

**State Finances Audit Report
of the
Comptroller and Auditor General of India
for the year ended 31 March 2023**



SUPREME AUDIT INSTITUTION OF INDIA
लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest

Government of Assam
(Report No. 1 of 2024)

**STATE FINANCES AUDIT REPORT
OF THE
COMPTROLLER AND AUDITOR GENERAL OF INDIA**

FOR THE YEAR ENDED 31 MARCH 2023

GOVERNMENT OF ASSAM
(Report No. 1 of 2024)

Table of Contents		
Particulars	Paragraph No.	Page No.
Preface	--	iii
Executive Summary	--	v
Chapter 1: Overview of State Finances		
Profile of the State	1.1	1
Basis and Approach to State Finances Audit Report	1.2	4
Overview of Government Account Structure and Budgetary Processes	1.3	5
Fiscal Balance: Achievement of Deficit and total debt targets	1.4	9
Deficits post examination by audit	1.5	14
Total Outstanding Liabilities	1.6	16
Conclusion	1.7	16
Recommendations	1.8	17
Chapter 2: Finances of the State		
Major changes in Key Fiscal Aggregates during 2022-23 <i>vis-à-vis</i> 2021-22	2.1	19
Sources and Application of Funds	2.2	19
Resources of the State	2.3	20
Application of Resources	2.4	34
Contingency Fund	2.5	53
Public Account	2.6	53
Public Liability Management	2.7	58
Debt Sustainability Analysis (DSA)	2.8	64
Salient features	2.9	71
Conclusion	2.10	72
Recommendations	2.11	74
Chapter 3: Budgetary Management		
Budget Process	3.1	75
Appropriation Accounts	3.2	78
Integrity of budgetary and accounting process	3.3	79
Effectiveness of budgetary and accounting process	3.4	91
Review of Selected Grants	3.5	96
Conclusion	3.6	110
Recommendations	3.7	111
Chapter 4: Quality of Accounts & Financial Reporting Practices		
Non discharge of liability in respect of Interest towards Interest bearing deposits/ reserve funds	4.1	113
Funds transferred directly to State implementing agencies	4.2	114
Delay in Submission of Utilisation Certificates	4.3	115
Abstract Contingent Bills	4.4	117
Personal Deposit Accounts	4.5	118

Table of Contents		
Particulars	Paragraph No.	Page No.
Indiscriminate use of Minor Head 800	4.6	118
Central Road and Infrastructure Fund (CRIF)	4.7	121
Outstanding balance under major Suspense and DDR heads	4.8	122
Reconciliation of Departmental figures	4.9	123
Reconciliation of Cash Balances	4.10	125
Compliance with Accounting Standards	4.11	125
Submission of Accounts of Autonomous Councils/Bodies	4.12	126
Timeliness and Quality of Accounts	4.13	127
Misappropriations, losses, thefts, etc.	4.14	128
Follow up action on State Finances Audit Report	4.15	129
Implementation of Recommendation of Sixth Assam State Finance Commission on fiscal devolution	4.16	130
Conclusion	4.17	131
Recommendations	4.18	132
Chapter 5: Functioning of State Public Sector Enterprises		
Definition of Government Companies	5.1	133
Mandate	5.2	133
SPSEs and their contribution to the GSDP of the State	5.3	133
Investment in SPSEs and Budgetary Support	5.4	135
Returns from SPSE	5.5	136
Debt Servicing	5.6	137
Financial performance of SPSEs	5.7	138
SPSEs incurring Losses	5.8	140
Audit of State Public Sector Enterprises	5.9	144
Appointment of statutory auditors of SPSEs by CAG	5.10	144
Submission of accounts by State Public Sector Enterprises	5.11	144
CAG's oversight Audit of accounts and supplementary audit	5.12	146
Result of CAG's oversight role	5.13	147
Conclusion	5.14	150
Recommendations	5.15	150
Appendices		153

Preface

1. This Report has been prepared for submission to the Governor of Assam under Article 151 of the Constitution.
2. Chapter I 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.
3. Chapters II contains 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.
4. Chapter III is based on the Appropriation Accounts of the State and reviews the appropriations and allocative priorities of the State Government and reports on deviations from Constitutional provisions relating to budgetary management.
5. Chapter IV 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.
6. Chapter V on 'Functioning of State Public Sector Enterprises' presents the financial performance of Government Companies and Statutory Corporations.
7. The Reports of the Comptroller and Auditor General of India 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

About the Report

This Report of the CAG of India is on the State Finances for the year 2022-23. It provides an overview of the finances, budgetary management and quality of accounts, financial reporting practices and other matters relevant to State Finances.

This executive summary highlights the contents of this report and through snapshots of the important figures and aspects, provides insight into fiscal sustainability, performance against the budget intent, revenue and expenditure projection, the reasons for variations and its impact.

Gross State Domestic Product (GSDP) (at current prices) grew at an average growth rate of 11.89 *per cent* from ₹ 3,09,336.32 crore in 2018-19 to ₹ 4,93,166.60 crore in 2022-23. Budget Outlay of the State grew at an average growth rate of 8.86 *per cent* from ₹ 1,08,490.35 crore in 2018-19 to ₹ 1,56,525.63 crore in 2022-23.

There was 19.52 *per cent* growth in GSDP over 2021-22. The revenue receipts grew at 12.44 *per cent* during the year however, the percentage of revenue receipts over GSDP decreased from 19.34 *per cent* in 2021-22 to 18.20 *per cent* in 2022-23. The tax revenue increased by 13.66 *per cent* during the period and the State's own tax revenue increased by 25.44 *per cent*. The total expenditure (revenue expenditure, capital expenditure, loans and advances and appropriation to contingency fund) of the State of Assam increased from ₹ 1,02,777.80 crore in 2021-22 to ₹ 1,19,952.20 crore in 2022-23 increasing by 16.71 *per cent*. Of this, revenue expenditure showed 23.34 *per cent* increase over 2021-22. Revenue deficit increased from ₹ 2,732.77 crore to ₹ 12,072.35 crore registering 341.76 *per cent* increase over 2021-22, while fiscal deficit increased from ₹ 19,863.12 crore in 2021-22 to ₹ 30,204.83 crore in 2022-23 increasing by 52.06 *per cent*.

Receipts-Expenditure Mismatch

The continuous mismatch between receipts and expenditure indicates rising fiscal stress. The State has different sources of receipts such as State Own Tax Revenue, Non-tax Revenue, Devolution of States' share in taxes, Grants in aid and transfers from the Union Government and non-debt capital receipts. The State Government's expenditure includes expenditure on revenue account as well as capital expenditure (assets creation, loans and advances, investments, *etc.*).

From 2018-19 to 2022-23, revenue receipts grew from ₹ 63,479.16 crore to ₹ 89,742.30 crore, with an average annual growth rate of 8.27 *per cent*. Capital receipts also increased from ₹ 11,757.58 crore to ₹ 28,275.09 crore during this period. The share of Grants-in-aid in revenue receipts rose from 22.24 *per cent* in 2018-19 to

33.19 *per cent* in 2022-23, indicating increased reliance on support from the Government of India. The State Government received ₹ 21,557.33 crore as Central share for Centrally Sponsored Schemes (CSSs) during the year.

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. Between 2018-19 and 2022-23, revenue expenditure increased from ₹ 56,899.00 crore (18.39 *per cent* of GSDP) to ₹ 1,01,814.65 crore (20.65 *per cent* of GSDP). It consistently made up a significant portion (80 to 85 *per cent*) of the total expenditure during this period, growing at an average annual rate of 15.79 *per cent*.

Result of expenditure beyond means

The gap between the revenue receipt and revenue expenditure results in revenue deficit. The revenue deficit of the State increased to ₹ 12,072.35 crore (2.45 *per cent* of GSDP) in the current year from Revenue Surplus of ₹ 6,580.16 crore (2.13 *per cent* of GSDP) in the year 2018-19.

The State Government spent ₹ 15,997.71 crore only on capital account. This was 13.34 *per cent* of the total expenditure in the year 2022-23. Capital expenditure was 56.59 *per cent* of the total borrowings made during 2022-23. Thus, a portion of borrowed funds was used for meeting current consumption and repayment of earlier borrowings during the year.

The gap between the total expenditure and total non-debt receipt of the State results in fiscal deficit. The fiscal deficit of the State increased to ₹ 30,204.83 crore (6.12 *per cent* of GSDP) in 2022-23 from ₹ 4,779.06 crore (1.54 *per cent* of GSDP) in 2018-19.

Under the revenue expenditure, the quantum of committed expenditure constitutes the largest share. Committed expenditure has the first charge on the resources and consists of expenditure on salaries and wages, pensions and interest payments. Committed expenditure on salaries and wages, pensions and interest payments constituted 54 to 68 *per cent* of revenue expenditure during 2018-19 (68 *per cent*) and 2022-23 (54 *per cent*). The Committed expenditure increased at an average rate of 8.58 *per cent* *i.e.*, from ₹ 38,574.00 crore in 2018-19 to ₹ 55,122.72 crore in 2022-23 {an increase of 4.74 *per cent* over 2021-22 (₹ 52,626.30 crore)}.

In addition to the committed expenditure, inflexible expenditure increased from 10.60 *per cent* to 12.68 *per cent* of revenue expenditure during 2018-19 to 2022-23, indicating a rising trend. The inflexible expenditure increased from ₹ 10,364.13 crore in 2021-22 to ₹ 12,911.90 crore in 2022-23 registering an increase of 24.58 *per cent*. The average growth of inflexible expenditure during the period from 2018-19 (₹ 6,029.90 crore) to 2022-23 (₹ 12,911.90 crore) was 22.83 *per cent*.

Taken together, the committed and inflexible expenditure as percentage of revenue expenditure decreased from 78.39 *per cent* in 2018-19 (₹ 44,603.90 crore) to 66.82 *per cent* in 2022-23 (₹ 68,034.62 crore). The downward trend on committed and

inflexible expenditure leaves the Government with more flexibility for other priority sectors and capital creation.

Subsidies constitute major portion of the non-committed expenditure

Within the non-committed expenditure, there is an increasing trend of subsidies, which increased from ₹ 1,464.93 crore in 2018-19 to ₹ 1,662.58 crore in 2022-23. Power subsidies constituted a significant portion, ranging from 37.59 per cent to 58.17 per cent of the total subsidies during this period.

Off-budget borrowings

As on 31 March 2023, the State Government, through Public Sector Undertaking and para-statal, raised ₹ 1,091.24 crore as off-budget borrowings; which did not flow into the Consolidated Fund of the State but are required to be repaid and serviced through budget. Out of which, ₹ 852.61 crore was raised during 2022-23. During the year, the State Government paid an interest of ₹ 34.71 crore towards off-budget borrowing.

Contingent Liabilities on account of Guarantees

Government had guaranteed loans raised by various Corporations and Others which at the end of 2022-23 stood at ₹ 1,166.49 crore. It was 5.82 per cent of State's Own Tax and Non-Tax Revenue of the second preceding year (₹ 20,033.22 crore) i.e., well within the limit prescribed in the State FRBM Act (50 per cent of the State's Tax and Non-Tax Revenue of the second preceding year).

Fiscal sustainability

Fiscal sustainability is examined in terms of macro-fiscal parameters such as deficits, level of debt and liabilities, commitments on account of off-budget borrowings, guarantees, subsidies, etc. So far as revenue and expenditure mismatch is concerned, one of the important constraints is committed and inflexible expenditure, which includes salaries and wages, pension payments, interests, etc. and also other inflexible expenditure such as those arising out of commitment for centrally sponsored schemes, transfer to reserve funds, transfer to local bodies, etc.

FRBM requirements and compliance with fiscal parameters

The FRBM Act/ Rules prescribes certain limits within which, revenue deficit, fiscal deficit, debt as a percentage of the Gross State Domestic Product (GSDP) should be, and similarly for guarantees as a percentage of revenue receipts of the previous year. In 2022-23, revenue deficit was 2.45 per cent as against the target of revenue surplus; fiscal deficit was 6.12 per cent as against the limit of 3.5 per cent; debt was 24.98 per cent as against limit of 32 per cent and guarantees given were 5.82 per cent as against the prescribed limit of 50 per cent of the State's Tax and Non-Tax Revenue of the second preceding year. Going by the fiscal trends, the State finances would be under stress in medium to long run.

As per the debt sustainability analysis, the public debt of the Government of Assam has grown on an average at a rate of 27.18 per cent annually of the outstanding public debt

between 2018-19 to 2022-23. Public debt-GSDP ratio of Assam has increased from 13.84 *per cent* in 2018-19 to 20.48 *per cent* in 2022-23, which indicates that debt stabilisation may not be possible in near future.

In the five years of the subject period *i.e.*, 2018-19 to 2022-23, the State had primary deficit. In the pre Covid period of 2018-19 and 2019-20, the real growth rate of the GSDP was 4.62 *per cent* on an average and Domar gap (expressed as $g-r$) remained greater than 0. Covid-19 affected the real growth rate of the GSDP as it remained below one *per cent* and the Domar Gap turned negative. In the post Covid period, the Domar gap has remained positive indicating that real interest rates have remained below the GSDP growth rates. However, the sustainability of public debt depends on whether the State economy maintains the real growth rate in the long run.

Budget performance

Aggregate expenditure outturn

Budget performance in terms of budgetary intent and budget implementation is examined to assess extent to which the aggregate expenditure outturn reflects the amount originally approved both in terms of excess and saving. In Revenue section, deviation in outturn compared with Budget Estimates (BE) was 7.31 *per cent*. This was due to deviation between 0 and ± 25 *per cent* in 43 grants, between ± 25 *per cent* and ± 50 *per cent* in 31 grants, between ± 50 *per cent* and ± 100 *per cent* in four grants and equal or more than 100 *per cent* in three grants. In Capital section, deviation in outturn compared with BE was 9.88 *per cent*. This was due to deviation between 0 and ± 25 *per cent* in 18 grants, between ± 25 *per cent* and ± 50 *per cent* in 14 grants, between ± 50 *per cent* and ± 100 *per cent* in 21 grants and equal or more than 100 *per cent* in 14 grants/appropriations.

Expenditure composition outturn

Budget performance also looks at the extent to which the re-allocation between the main budget categories during the execution have contributed to variance in expenditure composition. This measure indicates the extent of variation between the final budget and the actual expenditure. In Revenue section, deviation in outturn compared with Revised Estimates (RE) was – 18.34 *per cent*. This was due to deviation between 0 and ± 25 *per cent* in 39 grants, between ± 25 *per cent* and ± 50 *per cent* in 34 grants, between ± 50 *per cent* and ± 100 *per cent* in six grants and equal or more than 100 *per cent* in two grants.

In Capital section, deviation in outturn compared with RE was – 14.77 *per cent*. This was due to deviation between 0 and ± 25 *per cent* in 16 grants, between ± 25 *per cent* and ± 50 *per cent* in 17 grants, between ± 50 *per cent* and ± 100 *per cent* in 24 grants and equal or more than 100 *per cent* in 10 grants.

It was noticed that supplementary provisions of ₹ 8,306.57 crore during the year 2022-23 in 65 cases proved unnecessary, as the expenditure did not come up even to the level of original provisions.

Overall Budget reliability assessment indicates that though the deviations between the actual expenditure and original budget as well as between the actual expenditure and the final budget were less than 5 per cent, there were deviations up to 25 per cent and even above in different grants. Moreover, it was also noticed that in several cases, there were supplementary grants where expenditure was not even up to the original grant. A reliable budget practice is needed to deal with such deviations.

Regularisation of Excess over Grants/ Appropriations

The State Government has to get excesses over grants/appropriations regularised by the State Legislature as per Article 204 and 205 (1) (b) of the Constitution. It was observed that in 2022-23 there was an excess expenditure of ₹ 4,607.94 crore under one Appropriation which requires regularisation. Further, excess disbursements of ₹ 5,215.48 crore pertaining to years from 2005-06 to 2021-22 were yet to be regularised.

Quality of Accounts and Financial Reporting

Quality of accounts and financial reporting covers items, transactions and events which relate to gaps in compliance, regularity weaknesses and issues relating to delay in receipt of those accounting records or adjustment records which evidence the actual expenditure. It also highlights issues pertaining to the accounts and financial reporting such as incomplete reconciliation of accounts, non-compliance with the provision of IGAS, non-submission of UCs, DCC bills and annual accounts, non-discharging of interest liabilities *etc.*

Reconciliation

The PAC in its 161st Report recommended (March 2020) that the departments should reconcile their figures with the Principal Accountant General (A&E) on a monthly basis or at least quarterly basis to avoid wrong booking of figures. Despite the recommendations, 19.14 *per cent* of receipts and 45.28 *per cent* of disbursement figures booked by the Principal Accountant General (A&E) were not reconciled by the departmental authorities during 2022-23.

Compliance with IGAS

As against the requirements of the Indian Government Accounting Standards (IGAS), the State Government complied partly with IGAS 1: Guarantees given by the Government, IGAS 2: Accounting and classification of Grants-in-Aid and IGAS-3: Loans and Advances made by the Government during the year.

Funds to Single Nodal Agency

The Government of India and the State Government have introduced system of Single Nodal Agency (SNA) for implementation and fund flow for each Centrally Sponsored Scheme (CSS). The share of the Government of India and the State Government is transferred to the Bank Account of the SNA lying outside the Government Account. As

per information available on the PFMS portal, ₹ 21,991.04 crore (₹ 18,951.91 crore share of the Government of India and ₹ 3,039.13 crore share of the State Government) was transferred to the SNAs during 2022-23. As per data available on PFMS Portal, ₹ 9,490.76 crore was lying unspent in the bank accounts of SNAs as on 31 March 2023. Detailed vouchers and supporting documents of actual expenditure were not received by the office of Principal Accountant General (A&E), Assam from the SNAs. The State Government has been requested to make the details of the bills drawn, as it is of importance for completeness of the accounts, financial reporting and transparent financial control.

Utilisation Certificates against conditional grants

Despite the requirement of submitting Utilisation Certificates (UCs) against conditional grants within a stipulated time period, 14,159 outstanding UCs of ₹ 37,991.70 crore were pending as on 31st March 2023.

DCC bills against AC bills

Similarly, despite the requirement of submitting Detailed Countersigned Contingent (DCC) Bills against the advance money withdrawn through Abstract Contingency (AC) Bills, 1,419 AC bills of ₹ 899.59 crore were pending for submission of DCC bills as on 31 March 2023.

Compliance with prevailing rules and codal provisions are meant to ensure control and accountability in accounting and financial reporting. Non-compliance and deviations impact the quality of accounting and financial reporting adversely. Non-timely submission of UCs against conditional grants; non-submission of DCC bills against AC bills; non-compliance with the provisions of IGAS-1, IGAS-2 and IGAS-3; and non-supply of details of expenditure from SNAs have impacted the quality of accounts adversely.

Working of State Public Sector Undertakings

As on 31 March 2023, there were 52 SPSEs (36 working SPSEs and 16 non-working SPSEs). SPSEs did not adhere to the prescribed timeline regarding submission of their Financial Statements as 45 SPSEs (29 working and 16 non-working) had a total of 410 accounts pending finalisation as on 30 September 2023. Further, 20 SPSEs (nine working and 11 non-working) had 348 accounts pending finalisation for more than five years as on 30 September 2023. Out of the total profit of ₹ 592.14 crore earned by 19 SPSEs 80.69 per cent was contributed by three SPSEs. Similarly, more than 89 per cent (₹ 173.89 crore) of the losses (₹ 195.37 crore) incurred by 17 SPSEs during 2022-23, were contributed by two SPSEs viz., Assam State Transport Corporation (₹ 106.53 crore) and Assam Petro-Chemicals Limited (₹ 67.36 crore). Further, out of 18 profit-making SPSEs in which GoA had direct equity infusion (total profit: ₹ 542.93 crore), only one SPSE (Assam Gas Company Limited) paid a total dividend of ₹ 5.07 crore to GoA while remaining 17 SPSEs which earned aggregate profits of ₹ 540.18 crore had not declared/ paid dividend.

As 16 non-working SPSEs are neither contributing to the State economy nor meeting their intended objectives, State Government may expedite the process of their closure. The State Government may analyse the reasons of losses in those SPSEs whose net worth has been eroded and initiate steps to make their operations efficient and profitable; and considering huge pendency of accounts of SPSEs, the State Government may impress upon the managements of SPSEs to ensure timely submission of their Financial Statements. In absence of the latest finalised accounts, Government investments in such arrears SPSEs remain outside the oversight of the State Legislature.



Chapter 1

Overview of State Finances

Chapter 1

Overview of State Finances

1.1 Profile of the State

Assam is the largest State in terms of population and second largest State, after Arunachal Pradesh, in terms of area in the North Eastern Region of India and is, in fact, the gateway to this Region. The State is spread over a geographical area of 78,438 sq.km. (2.4 per cent of the country's total geographical area) and is home to around 3.12 crore persons (2.6 per cent of the population of the country) as per Census 2011. The decadal (2001-2011) growth rate of population for the State was 16.93 per cent against the national decadal growth rate of 17.64 per cent. The projected population of the State during 2022-23 was 3.57 crore. The decadal (2013-2023) growth rate of the State's population was 11.63 per cent which was marginally lower than the all India growth rate of 11.68 per cent. As per census 2011, State's literacy rate at 72.19 per cent was marginally lower than all India average of 73 per cent.

The State has 31 districts¹ and three Autonomous District Councils (ADCs) namely (i) Karbi Anglong Autonomous Council (ii) North Cachar Hills Autonomous Council and (iii) Bodoland Territorial Council. Assam was designated as a Special Category State (SCS)² in 1969 in terms of the Gadgil formula, which ensured that 90 per cent of funding for centrally sponsored schemes is received as grants from Central Government.

General and financial data relating to the State is given in *Appendix 1.1* and *Appendix 1.2* respectively.

1.1.1 Gross State Domestic Product of Assam

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.

Trends in annual growth of Assam's GSDP *vis-à-vis* that of the country's Gross Domestic Product (GDP) are given in **Table 1.1**.

Table 1.1: Trends in growth of GSDP (at current prices) compared to the GDP

(₹ in crore)

Year	2018-19	2019-20	2020-21	2021-22	2022-23	CAGR
INDIA						
GDP (2011-12 Series)	1,88,99,668	2,01,03,593	1,98,29,927	2,34,71,012	2,72,40,712	9.57
Gross Value Added (GVA)	1,71,75,128	1,83,81,117	1,81,88,780	2,14,38,883	2,47,42,871	
Growth rate of GDP over previous year (<i>per cent</i>)	10.59	6.37	-1.36	18.36	16.06	
Growth rate of GVA over previous year (<i>in per cent</i>)	10.77	7.02	-1.05	17.87	15.41	
Per Capita GDP (in ₹)	1,42,424	1,49,915	1,46,301	1,71,498	1,96,983	

¹ Economic Survey, Assam 2022-23

² Now known as North Eastern & Himalayan States (NE&HS)

Year	2018-19	2019-20	2020-21	2021-22	2022-23	CAGR
ASSAM						
GSDP (2011-12 Series)	3,09,336.32	3,46,850.68	3,53,605.42 (P.E-II)	4,12,611.87 (Q.E)	4,93,166.60 (A.E)	12.37
Gross State Value Added (GSVA)	2,82,148.00	3,18,971.11	3,21,996.70	3,75,033.98	4,46,324.44	
Growth rate of GSDP over previous year (in per cent)	9.24	12.13	1.95	16.69	19.52	
Growth rate of GSVA over previous year (in per cent)	7.40	13.05	0.95	16.47	19.01	
Per Capita GSDP (in ₹)	90,616	1,00,501	1,01,357	1,16,986	1,36,819	

Source of data: Ministry of Statistics and Programme Implementation, GoI & Directorate of Economics and Statistics, Assam

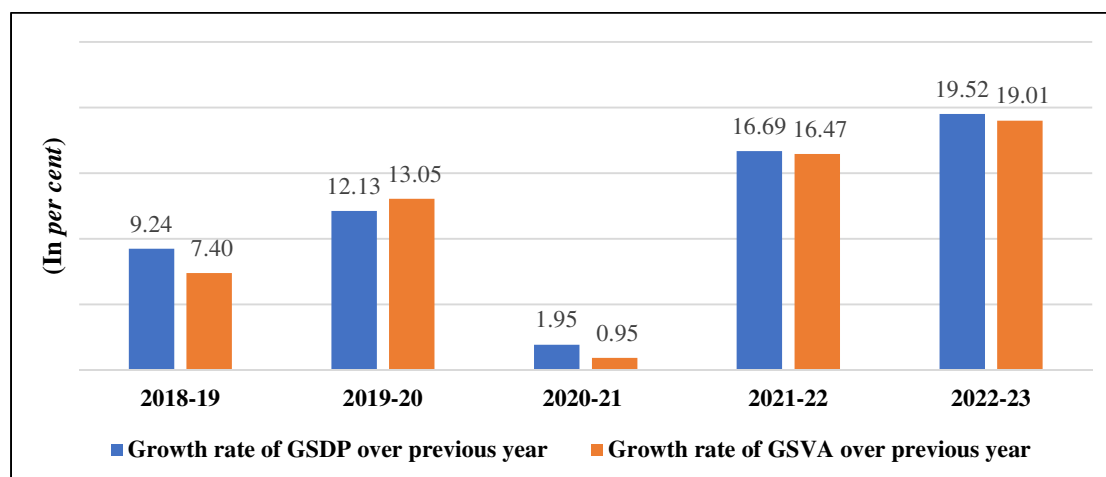
RE- Revised Estimates, PE- Provisional Estimates, QE- Quick Estimates, AE- Advance Estimates

In 2022-23, GSDP of Assam at current prices was ₹ 4,93,166.60 crore and the GDP in 2022-23 at current prices was ₹ 2,72,40,712 crore. Further, per capita GSDP of the State for the year 2022-23 was ₹ 1,36,819.00 while that of the Country was ₹ 1,96,983. However, growth in Per Capita GSDP of the State (50.99 per cent) during the period from 2018-19 to 2022-23 was significantly more than the growth in per capita GDP of the country (38.31 per cent) during the same period.

Gross Value Added (GVA) is being used for economic analysis by GoI and international organisations like International Monetary Fund (IMF) and World Bank as GVA is considered to be a better indicator of economic growth compared to GDP, as it ignores the impact of taxes and subsidies. While GDP can be and is also computed as the sum total of various expenditure incurred in the economy including private consumption spending, government consumption spending and gross fixed capital formation or investment spending, reflecting essentially on the demand conditions in the economy. Both measures have difference in treatment of net taxes, as a result of which, the inclusion of taxes in GDP may differ from the real output situation. From a policymaker's perspective, it is therefore vital to have a comparison of the GVA and GSVA data for better analysis and making policy interventions.

The trends of GSDP and GSVA for the period from 2018-19 to 2022-23 are indicated in the following Chart:

Chart 1.1: Growth rate of GSDP vs GSVA (2018-19 to 2022-23)



As can be seen from **Table 1.1**, GSDP of Assam grew at a higher rate during three years of the five-year period from 2018-19 to 2022-23, as compared to the growth rate of GDP, with a Compounded Annual Growth Rate (CAGR) of 12.37 *per cent* against GDP CAGR of 9.57 *per cent*. Further, during the five-year period, the GSDP growth rate increased from 9.24 *per cent* in 2018-19 to 19.52 *per cent* in 2022-23 with the highest increase recorded during the year.

The economic activity of a State is generally divided into Primary, Secondary and Tertiary sectors, which correspond largely to Agriculture and allied activities, Industry and Services sectors. These three sectors form GSVA of the State. Further, GSDP of the State is the total of GSVA and net of taxes on products and subsidies on products.

Sectoral growth of GSDP over the past five years is detailed in **Chart 1.2** whereas changes in sectoral contribution to GSVA in 2022-23 over 2018-19 are given in **Chart 1.3** as these changes are an indication of the changing structure of the economy.

Chart 1.2: Sectoral growth in GSDP

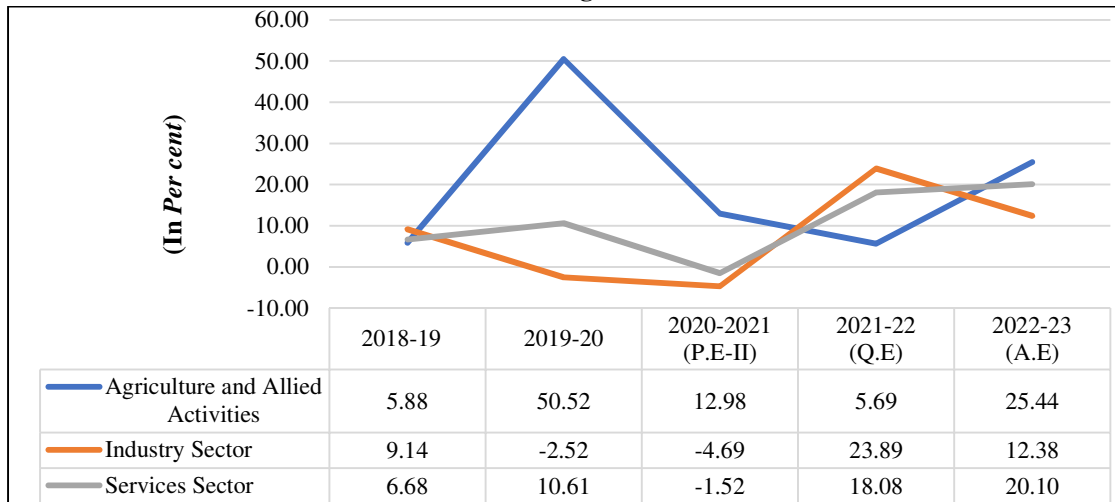


Chart 1.3: Change in sectoral contribution to GSVA (2018-19 to 2022-23)

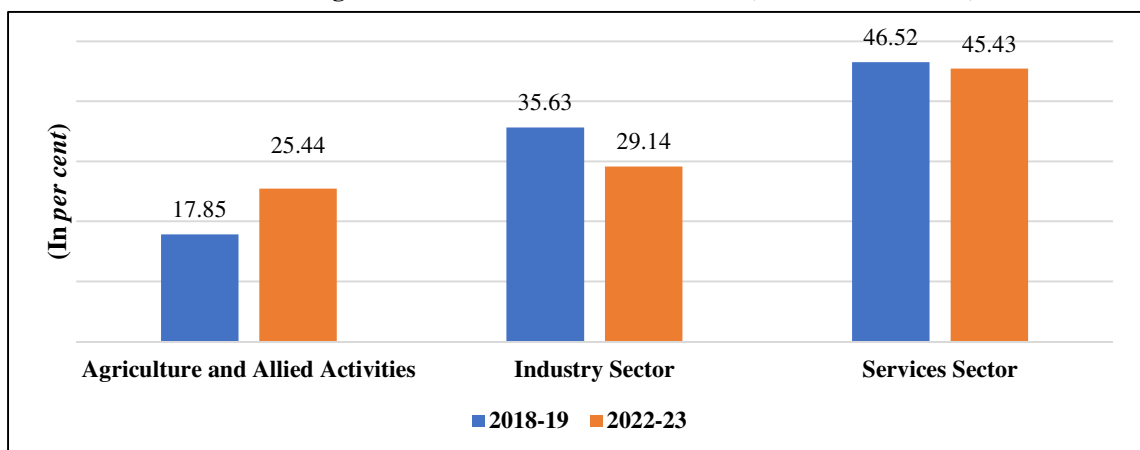


Chart 1.2 shows that growth of all three sectors contributing to GSDP increased significantly during 2022-23 with minimum increase of 12.38 *per cent* recorded under Industry Sector and maximum increase of 25.44 *per cent* recorded under Agriculture and Allied Activities. Further, **Chart 1.3** shows that the relative share of Industry and

Services sector in GSVA declined during the five-year period from 2018-19 to 2022-23, whereas relative share of Agriculture and Allied Activities to GSVA had a matching increase during the same period. The significant increase under Agriculture and Allied Activities was mainly recorded under livestock, forestry & logging and Fishing and aquaculture pertaining to the sector.

