agencies for implementing various schemes/ programmes in social and economic sectors, which were recognized as critical. These funds were not routed through state budget/ state treasury system. Expenditure of these funds was not mentioned in the Finance Accounts of the State. During 2014-15, GOI decided to release all assistance pertaining to centrally sponsored schemes/ additional central assistance directly to the State resulted in decrease of transfer from ₹ 2,601.80 crore in 2013-14 to ₹ 130.92 crore in 2014-15 which further increased to ₹ 322.36 crore in 2017-18. However, after consistent decrease from 2017-18 onwards direct transfer to State implementing agencies stood at ₹ 235.71 crore in 2019-20. Expenditure from direct transfer to implementing agencies was not provided in the accounts of the State. Details of transfer along with fund transferred to some major agencies are given in **Table 4.2**.

Table 4.2: Funds transferred by GOI directly to State implementing agencies

(₹ in crore)

Sl. No.	Name of the Schemes of Government of India	Name of the Implementing Agencies	Government of India releases during 2019-20
1	MP Local Area Development Scheme	Deputy Commissioner/ District Magistrate	82.50
2	Infrastructure Development and Capacity Building	Indo-Danish Tool Room	32.51
3	National AIDS and STD Control Programme	Jharkhand State AIDS Control Society	22.73
4	National Animal Disease Control Programme for Foot and Mouth Disease and Brucellosis	Jharkhand State Implementing Agency for Cattle and Buffalo Development	15.01
5	Promotion of IT and Electronics Manufacturing (MSIPS, EDF and Manufacturing Clusters)	Adityapur Electronic manufacturing Cluster Limited	12.44
6	Others	Various agencies	70.52
	Total		235.71

Source: Public Financial Management System (PFMS) portal of Controller General of Accounts for the State Accounts (2019-20).

4.4 Deposit of Local Funds

Some State Panchayati Raj Acts provides that Zila Parishad (ZP), Panchayat Samiti (PS) and Gram Panchayat (GP) would maintain ZP fund, PS fund and GP fund respectively (under Major Head 8448-Deposits of Local Funds-109-Panchayat Bodies Funds) which would include all the money realised or realisable under the Act and all money otherwise received by the PRIs, such as grants received from Central Finance Commission and State Government as part of the State Finance Commission award and its own revenue, which includes tax and non-tax receipt of a Panchayat. The Acts also envisages that the Municipal Fund is to be held by the Municipality. All the money realised or realisable under this act and all money otherwise received by the Municipalities are kept in the Municipal Fund under the Major Head 8448- Deposits of Local Funds-102-Municipal Funds.

Table 4.3: Deposits of Local Funds

(₹ in crore)

Year		2015-16	2016-17	2017-18	2018-19	2019-20	
Panchayati Raj Institutions	(8448-109)	Opening Balance	197.68	183.88	212.71	309.67	364.38
		Receipt	72.6	143.53	181.74	128.99	124.60
		Expenditure	86.4	114.7	84.78	74.28	150.86
		Closing Balance	183.88	212.71	309.67	364.38	338.12
Urban Local Bodies	(8448-102)	Opening Balance	944.37	1535.71	2003.17	1870.03	1959.09
		Receipt	1073.55	1159.19	1122.21	915.05	1252.93
		Expenditure	482.21	691.73	1255.35	825.99	1134.27
		Closing Balance	1535.71	2003.17	1870.03	1959.09	2077.75

Source: Finance Accounts of the respective years.

It was noticed that in 2019-20, the net addition in PRIs had decreased significantly in comparison to the previous year, whereas, it increased slightly in ULBs.

4.5 Delay in submission of Utilisation Certificates

Non submission of the UCs means that the authorities have not explained as to how funds were spent over the years. There is also no assurance that the intended objectives of providing these funds have been achieved. This assumes greater importance if such UCs are pending against Grants-in-Aid meant for capital expenditure. Since non-submission of UCs is fraught with the risk of misappropriation, it is imperative that the State Government should monitor this aspect closely and hold the concerned persons accountable for submission of UCs in a timely manner.

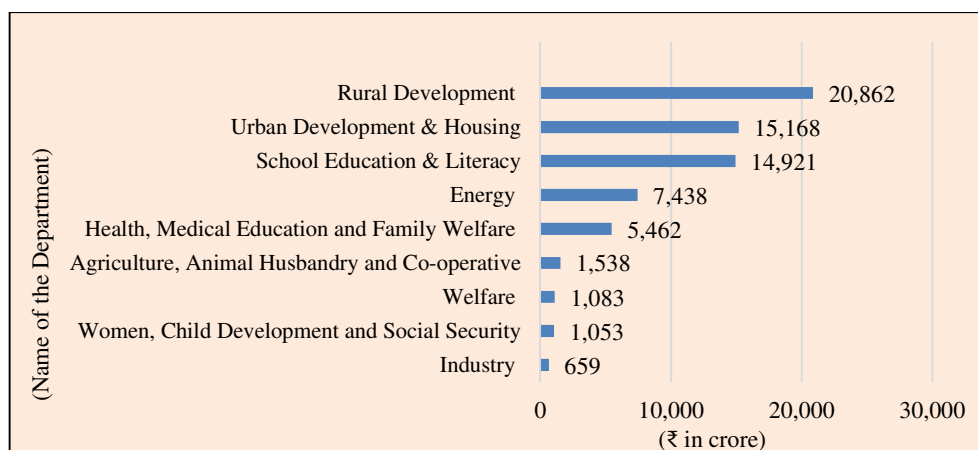
The Jharkhand Financial Rules (JFR) stipulate that departmental officers should obtain Utilisation Certificates (UCs) from the grantees and after verification should forward these to the Principal Accountant General (A&E), Jharkhand within 12 months of drawal of the grant.

Audit observed that 29,358 UCs due in respect of grants aggregating to ₹ 69,702.99 crore, paid up to 2018-19, were outstanding at the end of March 2020. A significant part of these UCs were outstanding against five departments, viz., Rural Development (2,468 UCs aggregating ₹ 20,861.54 crore), Urban Development (7,959 UCs aggregating ₹ 15,167.62 crore), School Education and Literacy (3,942 UCs aggregating ₹ 14,920.86 crore),

Energy Department (82 UCs aggregating ₹ 7,437.84 crore) and Health and Family Welfare (610 UCs aggregating ₹ 5,462.37 crore).

During 2018-19 and 2019-20, out of total Grants-in-Aid of ₹ 17,975.81 crore and ₹ 19,191.46 crore a sum of ₹ 8,446.82 crore and ₹ 7,079.39 crore respectively was granted for creation of capital assets to the authorities and bodies. However, UCs in respect of creation of capital assets were not submitted by the authorities hence, creation of capital assets could not be ascertained.

Chart 4.1: Outstanding UCs in respect of Major Grants



The number and amount of outstanding UCs as on 31 March 2020 are shown in **Table 4.4**.

Table 4.4: Arrears in submission of Utilisation Certificates

(₹ in crore)

Year	Opening Balance		Addition		Clearance		Due for submission	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Up to 2016-17	17,048	28,205.67	5,019	17,481.36	668	6,571.50	21,399	39,115.53
2017-18	21,399	39,115.53	4,219	19,545.33	515	6,114.69	25,103	52,546.17
2018-19*	25,103	52,546.17	4,483	17,435.44	228	278.62	29,358	69,702.99

*UCs for the GIA disbursed during 2018-19 become due only during 2019-20.

Table 4.5: Year wise break up of outstanding UCs

(₹ in crore)

Year	Number of UCs	Amount
Up to 2010-11	2,192	966.40
2011-12	494	273.38
2012-13	945	1,141.17
2013-14	1,333	1,518.08
2014-15	2,134	5,354.78
2015-16	8,907	9,574.60
2016-17	4,873	14,501.49
2017-18	3,997	18,937.65
2018-19	4,483	17,435.44
Total	29,358	69,702.99

Further, scrutiny of records revealed that 1,831 UCs amounting to ₹ 7,150.44 crore was outstanding against major head 2515 under Grant No. 56-Rural Development Department (Panchayati Raj Division), Jharkhand, Ranchi at the end of 2019-20. Year wise number and amounts of outstanding UCs are shown in **Table 4.6**.

Table 4.6: Year wise breakup of outstanding UCs under Major Head 2515 (Rural Development- Panchayati Raj Division)

Year	Total Grants Released		UCs submitted		Outstanding UCs	
	No. of Grants	Amount	No. of Grants	Amount	No. of Grants	Amount
Up to 2016-17	2,723	4,932.25	1,327	2,338.80	1,396	2,593.44
2017-18	155	1,293.56	4	0.53	151	1,293.03
2018-19	111	774.08	4	0.31	107	773.77
2019-20	177	2,490.20	00	00	177	2,490.20
Total	3,166	9,490.09	1,335	2,339.64	1,831	7,150.44

Non receipt of UCs against the GIA Bills indicates the failure of the departmental officers to comply with the rules and procedures to ensure timely submission of utilization of the grants for the intended purpose. High pendency of UCs is fraught with the risk of misappropriation of funds and fraud. Reasons for non-submission of UCs were not provided by the department.

Recommendation 3: The Finance Department should take initiatives for submission of outstanding UCs within a prescribe time frame. The administrative departments releasing the grants should be held responsible for collection of UCs pending beyond the time stipulated in the grant orders. FD should ensure that no further grants should be released to the defaulting grantees. The Government may initiate appropriate action against officers who defaulted in submission of UCs in time.

4.6 Abstract Contingent bills

The Jharkhand Treasury Code (JTC), 2016 stipulates that when contingent charges are drawn as an advance from the treasury on Abstract Contingent (AC) bills without supporting vouchers, the relevant Detailed Contingent (DC) bills supported with sub-vouchers and countersigned by the Controlling Officer (CO) should be submitted to the Principal Accountant General (A&E) within six months from the date of drawal of the AC bill. Year-wise details of pending DC bills as on 31.03.2020 are given in Table 4.7.

Table 4.7: Year wise progress in submission of DC bills against the AC bills (₹ in crore)

Year	Opening Balance		Addition		Clearance		Closing Balance	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
2017-18	17,489	4,143.05	335	1,209.12	96	876.43	17,728	4,475.74
2018-19	17,728	4,475.74	243	1,061.32	52	699.96	17,919	4,837.10
2019-20	17,919	4,837.10	330	2,168.00	30	560.66	18,219	6,444.44

Fifteen departments of the State had drawn ₹ 2,168 crore from Government accounts against 330 Abstract Contingent (AC) bills during the financial year 2019-20 but did not submit 300 Detailed Contingent (DC) bills amounting to ₹ 1,607.34 crore before the close of the financial year. Therefore, there is no assurance that the amount of ₹ 1,607.34 crore has actually been incurred during the financial year for the purpose for which it

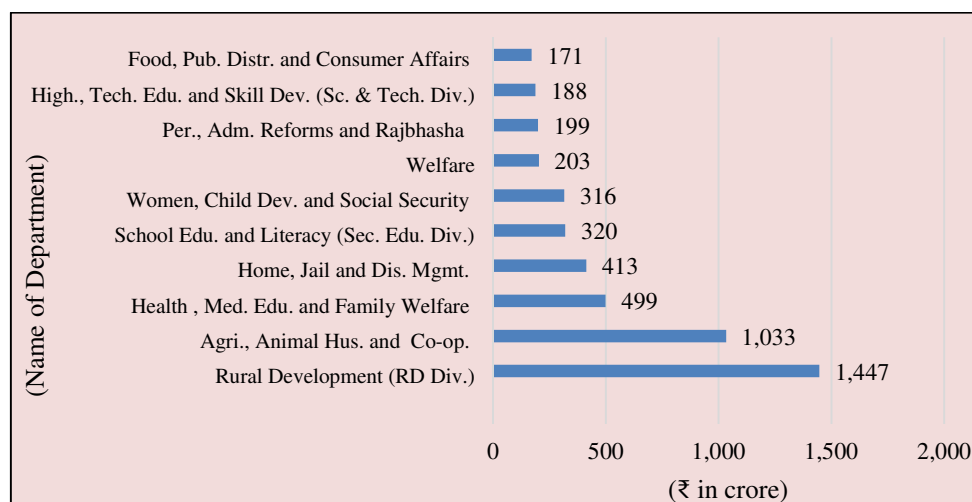
was sanctioned/authorised by the Legislature. This is a possible overstatement of expenditure in the year 2019-20.

In addition to this, 17,919 AC bills amounting to ₹ 4,837.10 crore drawn up to 2018-19 were also outstanding as on 31 March 2020. Advances drawn and not accounted for increases the possibility of wastage/ misappropriation/ malfeasance etc.

Out of ₹ 2,168 crore drawn on AC bills in 2019-20, ₹ 263.68 crore was drawn in the month of March 2020. In comparison to the drawal of AC bills in March 2019 (₹ 62 crore) there was significant drawal of AC bills in March 2020. Significant expenditure through AC bill in March 2020 indicates that the drawal was primarily to exhaust the budget and reveals inadequate budgetary control.

Departments with maximum amount of pending DC bills along with comparative details are given in **Chart 4.2**.

Chart 4.2: Pending DC Bills in respect of major Departments



Further, scrutiny of records of Grant No. 56-Rural Development Department (Panchayati Raj Division), Jharkhand, Ranchi revealed that out of 367 Abstract contingent (AC) bills of ₹ 214.15 crore drawn during the period 2003-20, only 80 Detailed Contingent (DC) bills amounting to ₹ 70.18 crore were submitted by the department and 287 DC bills amounting to ₹ 143.96 crore (67.22 per cent) were outstanding as of December 2020. It was also observed that 278 Detail contingent (DC) bills amounting to ₹ 140.50 crore were pending for more than 05 years under the major head 2515.

In eight test-checked districts of Rural Development Department (Panchayati Raj Division), Jharkhand, Ranchi, DC bills for ₹ 52.06 crore were pending against AC bills drawn during the period 2003-20 as detailed in **Table 4.8**.

Table 4.8: Statement showing the outstanding DC Bills

(₹ in crore)

Sl. No.	District	Period	Outstanding AC Bill	
			No.	Amount
1	Ranchi	2003-04 to 2019-20	57	30.07
2	Gumla	2010-11	01	0.29
3	Hazaribagh	2003-04 to 2015-16	04	6.79
4	Bokaro	2005-06 to 2015-16	10	3.81
5	Dhanbad	2005-06 to 2016-17	18	5.64
6	East Singhbhum	2003-04 to 2009-10	03	0.48
7	Saraikela-Kharsawan	2003-04 to 2010-11	16	2.65
8	West Singhbhum	2010-11	09	2.33
Total			118	52.06

Scrutiny of records of Mines and Geology Department revealed that out of AC bills amounting to ₹ 1.90 crore drawn under head 2853 during the period 2001-20, DC bills of ₹ 0.31 crore were not submitted as of December 2020. Details are given in **Appendix 4.1**.

Drawal of funds on AC bills and non-submission of DC bills within the prescribed time not only breaches financial discipline but also entails risk of misappropriation of public money and unhealthy practices. Moreover, drawal of funds on AC bills on the last day of the financial year is fraught with the risk of mis-utilisation of public money.

4.7 Delay in submission of DC bills

Scrutiny of records of Rural Development Department (Panchayati Raj Division), Jharkhand under Grant No.56, revealed that DC bill amounting to ₹ 37.42 crore against AC bills drawn during 2000-17 (Major Head-2515, 2015 and 3451) were submitted to Pr. Accountant General (A&E) with a delay ranging between two days to 104 months for which no specific reason was provided by the Department.

Further, in seven out of eight test-checked districts, DC bills amounting to ₹13.23 crore against AC bills drawn during 2000-16 were submitted to Pr. Accountant General (A&E) with a delay ranging between 01 month and 104 months as detailed in **Table 4.9**.

Table 4.9: Statement showing the DC Bills submitted with delay

(₹ in crore)

Sl. No.	District	Period	DC Bill submitted with delay		Delay (in months)
			No.	Amount	
1	Ranchi	2005-06 to 2015-16	13	8.23	1 to 80
2	Gumla	2000-01 to 2003-04	04	0.30	24 to 104
3	Dhanbad	2010-11 to 2011-12	02	1.09	32 to 48
4	East Singhbhum	2003-04 & 2010-11	02	2.78	58 to 79
5	Saraikela-Kharsawan	2010-11 & 2014-15	02	0.08	19 to 71
6	West Singhbhum	2008-09 & 2010-11	02	0.66	01 to 50
7	Bokaro	2014-15	01	0.09	01
Total			26	13.23	

Drawal of funds on AC bills and non-submission of DC bills within the prescribed time not only breaches financial discipline but also entails risk of misappropriation of public money and unhealthy practices.

Recommendation 4: *The Finance Department should ensure that all controlling officers adjust in a time bound manner, all AC bills pending beyond the prescribed period, and also ensure that AC bills are not drawn merely to avoid lapse of budget.*

4.8 Personal Ledger Accounts

As per Rule 174 of Jharkhand Treasury Code, money should not be withdrawn from Treasury unless it is required for immediate payment.

Review of Finance Accounts and Voucher Level Computerisation (VLC) data related to the transactions in the minor heads under the Major Head of accounts 8448-Deposits of Local Funds for the year 2019-20 revealed that there were 172 Personal Ledger Accounts (PLAs) operated by various agencies of the State Government as of 31 March 2020.

Year-wise details of balances in PLAs are given in **Table 4.10**.

Table 4.10: Funds in Personal Ledger Accounts

(₹ in crore)

Year	Opening balance	Receipts	Disbursement	Closing Balance
2016-17	5,217.97	8,406.87	4,136.44	9,488.40
2017-18	9,488.40	12,694.02	8,979.76	13,202.66
2018-19	13,202.66	9,875.32	8,730.74	14,347.24
2019-20	14,347.24	10,447.62	11,088.27	13,706.59

It is evident from **Table 4.10** that every year, a substantial amount was added in the PLAs leading to a sharp increase in the closing balance except in 2019-20.

During 2019-20 the disbursement was more than the receipts by ₹ 640.65 crore. A huge balance of ₹ 13,706.59 crore was kept outside the Consolidated Fund beyond the direct control of the Government which is against the provisions of budgetary control system.

Further, Rule 334 of JTC stipulates that the administrator shall review all Personal Deposit Accounts at the end of each financial year. Money lying unspent after two consecutive financial years should not be spent any further and balance should be transferred as reduction of expenditure to the concerned service head from which the money was withdrawn.

A test check of PL Accounts of 14 Administrators revealed that eight Administrators did not follow the above rules and unspent fund of ₹ 19.13 crore was kept blocked in PL Accounts for more than three years. Details are given in **Table 4.11**.

Table 4.11: Amount blocked in PL accounts for more than three years

(₹ in crore)

Sl. No.	Name of Office	Closing Balance	Amount kept in PLAs more than last three years
1	Zila Parishad, Khunti	0.88	0.52
2	Zila Parishad, Dhanbad	12.12	2.35
3	Zila Parishad, Lohardaga	1.13	0.53
4	Zila Parishad, Jamtara	2.55	0.85
5	District Social Welfare Officer, Ranchi	4.39	4.39
6	Zila Parishad, Ranchi	16.58	8.57
7	Zila Parishad, Bokaro	2.43	1.91
8	Zila Parishad, Saraikela Kharsawan	18.43	0.01
Total		58.51	19.13

Unspent balances lying in PLAs for such a long period and not transferred to the Consolidated Fund before the closure of the financial year was not only at variance with the provisions of financial rules but also entails the risk of misuse, fraud and misappropriation of public funds.

Recommendation 5: *The Finance Department should review all PL accounts and ensure that all amounts unnecessarily lying in these PL accounts are immediately remitted to the Consolidated Fund. Further, the Finance Department is required to reiterate the instructions contained in the financial rules and ensure that appropriate action is taken against departmental officers who fail to follow the rules.*

4.9 Personal Deposit Accounts

Jharkhand Treasury Code rule 328 to 330 provides that Personal Deposit (PD) accounts may be opened at the treasuries with the concurrence of the Finance department and authorised by the Accountant General (A&E). The PD accounts are opened for specific purposes to deposit funds required for specific purposes and for specified period as per authorisation of Finance department. After expiry of such period the treasury officer will close the account with prior permission of Finance department as well as AG (A&E).

Finance department directed the treasury officers of all the districts to open PD accounts in the name of District Land Acquisition Officers in December 2019. Accordingly, 22 PD accounts were opened to deposit land acquisition compensation fund. All these accounts are operational and an amount of ₹ 1,520.74 crore was deposited in these accounts during 2019-20. Out of the total deposit in these PD accounts, ₹ 365.08 crore was disbursed during the year leaving a balance of ₹ 1,155.66 crore at the end of the financial year.

4.10 Indiscriminate use of Minor head 800

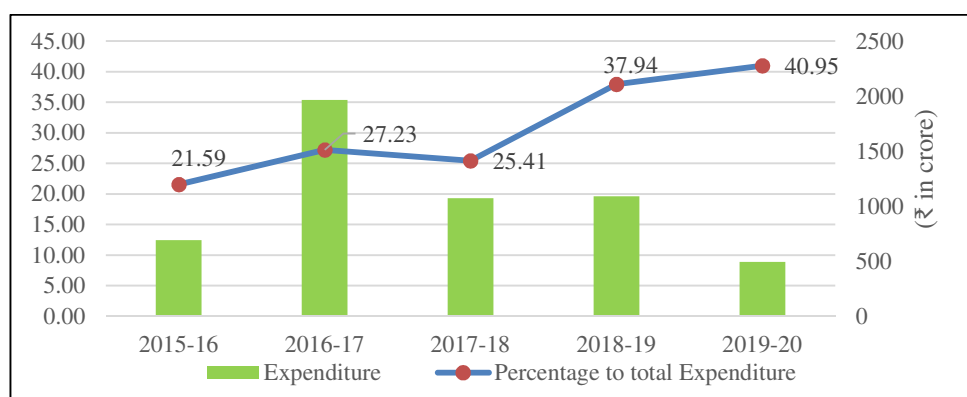
Minor Head 800 relating to Other Receipts and Other Expenditure is intended to be operated only when the appropriate minor head has not been provided in the accounts. Routine operation of minor head 800 is to be discouraged since it renders the accounts opaque.

During 2019-20, ₹ 526.35 crore was booked under the minor head “800-Other Expenditure” in seven Major Heads, of which, expenditure (more than 10 per cent of total expenditure in each case) aggregating to ₹ 494.65 crore (40.95 per cent of the total expenditure of ₹ 1,207.80 crore in these heads) booked under three Major Heads. Details are given in **Table 4.12**.

Table 4.12: Significant expenditure booked under Minor Head 800 – Other Expenditure during financial year

(₹ in crore)

Major Head	Description	Expenditure under Minor Head 800	Total Expenditure	percentage
4047	Capital Outlay on Other Fiscal Services	42.66	62.79	67.94
4701	Capital Outlay on Medium Irrigation	386.99	749.34	51.64
2053	District Administration	65.00	395.67	16.43
Total		494.65	1,207.80	40.95

Chart4.3: Operation of Minor Head 800 - Other Expenditure during 2015-20

Similarly, ₹ 1,401.43 crore was booked under the minor head “800-Other Receipts” in 46 Major Heads, of which revenue receipts (more than 10 per cent of total receipts in each case) aggregating ₹ 1,168.30 crore (38.52 per cent of the total receipt of ₹ 3,032.99 crore in these heads) under 27 Major Heads were classified under minor head “800-Other Receipts”. In 14 major heads amount booked under omnibus head 800 ranged between 61.50 per cent and 100 per cent. Details are given in **Appendix 4.2**.

4.11 Outstanding balance under major Suspense and Debt, Deposits and Remittance heads

Suspense heads are operated when transactions of receipts and payments cannot be booked to a final head of account due to lack of information as to the nature or for other reasons. These heads of accounts are finally cleared by minus debit or minus credit when amounts under them are booked to their respective final heads of accounts. Suspense balances remaining uncleared at the end of the year adversely affect the accurate reflection of the Government’s receipt and expenditure of the year. The position of Suspense balances of the State are indicated in **Table 4.13**.

Table 4.13: Position of balances under Suspense Head - 8658

(₹ in crore)

Name of the Minor Head	2016-17		2017-18		2018-19		2019-20	
	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit
101- Pay and Accounts Office Suspense	46.06	24.77	70.90	45.38	150.67	138.66	307.46	309.99
Net	Dr. 21.29		Dr. 25.52		Dr. 12.01		Cr. 2.53	
102 - Suspense Account (Civil)	160.19	11.59	196.54	17.27	28.67	23.33	34.22	26.72
Net	Dr. 148.60		Dr. 179.27		Dr. 5.34		Dr. 7.50	

Table 4.14: Position of balances under Remittances Head - 8782

(₹ in crore)

Major Head 8782-Cash Remittances								
102 - P.W. Remittances	16750.50	16721.19	26822.84	26889.20	37102.27	37220.48	47673.38	47785.72
Net	Dr. 29.31		Cr. 66.36		Cr. 118.21		Cr. 112.34	
103 - Forest Remittances	583.85	584.50	974.89	975.36	1291.04	1291.68	1831.09	1832.93
Net	Cr. 0.65		Cr. 0.47		Cr. 0.64		Cr. 1.84	

Source: Finance Accounts of Government of Jharkhand

The implications of the balances under these heads are stated below:

• **Pay and Accounts Office (PAO) Suspense**

Outstanding debit balances under this head represents payments that have been cleared by the PAG (A&E) Jharkhand on behalf of PAOs of Central Government departments, which are yet to be recovered. Outstanding credit balances represent payments made by PAOs on behalf of the State Government which the PAG (A&E) is yet to adjust. It was noticed that the net balance changed from debit ₹ 25.52 crore in 2017-18 to credit balance of ₹ 2.53 crore in 2019-20. On settlement of the net credit balance under this head (₹ 2.53 crore), the cash balance of the State Government will decrease upto that level.

• **Suspense Accounts (Civil)**

This minor head is credited for recording receipts and debited for expenditure incurred and is cleared on receipt of supporting documents by the PAG (A&E). There is no impact on cash balance on clearance of this item. The net balance under this suspense head fluctuated between debit ₹ 5.34 crore to debit ₹ 179.27 crore during 2017-18 to 2019-20.

Scrutiny of Cash Remittances and adjustments between officers rendering accounts to the same accounts' officers revealed that a credit balance of ₹ 112.34 crore was in transit at the end of March 2020.

4.12 Non-reconciliation of Departmental figures

To enable Controlling Officers of the Departments to exercise effective control over spending to keep it within the budget grants and to ensure accuracy of their accounts, the State Financial Rules stipulate that receipts and expenditure during the financial year recorded in their books be reconciled by them every month with that recorded in the books of the Accountant General (A&E).

Rule 134 of Budget Manual requires that Controlling Officer should arrange to reconcile departmental accounts with the books of the Principal Accountant General (A&E) on a monthly basis to avoid misclassification of expenditure and receipts.

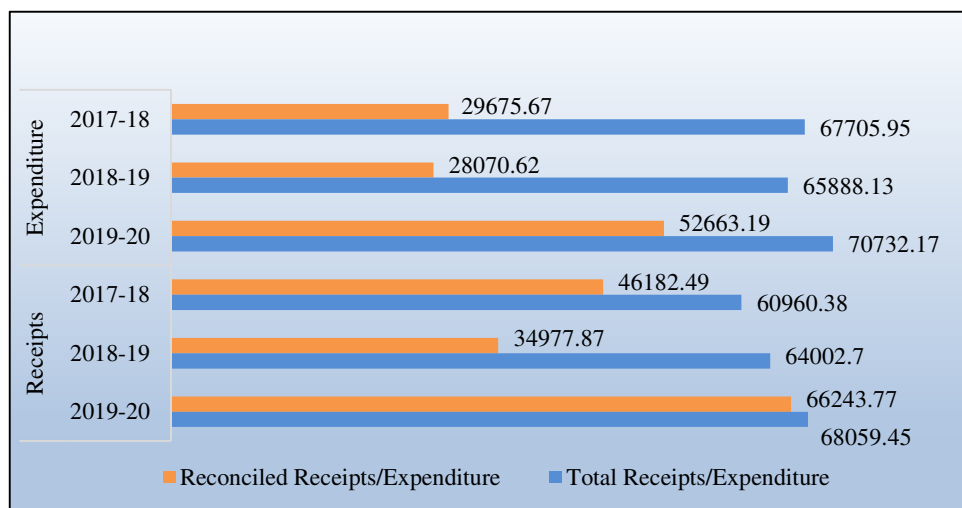
Every year, the Principal Accountant General (Accounts & Entitlements) reiterates to Budget Controlling Officers, the requirements of the Bihar Budget Manual (as adopted by Jharkhand) to reconcile their monthly and quarterly figures of receipts and expenditure with the books of the Principal Accountant General (A&E).

After regular reporting of non-reconciliation of receipts and disbursements of the State with the books of AG (A&E) a change was noticed to some extent and it was observed that during 2019-20, 97.33 *per cent* (₹ 66,243.77 crore) of the total receipts of the State (₹ 68,059.45 crore) was reconciled by the departmental officers with the books of AG (A&E) against 45.35 *per cent* in 2018-19. Similarly, out of total expenditure of ₹ 70,732.17 crore, 74.45 *per cent* (₹ 52,663.19 crore) was reconciled

during 2019-20 by the departmental officers against 57.40 *per cent* in 2018-19.

Since reconciliation of amount is a major source of obtaining reasonable assurance of the receipt and expenditure figures in annual accounts the target of 100 *per cent* reconciliation is still to be achieved.

Chart 4.4: Status of reconciliation during the three years 2017-20



4.13 Reconciliation of Cash Balances

There should be no difference between the Cash Balance of the State as per the books of Accounts of the Accountant General (A&E), and the Cash Balance as reported by the Reserve Bank of India.

There was a difference of ₹ 41.69 crore (net credit) between the figures reflected in the accounts {₹ 54.14 crore (credit)} and that intimated by the RBI {₹ 12.45 crore (debit)}. The difference of ₹ 40.08 crore (net credit) for the year 2019-20 has been taken up by the Principal Accountant General (A&E), Jharkhand with RBI, Ranchi for reconciliation and necessary correction. In addition, a balance of ₹ 1.61 crore (debit) for the period prior to October 1987 is also under reconciliation in RBI, Nagpur.

4.14 Compliance with Accounting Standards

As per article 150 of the Constitution of India, the President of India may, on the advice of the Comptroller and Auditor General of India, prescribe the form of accounts of the Union and of the States. Further, the Comptroller and Auditor General of India set up a Government Accounting Standards Advisory Board (GASAB) in 2002, for formulating standards for government accounting and financial reporting, to enhance accountability mechanisms. On the advice of the Comptroller and Auditor General of India, the President of India has so far notified three Indian Government Accounting Standards (IGAS).

Table 4.15: Compliance to Accounting Standards

S. No.	Accounting Standards	Essence of IGAS	Compliance by State Government	Impact of deficiency
1.	IGAS-1: Guarantees Given by the Government – Disclosure requirements	The objective of this Standard is to set out disclosure norms in respect of Guarantees given by the Union, the State Governments and Union Territory Governments (with legislature) in their respective Financial Statements to ensure uniform and complete disclosure of such Guarantees	Complied (Statements 9 and 20 of Finance Accounts)	No deficiency
2.	IGAS-2: Accounting and Classification of Grants-in-Aid	This Standard is to prescribe the principles for accounting and classification of Grants-in-aid in the Financial Statements of Government both as a grantor as well as a grantee. This Standard aims to prescribe appropriate principles of accounting and classification of Grants-in-aid by way of appropriate disclosures in the Financial Statements of Government.	Complied (Statement 10 of Finance Accounts)	No deficiency
3.	IGAS-3: Loans and Advances made by Government	This Standard aims to lay down the norms for Recognition, Measurement, Valuation and Reporting of Loans and Advances made by the Union and the State Governments in their respective Financial Statements to ensure complete, accurate, and uniform accounting practices, and to ensure adequate disclosure on Loans and Advances made by the Governments consistent with best international practices.	Partially complied (Statement 7 and 18 of Finance Accounts). Disclosure regarding cases of loans sanctioned as loan in perpetuity and extraordinary transactions was not provided.	Exact amount of overdue loans and the time by which loans are to paid could not be ascertained.

4.15 Submission of Accounts/Separate Audit Reports of Autonomous Bodies

As per Section 19(3) of the CAG's DPC Act, the Governor/ Administrator may, in the public interest, request the CAG to audit the accounts of a corporation established by law made by the legislature of the State or of the Union Territory, as the case may be, and where such request has been made, the CAG shall audit the accounts of such corporation and shall have, for the purposes of such audit, right of access to the books and accounts of such corporation.

Apart from Section 19, where the audit of the accounts of any authority or body has not been entrusted to the CAG by or under any law, he shall, if requested so to do by the President, or the Governor of a State or the Administrator of a Union Territory having a Legislative Assembly, as the case may be, undertake the audit of the accounts of such body or authority on such terms and conditions as may be agreed upon between him and the concerned Government and shall have, for the purposes of such audit, right of access to the books and accounts of that body or authority (Section 20).

Arrears of accounts of bodies or authorities

Submission of accounts and status of audit regarding eight reported Autonomous Bodies in the State, auditable under Sections 19 & 20 of the C&AG's (DPC) Act, 1971 with regard to verification of their transactions, operational activities and accounts, conducting compliance audit of transactions, review of internal management and financial controls, review of systems and procedures, etc. are given in **Table 4.16**.

Table 4.16: Details of submission of accounts and status of audit of autonomous bodies

Sl. No.	Name of Bodies/ Authority	Year up to which accounts submitted	SAR was issued upto	Placement of SAR in the Legislature	Comments
1	Jharkhand State Legal Services Authority (JHALSA)	2016-17	2016-17	Not Intimated	Annual Accounts for the years 2017-18 and 2018-19 have been received and audit is in progress.
2	Jharkhand State Electricity Regularity Commission (JSERC)	2018-19	2011-12	03.03.2014	Audit of the accounts for the year 2012-13 to 2014-15 is pending for want of reply of audit observation from JSERC. Further, audit of accounts for the year 2015-16 to 2018-19 has not been conducted on technical issues.
3	State Highway Authority of Jharkhand (SHAJ)	2011-12 to 2017-18	2017-18	Not intimated	After entrustment audit completed and SAR for the period 2011-12 to 2017-18 issued on 6 March 2020. Annual account for the year 2018-19 is awaited.
4	Rajendra Institute of Medical Sciences (RIMS)	2002-03 to 2009-10	Audit of accounts have not been started yet for want of entrustment under Section 19(3) of DPC Act, 1971.		
5	National University of Study and Research in Law (NUSRL), Ranchi	No account submitted	Entrustment received, but no account has been received till date.		
6	Ranchi Institute of Neuro-Psychiatry & Allied Sciences (RINPAS), Ranchi	No account submitted	Neither entrustment nor account has been received till date.		
7	Jharkhand Housing Board, Ranchi	No account submitted	Neither entrustment nor account has been received till date.		
8	Compensatory Afforestation Management and Planning Authority	No account submitted	Neither entrustment nor account has been received till date.		

Information regarding placement of SARs in respect of audited accounts of JHALSA has not been intimated despite active pursuance. Further, though audit pursued the matter regularly with the concerned authorities for submission of accounts of four bodies mentioned in the above table, the same has not been submitted to audit since inception. However, Compliance Audit of these bodies is being regularly conducted.

Departmental Commercial Undertakings/Corporations/Companies

The Companies Act, 2013 stipulates that the financial statements of the companies for every financial year are required to be finalised within six months from the end of the relevant financial year i.e., by 30 September of the next financial year. Failure to submit accounts on time renders the officers of the company liable to penal provisions under the Act.

Table 4.17 below provides the details of progress made by the PSUs in finalisation of accounts as of 31 December 2020.

Table 4.17: Position relating to finalisation of accounts of working and inactive PSUs

Sl. No.	Particulars	Working	Inactive	Total
1	Number of PSUs	28	03	31
2	Number of PSUs having accounts in arrears	28	03	31
3	Number of accounts in arrear	97	05	102
4(a)	Number of PSUs with arrears of more than six years	04	00	04
4(b)	Number of accounts in arrear in the above PSUs	33	00	33
5(a)	Number of PSUs with arrears between three to five years	13	01	14
5(b)	Number of accounts in arrear in the above PSUs	50	03	53
6(a)	Number of PSUs with arrears between one to two years	11	02	13
6(b)	Number of accounts in arrear in the above PSUs	14	02	16
7	Extent of arrears (in years)	1 to 10	1 to 3	1 to 10

Source: Data compiled from the information furnished by the companies

The above position reflects the failure of the concerned administrative departments and specifically of the Finance Department to ensure that the defaulting companies comply with the provisions of the Companies Acts. However, accounts of the companies for the year 2019-20 have not been received as of December 2020.

It was observed that 10 companies were persistent defaulter in submitting their accounts and in violation of the provisions of the Companies Act their outstanding accounts ranged between three to 10 annual accounts as on 30 September 2020.

Recommendation 6: *State Government needs to take appropriate measures to ensure that the pending accounts are compiled and submitted for audit within a fixed timeframe to ensure that financial irregularities, if any, do not go undetected.*

4.16 Non-submission of details of grants / loans given to bodies and authorities

Bodies and authorities that are substantially financed by way of loans or grants from the Consolidated Fund, or those that receive such loans or grants for specific purposes are audited by the CAG.

As on date, there are 70 such reported bodies and authorities in the State.

Scrutiny revealed that out of 70 bodies/authorities, no body/authority had submitted their latest accounts as of 20 February 2020, whereas four² bodies/authorities have not submitted their accounts to audit since inception. Audit of 66 bodies and authorities have been completed as detailed in **Appendix 4.3**.

Further, as required under Sections 14 and 15 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 the Government / HODs furnish to Audit:

- detailed information about the financial assistance given to various institutions,
- the purpose for which the assistance is granted, and
- total expenditure of the institutions.

However, no department of the State had furnished any such data to the Principal Accountant General (Audit) as of January 2021.

² (i)Jharkhand State Hindu Religion Trust Council (ii) Executive Director, Waste Land Development Board, Jharkhand, (iii) CAMPA and (iv) Forest Development Authority

4.17 Misappropriations, losses, thefts, etc.

Rule 31 of the Jharkhand Financial Rules, provides that loss of public money, government revenue, stores or other property by defalcations or otherwise should be immediately reported by the office to the higher authority, Finance Department as well as to the Accountant General (Audit), Jharkhand even when such loss has been made good by the party responsible for it. Such reports must be submitted as soon as a suspicion arises that there has been a loss; these must not be delayed while enquiries are made. PAG (A&E) has informed that no such information was forwarded to A&E office by the State Government in this regard.

However, in previous years in reply to audit request Finance Department (FD) directed the departments to provide the information and departments in turn instructed the DDOs to provide the same to audit which indicates that FD has no data base as required under rule 31 to monitor such cases. Thus, FD is unable to know the number of such cases and its status at any point of time.

4.18 Follow up action on State Finances Audit Report

In every State, the PAC/Finance Department require the line Departments to provide a *suo motu* Explanatory Note (EN) on the paragraphs featuring in the Audit Reports within one month of placing the Reports in the Legislature. The line Departments are also required to provide Action Taken Notes (ATNs) to the AG (for vetting and onward transmission to the PAC) within three months of tabling the Reports.

Public Accounts Committee (PAC) had discussed paragraph 2.4.4 (Excess over provisions relating to previous years) of the Audit Report on State Finances for the year 2011-12 and ₹ 8,120.12 crore out of ₹ 8,120.63 crore was regularised (13.01.2014) on the recommendation of PAC. No excess expenditure over provisions was regularised after that date as no recommendation has been made by the PAC in this regard. Further, 130 paragraphs of SFARs on incomplete projects, advance from contingency fund, excess over provision, substantial surrender of funds etc. pertaining to the period 2008-09 to 2017-18 were outstanding for discussions in PAC as on 31 December 2020. During 2019-20, no discussions were held on SFARs.

4.19 Conclusion

Labour cess amounting to ₹ 550.18 crore collected up to March 2020 was not transferred to the Labour Welfare Board Fund (October 2020) thereby overstating the revenue surplus and understating the fiscal deficit of the State during the relevant years (2008-20).