1.2 Basis and Approach to State Finances Audit Report

In terms of Article 151 (2) of the Constitution of India, Reports of the Comptroller and Auditor General of India (CAG) relating to the accounts of a State are to be submitted to the Governor of the State, who shall cause them to be laid before the Legislature of the State. State Finances Audit Report (SFAR) of Assam for the year ending 31 March 2023 has been prepared by the CAG for submission to the Governor of Assam 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 functioning under the control of the State Government, and the statements received from the Reserve Bank of India. These accounts are audited independently by the Accountant General (Audit), and certified by the CAG.

Finance Accounts and Appropriation Accounts of the State for the year 2022-23 constitute the core data for this Report. Other sources include the following:

- Budget of the State for the year 2022-23 forms an important source of data, both 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 Accountant General (Audit), Assam at the State Secretariat as well as at the field level during the year;
- 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 during 2018-23 have also been used to prepare this analysis/ commentary as considered appropriate.
- The analysis has been carried out in the context of recommendations of the Finance Commission (FC), Assam Fiscal Responsibility and Budget Management (AFRBM) Act, and best practices and guidelines of Government of India.

A Joint meeting among the Officers of the O/o the AG (Audit), Assam, O/o the PAG (A&E), Assam and Finance Department, Government of Assam was held on 08 September 2023 wherein audit approach was explained to the Finance Department and subsequently, the draft Report was forwarded to the State Government on 06 November 2023 for comments. Further, an exit conference was also held on

01 December 2023 with the Secretary to Government of Assam, Finance Department. The replies of the Government, where received, have suitably been incorporated in this Report.

1.3 Overview of Government Account Structure and Budgetary Processes

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

I. Consolidated Fund of the State {Article 266 (1) of the Constitution of India}

This Fund comprises all revenues received by the State Government, all loans raised by the State Government (market loans, bonds, loans from the Central Government, loans from Financial Institutions, Special Securities issued to National Small Savings Fund, *etc.*), Ways and Means Advances extended by the Reserve Bank of India and all moneys received by the State Government in repayment of loans. No moneys can be appropriated from this Fund except in accordance with law and for the purposes and in the manner provided by the Constitution of India. Certain categories of expenditure (*e.g.*, salaries of Constitutional authorities, loan repayments, *etc.*), constitute a charge on the Consolidated Fund of the State (Charged expenditure) and are not subject to vote by the Legislature. All other expenditure (Voted expenditure) is voted by the Legislature.

II. Contingency Fund of the State {Article 267 (2) of the Constitution of India}

This Fund is in the nature of an imprest, which is established by the State Legislature by law, and is placed at the disposal of the Governor to enable advances to be made for meeting unforeseen expenditure pending authorisation of such expenditure by the State Legislature. The fund is recouped by debiting the expenditure to the concerned functional major head relating to the Consolidated Fund of the State.

III. Public Account of the State {Article 266 (2) of the Constitution}

Apart from the above, all other public moneys received by or on behalf of the Government, where the Government acts as a banker or trustee, are credited to the Public Account. The Public Account includes repayables like Small Savings and Provident Funds, Deposits (bearing interest and not bearing interest), Advances, Reserve Funds (bearing interest and not bearing interest), Remittances and Suspense heads (both of which are transitory heads, pending final booking). The net cash balance available with the Government is also included under the Public Account. The Public Account is not subject to the vote of the Legislature.

Budget Document

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 expenditure 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 revenue account from other expenditure.

Revenue Receipts consist of Tax Revenue comprising Own Tax Revenue & State’s Share of Union Taxes/ Duties, Non-Tax revenue 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 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).

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.*; and
- **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 Public Sector Enterprises (PSEs) and other parties.

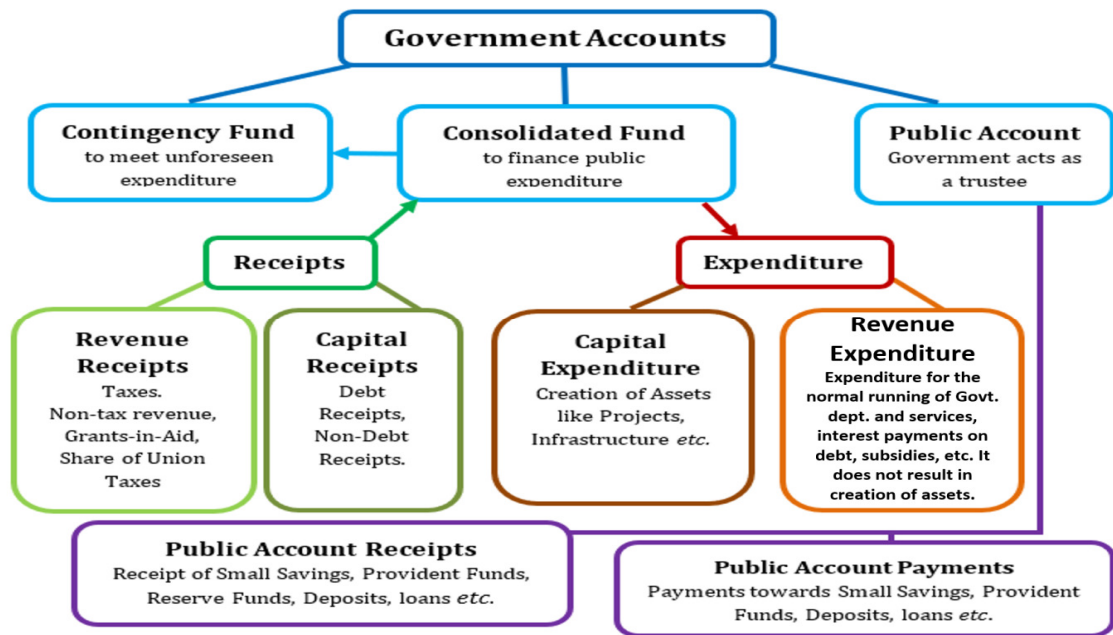
At present, we have an accounting classification system in government that is both functional and economic.

Attribute of transaction		Classification followed in Assam Government Accounts
Standardised in List of Major and Minor Heads by CGA	Function- Education, Health, <i>etc.</i> / Department	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 (4-digit)
	Sub scheme	Sub-Sub-Head (3-digit)
	Economic nature/ Activity	Detailed Head (2-digit); Sub-Detailed Head (2-digit)

The functional classification lets us know the department, function, scheme or programme, and object of the expenditure. Economic classification helps organise 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. For instance, generally “salary” object head is Revenue Expenditure, “construction” object head is capital expenditure. Object head is the primary unit of appropriation in the budget documents. It also indicates the economic activity of the Government.

A pictorial depiction of the structure of Government Accounts is given in **Chart 1.4**.

Chart 1.4: Structure of Government Accounts



Public Debt and Public Liability: In this Report, ‘Public Debt’ has been taken to comprise market borrowings, institutional loans, special securities issued to National Small Savings Fund (NSSF), loan given by Central Government, *etc.* For this purpose, the Major Heads (MH) 6003 and 6004- Public Debt have been taken into consideration.

Further, the transactions relating to ‘Small Savings, Provident Fund, *etc.*’, ‘Reserve Funds’ and ‘Deposit and Advances’ under Public Account are such that the Government incurs a liability to repay the moneys received or has a claim to recover the amounts paid. The transactions relating to ‘Remittances’ and ‘Suspense’ under Public Account, includes merely adjusting heads such as transaction as remittances of cash between treasuries and currency chests and transfer between different accounting circles.

In this Report, ‘Public Liability’ has been taken to include the transactions under MHs 8001 to 8554 relating to ‘Small Savings, Provident Fund, *etc.*’, ‘Reserve Funds’ and ‘Deposit and Advances’ along with the transactions under MHs 6003 and 6004.

Budgetary Processes

In terms of Article 202 of the Constitution of India, the Governor of Assam causes to be laid before the State Legislature, a statement of the estimated receipts and expenditure of the State 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.

Assam 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 the budget and implementation of other budgetary initiatives of the State Government are detailed in **Chapter III** of this Report.

1.3.1 Snapshot of State Finances

Table 1.2 provides the details of actual audited financial results of 2022-23 *vis-à-vis* Budget Estimates (BEs) for the year 2022-23 and actuals of 2021-22.

Table 1.2: Comparison with Budget Estimates and Actuals

Sl. No.	Components	(₹ in crore)					Growth over previous year
		2021-22 (Actuals)	2022-23 (BEs)	2022-23 (Actuals)	Percentage of Actuals to		
					BEs	GSDP	
1	Tax Revenue (i + ii)	47,683.65	47,930.04	54,196.28	113.07	10.99	13.66
	(i) Own Tax Revenue	19,533.10	22,385.24	24,502.02	109.46	4.97	25.44
	(ii) Share of Union taxes/duties	28,150.55	25,544.80	29,694.26	116.24	6.02	5.48
2	Non-Tax Revenue	3,579.75	6,676.66	5,761.31	86.29	1.17	60.94
3	Grants-in-Aid and Contributions	28,551.79	45,055.82	29,784.71	66.11	6.04	4.32
4	Revenue Receipts (1+2+3)	79,815.19	99,662.52	89,742.30	90.05	18.20	12.44
5	Recovery of Loans and Advances	3,099.49	11.84	5.07	42.82	0.00	-99.84
6	Other Receipts	0.00	0.00	0.00	0.00	0.00	0.00
7	Borrowings	16,670.15	19,353.59	28,270.02	146.07	5.73	69.58
8	Capital Receipts (5+6+7)	19,769.64	19,365.43	28,275.09	146.01	5.73	43.02
9	Total Receipts (4+8)	99,584.83	1,19,027.95	1,18,017.39	99.15	23.93	18.51
10	Revenue Expenditure	82,547.96	96,367.05	1,01,814.65	105.65	20.65	23.34
11	Of which, Interest payments	6,051.47	7,533.65	6,874.97	91.26	1.39	13.61
12	Capital Expenditure	20,125.83	18,371.01	15,997.71	87.08	3.24	-20.51
13	Loan and advances disbursed	104.01	290.27	339.84	117.08	0.07	226.74
14	Appropriation to Contingency Fund	-	1,800.00	1,800.00	100.00	0.36	0.00
15	Total Expenditure (10+12+13+14)	1,02,777.80	1,16,828.33	1,19,952.20	102.67	24.32	16.71
16	Revenue Deficit (-)/ Surplus (+) (4-10)	-2,732.77	3,295.47	-12,072.35	-366.33	-2.45	341.76
17	Fiscal Deficit {(4+5+6)-15}	-19,863.12	-17,153.97	-30,204.83	176.08	-6.12	52.06
18	Primary Deficit (17+11)	-13,811.65	-9,620.32	-23,329.86	242.51	-4.73	68.91

Source: Finance Accounts and Budget documents

During 2022-23, Revenue Receipts of the State though increased by 12 *per cent* over the previous year, fell short of BEs by 10 *per cent* during the year. During 2022-23, Revenue Expenditure (₹ 1,01,814.65 crore) exceeded the Revenue Receipts (₹ 89,742.30 crore), thereby resulting into revenue deficit of ₹ 12,072.35 crore.

1.3.2 Snapshot of Assets and Liabilities of the Government

Government accounts capture the financial liabilities of the Government and the assets created out of the expenditure incurred. *Appendix 1.3* gives an abstract of such liabilities and assets as on 31 March 2023, compared with the corresponding position of previous year. The liabilities consist mainly of internal borrowings, loans and advances from GoI, receipts from public account and reserve funds, and the assets comprise mainly the capital expenditure and loans and advances given by the State Government and cash balances.

Table 1.3 provides a summarised position of Assets and Liabilities of the State during 2021-22 and 2022-23.

Table 1.3: Summarised position of Assets and Liabilities

(₹ in crore)

Liabilities				Asset			
Components	As on 31 March 2022	As on 31 March 2023	Increase (+)/ Decrease (-) (%)	Components	As on 31 March 2022	As on 31 March 2023	Increase (+)/ Decrease (-) (%)
Consolidated Fund							
Internal Debt	77,780.15	94,443.49	21.42	Gross Capital Outlay	1,05,443.53	1,21,441.23	15.17
Loans and Advances from GoI*	5,055.86	9,331.68	84.57	Loans and Advances disbursed	3,146.76	3,481.53	10.64
Contingency Fund							
Contingency Fund	200.00	2,000.00	900.00	-	-	-	-
Public Account							
Small Savings, Provident Funds, etc.	14,646.90	14,747.07	0.68	Civil Advances	3,482.07	2,921.43	-16.10
Deposits	3,909.17	4,370.94	11.81	Remittances	765.08	827.21	8.12
Reserve Funds	4,251.16	7,226.70	69.99	Suspense and Miscellaneous	1,179.10	952.53	-19.22
Remittances	-	-	-	-	-	-	-
Surplus on Government Account	17,606.00	3,733.65	-78.79	Cash balances (incl. investment in Earmarked Fund)	9,432.70	6,229.60	-33.96
Total	1,23,449.24	1,35,853.53	10.05	Total	1,23,449.24	1,35,853.53	10.05

Source: Finance Accounts

* It includes back-to-back loans in lieu of GST Compensation shortfall of ₹2,767.87 crore received from GoI during 2020-21 (₹ 994.00 crore) and 2021-22 (₹ 1,773.87 crore).

1.4 Fiscal Balance: Achievement of Deficit and total debt targets

When a government spends more than it collects by way of revenue, it incurs a deficit. There are various measures that capture government deficit.

Deficits are financed by borrowing giving rise to government debt. The concepts of deficits and debt are closely related. Deficits can be thought of as a flow which add to the stock of debt. If the government continues to borrow year after year, it leads to accumulation of debt and the government has to pay more and more by way of interest. These interest payments themselves contribute to the debt.

By borrowing, the government entails the burden of reduced consumption on future generations. This is because it borrows by issuing bonds to the people living at present but may decide to pay off the bonds some twenty years later by raising taxes or reducing expenditure. Also, Government borrowings from people reduce the savings available to the private sector. To the extent that this reduces capital formation and growth, debt acts as a 'burden' on future generations.

However, if Government deficits succeed in their goal of raising production, there will be more income and, therefore, more savings. In this case, both government and industry can borrow more. Also, if the government invests in infrastructure, future generations may be better off, provided the return on such investments is greater than the rate of interest. The actual debt could be paid off by the growth in output. The debt should not then be considered burdensome. The growth in debt will have to be judged by the growth of the economy (State GDP) as a whole.

Government deficit can be reduced by an increase in taxes or reduction in expenditure. This could be achieved through making government activities more efficient through better planning of programmes and better administration.

The Central and individual State Governments have passed Fiscal Responsibility and Budget Management (FRBM) Act 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.

In May 2005, the State Government enacted AFRBM Act to ensure long-term financial stability by achieving revenue surplus, containing fiscal deficit and prudent debt management. The Act was subsequently amended eight times, with the latest amendment being in April 2022.

As per the AFRBM Act, 2011, the State Government was to eliminate Revenue Deficit by 2011-12 and maintain Revenue Surplus thereafter; reduce Fiscal Deficit to three *per cent* of the estimated GSDP by 2010-11 and maintain the same level thereafter. Further, the Act envisaged that the State Government would limit the total outstanding debt to GSDP to 28.40 *per cent* in 2012-13 and maintain that in 2013-14. With effect from 2014-15, this ratio was to be 28.50 *per cent* of GSDP. Further, as per AFRBM Act, 2022, target for outstanding debt to GSDP ratio was enhanced from 28.50 *per cent* to 32 *per cent* for the next five years starting from the financial year 2022-23.

The amendment to the AFRBM Act in April 2017 incorporated the recommendations of the XIV FC relating to limit of Fiscal Deficit recommended for the States during its award period (2015-16 to 2019-20). The Act provided room for deviation from the annual Fiscal Deficit target up to 3.50 *per cent* under certain conditions, with the Fiscal Deficit anchored to an annual limit of three *per cent* of GSDP in any financial year. The XV FC also recommended that the State Government should comply with the recommended path of debt consolidation and must abide by the definition of both debt and fiscal deficit as contained in the FRBM Act.

Further, as per AFRBM Act, 2021, the State shall be allowed normal Net Borrowing Ceiling (NBC) of four *per cent* of projected GSDP for the year 2021-22. In the beginning of the financial year 2021-22, the State shall be allowed borrowing permission based on 3.50 *per cent* of GSDP. The remaining borrowing ceiling of 0.50 *per cent* of GSDP is earmarked for incremental Capital Expenditure by the State and shall be allowed on the basis of Capital Expenditure incurred by the State during the year 2021-22.

Further, as per AFRBM Act, 2022, the additional borrowing ceiling of 0.50 *per cent* of GSDP over and above the prescribed limit of fiscal deficit for the financial years 2022-23 to 2024-25 shall be allowed based on Power Sector based performance.

The targets relating to key fiscal parameters envisaged in the amended AFRBM Act and their achievement during the five-year period from 2018-19 to 2022-23 are given in **Table 1.4**.

Table 1.4: Compliance with provisions of AFRBM Act

Fiscal Parameters	Fiscal targets set in the Act	Achievement (₹ in crore)				
		2018-19	2019-20	2020-21	2021-22	2022-23
Revenue Deficit (-) / Surplus (+) (₹ in crore)	Revenue Surplus	6,580	-1,322 [#]	383	-2,733	-12,072
		✓	✗	✓	✗	✗
Fiscal Deficit (-) (as per cent of GSDP)	3.5 per cent (2017-20)	-4,779	-14,916	-12,102	-19,863	-30,205
	5.5 per cent (2020-21)	(-1.54)	(-4.30)	(-3.42)	(-4.81)	(-6.12)
	4.5 per cent (2021-22)	✓	✗	✓	✗	✗
	3.5 per cent (2022-23)*	✓	✗	✓	✗	✗
Ratio of total outstanding liability to GSDP (in per cent)	28.50 per cent (up to 2021-22)	19.21	20.83	24.72	24.22	24.98**
	32.00 per cent (2022-23 to 2026-27)	✓	✓	✓	✓	✓

Source: Finance Accounts

* Target of three per cent as per AFRBM Act, 2022.

**Outstanding liability includes off-budget borrowing of ₹ 1091.24 crore and excludes back-to-back loan by GoI in lieu of GST Compensation shortfall

[#]The figure and other related figures in the Report was modified due to accounting of UDAY transactions in FY 2021-22 instead of FY 2019-20 as communicated vide GoA order dated 30 March 2022.

The State could achieve Revenue Surplus only during two years out of the five-year period from 2018-19 to 2022-23. During 2022-23, the State had a Revenue Deficit of ₹ 12,072.35 crore. However, this deficit was understated and is to be viewed in the light of non-discharge of Interest liabilities by the State Government, misclassification of revenue items under capital category and *vice versa*, short contribution of Government share to NPS, *etc.*, as detailed in **Table 1.7**.

The State was successful in containing the Fiscal Deficit below the target fixed under AFRBM Act only in two years out of the last five years. During the current year *i.e.*, 2022-23, Fiscal Deficit of the State stood at 6.12 per cent of GSDP, which was significantly above the target of 3.5 per cent fixed under AFRBM Act, 2022.

During the five-year period from 2018-19 to 2022-23, outstanding liability of the State remained consistently below 28.50 per cent of GSDP from 2018-19 to 2021-22 and below 32.00 per cent of GSDP of 2022-23, *i.e.*, within the norms prescribed in the AFRBM Act, 2011 and AFRBM Act, 2022 respectively. The outstanding liability of the State as on 31 March 2023 was ₹ 1,23,214.80 crore.

During Exit Conference (December 2023), the Secretary to the Finance Department stated that the significant borrowings made by the State led to higher Fiscal Deficit to GSDP ratio during the year.

The projections made in the State budget *vis-à-vis* achievements in respect of major fiscal aggregates with reference to GSDP during 2022-23 are given in **Table 1.5**.

Table 1.5: Targets vis-à-vis achievements in respects of major fiscal aggregates during 2022-23

Fiscal variable	Projections in the Budget	Actuals	Percentage variation of actuals over projections
Revenue Deficit/ GSDP (per cent)	(-) 0.68	(-) 2.45	(-) 1.77
Fiscal Deficit/ GSDP (per cent)	(-) 3.19	(-) 6.12	(-) 2.93
Total Outstanding liability/ GSDP (per cent)	25.74	24.98	(-) 0.76

Source: Annual Financial Statement and Finance Accounts

During the year 2022-23, Government of Assam was unable to contain the revenue deficit-GSDP and fiscal deficit-GSDP ratios within those projected in the BEs. However, ratio of total outstanding liability to GSDP of the State during the year remained within the projections made in the budget.

As per the AFRBM Act, the State Government has to lay before the State Legislature, a five-year Fiscal Plan along with the Annual Budget. The Medium-Term Fiscal Plan (MTFP) has to set forth a five-year rolling target for the prescribed fiscal indicators.

Table 1.6 indicates the variation between the projections made for 2022-23 in MTFP presented to the State Legislature along with the Annual Budget for 2022-23 and Actuals for the year.

Table 1.6: Actuals vis-à-vis projection in MTFP for 2022-23

(₹ in crore)				
Sl. No.	Fiscal Variables	Projection as per MTFP	Actuals (2022-23)	Variation (in per cent)
1	Tax Revenue (i + ii)	47,930.04	54,196.28	13.07
	(i) Own Tax Revenue	22,385.24	24,502.02	9.46
	(ii) Share of Central Taxes	25,544.80	29,694.26	16.24
2	Non-Tax Revenue	6,676.66	5,761.31	(-) 13.71
3	Grants-in-Aid from GoI	45,055.82	29,784.71	(-) 33.89
4	Revenue Receipts (1+2+3)	99,662.52	89,742.30	(-) 9.95
5	Revenue Expenditure	96,367.05	1,01,814.65	5.65
6	Revenue Deficit (-)/ Surplus (+) (4-5)	3,295.47	(-) 12,072.35	(-) 466.33
7	Fiscal Deficit (-)/ Surplus (+)	(-) 15,353.97	(-) 30,204.83	96.72
8	Debt-GSDP ratio (per cent)	25.74	24.98	(-) 2.95
9	GSDP growth rate at current prices (per cent)	27.73	19.52	(-) 29.61

Source: Finance Accounts and Budget documents

As can be seen from **Table 1.6**, the projections made in MTFP relating to two key fiscal parameters *i.e.*, Revenue Surplus and Fiscal Deficit deviated significantly by 466 per cent and 97 per cent respectively during 2022-23. MTFP projection relating to Debt-GSDP ratio was met, with the year ending at a lower Debt-GSDP ratio. However, MTFP projection towards GSDP growth was not met as the actual GSDP growth was lower than that of projection under MTFP.

The trends of key surplus and deficits parameters over the five-year period from 2018-19 to 2022-23 are depicted in **Chart 1.5** and trends in surplus or deficit relative to GSDP are given in **Chart 1.6**.

Chart 1.5: Trends in Surplus/ Deficit

(₹ in crore)

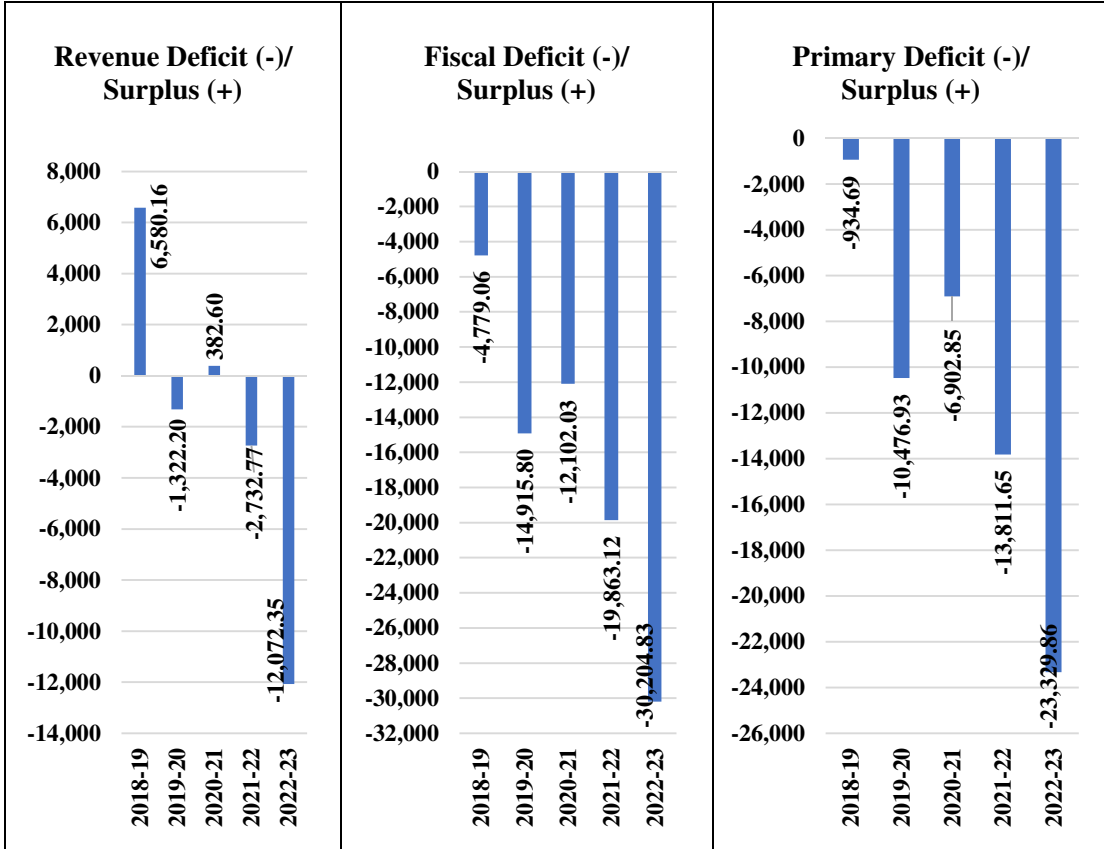
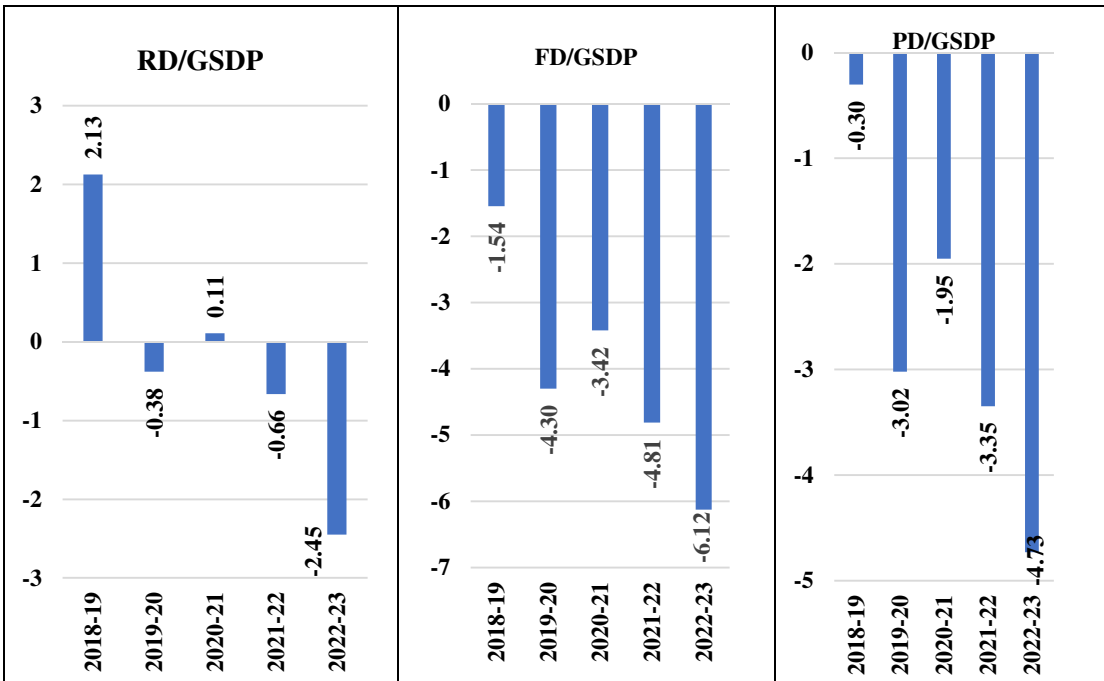


Chart 1.6: Trends in Surplus/ Deficit relative to GDP



During the year, the State had a Revenue Deficit of ₹ 12,072.35 crore³ as against the Revenue Deficit of ₹ 2,732.77 crore during the previous year. There was a significant increase in Fiscal Deficit of the State during the year as it increased to ₹ 30,204.83 crore

³ To be read with post audit deficits as detailed in paragraph 1.5

during 2022-23, or 6.12 *per cent* of the GSDP, as compared to ₹ 19,863.12 crore during the previous year, and constituted 25.18 *per cent* of Total Expenditure. The Primary Deficit of the State also increased significantly from ₹ 13,811.65 crore in 2021-22 to ₹ 23,329.86 crore in 2022-23 and stood at 4.73 *per cent* of GSDP.

1.4.1 Performance of the State Government with respect to borrowings according to the limits fixed by Government of India

Article 293 (3) of the Constitution of India, *inter alia*, provides that a State may not raise any loan without the consent of Government of India (GoI) if any part of a loan, which has been made to the State by GoI, is still outstanding.

The GoI, Ministry of Finance, Department of Expenditure fixed (₹ 20,092 crore) as Open Market Borrowing (OMB) ceiling of the State Government for the financial year 2022-23. This includes additional borrowing of 0.50 *per cent* of the GSDP allowed during the year for performance in power sector performance.

As per statement 6 of the Finance Accounts *viz.*, statement of borrowings and other liabilities, incremental borrowings and other liabilities of the State Government were ₹ 19,437.10 crore during the financial year 2022-23 which remained within the borrowing ceiling fixed by GoI.

1.5 Deficits post examination by Audit

As per the FRBM Act, the State Government must ensure compliance to the targets fixed for the fiscal indicators such as deficits, ceiling on debt and on guarantees, *etc.* The Revenue Deficit and Fiscal Deficit as worked out for the State get impacted due to various circumstances such as misclassification of Revenue Expenditure as capital and *vice-versa* and off-budget fiscal operations. Besides, deferment of clear-cut liabilities, short contribution to National Pension System (NPS), sinking and guarantee redemption funds, *etc.* also impacts the revenue and fiscal deficit figures.

The impact on Revenue Surplus and Fiscal Deficit due to misclassification, short contribution to earmarked funds and non-discharge of interest liabilities during 2022-23 is shown in **Table 1.7**.

Table 1.7: Revenue and Fiscal Deficit, post examination by Audit

(₹ in crore)

Sl. No.	Particulars	Impact on Revenue Deficit (Understated (-)/ overstated (+))	Impact on Fiscal Deficit (Understated (+))
1	Major works budgeted/ booked under Revenue Section instead of Capital	(+) 21.80	
2	Minor works budgeted/ booked under Capital Section instead of Revenue	(-) 72.51	
3	Maintenance Expenditure classified as Capital instead of Revenue	(-) 9.37	
4	Grants-in-Aid given by the State Government booked under Capital Section instead of Revenue Section	(-)6,668.99	
5	Non discharge of Interest liabilities	(-) 92.13	(+) 92.13

Sl. No.	Particulars	Impact on Revenue Deficit (Understated (-)/ overstated (+))	Impact on Fiscal Deficit (Understated (+))
6	Short contribution to Government share to NPS	(-) 28.88	(+) 28.88
7	Non-transfer of Central Government grant towards Central Road Infrastructure Fund (CRIF)	(-) 15.18	(+) 15.18
Total (Net) impact		6,865.26	136.19

Source: Finance Accounts

As per IGAS 2 notified by Government of India on 19 May 2011, Grants-in-Aid disbursed by a grantor shall be classified and accounted for as Revenue Expenditure irrespective of the purpose for which the funds disbursed as Grants-in-Aid are to be spent by the grantee, except in cases where it has been specifically authorised by the President on the advice of the Comptroller and Auditor General of India. It is observed that Grants-in-Aid of ₹ 6,668.99 crore was budgeted and expended under Capital Section instead of Revenue Section, in violation of IGAS-2. The issue of GIA being budgeted and expended under Capital Section year after year, but the State Government has not taken any remedial action in this regard.

As can be seen from **Table 1.7**, there was an understatement of Revenue Deficit by ₹ 6,865.26 crore during the year. Thus, after taking into account the items of misclassification during the year as brought out in the table above, the State should have a Revenue Deficit of ₹ 18,937.61 crore during 2022-23 instead of reported Revenue Deficit of ₹ 12,072.35 crore.

Further, Fiscal Deficit of the State was also understated by ₹ 136.19 crore during 2022-23. If this is taken into account, the actual Fiscal Deficit would have been ₹ 30,341.02 crore instead of ₹ 30,204.83 crore as reported in the Finance Accounts of 2022-23. Further, ratio of Fiscal Deficit to GSDP could have been 6.15 *per cent* instead of 6.12 *per cent* as reported in the Finance Accounts of the year.

During Exit Conference (December 2023), the Secretary to the Finance Department assured that the Department would rectify the cases of misclassification in the next budget and would examine the issue of booking of expenditure incurred through GIA under Object Heads 31, 32 and 35 of Revenue Section only. However, the Secretary maintained that when ownership of capital assets created through GIA rests with the State Government, it may be classified as Capital Expenditure only. In this regard, the Secretary shared the OM dated 12th February 2010 of Ministry of Finance, Government of India which has allowed booking of expenditure relating to Grants for creation of capital assets under the object head 35.

Audit analysed GoI's above notification dated 12 February 2010 and noticed that the said Notification did not allow booking of expenditure from GIA under detailed head 35 of Capital Section and, thus, concluded that expenditure incurred from Grant-in-Aid should be booked under Revenue Section only under appropriate detailed heads *i.e.*, 31, 32 and 35 as per provision of IGAS 2 notified by GoI subsequently on 19th May 2011.

1.6 Total Outstanding Liabilities

The total outstanding liabilities of the State were ₹ 1,23,214.80 crore as of 31 March 2023. Further details *i.e.*, components and sub-components of outstanding liabilities are given in **Table 1.8**.

Table 1.8: Components of Outstanding Liabilities

Borrowings and other liabilities as per Finance Accounts	Amount (₹ in crore)
Internal Debt (A)	94,443.52
Market Loans bearing interest	82,639.00
Market Loans not bearing interest	0.01
Loans from other Institutions, <i>etc.</i>	6,869.77
Special Securities issued to the National Small Savings Fund of the Central Government	4,934.74
Loans and Advances from Central Government (B)	6,563.82
Non-plan Loans	87.38
Loans for Central Plan Schemes	0.08
Loans for Special Schemes	61.57
Pre-1984-85 Loans	0.25
Other loans for States/Union Territory with Legislative Scheme*	6,414.54
Liabilities upon Public Account (C)	21,116.22
Small Savings, Provident Funds, <i>etc.</i>	14,747.06
Deposits	4,370.94
Reserve Funds	1,998.22
Off-budget borrowing (D)**	1,091.24
Total (A+B+C+D)	1,23,214.80

Source: Finance Accounts

*Excludes loan of ₹ 994.00 crore and ₹ 1,773.87 crore given as back-to-back loan by Government of India during 2020-21 and 2021-22 respectively.

** As of 31 March 2023, Assam Infrastructure Financing Authority had made off-budget borrowing of ₹ 1,091.24 crore from NABARD

1.7 Conclusion

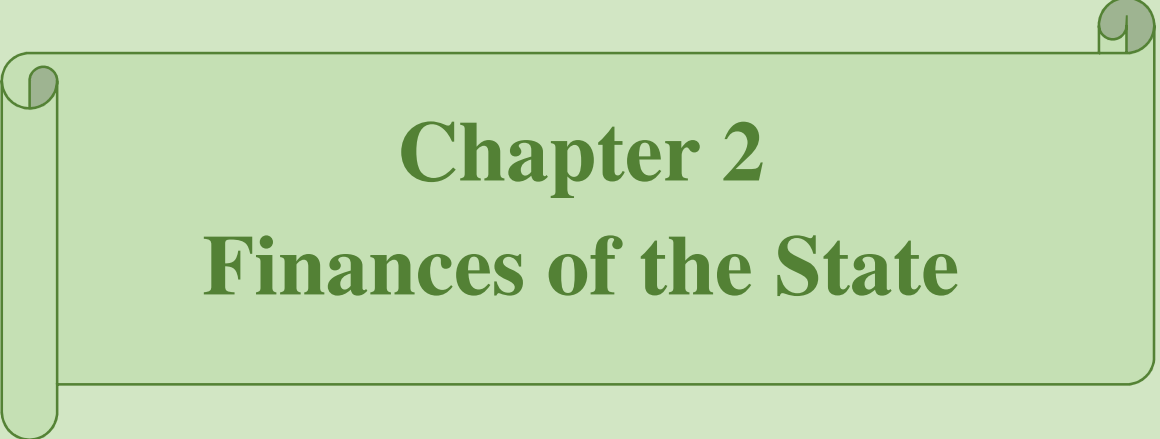
- The GSDP of Assam grew from ₹ 3,09,336.32 crore in 2018-19 to ₹ 4,93,166.60 crore in 2022-23 with CAGR of 12.37 *per cent* against the national CAGR of 9.57 *per cent*.
- The State could achieve Revenue Surplus in only two years out of the five-year period from 2018-19 to 2022-23. During 2022-23, the State had a Revenue Deficit of ₹ 12,072.35 crore against a Revenue Deficit of ₹ 2,732.77 crore in 2021-22.
- The State was successful in containing the Fiscal Deficit below the target fixed under AFRBM Act in two out of the last five years. During the current year *i.e.*, 2022-23, Fiscal Deficit of the State stood at 6.12 *per cent* of GSDP, which was significantly above the borrowing limit of 3.50 *per cent* fixed under AFRBM Act, 2022. In absolute terms, Fiscal Deficit increased by ₹ 10,341.71 crore (52.06 *per cent*) from ₹ 19,863.12 crore in 2021-22 to ₹ 30,204.83 crore in 2022-23.
- During the five-year period 2018-23, outstanding debt of the State remained consistently below 28.50 *per cent* of GSDP, *i.e.*, within the norms prescribed in the AFRBM Act. However, the outstanding debt during 2022-23

(₹ 1,23,214.80 crore) increased by ₹ 23,296.26 crore (23.32 per cent) as compared to ₹ 99,918.54 crore during 2021-22.

- There was an understatement of Revenue Deficit by ₹ 6,865.26 crore during the year. After taking into account the items of misclassification during the year, the State should have a Revenue Deficit of ₹ 18,937.61 crore during 2022-23 instead of reported Revenue Deficit of ₹ 12,072.35 crore.
- Fiscal Deficit of the State was also understated by ₹ 136.19 crore during 2022-23. If this is taken into account, the actual Fiscal Deficit would have been ₹ 30,341.02 crore instead of ₹ 30,204.83 crore. Further, ratio of Fiscal Deficit to GSDP would have been 6.15 per cent instead of 6.12 per cent.

1.8 Recommendations

- The State Government may make concrete efforts to augment own resources of revenue to bridge the mismatch between revenue receipts and expenditure and reduce its fiscal deficit.*
- The State Government needs to ensure budgeting and booking of Grants-in-Aid under Revenue Section as per IGAS-2.*
- The State Government may consider discharging of its interest liabilities on time.*



Chapter 2
Finances of the State

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 five-year period from 2018-19 to 2022-23, debt sustainability of the State and key Public Account transactions, based on the Finance Accounts of the State. Information was also obtained from the State Government where necessary.

2.1 Major changes in Key Fiscal Aggregates during 2022-23 vis-à-vis 2021-22

Table 2.1 gives a bird's eye view of the major changes in key fiscal aggregates of the State during the financial year, compared to the previous year.

Table 2.1: Changes in key fiscal aggregates in 2022-23 compared to 2021-22

Revenue Receipts	<ul style="list-style-type: none">➤ Revenue Receipts of the State increased by 12.44 per cent➤ Tax Revenue of the State increased by 13.66 per cent<ul style="list-style-type: none">○ Own Tax Receipts of the State increased by 25.44 per cent○ State's Share of Union Taxes and Duties increased by 5.48 per cent➤ Non-Tax Receipts increased by 60.94 per cent➤ Grants-in-Aid from Government of India increased by 4.32 per cent
Revenue Expenditure	<ul style="list-style-type: none">➤ Revenue Expenditure increased by 23.34 per cent➤ Revenue Expenditure on General Services decreased by 5.18 per cent➤ Revenue Expenditure on Social Services increased by 56.42 per cent➤ Revenue Expenditure on Economic Services increased by 17.50 per cent➤ Expenditure on Grants-in-Aid to Local bodies increased by 68.63 per cent
Capital Receipts	<ul style="list-style-type: none">➤ Debt Capital Receipt increased by 69.58 per cent➤ Non-debt Capital Receipts decreased by 99.84 per cent
Capital Expenditure	<ul style="list-style-type: none">➤ Capital Expenditure decreased by 20.51 per cent➤ Capital Expenditure on General Services increased by 122.71 per cent➤ Capital Expenditure on Social Services decreased by 12.08 per cent➤ Capital Expenditure on Economic Services decreased by 29.67 per cent
Loans and Advances	<ul style="list-style-type: none">➤ Recoveries of Loans and Advances decreased significantly by 99.84 per cent➤ Disbursements of Loans and Advances increased by 226.74 per cent
Public Debt	<ul style="list-style-type: none">➤ Public Debt Receipts increased by 69.58 per cent➤ Repayment of Public Debt increased by 107.86 per cent
Public Account	<ul style="list-style-type: none">➤ Public Account Receipts decreased by 32.82 per cent➤ Disbursements of Public Account decreased by 37.25 per cent
Cash Balance	<ul style="list-style-type: none">➤ Cash balance decreased by ₹ 3,203.10 crore (33.96 per cent)

Source: Finance Accounts

Each of the above indicators is analysed in the succeeding paragraphs.

2.2 Sources and Application of Funds

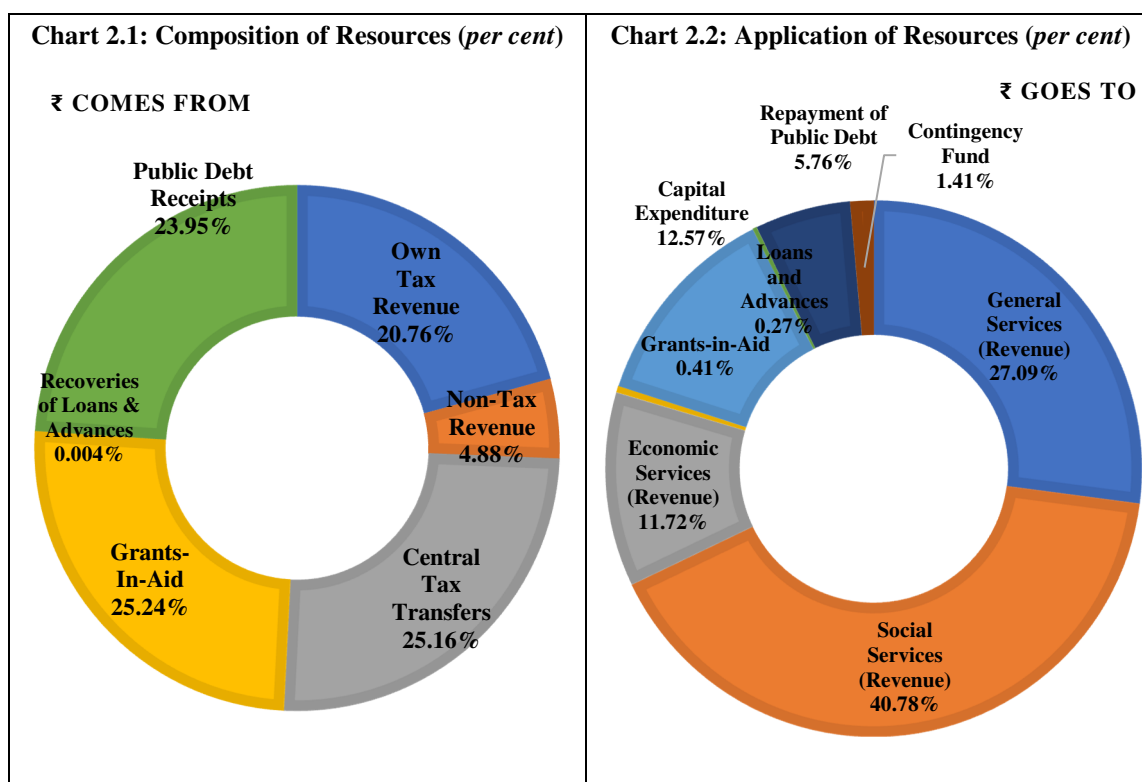
This section compares the components of the sources and application of funds of the State during the financial year compared to the previous year. Overall sources and application of funds of the State during 2022-23 are given in **Table 2.2** whereas sources and application of Consolidated Fund are depicted in **Chart 2.1** and **Chart 2.2** respectively.

Table 2.2: Details of Sources and Application of funds during 2021-22 and 2022-23

(₹ in crore)

	Particulars	2021-22	2022-23	Increase (+) / Decrease (-)
Sources	Opening Cash Balance with RBI	3,696.76	-1,826.58	-5,523.34
	Revenue Receipts	79,815.19	89,742.30	9,927.11
	Recoveries of Loans & Advances	3,099.49	5.07	-3,094.42
	Public Debt Receipts (Net)	13,143.25	20,939.17	7,795.92
	Contingency Fund Receipts	0.00	1,800.00	1,800.00
	Public Account Receipts (Net)	1,196.53	8,618.01	7,421.48
	Total	1,00,951.22	1,19,277.97	18,326.75
Application	Revenue Expenditure	82,547.96	1,01,814.65	19,266.69
	Capital Expenditure	20,125.83	15,997.71	-4,128.12
	Disbursements of Loans & Advances	104.01	339.84	235.83
	Appropriation to Contingency Fund	0.00	1,800.00	1,800.00
	Closing Cash Balance with RBI	-1,826.58	-674.23	1,152.35
	Total	1,00,951.22	1,19,277.97	18,326.75

Source: Finance Accounts



2.3 Resources of the State

The resources of the State are described below:

- 1. Revenue Receipts** consist of tax revenue (Own Tax revenue *plus* share of Union Taxes/ Duties), non-tax revenue and Grants-in-Aid from Government of India (GoI).
- 2. Capital Receipts** (debt and non-debt 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 Account 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.

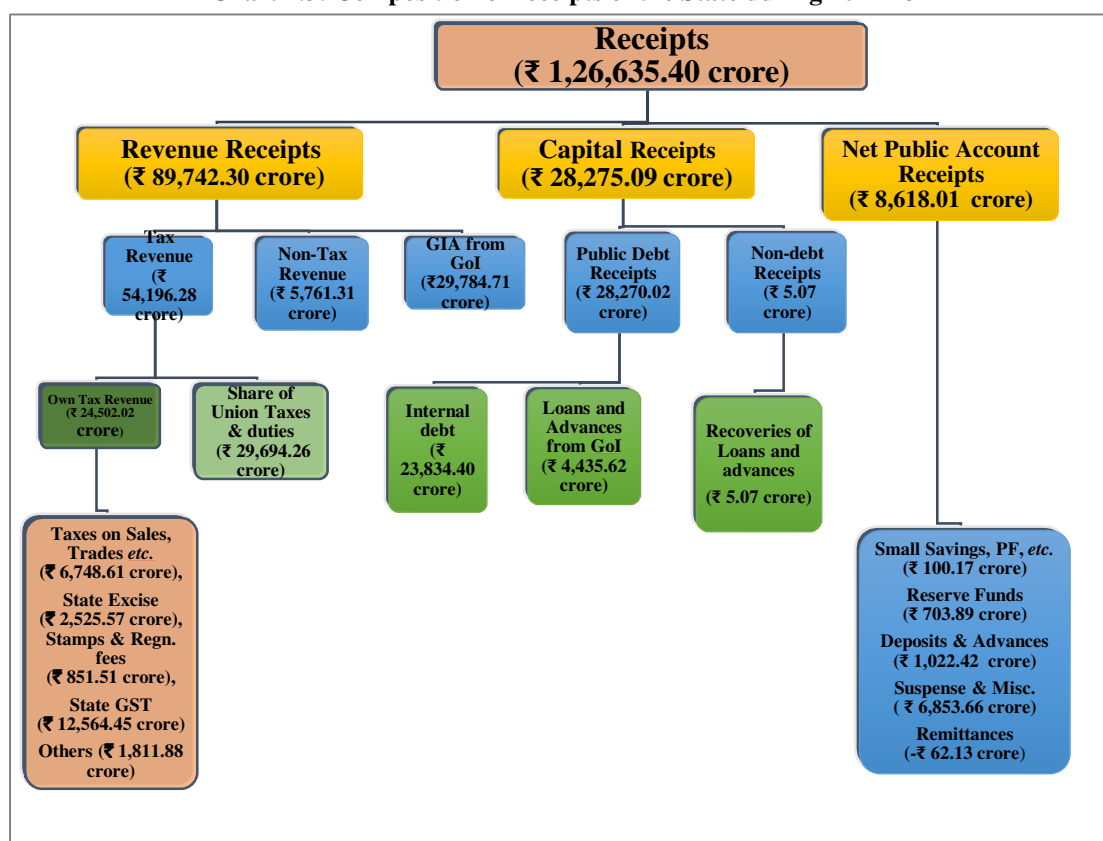
These are kept in the Public Account set up under Article 266 (2) of the Constitution and are not subject to vote by the State Legislature. Here, the Government acts as a banker. The balance after disbursements is the fund available with the Government for use.

2.3.1 Receipts 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 receipts and disbursement made from it) are also utilised by the Government to finance its deficit.

Composition of receipts of the State during 2022-23 is given in **Chart 2.3**.

Chart 2.3: Composition of receipts of the State during 2022-23



Source: Finance Accounts

Out of the total resources of ₹ 1,26,635.40 crore of the State Government during the year 2022-23, Revenue Receipts (₹ 89,742.30 crore) constituted 70.87 per cent. Capital Receipts (₹ 28,275.09 crore) and net Public Account Receipts (₹ 8,618.01 crore) constituted 22.33 per cent and 6.80 per cent of the total resources respectively.

2.3.2 State's Revenue Receipts

This paragraph gives the trends in total Revenue Receipts and its components. It is followed by trends in the receipts bifurcated into receipts from the central government and State's own receipts. Wherever necessary, sub-paragraphs are included.

2.3.2.1 Trends and growth of Revenue Receipts

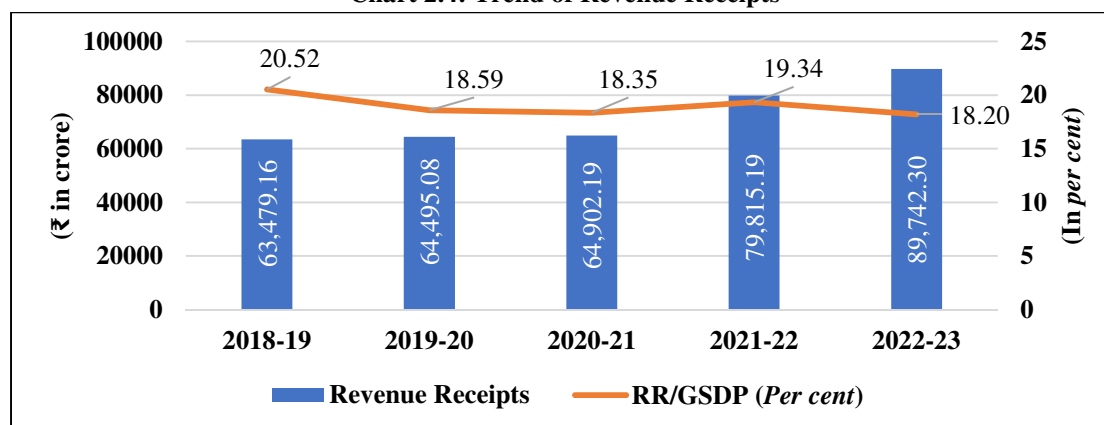
Table 2.3 provides the trends and growth of Revenue Receipts as well as revenue buoyancy with respect to GSDP over the five-year period 2018-23. Further, trends in Revenue Receipts relative to GSDP and composition of Revenue Receipts are given in **Charts 2.4** and **2.5** respectively.

Table 2.3: Trend in Revenue Receipts

Parameters	2018-19	2019-20	2020-21	2021-22	2022-23
Revenue Receipts (RR) (₹ in crore)	63,479.16	64,495.08	64,902.19	79,815.19	89,742.30
Rate of growth of RR (<i>per cent</i>)	17.27	1.60	0.63	22.98	12.44
Tax Revenue	41,140.70	38,250.13	35,762.93	47,683.65	54,196.28
<i>Own Tax Revenue (₹ in crore)</i>	<i>15,924.85</i>	<i>16,528.69</i>	<i>17,133.61</i>	<i>19,533.10</i>	<i>24,502.02</i>
<i>State's share in Union taxes and duties (₹ in crore)</i>	<i>25,215.85</i>	<i>21,721.44</i>	<i>18,629.32</i>	<i>28,150.55</i>	<i>29,694.26</i>
Non-Tax Revenue (₹ in crore)	8,221.29	5,539.34	2,899.61	3,579.75	5,761.31
Grants-in-Aid from GoI	14,117.17	20,705.61	26,239.65	28,551.79	29,784.71
Own Revenue (Own Tax and Non-tax Revenue)	24,146.14	22,068.03	20,033.22	23,112.85	30,263.33
Rate of growth of Own Revenue (<i>per cent</i>)	39.67	-8.61	-9.22	15.37	30.94
Gross State Domestic Product (₹ in crore) (2011-12 Series)	3,09,336.32	3,46,850.68	3,53,605.42 (P.E.II)	4,12,611.87 (Q.E)	4,93,166.60 (A.E)
Rate of growth of GSDP (<i>per cent</i>)	9.24	12.13	1.95	16.69	19.52
RR/GSDP (<i>per cent</i>)	20.52	18.59	18.35	19.34	18.20
Buoyancy Ratios⁴					
Revenue Buoyancy w.r.t GSDP	1.87	0.13	0.32	1.38	0.64
State's Own Revenue Buoyancy w.r.t GSDP	4.29	-0.71	-4.73	0.92	1.58

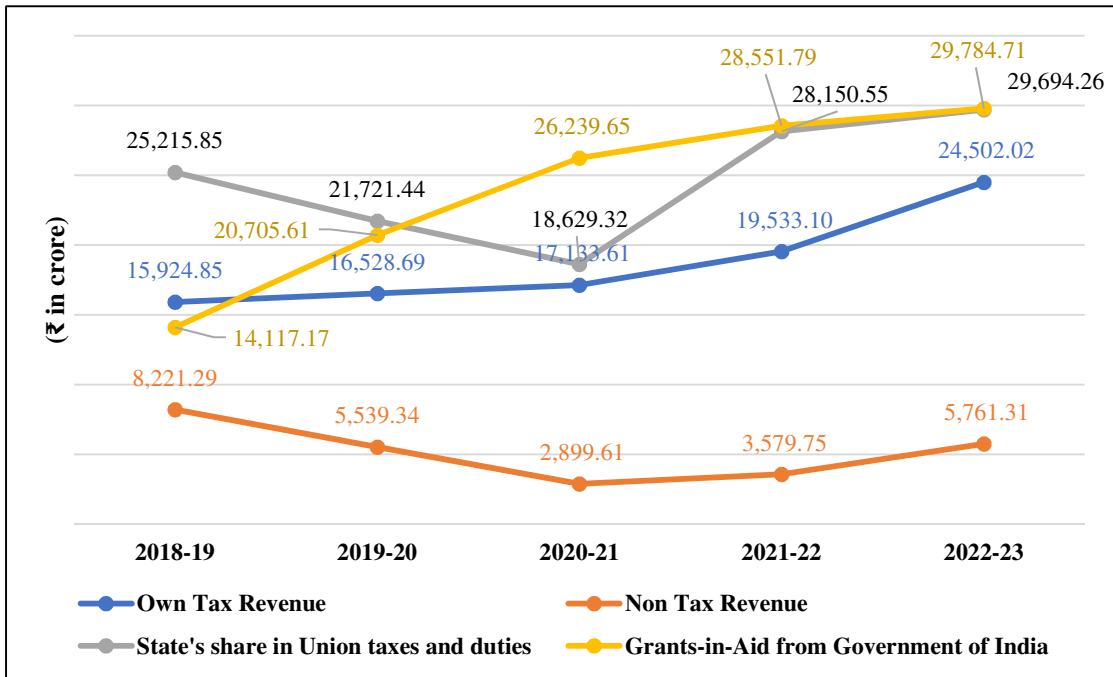
Source: Finance Accounts for Revenue Receipts and Economics and Statistics, GoA for GSDP figures
P.E. - Provisional Estimates; Q.E. - Quick Estimates; A.E. - Advance Estimates

Chart 2.4: Trend of Revenue Receipts



⁴ Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. For instance, revenue buoyancy with respect to GSDP at 0.64 implies that Revenue Receipts tend to increase by 0.64 percentage points, if the GSDP increases by one *per cent*.

Chart 2.5: Trend of components of Revenue Receipts



General trends relating to Revenue Receipts of the State are as follows:

- Revenue Receipts increased by 41.37 per cent from ₹ 63,479.16 crore in 2018-19 to ₹ 89,742.30 crore in 2022-23 at an annual average growth rate of 8.27 per cent. During 2022-23, Revenue Receipts increased by ₹ 9,927.11 crore (12.44 per cent) over the previous year. However, ratio of Revenue Receipts to GSDP decreased from 19.34 per cent in 2021-22 to 18.20 per cent in 2022-23.
- During 2022-23, State's own revenue (Own Tax Revenue and Non-Tax Revenue) constituted 33.72 per cent of Revenue Receipts and remaining 66.28 per cent came from Government of India as Central Tax transfers and Grant-in-Aid.
- Grants-in-Aid from GoI increased by 110.98 per cent during the period from 2018-19 to 2022-23. However, it increased marginally by ₹ 1,232.92 crore (4.32 per cent) in 2022-23 as compared to 2021-22.
- The revenue buoyancy with reference to GSDP decreased from 1.87 per cent in 2018-19 to 0.64 per cent in 2022-23. The State's own revenue buoyancy with reference to GSDP also decreased from 4.29 per cent in 2018-19 to 1.58 per cent in 2022-23. The sudden spike in own revenue buoyancy in 2022-23 vis-à-vis the previous years was primarily due to sharp increase in own tax revenue of the State. The major increase was recorded under SGST, Taxes on Sales Trade etc., State Excise, Taxes on vehicles and Stamps and Registration fees. There was also an increase in non-tax revenue in the current year over the previous year. Trends in components of own tax revenue and non-tax revenue are discussed under **paragraph 2.3.2.2**.
- The Central tax transfers from Government of India increased significantly by 5.48 per cent (₹ 1,543.71 crore) from ₹ 28,150.55 crore in 2021-22 to ₹ 29,694.26 crore in 2022-23. Grants-in-Aid, on the other hand, increased by

4.32 per cent (1,232.92 crore) from ₹ 28,551.79 crore in 2021-22 to ₹ 29,784.71 crore in 2022-23.