The fees collected by the Jharkhand State Electricity Regulatory Commission are kept in a nationalised bank account of JSERC, out of Public Account. As such, an amount of ₹ 32.90 crore of receipts were kept outside of the Public Account of the State during 2014-15 to 2019-20. Similarly, an amount of ₹ 3.08 crore was collected as environment

management fund during September 2018 to March 2020 was also kept outside Personal Ledger (PL) Accounts.

As on 31 March 2020, 29,358 Utilisation Certificates (UCs) amounting to ₹ 69,702.99 crore were outstanding in the State up to 2019-20 from different departments.

Drawal of funds on AC bills and non-submission of DC bills within the prescribed time not only breaches financial discipline but also entails risk of misappropriation of public money and unhealthy practices. As of 31 March 2020, a huge number of DC bills (18,219) amounting to ₹ 6,444.44 crore were not submitted against the AC bills drawn up to 2019-20.

Ranchi

(INDU AGRAWAL)

The

**Principal Accountant General (Audit)
Jharkhand**

Countersigned

New Delhi

(GIRISH CHANDRA MURMU)

The

Comptroller and Auditor General of India

APPENDICES

Appendix 1.1 Part A
(Reference: Paragraph- 1.1)

PROFILE OF JHARKHAND							
A. General Data							
Sl. No.	Particulars					Figures	
1	Area					79,714 Sq. km.	
2	Population						
	a.	2011				3.33 crore	
	b.	2020				3.82 crore	
3	A	Density of Population ¹ (As per 2001 Census) (All India Density = 325 persons per Sq.Km)				338 persons per Sq. km.	
	B	Density of Population (As per 2011 Census) (All India Density = 382 persons per Sq.Km)				414 persons per Sq. km.	
4	Population below poverty line (BPL) ² (2011-12) (All India Average = 21.9%)					36.90 <i>per cent</i>	
5	Literacy ³ (All India Average = 73%)					71.80 <i>per cent</i>	
6	Infant mortality ⁴ 2017 (per 1000 live births) (All India = 33 per 1000 live births)					29	
	Life expectancy at birth ⁵ (2014-18) (India = 69.4 years)					69.1 years	
7	Human Development Index ⁶						
	a.	2018 (All India = 0.647)				NA	
	b.	2019 (All India = 0.645)				NA	
8	Gross State Domestic Product (GSDP) at current prices in 2019-20 taking as base year 2011-12					₹ 3,28,598 crore	
9	Per capita GSDP CAGR (2011-12 to 2019-20)			Jharkhand		8.51 <i>per cent</i>	
				General Category States		10.53 <i>per cent</i>	
10	GSDP CAGR (2011-12 to 2019-20) ⁷			Jharkhand		10.21 <i>per cent</i>	
				General Category States		11.98 <i>per cent</i>	
11	Population Growth ⁸ (2011 to 2020)			Jharkhand		14.81 <i>per cent</i>	
				General Category States		10.98 <i>per cent</i>	
B. Financial Data							
Sl. No.	Particulars			Figures (in <i>per cent</i>)			
				2010-11 to 2018-19		2018-19 to 2019-20	
	CAGR			General Category States	Jharkhand	General Category States	Jharkhand
1	a.	of Revenue Receipts		13.65	14.67	2.08	4.03
2	b.	of Tax Revenue		12.21	12.58	2.12	13.69
3	c.	of Non-Tax Revenue		11.19	14.46	23.44	5.96
4	d.	of Total Expenditure		13.87	14.74	4.09	5.85
5	e.	of Capital Expenditure		14.64	19.00	(-)3.86	(-)7.78
6	f.	of Revenue Expenditure on Education		11.58	8.98	11.81	27.69
7	g.	of Revenue Expenditure on Health		15.43	21.13	9.48	(-)10.63
8	h.	of Salaries & Wages		10.78	10.05	9.51	5.72
9	i.	of Pension		14.14	14.13	9.74	0.23

¹ Census Info India 2011 Final Population Totals

² Economic Survey Report 2018-19 (Vol. II), Page A 168-169, Table 9.8

³ Jharkhand Economic Survey Report 2019-20, Page 191p

⁴ Jharkhand Economic Survey Report 2019-20, Page 222

⁵ Statement 3 of SRS based abridged life tables 2014-18 of census 2011

⁶ UNDP report HDR 2019 page no. 302 and HDR 2020 page no. 243p

⁷ GSDP and Per Capita GSDP downloaded from MoSPI website

⁸ Census of India 2011 (Population Projection 2011-2036, Table 14, Page 121 to 133)

Appendix 1.1 Part B
Structure and Form of Government Accounts
(Reference: Paragraph 1.4)

Structure of Government Accounts: The accounts of the State Government are kept in three parts (i) Consolidated Fund, (ii) Contingency Fund and (iii) Public Account.

Part I: Consolidated Fund: All revenues received by the State Government, all loans raised by issue of treasury bills, internal and external loans and all moneys received by the Government in repayment of loans shall form one consolidated fund entitled 'The Consolidated Fund of State' established under Article 266 (1) of the Constitution of India.

Part II: Contingency Fund: Contingency Fund of the State established under Article 267(2) of the Constitution is in the nature of an imprest placed at the disposal of the Governor to enable him to make advances to meet urgent unforeseen expenditure, pending authorisation by the Legislature. Approval of the Legislature for such expenditure and for withdrawal of an equivalent amount from the Consolidated Fund is subsequently obtained, whereupon the advances from the Contingency Fund are recouped to the Fund.

Part III: Public Account: Receipts and disbursements in respect of certain transactions such as small savings, provident funds, reserve funds, deposits, suspense, remittances etc. which do not form part of the Consolidated Fund, are kept in the Public Account set up under Article 266(2) of the Constitution and are not subject to vote by the State Legislature.

Part C: Layout of Finance Accounts

Statement	Layout
Statement No.1	Presents the cumulative figures of assets and liabilities of the Government, as they stand at the end of the year. The assets are largely financial assets with the figures for progressive capital expenditure denoting physical assets of the Government. Assets, as per the accounting policy, are depicted at historical cost.
Statement No.2	Contains the summarised statement showing all receipts and disbursement of the Government during the year in all three parts in which Government Account is kept, namely, the Consolidated Fund, Contingency Fund and Public Accounts.
Statement No.3	This statement comprises revenue and capital receipts and borrowings of the Government consisting of loans from the Government of India, other institutions, market loans and recoveries on account of loans and advances made by the Government.
Statement No.4	This statement gives expenditure by function (activity) and also summarise expenditure by nature of activities (object of expenditure).
Statement No.5	Gives details of progressive capital expenditure by functions, the aggregate of which is depicted in statement-1.
Statement No.6	Presents borrowings of the Government comprising market loans and loans and advances from Government of India. In addition, 'other liabilities' which are the balances under various sectors in the public accounts, for which Government acts as a trustee or custodian, are also given.
Statement No.7	Depicts loans and advances (sector and loanee group-wise) given by the Government as depicted in statement-1 and recoveries, disbursements featured in Statement-2, 3 and 4.
Statement No.8	Depicts comparative summary of Government Investment in the share capital of different concerns.
Statement No.9	Gives the summary of guarantees given by the Government for repayment of loans etc. raised by the statutory corporations, local bodies and other institutions.
Statement No.10	Depicts grants-in-aid given by the State Government, organised by grantee institutions group-wise. A note on grants given is also included.
Statement No.11	Indicates the distribution between the charged and voted expenditure incurred during the year.
Statement No.12	Presents the capital and other expenditure (other than on revenue account) and the sources of fund for the expenditure is depicted in this statement.
Statement No.13	Depicts summary of balances of Consolidated Fund, Contingency Fund and Public Account.
Statement No.14	Indicates the detailed account of revenue receipts by minor heads.
Statement No.15	Provides accounts of revenue expenditure by minor heads under Non-Plan and Plan separately.
Statement No.16	Depicts the detailed capital expenditure incurred during and to the end of 2019-20.
Statement No.17	Depicts details of borrowings and other liabilities by minor heads and the maturity and repayment profile of all loans.
Statement No.18	Provides the detailed account of loans and advances given by the Government of Jharkhand, the amount of loan repaid during the year, the balance as on 31 March 2020.
Statement No.19	Shows the details of investment of the State Government in statutory corporations, Government companies, other joint stock companies, co-operative banks and societies etc. up to the end of 2019-20.
Statement No.20	Shows the details of Guarantees given by the State Government for repayment of loans etc. raised by statutory corporations, Government companies, Local Bodies and other institutions.
Statement No.21	Gives the detailed account relating to Contingency Fund and Public Accounts transaction in detail.
Statement No.22	Gives the details of earmarked balances of reserve funds.

Appendix 1.2
Abstract of Receipts and Disbursements for the year 2019-20
(Reference: paragraph 1.4.2)

(₹ in crore)

Abstract of Receipts and Disbursements for the year 2019-20									
Receipts					Disbursements				
2018-19		2019-20	2018-19		2019-20	Estt.	State & Central Scheme	Total	
	Section-A: Revenue								
56151.70	I. Revenue Receipts	58417.14	50630.73	I. Revenue Expenditure	28829.69	27626.94	56456.63	56456.63	
14752.07	Tax Revenue	16771.45	17655.66	General Services	18371.59	342.27	18713.86		
			18786.03	Social Services	7243.33	14204.55	21447.88		
8257.98	Non-tax Revenue	8749.98	7844.02	Education, Sports, Art and Culture	5438.50	4308.49	9746.99		
			3123.00	Health and Family Welfare	1086.18	1704.62	2790.80		
23906.13	State's share of Union Taxes	20593.04	3299.09	Water supply, Sanitation, Housing and Urban Development	315.7	2869.49	3185.19		
1059.89	Non-plan Grants	Finance Commission Grants 3154.6	160.05	Information and Broadcasting	115.52	79.21	194.73		
1178.78	Grants for State Plan Schemes	Other Grants to State 1809.01	1146.45	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	145.74	1059.66	1205.40		
6996.85	Grants for Central and Centrally Sponsored Plan Schemes	Centrally sponsored schemes 7339.06	118.05	Labour and Labour Welfare	61.69	63.04	124.73		
			3063.61	Social Welfare and Nutrition	48.6	4120.04	4168.64		
			31.76	Others	31.40	0	31.40		
			14189.04	Economic Services	3213.55	13080.12	16293.67		
			1789.5	Agriculture and Allied Activities	495.93	2509.67	3005.60		
			7431.63	Rural Development	559.57	7313.21	7872.78		
			0	Special Areas Programmes	0	0	0.00		
			399.42	Irrigation and Flood Control	385.64	0	385.64		
			2690.22	Energy	1350	1649.93	2999.93		
			344.55	Industry and Minerals	65.2	258.62	323.82		
			386.85	Transport	247.31	167.25	414.56		
			0	Science, Technology and Environment	0	0	0		
			1146.87	General Economic Services	109.88	1181.46	1291.34		
			0	Grants-in-aid and Contributions	1.22	0	1.22		
			50630.73	Total	28829.69	27626.94	56456.63		

0	II Revenue Deficit carried over to Section B			5520.97	II Revenue Surplus Section B				1960.51
56151.70	Total		58417.14	56151.70	Total				58417.14
Section B									
550.44	III Opening Cash Balance including		795.39	0	III Opening Over Draft from Reserve Bank of India				0
0	IV Miscellaneous Capital Receipts		0	10711.7	IV Capital Outlay	46.52	9832.19	9878.71	9878.71
				791.04	General Services	46.44	1192.73	1239.17	
				1615.45	Social Services	0.00	1430.31	1430.31	
				356.38	Education, Sports, Art and Culture	0	258.13	258.13	
				273.39	Health and Family Welfare	0	347.69	347.69	
				566.82	Water supply, Sanitation, Housing and Urban Development	0	631.57	631.57	
				12.83	Information and Broadcasting	0	8.81	8.81	
				394.59	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	0	165.36	165.36	
				0	Social Welfare and Nutrition	0	0.86	0.86	
				11.44	Others	0	17.89	17.89	
				8305.22	Economic Services	0.08	7209.15	7209.23	
				390.34	Agriculture and Allied Activities	0	153.85	153.85	
				2460.87	Rural Development	0	1991.11	1991.11	
				0	Special Areas Programme	0	0	0.00	
				1476.46	Irrigation and Flood Control	0	1328.78	1328.78	
				0	Energy	0	0	0.00	
				6.5	Industry and Minerals	0	4.00	4.00	
				3870.54	Transport	0	3686.95	3686.95	
				100.51	General Economic Services	0.08	44.46	44.54	
47.57	V Recoveries of Loans and Advances		49.19	1485.59	V Loans and Advances Disbursed	52.52	112.91	165.43	165.43
0	From Power Projects	0		1413.09	For Power Projects	0	89.32	89.32	
47.07	From Govt. Servants	48.77		46.88	To Government Servants	52.52	0	52.52	
0.5	From Others	0.42		25.62	To Others	0.00	23.59	23.59	
5520.97	VI Revenue Surplus brought down		1960.51	0	VI Revenue Deficit brought down				0

7803.43	VII Public Debt Receipts		9593.12	3060.10	VII Repayment of Public Debt			4231.40	4231.40
0	External Debt	0			External Debt			0	
7530.52	Internal Debt other than Ways and Means Advances and Over Draft	9167.14		2893.42	Internal Debt other than Ways and Means Advances and Over Draft			4057.86	
0	Transaction under Ways and Means Advances	0		0	Transaction under Ways and Means Advances			0	
0	Net Transaction under Over Draft.	0		0	Net Transaction under Over Draft			0	
272.91	Loans and Advances from Central Government	425.98		166.68	Repayments of Loans and Advances to Central Government			173.54	
0	VIII Appropriation to Contingency Fund		0		VIII Appropriation to Contingency Fund				0
0	IX Amount transferred to Contingency Fund		0		IX Expenditure from Contingency Fund				0
25409.79	X Public Accounts Receipts		33242.77	23279.41	X Public Accounts Disbursements			27901.96	27901.96
1120.04	Small Savings and Provident Funds	1175.37		1051.11	Small Savings and Provident Funds			1169.63	
421.00	Reserve Funds	4379.02		41.95	Reserve Funds			361.09	
38.72	Suspense and Miscellaneous	259.60		-87.99	Suspense and Miscellaneous			162.90	
10647.59	Remittances	11106.53		10587.99	Remittances			11123.50	
13182.44	Deposits and Advances	16322.25		11686.35	Deposits and Advances			15084.84	
0	Inter State Settlement	0		0	Inter-state Settlement			0	
0	XI Closing Over Draft from Reserve Bank of India			795.39	XI Cash Balance at the end of the Year			3463.48	3463.48
				0	Cash in Treasuries and Local Remittances			0	
				188.30	Deposits with Reserve Bank			-54.14	
				39.19	Departmental Cash Balance including Permanent Advances			47.00	
				400	Investment of Earmarked Fund			400.00	
				167.90	Cash Balance Investment			3070.62	
95483.90	Total		104058.12	95483.90	Total				104058.12

Appendix 2.1
Time series data on the State Government finances
(Reference: Paragraph 2.3.1.1 & 2.4)

(₹ in crore)

	2015-16	2016-17	2017-18	2018-19	2019-20
Part A. Receipts					
1. Revenue Receipts	40638	47054	52756	56152	58417
(i) Tax Revenue	11478	13299	12353	14752	16771
Goods and Services Tax	-	-	4124	8201	8418
Taxes on Agricultural Income	-	-	-	-	-
Taxes on Sales, Trade, etc.	8999	10549	5715	3475	3996
State Excise	912	962	841	1083	2009
Taxes on Vehicles	633	682	779	864	1129
Stamps and Registration fees	532	607	469	451	560
Land Revenue	164	240	156	389	338
Taxes on Goods and Passengers	1	0	0	0	0
Other Taxes	237	259	270	289	321
(ii) Non Tax Revenue	5853	5351	7847	8258	8750
(iii) State's share of Union taxes and duties	15969	19142	21144	23906	20593
(iv) Grants-in-aid from Government of India	7338	9262	11412	9236	12303
2. Miscellaneous Capital Receipts	0	0	25	0	0
3. Recoveries of Loans and Advances	31	39	42	47	49
4. Total Revenue and Non debt capital receipts (1+2+3)	40669	47093	52824	56199	58466
5. Public Debt Receipts	13245	7081	8137	7803	9593
Internal Debt (excluding Ways and Means Advances and Overdrafts)	13080	6847	7905	7531	9167
Net transactions under Ways and Means Advances and Overdrafts	0	0	0	0	0
Loans and Advances from Government of India	165	234	232	273	426
6. Total Receipts in the Consolidated Fund (4+5)	53914	54174	60960	64002	68059
7. Contingency Fund Receipts	0	0	0	0	0
8. Public Account Receipts	29037	22052	25410	33243	33243
9. Total Receipts of the State (6+7+8)	82951	76226	86370	97245	101302
Part B. Expenditure/Disbursement					
10. Revenue Expenditure	36553	45089	50952	50631	56457
Plan/State Schemes, CASC, CSS	15793	22194	22999	23983	27627
Non Plan/Establishment	20760	22895	27953	26648	23942
General Services (including interest payments)	12002	13024	16558	17656	18714
Social Services	14844	18557	19575	18786	21448
Economic Services	9707	13508	14819	14189	16294
Grants-in-aid and contributions	0	0	0	0	1
11. Capital Expenditure	8159	10861	11953	10712	9879
Plan/State Schemes, CASC, CSS	8087	10814	11884	10669	9832
Non Plan/Establishment	72	47	69	42	47
General Services	571	590	807	791	1239
Social Services	1024	1532	1528	1616	1431
Economic Services	6564	8739	9618	8305	7209
12. Disbursement of Loans and Advances	7480	1335	1852	1485	165
13. Total Expenditure (10+11+12)	52192	57285	64756	62828	66501

	2015-16	2016-17	2017-18	2018-19	2019-20
14. Repayments of Public Debt	2246	2078	2950	3060	4231
Internal Debt (excluding Ways and Means Advances and Overdrafts)	2079	1920	2788	2893	4058
Net transactions under Ways and Means Advances and Overdraft	0	0	0	0	0
Loans and Advances from Government of India	167	158	161	167	173
15. Appropriation to Contingency Fund	0	0	0	0	0
16. Total disbursement out of Consolidated Fund (13+14+15)	54438	59363	67706	65888	70732
17. Contingency Fund disbursements	0	0	0	0	0
18. Public Account disbursements	27053	16820	23279	27902	27903
19. Total disbursement by the State (16+17+18)	81491	76183	90985	93790	98635
Part C. Deficits					
20. Revenue Deficit(-)/Revenue Surplus (+) (1-10)	4085	1965	1804	5521	1960
21. Fiscal Deficit (-)/Fiscal Surplus (+) (4-13)	-11523	-10192	-11933	-6629	-8035
22. Primary Deficit(-)/Surplus(+) (21-23)	-8203	-6020	-7271	-1777	-2727
Part D. Other data					
Primary Revenue balance (non-debt receipt - Primary Revenue Expenditure)	7436	6176	6534	10420	15352
23. Interest Payments (included in revenue expenditure)	3320	4172	4662	4852	5308
24. Financial Assistance to local bodies etc.	14891	20332	20714	17976	19191
25. Ways and Means Advances/ Overdraft availed (days)	0	3	7	68	16
Ways and Means Advances availed (days)	0	3	7	58	16
Overdraft availed (days)	0	0	0	10	0
26. Interest on Ways and Means Advances/ Overdraft	0	0	0.21	6.23	3.95
27 (a) Gross State Domestic Product at current price (GSDP)[@]	206613	236250	269816	297204	328598
27 (b) Gross State Domestic Product at constant price (GSDP)[@]	174881	193174	210587	224986	240036
28 Outstanding Fiscal liabilities (year end)	56530	66827	77095	83783	94407
29. Outstanding guarantees (year-end) (including interest)	157	157	157	607	607
30. Maximum amount guaranteed (year end)	157	157	157	450	450
31. Number of incomplete projects (value ₹ 1 crore and above)	195	280	113	410	378
32. Capital blocked in incomplete Projects	2089	4778	1403	3818	3828
Part E. Fiscal Health Indicators					
I Resource Mobilisation					
Own Tax revenue/GSDP at current price	5.56	5.63	4.58	4.96	5.10
Own Tax revenue/GSDP at constant price	6.56	6.88	5.87	6.56	6.99
Own Non-Tax Revenue/GSDP at current price	2.83	2.26	2.91	2.78	2.66
Own Non-Tax Revenue/GSDP at constant price	3.35	2.77	3.73	3.67	3.65
Central Transfers/GSDP at current price	7.73	8.10	7.84	8.04	6.27
Central Transfers/GSDP at constant price	4.20	4.79	5.42	4.10	5.13

	2015-16	2016-17	2017-18	2018-19	2019-20
II Expenditure Management					
Total Expenditure/GSDP at current price	25.26	24.25	24.00	21.14	20.24
Total Expenditure/GSDP at constant price	29.84	29.65	30.75	27.93	27.70
Total Expenditure/Revenue Receipts	128.4	121.7	122.75	111.89	113.84
Revenue Expenditure/Total Expenditure	70.0	78.7	78.68	80.59	84.90
Expenditure on Social Services (including L&A)/Total Expenditure	30.5	35.2	32.64	32.47	34.44
Expenditure on Economic Services (including L&A)/Total Expenditure	45.3	41.0	40.46	35.84	35.48
Capital Expenditure/Total Expenditure	15.6	19.0	18.46	17.05	14.86
Capital Expenditure on Social and Economic Services/Total Expenditure.	14.5	17.9	17.21	15.79	12.99
III Management of Fiscal Imbalances					
Revenue deficit (surplus)/GSDP at current price	1.98	0.83	0.67	1.86	0.60
Revenue deficit (surplus)/GSDP at constant price	2.34	1.02	0.86	2.45	0.82
Fiscal deficit/GSDP at current price	-5.58	-4.31	-4.42	-2.23	-2.45
Fiscal deficit/GSDP at constant price	-6.59	-5.28	-5.67	-2.95	-3.35
Primary Deficit (surplus) /GSDP at current price	-3.97	-2.55	-2.69	-0.60	-0.83
Primary Deficit (surplus) /GSDP at constant price	-4.69	-3.12	-3.45	-0.79	-1.14
Revenue Deficit/Fiscal Deficit	-35.5	-19.3	-15.12	-83.28	-24.39
Primary Revenue Balance/GSDP at current price	3.60	2.61	2.42	3.51	4.67
Primary Revenue Balance/GSDP at constant price	4.25	3.20	3.10	4.63	6.40
IV Management of Fiscal Liabilities					
Fiscal Liabilities/GSDP at current price	27.36	28.29	28.57	28.19	28.73
Fiscal Liabilities/GSDP at constant price	32.32	34.59	36.61	37.24	39.33
Fiscal Liabilities/RR	139.1	142.0	146	149	162
Primary deficit vis-à-vis quantum spread	-13898.03	-2083.16	-2438.75	1196.89	815.38
Debt redemption (Principal + interest)/Total debt receipt	Nil	Nil	Nil	Nil	Nil
V Other Fiscal Health Indicators					
Return on Investment	Nil	Nil	Nil	*	Nil
Balance from Current Revenue (₹ in crore)	14226	16773	N.A.	N.A.	
Financial Assets/Liabilities	109	111	111	118	118
Loans and Advances On General Services	0	0	0	0	0
Loans and Advances On Social Services	43	47	32	23	24
Loans and Advances On Economic Services	7388	1236	1764	1462	89
Assets	57153	67419	77635	84382	95080
Liabilities	62291	74522	86542	99210	111869

Note: Deficit shown as (-) and surplus shown as (+) during comparison with other factors

@ Figures obtained from CSO * ₹ 15,000 only

Appendix 2.2
Summarised financial position of Government of Jharkhand as on 31.03.2020
(Reference: Paragraph 2.5.4)

(₹ in crore)

As on 31.03.2019	Liabilities	As on 31.03.2020
58436.19	Internal Debt -	63545.46
37110.68	Market Loans bearing interest	42766.70
0.07	Market Loans not bearing interest	0.04
6.30	Loans from Life Insurance Corporation of India	5.59
12993.27	Loans from other Institutions	13216.75
0	Ways and Means Advances	0
8325.87	Special securities issued to NSS Fund of Central Government	7556.38
0	Overdrafts from Reserve Bank of India	0
2339.08	Loans and Advances from Central Government -	2591.52
0	Pre 1984-85 Loans	0
15.79	Non-Plan Loans	14.02
2323.29	Loans for State Plan Schemes	2577.5
500	Contingency Fund	500
1211.11	Small Savings, Provident Funds etc.	1216.86
19866.44	Deposits	21104.74
1930.10	Reserve Funds	5948.02
99.27	Remittance Balances	82.3
0	Suspense and Miscellaneous Balances	91.29
14828.18	Cumulative excess of receipts over expenditure	16788.69
99210.37	Total	111868.88
	Assets	
77673.30	Gross Capital Outlay on Fixed Assets -	87552.02
331.18	Investments in shares of Companies, Corporations, etc.	328.43
77342.12	Other Capital Outlay	87223.59
0	Inter State Settlement	0
20730.00	Loans and Advances -	20846.24
19857.29	Loans for Power Projects	19946.61
848.49	Other Development Loans	871.66
24.22	Loans to Government servants and Miscellaneous loans	27.97
6.28	Advances	7.14
5.41	Suspense and Miscellaneous Balances	0
795.38	Cash -	3463.48
0	Cash in Treasuries and Local Remittances	0
188.3	Deposits with Reserve Bank	-54.14
400	Reserve Fund Investments	400
39.18	Departmental Cash Balance including Permanent Advances	47
167.9	Cash Balance Investments	3070.62
0.00	Remittance Balances	0
0	Deficit on Government Account -	0
	(i) Revenue Deficit/surplus of the current year	
	(ii) Miscellaneous Deficit	
	Accumulated deficit/surplus at the beginning of the year	
99210.37	Total	111868.88

Appendix 3.1
Grant-wise summary of schemes where expenditure incurred without budget provision

(Reference: Paragraph 3.3.1)

(₹ in lakh)

Sl. No.	Grant No	Major Heads	Expenditure	Excess/Saving
1.	1	2401-00-109-01	44.35	44.35
2.		2401-00-796-A1	19.39	19.39
3.	3	2059-80-001-12	0.02	0.02
4.		2059-80-053-02	0.85	0.85
5.	14	6003-00-101-0026	0.03	0.03
6.		6003-00-101-0027	0.01	0.01
7.		6003-00-101-0028	2.47	2.47
8.		6003-00-101-110	51745.00	51745.00
9.		6003-00-101-111	47440.00	47440.00
10.		6003-00-101-112	59989.00	59989.00
11.		6003-00-101-113	25224.00	25224.00
12.	15	2071-01-101-01	26191.42	26191.42
13.	19	2406-01-796-03	0.17	0.17
14.		2406-01-796-05	2.29	2.29
15.	20	2210-06-101-10	0.41	0.41
16.	33	2070-00-796-06	12.74	12.74
17.	40	2029-00-102-19	7.43	7.43
18.		2029-00-102-20	0.01	0.01
19.		2070-00-115-03	8.51	8.51
20.		2070-00-796-03	12.74	12.74
21.	58	2202-02-109-66	207.36	207.36
22.		2202-02-796-15	3.15	3.15
	Total		210911.35	210911.359

Appendix 3.2

Details of cases where supplementary provision (₹ 0.50 crore or more in each case) proved unnecessary
(Reference: Paragraph 3.3.4)

(₹ in crore)

Sl. No.	Name of the Grant	Original	Supplementary	Actual	Saving out of Provisions
Revenue (Voted)					
1	1-Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	3230.59	143.18	2062.07	1311.70
2	2-Agriculture, Animal Husbandry and Co-operative Department (Animal Husbandry Division)	268.22	5.44	212.65	61.00
3	4-Cabinet Secretariat and Vigilance Department (Cabinet Secretariat and Co-ordination Division)	54.35	11.83	42.14	24.04
4	6-Cabinet (Election) Department	61.33	340.81	348.16	53.98
5	10-Energy Department	3533.09	923.33	3059.1	1400.32
6	11-Excise and Prohibition Department	35.52	6.54	33.32	8.74
7	12-Planning-cum-Finance Department (Finance Division)	64.53	15.90	58.77	21.67
8	17-Commercial Tax Department	80.88	17.22	84.20	13.90
9	18-Food, Public Distribution and Consumer Affairs Department	1341.66	199.26	1134.35	406.58
10	19-Forest, Environment and Climate Change Department	728.11	272.76	714.44	286.42
11	20-Health, Medical Education and Family Welfare Department	3529.22	289.31	2780.61	1037.91
12	21-Higher and Technical Education Department (Higher Education Division)	1305.85	452.60	1447.55	310.90
13	22-Home, Jail and Disaster Management Department (Home Division)	4883.73	567.03	5256.74	194.02
14	23-Industries Department	431.08	11.90	272.47	170.51
15	24-Information and Public Relation Department	180.68	23.34	192.37	11.65
16	26-Labour, Employment and Skill Development Department	254.49	28.80	142.88	140.41
17	27-Law Department	387.67	52.57	360.98	79.26
18	29-Mines and Geology Department	63.77	15.12	57.46	21.43
19	32-Legislative Assembly	93.48	5.78	91.43	7.83
20	33-Personnel, Administrative Reforms and Rajbhasha Department (Personnel and Administrative Reforms Division)	31.55	3.10	29.64	5.00
21	35-Planning-cum-Finance Department (Planning Division)	336.48	3.45	270.39	69.54
22	36-Drinking Water and Sanitation Department	1789.76	50.30	641.46	1198.61
23	37-Personnel, Administrative Reforms and Rajbhasha Department (Rajbhasha Division)	22.55	2.63	24.65	0.53
24	38-Revenue, Land Reforms and Registration Department (Registration Division)	26.43	8.82	24.90	10.35
25	39-Home, Jail and Disaster Management Department (Disaster Management Division)	718.82	407.88	437.42	689.27
26	40-Revenue, Land Reforms and Registration Department (Revenue and Land Reforms Division)	698.54	73.24	523.63	248.15
27	42-Rural Development Department (Rural Development Division)	5586.94	1360.16	4452.58	2494.51
28	43-Higher and Technical Education Department (Science and Technology Division)	307.69	18.08	229.94	95.82
29	47- Transport Department (Transport Division)	233.38	70.87	177.31	126.93
30	48-Urban Development and Housing Department (Urban Development Division)	2930.18	429.66	2535.15	824.70
31	49-Water Resources Department	407.54	1.14	318.54	90.14
32	51-Scheduled Tribe, Scheduled Caste, Minority and Backward Class Welfare Department(Scheduled Tribe, Scheduled Caste and Backward Class Welfare Division)	1616.69	120.39	1210.71	526.37

State Finances Audit Report for the year ended 31 March 2020

33	52-Tourism, Art, Culture, Sports and Youth Affairs Department (Art, Culture, Sports and Youth Affairs Division)	83.46	2.86	70.26	16.05
34	55-Rural Development Department (Rural Works Division)	1945.38	155.71	950.56	1150.52
35	56-Rural Development Department (Panchayati Raj Division)	1978.09	875.89	2482.11	371.87
36	58-School Education and Literacy Department (Secondary Education Division)	2097.62	21.29	1457.62	661.29
37	59-School Education and Literacy Department (Primary and Adult Education Division)	7222.34	414.86	6400.54	1236.65
38	60-Women, Child Development and Social Security Department	4291.59	634.87	3911.60	1014.87
	Total	52853.28	8037.92	44500.7	16393.44
Revenue (Charged)					
39	5-Secretariat of the Governor	11.86	0.66	10.11	2.41
40	28-High Court of Jharkhand	94.90	21.18	97.54	18.55
41	34-Jharkhand Public Service Commission	9.67	6.51	14.71	1.46
	Total	116.43	28.35	122.36	22.42
Capital (Voted)					
42	3-Building Construction Department	587.17	90.00	458.51	618.66
43	11-Excise and Prohibition Department	10.00	2.74	2.74	10.00
44	20-Health, Medical Education and Family Welfare Department	602.22	161.08	347.69	415.61
45	22-Home, Jail and Disaster Management Department (Home Division)	674.86	428.46	808.23	295.09
46	23-Industries Department	10.33	0.66	4.00	6.99
47	26-Labour, Employment and Skill Development Department	108.82	32.88	18.36	123.33
48	30-Scheduled Tribe, Scheduled Caste, Minority and Backward Class Welfare Department (Minority Welfare Division)	100.20	2.04	57.63	44.61
49	36-Drinking Water and Sanitation Department	750.00	1.00	538.73	212.27
50	41-Road Construction Department	4700.00	50.00	3674.33	1075.67
51	42-Rural Development Department (Rural Development Division)	538.11	2.39	416.40	124.10
52	48-Urban Development and Housing Department (Urban Development Division)	38.15	0.50	23.59	15.06
53	50-Water Resources Department (Minor Irrigation Division)	579.56	0.80	158.85	421.51
54	51-Scheduled Tribe, Scheduled Caste, Minority and Backward Class Welfare Department (Scheduled Tribe, Scheduled Caste and Backward Class Welfare Division)	161.50	2.50	107.73	56.27
55	52-Tourism, Art, Culture, Sports and Youth Affairs Department (Art, Culture, Sports and Youth Affairs Division)	48.20	4.0	24.89	27.31
56	53-Agriculture, Animal Husbandry and Co-operative Department (Fishery Division)	42.26	12.00	38.67	15.59
57	60-Women, Child Development and Social Security Department	25.57	9.90	0.86	34.60
	Total	8397.39	800.95	6681.21	3496.67
Capital (Charged)					
58	14-Repayment of Loans	3844.37	410.00	4231.40	22.97
	Total	3844.37	410.00	4231.40	22.97
	Grand Total	65211.47	9277.22	55535.67	19935.49

Appendix 3.3
Unnecessary or excessive re-appropriation
(Reference: Paragraph 3.3.5)

(₹ in lakh)

Sl. No	Grant No.	Head of accounts	Provisions				Actual expenditure	Final Excess (+) Saving (-)
			Original	Suppl.	Re-appr.	Total		
1	2	2403- Animal Husbandry 001-Direction and Administration 04-Superintendence	146.93	0	0.12	147.05	126.37	20.68
2	3	2052-Secretariat -General-Service 090-Secretariat 20-Building Construction Department	165.31	0	25.5	190.81	178.6	12.21
3	3	2059-Public Works 80-General 001-Direction and Administration 01-Direction	520.42	0	2.55	522.97	392.03	130.94
4	3	2059-Public Works 80-General 001-Direction and Administration 02-Architecture	91.94	0	2	93.94	85.98	7.96
5	12	2070-Other Administrative Services 800-Other Expenditure 08-Miscellaneous and Contingent Expenditure	200	550	5	755	575.99	179.01
6	13	2049-Interest Payment 60-Interest on other obligations 701-miscellaneous 03-Interest in the light of other miscellaneous judgement	200	0	150	350	309.02	40.98
7	18	3456-Civil Supplies 796-TASP 23-Mukhyamantri Dal-Bhat Yojana	1750	0	264.5	2014.5	1412.72	601.78
8	19	2406-Forest and Wild life 01-Forestry 005-Survey and Utilization of Forest Resources-12-Execution-cum planning cell	530.56	9.68	3.07	543.31	420.82	122.49
9	22	2056-Jails 101-Jails 01-Central Jail	7262.1	1246.15	500	9008.25	8711.3	296.95
11	41	3054-Roads and Bridges 80- General 001-Direction and Administration 01 Direction	1409.19	4.31	10	1423.5	1064.17	359.33
12	41	3451-Secretariat-Economic Services 090-Secretariat 12- Road Construction Department	258.95	20	12.73	291.68	260.32	31.36
13	48	2217-Urban Development 80-General 193-Assistance to Nagar Panchayate/Notified Area Committee or Equivalent thereof 83-Grant to Nagar panchayate /NAC on Recommendation of 14th Finance Commission under General Basic Grant	2994.79	1000	367.31	4362.1	4201.76	160.34
14	51	2225-Welfare of Schedule Castes, Scheduled Tribes and Other Backward Classes 02-Welfare of Scheduled Tribes 796- TASP 59-Post -entrance Scholarships	4500	0	1000	5500	1430.53	4069.47
15	55	2515-Other Rural Development Programmes 001-Direction and Administration 26-Engineer in Chief (Rural Works Department, Headquarter Establishment)	185.76	10	85	280.76	267.41	13.35
Total			20215.95	2840.14	2427.78	25483.87	19437.02	6046.85

Appendix 3.4
Large savings (savings above ₹ 100 crore) during the year
(Reference: Paragraph 3.3.6.1)

(₹ in crore)

Sl. No.	Number and name of the grant	Original	Supple	Total	Actual	Saving	Surrender
Revenue (Voted)							
1	1- Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	3230.59	143.18	3373.77	2062.07	1311.70	1311.51
2	9- Agriculture, Animal Husbandry and Co-operative Department (Co-operative Division)	264.59	0.41	265.00	66.09	198.91	198.88
3	10-Energy Department	3533.09	926.33	4459.42	3059.10	1400.32	1379.8
4	18-Food, Public Distribution and Consumer Affairs Department	1341.66	199.26	1540.92	1134.35	406.57	405.31
5	19-Forest, Environment and climate change Department	728.11	272.76	1000.87	714.44	286.43	206.95
6	20-Health Medical Education and Family Welfare Department	3529.22	289.31	3818.53	2780.61	1037.92	1016.13
7	21-Higher Technical Education and Skill Development Department (Higher Education Div.)	1305.85	452.6	1758.45	1447.55	310.9	307.29
8	22- Home, Jail and Disaster Management Department (Home Div.)	4883.73	567.03	5450.76	5256.74	194.02	173.07
9	23-Industries Department	431.08	11.9	442.98	272.47	170.51	170.51
10	26-Labour Employment and Training Department	254.49	28.8	283.29	142.88	140.41	137.02
11	36- Drinking Water and Sanitation Department	1789.76	50.3	1840.06	641.45	1198.61	1198.41
12	39- Home, Jail and Disaster Management Department (Disaster Management Div.)	718.82	407.88	1126.7	437.42	689.28	687.28
13	40-Revenue, Registration and Land Reforms Department (Revenue and Land Reforms Div.)	698.54	73.24	771.78	523.63	248.15	240.56
14	41-Road Constriction Department	427.98	0.3	428.28	247.05	181.23	163.49
15	42-Rural Development Department (Rural Development Div.)	5586.94	1360.16	6947.1	4452.58	2494.52	2494.47
16	47-Transport Department (Transport Div.)	233.38	70.86	304.24	177.31	126.93	126.93
17	48-Urban Development and Housing Department	2930.18	429.66	3359.84	2535.14	824.7	823.99
18	51-ST, SC, Minority and Backward Class Welfare Department	1616.69	120.39	1737.08	1210.71	526.37	515.52
19	54- Agriculture, Animal Husbandry and Co-operative Department (Dairy Div.)	243.09	0.32	243.41	58.79	184.62	184.62
20	55- Rural Development Department (Rural Works Div.)	1945.38	155.7	2101.08	950.56	1150.52	1060.72
21	56- Rural Development Department (Panchayati Raj Div.)	1978.09	875.89	2853.98	2482.11	371.87	371.86