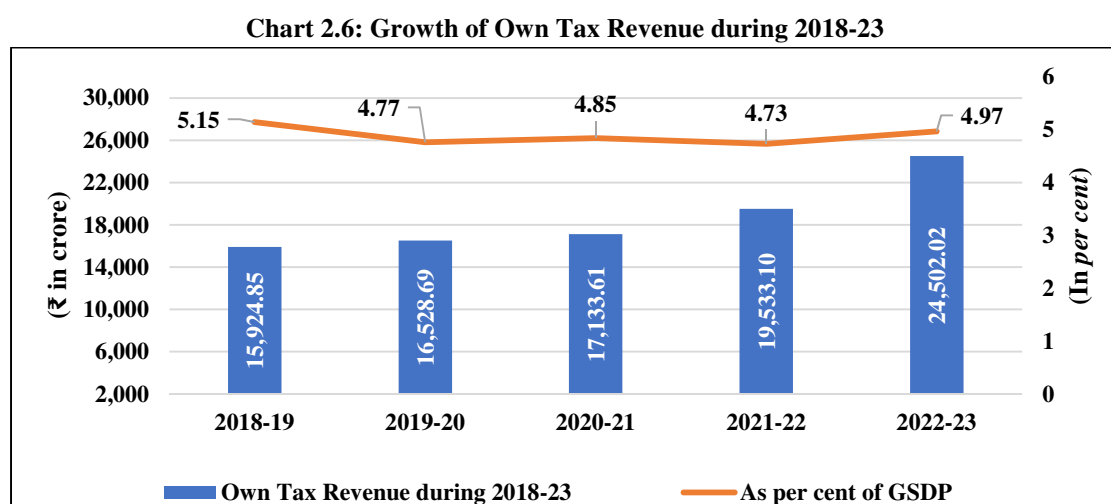
- Ratio of State's own tax buoyancy to GSDP had shown inter-year fluctuation during the last five years *i.e.*, 2018-23 and it increased significantly during the year from 0.92 per cent in 2021-22 to 1.58 per cent in 2022-23.

2.3.2.2 State's Own Resources

(i) Own Tax Revenue

Own Tax Revenue of the State consists of State Goods and Services Tax (SGST), State excise, taxes on vehicles, Stamps duty and Registration fees, Land revenue, taxes on goods and passengers, *etc.*

The total collection of Own Tax Revenue of the State and its ratio to GSDP during the five-year period *i.e.*, 2018-23 is given in **Chart 2.6**.



The component-wise details of Own Tax Revenue collected during the years 2018-23 were as given in **Table 2.4**.

Table 2.4: Components of State's Own Tax Revenue during 2018-23

(₹ in crore)

Heads	2018-19	2019-20	2020-21	2021-22	2022-23	
					BEs	Actuals
State Goods and Services Tax	8,393.04	8,755.30	8,549.02	10,579.56	11,884.00	12,564.45
Taxes on Sales, Trades, <i>etc.</i>	4,698.74	4,480.96	5,070.97	4,866.68	5,553.07	6,748.61
State Excise	1,399.84	1,650.03	2,039.94	1,939.07	2,412.00	2,525.57
Taxes on Vehicles	765.01	815.82	723.98	978.21	1,245.04	1,348.41
Stamps and Registration Fees	240.72	292.65	280.75	439.46	524.20	851.51
Land Revenue	163.22	94.16	116.81	185.02	263.92	158.50
Other Taxes ⁵	264.28	439.77	352.14	545.10	503.01	304.97
Total	15,924.85	16,528.69	17,133.61	19,533.10	22,385.24	24,502.02

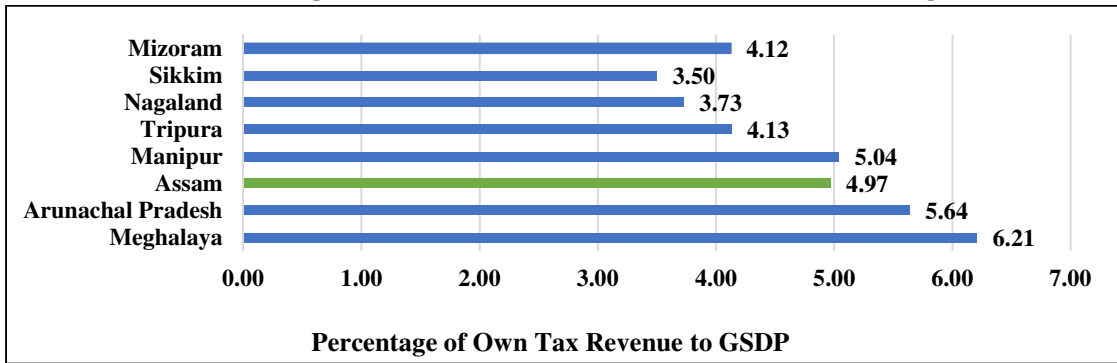
Source: Finance Accounts

⁵ Other Taxes include taxes on agricultural income, taxes on goods and passengers, taxes and duties on electricity and other taxes and duties on commodities and services, *etc.*

During 2022-23, Own Tax Revenue of the State exceeded by ₹ 2,116.78 crore (9.46 per cent) over the Budget Estimates made for the year. However, it increased by ₹ 4,968.92 crore (25.44 per cent) from ₹ 19,533.10 crore in 2021-22 to ₹ 24,502.02 crore in 2022-23. During the current year, major contributors of Own Tax Revenue were State Goods and Services Tax (51.28 per cent), Taxes on Sales, Trades etc. (27.54 per cent) and State Excise (10.31 per cent).

During 2022-23, State's Own Tax Revenue of ₹ 24,502.02 crore at 4.97 per cent of GSDP was lower than that of Meghalaya (6.21 per cent), Arunachal Pradesh (5.64 per cent) and Manipur (5.04 per cent) but higher than the other NER States as shown in **Chart 2.7**.

Chart 2.7: Percentage of Own Tax Revenue to GSDP of NER States during 2022-23



(a) 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. In case of Assam, which is a Model-II State, role based access to back-end application was provided to office of the Principal Accountant General (Audit), Assam in November 2020. However, the access was limited to their premises only. The office of the Principal Accountant General (Audit), Assam conducted two Subject Specific Compliance Audit (SSCA) on the following GST Topics, and the same were incorporated in the C&AG's Audit Report (Revenue Sector), Government of Assam as mentioned below:

- i) Processing of Refund claim under GST in Assam- *Para 2.4 of the C&AG's Audit Report (Revenue Sector), Government of Assam for the year ended 31 March 2020.*
- ii) Transitional Credit under GST- *Para 2.5 of the C&AG's Audit Report (Revenue Sector) Government of Assam for the year ended 31 March 2020.*

(b) Analysis of arrears of revenue and arrears of assessment

The arrears of revenue indicate delayed realisation 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 ultimately affect the revenue position of the State.

Arrears of revenue

The arrears of revenue as on 31 March 2023 in respect of the Excise, Mines and Minerals and Finance (Taxation) Departments amounted to ₹ 4,402.40 crore of which ₹ 3,159.68 crore was outstanding for more than five years, as detailed in **Table 2.5**.

Table 2.5: Arrears of revenue

(₹ in crore)

Sl. No.	Head of Revenue	Name of Department	Amount outstanding as on 31 March 2023		Reply of the Department
			Total	For more than five years	
1	0039- State Excise	Excise	63.13	63.13	Due to non-payment of levies by the Wholesale Warehouses in due time
2	0853- Non - Ferrous Mining and Metallurgical Industries	Mines and Minerals	0.08	0.08	Non-payment of royalty on limestone by NECEM Cement Ltd. for 2005-06, 2006-07 and 2011-12 (₹ 8,15,789.00)
3	0022- Taxes on Agricultural Income	Finance (Taxation)	69.87	49.23	Following are the reasons for the pending arrears: i. Some amounts become arrears when the amounts are not paid by the dealers on due date. The assessing officers issue notices to the defaulters for payment of arrears and try their best to realise the amount. Such arrears are paid by the concerned dealers with interest. Current arrears are also included in the above amount. ii. For the amount which cannot be realised by the assessing officers in spite of all efforts, arrear certificates are issued by the assessing officers to the <i>bakijai</i> officers for realisation of the amount and these amounts remain as arrear with the Superintendent of Taxes (Recovery) till recovery of the said arrear amount. iii. Pending of cases involving arrears of revenue in High Court/ Supreme Court/ Board of revenue and with appellate/ Revision Authority. iv. Un traceability of dealers at the time of realisation of dues <i>etc.</i>
4	0028- Other Taxes on Income and Expenditure		2.51	1.54	
5	0029- Land Revenue		2,846.85	2,138.43	
6	0040- Tax on Sales, Trade, <i>etc.</i>		1,312.22	828.23	
7	0042- Taxes on Goods and Passengers		79.50	52.79	
8	0043- Taxes and Duties on Electricity		23.18	21.49	
9	0045- Other Taxes and Duties on Commodities and Services		5.06	4.76	
Total			4,402.40	3,159.68	

Source: Information furnished by the Departments concerned

Clearance of arrears of such magnitude requires focused efforts by the department concerned and a push for coordination with other departments such as banks, police department and quasi-judicial/ judicial bodies involved in the process of recovery.

Arrears in Assessments

The details of arrears in assessment pending at the beginning of the year, cases becoming due for assessment during the year, cases disposed of during the year and

number of cases pending for assessment at the end of the year as furnished by the Finance (Taxation) Department in respect of various taxation Acts are given in **Table 2.6**.

Table 2.6: Arrears in assessment

Nomenclature of the Act	Arrears of assessment due as on 31 March 2022	New cases due for assessments during 2022-23	Total assessment due	Cases disposed during 2022-23	Balance at the end of the year 2022-23	Percentage of disposal (col. 5 to 4)
1	2	3	4 (2+3)	5	6 (4-5)	7
Goods and Services Tax	1,393	0	1,393	276	1,117	19.81
Sales Tax (VAT/CST Acts)	10,979	554	11,533	4,732	6,801	41.03
Entry Tax Act	2,266	0	2,266	485	1,781	21.40
Other Taxes on Income and Expenditure	13,997	4,561	18,558	3,952	14,606	21.30
Taxation (on Specified Lands) Acts	4,147	111	4,258	660	3,598	15.50
Agriculture Income Tax Act	2644	64	2708	214	2494	7.90
Amusement and Betting Taxation Act	192	0	192	0	192	0.00
Luxury (Hotel & Lodging Houses) Act	227	0	227	0	227	0.00
Electricity Duty Act	1,639	313	1,952	334	1,618	17.11
Total	37,484	5,603	43,087	10,653	32,434	24.72

Source: Information furnished by the Departments concerned

Table 2.6 indicates that the assessments pending at the end of the year increased over the previous year largely in respect of Other Taxes on Income and Expenditure. The percentage of disposal of cases due for assessment in overall cases was 24.72 per cent during the year. In respect of Agricultural Income Tax Act and Taxation (on Specified Lands) Acts, percentage of disposal of cases at 7.90 per cent and 15.50 per cent respectively were very poor. Further, no case in respect of Amusement and Betting Taxation Act and Luxury (Hotel & Lodging Houses) Act was disposed by the Finance (Taxation) Department during the year 2022-23. Pendency in assessment may result in non/ short realisation of Government revenues and further accumulation in arrears of revenue.

(c) Details of evasion of tax detected by Department, Refund cases, etc.

The cases of evasion of tax detected, 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 an important indicator of performance of the Department concerned.

The details of cases of evasion of tax detected by the Excise Department, cases finalised and the demand for additional tax raised; and details of refund cases during the year 2022-23, as reported by the department concerned, are depicted in **Table 2.7** and **Table 2.8** respectively.

Table 2.7: Evasion of Tax Detected

Head of Revenue	Cases pending as on 31 March 2022	Cases detected during 2022-23	Total	Cases in which additional demand with penalty, etc. raised		No. of cases pending as on 31 March 2023
				No.	Amount (₹ in crore)	
0039- State Excise	4	0	4	4	43.94	4
Total	4	0	4	4	43.94	4

Source: Information furnished by Government of Assam

Table 2.8: Details of refund cases

Sl. No.	Particulars	Sales Tax/VAT		SGST	
		No. of cases	Amount (₹ in crore)	No. of cases	Amount (₹ in crore)
1	Claims outstanding at the beginning of the year	27	12.48	142	21.06
2	Claims received during the year	35	23.45	1,080	499.94
3	Refunds made during the year	19	8.72	879	100.83
4	Refunds rejected/withheld during the year	7	2.68	122	19.90
5	Balance outstanding at the end of year	36	24.53	221	400.27

Source: Departmental information

(ii) Non-Tax Revenue

Non-Tax revenue consists of interest receipts, dividends and profits, mining receipts, departmental receipts etc. The component-wise details of Non-Tax Revenue collected during the years 2018-23 are given in Table 2.9.

Table 2.9: Component-wise Non-Tax Revenue during 2018-23

Heads	2018-19	2019-20	2020-21	2021-22	2022-23	Sparkline
Interest receipts	588.09	666.86	235.87	120.86	323.68	
Dividend and Profit	153.24	30.64	481.89	113.65	447.62	
Petroleum	5,642.66	3,805.34	1,468.55	2,505.30	4,087.06	
Forestry and Wild Life	364.27	416.06	352.89	393.14	451.39	
Other Administrative Services	211.9	103.17	95.72	113.84	121.41	
Others	1,261.13	517.27	264.69	332.96	330.15	
Total	8,221.29	5,539.34	2,899.61	3,579.75	5,761.31	

Non-Tax Revenue, which ranged between 12.95 per cent (2018-19) and 4.47 per cent (2020-21) of Total Revenue Receipts of the State during the five-year period from 2018-19 to 2022-23, increased significantly by ₹ 2,181.56 crore (60.94 per cent) during 2022-23 over the previous year. Major contributors of Non-Tax Revenue during 2022-23 were Petroleum (₹ 4,087.06 crore), followed by Forestry and Wildlife (₹ 451.39 crore) and Dividend and Profit (₹ 447.62 crore).

2.3.2.3 Transfers from the Centre

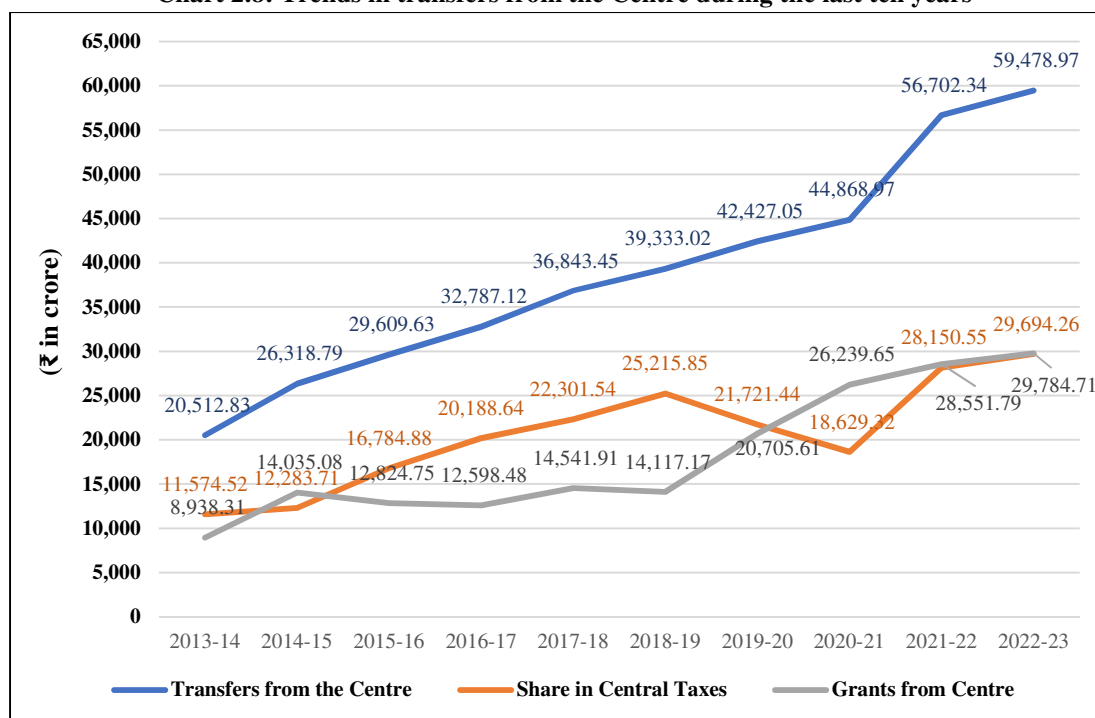
During the last 10 years from 2013-14 to 2022-23, there were three Central Finance Commissions (XIII FC, XIV FC and XV FC) constituted by the Central Government. As per recommendations of these FCs, the State Government had received its share of

devolved taxes, as also certain grants recommended by FC. In addition, the State received significant amount of grants from the Central Government for implementation of various schemes in the State.

The XIII FC recommended 32 *per cent* share of Union taxes to the State during the period for 2010-15. Further, the XIV FC increased the percentage of the State's Share of Union taxes to 42 *per cent* during the FC award period from 2015-20. This significant increase in the State's share altered the composition of Central transfers in favour of statutory transfers from discretionary transfers made earlier. It also led to greater predictability and certainty in the quantum of funds being transferred to the State. As a result, the devolution of State's Share of Union taxes had substantially increased during the XIV FC Award period. The XV FC made a small reduction in the percentage of State's Share of Union taxes by one *per cent*, to meet the needs of the newly constituted Union Territories of Jammu and Kashmir and Ladakh, and kept it at 41 *per cent* during the award period of 2020-21 to 2025-26.

The Grants-in-Aid from GoI also increased significantly during the XIV FC period (2015-20) in comparison with those released in XIII FC period (2010-15). This pattern continued during the XV FC period also. The trend and composition of Central Transfers during the last ten years are shown in **Chart 2.8**.

Chart 2.8: Trends in transfers from the Centre during the last ten years



(i) Central Tax Transfers

Actual devolution of Union taxes to the State *vis-à-vis* projection of the Finance Commission is given in **Table 2.10**.

Table 2.10: State's share in Union taxes and duties: Actual devolution vis-à-vis Finance Commission projections

(₹ in crore)

FC	Year	Finance Commission projections	Projections in FCR	Actual tax devolution	Variation (per cent) (5-4/4)
1	2	3	4	5	6
FC-XIII	2010-11	3.628 per cent of net proceeds	7,397	7,968.61	571.61 (7.73)
	2011-12	of all shareable taxes excluding	8,677	9,283.53	606.53 (6.99)
	2012-13	service tax and 3.685 per cent	10,234	10,601.26	367.26 (3.59)
	2013-14	of net proceeds of sharable	12,072	11,574.52	-497.48 (-4.12)
	2014-15	service tax	14,240	12,283.71	-1,956.29 (-13.74)
Total for XIII FC			52,620	51,711.63	-908.37 (-1.73)
FC-XIV	2015-16	3.311 per cent of net proceeds	19,244	16,784.88	-2,459.12 (-12.78)
	2016-17	of all shareable taxes excluding	22,208	20,188.64	-2,019.36 (-9.09)
	2017-18	service tax and 3.371 per cent	25,661	22,301.54	-3,359.46 (-13.09)
	2018-19	of net proceeds of sharable	29,687	25,215.85	-4,471.15 (-15.06)
	2019-20	service tax	34,386	21,721.44	-12,664.56 (-36.83)
Total for XIV FC			1,31,186	1,06,212.35	24,974 (19)
FC-XV	2020-21	3.131 per cent of net proceeds of all shareable taxes	26,776	18,629.32	-8,146.68 (-30.43)
	2021-22	3.128 per cent of net proceeds of all shareable taxes	20,601	28,150.55	7,549.55 (36.64)
	2022-23	3.128 per cent of net proceeds of all shareable taxes	22,917	29,694.26	6,777.26 (29.57)

Source: Report of Finance Commissions and Finance Accounts

The State Government's share in Union Taxes and duties increased by ₹ 1,543.71 crore (5.48 per cent) during 2022-23 over the previous year.

During the first three year (2020-23) of period of Fifteenth Finance Commission (2020-26), State's share in Union taxes and duties amounting to ₹ 76,474.13 crore was 72.00 per cent of total share during period of Fourteenth Finance Commission (2015-20).

Trends in components of Central Tax transfers are shown in **Table 2.11**.

Table 2.11: Central Tax Transfers

(₹ in crore)

Head	2018-19	2019-20	2020-21	2021-22	2022-23
Central Goods and Services Tax (CGST)	6,223.49	6,163.89	5,497.76	7,895.43	8,393.50
Integrated Goods and Services Tax (IGST)	496.70	0.00	0.00	0.00	0.00
Corporation Tax	8,768.87	7,406.13	5,648.64	8,298.61	9,949.02
Taxes on Income other than Corporation Tax	6,457.89	5,803.21	5,794.53	8,272.50	9,722.45
Customs	1,787.36	1,376.85	964.41	2,073.20	1,167.68
Union Excise Duties	1,187.80	957.27	622.41	1,156.10	366.32
Service Tax	231.85	0.00	86.82	424.25	46.40
Other Taxes	61.89	14.09	14.75	30.46	48.89
Central Tax transfers	25,215.85	21,721.44	18,629.32	28,150.55	29,694.26
Percentage variation over previous year	13.07	-13.86	-14.24	51.11	5.48
Percentage of Central tax transfers to Revenue Receipts	39.72	33.68	28.70	35.27	33.09

Source: Finance Accounts and Budget documents

Over the five-year period 2018-23, Central tax transfers increased by 17.76 *per cent* from ₹ 25,215.85 crore in 2018-19 to ₹ 29,694.26 crore in 2022-23. During the current year, the Central tax transfers increased significantly by ₹ 1,543.71 crore (5.48 *per cent*) from ₹ 28,150.55 crore in 2021-22 to ₹ 29,694.26 crore in 2022-23.

(ii) Grants-in-Aid from Government of India

Grants-in-Aid (GIA) received by the State Government from GoI during 2018-23 are detailed in **Table 2.12**.

Table 2.12: Grants-in-Aid from Government of India

Head		(₹ in crore)				
		2018-19	2019-20	2020-21	2021-22	2022-23
Grants for Centrally Sponsored Plan Schemes		11,849.26	14,389.53	13,832.87	18,186.82	21,557.33
Finance Commission Grants	Other than Revenue Deficit	932.20	4,604.07	2,955.00	2,540.05	2,465.00
	Revenue Deficit Grant	0.00	0.00	7,578.90	6,376.00	4,890.00
Other transfers/ Grants to States/ Union Territories with Legislature		1,335.71	1,712.01	1,872.88	1,448.92	872.38
Total		14,117.17	20,705.61	26,239.65	28,551.79	29,784.71
Percentage variation over the previous year		(-)2.92	46.67	26.73	8.81	4.32
Percentage of GIA to Revenue Receipts		22.24	32.10	40.43	35.77	33.19

Source: Finance Accounts and Budget documents

Grants-in-Aid from GoI increased by ₹ 1,232.92 crore (4.32 *per cent*) during the year compared to the previous year, primarily on account of increased grants for the implementation of CSS. Finance Commission Grants were provided to the State for Local Bodies (₹ 1,816.20 crore) and for State Disaster Response Fund (₹ 648.80 crore) which together constituted 33.51 *per cent* of total FC grants (₹ 7,355.00 crore) received during the year.

GIA constituted 33.19 *per cent* of Revenue Receipts during the year 2022-23. Grants for Centrally Sponsored Schemes (₹ 21,557.33 crore) to the State constituted 72.38 *per cent* of the total grants during the year.

Other grants received by the State during the year were in respect of (i) Compensation for loss of revenue arising out of implementation of GST (₹ 423.97 crore) (ii) Grants for Central Road and Infrastructure Fund (₹ 122.82 crore), etc.

(a) Grants for Centrally Sponsored Schemes

Out of the Grants of ₹ 21,557.33 crore for Centrally Sponsored Schemes during 2022-23, the major amounts were given to:

- Integrated Child Development Service Schemes – Saksham Anganwadi and POSHAN II (₹ 1,284.03 crore - 78.57 *per cent* increase over previous year);
- National Health Mission – National Urban Health Mission (₹ 1,378.02 crore-increase of 12,742.68 *per cent* over previous year);

- Pradhan Mantri Awas Yojana (PMAY) – PMAY Rural (₹ 8,225.20 crore-increase of 65.53 per cent over previous year);
- Samagra Shiksha- Elementary Education (₹ 882.62 crore-decrease of 16.67 per cent over previous year);
- Samagra Shiksha – Secondary Education (₹ 804.07 crore-increase of 449.12 per cent over previous year).

Single Nodal Agency: The Government of India, Ministry of Finance, Department of Expenditure, New Delhi vide Office Memorandum No. 1(13)/PFMS/FCD/2020 dated 8 December 2021 provided that every State Government is required to designate a Single Nodal Agency (SNA) for implementing each Centrally Sponsored Scheme (CSS). The Single Nodal Agency will open Single Nodal Account for each CSS at the State level in a Scheduled Commercial Bank authorised to conduct business by the State Government. Further, as per the new procedure, it is the responsibility of the State Government concerned to ensure that the entire unspent amount is returned by all the implementing Agencies (IAs) to the Single Nodal Account of the Single Nodal Agency concerned.

As per the report generated from PFMS, the State Government had received ₹ 17,605.26 crore in its Consolidated Fund, as Central share, during the year 2022-23. In addition, Funds against Centrally sponsored Schemes were also transferred by Government of India directly to Implementing Agencies, and to dedicated Escrow account⁶. As on 31 March 2023, the Government transferred ₹ 18,951.91 crore being Central Share and corresponding State share of ₹ 3,039.13 crore to the SNAs. All transfers to SNA were done through GIA bills. As per the PFMS report, ₹ 9,490.76 crore are lying unspent in the bank accounts of SNA as on 31 March 2023. Information regarding amount of interest earned and credited to the SNA accounts during the year 2022-23 could not be furnished by the State Government though called for (January 2024).

(b) Fifteenth Finance Commission Grants

As mentioned in the previous paragraph, XV FC Grants were provided to States for Local Bodies and State Disaster Response Fund (SDRF). Details of grants recommended by XV FC and actual release by GoI and GoA during 2021-22 to 2022-23 are given in **Table 2.13**.

Table 2.13: Recommended amount, actual release and transfers of Grant-in-Aid

(₹ in crore)

Particulars	Recommendation of the XV-FC			Actual release by GoI			Release by State Government		
	2021-22	2022-23	Total	2021-22	2022-23	Total	2021-22	2022-23	Total
1	2	3	4	5	6	7	8	9	10
Local Bodies (i+ii)	1,770.00	1,833.00	3,603.00	1,495.80	1,816.20	3,312.00	1,594.80	1,228.00	2,822.80
<i>(i) Grants to PRIs</i>	<i>1,186.00</i>	<i>1,228.00</i>	<i>2,414.00</i>	<i>1,186.00</i>	<i>1,228.00</i>	<i>2,414.00</i>	<i>1,186.00</i>	<i>1,228.00</i>	<i>2,414.00</i>

⁶ Escrow account is a financial instrument held by a third party on behalf of the other two parties in a transaction.

Particulars	Recommendation of the XV-FC			Actual release by GoI			Release by State Government		
	2021-22	2022-23	Total	2021-22	2022-23	Total	2021-22	2022-23	Total
1	2	3	4	5	6	7	8	9	10
(ii) Grants to ULBs	584.00	605.00	1,189.00	309.80	588.20 ⁷	898.00	408.80	0.00	408.80
State Disaster Response Fund	772.00	810.90	1,582.90	617.60	648.80	1,266.40	308.80	648.80	957.60
Grand Total	2,542.00	2,643.90	5,185.90	2,113.40	2,465.00	4,578.40	1,903.60	1,876.80	3,780.40

Source: Finance Accounts

It may be seen from the table above that XV FC recommended ₹ 5,185.90 crore for release to the local bodies and for disaster relief during 2021-22 to 2022-23. Out of that, GoI released ₹ 4,578.40 crore to the State Government during the period.

As per operational Guidelines for implementation of the recommendations of the Fifteenth Finance Commission on Local Bodies grants (both PRIs and ULBs grants), State Government on receipt of grant from the Department of Expenditure, Ministry of Finance, Government of India shall transfer the same to the local bodies concerned within ten working days. Any delay beyond 10 working days will require the State Governments to release the grant with interest for the period of delay as per the average effective rate of interest on market borrowings/State Development Loans for the previous year.

During 2022-23, the State Government had paid an interest of ₹ 1.68 crore against delayed release of funds to PRIs. However, information regarding interest payment on delayed release of funds to ULBs could not be furnished by the State Government, though called for (January 2024).

2.3.3 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.

Trends of capital receipts and its components during 2018-19 to 2022-23 are shown in Table 2.14.

Table 2.14: Trends in growth and composition of Capital Receipts

(₹ in crore)

Sl. No.	Sources of State's Capital Receipts*	2018-19	2019-20	2020-21	2021-22	2022-23
1	Capital Receipts	11,757.58	14,257.61	17,942.74	19,769.64	28,275.09
(a)	Miscellaneous Capital Receipts	0.00	0.00	0.00	0.00	0.00
(b)	Recovery of Loans and Advances	2.93	7.98	2.56	3,099.49	5.07
(c)	Public Debt Receipts	11,754.65	14,249.63	17,940.18	16,670.15	28,270.02
(i)	Internal Debt (including WMAs and Overdraft)	11,665.49	14,143.29	16,382.36	14,138.94	23,834.40
	Growth rate (in per cent)	39.25	21.24	15.83	-13.69	68.57

⁷ Out of ₹ 588.20 crore, ₹ 467.20 crore pertained to 2021-22 which was released by GoI to GoA between November 2022 and March 2023. The remaining ₹ 121.00 crore was released by GoI on 31 March 2023.