22	58-School Education and Literacy Department (Secondary Education Div.)	2097.62	21.29	2118.91	1457.62	661.29	661.1
23	59- School Education and Literacy Department (Primary and Adult Education Div.)	7222.34	414.85	7637.19	6400.54	1236.65	1236.45
24	60-Women, Child Development and Social Security Department	4291.59	634.87	4926.46	3911.6	1014.86	1007.83
	Total	51282.81	7507.29	58790.1	42422.81	16367.29	16079.70
Capital (Voted)							
25	3- Building Construction Department	587.17	90	677.17	458.51	218.66	218.66
26	10- Energy Department	1790.13	0	1790.13	89.32	1700.81	1700.81
27	20- Health Medical Education and Family Welfare Department	602.22	161.08	763.3	347.69	415.61	415.42
28	22- Home, Jail and Disaster Management Department (Home Div.)	674.86	428.46	1103.32	808.23	295.09	293.3
29	26-Labour Employment and Training Department	108.82	32.87	141.69	18.36	123.33	123.33
30	36- Drinking Water and Sanitation Department	750	1	751	538.73	212.27	212.11
31	41-Road Constriction Department	4700	50	4750	3674.33	1075.67	1075.22
32	42-Rural Development Department (Rural Development Div.)	538.11	2.39	540.5	416.4	124.1	121.51
33	55- Rural Development Department (Rural Works Div.)	2195.8	0	2195.8	1574.72	621.08	627.11
	Total	11947.11	765.80	12712.91	7926.29	4786.62	4787.47
	Grand Total	63229.92	8273.09	71503.01	50349.10	21153.91	20867.17

Appendix 3.5
Surrender of funds in excess of ₹ 10 crore at the end of March
(Reference: Paragraph 3.3.8)

(₹ in crore)

Sl. No.	Grant Number	Original	Supplementary	Total provisions	Actual	Saving (-) / Excess(+)	Amount Surrendered
Revenue							
1	1	3230.59	143.18	3373.77	2062.07	1311.7	1311.51
2	2	268.22	5.44	273.66	212.65	61.01	60.11
3	3	119.59	0.11	119.7	91.04	28.66	28.55
4	4	54.35	11.83	66.18	42.14	24.04	31.52
5	6	61.33	340.81	402.14	348.16	53.98	53.73
6	9	264.59	0.41	265	66.09	198.91	198.88
7	10	3533.09	926.33	4459.42	3059.1	1400.32	1379.8
8	12	64.53	15.9	80.43	58.77	21.66	21.66
9	17	80.88	17.22	98.11	84.2	13.9	13.9
10	18	1341.66	199.26	1540.93	1134.35	406.58	405.31
11	19	728.11	272.76	1000.87	714.44	286.42	206.95
12	20	3529.22	289.31	3818.53	2780.61	1037.91	1016.13
13	21	1305.85	452.6	1758.45	1447.55	310.9	307.29
14	22	4883.73	567.03	5450.76	5256.74	194.02	173.07
15	23	431.08	11.9	442.98	272.47	170.51	170.51
16	24	180.67	23.34	204.01	192.37	11.64	12.18
17	26	254.49	28.8	283.29	142.88	140.41	137.02
18	27	387.67	52.57	440.24	360.98	79.26	69.27
19	29	63.77	15.12	78.89	57.46	21.43	21.43
20	35	336.48	3.45	339.93	270.39	69.54	67.63
21	36	1789.76	50.3	1840.06	641.45	1198.61	1198.41
22	38	26.43	8.82	35.25	24.9	10.35	10.35
23	39	718.82	407.88	1126.7	437.42	689.27	687.28
24	40	698.54	73.25	771.79	523.63	248.15	240.56
25	41	427.98	0.3	428.28	247.05	181.23	163.49
26	42	5586.94	1360.16	6947.1	4452.58	2494.52	2494.47
27	43	307.69	18.08	325.77	229.94	95.83	95.83
28	45	192.19	0.08	192.27	146.53	45.74	45.74
29	46	91.55	0.17	91.72	72.82	18.9	18.9
30	47	233.38	70.86	304.24	177.31	126.93	126.93
31	48	2930.18	429.66	3359.84	2535.14	824.7	823.99
32	49	407.54	1.14	408.68	318.54	90.14	90.13
33	50	111.83	0.08	111.91	75.33	36.58	36.58
34	51	1616.69	120.39	1737.08	1210.71	526.37	515.52
35	52	83.45	2.86	86.31	70.26	16.05	16.03
36	53	73.1	0	73.1	58.68	14.42	14.41
37	54	243.09	0.32	243.41	58.79	184.62	184.62

38	55	1945.38	155.7	2101.08	950.56	1150.52	1060.72
39	56	1978.09	875.89	2853.98	2482.11	371.87	371.86
40	58	2097.62	21.29	2118.91	1457.62	661.29	661.1
41	59	7222.34	414.85	7637.19	6400.54	1236.65	1236.45
42	60	4291.59	634.87	4926.46	3911.6	1014.86	1007.83
	Total	54194.08	8024.32	62218.42	45137.97	17080.4	16787.65
Capital							
42	1	114.6	0	114.6	61.76	52.84	52.84
43	3	587.17	90	677.17	458.51	218.66	218.66
44	8	35.01	0.15	35.16	3.41	31.75	31.75
45	9	83.5	0	83.5	47.98	35.52	35.52
46	10	1790.13	0	1790.13	89.32	1700.81	1700.81
47	11	10	2.74	12.74	2.74	10.00	10.00
48	12	78.24	0.01	78.25	54.52	23.73	23.72
49	20	602.22	161.08	763.3	347.69	415.61	415.42
50	22	674.86	428.46	1103.32	808.23	295.09	293.3
51	26	108.82	32.87	141.69	18.36	123.33	123.33
52	30	100.2	2.04	102.24	57.63	44.61	44.61
54	36	750	1	751	538.73	212.27	212.11
55	41	4700	50	4750	3674.33	1075.67	1075.22
56	42	538.11	2.39	540.5	416.4	124.1	121.51
57	43	260	0	260	226.2	33.8	33.8
58	45	20.01	0	20.01	7.04	12.97	12.97
59	46	92.5	0	92.5	44.46	48.04	48.04
60	47	22.01	0	22.01	9.2	12.81	12.81
61	48	38.15	0.5	38.65	23.59	15.06	15.06
62	49	1940.04	0	1940.04	1169.93	770.11	767.07
63	50	579.56	0.8	580.36	158.85	421.51	421.55
64	51	161.5	2.5	164	107.73	56.27	56.27
65	52	48.2	4	52.2	24.89	27.31	27.31
66	53	42.26	12	54.26	38.67	15.59	14.03
67	55	2195.8	0	2195.8	1574.72	621.08	627.11
68	58	56	0	56	0	56	56.00
69	60	25.57	9.89	35.46	0.86	34.6	24.71
	Total	15654.46	800.43	16454.89	9965.75	6489.14	6475.53
	Grand Total	69848.54	8824.75	78673.31	55103.72	23569.54	23263.18

Appendix 3.6
Excess disbursements over grants/appropriations during 2019-20
(Reference: Paragraph 3.3.8.1)

(₹ in crore)

Sl No.	Grant No.	Major Head	Major Head Description	Total Provision	Re-appropriation	Total	Expenditure	Excess
1	2	3	4	5	6	7	8	9
2	1-Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	2401-00-109-01 (CS)	Crop Husbandry	0.00	0.00	0.00	0.44	0.44
3	1-Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	2401-00-789-99	Crop Husbandry	2.19	0.01	2.17	2.18	0.00
4	1-Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	2401-00-796-99	Crop Husbandry	0.00	0.00	0.00	0.05	0.05
5	1-Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	2401-00-796-A1	Crop Husbandry	0.00	0.00	0.00	0.19	0.19
6	1-Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	2401-00-796-AG	Crop Husbandry	0.00	0.00	0.00	0.15	0.15
7	3-Building Construction Department	2059-80-001-04	Public Works	52.85	14.68	38.17	38.17	0.00
8	3-Building Construction Department	2059-80-001-12	Public Works	0.00	0.00	0.00	0.00	0.00
9	3-Building Construction Department	2059-80-053-02	Public Works	0.00	0.00	0.00	0.01	0.01
10	3-Building Construction Department	2059-80-053-02	Public Works	0.13	0.07	0.06	0.07	0.01
11	3-Building Construction Department	4059-01-051-39	Capital outlay on Public Works	45.00	44.11	0.89	0.99	0.10
12	3-Building Construction Department	4059-01-051-39	Capital outlay on Public Works	30.00	19.56	10.44	10.49	0.05
13	3-Building Construction Department	4059-01-796-39	Capital outlay on Public Works	67.50	57.61	9.89	10.01	0.12
14	4-Cabinet Secretariat	2013-00-	Council of	2.00	1.69	0.31	0.49	0.19

(₹ in crore)

SI No.	Grant No.	Major Head	Major Head Description	Total Provision	Re-appropriation	Total	Expenditure	Excess
	and Vigilance Department (Cabinet Secretariat and Co-ordination Division)	108-01	Ministers					
15	4-Cabinet Secretariat and Vigilance Department (Cabinet Secretariat and Co-ordination Division)	2070-00-115-02	Other Administrative Services	10.71	10.71	0.00	7.30	7.30
16	5-Secretariat of the Governor	2012-03-103-02	President, Vice President/Governor/Administrator of Union Territories	0.73	0.37	0.37	0.37	0.00
17	7- Cabinet Secretariat and Vigilance Department (Vigilance Division)	2070-00-104-04	Other Administrative Services	29.54	0.23	29.31	29.32	0.00
18	10-Energy Department	2070-00-800-08	Public Works	42.37	4.50	37.86	37.99	0.12
19	12-Planning-cum-Finance Department (Finance Division)	2058-00-105-01	Stationary and Printing	7.50	1.74	5.76	5.76	0.00
20	13-Interest Payment	2049-01-101-01	Interest Payment	2795.00	0.00	2795.00	2807.56	12.56
21	13-Interest Payment	2049-01-200-15	Interest Payment	473.00	0.00	473.00	709.05	236.05
22	13-Interest Payment	2049-03-104-01	Interest Payment	225.00	0.00	225.00	235.24	10.24
23	13-Interest Payment	2049-04-101-03	Interest Payment	32.57	0.00	32.57	73.39	40.82
24	14-Repayment of Loans	6003-00-101-0026	Internal Debt of the State Government	0.00	0.00	0.00	0.00	0.00
25	14-Repayment of Loans	6003-00-101-0027	Internal Debt of the State Government	0.00	0.00	0.00	0.00	0.00
26	14-Repayment of Loans	6003-00-101-0028	Internal Debt of the State Government	0.00	0.00	0.00	0.02	0.02
27	14-Repayment of Loans	6003-00-101-110	Internal Debt of the State Government	0.00	0.00	0.00	517.45	517.45
28	14-Repayment of Loans	6003-00-101-111	Internal Debt of the State Government	0.00	0.00	0.00	474.40	474.40
29	14-Repayment of Loans	6003-00-101-112	Internal Debt of the State Government	0.00	0.00	0.00	599.89	599.89
30	14-Repayment of Loans	6003-00-101-113	Internal Debt of the State Government	0.00	0.00	0.00	252.24	252.24
31	14-Repayment of Loans	6004-02-105-01	Loans and Advances	104.96	0.00	104.96	108.41	3.45

(₹ in crore)

SI No.	Grant No.	Major Head	Major Head Description	Total Provision	Re-appropriation	Total	Expenditure	Excess
			from the Central Government					
32	15-Pension	2071-01-101-01	Pension and other Retirement Benefits	0.00	0.00	0.00	261.91	261.91
33	15-Pension	2071-01-101-06	Pension and other Retirement Benefits	3351.59	0.00	3351.59	3538.44	186.85
34	15-Pension	2071-01-101-10	Pension and other Retirement Benefits	10.00	0.00	10.00	13.42	3.42
35	15-Pension	2071-01-102-04	Pension and other Retirement Benefits	300.00	0.00	300.00	306.09	6.09
36	15-Pension	2071-01-104-03	Pension and other Retirement Benefits	35.00	0.00	35.00	35.25	0.25
37	15-Pension	2071-01-105-03	Pension and other Retirement Benefits	0.00	0.00	0.00	0.22	0.22
38	15-Pension	2071-01-105-05	Pension and other Retirement Benefits	150.00	0.00	150.00	237.77	87.77
39	15-Pension	2071-01-105-06	Pension and other Retirement Benefits	0.00	0.00	0.00	3.49	3.49
40	19-Forest, Environment and Climate Change Department	2406-01-796-03	Forestry and Wild Life	0.00	0.00	0.00	0.00	0.00
41	19-Forest, Environment and Climate Change Department	2406-01-796-05	Forestry and Wild Life	0.00	0.00	0.00	0.02	0.02
42	19-Forest, Environment and Climate Change Department	2406-01-796-39	Forestry and Wild Life	2.78	0.66	2.12	2.14	0.02
43	19-Forest, Environment and Climate Change Department	2406-01-110-01	Forestry and Wild Life	19.84	4.36	15.48	15.48	0.00
44	19-Forest, Environment and Climate Change Department	2406-02-110-03	Forestry and Wild Life	2.70	1.33	1.37	1.42	0.05
45	19-Forest,	2406-02-	Forestry and	1.80	0.88	0.92	0.94	0.02

(₹ in crore)

SI No.	Grant No.	Major Head	Major Head Description	Total Provision	Re-appropriation	Total	Expenditure	Excess
	Environment and Climate Change Department	110-03	Wild Life					
46	20-Health, Medical Education and Family Welfare Department	2210-01-110-69	Medical and Public Health	45.00	0.46	44.54	44.60	0.06
47	20-Health, Medical Education and Family Welfare Department	2210-01-796-68	Medical and Public Health	10.00	1.47	8.53	8.58	0.05
48	20-Health, Medical Education and Family Welfare Department	2210-03-103-03	Medical and Public Health	125.48	31.70	93.77	93.77	0.00
49	20-Health, Medical Education and Family Welfare Department	2210-06-101-10	Medical and Public Health	0.00	0.00	0.00	0.00	0.00
50	20-Health, Medical Education and Family Welfare Department	2210-06-102-01	Medical and Public Health	2.98	1.11	1.87	1.89	0.02
51	22-Home, Jail and Disaster Management Department (Home Division)	2055-00-101-06	Police	141.82	4.08	137.73	137.95	0.22
52	22-Home, Jail and Disaster Management Department (Home Division)	2055-00-101-AA	Police	0.05	0.00	0.05	0.06	0.01
53	22-Home, Jail and Disaster Management Department (Home Division)	2055-00-104-04	Police	218.17	26.52	191.65	191.67	0.02
54	22-Home, Jail and Disaster Management Department (Home Division)	2055-00-104-05	Police	321.92	8.47	313.45	313.46	0.01
55	22-Home, Jail and Disaster Management Department (Home Division)	2055-00-109-01	Police	2663.85	26.82	2637.03	2637.72	0.69
56	22-Home, Jail and Disaster Management Department (Home Division)	2055-00-111-AJ	Police	0.32	0.00	0.32	0.39	0.07
57	22-Home, Jail and Disaster Management Department (Home Division)	2070-00-107-02	Other Administrative Services	1.50	0.25	1.25	1.38	0.12
58	24-Information and Public Relation Department	2220-01-001-01	Infoamation and Publicity	10.61	1.28	9.33	9.86	0.53
59	26-Labour, Employment and Skill Development Department	4250-00-796-06	Capital outlay on other Social Services	9.50	9.35	0.14	0.26	0.11
60	36-Drinking Water and Sanitation Department	2215-01-101-01	Rural Water Supply program	4.91	0.24	4.68	4.69	0.02

(₹ in crore)

Sl No.	Grant No.	Major Head	Major Head Description	Total Provision	Re-appropriation	Total	Expenditure	Excess
61	36-Drinking Water and Sanitation Department	2215-01-102-02	Rural Water Supply program	39.01	1.66	37.35	37.47	0.12
62	36-Drinking Water and Sanitation Department	2215-01-102-14	Rural Water Supply program	14.00	12.87	1.13	1.14	0.01
63	36-Drinking Water and Sanitation Department	4215-01-796-02	Rural Water Supply program	211.90	23.63	188.27	188.30	0.02
64	40-Revenue, Land Reforms and Registration Department (Revenue and Land Reforms Division)	2029-00-102-19	Survey and Satement Operations	0.00	0.00	0.00	0.07	0.07
65	40-Revenue, Land Reforms and Registration Department (Revenue and Land Reforms Division)	2070-00-115-03	Guest Houses, Government Hostels	4.25	0.89	3.36	3.36	0.00
66	40-Revenue, Land Reforms and Registration Department (Revenue and Land Reforms Division)	2070-00-115-03	Guest Houses, Government Hostels	0.00	0.00	0.00	0.09	0.09
67	40-Revenue, Land Reforms and Registration Department (Revenue and Land Reforms Division)	2070-00-796--03	Tribal Area Sub-Plan	0.00	0.00	0.00	0.13	0.13
68	41-Road Construction Department	2075-00-791-01	Loss by Exchange	4.50	4.50	0.00	2.02	2.02
69	41-Road Construction Department	5054-03-796-01	Tribal Area Sub-Plan	1744.00	92.90	1651.10	1651.45	0.35
70	41-Road Construction Department	5054-03-799-01	Suspense	0.00	0.00	0.00	5.72	5.72
71	49-Water Resources Department	3451-80-789-13	Special Component plan for Scheduled Castes	127.00	35.78	91.22	91.57	0.36
72	49-Water Resources Department	4700-80-796-12	Tribal Area Sub-Plan	300.00	150.97	149.03	154.60	5.57
73	49-Water Resources Department	4700-80-796-12	Tribal Area Sub-Plan	120.00	71.48	48.52	48.73	0.21
74	49-Water Resources Department	4700-80-796-13	Tribal Area Sub-Plan	140.00	74.21	65.79	65.88	0.09
75	49-Water Resources Department	4701-03-799-01	Suspense	0.00	0.00	0.00	20.45	20.45
76	49-Water Resources Department	4701-80-052-70	Machinery and Equipment	6.50	5.50	1.00	1.01	0.01
77	49-Water Resources Department	4701-80-796-74	Tribal Area Sub-Plan	33.20	27.10	6.10	6.11	0.01

(₹ in crore)

SI No.	Grant No.	Major Head	Major Head Description	Total Provision	Re-appropriation	Total	Expenditure	Excess
78	50-Water Resources Department (Minor Irrigation Division)	4702-00-796-18	Tribal Area Sub-Plan	13.25	8.74	4.51	5.01	0.51
79	50-Water Resources Department (Minor Irrigation Division)	4702-00-796-37	Tribal Area Sub-Plan	2.00	1.67	0.33	0.35	0.02
80	51-Scheduled Tribe, Scheduled Caste, Minority and Bacward class welfare department (ST. SC, Minority and Backward Class Welfare Division)	2225-03-277-06	Education	3.00	1.93	1.07	2.63	1.56
81	55-Rural Development Department (Rural Works Division)	2515-00-001-28	Direction and Administration	125.00	72.76	52.24	52.49	0.25
82	55-Rural Development Department (Rural Works Division)	4515-00-103-04	Rural Development	630.00	232.24	397.76	411.87	14.11
83	55-Rural Development Department (Rural Works Division)	4515-00-103-10	Rural Development	252.00	60.90	191.10	194.84	3.74
84	55-Rural Development Department (Rural Works Division)	4515-00-796-10	Tribal Area Sub-Plan	288.00	56.86	231.14	240.68	9.54
85	58-School Education and Literacy Department (Secondary Education Division)	2202-02-109-66	Govt. Secondary School	0.00	0.00	0.00	2.07	2.07
86	58-School Education and Literacy Department (Secondary Education Division)	2202-02-796-15	Tribal Area Sub-plan	0.00	0.00	0.00	0.03	0.03

Appendix 3.7
Excess over provisions of previous years requiring regularisation
(Reference: Paragraph 3.3.8.2)

Year	Number of Grant/ Appropriation	Grant/ Appropriation /Department name	Amount of excess (₹ in crore)
2001-02	25	Institutional Finance and Programme Implementation Department	*
2001-02	32	Legislature	0.04
2002-03	32	Legislature	0.08
2003-04	46	Tourism Department	0.29
2004-05	40	Revenue and Land Reforms Department	@
2006-07	38	Registration Department	\$
2010-11	32	Legislature	0.10
2011-12	14	Repayment of Loans	219.56
2011-12	15	Pension	200.60
2011-12	25	Institutional Finance and Programme Implementation Department	^
2012-13	7	Vigilance	0.07
2012-13	14	Repayment of Loans	556.01
2012-13	15	Pension	703.44
2012-13	42	Rural Development Department	3.66
2013-14	13	Interest Payment	139.42
2013-14	14	Repayment of Loans	181.58
2013-14	15	Pension	373.05
2014-15	13	Interest Payment	191.68
2014-15	42	Rural Development Department	169.53
2016-17	14	Repayment of Loans	10.42
2016-17	32	Legislative Assembly	0.33
2017-18	13	Interest Payment	193.69
2017-18	15	Pension	71.81
Total			3,015.37

Source: Respective year's Appropriation Accounts

*excess amount was ₹ 8,807 only

@ excess amount was ₹ 1,072 only

\$ excess amount was ₹ 81,665 only

^ excess amount was ₹ 11,160 only

Appendix- 3.8
Details of the schemes for which provision (₹ 1 crore and above) was made but no
expenditure was incurred
(Reference: Paragraph 3.4.3)

(₹ in crore)

Sl. No.	Department Name	Scheme Name	Approved outlay	Revised outlay	Actual Expenditure
1	1- Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	2401-00-104-BD Micro Irrigation Scheme (SS)	15.00	0	Nil
2		2401-00-105-AV -National Project on Management of Soil Health and Fertility (CASC)	1.26	0	Nil
3		2401-00-105-B7 -Scheme for Soil Health and Fertility (CASS)	3.00	0	Nil
4		2401-00-109-28 National Horticulture Mission Programme (CASS)	7.5	0	Nil
5		2401-00-115-B9 Contingency Fund for Farmers in Distress and Agriculture Helpline (SS)	1.5	0	Nil
6		2401-00-195-B3- Interest Subvention (SS)	6	0	Nil
7		2401-00-789-28 National Horticulture Mission Programme (CASS)	2.5	0	Nil
8		2401-00-789-B3 Interest Subvention (SS)	2.00	0	Nil
9		2401-00-789-B7 Scheme for Soil Reclamation Soil Management for Acidic Soil,	1	0	Nil
10		2401-00-789 -BD- Micro Irrigation Scheme (SS)	5	0	Nil
11		2401-00-796-28- National Horticulture Mission Programme (CASS)	15	0	Nil
12		2401-00-796-A0 National Mission for Sustainable Agriculture (CASC)	2.88	0	Nil
13		2401-00-796-A0 National Mission for Sustainable Agriculture (CASC)	1.92	0	Nil
14		2401-00-796-AT Sub Mission on Agriculture Mechanization (CASC)	1.8	0	Nil
15		2401-00-796-AT Sub Mission on Agriculture Mechanization (CASS)	1.2	0	Nil
16		2401-00-796-AV-National Project on Management of Soil Health and Fertility (CASC)	2.52	0	Nil
17		2401-00-796-AV-National Project on Management of Soil Health and Fertility (CASS)	1.68	0	Nil
18		2401-00-789-B7 Scheme for Soil Reclamation Soil Management for Acidic Soil, (SS)	6	0	Nil
19		2401-00-796-B9 Contingency Fund for Farmers in Distress and Agriculture Helpline (SS)	3	0	Nil
20		2401-00-796-BD Micro Irrigation Scheme (SS)	30	0	Nil
21		4401-00-796-12-	2.4	0	Nil

(₹ in crore)

Sl. No.	Department Name	Scheme Name	Approved outlay	Revised outlay	Actual Expenditure
		Strengthening/Establishment of Infrastructure and Rural Agriculture Market (SS)			
22	2-Agriculture, Animal Husbandry and Co-operative Department (Animal Husbandry Division)	2403-00-106-A2- Animal Breeding Farm Development in KVK under Integrated Farming System (SS)	4	0	Nil
23		2403-00-789-A2- Animal Breeding Farm Development in KVK under Integrated Farming System (SS)	1	0	Nil
24		2403-00-796-84-Integrated Poultry Development (SS)	12	0	Nil
25		2403-00-796-A2 Animal Breeding Farm Development in KVK under Integrated Farming System (SS)	3	0	Nil
26		4403-00-101-07- Modernization of Animal Hospitals (SS)	1.4	0	Nil
*27		4403-00-796-07- Modernization of Animal Hospitals (SS)	1	0	Nil
28		8-Transport Department (Civil Aviation Division)	5053-02-102-09-Expansion and Development of Deoghar Airport (SS)	25	0
29	5053-02-796-01 Land Acquisition for Extension of Birsa Munda Airport		1	0	Nil
30	5053-02-796-03 Fund allocation for construction of State Air base at Ranchi Airport (SS)		2	0	Nil
31	9-Agriculture, Animal Husbandry and Co-operative Department (Co-operative Division)	2425-00-107 Premium Subsidy and other Expenditure for Crop Insurance Scheme and Subsidy for Compensation of Farmers Crops (SS)	42	0	Nil
32		2425-00-107-62-Grants to Apex & other Co-operative Societies (SS)	9	0	Nil
33		2425-00-108-60 Grant for Infrastructure Development and Computerization of Headquarter, Regional Offices, LAMPS/PACS and other Co-operative Societies (SS)	3	0	Nil
34		2425-00-789-27-Premium Subsidy and other Expenditure for Crop Insurance Scheme and Subsidy for Compensation of Farmers Crops (SS)	28	0	Nil
35		2425-00-789-60 Grant for Infrastructure Development and Computerization of Headquarter, Regional Offices, LAMPS/PACS and other Co-operative Societies (SS)	2	0	Nil
36		2425-00-789-62-Grant to Apex and other Co-operative Societies (SS)	6	0	Nil
37		2425-00-789-63-Grant for Seminar, Monitoring Evaluation and Documentation of Co-operative	3	0	Nil

(₹ in crore)

Sl. No.	Department Name	Scheme Name	Approved outlay	Revised outlay	Actual Expenditure
		related Activities and Grant for Skill Development and Training in Cooperative sector (SS)			
38		2425-00-796-27-Premium Subsidy and other Expenditure for Crop Insurance Scheme and Subsidy for Compensation of Farmers Crops (SS)	70	0	Nil
39		2425-00-796-60-Grant for Infrastructure Development and Computerization of Headquarter, Regional Offices, LAMPS/PACS and other Co-operative Societies (SS)	5	0	Nil
40		2425-00-796-62-Grants to Apex & other Co-operative Societies (SS)	15	0	Nil
41	10-Energy Department	2801-01-052-10-Rural Electrification (SS)	294.5	0	Nil
42		2801-01-789-10-Rural Electrification (SS)	57	0	Nil
43		2801-01-796-10-Rural Electrification (SS)	123.5	0	Nil
44		2801-05-052-05-Integrated Power Development Scheme (Under IPDS)IT-Phase-II (SS)	62	0	Nil
45		2801-05-789-05-Integrated Power Development Scheme (Under IPDS)IT-Phase-II (SS)	12	0	Nil
46		2801-05-796-05-Integrated Power Development Scheme (Under IPDS)IT-Phase-II (SS)	26	0	Nil
47		2801-06-052-01- Tilka Manjhi Krishi Pump	1	0	Nil
48		2801-80-101-02-Grants to Jharkhand State Electricity Regulatory Commission (Estt. Exp.)	4.58	0	Nil
49		2801-80-796-10-Grant-in-aid for Construction of New Building to JSERC (SS)	1	0	Nil
50		2801-80-796-18-Grant to JBVNL under UDAY Scheme (SS)	100	0	Nil
51		6801-00-201-24- Pollution Control Measures (SS)	5	0	Nil
52		6801-00-201-36- Loan to Jharkhand Bijli Vitran Nigam Limited for Annual Development Programme and Ultra Mega Power Project (SS)	170.5	0	Nil
53		6801-00-202-01- Coal Block and Power Plant-New Scheme (SS)	15	0	Nil
54		6801-00-205-23-R-APDRP Part B (SS)	124	0	Nil
55		6801-00-205-34-Integrated Power Development Scheme (IPDS)(SS)	120.52	0	Nil
56		6801-00-205-39 Loan to Jharkhand Bijli Vitran Nigam Limited under Jharkhand Power System	62	0	Nil

(₹ in crore)

Sl. No.	Department Name	Scheme Name	Approved outlay	Revised outlay	Actual Expenditure
		Improvement Project (SS)			
57		6801-00-789-23 R-APDRP Part-B (SS)	24	0	Nil
58		6801-00-789-34-Integrated Power Development Scheme (IPDS) (SS)	23.33	0	Nil
59		6801-00-789-36-Loan to Jharkhand Bijli Vitaran Nigam	33	0	Nil
60		6801-00-789-39-Loan to Jharkhand Bijli Vitran Nigam Limited under Jharkhand Power System Improvement Project (SS)	12	0	Nil
61		6801-00-796-23- R-APDRP Part-B (SS)	52	0	Nil
62		6801-00-796-34-Integrated Power Development Scheme (IPDS)(SS)	50.54	0	Nil
63		6801-00-796-36-Loan to Jharkhand Bijli Vitran Nigam Limited under Jharkhand Power System Improvement Project (SS)	71.5	0	Nil
64		6801-00-796-39-Loan to Jharkhand Bijli Vitran Nigam Limited under Jharkhand Power System Improvement Project (SS)	26	0	Nil
65	11-Excise and Prohibition Department	4047-00-796-07-Construction of State Excise Building (SS)	10	0	Nil
66	12-Planning-cum-Finance Department (Finance Division)	2075-00-791-02-Adjustment of Rupees Equivalent of Fund Due from State Government (Estt. Exp)	2	0	Nil
67		7610-00-202-03-Advance to Ministers etc. for purchase of Motor Car (Estt. Exp.)	1	0	Nil
68		7610-00-202-04-Advance to Members of Legislatures for purchase of Motor Car	3	0	Nil
69	14- Repayment of Loans	2048-00-101-01-Contribution in Sinking Funds (Estt. Exp)	280.16	0	Nil
70	18-Food, Public Distribution and Consumer Affairs Department	3456-00-102-03-Annapurna Yojana (Additional Central Assistance) (SS)	2.05	0	Nil
71		3456-00-102-35-Skill Development Scheme (New Scheme) (SS)	1.85	0	Nil
72		3456-00-102-43-Price Stabilisation Fund	1.85	0	Nil
73		3456-00-102-44-Distribution of Digital Weighing Machine to PDS Dealers (SS)	7.4	0	Nil
74		3456-00-102-60-Consumer Protection and Publicity/Dissemination/ Seminar etc. (SS)	1.85	0	Nil
75		3456-00-102-61-Chana Vitran Yojana	55.5	0	Nil
76		3456-00-102-63-Uchit Mulya Dukan Sanchalan Audan Yajana (SS)	7.01	0	Nil
77		3456-00-789-44-Distribution of	2.6	0	Nil

(₹ in crore)

Sl. No.	Department Name	Scheme Name	Approved outlay	Revised outlay	Actual Expenditure	
		Digital Weighing Machine to PDS Dealers (SS)				
78	18-Food, Public Distribution and Consumer Affairs Department	3456-00-789-61-Chana Vitran Yojana(SS)	19.5	0	Nil	
79		3456-00-789-63-Uchit Mulya Dukan Sanchalan Audan Yajana (SS)	2.41	0	Nil	
80		3456-00-796-03-Annapurna Yojana (Additional Central Assistance) (SS)	2.45	0	Nil	
81		3456-00-796-43-Price Stabilisation Fund(SS)	2.5	0	Nil	
82		3456-00-796-44-Distribution of Digital Weighing Machine to PDS Dealers	10	0	Nil	
83		3456-00-796-60-Consumer Protection and Publicity/Dissemination/Seminar etc, (SS)	2.5	0	Nil	
84		3456-00796-61-Chana Vitran Yojana (SS)	75	0	Nil	
85		3456-00-796-62-PDS Dealer Beema Yojana (SS)	1	0	Nil	
86		3456-00-796-63 Uchit Mulya Dukan Sanchalan Audan Yajana (SS)	8.77	0	Nil	
87		4408-02-789-01-Godown Construction/Renovation (SS)	1.3	0	Nil	
88		19-Forest, Environment and Climate Change Department	206-01-101-46-Eco-Tourism (SS)	3	0	Nil
89			2406-01-101-56- Jharkhand State Climate Change Action Unit (SS)	1	0	Nil
90			2406-01-101-57-Tird Party Evaluation of Forestry Schemes (SS)	1	0	Nil
91			2406-04-103-02-Compensatory Afforestation (SS)	36.39	0	Nil
92	2406-04-103-03-Catchment Area Treatment Plan (SS)		2.5	0	Nil	
93	2406-04-103-07 others (SS)		4.67	0	Nil	
94	20-Health, Medical Education and Family Welfare Department	2210-01-001-20-Medical and Health Consultancy fee (SS)	20	0	Nil	
95		2210-01-001-75- Homoeopathic Treatment through Telemedicine via Common Service Centre (CASC)	6	0	Nil	
96		2210-01-103-78- Pradhan Mantri Jan Aarogya Yojana (PMJAY) (CASC)	99.15	0	Nil	
97		2210-01-109-40 Human Resources in Health and Medical Education (ANM/GNM School)(CASS)	12	0	Nil	
98		2210-01-109-40 Human Resources in Health and Medical Education (ANM/GNM School)(CASS)	8	0	Nil	
99		2210-01-110-55-Incentive for Establishing Private Medical Colleges(ss)	5	0	Nil	

(₹ in crore)

Sl. No.	Department Name	Scheme Name	Approved outlay	Revised outlay	Actual Expenditure
100		2210-01-110-62- National Programme for Health Care of the Elderly (NPHCE) (CASC)	1.2	0	Nil
101		2210-01-789-77-Mukhya Mantri Health Insurance Scheme (SS)	34.44	44.44	Nil
102		2210-01-789-78-Pradhan Mantri Jan Aarogya Yojana (PMJAY) (CASC)	19.19	0	Nil
103		2210-01-796-55-Incentive for Establishing Private Medical Colleges(ss)	5	0	Nil
104		2210-01-796-75-Homoeopathic Treatment through Telemedicine via Common Service Centre (CASC)	6	0	Nil
105		2210-01-796-78-Pradhan Mantri Jan Aarogya Yojana (PMJAY) (CASC)	41.58	0	Nil
106		2210-03-101-03-Special Health Care Package for primitive Tribes (SS)	5	0	Nil
107		2210-05-101-17-National Mission of AYYSH (Chaibasa Ayurvedic Medical Colleges and Hospital) (CASS)	4.75	0	Nil
108		2210-05-105-16-Human Resource in Health and Medical Education (PG courses in Medical Colleges)	3.11	0	Nil
109		2210-05-105-16-Human Resource in Health and Medical Education (PG courses in Medical Colleges)	6.12	0	Nil
110		2210-05-105-21- Medical College and Hospital at Hazaribagh, Palamu and Dumka (CASC)	16.82	0	Nil
111		2210-05-105-21- Medical College and Hospital at Hazaribagh, Palamu and Dumka (CASS)	77.14	0	Nil
112		2210-05-105-22- Up gradation of G.N.M. Schools to B.Sc. Nursing College (CSS)	4.18	0	Nil
113		2210-06-101-21-Grants-in-Aid to Regional Institute of Ophthalmology RIMS (CSS)	2	0	Nil
114		2210-06-112-19-Three year B.SC. Community Health Course (SS)	10	0	Nil
115	21-Higher and Technical Education Department	2202-03-102-B1-Mudhyamantri Fellowship Schemes (SS)	1.3	0	Nil
116	(Higher Education Division)	2202-03-796-B1-Mudhyamantri Fellowship Schemes (SS)	3.7	0	Nil
117	22-Home, Jail and Disaster Management	2056-00-101-04-E-Prosecution Trial (SS)	1	0	Nil
118	Department (Home Division)	2056-00-796-04-E-Prosecution Trial (SS)	2	0	Nil
119		4055-00-796-45-Purchase of Various equipments for Police Modernization (CASC)	3.68	12.32	Nil
120		4055-00-796-45-Purchase of Various Equipments for Police	2.45	0	Nil

(₹ in crore)

Sl. No.	Department Name	Scheme Name	Approved outlay	Revised outlay	Actual Expenditure	
		Modernization (CASS)				
121		4070-00-796-77-Purchase of Water Tender, Form Tender, Equipment and Fire Engine for Modernization of Jharkhand Fire Service (SS)	6.85	0	Nil	
122		4070-00-796-84-Scheme for Strengthening of Home Guard (SS)	2	0	Nil	
123		4070-00-800-65- Strengthening of Fire Services (SS)	1.47	0	Nil	
124	23-Industries Department	2851-00-796-18- Strengthening of Primary Weavers Co-operative Societies (SS)	3	0	Nil	
125		2851-00-796-43-Development of Handicraft Establishment of Handloom Development	4	0	Nil	
126		2851-00-796-55-Establishment of Khadi Park (SS)	1.2	0	Nil	
127		2852-80-102-10-Industrial Area Development Authority (SS)	20	0	Nil	
128		2852-80-102-19 Grant-in-Aid for Acquisition of Land for Establishment of Growth	2	0	Nil	
129		2852-80-102-74-Net VAT Subsidy to Industrial units under Jharkhand Industrial Policy 2012(SS)	1	0	Nil	
130		2852-80-102-78-Jharkhand Feed Processing Industry Policy-2015	2	0	Nil	
131		2852-80-102-81 Grants-in-Aid for Industrial Units under Jharkhand Industrial and Investment Promotion Policy 2016(SS)	35	0	Nil	
132		2852-80-102-86-Startup Capital Voucher Fund (SS)	5	0	Nil	
133		2852-80-796-10 Industrial Area Development Authority (SS)	40	0	Nil	
134		2852-80-796-76Grants-in-Aid to Central Tools Room Facility (SS)	1	0	Nil	
135		4851-00-796-02-Establishment of NIFT Centre (SS)	4	0	Nil	
136		26-Labour, Employment and Skill Development Department	4059-01-001-55-Building Construction for Labour Office (SS)	3	0	Nil
137			4250-00-203-04-Scheme for Skill Development of Youth in LWE Districts (CASC)	8	0	Nil
138	4250-00-203-04-Scheme for Skill Development of Youth in LWE Districts (CASS)		4	0	Nil	
139	4250-00-796-04-Scheme for Skill Development of Youth in LWE Districts (CASS)		10	0	Nil	
140	4250-00-796-04-Scheme for Skill Development of Youth in LWE Districts (CASS)		8	0	Nil	

(₹ in crore)

Sl. No.	Department Name	Scheme Name	Approved outlay	Revised outlay	Actual Expenditure
141	29-Mines and Geology Department	4853-02-004-03-Renovation Strengthening of Geological Exploration Unit (SS)	5	0	Nil
142	30-Welfare Department (Minorities Welfare Division)	4225-80-277-20-Multi Sector Development Programme (SS)	1	0	Nil
143		4225-80-796-20-Multi Sector Development Programme (SS)	1	0	Nil
144		4225-80-796-21-Multi Sector Development Programme for Minority Castes (CS) (CSS)	10	0	Nil
145	41-School Education and Literacy Department	5054-03-052-06-Machinery and Equipments (SS)	1.3	0	Nil
146	47-Transport Department (Transport Division)	5055-00-190-02-Strengthening of Transport Directorate Construction of Building (SS)	5	0	Nil
147	49-Water Resources Department	4701-80-789-65-Construction of New Schemes under Chotanagpur and Santhal Paragana Irrigation Project (SS)	12	0	Nil
148		4701-80-796-14-Construction of Jharkhand Irrigation Commission (SS)	1	0	Nil
149		4701-80-796-39-Construction of Walmi and Irrigation Building (SS)	1.1	0	Nil
150		4701-80-800--65-Construction of New Schemes under Chotanagpur and Santhal Paragana Irrigation Project (SS)	16.65	0	Nil
151		4701-80-800-66- Restoration of ramshackle Vehicles and purchase of new Vehicles (SS)	4	0	Nil
152		50 -Water Resources Department (Minor Irrigation Division)	4702-00-101-24-Ground water Survey of New Schemes/Artificial Recharge and Water Conservation (SS)	1.3	0
153	4702-00-796--24-Ground water Survey of New Schemes/Artificial Recharge and Water Conservation (SS)		1.5	0	Nil
154	4702-00-796-31- Survey And Investigation Consultancy and Evaluation (SS)		1	0	Nil
155	51-Scheduled Tribe, Scheduled Caste, Minority and Backward Class Welfare Department(Scheduled Tribe, Scheduled Caste and Backward Class Welfare Division)	4225-01-789-02-Hostel boys/girls Student-Major Works (CASC)	2	0	Nil
156		4225-01-789-02-Hostel boys/girls Student-Major Works (CASC)	2	0	Nil
157		4225-01-789-19-Costruction and Renovation Residential Schools (SS)	5	0	Nil
158		4225-02-277-05-Costruction and Renovation Residential Schools (SS)	3	0	Nil