Sl. No.	Sources of State's Capital Receipts*	2018-19	2019-20	2020-21	2021-22	2022-23
(ii)	Loans and advances from GoI	89.16	106.34	1,557.82	2,531.21	4,435.62
	Growth rate (in per cent)	28.16	19.27	1,364.94	62.48	75.24
2	Rate of growth of debt Capital Receipts (per cent)	39.16	21.23	25.90	-7.08	69.58
3	Rate of growth of non-debt capital receipts (per cent)	-37.79	172.35	-67.92	1,20,973.83	-99.84
4	Rate of growth of GSDP (per cent)	9.24	12.13	1.95	16.69	19.52
5	Rate of growth of Capital Receipts (per cent)	39.11	21.26	25.85	10.18	43.02

Source: Finance Accounts and for GSDP-Source: Directorate of Economics and Statistics, Assam

*Includes receipts under Consolidated Fund only WMA:-Ways and Means Advances

Capital Receipts increased by 140.48 per cent from ₹ 11,757.58 crore in 2018-19 to ₹ 28,275.09 crore in 2022-23. Public debt receipts create future repayment obligation as these are taken from the market, Financial Institutions and Central Government. During the current year, it increased by 69.58 per cent from ₹ 16,670.15 crore in 2021-22 to ₹ 28,270.02 crore in 2022-23. Further, non-debt capital receipts decreased significantly from ₹ 3,099.49 crore in 2021-22 to ₹ 5.07 crore in 2022-23.

2.3.4 State's performance in mobilisation of resources

State's share in Central taxes is determined on the basis of recommendations of the Finance Commission; share of Grants-in-Aid are determined by the quantum of collection of Central tax receipts and anticipated Central assistance for schemes, etc. State's performance in mobilisation of additional resources should be assessed in terms of its own resources comprising revenue from its own tax and non-tax sources.

The gross collections in respect of major Tax and Non-Tax Revenue and their relative share in GSDP during 2018-23 are given in **Appendix 1.2**. Further, **Table 2.15** provides the State's performance in mobilisation of resources assessed in terms of its own resources comprising own-tax and non-tax sources.

Table 2.15: Tax and Non-Tax receipts vis-à-vis projections

	15 th FC projections	BEs	Actuals	Percentage variation of actuals over	
				15 th FC projections	BEs
Own Tax Revenue	17,917.00	22,385.24	24,502.02	36.75	9.46
Non-Tax Revenue	6,088.00	6,676.66	5,761.31	-5.37	-13.71

Source: Finance Accounts, FC Report and Budget documents

It may be seen from the table above that State's Own Tax receipts exceeded the projections of XV FC by 36.75 per cent, while the Non-Tax Revenues fell short by 5.37 per cent. However, State's Own Tax exceeded the Budget Estimates by 9.46 per cent and Non-Tax Revenues fell short by 13.71 per cent of BEs during 2022-23.

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.

This paragraph along with sub-paragraphs gives the analysis of allocation of expenditure in the State.

Growth and composition of total expenditure

The expenditure of the State is broadly classified under three categories viz., Revenue Expenditure, Capital Expenditure and Disbursement of Loans & Advances. These three together are called Total Expenditure⁸ of the State.

Revenue Expenditure: Charges on maintenance, repair, upkeep and working expenses, which are required to maintain the assets in a running order as also all other expenses incurred for the day to day running of the organisation, including establishment and administrative expenses shall be classified as Revenue Expenditure.

Capital Expenditure: All charges for the first construction of a project as well as charges for intermediate maintenance of the work while not opened for service and also charges for such further additions and improvements as may be sanctioned under the rules made by competent authority shall be classified as Capital Expenditure.

Loans and Advances: All loans and advances given by the State to different entities of the State Government fall under this category.

The Total Expenditure, its composition and relative share in GSDP during 2018-19 to 2022-23 is presented in **Table 2.16**.

Table 2.16: Total Expenditure and its composition

(₹ in crore)					
Parameters	2018-19	2019-20	2020-21	2021-22	2022-23
Total Expenditure (TE)	68,261.15	79,418.86	77,006.78	1,02,777.80	1,19,952.20
Revenue Expenditure (RE)	56,899.00	65,817.28	64,519.59	82,547.96	1,01,814.65
Capital Expenditure (CE)	11,034.08	13,185.42	12,399.39	20,125.83	15,997.71
Loans and Advances	328.07	316.16	87.80	104.01	339.84
Appropriation to Contingency Fund	0.00	100.00	0.00	0.00	1,800.00
As a percentage of GSDP					
TE/GSDP	22.07	22.90	21.78	24.91	24.32
RE/GSDP	18.39	18.98	18.25	20.01	20.65
CE/GSDP	3.57	3.80	3.51	4.88	3.24
Loans and Advances/ GSDP	0.11	0.09	0.02	0.03	0.07
Appropriation to Contingency Fund/ GSDP	0.00	0.03	0.00	0.00	0.36

Source: Finance Accounts

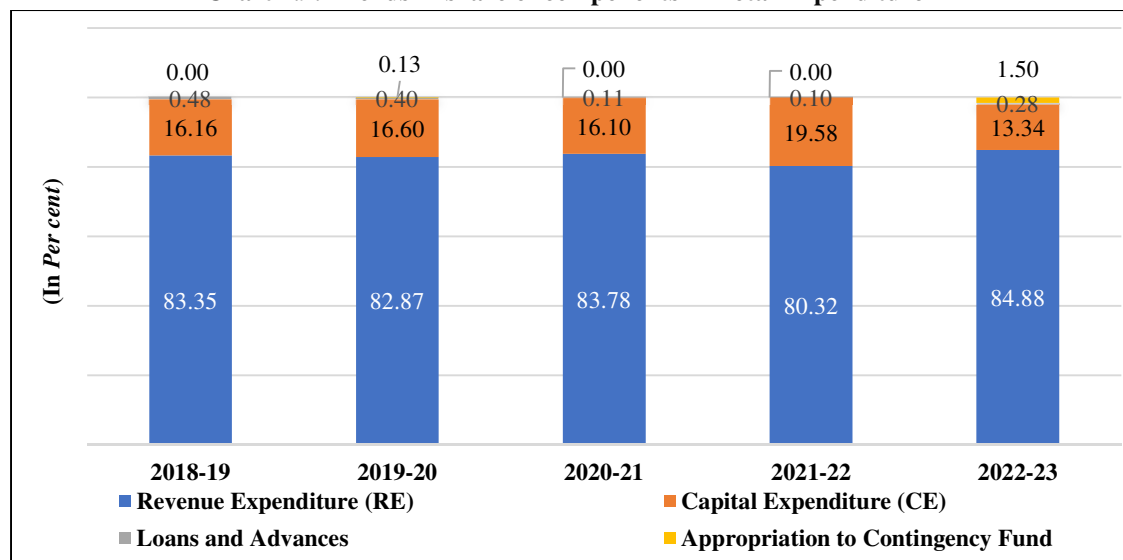
Table 2.16 shows that Total Expenditure of the State increased nearly 1.8 times from ₹ 68,261.15 crore in 2018-19 to ₹ 1,19,952.20 crore in 2022-23. During the year, it increased by 16.71 per cent over the previous year. As a percentage of GSDP, the Total Expenditure remained in the range of 21.78 per cent to 24.91 per cent during 2018-23.

Chart 2.9 depicts the share of components of Total Expenditure and their trend during 2018-23. It is evident from **Chart 2.9** that the share of Revenue Expenditure in Total Expenditure had increased from 83.35 per cent in 2018-19 to 84.88 per cent in 2022-

⁸ Any Appropriation to Contingency Fund for increasing the Corpus of the Fund also forms part of the Total Expenditure.

23 whereas share of Capital Expenditure in Total Expenditure had declined from 16.16 per cent in 2018-19 to 13.34 per cent in 2022-23.

Chart 2.9: Trends in share of components in Total Expenditure



In terms of activities, the Total Expenditure comprises of expenditure on General Services including Interest Payments, Social Services, Economic Services and others. Relative share of these components in the Total Expenditure (also refer *Appendix 1.2*) during 2018-23 is given in **Table 2.17** and also in **Chart 2.10**. Composition of Total Expenditure during the current year *i.e.*, 2022-23 is also given in **Chart 2.11**.

Table 2.17: Relative share of various sectors of expenditure

Parameters	2018-19	2019-20	2020-21	2021-22	2022-23
General Services	31.53	28.78	30.40	36.23	30.35
Social Services	40.29	38.72	40.73	35.21	45.47
Economic Services	27.68	31.92	28.37	28.27	22.25
Others (Grants to Local Bodies, Loans to Govt. Servant and Appropriation to Contingency Fund)	0.51	0.59	0.49	0.30	1.93

Source: Finance Accounts

Chart 2.10: Trends in share of Total expenditure by activities

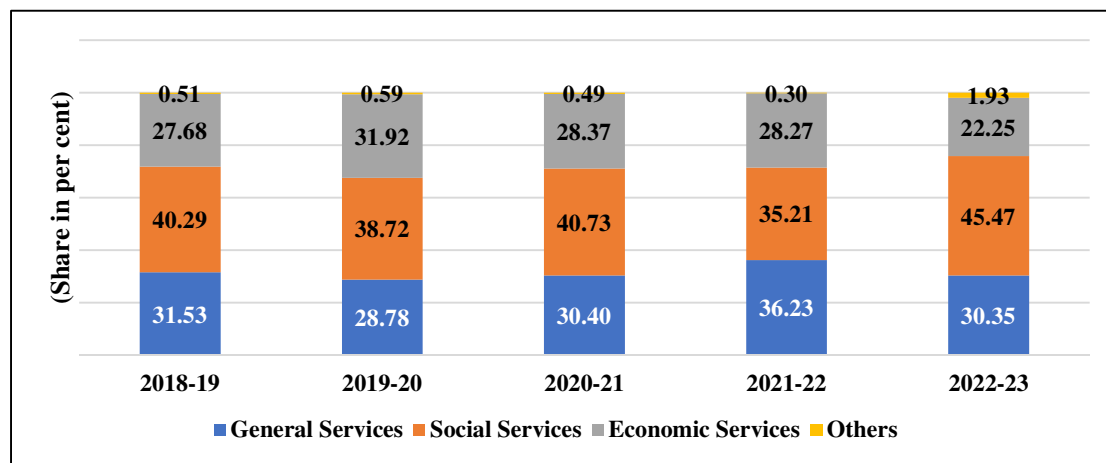
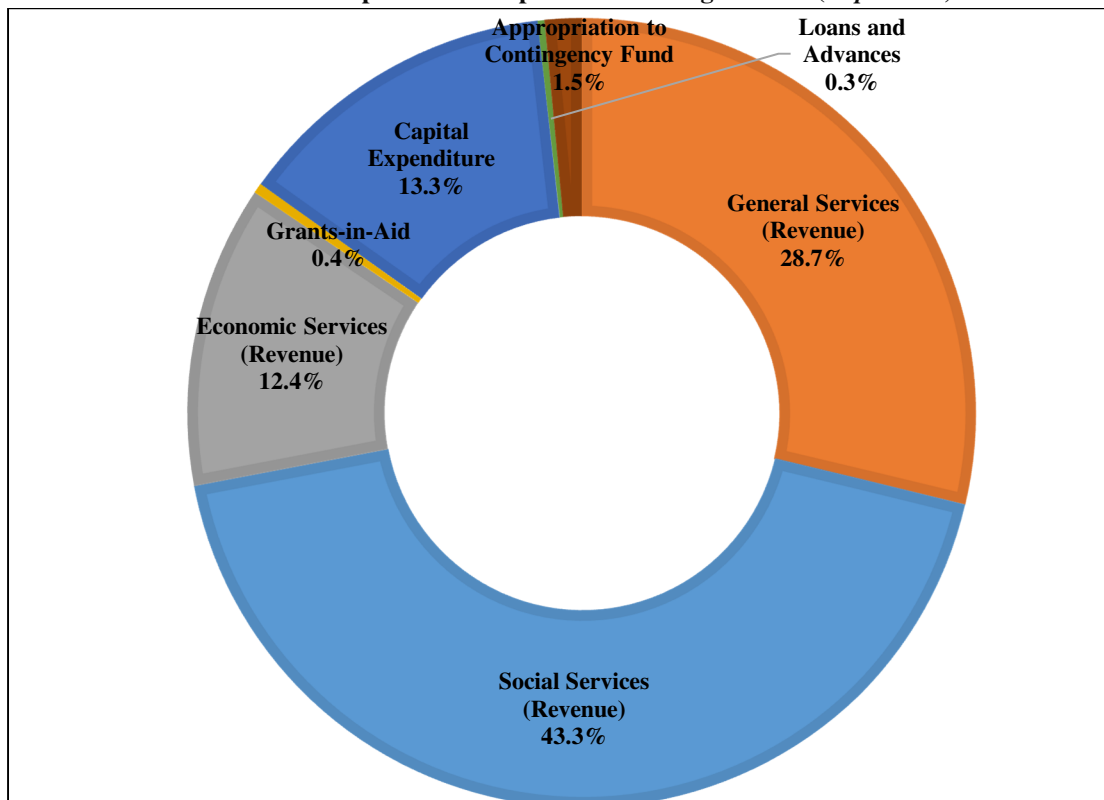


Chart 2.11: Composition of Expenditure during 2022-23 (In per cent)



The relative share of the above components of expenditure indicates that the share of General Services and Economic Services in the Total Expenditure decreased by 5.88 per cent and 6.02 per cent respectively during 2022-23 over the previous year. These decreases were, however, offset by increase in the respective share of Social Services and Others.

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.

Table 2.18 indicates the overall Revenue Expenditure, its rate of growth, its ratio to Total Expenditure and buoyancy *vis-à-vis* GSDP and Revenue Receipts during the five-year period (2018-23). It is evident from **Table 2.18** that the Revenue Expenditure formed on an average 83.02 per cent (ranging from 80.32 per cent in 2021-22 to 84.88 per cent in 2022-23) of the Total Expenditure during the period 2018-23. Rate of growth of Revenue Expenditure displayed wide fluctuation during the five-year period. Further, the sectoral distribution of Revenue Expenditure pertaining to 2022-23 is given in **Chart 2.12**.

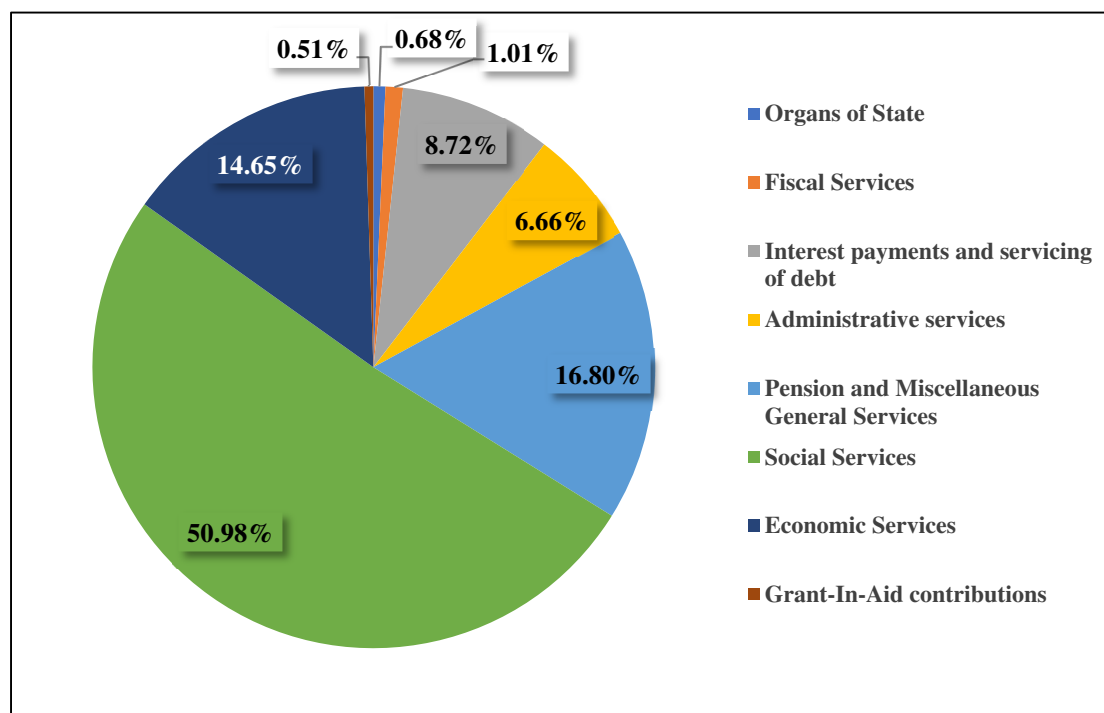
Table 2.18: Revenue Expenditure – Basic parameters

Parameters	(₹ in crore)				
	2018-19	2019-20	2020-21	2021-22	2022-23
Total Expenditure (TE)	68,261.15	79,418.86	77,006.78	1,02,777.80	1,19,952.20
Revenue Expenditure (RE)	56,899.00	65,817.28	64,519.59	82,547.96	1,01,814.65
Rate of Growth of RE (per cent)	2.56	15.67	-1.97	27.94	23.34

Parameters	2018-19	2019-20	2020-21	2021-22	2022-23
Revenue Expenditure as percentage of TE	83.35	82.76	83.78	80.32	84.88
RE/GSDP (per cent)	18.39	18.98	18.25	20.01	20.65
RE as percentage of RR	89.63	102.05	99.41	103.42	113.45
Buoyancy of Revenue Expenditure with					
GSDP (ratio)	0.28	1.29	-1.01	1.67	1.20
Revenue Receipts (ratio)	0.15	9.79	-3.12	1.22	1.88

Source: Finance Accounts

Chart 2.12: Sectoral distribution of Revenue Expenditure during 2022-23 (In per cent)



Revenue Expenditure increased by ₹ 19,266.69 crore (23.34 per cent) from ₹ 82,547.96 crore in 2021-22 to ₹ 1,01,814.65 crore in 2022-23. Revenue Expenditure as a percentage of GSDP also increased marginally during the year. Further, Revenue Expenditure during the year was higher by ₹ 5,447.60 crore *vis-à-vis* the projections made in Medium Term Fiscal Plan (MTFP) (₹ 96,367.05 crore).

2.4.1.1 Major Changes in Revenue Expenditure

The revenue expenditure increased substantially by ₹ 19,266.69 crore (23.34 per cent) from ₹ 82,547.96 crore in 2021-22 to ₹ 1,01,814.65 crore in 2022-23. Significant variations under various Major Heads of Accounts with regard to revenue expenditure of the State during the current year as compared to the previous year are depicted in Table 2.19.

Table 2.19: Variation in Revenue Expenditure during 2022-23 compared to 2021-22

(₹ in crore)

Major Heads of Account	2021-22	2022-23	Increase (+)/ Decrease (-)	Increase (+)/ Decrease (-) (In per cent)
2216 - Housing	2,092.15	12,828.78	10,736.63	513.19
2235 - Social Security and Welfare	1,785.78	4,630.46	2,844.68	159.30

Major Heads of Account	2021-22	2022-23	Increase (+)/ Decrease (-)	Increase (+)/ Decrease (-) (In per cent)
2515 - Other Rural Development Programmes	2,012.67	3,909.28	1,896.61	94.23
2225 - Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	1,216.15	3,076.36	1,860.21	152.96
2048 - Appropriation for reduction or avoidance of Debt	445.89	2,000.00	1,554.11	348.54
2217 - Urban Development	1,500.76	2,555.72	1,054.96	70.30
2245 - Relief on Account of Natural Calamities	597.40	1,512.78	915.38	153.23
2052 - Secretariat- General Services	4,756.02	347.94	-4,408.08	-92.68

Source: Finance Accounts

Table 2.19 shows:

- increase of ₹ 10,736.63 crore (513.19 per cent) under 'Housing' which was mainly due to increase of ₹9,162.40 crore in Indira Awaas Yojana and increase of ₹ 583.67 crore in Special Component Plan for Scheduled Castes;
- increase of ₹ 2,844.68 crore (159.30 per cent) under Social Security and Welfare was mainly due to increase in expenditure under Relief & rehabilitation for Disturbance relief and Other Emergency situation, Anganwadi Employee Welfare Fund etc.;
- increase of ₹ 1,896.61 crore (94.23 per cent) under Other Rural Development Programmes was mainly due to increase in expenditure under Assistance to Mahakuma Parishad/ Anchalic Panchayat/ Gaon Panchayat, Rastriya Gram Swaraj Abhiyan (RGSA) relating to PRIs & ULBs;
- increase of ₹ 1,860.21 crore (152.96 per cent) under Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities was mainly due to increase in expenditure under Pradhan Mantri Adarsh Gram Yojana, Post matric Scholarship for ST (P) etc.;
- increase of ₹ 1,554.11 crore (348.54 per cent) under Appropriation for reduction or avoidance of Debt was mainly due to increase in expenditure in connection with contribution towards Sinking Fund;
- increase of ₹ 1,054.96 crore (70.30 per cent) under Urban Development was mainly due to increase in expenditure under Housing Project Cost for AHP, ISSR, BLC, BLE under Housing for All (urban), Atal Mission for Rejuvenation & Urban Transformation etc.;
- increase of ₹ 915.38 crore (153.23 per cent) under Relief on Account of Natural Calamities was mainly due to increase in expenditure under Rehabilitation Grant (Flood), Gratuitous Relief (Flood), Repair and Restoration of Damaged Flood Works (WRD) etc.;
- decrease of ₹ 4,408.08 crore (92.68 per cent) under Secretariat- General Services was mainly due to decrease in expenditure under Assam Society for Comprehensive Management System (AS-CFMS).

2.4.1.2 Committed Expenditure

The committed Expenditure of Government consists mainly of expenditure on salaries and wages, interest payments and pensions. It has first charge on Government resources. The FRBM Act of the State prescribes that there should be a Revenue Surplus, which is challenging to achieve, given that a large proportion of Revenue Expenditure goes into committed items like salaries and wages, interest payments and pensions.

Apart from above, there are certain items of *inflexible expenditure* which cannot be ordinarily altered or varied or are statutorily required on an annual basis, unlike for variable transactions such as capital expenditure, *etc.* For example, the following items may be considered as inflexible expenditure.

- (i) Devolution to local bodies – statutory devolutions to local bodies for pay and allowance (devolution / transfer for capital expenditure)
- (ii) Statutory requirements of contribution to Reserve Funds – Contribution to Consolidated Sinking Fund (CSF), Guarantee Redemption Fund (GRF), State Disaster Mitigation/ Response Fund (SDMF/SDRF), *etc.*
- (iii) Recoupment of Contingency Fund – Amount recouped within the year.
- (iv) Transfer of cess to reserve fund/ other body, which are statutorily required.
- (v) Share contribution of CSS against the Central Fund received – Amount of State share to be transferred to SNAs/ spent by the State.
- (vi) Payment of interest on the balances of the interest-bearing funds as if they could have been invested and payment of interest on public debt as charged expenditure – Interest payment.

Upward trend on committed expenditure leaves the Government with lesser flexibility for development sector. Trend analysis of committed and inflexible expenditure and its components is depicted in **Table 2.20** and share of committed expenditure in revenue expenditure is shown in **Chart 2.13**.

Table 2.20: Components of Committed Expenditure

	2018-19	2019-20	2020-21	2021-22	2022-23
(₹ in crore)					
Components of Committed Expenditure					
Salaries & Wages ⁹	26,617.37	27,437.89	27,227.09	29,351.09	31,841.12
Expenditure on Pensions	8,112.26	9,609.02	10,329.01	17,223.74	16,406.63
Interest Payments	3,844.37	4,438.87	5,199.18	6,051.47	6,874.97
Total	38,574.00	41,485.78	42,755.28	52,626.30	55,122.72
Component of Inflexible Expenditure					
Statutory devolution to local bodies	273.89	366.23	376.95	306.13	516.23
Contribution to Reserve Funds	620.06	282.75	280.15	359.57	2,002.34

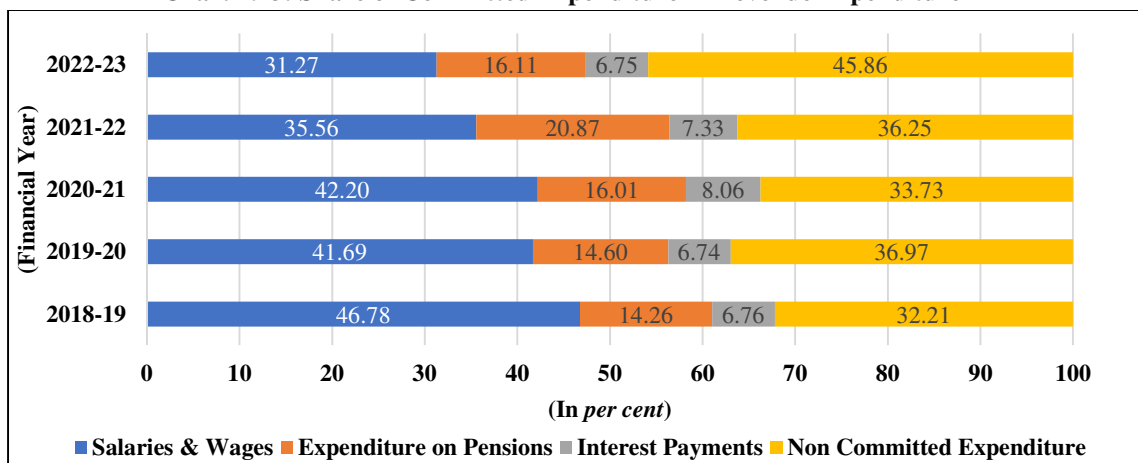
⁹ Includes Grants-in-Aid (Salary): 2018-19 (₹ 2,665.82 crore); 2019-20 (₹ 2,677.56 crore); 2020-21 (₹ 2,467.51 crore); 2021-22 (₹ 2,844.51 crore) and 2022-23 (₹ 2,838.36 crore).

	2018-19	2019-20	2020-21	2021-22	2022-23
Recoupment of Contingency Fund	-	-	-	-	-
Transfer of cess to reserve fund/ other body	-	-	-	-	-
Share contribution of CSS against the Central Fund received	5,077.73	6,214.89	8,524.91	9,626.98	10,321.60
Payment of interest on the balances of the interest-bearing funds as if they could have been invested and payment of interest on public debt as charged expenditure- Interest payment	58.28	77.93	70.86	71.45	71.73
Total	6,029.90	6,941.80	9,252.87	10,364.13	12,911.90
As a percentage of Revenue Receipts (RR)					
Salaries & Wages	41.93	42.54	41.95	36.77	35.48
Expenditure on Pensions	12.78	14.90	15.91	21.58	18.28
Interest Payments	6.06	6.88	8.01	7.58	7.66
Total	60.77	64.32	65.88	65.94	61.42
As a percentage of Revenue Expenditure (RE)					
Salaries & Wages	46.78	41.69	42.20	35.56	31.27
Expenditure on Pensions	14.26	14.60	16.01	20.87	16.11
Interest Payments	6.76	6.74	8.06	7.33	6.75
Total	67.79	63.03	66.27	63.75	54.14
Non-committed RE	18,325.10	24,331.51	21,764.31	29,921.66	46,691.93
Percentage of RE	32.21	36.97	33.73	36.25	45.86
Percentage of TE	26.85	30.64	28.26	29.11	38.93
Subsidies	1,464.93	1,473.23	1,966.15	2,005.69	1,662.58
Subsidies as percentage of non-committed expenditure	7.99	6.05	9.03	6.70	3.56

Source: Finance Accounts

Table 2.20 shows that percentage of non-committed expenditure to revenue expenditure increased from 32.21 per cent in 2018-19 to 45.86 per cent in 2022-23 of which subsidies constituted ranging from 4 per cent to 9 per cent.

Chart 2.13: Share of Committed Expenditure in Revenue Expenditure



Source: Finance Accounts

Salaries and Wages

Expenditure on salaries and wages accounted for 31.27 *per cent* of Revenue Expenditure during 2022-23. Over the five-year period 2018-23, it increased by ₹ 5,223.75 crore (19.63 *per cent*) from ₹ 26,617.37 crore in 2018-19 to ₹ 31,841.12 crore in 2022-23. Expenditure on Salaries (₹ 30,868.01 crore) during 2022-23 was less by ₹ 7,294.84 crore compared to the projection of ₹ 38,162.85 crore made in MTFP.

Interest Payments

Interest Payments increased by ₹ 823.50 crore (13.61 *per cent*) from ₹ 6,051.47 crore in 2021-22 to ₹ 6,874.97 crore in 2022-23 primarily due to an increase of ₹ 865.16 crore in interest payment on market loans. During the current year, Interest Payments were made on internal debt (₹ 5,890.74 crore), Small Savings, Provident Fund, *etc.*, (₹ 893.30 crore) and Loans and Advances from Central Government (₹ 90.93 crore).

Interest Payments with reference to assessment made by the XV FC and the projections of the State Government in its Budget and MTFP are given in **Table 2.21**.

Table 2.21: Interest Payments *vis-à-vis* assessment of the XV FC and State's Projections

Year	Assessment made by the XV FC	Assessment made by the State Government in		Actuals
		Budget Estimates	MTFP	
2022-23	6,893.00	7,533.65	7,533.65	6,874.97

Source: Finance Accounts, FC Report and Budget documents

Table 2.21 indicates that the interest payments of State Government during the year were within the assessment made by XV FC for the year. It was also within its own projections made in MTFP and Budget for 2022-23.

Pensions

The expenditure on “Pension and other Retirement Benefits” for State Government employees recruited prior to 30 January 2005 was ₹ 14,957.68 crore during the year (excluding expenditure on National Pension System).

2.4.1.3 Undischarged Liability under National Pension System

Government of Assam introduced (January 2010) the ‘National Pension System’ (NPS) applicable to all new entrants joining State Government service on regular basis against vacant sanctioned post(s) on or after 01 February 2005.

Under this system, employees contribute 10 *per cent* basic pay and dearness allowance, which is matched by the State Government since inception of NPS. The State Government had increased the employer's contribution to 14 *per cent* with effect from 01 April 2019. Accumulated amount *i.e.*, both employee's and employer's contribution are initially transferred to the Public Account (Major Head ‘8342-117-Defined Contributory Pension Scheme’). State Government has the responsibility to deposit both employee's and employer's share with the designated authority *i.e.*, National Securities Depository Limited (NSDL)/ trustee bank for further investment as per the guidelines of NPS. In terms of the guidelines of the Scheme, Government of Assam is

liable to pay interest on funds not transferred to NSDL. NSDL allots a Permanent Retirement Account Number (PRAN) to each employee enrolled under the system on receipt of requisite information/ documents from Government.

As on 31 March 2023, 2,27,518 PRANs were allotted to the employees whereas 5,804 PRANs were yet to be allotted.

The State Government opened a Current Account with the State Bank of India for parking the funds before transfer to NSDL. Details of contribution received and transactions involving Current Account, since the inception of NPS in Assam, are given in **Table 2.22**.

Table 2.22: Details of transactions under National Pension System

(₹ in crore)

Year	Details of contribution				Details of funds transferred/ paid to			
	Employees	Government	Shortfall	Total (1+2)	NSDL	Beneficiaries	Net Refunds (+) and re-submission (-)	Less transfer {(4+7) - (5+6)}
	1	2	3	4	5	6	7	8
Up to 2017-18	1998.44	1812.10	186.34	3810.54	3531.54	0.55	0.46	278.91
2018-19	590.14	445.25	144.89	1035.39	890.06	0.44	(-) 0.14	144.75
2019-20	682.96	749.32	206.82 [@]	1432.28	1498.30	0.38	(-) 0.03	(-) 66.43
2020-21	735.43	1060.34	(-) 30.74 ^{\$}	1795.77	1820.25	0.60	(-) 0.03	(-) 25.11
2021-22	876.49	1,478.61	(-) 251.52 [^]	2,355.10	2,419.02	1.00	0.06	(-)64.86
2022-23	1,055.60	1,448.96	28.88 [^]	2,504.56	2,484.21	1.75	0.00	18.60
Total	5,939.06	6,994.58	284.67	12,933.64	12,643.38	4.72	0.32[#]	285.86^{&}

Source: Finance Accounts

Includes refunds by NSDL for erroneous reporting and re-submission.

@ Figures updated as GS raised to 14 per cent w.e.f. April 2019 (Due for contribution was ₹ 956.14 crore minus actual contribution of ₹ 749.32 crore)

\$ Due for contribution was ₹ 1,029.60 crore minus actual contribution of ₹ 1,060.34 crore

& Less transfer (₹ 270.43 crore under MH-8342-117 plus ₹ 15.43 crore in Current Bank Account)

^ Due for contribution was ₹ 1,227.09 crore minus actual contribution of ₹ 1,478.61 crore

Due for contribution was ₹ 1,477.84 crore minus actual contribution of ₹ 1448.96 crore.

Audit observations in this regard are as follows:

As of 31 March 2023, Government of Assam collected ₹ 5,939.06 crore from employees as contribution towards NPS since the introduction of the Scheme and contributed ₹ 6,994.58 crore as Government share against the due contribution of ₹ 7,279.25 crore, resulting in short contribution of ₹ 284.67 crore. Against the total collected funds of ₹ 12,933.64 crore (comprising employees share of ₹ 5,939.06 crore and Government share of ₹ 6,994.58 crore), the Government had transferred only ₹ 12,643.38 crore to the designated authority (NSDL) for further investment as per the provisions of the scheme. Funds amounting to ₹ 285.86 crore as well as the interest on it remained to be transferred to NSDL from the Public Account as on 31 March 2023. Out of the balance of ₹ 285.86 crore, ₹ 270.43 crore was lying in the Public Account and the balance ₹ 15.43 crore was lying in the Current Account.

As on 31 March 2022, an amount of ₹ 251.83 crore remained in the Public Account under the Major Head '8342-117-Defined Contributory Pension Scheme' on which, interest payable in 2022-23 has been estimated as ₹ 17.88 crore (@ 7.1 per cent). Uncollected, unmatched and un-transferred amounts, with accrued interest, represent

outstanding liabilities under the scheme. Non-payment of interest of ₹ 17.88 crore has resulted in understatement of Revenue Deficit and Fiscal Deficit.

The State Government has thus not complied with the rules governing NPS, and has also created interest liability on the funds not transferred to NSDL.

On this being pointed out, the Director of Accounts and Treasuries, Assam stated (July 2023) that non-issuance of PRAN due to delay in the Staff Inspection Unit (SIU) approval process as well as the transaction phase of the online system to system integration *etc.*, Further, it was stated that the State Government also circulate letters across all the treasuries sensitising about the NPS PRAN Generation and contribution upload issue.

During Exit Conference (December 2023), the Secretary informed that the Pension Payments have been automated in eKuber and the balance lying in Current Account relate to previous funds and the Department is working on the issues raised by the Audit relating to NPS funds.

Inflexible expenditure

The components on Inflexible expenditure which include among others statutory devolution to local bodies and contribution to Reserve Funds showed a continued increase during the period from 2018-19 to 2022-23. As a percentage of revenue expenditure, the inflexible expenditure increased from 10.60 *per cent* in 2018-19 to 12.68 *per cent* in 2022-23. Further, the inflexible expenditure (₹ 12,911.90 crore) increased by 24.59 *per cent* during 2022-23 over the previous year (₹ 10,364.13 crore).

2.4.1.4 Subsidies

Table 2.23 indicates that there has been significant increase in expenditure on subsidies during the last four years out of a five-year period. Subsidies as a percentage of Revenue Receipts and Revenue Expenditure stood at 1.85 *per cent* and 1.63 *per cent* respectively during the current year.

Table 2.23: Expenditure on subsidies during 2018-23

Particulars	2018-19	2019-20	2020-21	2021-22	2022-23
Subsidies (₹ in crore)	1,464.93	1,473.23	1,966.15	2,005.69	1,662.58
Power subsidy (₹ in crore)	852.10	715.95	903.34	943.00	625.00
Subsidies as a percentage of Revenue Receipts	2.31	2.28	3.03	2.51	1.85
Subsidies as a percentage of Revenue Expenditure	2.57	2.24	3.05	2.43	1.63
Subsidies as a percentage of Total Expenditure	2.15	1.86	2.55	1.95	1.39
Subsidies as a percentage of Revenue Surplus/ Deficit	22.26	111.42	513.89	73.39	13.77
Power subsidy as percentage to total subsidy	58.17	48.60	45.94	47.02	37.59

Source: VLC data of respective years and Finance Accounts

During 2022-23, subsidies were mainly given under targeted subsidy to National Food Security Scheme (₹ 648.41 crore), Power subsidy (₹ 625.00 crore) and Housing for All (*Pradhan Mantri Awas Yojana*) (₹ 380.24 crore). State Government had not made any projection for subsidy in its MTFP during 2022-23.

2.4.1.5 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 institutions by way of grants and loans. Further, many of the Centrally Sponsored Scheme funds are transferred to implementing agencies as Grants-in-Aid. **Table 2.24** details the quantum of grants given by the State to local bodies and other institutions during the last five years *i.e.*, 2018-23.

Table 2.24: Grants-in-Aid to Local Bodies and other Institutions

(₹ in crore)					
Institutions	2018-19	2019-20	2020-21	2021-22	2022-23
PRIs	569.49	3,642.78	682.48	1,339.39	252.96
ULBs	456.98	578.33	354.96	826.37	1,310.92
PSUs	10.18	37.41	57.58	141.70	129.72
Autonomous Bodies	839.91	1,252.07	193.58	1,084.56	2,782.17
Others*	15,687.58	19,259.65	22,447.14	28,388.07	42,205.04
Total¹⁰	17,564.14	24,770.24	23,735.74	31,780.09	46,680.81
GIA on Salary	2,665.82	2,677.56	2,467.51	2,844.51	2,838.36
GIA for creation of Capital assets	1,502.84	3,127.27	3,002.98	3,472.77	15,100.36
GIA for non-salary	10,571.36	15,417.51	15,092.29	22,138.63	24,911.46
GIA given in kind	Information not provided by the State Government				
Revenue Expenditure (RE)	56,899.00	65,817.28	64,519.59	82,547.96	1,01,814.65
Assistance as per cent of RE	30.87	37.63	36.79	38.50	45.84

Source: Finance Accounts (Statement 10 and Appendix III)

* Largely to Implementing agencies of Centrally Sponsored Schemes like NRHM, PMAY, SSA

It can be seen from **Table 2.24** that Grants-in-Aid to local bodies and other institutions as percentage of Revenue Expenditure increased from 30.87 *per cent* in 2018-19 to 45.84 *per cent* in 2022-23. During the year, out of the total Grants-in-Aid given by the State, 90.41 *per cent* went to various agencies implementing Centrally Sponsored Schemes, educational, health institutions, *etc.*, followed by 5.96 *per cent* to Autonomous Bodies and 3.63 *per cent* to ULBs, PRIs & PSUs.

Although the financial assistance given for creation of Capital assets and for non-salary purpose during 2022-23 increased over the previous year, the financial assistance on Salary had shown a decrease during the year as compared to the previous year. It was further noted that assistance on salary component showed an increasing trend during 2018-19 to 2021-22 except for the year 2020-21 in which, marginal decrease was recorded. Details of financial assistance given in respect of 10 major Schemes/ recipients are given in **Table 2.25**.

Table 2.25: Major recipients of financial assistance during the year 2022-23

(₹ in crore)		
Sl. No.	Recipient/Scheme	Amount
1	Pradhan Mantri Awas Yojana (Gramin) PMAY-G	12,804.18
2	General Road works	3,247.49
3	Director Institutional Finance Cell	3,006.11
4	National Health Mission	2,274.98
5	Finance Department	1,627.60

¹⁰ Includes GIA booked under Capital Major Heads

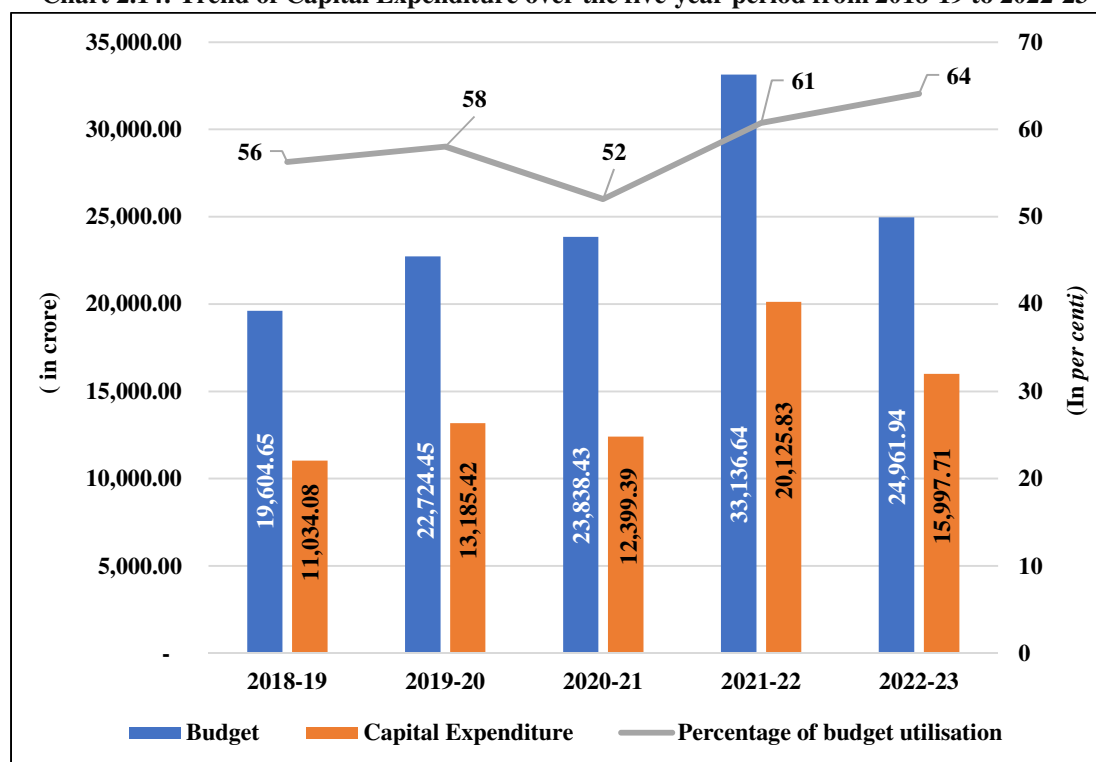
Sl. No.	Recipient/Scheme	Amount
6	Tied Grant-Central Finance Commission- Rural Local Bodies	914.22
7	Special Grant to Bodoland Autonomous Council	892.17
8	Special Nutrition Programme	887.75
9	Assam Infrastructure Financing Authority	640.00
10	Implementation of Integrated Child Development Service Schemes (ICDS)	571.23

2.4.2 Capital Expenditure

Capital expenditure is primarily expenditure on creation of fixed infrastructure assets such as road, building, *etc.* Capital expenditure, in both the Centre and the State, is being met from budgetary support and extra budgetary resources/ off-budget. It also includes investments made by the State Government in Companies/Corporations.

Details of Capital Expenditure *vis-à-vis* budget (revised estimates) during the period 2018-23 are given in **Chart 2.14**.

Chart 2.14: Trend of Capital Expenditure over the five-year period from 2018-19 to 2022-23



Capital Expenditure of the State increased by ₹ 4,963.63 crore (44.98 *per cent*) from ₹ 11,034.08 crore in 2018-19 to ₹ 15,997.71 crore in 2022-23. However, during the year it decreased by ₹ 4,128.12 crore from ₹ 20,125.83 crore in 2021-22 to ₹ 15,997.71 crore in 2022-23.

Further, the State could not fully expend the budgetary allocation on creation of assets in any year during the five-year period 2018-23. While the extent of utilisation of budget for Capital Expenditure has been increasing since 2018-19 and reached the level of 58 *per cent* during 2019-20, it declined to 52 *per cent* in 2020-21 and then increased to reach the level of 64 *per cent* during 2022-23.

2.4.2.1 Major changes in Capital Expenditure

Significant variations under various Heads of Accounts with regard to Capital Expenditure of the State during the current year and previous year is shown in **Table 2.26**.

Table 2.26: Capital Expenditure during 2022-23 compared to 2021-22

(₹ in crore)				
Major Heads of Accounts	2021-22	2022-23	Increase/ Decrease (-)	Increase/ Decrease (-) (In per cent)
4217- Capital Outlay on Urban Development	619.04	206.15	(-) 412.89	(-) 66.70
4210- Capital Outlay on Medical and Public Health	933.74	571.99	(-) 361.75	(-) 38.74
5055- Capital Outlay on Road Transport	259.69	59.19	(-) 200.50	(-) 77.21
4401- Capital Outlay on Crop Husbandry	207.77	17.47	(-) 190.30	(-) 91.59
4702- Capital Outlay on Minor Irrigation	483.13	363.26	(-) 119.87	(-) 24.81
4059- Capital Outlay on Public Works	405.35	1,302.21	896.86	221.26

Source: Finance Accounts

Table 2.26 shows that Capital Outlay on Urban Development recorded maximum decrease of ₹ 412.89 crore during the year due to decrease in expenditure in connection with construction works under City Infrastructure *etc.* Further, Capital Outlay on Medical and Public Health also recorded decrease in expenditure under (i) Setting up of Medical College at Dhubri, (ii) Improvement of Infrastructure of GMC&H, AMC&H, and SMC&H over a period of 3 (three) years @ 100 crore each, (iii) Improvement of Infrastructure of Tezpur, Barpeta, Jorhat, Medical colleges over a period of 3 (three) years @ 30 crore each, Civil works under Headquarter Establishment, Civil works of Super Speciality Hospital under GMC&H and Hospital and Dispensaries under Rural Health Services *etc.*

However, Capital Outlay on Public Works recorded maximum increase of ₹ 896.86 crore during the year due to increase in expenditure under various works/projects taken up during the year.

2.4.2.2 Quality of Capital expenditure

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

(i) *Quality of investments in the companies, corporations and other bodies*

Capital expenditure in the companies, corporations and other bodies, which are loss making or where net worth is completely eroded, is not sustainable. Investments made and loan given to such companies, corporations, *etc.*, affect the quality of capital expenditure. Return on investment in share capital invested in PSUs and history of repayment of loans given to various bodies are important determinants of quality of capital expenditure.

As per the Finance Accounts 2022-23, Government of Assam had invested ₹ 7,122.76 crore in four Statutory Corporations, 25 Government Companies

(Working: 21; Non-working: four), 17 Joint Stock Companies, three Rural Banks and 20 Co-operatives in the State as on 31 March 2023. The State Government earned a return of ₹ 447.62 crore on these investments during 2022-23. The average rate of return on investment was 6.64 per cent during the five-year period from 2018-19 to 2022-23, while the average rate of interest paid by the State Government during the period was 6.59 per cent.

Details of investment by Government of Assam and returns on investment during the five-year period 2018-19 to 2022-23 is given in **Table 2.27**.

Table 2.27: Details of Investment and returns on Investment during last five years

		(₹ in crore)				
Entities		2018-19	2019-20	2020-21	2021-22	2022-23
Statutory Corporations ¹¹ (No. of entities)		2,151.90 (4)	2,159.58# (4)	2,159.58# (4)	5,255.41 (4)	5,256.36 (4)
Government Companies (No. of entities)		176.92 (24)	176.92 (24)	176.91 (24)	216.91 (25)	216.91 (25)
Joint Stock Companies (No. of entities)		149.03 (17)	169.03 (17)	169.03 (17)	1,385.91 (17)	1,441.16 (17)
Banks ¹² (No. of entities)		21.76 (2)	21.76 (2)	21.76 (2)	38.60 (3)	76.66 (3)
Co-operatives (No. of entities)		109.83 (18)	109.83 (18)	113.16 (19)	113.96 (19)	131.67 (20)
Total Investment		2,609.44	2,637.12	2,640.44	7,010.79	7,122.76
Return on investment (₹ in crore)		153.24	30.64	481.89	113.64	447.62
Return on investment (per cent)		5.87	1.16	18.25	1.62	6.28
Average rate of interest on Government borrowings (per cent)		7.07	6.74	6.51	6.46	6.16
Difference between interest rate and return (per cent)		1.20	5.58	-11.74	4.84	-0.12
Difference between interest on Government borrowings and return on investment (₹ in crore)		3,691.13	4,408.23	4,717.29	5,937.83	6,427.35

Source: Finance Accounts

#The figure was modified due to accounting of UDAY transactions of ₹ 1,132.53 crore (Grant: ₹ 849.40 crore plus Equity: ₹ 283.13 crore) in FY 2021-22 instead of FY 2019-20 as conveyed by the State Government vide order dated 30 March 2022.

During the last five years, i.e., 2018-23, the State Government's investments had increased significantly by ₹ 4,513.32 crore from ₹ 2,609.44 crore in 2018-19 to ₹ 7,122.76 crore in 2022-23. During the current year, Government invested ₹ 0.95 crore in Statutory Corporations, ₹ 55.25 crore in Joint stock Companies, ₹ 38.06 crore in Banks and ₹ 17.71 crore in Co-operatives.

Out of four Statutory Corporations, three were incurring losses and their accumulated losses amounted to ₹ 112.90 crore¹³. Similarly, out of 25 Government Companies in

¹¹ Out of four, one Statutory Corporation i.e., Assam State Electricity Board (ASEB) was re-organised into three entities namely (i) Assam Power Distribution Company Limited (APDCL) (ii) Assam Electricity Grid Corporation Limited (AEGCL) and (iii) Assam Power Generation Corporation Limited (APGCL) in March 2013. Present status of investment already made in erstwhile ASEB and up to date status of investments made in three Companies are awaited from Government.

¹² Includes the Rural Bank, Urban and Industrial Co-operative Bank and Assam Gramin Vikash Bank.

¹³ Assam State Warehousing Corporation: ₹ 8.37 crore (as on 31-03-2018); Assam State Transport Corporation: ₹ 94.80 crore (as on 31-03-2017); Assam Financial Corporation, Guwahati: ₹ 9.73 crore (as on 31-03-2019).

the State, 17 companies were incurring losses and their accumulated losses amounted to ₹ 592.31 crore.

The major loss incurring five Government Companies were Assam Tea Corporation Limited, Guwahati (Investment: ₹ 8.07 crore; accumulated loss: ₹ 284.03 crore), Assam Industrial Development Corporation Limited (Investment: ₹ 29.71 crore; accumulated loss: ₹ 85.32 crore), Assam Plain Tribes Development Corporation, (Investment: ₹ 0.46 crore; accumulated loss: ₹ 42.03 crore), Assam State Textile Corporation Limited (Investment: ₹ 4.78 crore; accumulated loss: ₹ 36.88 crore) and Assam State Development Corporation for Scheduled Castes Limited (Investment: ₹ 4.88 crore; accumulated loss: ₹ 32.40 crore).

(ii) Reconciliation of Government Investments with Accounts of Companies

The figures of Government investments as equity in State Public Sector Enterprises (SPSEs) should agree with those appearing in the accounts of the PSEs. Reconciliation of figures is necessary to figure out the difference in accounts of PSEs and Finance Accounts of the State Government. But there is a difference between the number of SPSEs recorded in the Finance Accounts (46) as detailed in **Table 2.27** and that of the Audit Report on SPSEs (52). The differences have arisen primarily due to the investment transactions being booked in Government accounts based on the vouchers received in the Office of the Principal Accountant General (A&E) and the details given in the Audit Reports obtained from the individual SPSEs.

Scrutiny of both the accounts further revealed that as per Finance Accounts 2022-23, Government investment as equity in PSEs was ₹ 6,914.42 crore whereas as per latest information obtained from SPSEs, it was ₹ 10,740.51 crore. Thus, there was a difference of ₹ 3,826.09 crore as detailed in **Appendix 2.1**. Reconciliation should be carried out in a time bound manner to figure out the difference.

The State Government has been requested several times to reconcile the differences and confirm the correct figures to the Office of the Accountant General (A&E) to enable depiction of the correct status in this regard.

During Joint meeting (September 2023), Finance Department, assured to provide correct number of SPSEs and investment made therein for their reporting in the Finance Accounts of the State.

During Exit Conference (December 2023) also, the Secretary, Finance Department assured to take follow-up action and requested Audit to provide the full list of PSUs as per Finance Accounts and Audit Report on PSUs.

(iii) Loans and advances by State Government

In addition to investments in Co-operative societies, Corporations and Companies, State Government has also provided loans and advances to many institutions/organisations. **Table 2.28** presents the outstanding loans and advances as on

31 March 2023 along with interest receipts *vis-à-vis* interest payments during the five-year period from 2018-19 to 2022-23.

Table 2.28: Quantum of loans disbursed and recovered during 2018-23

(₹ in crore)

Particulars	2018-19	2019-20	2020-21	2021-22	2022-23
Opening Balance of loans outstanding	5,423.66	5,748.80	6,056.98	6,142.22	3,146.74
Amount advanced during the year	328.07	316.16	87.80	104.01	339.84
Amount recovered during the year	2.93	7.98	2.56	3,099.49	5.07
Closing Balance of the loans outstanding	5,748.80	6,056.98	6,142.22	3,146.74	3,481.51
Net addition	325.14	308.18	85.24	-2,995.48	334.77
Interest received	281.10	284.00	167.20	49.67	296.97
Interest rate on Loans and Advances given by the Government (<i>per cent</i>)	4.89	4.69	2.72	1.58	8.53
Rate of Interest paid on the outstanding borrowings of the Government	7.07	6.74	6.51	6.46	6.16
Difference between the rate of interest received and interest paid (<i>per cent</i>)	2.18	2.05	3.79	4.88	-2.37

Source: Finance Accounts

The total amount of outstanding loans and advances as on 31 March 2023 was ₹ 3,481.51 crore. During 2022-23, the State Government recovered a loan of ₹ 5.07 crore from the loanee entities. Further, the State Government also disbursed a loan of ₹ 339.84 crore to different entities during the year and received ₹ 296.97 crore as interest on loans disbursed in earlier years. Economic Services Sector received the maximum amount of loans advanced (₹ 335.24 crore) during the year.

IGAS 3 relates to recognition, measurement, valuation and reporting in respect of Loans and Advances made by the Government in its Financial Statements to ensure complete, accurate and uniform accounting practices. While the State Government complied with the format prescribed by the Standard, the information disclosed in this regard is incomplete, since the details of overdue principal and interest in respect of Loans and Advances have not been provided to the Accountant General (A&E).

Further, as per notification issued by GoA in March 2006, which was reiterated from time to time, no loan was to be granted for a period exceeding 10 years, except with an extension sought from Finance Department, GoA and the recovery was to be affected in annual equal instalment of principal and interest.

Audit observed that during the year 2022-23, fresh loans of ₹ 335.24 crore was disbursed to two loanee entities from whom repayments of earlier loans of ₹ 2,899.14 crore were in arrears. Out of those two cases, loans in respect of Assam Tea Corporation Limited (₹ 1,052.05 crore) were in arrears since 2001-02. Details in this regard are given in **Table 2.29**.

Table 2.29: Payment of fresh loans to entity during 2022-23

(₹ in crore)

Sl. No.	Name of the loanee entity	Loans Disbursed during the current year		Amount of arrears as on 31 March 2023			Earliest period to which arrears relate
		Rate of Interest	Principal	Principal	Interest	Total	
1	Assam Tea Corporation Limited	11.50%	281.25	737.99	314.06	1,052.05	2001-02
2	Assam Power Distribution and Generation Company Ltd. (6801)	10%	53.99	1,840.15	6.94	1,847.09	2003-04
Total			335.24	2,578.14	321.00	2,899.14	

Source: Finance Accounts

(iv) Capital locked in Incomplete Projects

As per data provided by the Irrigation, Public Health Engineering (PHE) and Water Resources Departments, there were 627 incomplete/ ongoing projects with progressive expenditure of ₹ 2,964.70 crore, as of 31 March 2023. Out of 627 incomplete projects, 467 projects on which expenditure of ₹ 2,782.37 crore had been incurred, pertained to the period prior to the year 2021-22. Details of age-wise and department-wise incomplete projects, which were to be completed up to 2022-23 are shown in Table 2.30 and Table 2.31 respectively.

Table 2.30: Age profile of incomplete projects as on 31 March 2023 (₹ in crore)

Year of sanction of the project	No of incomplete projects	Estimated cost	Progressive Expenditure (as on 31 March 2023)
Up to 2013-14	40	245.76	177.20
2014-15	15	18.47	8.37
2015-16	2	107.03	106.16
2016-17	4	8.04	5.65
2017-18	36	307.36	212.95
2018-19	128	1,620.42	902.09
2019-20	49	434.82	243.62
2020-21	193	2,370.63	1,126.35
2021-22	44	279.11	105.94
2022-23	116	566.43	76.39
Total	627	5,958.07	2,964.70

Source: Finance Accounts

Table 2.31: Department-wise profile of incomplete projects as on 31 March 2023 (₹ in crore)

Department	No. of incomplete projects	Estimated cost	Progressive Expenditure (as on 31 March 2023)
Irrigation	11	89.06	72.78
PHED	243	771.18	413.22
Water Resources	14	188.65	78.86
Public Works	359	4,909.18	2,399.84
Total	627	5,958.07	2,964.70

Delay in completion of projects not only adversely affected the quality of expenditure but also deprived the State of intended benefits and economic growth.

Effective steps need to be taken to complete all these above projects without further delay to avoid cost overrun due to time overrun.

2.4.3 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 State's or national average. The higher the ratio of these components to total expenditure, the quality of expenditure is considered to be better.

Table 2.32 compares the fiscal priority of the State Government with that of North Eastern and Himalayan States (NE & H States) with regard to development expenditure, expenditure on Social and Economic Sectors and Capital Expenditure during 2022-23, taking 2018-19 as the base year.

Table 2.32: Fiscal Priority of the State in 2018-19 and 2022-23

Fiscal Priority of the State	(In per cent)			
	TE/ GSDP	CE/ TE	Education*/TE	Health/TE
North Eastern and Himalayan States Average (2018-19)	27.30	15.67	17.70	6.48
Assam (2018-19)	22.07	16.16	22.96	6.23
North Eastern and Himalayan States Average (2022-23)	27.24	15.34	15.77	6.95
Assam (2022-23)	24.32	13.34	16.52	5.73

TE-Total Expenditure, CE-Capital Expenditure

*Expenditure on education includes expenditure on sports, art and culture.

Table 2.32 shows that:

- The State Government's Total Expenditure as proportion of GSDP, increased from 22.07 per cent 2018-19 to 24.32 per cent in 2022-23 whereas for North Eastern and Himalayan States (NE&HS) it decreased marginally from 27.30 per cent to 27.24 per cent during the same period.
- Capital Expenditure facilitates asset creation which generates opportunities for higher growth. The ratio of Capital Expenditure to Total Expenditure of the State decreased from 16.16 per cent in 2018-19 to 13.34 per cent in 2022-23. This ratio for NE&H States decreased from 15.67 per cent in 2018-19 to 15.34 per cent in 2022-23.
- The ratio of expenditure on education to the Total Expenditure in Assam decreased from 22.96 per cent in 2018-19 to 16.52 per cent in 2022-23. This ratio for NE&H States decreased from 17.70 per cent in 2018-19 to 15.77 per cent in 2022-23.
- The ratio of expenditure on Health to Total Expenditure in Assam decreased from 6.23 per cent in 2018-19 to 5.73 per cent in 2022-23 whereas it increased marginally from 6.48 per cent in 2018-19 to 6.95 per cent in 2022-23 in case of NE&H States during the same period.

2.4.4 Object Head-wise Expenditure

Table 2.33 compares the object head-wise expenditure (above ₹ 100 crore) of the State during current year with respect to the previous year.