(₹ in crore)

Sl. No.	Department Name	Scheme Name	Approved outlay	Revised outlay	Actual Expenditure
159		4225-02-277-43-Scheme for Upliftment of PVTG Villages	2	0	Nil
160		4225-02-796-43-Scheme for Upliftment of PVTG Villages	13	0	Nil
161		4225-03-796-02-Hostel boys/girls Student-Major Works (CASC)	2	0	Nil
162		4225-03-796-02-Hostel boys/girls Student-Major Works (CASS)	2	0	Nil
163	52- Tourism, Art, Culture, Sports and Youth Affairs Department (Art, Culture, Sports and Youth Affairs Division)	4202-03-102-09-Construction Maintenance and Equipments of Sports Hostel and Playground at Sports Training Centre (SS)	1.25	0	Nil
164		4202-03-796--09-Construction Maintenance and Equipments of Sports Hostel and Playground at Sports Training Centre (SS)	2.75	0	Nil
165		4202-04-101-13-Construction Maintenance & Establishment of Rabindra Bhawan Auditorium (CASC)	1.8	0	Nil
166		4202-04-101-13-Construction Maintenance & Establishment of Rabindra Bhawan Auditorium (CASC)	1.8	0	Nil
167	53-Agriculture, Animal Husbandry and Co-operative Department (Fishery Division)	4405-00-796-71 Fisheries Extension, Research and Training Scheme (SS)	1.5	0	Nil
168	54-Agriculture, Animal Husbandry and Co-operative Department (Dairy Division)	4404-00-102-78-Cattle Hostel (SS)	2	0	Nil
169	58-School Education and Literacy Department (Secondary Education Division)	4202-02-202-78-Three Awasiya Vidyalaya on Pattern of Netarhat Awasiya Vidyalaya and Indira Gandhi Awasiya Vidyalaya (SS)	16	0	Nil
170		4202-02-202-78-Three Awasiya Vidyalaya on Pattern of Netarhat Awasiya Vidyalaya and Indira Gandhi Awasiya Vidyalaya (SS)	40	0	Nil
171	60-Women, Child Development and Social Security Department	4235-02-103-77-Working Women Hostel Yojana (CASC)	1.58	0	Nil
172		4235-02-103-77-Working Women Hostel Yojana (CASC)	1.06	0	Nil
173		4235-02-106-74-Construction of Schools/Rehabilitation Centre/Hostels/Homes etc. (SS)	3	0	Nil
174		4235-02-796-73-Construction and Up-Gradation of AWCs Building (Capital) (CASC)	3.26	0	Nil
175		4235-02-103-73-Construction and Up-Gradation of AWCs Building (Capital) (CASC)	2.18	0	Nil

(₹ in crore)

Sl. No.	Department Name	Scheme Name	Approved outlay	Revised outlay	Actual Expenditure
176		4235-02-796-77-Working Women Hostel Yojana (CASC)	2.38	0	Nil
177		4235-02-796-77-Working Women Hostel Yojana (CASC)	1.58	0	Nil
178		4235-02-796-78-Scheme for Implementation of the Right of Persons with Disabilities Act (CSS)	12.97	0	Nil
		Total	3118.08	56.76	

Appendix- 3.9
Rush of expenditure
(Reference: Paragraph 3.5)

(₹ in crore)

Grant no.	Major Head	January	February	March	4th quarter total	4th qtr. total as percentage of FY total	FY Total	Exp. in March as percentage of FY total
1	2435	0.20	1.30	2.68	4.17	70.59	5.91	45.27
1	2402	1.60	13.85	8.79	24.25	68.80	35.25	24.94
1	4402	0.45	13.96	16.63	31.03	50.31	61.68	26.96
9	4425		9.27	23.46	32.73	68.22	47.98	48.90
10	2810		155.00		155.00	100.00	155.00	0
19	2406	38.62	67.04	288.95	394.61	70.23	561.85	51.43
26	4250	0.00	2.68	12.25	14.93	83.50	17.88	68.51
36	2215	57.65	129.12	164.03	350.81	53.52	655.47	25.03
42	2501	162.63	150.22	63.51	376.36	61.93	607.69	10.45
43	2203	11.19	71.32	140.78	223.30	60.07	371.73	37.87
46	5452		0.57	43.73	44.31	99.66	44.46	98.37
47	3075		167.00		167.00	100.00	167.00	0
52	2204	3.25	6.93	18.21	28.39	53.17	53.40	34.11
53	4405	1.22	10.44	13.97	25.63	66.29	38.67	36.14
53	2405	4.86	7.04	20.17	32.07	54.65	58.69	34.36
54	2404	14.08	12.80	16.21	43.10	73.31	58.79	27.57
				833.39	1,947.69	66.22	2,941.45	28.33

Appendix-3.10
Details of DDOs who submitted the Budget to the department
(Reference: Paragraph 3.6.4)

Sl. No.	District	DDC Submitted the budget after delay of	DPRO Submitted the budget after delay of	BDO				No. of BDOs Submitted on time
				Total no. of BDOs in the district	No. of BDOs. submitted the budget with delay	BDOs submitted the budget after delay of	No. of BDOs who did not submitted the budget to DPRO	
1	Ranchi	Not submitted	28 days	18	11	5 to 32 days	7	0
2	Gumla	Not submitted	33 days	12	1	30	11	0
3	Hazaribagh	Not submitted	28 days	16	1	36 days	15	0
4	Bokaro	Not submitted	26 days	9	8	1 to 5 days	0	1
5	Dhanbad	Not submitted	25 days	10	9	12 to 34 days	1	0
6	East Singhbhum	Not submitted	63 days	11	10	9 to 37 days	1	0
7	Saraikela Kharsawan	Not Submitted	47 days	09	07	23 to 46 days	2	0
8	West Singhbhum	04 days	04 days	18	10	01 to 04 days	05	3
Total				103	57		42	4

Appendix-3.11
Statement showing budget provisions and its utilization
(Reference: Paragraph 3.6.5)

(₹ in crore)

SI No.	District	Head	Budget Provision/Allotment	Expenditure (as per progress report)	Unspent Balance
			1	2	(1-2)
1	Ranchi	14 th FC	150.72	89.1	61.62
		Aadiwasi Vikas Samiti	8.50	1.01	7.49
2	Gumla	14 th FC	88.99	48.2	40.79
		Aadiwasi Vikas Samiti	1.27	0.46	0.81
3	Hazaribagh	14 th FC	127.66	62.81	64.85
		Aadiwasi Vikas Samiti	6.70	0	6.7
4	Bokaro	14 th FC	118.97	74.01	44.08
5	Dhanbad	Aadiwasi Vikas Samiti	3.31	2.41	0.9
6	East Singhbhum	14 th FC	113.28	78	35.28
		Aadiwasi Vikas Samiti	4.17	0.3	3.87
7	Saraikela-Kharsawan	14 th FC	70.06	60.41	9.65
		Aadiwasi Vikas Samiti	6.62	0.33	6.29
8	West Singhbhum	Aadiwasi Vikas Samiti	4.80	0	4.80
		14 th FC	121.61	79.15	42.42
Total			826.66	496.19	329.55

Appendix-3.12
Details of non-utilisation of whole budget provision

(Reference: Paragraph 3.6.7)

(₹ in lakh)

Sl. No.	Head	Head Name	Central/State	Provision (Amount)
1.	2515-00-001-42	42-Mukhya Mantri Panchayat Protsahan Puraskar Yojna	S	30.00
2.	2515-00-001-52	52-Installation of Drinking Water Supply, Cleanliness, Latrines and Street Light (LED)in Zila Parishads and Increase in other Sources of Income Generation	S	1.00
3.	2515-00-001-56	56-Rastriya Gram Swaraj Abhiyan	C	720.00
4.	2515-00-001-56	56-Rastriya Gram Swaraj Abhiyan	S	480.00
5.	2515-00-003-03	03-Training of Employees (A) Panchayat- Training of Dalpaties	S	1.00
6.	2515-00-101-06	06-Maintenance of Panchayat Building	S	500.00
7.	2515-00-196-05	05-Assistance for Revised Pay Allowances and other Benefits to non-teaching Staff of District Board	S	26.66
8.	2515-00-198-45	45-General Performance Grant on Recommendation of 14 Finance Commission	C	19953.00
9.	2515-00-789-42	42-Mukhya Mantri Panchayat Protsahan Puraskar Yojna	S	20.00
10.	2515-00-789-56	56-Rastriya Gram Swaraj Abhiyan	C	480.00
11.	2515-00-789-56	56-Rastriya Gram Swaraj Abhiyan	S	320.00
12.	2515-00-796-42	42-Mukhya Mantri Panchayat Protsahan Puraskar Yojna	S	50.00
13.	2515-00-796-56	56-Rastriya Gram Swaraj Abhiyan	C	1200.00
14.	2515-00-796-56	56-Rastriya Gram Swaraj Abhiyan	S	800.00
15.	3604-00-198-01	01-Assignment to Gram Panchayat under Jharkhand Gram Panchayat Act (6/4% Tax)	S	10.00
16.	6515-00-197-01	01-Loans to District and Local Fund Committees	S	600.00
Total				25191.66

Appendix-3.13
Statement showing Rush of Expenditure
(Reference: Paragraph 3.6.10)

(₹ in lakh)

Sl. No.	Heads	Head Name	Total Expenditure	Expenditure in March	Percentage of expenditure in March
1.	20150010904	Panchayati Election	10.00	10.00	100
2.	25150000158	Capacity Building & Training	139.82	139.82	100
3.	25150078958	Capacity Building & Training	54.00	54.00	100
4.	25150079658	Capacity Building & Training	193.06	193.06	100
5.	25150000106	District Panchayat Establishment-Expenditure Related To Dalpaties	39.83	28.37	71.23
6.	25150078959	Strengthening/Upgradation of offices/Institutions	48.65	29.96	61.58
7.	25150079657	Construction/Repair/Renovation of Various Building Assets	260.78	95.00	36.43
8.	25150010104	Payment of Honorarium/Daily Allowance/Travel Allowance to Elected Representative of Panchayat	1251.63	423.57	33.84
9.	25150078957	Construction/Repair/Renovation of Various Building Assets	44.46	12.49	28.09
10.	25150079659	Strengthening/Upgradation of offices/Institutions	92.23	25.47	27.62

Appendix-3.14
Surrender in the last day of the financial year 2019-20

(Reference: Paragraph 3.6.11)

(₹ in lakh)

Sl No.	District	Office	Amount surrendered/Balance Amount	Surrender date	Remarks
1	Ranchi	DPRO	12.67	31.03.2020	
		DDC cum CEO, Jila Parishad	513.09	31.03.2020	
		DDC, DRDA/Vikash Shakha	11.53	31.03.2020	
2	Gumla	DPRO	266.85	31.03.2020	
		DDC cum CEO, Jila Parishad	15.61	31.03.2020	
		DDC, DRDA/Vikash Shakha	10.51	30.03.2020	
3	Hazaribagh	DPRO	833.91	31.03.2020	
		DDC cum CEO, Jila Parishad			Surrender Report not submitted to Deptt.
		DDC, DRDA/Vikash Shakha	25.94	31.03.2020	
4	Bokaro	DPRO	79.56	31.03.2020	
		DDC cum CEO, Jila Parishad	19.61	31.03.2020	
		DDC, DRDA/Vikash Shakha	0.34	31.03.2020	
5	Dhanbad	DPRO	37.24	31.03.2020	
		DDC cum CEO, Jila Parishad			Surrender Report not submitted to Deptt.
		DDC, DRDA/Vikash Shakha	2.21	31.03.2020	
6	East Singhbhum	DPRO	1.56		Surrender Report not submitted to Deptt.
		DDC cum CEO, Jila Parishad			Surrender Report not submitted to Deptt.
		DDC, DRDA/Vikash Shakha	2.16	31.03.2020	
7	Saraikela Kharsawan	DPRO	32.70	31.03.2020	
		DDC cum CEO, Jila Parishad	10.55	31.03.2020	
		DDC, DRDA/Vikash Shakha	1.11	31.03.2020	
8	West Singhbhum	DPRO	34.61		
		DDC cum CEO, Jila Parishad			Surrender Report not submitted to Deptt.
		DDC, DRDA/Vikash Shakha	15.37		Surrender Report not submitted to Deptt.
Total			1927.13		

Appendix-3.15
Statement showing no. of Adiwasi Vikash Samiti and Fund Transfer under AVS
 (Reference: Paragraph 3.6.12.1)

(₹ in lakh)

S. N.	District	No. of Block	No. of Panchayat	No. of Village	No. of AVS constitutd	Fund to AVS	Hazaribagh	No. of scheme	Scheme taken up	Estimated cost	1st inst	2 nd ins	Total	No. of schemes for 2nd installment
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1	West Singhbhum	18	217	1658	1588	216	447.24	408	399	437.54	175.01	0	175.01	0
2	Ranchi	18	305	1321	1321	172	251.09	402	402	251.09	79.00	21.85	100.85	0
3	Saraikela-Kharsawan	9	132	1145	1080	24	273.26	122	57	82.14	32.86	0	32.86	0
4	East Singhbhum	11	231	1620	1513	131	570.87	253	213	451.21	180.48	32.65	213.13	36
5	Dhanbad	10	256	1126	1078	194	638.5	538	538	638.5	270.23	58.10	328.33	66
6	Bokaro	9	249	695	673	81	297.62	129	129	297.62	119.05	9.33	128.38	11
7	Gumla	12	159	948	941	55	224.35	81	81	224.35	89.75	0	89.75	0
8	Hazaribagh	16	257	1324	1149	0	153.71	78	0	0	0	0	0	0
Total		103	1806	9837	9343	873	2856.64	2011	1819	2382.45	946.38	121.93	1068.31	113

Appendix 3.16
Statement Showing Allotment - Expenditure under Adivasi Vikas Samiti in Eight test check Districts
(Reference: Paragraph 3.6.12.2)

(₹ in lakh)

SI. No.	District	2018-19				2019-20				District wise fund			in PL A/c	in Bank including intt.	Remarks
		Allotment Letter	Allotment	Fund Transfer to AVS	Balance	Allotment Letter	Allotment	Fund Transfer to AVS	Balance	Allotment	Fund Transfer to AVS	Balance			
1	West Singhbhum	30/14.12.18	500	175.01	324.99	10/06.06.19	480	0	0	500	175.01	324.99	324.99	0	480 lakh lapsed
2	Ranchi	Not released	0	0	0	10/06.06.19	850	100.85	239.15	340	100.85	239.15	0	244.28	510 lakh surrendered
3	Saraikela-Kharsawan	Not released	0	0	0	10/06.06.19	661.89	32.86	629.03	661.89	32.86	629.03	629.03	0	
4	East Singhbhum	30/14.12.18	500	180.48	319.52	10/06.06.19	416.84	29.83	387.01	916.84	210.31	706.53	706.53	0	
5	Dhanbad	35/25.01.19	328.73	87.58	241.15	10/06.06.19	330.7	240.75	89.95	659.43	328.33	331.1	331.1	0	
6	Bokaro	35/25.01.19	300	0	300	10/06.06.19	125.94	128.38	-2.44	425.94	128.38	297.56	0	297.56	
7	Gumla	30/14.12.18	454.14	43.38	410.76	10/06.06.19	126.852	46.37	80.482	580.99	89.75	491.242	0	508.84	
8	Hazaribagh	Not released	0	0	0	10/06.06.19	670	0	0	0	0	0	0	0	670 lakh lapsed
Total			2082.87	486.45	1596.42	Total	3662.222	579.04	1423.182	4085.09	1065.49	3019.6	1991.65	1050.68	1660 lakh

Appendix 3.17
Release of fund under Basic Grant of Fourteen Finance Commission
 (Reference: Paragraph 3.6.14.1)

(₹ in lakh)

Year of Release	LB Release No./Date	Sanction Letter No./Date	Allotment Letter No./Date	Amount Sanctioned and Allotted to LBs	Date ⁹ of Transfer to LBs	Delay in transfer (above 15 days)	Penal Interest ¹⁰ @ 6 per cent
2018-19 2 nd Installment	03/2019-20 date-26.04.2019	02 Non-Plan-06/2017-1 (swi), Ranchi date-09.05.2019	02 Non-Plan-06/2017-8 (A.), Ranchi date-10.05.2019	60412.00	12.06.2019	32 day	317.78
2019-20 1 st installment	14/2019-20 date-30.07.2019	02 Non-Plan-04/2019-08 (swi), Ranchi date-09.08.2019	02 Non-Plan-04/2019-22 (A.), Ranchi date-09.08.2019	81629.50	27.08.2019 (Transferred ₹ 78421.26 lakh)	13 days	167.58
					05.09.2019 (Transferred ₹ 3208.24 lakh)	22 days	11.60
2019-20 2 nd Installment	28/2019-20 date-25.10.2019	02 Non-Plan-04/2019-09 (swi), Ranchi date-01.11.2019	02 Non-Plan-04/2019-32 (A.), Ranchi date-01.11.2019	81629.50	20.11.2019	11 days	147.60
Total				223671.00			644.56

Appendix 3.18
Statement showing blockage of fund
 (Reference: Paragraph 3.6.16)

(₹ in lakh)

Sl. No.	District Name	Amount Received	Amount Tranfered to BDO/Jila Parishad	Balance Amount
1	Ranchi	34.60	34.10	0.50
2	Gumla	18.80	0.00	18.80
3	Hazaribag	28.80	0.00	28.80
4	Bokaro	27.20	27.20	0.00
5	Dhanbad	28.10	28.10	0.00
6	East Singhbhum	25.80	0.00	25.80
7	Saraikela Kharsawan	15.50	3.31	12.19
8	West Singhbhum	25.80	25.80	0.00
Total		204.60	118.51	86.09

⁹ As per Cash Book & Treasury Schedule¹⁰ Bank rate of June 2019

Appendix: 3.19
Non-utilisation and surrender of entire budget provision

(Reference: Paragraph 3.7.6)

(₹ in lakh)

Sl. No.	Districts	Secretariat/Offices	No. of units under which amount was surrendered	Allotment	Surrendered
1	Ranchi	The Deputy Secretary, Mines & Geology Deptt GoJ, (Govt. Side)	02	0.53	0.53
		District Mining Office	02	0.43	0.43
		Under Secretary, Directorate of Mines	04	15.00	15.00
		The Deputy Director (Geology) South Chhotanagpur Circle	03	0.43	0.43
		District Geological Office	03	0.45	0.45
2	Ramgarh	District Mining Office	01	0.20	0.20
3	Bokaro	District Mining Office	02	1.06	1.06
		District Geological Office	03	0.20	0.20
4	Simdega	District Mining Office	02	7.50	7.50
5	Jamshedpur	District Mining Office	04	0.90	0.90
		District Geological Office	05	1.08	1.08
6	Saraikela	District Mining Office	04	0.90	0.90
		District Geological Office	01	0.15	0.15
7	Gumla	District Mining Office	02	0.70	0.70
		District Geological Office	02	0.25	0.25
8	Hazaribagh	District Mining Office	03	4.27	4.27
		The Deputy Director (Geology) North Chhotanagpur Circle	06	3.10	3.10
		District Geological Office	01	0.25	0.25
		State Geological Laboratory	01	0.10	0.10
		Additional Director (Geology)	01	0.30	0.30
Total			52	37.80	37.80

Appendix: 3.20
Surrender of fund on the last day of the financial year

(Reference: Paragraph 3.7.7)

(₹ in lakh)