Table 2.33: Object Head-wise expenditure

(₹ in crore)

Sl. No.	Head	Expenditure		Increase (+)/ Decrease (-)	
		2021-22	2022-23	Amount	Per cent
1	Salaries	25,715.00	28,029.65	2,314.67	9.00
2	Grants-in-Aid-General (Salary)	2,844.51	2,838.36	-6.15	-0.22
3	Grants-in-Aid-General (Non-Salary)	23,352.35	25,958.40	2,606.05	11.16
4	Grants for Creation of Capital Assets	8,427.74	20,722.41	12,294.67	145.88
5	Pension/ Gratuity	17,223.74	16,406.63	-827.11	-4.80
6	Major Works	9,567.78	9,133.46	-434.32	-4.54
7	Interest	6,051.47	6,874.97	823.50	13.61
8	Other Charges	1,677.85	1,434.61	-243.24	-14.50
9	Office Expenses	667.35	659.48	-7.87	-1.18
10	Maintenance	732.93	632.34	-100.59	-13.72
11	Inter-Accounts Transfer	598.55	1,488.96	890.41	148.76
12	Materials and Supplies	527.98	177.79	-350.19	-66.33
13	Subsidy	2005.69	1,662.58	-343.11	-17.11
14	Wages	791.6	973.11	181.51	22.93
15	Professionals & Special Services	488.17	357.29	-130.88	-26.81
16	Minor Works	206.56	126.63	-79.93	-38.70
17	Scholarships and Stipend	200.84	373.13	172.29	85.78
18	Machinery and Equipment/ Tools and Plants	179.62	393.44	213.82	119.04
19	Investment/ Loans	4,871.28	101.70	-4,769.58	-97.91
20	Others	607.59	937.74	330.15	54.34

Source: Finance Accounts

It can be seen from **Table 2.33** that expenditure under three object heads recorded more than 100 *per cent* increase during the period.

2.5 Contingency Fund

This Fund is in the nature of an imprest, which is established by the State Legislature by law, and is placed at the disposal of the Governor to enable advances to be made for meeting unforeseen expenditure pending authorisation of such expenditure by the State Legislature. The fund is recouped by debiting the expenditure to the concerned functional major head relating to the Consolidated Fund of the State.

As on 31 March 2023, the balance under Contingency Fund was ₹ 2000 crore and no amount was lying un-recouped at the end of the financial year.

2.6 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.

2.6.1 Net Public Account balances

The component wise net balance of transactions in Public Account of the State as of end of March 2023 are given in **Table 2.34** and also in **Chart 2.15**.

Table 2.34: Component-wise net balance of transactions in Public Account

(₹ in crore)

Sector	Sub Sector	2018-19	2019-20	2020-21	2021-22	2022-23
I. Small Savings, Provident Funds, etc.	Small Savings, Provident Funds, etc.	981.06	968.47	888.85	601.53	100.17
J. Reserve Funds	(a) Reserve Funds bearing Interest	107.50	682.43	43.20	-49.37	703.89
	(b) Reserve Funds not bearing Interest	0.00	0.00	0.00	0.00	0.00
K. Deposits and Advances	(a) Deposits bearing Interest	148.06	-62.19	-19.83	-59.63	23.76
	(b) Deposits not bearing Interest	748.82	161.84	-559.15	648.83	438.00
	(c) Advances	254.59	755.06	349.26	-542.68	560.66
L. Suspense and Miscellaneous	(a) Suspense	-48.32	-415.06	-459.46	-38.11	226.57
	(b) Other Accounts*	-7,318.83	5,330.12	-3,970.09	-1,387.80	6,627.09
	(c) Accounts with Governments of Foreign Countries	---	---	---	---	0.00
	(d) Miscellaneous	1,053.41	---	800.00	2000	0.00
M. Remittances	(a) Money Orders and other Remittances	-39.35	-123.90	-54.60	0.57	-71.52
	(b) Inter-Governmental Adjustment Account	-17.23	-18.06	8.21	23.19	9.39
Total		-4,130.29	7,278.71	-2,973.61	1,196.53	8,618.01

Source: Finance Accounts

Note: Net balances denote excess of receipts over expenditure

*Other Accounts under L. Suspense and Miscellaneous include Cash Balance Investment Account

Chart 2.15: Yearly changes in net balances of transactions in Public Account

(₹ in crore)

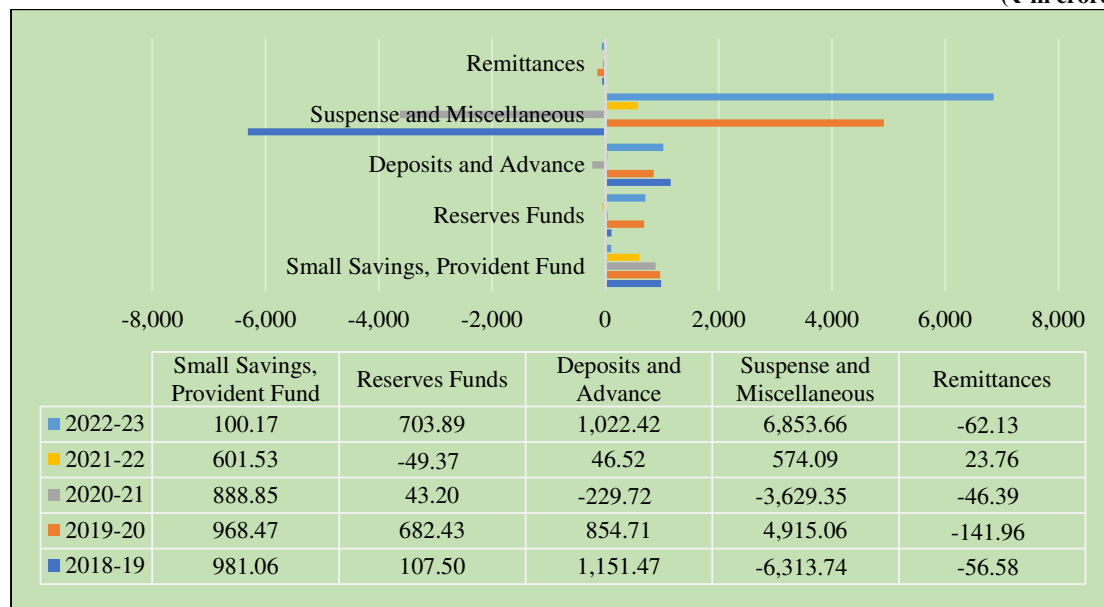
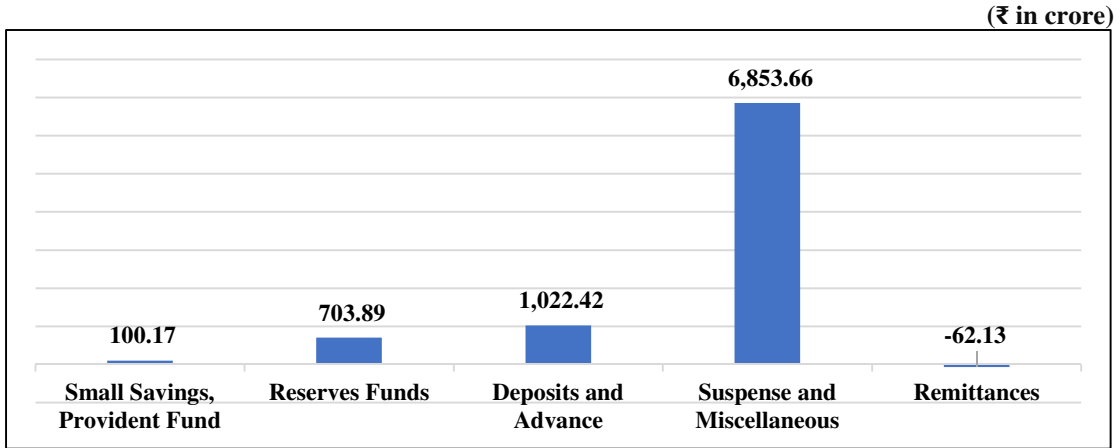


Chart 2.16 gives the details of changes in the balances in Public Account during the year 2022-23.

Chart 2.16: Change in net balances in transactions of Public Account during 2022-23



2.6.2 Reserve Funds

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. It comprises interest bearing reserve funds and reserve funds not bearing interest.

Details of Reserve Funds are available in Statements 21 and 22 of the Finance Accounts. There were one interest bearing reserve fund and five reserve funds not bearing interest as on 31 March 2023. The fund balances lying in these Reserve Funds as on 31 March 2023 are given in **Table 2.35**.

Table 2.35: Detail of Reserve funds

(₹ in crore)

Sl. No.	Name of Reserve Fund	Balance as on 31 March 2023
A	Reserve Funds bearing Interest	1,983.76
1.	General and Other Reserve Funds	1,983.76
B	Reserve Funds not bearing Interest	5,242.94
1.	Sinking Funds	5,156.87
2.	Roads and Bridges Fund	1.23
3.	Depreciation/Renewal Reserve Fund	0.12
4.	Development and Welfare Funds	3.44
5.	General and Other Reserve Funds	81.28
	Grand Total	7,226.70

Source: Finance Accounts

2.6.2.1 Consolidated Sinking Fund

The State Government had set up the Sinking Fund in line with the recommendations of the Twelfth Finance Commission (12th FC) for amortisation of market borrowings as well as other loans and debt obligations. Under the scheme guidelines, State Government may contribute to the Fund at least 0.5 *per cent* of the outstanding liabilities (Internal debt *plus* Public Account) at the end of the previous financial year. Accordingly, the desired contribution of the State Government was ₹ 488.15 crore, which was 0.5 *per cent* of the outstanding liabilities as of 31 March 2022 (₹ 97,630.55 crore).

Against this requirement, the State Government contributed ₹ 2,000.00 crore to the Fund during the year. The total accumulation of the Fund was ₹ 5,156.87 crore as on 31 March 2023 (₹ 2,893.06 crore as on 31 March 2022) including accrued interest of ₹ 263.81 crore of which ₹ 5,149.64 crore had been invested by RBI.

2.6.2.2 State Disaster Response Fund

Government of India (GoI) replaced the erstwhile Calamity Relief Fund with the State Disaster Response Fund (SDRF) with effect from 01 April 2010. In terms of the guidelines of the Fund, the Centre and North Eastern & Himalayan States are required to contribute to the Fund in the proportion of 90:10 and the contributions are to be transferred to the Public Account under Major Head-8121. Expenditure during the year is incurred by operating Major Head-2245.

As per Paragraph 4 of the Guidelines, the State Government has to pay interest to the SDRF at the rate applicable to overdrafts under overdraft Regulation Guidelines of the RBI. The interest is to be credited on a half yearly basis. Further, as per Paragraph 19 of the Guidelines, the SDRF balances are to be invested in one or more of the following instruments *viz.*, Central Government dated Securities, Auctioned Treasury Bills and Interest earning deposits and certificate of deposits with Scheduled Commercial Banks.

As on 01 April 2022, the Fund had a balance of ₹ 719.06 crore. During 2022-23, the State Government received ₹ 648.80 crore as Central Government's share. The State Government's share due during the year was ₹ 72.00 crore. Against this, the State Government transferred ₹ 720.80 crore (GoI share: ₹ 648.80 crore *plus* State's share: ₹ 72.00 crore) to the Fund account under the Major Head 8121-122 SDRF. During the year, the State Government also received ₹ 250.00 crore from the Central Government towards NDRF, all of which transferred to the fund account as on 31 March 2023.

The State Government also transferred ₹ 308.80 crore of Central Share received in 2021-22 together with ₹ 37.76 crore of State share to the Fund Account during 2022-23.

During 2022-23, the calamity related expenditure of ₹ 933.41 crore incurred by the State Government was set off (MH: 2245-901) against the fund balance. At the end of 31 March 2023, a balance of ₹ 1,103.01 crore remained un-invested in the fund.

Government of Assam had neither invested the balances in SDRF in any of the instruments specified in the Guidelines, nor had it paid the half-yearly interest on the balance lying in the Fund in violation of SDRF guidelines. The unpaid interest of ₹ 53.86 crore by GoA led to understatement of Revenue Expenditure to that extent during 2022-23 and accumulated liabilities for future.

During the Public Accounts Committee (PAC) meeting (November 2019) on SFAR for the year ended 31 March 2018, the Chairman raised the issue of non-investment of balances under SDRF by the Government. The Principal Secretary, Finance Department acknowledged that SDRF funds were not being invested regularly and stated that it was due to the highly unpredictable nature of disasters in the State, which necessitate quick access to funds. The Principal Secretary however, assured

(January 2020) the PAC that the Government would take necessary action for investment of the funds as per the norms prescribed by GoI guidelines. However, no such investment was done as of September 2023.

During Exit Conference (December 2023), the Secretary noted the issue and assured to take follow up action as per Paragraphs 4 and 19 of the SDRF guidelines regarding payment of interest on SDRF balances and their investment in the assigned instruments.

2.6.2.3 Guarantee Redemption Fund

State Government constituted (September 2009) a '*Guarantee Redemption Fund*' for meeting the payment obligations arising out of the guarantees issued by the Government in respect of bonds issued and other borrowings by the State Public Sector Undertakings or other Bodies and invoked by the beneficiaries.

According to the scheme guidelines, the Government should contribute an amount equivalent to at least three *per cent* of the outstanding guarantees at the end of the second financial year preceding the current financial year as reflected in the books of accounts maintained by the Accountant General (A&E).

During 2022-23, the State Government was required to contribute ₹ 2.33 crore to the Fund, which was three *per cent* of ₹ 77.72 crore (outstanding guarantees at the end of second financial year preceding the current financial year). The State Government contributed ₹ 2.34 crore to the fund against the outstanding guarantees of ₹ 77.72 crore. As on 31 March 2023, the total amount lying in the Fund was ₹ 78.43 crore (including the accrued interest of ₹ 5.50 crore for 2022-23) and the entire amount was invested by the Reserve Bank of India.

2.6.2.4 State Disaster Mitigation Fund (SDMF)

Keeping in view of the provision of the Disaster Management Act, 2005 and the recommendations of Fifteenth Finance Commission, Government of India has framed guidelines for administration of State Disaster Mitigation Fund (SDMF) at the State level.

As per Para 7 of the guideline, SDMF will be constituted with the nomenclature of "State Disaster Mitigation Fund" in the Public Account under the Reserve Fund bearing interest in the Major Head: 8121-General and other Reserve Funds-130-₹State Disaster Mitigation Fund' in the accounts of the State Governments concerned after fulfilling all codal and other accounting formalities required. Para 8.4 of the guideline states that in order to enable transfer of the total amount of contribution to the SDMF (both Central share and the State share of contribution), the State Governments would make suitable budget provision on the expenditure side of their budget under the Head "2245- Relief on Account of Natural Calamities-08-State Disaster Mitigation Fund-797-Transfers to Reserve Fund and Deposit Accounts".

As per Para 12 of the guidelines, the State Government shall invest the accretions to the SDMF together with the income earned on the investments of the SDMF in one or more of the instruments such as Central Government dated Securities; Auctioned Treasury

Bills; and interest earning deposits and certificates of deposits with Scheduled Commercial Banks. The State Government shall pay interest into the SDMF at the rate applicable to overdrafts under Overdraft Regulation Guidelines of the RBI for the amount not invested from SDMF. The interest will be credited on a half-yearly basis.

During the year 2022-23, the State Government did not receive any fund from Central Government towards SDMF. The State Government, however, transferred ₹ 154.40 crore of Central share received during 2021-22 together with ₹ 17.20 crore of State share to the Fund during 2022-23.

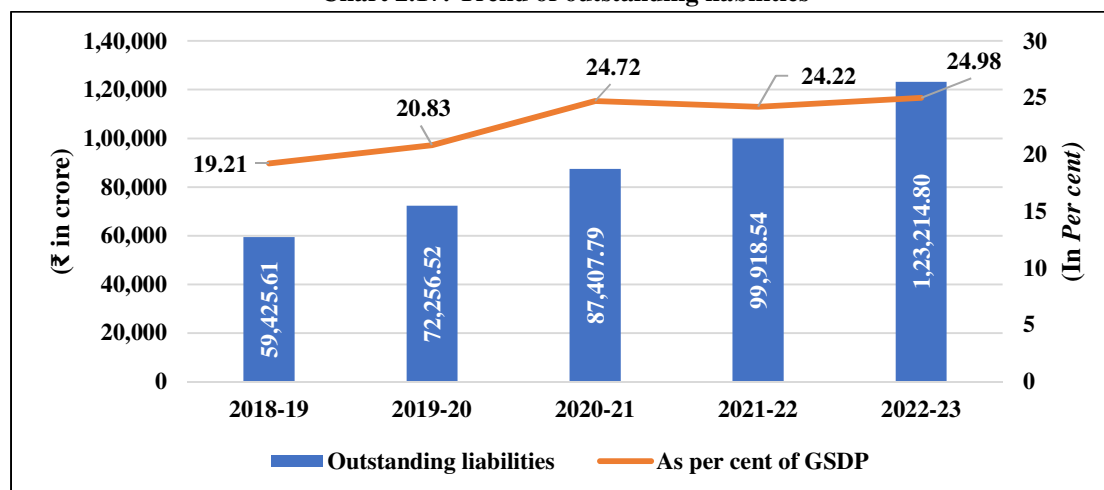
At the end of 31 March 2023, the Government of Assam had not invested the balance of ₹ 171.60 crore lying in the SDMF in the assigned instruments as required under the guidelines.

2.7 Public Liability Management

Management of public liability is the process of establishing and executing a strategy for managing the Government’s liabilities 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.

Outstanding liability of the State along with its percentage of GSDP during 2018-23 is depicted in **Chart 2.17**.

Chart 2.17: Trend of outstanding liabilities



Source: Finance Accounts

*Excludes loan of ₹ 994.00 crore (2020-21) and ₹ 1,773.87 crore (2021-22), which were passed on as back to back loans by GoI, in lieu of shortfall in GST Compensation.

2.7.1 Liability profile: Components

The State FRBM Act, 2005 defines ‘total liabilities’ as the liabilities under the Consolidated Fund and the Public Account of the State. Thus, total liabilities of the State Government typically constitutes 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 and Public Account Liabilities.

Outstanding liability, total debt received, repayment of debt, ratio of debt to GSDP and the actual quantum of debt available to the State during the five-year period 2018-23 are given in **Table 2.36**. Component wise liability and their trends during 2018-23 are also given in **Chart 2.18**.

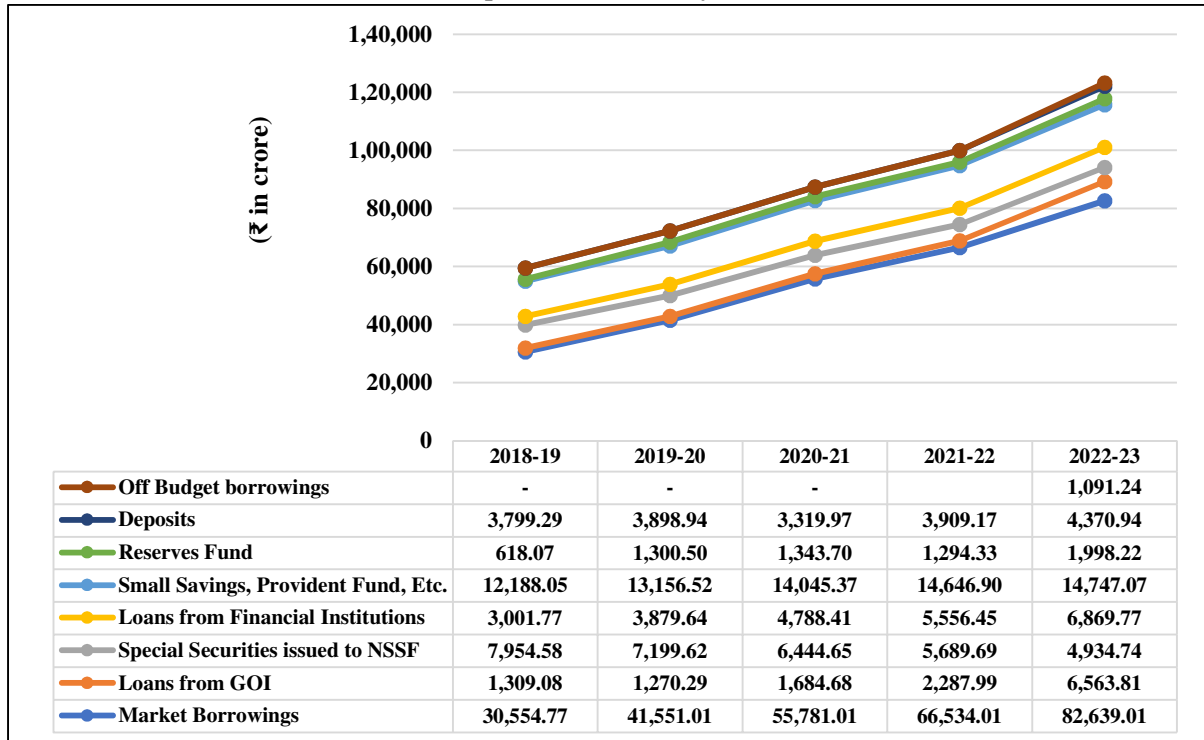
Table 2.36: Component-wise liability trends

Component of fiscal liability		(₹ in crore)				
		2018-19	2019-20	2020-21	2021-22	2022-23
Outstanding Total Liability (a + b + c)		59,425.61	72,256.52	87,407.79*	99,918.54*	1,23,214.80*
(a) Public Debt	Internal Debt	41,511.12	52,630.27	67,014.07	77,780.15	94,443.52
	Loans from GoI	1,309.08	1,270.29	1,684.68	2,287.99	6,563.81
(b) Off-budget borrowings		Nil	Nil	Nil	Nil	1,091.24
(c) Public Account Liabilities		16,605.41	18,355.96	18,709.04	19,850.40	21,116.23
<i>Small Savings, Provident Funds, etc.</i>		12,188.05	13,156.52	14,045.37	14,646.90	14,747.07
<i>Reserve Funds bearing Interest</i>		603.61	1,286.04	1,329.24	1,279.87	1,983.76
<i>Reserve Funds not bearing Interest</i>		14.46	14.46	14.46	14.46	14.46
<i>Deposits bearing Interest</i>		422.53	360.34	340.51	280.88	304.64
<i>Deposits not bearing Interest</i>		3,376.76	3,538.60	2,979.46	3,628.29	4066.30
Rate of growth of outstanding total liability (per cent)		20.60	21.59	20.97	14.31	23.32
Gross State Domestic Product		3,09,336.32	3,46,850.68	3,53,605.42	4,12,611.87	4,93,166.60
Liability/GSDP (per cent)		19.21	20.83	24.72	24.22	24.98
Borrowings and Other Liabilities (as per Statement 6 of Finance Accounts)						
Total Receipts		25,163.98	25,275.04	27,561.92	28,973.95	41,770.68
Total Repayments		15,013.26	12,444.13	11,416.65	14,689.33	19,565.69
Net funds available		10,150.72	12,830.91	16,145.27	14,284.62	22,204.99
Repayments/Receipts (per cent)		59.66	49.23	41.42	50.70	46.84

Source: Finance Accounts

*Excludes loan of ₹ 994.00 crore (2020-21) and ₹ 1,773.87 crore (2021-22), which were passed on as back to back loans by GoI, in lieu of shortfall in GST Compensation.

Chart 2.18: Component wise liability trends (₹ in crore)



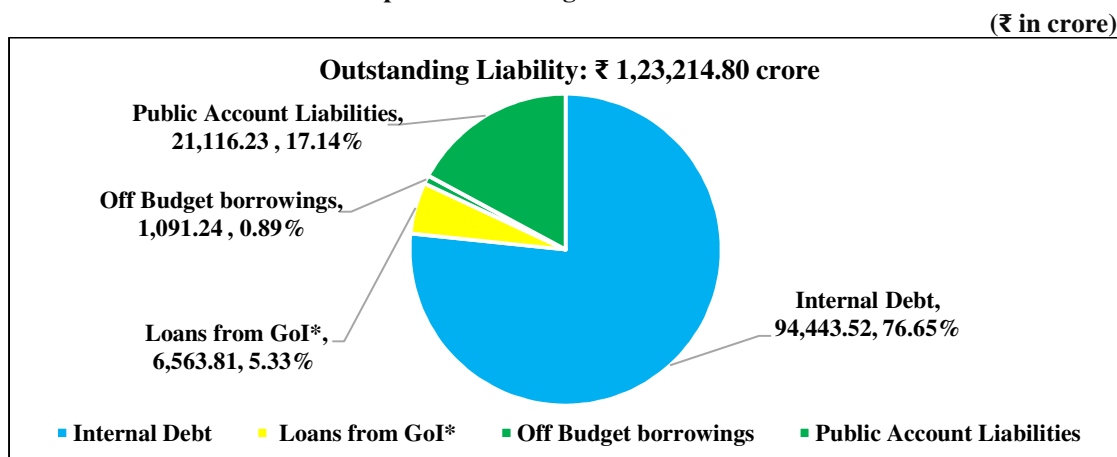
The total liabilities of the State Government had been on the rise as it increased by 107.34 per cent from ₹ 59,425.61 crore in 2018-19 to ₹ 1,23,214.80 crore in 2022-23. Public Debt increased by ₹ 58,187.13 crore (135.89 per cent) during the period 2018-23

wherein Internal debt increased by ₹ 52,932.40 crore (127.51 per cent) and Loans from GoI increased by ₹ 5,254.73 crore (401.41 per cent).

Public Account liabilities increased by ₹ 4,510.82 crore (27.16 per cent) over the period of 2018-19 to 2022-23. During the period, major increase was under Small Savings, Provident Funds, etc. (₹ 2,559.02 crore: 21.00 per cent) and Reserve Funds bearing interest (₹ 1,380.15 crore: 228.65 per cent).

The Outstanding liabilities of the State Government at the end of 2022-23 was ₹ 1,23,214.80 crore. Component-wise break-up of outstanding liabilities at the end of 2022-23 is shown in **Chart 2.19**.

Chart 2.19: Break-up of Outstanding liabilities at the end of FY 2022-23



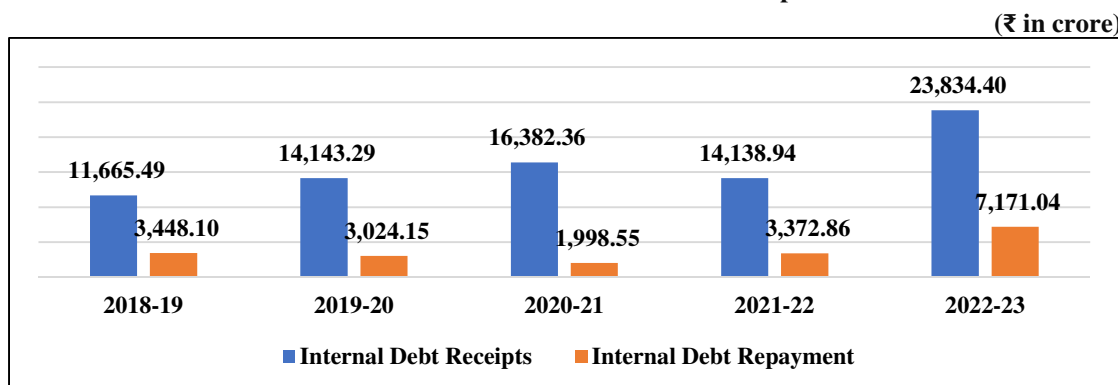
Source: Finance Accounts

*Excludes loan of ₹ 994.00 crore (2020-21) and ₹ 1,773.87 crore (2021-22), which were passed on as back to back loans by GoI, in lieu of shortfall in GST Compensation.

Internal debt, which is primarily market borrowings through issue of State Development Loans (SDLs), accounts for 76.65 per cent of the total outstanding liabilities.

Internal debt receipts and repayment made by the State during the period is given in **Chart 2.20**.

Chart 2.20: Internal debt taken vis-à-vis repaid



Source: Finance Accounts

Internal debt of the State Government increased by ₹ 52,932.40 crore (127.51 per cent) from ₹ 41,511.12 crore in 2018-19 to ₹ 94,443.52 crore in 2022-23. An amount of ₹ 5,890.74 crore was paid towards interest on internal debt during 2022-23.

Fiscal Deficit of the State ranged between 1.54 *per cent* and 6.12 *per cent* of GSDP during 2018-23. The financing pattern of fiscal deficit during the five-year period has undergone a compositional shift as reflected in **Table 2.37**. Financing of fiscal deficit during 2022-23 has also been expressed through a water flow **Chart 2.21**.