Sl. No.	Districts	Secretariate/Offices	No. of units where surrenders made	Allotment	Expenditure	Surrender	Date of Surrender
1	Ranchi	The Deputy Secretary, Mines & Geology Deptt GoJ, (Govt. Side)	06	10.28	5.20	5.08(50%)	31.03.20
		District Mining Officer	04	1.23	0.24	0.99(81%)	26.03.20
		Under Secretary, Directorate of Mines	00	0.00	0.00		Surrender report not provided to audit
		The Directorate of Geology	05	87.00	40.63	46.37(53%)	31.03.20
		The Deputy Director (Geology) South Chhotanagpur Circle	08	3.39	1.15	2.24(66%)	31.03.20
		District Geological Office	08	5.02	1.80	3.22(64%)	31.03.20
2	Ramgarh	District Mining Office	03	1.65	0.21	1.44 (87%)	31.03.20
3	Bokaro	District Mining Office	05	3.49	1.53	1.96 (56%)	31.03.20
		District Geological Office	07	0.95	0.41	0.54(57%)	31.03.20
4	Simdega	District Mining Office	05	17.30	4.16	13.14 (76%)	31.03.20
5	Jamshedpur	District Mining Office	04	0.90	0.00	0.90 (100%)	31.03.20
		District Geological Office	06	1.68	0.20	1.48(88%)	31.03.20
6	Saraikela	District Mining Office	06	2.13	0.39	1.74 (82%)	31.03.20
		District Geological Office	05	0.65	0.11	0.54(83%)	31.03.20
7	Gumla	District Mining Office	03	3.80	0.58	3.22 (85%)	31.03.20
		District Geological Office	05	1.35	0.42	0.93(69%)	31.03.20
8	Hazaribagh	District Mining Office	04	4.97	0.03	4.94(99%)	31.03.20
		The Deputy Director (Geology) North Chhotanagpur Circle	08	4.88	0.42	4.46(91%)	31.03.20
		Additional Director Geology	02	2.30	1.09	1.21(51%)	
Total			94	152.97	58.57	94.40(62%)	

Appendix: 3.21
Rush of Expenditure
(Reference: Paragraph 3.7.8)

(₹ in lakh)

Districts	Secretariat/Offices	No. of units	Total Expenditure	Expenditure in March	Percentage of Expenditure in March
Ranchi	The Deputy Secretary, Mines & Geology Deptt GoJ, (Govt. Side)	03	5.49	5.49	100
	The Directorate of Geology	05	495.21	233.96	45 to 93
Jamshedpur	District Geological Office	02	9.65	5.58	57 to 100
Saraikela	District Geological Office	04	0.12	0.12	100
Gumla	District Geological Office	06	5.50	3.07	49 to 100
Hazaribagh	The Deputy Director (Geology) North Chhotanagpur Circle	02	0.47	0.47	100
Total		22	516.44	248.69	

Appendix: 3.22
Details of Non-reconciliation of departmental expenditure
(Reference: Paragraph 3.7.9)

(₹ in crore)

Sl. No.	Districts	Offices	Total Expenditure	Reconciled amount	Un-reconciled amount
1	Ranchi	The Deputy Secretary, Mines & Geology Deptt GoJ, (Govt. Side)	2.46	0.00	2.46
		District Mining Office	2.74	0.00	2.74
		The Directorate of Geology	8.17	4.30	3.87
		District Geological Office	0.54	0.41	0.13
2	Ramgarh	District Mining Office	0.37	0.00	0.37
3	Bokaro	District Mining Office	0.63	0.00	0.63
		District Geological Office	0.06	0.00	0.06
4	Simdega	District Mining Office	0.28	0.00	0.28
5	Jamshedpur	District Mining Office	0.67	0.53	0.14
		District Geological Office	0.10	0.00	0.10
6	Saraikela	District Mining Office	0.23	0.00	0.23
7	Gumla	District Mining Office	0.41	0.00	0.41
		District Geological Office	0.06	0.00	0.06
8	Hazaribagh	District Mining Office	0.24	0.00	0.24
		Additional Director (Geology)	0.58	0.08	0.50
Total			17.54	5.32	12.22

Appendix: 4.1
Details of outstanding DC bills in Mines and Geology department
 (Reference: Paragraph 4.6)

(₹ in lakh)

Years	Heads	AC Bill Amount	Outstanding DC Amount
2001-02	2853	8.10	8.10
2003-04	2853	1.30	1.30
2004-05	2853	170.48	11.85
2005-06	2853	0.54	0.54
2006-07	2853	0.60	0.60
2007-08	2853	5.00	5.00
2010-11	2853	0.51	0.51
2013-14	2853	0.33	0.33
2018-19	2853	0.25	0.25
2019-20	2853	2.61	2.61
Total		189.72	31.09

Source: VLC data

Appendix 4.2
Statement showing details of receipts classified as “800 Other Receipts”

(Reference: Paragraph 4.10)

(₹ in crore)

Sl. No.	Major Head	Nomenclature	Amount booked under "800"	Total Receipts	Per cent of amount booked under "800" over total receipts
1	0575	Other Special Area Programmes	0.00	0.00	100.00
2	0801	Power	83.15	83.15	100.00
3	1075	Other Transport Services	0.00	0.00	100.00
4	1054	Roads and Bridges	106.49	106.49	99.99
5	0047	Other Fiscal Services	0.00	0.00	99.96
6	0702	Minor Irrigation	2.42	2.42	99.88
7	1055	Road Transport	0.00	0.00	99.78
8	0059	Public Works	5.76	5.78	99.74
9	0852	Industries	1.46	1.47	99.31
10	0220	Information and Publicity	0.01	0.01	95.69
11	0701	Medium Irrigation	28.25	30.52	92.58
12	0215	Water Supply and Sanitation	9.12	11.89	76.67
13	0211	Family Welfare	0.00	0.01	75.32
14	1456	Civil Supply	296.06	419.74	70.53
15	0070	Other Administrative Services	54.91	89.28	61.50
16	0210	Medical and Public Health	4.19	8.75	47.84
17	0071	Contributions and Recoveries towards Pension	2.76	5.99	46.15
18	0515	Other Rural Development Programmes	13.52	30.38	44.49
19	0058	Stationery and Printing	0.00	0.00	34.31
20	0041	Taxes on Vehicles	367.45	1128.98	32.55
21	0425	Co-operation	4.87	16.40	29.71
22	0406	Forestry and Wild Life	3.67	17.59	20.88
23	0056	Jails	0.55	2.87	19.30
24	0029	Land Revenue	64.51	337.98	19.09
25	0700	Major Irrigation	80.29	423.73	18.95
26	0049	Interest Receipts	38.85	309.51	12.55
27	0057	Supplies and Disposals	0.01	0.05	11.93
		Total	1168.3	3032.99	

Note: During the year ₹ 1,401.43 crore has been booked under “Other Receipts” in 46 Major Heads. More than 10 per cent of the total receipts booked under “800 Other Receipts” have been shown in this Annexure.

Appendix 4.3
List of auditable units identified u/s 14 & 15 of CAG's DPC Act
(Reference: Paragraph 4.18)

S. N.	Department	Name of the office	District	Audited upto
1	Health	District Rural Health Society	Bokaro	2018-19
2	Health	District Rural Health Society	Chatra	2018-19
3	Health	District Rural Health Society	Deoghar	2012-13
4	Health	District Rural Health Society	Dhanbad	2018-19
5	Health	District Rural Health Society	Dumka	2013-14
6	Health	District Rural Health Society	East Singhbhum (Jamshedpur)	2014-15
7	Health	District Rural Health Society	Garhwa	2017-18
8	Health	District Rural Health Society	Giridih	2013-14
9	Health	District Rural Health Society	Godda	2015-16
10	Health	District Rural Health Society	Gumla	2010-11
11	Health	District Rural Health Society	Hazaribagh	2014-15
12	Health	District Rural Health Society	Jamtara	2011-12
13	Health	District Rural Health Society	Khunti	2015-16
14	Health	District Rural Health Society	Koderma	2013-14
15	Health	District Rural Health Society	Latehar	2015-16
16	Health	District Rural Health Society	Lohardaga	2013-14
17	Health	District Rural Health Society	Pakur	2018-19
18	Health	District Rural Health Society	Palamu	2013-14
19	Health	District Rural Health Society	Ranchi	2011-12
20	Health	District Rural Health Society	Ramgarh	2015-16
21	Health	Jharkhand State Health Mission Society, Namkum	Ranchi	2015-16
22	Health	District Rural Health Society	Saraikela Kharsawan	2013-14
23	Health	District Rural Health Society	Simdega	2013-14
24	Health	District Rural Health Society	West Singhbhum (Chaibasa)	2018-19
25	Health	District Rural Health Society	Sahibganj	2013-14
26	Education	Jharkhand Shiksha Pariyojana Parishad, Ranchi	Ranchi	2014-15
27	Health	Jharkhand AIDS Control Society, Ranchi	Ranchi	2002-03
28	Education	Netarhat Residential School, Netarhat	Netarhat	2015-16
29	Rural Development	DRDA	Deoghar	2015-16
30	Rural Development	DRDA	Latehar	2014-15
31	Rural Development	DRDA	Hazaribagh	2015-16
32	Rural Development	DRDA	Giridih	2016-17
33	Rural Development	DRDA	Garhwa	2016-17
34	Rural Development	DRDA	Ranchi	2016-17
35	Rural Development	DRDA	East Singhbhum (Jamshedpur)	2016-17
36	Rural Development	DRDA	Ramgarh	2015-16
37	Rural Development	DRDA	West Singhbhum (Chaibasa)	2015-16
38	Rural Development	DRDA	Simdega	2015-16
39	Rural Development	DRDA	Koderma	2015-16
40	Rural Development	DRDA	Dumka	2015-16
41	Rural Development	DRDA	Godda	2016-17
42	Rural Development	DRDA	Pakur	2015-16
43	Rural Development	DRDA	Saraikela	2015-16
44	Rural Development	DRDA	Lohardaga	2015-16
45	Rural Development	DRDA	Bokaro	2011-12
46	Rural Development	DRDA	Chatra	2014-15
47	Rural Development	DRDA	Dhanbad	2012-13
48	Rural Development	DRDA	Gumla	2016-17
49	Rural Development	DRDA	Palamu	2014-15
50	Rural Development	DRDA	Sahibganj	2016-17

S. N.	Department	Name of the office	District	Audited upto
51	Rural Development	DRDA	Jamtara	2010-11
52	Rural Development	DRDA	Khunti	2016-17
53	Education (H&T)	Birla Institute of Technology Mesra, Ranchi	Ranchi	2016-17
54	Aviation	Civil Aviation Authority, Ranchi	Ranchi	2016-17
55	Information Technology	Jharkhand Institute of Application for promotion (JAP-IT)	Ranchi	2013-14
56	Information Technology	Jharkhand Space Application Centre, Dhurwa, Ranchi	Ranchi	2007-08
57	Social Welfare	Jharkhand Pollution Control Board, Ranchi	Ranchi	2006-07
58	IT & e-Governance	State Information Commission	Ranchi	2015-16
59	Industry	Industrial Area Development Authority, Ranchi	Ranchi	2015-16
60	Industry	Industrial Area Development Authority, Bokaro	Bokaro	2015-16
61	Industry	Industrial Area Development Authority, Jamshedpur	Jamshedpur	2016-17
62	Forest	Lac Treatment Plant, Latehar	Latehar	2008-09
63	Agriculture	National Horticulture Mission Jharkhand	Ranchi	2014-15
64	Education (H&T)	Science & Technology Council, Govt. of Jharkhand	Ranchi	2015-16
65	Biotechnology	Lac Cultivation Crop in forest, Doranda	Ranchi	2008-09
66	Animal Husbandry	Bacon Factory, Kanke, Ranchi	Ranchi	2009-10
67	Law	High Court Legal Services Committee, Ranchi	Ranchi	2008-09
68	Information and Public Relation	Govt. Press, Ranchi	Ranchi	2010-11
69	Education & Research	Birsa Agriculture University	Ranchi	2006-07
70	Forest	Jharkhand Bio-Diversity Board/ Council, Doranda, Ranchi	Ranchi	2016-17
71	Industry	Chief Executive Officer, Jharkhand State Khadi and Village Industries Board, Ranchi	Ranchi	2016-17
72	Health	Director, R.K. Mission, TB sanatorium, Tipudana	Ranchi	2005-06
73	Education	Director, R.K. Mission Ashram, Morabadi, Ranchi	Ranchi	2007-08
74	Education	Jharkhand Mahila Samakhya Society, Kadru Ranchi	Ranchi	2005-06
75	Forest	Executive Director, Wasteland Development Board	Ranchi	Not audited
76	Forest	Forest Development Authority	Ranchi	Not audited

Source: Permanent Audit Programme Register maintained in the office of the Pr. Accountant General (Audit)

Glossary of terms, basis of calculations and Acronyms used in the Report

Terms	Basis of calculation and explanation
Rate of Growth (ROG)	$[(\text{Current year Amount} / \text{Previous year Amount}) - 1] * 100$
Development Expenditure	Social Services + Economic Services
Average interest paid by the State	$\text{Interest payment} / [(\text{Amount of previous year's Fiscal Liabilities} + \text{Current year's Fiscal Liabilities}) / 2] * 100$
Interest spread	GSDP growth – Average Interest Rate
Quantum spread	Debt stock * Interest spread
Interest received as <i>per cent</i> to Loans Outstanding	$\text{Interest Received} [(\text{Opening balance} + \text{Closing balance of Loans and Advances}) / 2] * 100$
Revenue Deficit	Revenue Receipt – Revenue Expenditure
Fiscal Deficit	Revenue Expenditure + Capital Expenditure + Net Loans and Advances – Revenue Receipts – Miscellaneous Capital Receipts
Primary Deficit	Fiscal Deficit – Interest payments
Balance from Current Revenue (BCR)	Revenue Receipts minus all Plan Grants and Non-Plan Revenue Expenditure excluding expenditure recorded under the major head 2048 – Appropriation for reduction of Avoidance of debt.
Debt sustainability	The Debt sustainability is defined as the ability of the State to maintain a constant debt-GSDP ratio over a period of time and also embodies the concern about the ability to service its debt. Sustainability of debt therefore also refers to sufficiency of liquid assets to meet current or committed obligations and the capacity to keep balance between costs of additional borrowings with returns from such borrowings. It means that rise in fiscal deficit should match with the increase in capacity to service the debt.
Debt stabilisation	A necessary condition for stability states that if the rate of growth of economy exceeds the interest rate or cost of public borrowings, the debt-GSDP ratio is likely to be stable provided primary balances are either zero or positive or are moderately negative. Given the rate spread (GSDP growth rate – interest rate) and quantum spread (Debt*rate spread), debt sustainability condition states that if quantum spread together with primary deficit is zero, debt-GSDP ratio would be constant or debt would stabilise eventually. On the other hand, if primary deficit together with quantum spread turns out to be negative, debt-GSDP ratio would be rising and in case it is positive, debt-GSDP ratio would eventually be falling.
Sufficiency of non-debt receipts	Adequacy of incremental non-debt receipts of the State to cover the incremental interest liabilities and incremental primary expenditure. Debt sustainability could be significantly facilitated if the incremental non-debt receipts could meet the incremental interest burden and the incremental primary expenditure.

Terms	Basis of calculation and explanation
Net availability of borrowed funds	Defined as the ratio of the debt redemption (Principal + Interest Payments) to total debt receipts and indicates the extent to which the debt receipts are used in debt redemption indicating the net availability of borrowed funds.
Appropriation Accounts	Appropriation Accounts present the total amount of funds (Original and Supplementary) authorised by the Legislative Assembly in the budget grants under each voted grants and charged appropriation vis-à-vis the actual expenditure incurred against each and the unspent provisions or excess under each grant or appropriation. Any expenditure in excess of the grants requires regularisation by the Legislature.
Autonomous bodies	Autonomous Bodies (usually registered Societies or Statutory Corporations) are set up whenever it is felt that certain functions need to be discharged outside the governmental set up with some amount of independence and flexibility without day-to-day interference of the Governmental machinery.
Committed expenditure	The committed expenditure of the State Government on revenue account mainly consists of interest payments, expenditure on salaries and wages, pensions and subsidies on which the present executive has limited control.
State implementing schemes	State Implementing Agency includes any Organisation/ Institution including Non-Governmental Organisation which is authorised by the State Government to receive the funds from the Government of India for implementing specific programmes in the State, e.g. State Implementation Society for Sarva Siksha Abhiyan and State Health Mission for National Rural Health Mission, etc.
Contingency Fund	Legislature Assembly has by law established a Contingency Fund in the nature of an imprest into which is paid from time to time such sums as may be determined by such law, and the said fund is placed at the disposal of the Governor to enable advances to be made by him out of it for the purpose of meeting unforeseen expenditure pending authorisation of such expenditure by Legislature Assembly by law under Article 115 or Article 116 of the Constitution.
Consolidated fund of the State	The fund constituted under Article 266 (1) of the Constitution of India into which all receipts, revenues and loans flow. All expenditure from the CFI is by appropriation: voted or charged. It consists of two main divisions namely Revenue Account (Revenue Receipts and Revenue Expenditure) and Capital Account (Public Debt and Loans, etc.).
Contingent liability	Contingent liabilities may or may not be incurred by an entity depending on the outcome of a future event such as a court case.
Sinking Fund	A Fund into which the government sets aside money over time, in order to retire its debt.

Terms	Basis of calculation and explanation
Guarantee Redemption Fund	Guarantees are liabilities contingent on the Consolidated Fund of the State in case of default by the borrower for whom the guarantee has been extended. As per the terms of the Guarantee Redemption Fund, the State Government was required to contribute an amount equal to at least 1/5 th of the outstanding invoked guarantees plus an amount likely to be invoked as a result of the incremental guarantees during the year.
Internal Debt	Internal Debt comprises regular loans from the public in India, also termed 'Debt raised in India'. It is confined to loans credited to the Consolidated Fund.
Primary revenue expenditure	Primary revenue expenditure means revenue expenditure excluding interest payments.
Re-appropriation	Means the transfer of funds from one Primary unit of appropriation to another such unit.
Surrenders of unspent provision	Departments of the State Government are to surrender to the Finance Ministry, before the close of the financial year, all the anticipated unspent provisions noticed in the grants or appropriations controlled by them. The Finance Ministry is to communicate the acceptance of such surrenders, as are accepted by them to the Audit Officer and/or the Accounts Officer, as the case may be, before the close of the financial year.
Supplementary grants	If the amount authorised by any law made in accordance with the provisions of Article 114 of the Constitution to be expended for a particular service for the current financial year is found to be insufficient for the purpose of that year or when a need has arisen during the current financial year for the supplementary or additional expenditure upon some 'new service' not contemplated in the original budget for that year, Government is to obtain supplementary grants or appropriations in accordance with the provision of Article 115 (1) of the Constitution.
Suspense and Miscellaneous	Items of receipts and payments which cannot at once be taken to a final head of receipt or charge owing to lack of information as to their nature or for any other reasons, may be held temporarily under the major head "8658-Suspense Account" in the sector "L. Suspense and Miscellaneous" of the Accounts, (Footnotes under the major head in the list of major/minor heads of account may be referred to for further guidance). A service receipt of which full particulars are not given must not be taken to the head "Suspense Account" but should be credited to the minor head "Other Receipt" under the revenue major head to which it appears to belong pending eventual transfer to the credit of the correct head on receipt of detailed particulars.
Public Accounts committee	A Committee constituted by the Legislative Assembly for the examination of the reports of the Comptroller and Auditor General of India relating to the appropriation accounts of the State, the annual financial accounts of the State or such other accounts or financial matters as are laid before it or which the Committee deems necessary to scrutinise.

Acronyms	Full Form
AC Bill	Abstract Contingent Bill
AE	Aggregate Expenditure
BE	Budget Estimates
CAG	Comptroller and Auditor General of India
CE	Capital Expenditure
DC Bill	Detailed Contingent Bill
DE	Development Expenditure
GOI	Government of India
GSDP	Gross State Domestic Product
FRBM	Fiscal Responsibility and Budget Management Act, 2005
O&M	Operation and Maintenance
PAC	Public Accounts Committee
RE	Revenue Expenditure
RR	Revenue Receipts
S&W	Salaries and Wages
SAR	Separate Audit Report
SSE	Social Sector Expenditure
TE	Total Expenditure
FFC	Fourteenth Finance Commission
UC	Utilisation Certificate
VAT	Value Added Tax

© COMPTROLLER AND
AUDITOR GENERAL OF INDIA
www.cag.gov.in



www.agjh.cag.gov.in