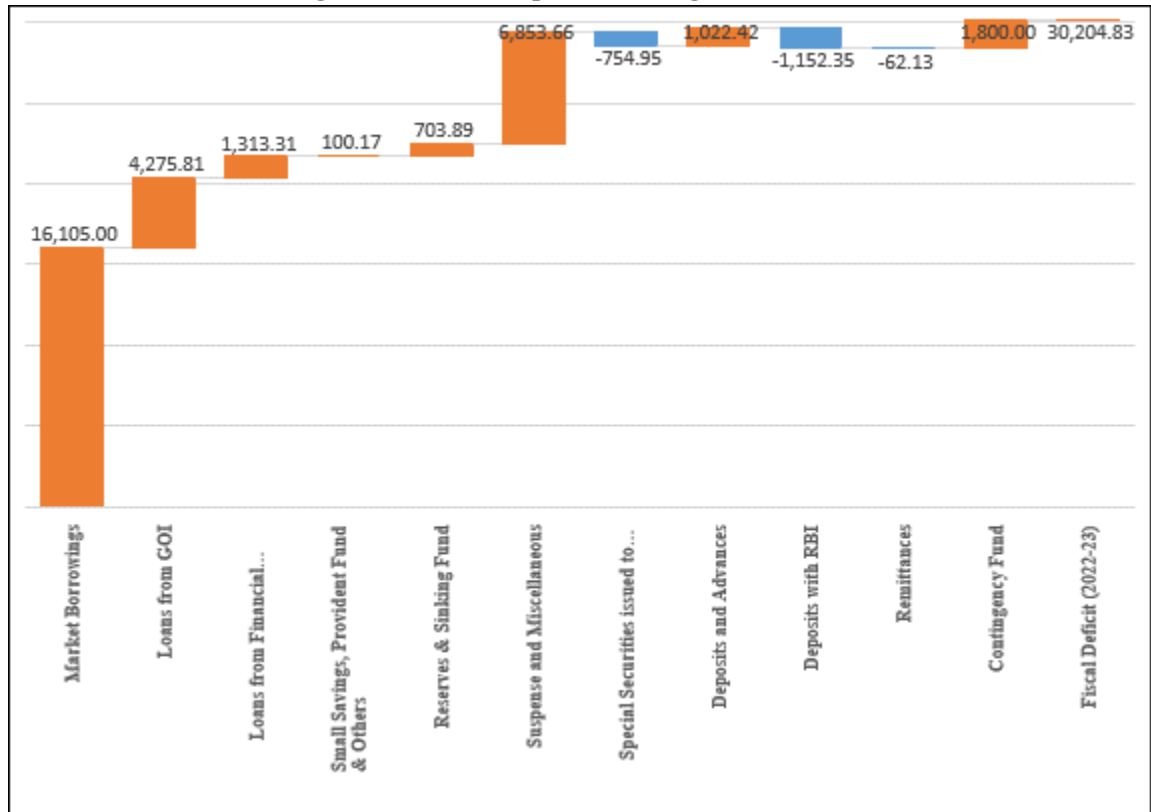
Table 2.37: Components of fiscal deficit and its financing pattern

		(₹ in crore)				
Particulars	2018-19	2019-20	2020-21	2021-22	2022-23	
Fiscal Deficit (-)/ Surplus (+)	-4,779.06	-14,915.80	-12,102.03	-19,863.12	-30,204.83	
FD/GSDP (In per cent)	-1.54	-4.30	-3.42	-4.81	-6.12	
Composition of Fiscal Deficit/Surplus						
1 Revenue Deficit (-) /Surplus (+)	6,580.16	-1,322.20	382.60	-2,732.77	-12,072.35	
2 Net Capital Expenditure	-11,034.08	-13,185.42	-12,399.39	-20,125.83	-15,997.71	
3 Net Loans and Advances	-325.14	-308.18	-85.24	2,995.48	-334.77	
4 Appropriation to Contingency Fund	0.00	-100.00	0.00	0.00	-1,800.00	
Financing Pattern of Fiscal Deficit*						
1 Market Borrowings	8,089.36	10,996.24	14,230.00	10,753.00	16,105.00	
2 Loans from GOI	-52.11	-38.78	1,408.39	2,377.18	4,275.81	
3 Special Securities issued to NSSF	-709.49	-754.96	-754.97	-754.97	-754.95	
4 Loans from Financial Institutions	837.53	877.86	908.77	768.04	1,313.31	
5 Small Savings, Provident Fund & Others	981.06	968.47	888.85	601.53	100.17	
6 Deposits and Advances	1,151.46	854.71	-229.73	46.52	1,022.42	
7 Suspense and Miscellaneous	-6,313.73	4,915.06	-3,629.55	574.09	6,853.66	
8 Remittances	-56.58	-141.96	-46.40	23.76	-62.13	
9 Reserves & Sinking Fund	107.50	682.44	43.21	-49.37	703.89	
10 Contingency Fund	0.00	100.00	0.00	-	1,800.00	
11 Overall Deficit	4,035.00	18,459.08	12,818.59	14,339.78	31,357.18	
12 Increase (-)/ Decrease (+) in cash balance	744.06	-3,543.28	-716.55	5,523.34	-1,152.35	
13 Gross Fiscal Deficit	4,779.06	14,915.80	12,102.03	19,863.12	30,204.83	

Source: Finance Accounts

*Net of receipts and disbursement during the year

Chart 2.21: Financing of fiscal deficit expressed through a waterfall chart (₹ in crore)



Source: Finance Accounts

The components of receipts and disbursements financing the fiscal deficit during the year 2022-23 are depicted in **Table 2.38**.

Table 2.38: Receipts and Disbursements under components financing the fiscal deficit during 2022-23

(₹ in crore)				
Sl. No.	Particulars	Receipts	Disbursement	Net
1	Market Borrowings	17,100.00	995	16,105.00
2	Loans and Advances from GOI	4,435.62	159.81	4,275.81
3	Special Securities issued to NSSF	0	754.95	-754.95
4	Loans from Financial Institutions	6,734.40	5,421.09	1,313.31
5	Small Savings, PF, etc.	2,240.78	2,140.61	100.17
6	Deposits and Advances	9,493.60	8,471.18	1,022.42
7	Suspense and Miscellaneous	94,644.18	87,790.52	6,853.66
8	Remittances	8,858.61	8,920.74	-62.13
9	Reserves & Sinking Funds	3,908.95	3,205.06	703.89
10	Contingency Fund	1800	0	1,800.00
11	Overall Deficit	1,49,216.14	1,17,858.96	31,357.18
12	Increase (-)/Decrease (+) in cash balance	-1826.58	-674.23	-1,152.35
13	Gross Fiscal Deficit	1,47,389.56	1,17,184.73	30,204.83

Source: Finance Accounts

2.7.2 Debt profile: Maturity and Repayment

Debt maturity and repayment profile indicates commitment on the part of the Government for debt repayment or debt servicing. Debt maturity profile of the State is depicted in **Table 2.39** and **Chart 2.22**.

Table 2.39: Maturity Profile of repayment of Public debt of the State

Period of repayment (Years)	Principal Amount	Interest Amount [#]	Public Debt (including interest)	Percentage (w.r.t. total public debt)
0-1	4,563.98	6,924.63	11,488.61	8.46
1-3	15,837.79	12,202.25	28,040.04	20.64
3-5	17,526.48	9,752.09	27,278.57	20.08
5-7	21,761.69	6,863.94	28,625.63	21.07
7-10	34,804.32	4,349.15	39,153.47	28.82
Above 10	1,162.90	83.50	1,246.40	0.92
Total	95,657.16[§]	40,175.56	1,35,832.72	100.00

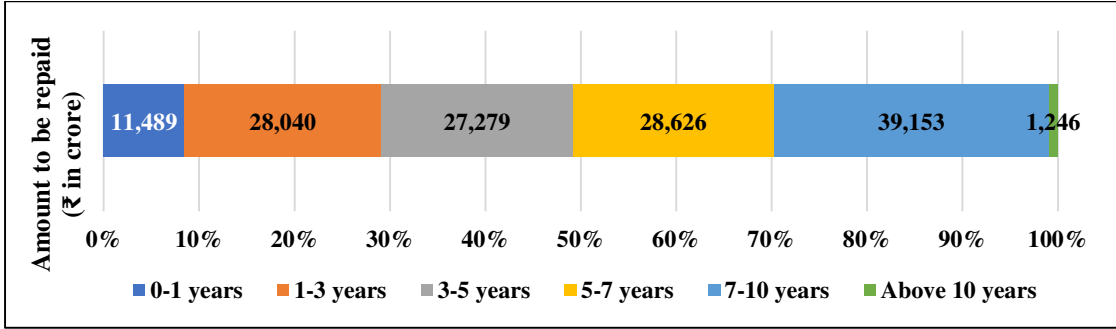
Source: Calculated on the basis of Finance Accounts

[#] Approximate interest calculated at average interest rate of 7.18 per cent (average of interest rate for the last five years as given in Table 2.42).

[§] It excludes Back to Back Loans to State in lieu of GST Compensation Shortfall (₹ 2,767.87 crore) and Scheme for Special Assistance as Loans to State for Capital Expenditure (₹ 5,350.14 crore)

Table 2.39 indicates that the State Government has to repay 29.10 per cent (₹39,528.65 crore) of its public debt (including approximate interest) within the next three years, 20.08 per cent (₹ 27,278.56 crore) between 3-5 years, 21.07 per cent (₹ 28,625.63 crore) between 5-7 years and 28.82 per cent (₹ 39,153.47 crore) between 7-10 years. It signifies that the State has to repay 99.08 per cent of its debt (₹ 1,34,586.32 crore) in the next ten years.

Chart 2.22: Maturity Profile of Public Debt



Source: Finance Accounts

Note: It excludes Back to Back Loans to State in lieu of GST Compensation Shortfall (₹ 2,767.87 crore) and Scheme for Special Assistance as Loans to State for Capital Expenditure (₹ 5,350.14 crore)

Table 2.40: Repayment of Public Debt and Interest for next ten years

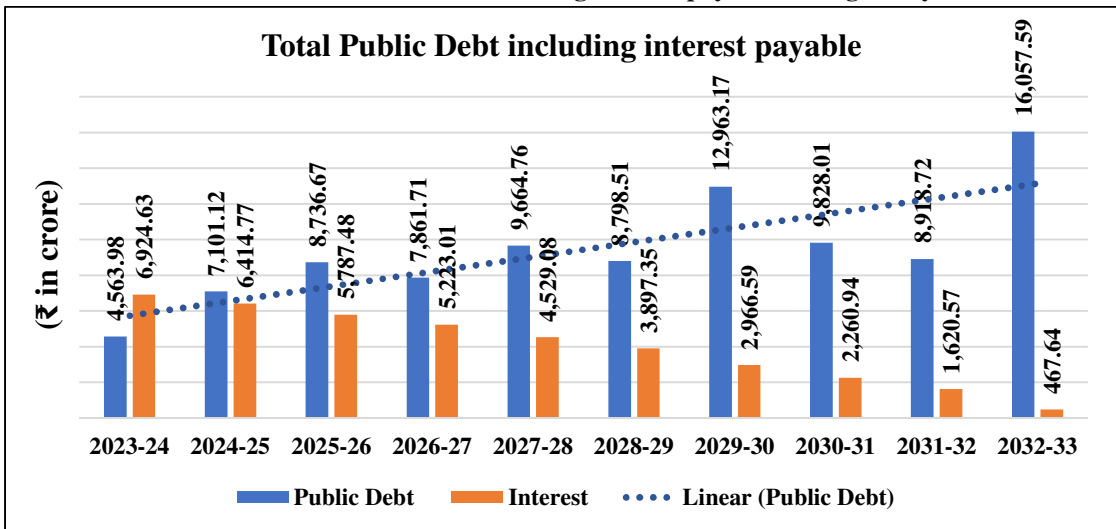
(₹ in crore)

Year	Repayment of				
	Internal Debt	Loans from GoI	Public Debt	Interest	Public Debt including interest
1	2	3	4 (2+3)	5	6 (4+5)
2023-24	4,258.42	305.56	4,563.98	6,924.63	11,488.61
2024-25	7,035.04	66.08	7,101.12	6,414.77	13,515.89
2025-26	8,681.16	55.51	8,736.67	5,787.48	14,524.15
2026-27	7,805.37	56.34	7,861.71	5,223.01	13,084.72
2027-28	9,604.49	60.27	9,664.76	4,529.08	14,193.84
2028-29	8,736.93	61.58	8,798.51	3,897.35	12,695.86
2029-30	12,895.92	67.25	12,963.17	2,966.59	15,929.76
2030-31	9,763.09	64.92	9,828.01	2,260.94	12,088.95
2031-32	8,854.64	64.08	8,918.72	1,620.57	10,539.29
2032-33	15,995.27	62.32	16,057.59	467.64	16,525.23

Source: Finance Accounts 2022-23

Note: Total Public Debt (Principal) due for payment for the year 2033-34 onwards: ₹ 6,513.09 crore
Interest has been calculated on the basis of five years' average of 'Average Interest Rate of Outstanding Public Debt' (2018-19: 7.88 per cent; 2019-20: 7.39 per cent; 2020-21: 7.05 per cent; and 2021-22: 6.94 per cent; 2022-23: 6.61 per cent), i.e., 7.18 per cent; on closing balances of Outstanding Public Debt.

Chart 2.23: Total Public Debt including interest payable during next years



The above chart, and the trend line shows that the repayment burden over the next ten years (i.e., 2023-24 to 2032-33) for the current outstanding public debt of

₹ 1,01,007.33 crore shows an increasing trend – with a compound annual increase of 23.93 *per cent per annum*, which is significantly higher than the annual increase of 7.18 *per cent* in the previous five-year period from 2018-23. The increasing trend has the net effect of shifting the debt repayment burden to future years where the higher expected GSDP may lead to an even out of debt repayment burden as a percentage of GSDP. Further, since the calculations have been done based on the current stock of outstanding total liabilities, the repayment of public debt and interest thereupon is bound to increase in view of the trends of borrowings of the State Government.

However, given that the GSDP increase has been 12.37 *per cent* per annum during the last five years, which is lower than the rate of increase of debt servicing, the current debt profile indicates that an increasing higher share of GSDP may be devoted to debt servicing in the coming years.

Further, maturity profile of outstanding stock of public debt as on 31 March 2023 indicates that out of the outstanding public debt of ₹ 1,01,007.33 crore, 59.09 *per cent* (₹ 59,689.92 crore) is payable within the next seven years while the remaining 40.91 *per cent* (₹ 41,317.41 crore) is in the maturity bracket of more than seven years. Of the total outstanding public debt, internal debt consisting of market borrowings, loans from NABARD and special securities issued to NSSF of Central Government constituted 93.50 *per cent* (₹ 94,443.52 crore).

The details of actual pay-out *vis-à-vis* that indicated in the SFARs during last three years are tabulated below.

Table 2.41: Maturity Profile of Public Debt

(₹ in crore)			
Year	Outstanding Public debt as on 31 March	Indicated payment in Finance Accounts	Actual repayment
2020-21	68,698.75	3,773.55	2,147.98
2021-22	80,068.14	3,657.84	3,526.89
2022-23	1,01,007.33	2,857.80	2,722.22
Total	2,49,774.22	10,289.19	8,397.09

Source: Finance Accounts

It can be seen that during last three years *i.e.*, 2020-21 to 2022-23, the State repaid ₹ 8,397.09 crore of debt against indicated payment of ₹ 10,289.19 crore in the Finance Accounts. The difference between the indicated amount and the actual repayment is under reconciliation.

2.8 Debt Sustainability Analysis (DSA)

Debt sustainability analysis has been carried out on the basis of fiscal and debt parameters; Domar approach and compliance of macro-fiscal parameters to the respective FRBM targets. The results of the analysis are given in the following paragraphs:

(A) Debt sustainability refers to the ability of the State to service its debt obligation now and in future. Analysis of variations in debt sustainability indicators is given in **Table 2.42** and **Chart 2.24**.

Table 2.42: Debt Sustainability: Indicators and Trends

(₹ in crore)

Debt sustainability Indicators	2018-19	2019-20	2020-21	2021-22	2022-23
Outstanding Public Debt* (as on 31 st March of the year)	42,820.20	53,900.56	68,698.75**	80,068.14**	1,01,007.33**
Rate of Growth of Outstanding Public Debt (per cent)	23.56	25.88	27.45	16.55	26.15
GSDP	3,09,336.32	3,46,850.68	3,53,605.42	4,12,611.87	4,93,166.60
Rate of growth of GSDP (per cent)	9.24	12.13	1.95	16.69	19.52
Public Debt/GSDP (per cent)	13.84	15.54	19.43	19.41	20.48
Repayment of Public debt - including default history, if any	3,589.36	3,169.26	2,147.98	3,526.89	2,722.22
Average interest rate of Outstanding Public Debt (per cent) [@]	7.88	7.39	7.05	6.94	6.61
Interest Payment on Public Debt	3,052.11	3,572.52	4,323.85	5,162.5	5,981.67
Revenue deficit (-)/ surplus (+) without Interest payment	9,632.27	2,250.32	4,706.45	2,429.73	-6,090.67
Revenue Deficit due to interest payments (in per cent)	##	-270.20	##	-188.91	-49.55
Percentage of Interest payment on Public Debt to Revenue Receipts	4.81	5.54	6.66	6.47	6.67
Percentage of Public Debt Repayment to Public Debt Receipts	30.54	22.24	11.97	21.16	25.93
Net Debt available to the State [#]	5,113.18	7,507.86	11,468.35	7,980.76	14,957.49
Net Debt available as per cent to Debt Receipts	43.51	52.69	63.93	47.87	52.91
Primary deficit (-)/ surplus	-934.69	-10,476.93	-6,902.85	-13,811.65	-23,329.85
Debt Stabilisation (Quantum spread ^{\$} + Primary Deficit)	-351.28	-7,923.46	-10,408.24	-6,007.34	-10,286.65

Source: Finance Accounts

* Outstanding Public Debt is the sum of outstanding balances under heads 6003- Internal Debt and 6004- Loans and Advances from the Central Government.

**Excludes loan of ₹ 994.00 crore and ₹ 1,773.87 crore given as back-to-back loan by Government of India during 2020-21 and 2021-22 respectively.

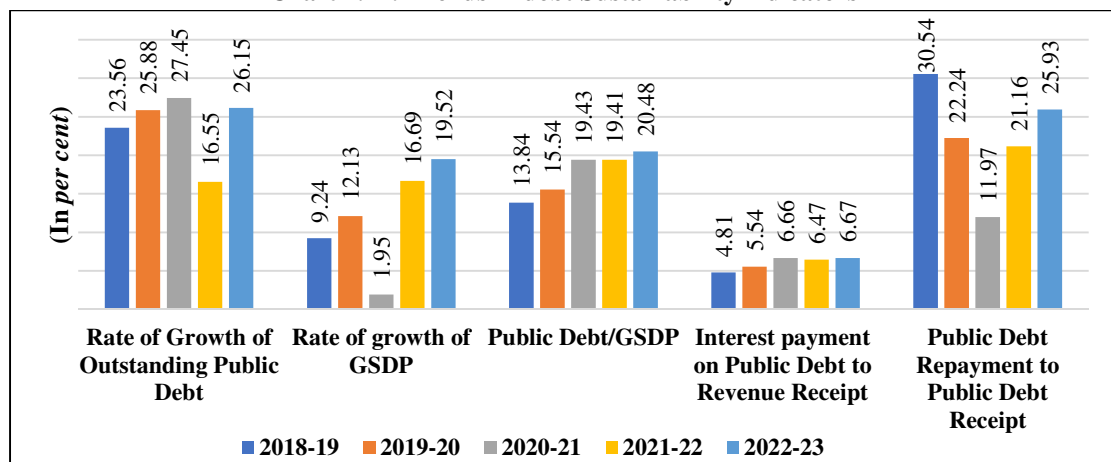
Net debt available to the State Government is calculated as excess of Public debt receipts over Public debt repayment and interest payment on Public Debt.

\$ Quantum spread = Debt*(GSDP growth rate – interest rate)/100

There was Revenue Surplus.

@ Average Interest Rate = Interest payment / [(Amount of previous year's Public Debt + Current year's Public Debt) / 2] * 100

Chart 2.24: Trends in debt Sustainability indicators



Source: Finance Accounts

Note: Excludes loan of ₹ 994.00 crore and ₹ 1,773.87 crore given as back-to-back loan by Government of India during 2020-21 and 2021-22 respectively.

- A falling debt-GSDP ratio can be considered as leading towards stability. Debt-GSDP ratio rose from 13.84 *per cent* in 2018-19 to 20.48 *per cent* in 2022-23 which cannot be considered as leading towards stability. Also, debt stabilisation condition states that if quantum spread together with primary deficit is zero, debt-GSDP ratio would tend to 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 case is positive, debt-GSDP ratio would eventually be falling. **Table 2.42** shows that this trend had been negative since 2018-19 which indicates that debt-GSDP ratio would eventually be rising.
- The ratio of interest payments to revenue receipts is also a good measure of debt sustainability. This ratio ranged between 4.81 *per cent* and 6.67 *per cent* during 2018-23, which was substantially low.
- Higher the percentage of public debt repayment to public debt receipts, the greater the proportion of debt utilised for debt servicing rather than productively. Ratio of public debt repayment to public debt receipts ranged between 11.97 *per cent* and 30.54 *per cent* only during the period from 2018-23 which means that substantial portion of debt receipts were utilised for productive purpose by the State during the period.

(B) An analysis on debt sustainability was carried out based on a study by E.D Domar¹⁴ [Domar, 1944]. The Domar model states that the necessary premise for ensuring stability of public indebtedness is that the interest rates for government loans should not exceed the growth rate of GSDP.

The dynamics of public debt depending on the interest rate, growth rate of GSDP and the primary budget balance are as follows:

g-r (g- real economic growth rate; r- real interest rate)	s<0 (primary deficit)	s>0 (primary surplus)
g-r>0 (strong economic growth)	Public debt as percentage of GSDP should converge to a stable level greater than zero.	Public debt as percentage of GSDP should converge to a stable level less than zero leading to public savings.
g-r<0 (slow economic growth)	Public debt as percentage of GSDP should increase indefinitely, without converging to a stable level.	Undefined situation

The results of applying the above parameters in the case of Assam, are shown in **Table 2.43**.

Table 2.43: Debt sustainability analysis based on Domar Model

Year	Real Growth (g) of GSDP	Real Interest Rate (r)	g-r (Domar gap)	Primary Deficit (-)/ Surplus (+)	Remarks
2018-19	5.06	1.98	3.08	-934.69	g-r>0 and s<0, Public Debt as a percentage of GSDP should converge to a stable level
2019-20	4.18	1.39	2.79	-10,476.93	

¹⁴ Domar model does not take into account maturity profile, composition, cost and risk characteristics of debt stock.

Year	Real Growth (g) of GSDP	Real Interest Rate (r)	g-r (Domar gap)	Primary Deficit (-)/ Surplus (+)	Remarks
2020-21	0.93	1.45	(-) 0.52	-6,902.85	g-r<0 and s<0, Public Debt as a percentage of GSDP should increase indefinitely without converging to a stable level
2021-22	8.06	3.74	4.32	-13,811.65	g-r>0 and s<0, Public Debt as a percentage of GSDP should converge to a stable level
2022-23	10.16	0.11	10.05	-23,329.85	

Source: Directorate of Economic and Statistics, Government of Assam, Ministry of Statistics and Programme Implementation, GoI and Finance Accounts

In the five years of the subject period *i.e.*, 2018-19 to 2022-23, the State had primary deficit. The Domar gap (g-r) remained positive during pre-Covid period *i.e.*, 2018-19 to 2019-20 and it turned negative during the year 2020-21 mainly due to the effect of Covid-19 as the real growth rate of the GSDP as it remained below one *per cent*. However, during 2021-22 to 2022-23 *i.e.*, post-Covid period, the Domar gap again turned positive although its value increased from the preceding years. However, the sustainability of public debt depends on whether the State economy maintains the real growth rate in the long run.

(C) Details of the achievements *vis-à-vis* targets set in the State MTFP under FRBM Act are shown below:

Table 2.44: Achievements *vis-à-vis* targets set in the State MTFP under FRBM Act

Fiscal Parameters		Achievement <i>vis-a-vis</i> targets set in the State MTFP				
		2018-19	2019-20	2020-21	2021-22	2022-23
Revenue Deficit (-)/ Surplus (+)/GSDP	T	-0.01	-0.01	-2.24	-1.21	-0.68
	A	2.13	-0.38	0.11	-0.66	-2.45
Fiscal Deficit (-) / Surplus (+)/GSDP	T	-2.94	-2.97	-2.30	-3.99	-3.19
	A	-1.54	-4.30	-3.42	-4.81	-6.12
Ratio of total Outstanding liability to GSDP (in <i>per cent</i>)	T	17.62	17.57	19.50	26.39	25.74
	A	19.21	20.83	24.72	24.22	24.98
Guarantees in terms of percentage of Revenue Receipts of previous year	T	0.19	0.18	0.10	0.09	0.09
	A	0.16	0.13	0.12	0.48	1.46

T: Target; A: Actuals

Above table indicates that the ratios of revenue deficit-GSDP increased from 2.13 to (-) 2.45, fiscal deficit-GSDP increased from (-)1.54 to (-)6.12 and outstanding liability-GSDP increased from 19.21 to 24.98 during the last five years *i.e.*, 2018-23.

Further, during the current year, the State was not able to meet the target for Revenue Deficit-GSDP and Fiscal Deficit-GSDP ratios fixed under FRBM Act. However, target for outstanding liability-GSDP ratio fixed under the Act was met during the year.

On the basis of the above, it is inferred that the State fiscal sustainability has risks in the medium to long term unless remedial measures are taken to rationalise expenditure, explore further sources of revenue, expand revenue base, and invest in revenue generating assets.

2.8.1 Utilisation of borrowed funds

Borrowed funds should ideally be used to fund capital creation and developmental activities. Using borrowed funds for meeting consumption and repayment of interest on outstanding loans is not a healthy trend. **Table 2.45** depicts the utilisation of borrowed funds during 2018-23.

Table 2.45: Utilisation of borrowed funds

Sl. No.	Year	₹ in crore)				
		2018-19	2019-20	2020-21	2021-22	2022-23
1	Total Borrowings (Public Debt Receipts)	11,754.65	14,249.63	17,940.18	16,670.15	28,270.02
2	Repayment of earlier borrowings (Principal) (percentage)	3,589.36 (30.54)	3,169.26 (22.24)	2,147.98 (11.97)	3,526.89 (21.16)	7,330.86 (25.93)
3	Capital Expenditure* (percentage)	11,034.08 (93.87)	13,185.42 (92.53)	12,399.39 (69.12)	20,125.83 (120.73)	15,997.71 (56.59)
4	Loans and Advances (percentage)	328.07 (2.79)	316.16 (2.22)	87.80 (0.49)	104.01 (0.64)	339.84 (1.20)

Source: Finance Accounts

*Includes GIA booked as Capital Expenditure instead of Revenue Expenditure as detailed under Table 3.15.

It is observed that over the last five years, public debt receipts increased by 140.50 per cent from ₹ 11,754.65 crore in 2018-19 to ₹ 28,270.02 crore in 2022-23. Out of public debt receipts of ₹ 28,270.02 crore during 2022-23, the State Government utilised 25.93 per cent (₹ 7,330.86 crore) for repayment of earlier borrowings and payment towards ways and means advances taken during the year and 56.59 per cent for incurring capital expenditure during the year 2022-23.

2.8.2 Status of Guarantees – Contingent Liabilities

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. According to FRBM Act, State Government guarantees are to be restricted to 50 per cent of the State's Tax and Non-Tax Revenue of the second preceding year.

The details of outstanding guarantees given by the State Government including interest liability during the five-year period from 2018-19 to 2022-23 are shown in **Table 2.46**:

Table 2.46: Guarantees given by Government of Assam

Guarantees	₹ in crore)				
	2018-19	2019-20	2020-21	2021-22	2022-23
Outstanding amount of guarantees including interest liability	85.02	83.42	77.72	311.76	1,166.49
Criteria as per the AFRBM Act, 2005	State Government guarantees shall be restricted at any point of time to 50 per cent of State's own tax and non-tax revenue of the second preceding year as reflected in the books of accounts maintained by Accountant General (A&E).				

Source: Finance Accounts

Government had guaranteed loans raised by various Corporations and Others which at the end of 2022-23 stood at ₹ 1,166.49 crore. It was 5.82 per cent of State's Own Tax

and Non-Tax Revenue of the second preceding year (₹ 20,033.22 crore) *i.e.*, well within the limit prescribed in the State FRBM Act. Out of the total outstanding guarantees, ₹ 1,091.24 crore (93.55 *per cent*) pertained to Assam Infrastructure Financing Authority (AIFA).

2.8.3 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. Presently, this limit is fixed at ₹ 1.08 crore for the State of Assam. 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 is revised by the RBI from time to time.

The limit for ordinary WMA to the State Government was ₹ 1,243.00 crore with effect from 01 April 2022 and the limit of SWMA is revised by the bank from time to time. The State Government maintained the minimum daily cash balance with the RBI only for 305 days during 2022-23 and Special Ways and Means Advances were availed for 60 days during the year. Further, the State Government paid an amount of ₹ 1.45 crore as interest for availing the Ways and Means Advances during the year.

Table 2.47 and **Chart 2.25** depict the cash balances and investments made out of these by the State Government during the year.

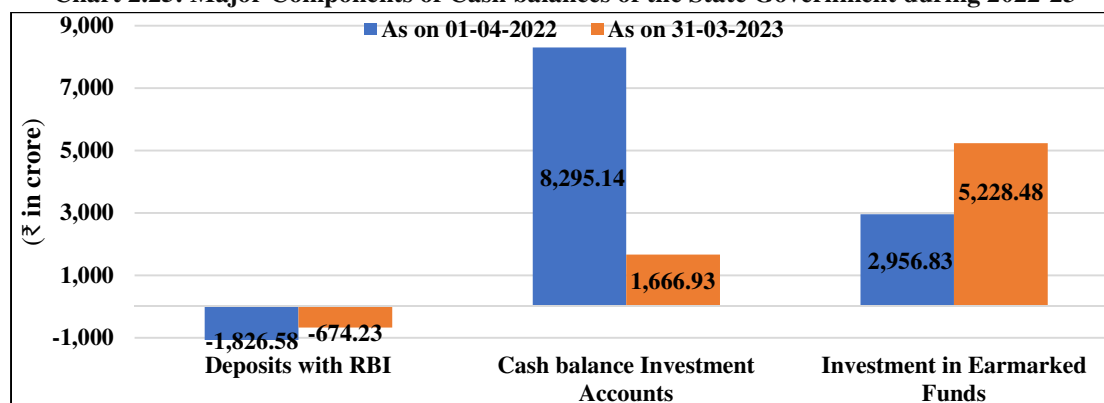
Table 2.47: Cash Balances and their investment

	(₹ in crore)	
	Opening balance on 01 April 2022	Closing balance on 31 March 2023
A. General Cash Balance		
Cash in treasuries	0.00	0.00
Deposits with Reserve Bank of India ¹⁵	(-)1,826.58	(-)674.23
Deposits with other Banks	0.00	0.00
Remittances in transit – Local	0.00	0.00
Total	(-)1,826.58	(-)674.23
Investments held in Cash Balance investment account	8,295.14	1,666.93
Total (A)	6,468.56	992.70
B. Other Cash Balances and Investments		
Cash with Departmental Officers <i>viz.</i> , Public Works, Forest Officers	6.84	7.95
Permanent advances for contingent expenditure with department officers	0.47	0.47
Investment in earmarked funds	2,956.83	5,228.48
Total (B)	2,964.14	5,236.90
Total (A + B)	9,432.70	6,229.60

Source: Finance Accounts

¹⁵ There is a difference of ₹ 151.63 crore between Closing Cash Balance as per Accounts (₹ 674.23 crore) and as per RBI (₹ 522.60 crore).

Chart 2.25: Major Components of Cash balances of the State Government during 2022-23



Source: Finance Accounts

Cash Balances of the State Government at the end of the current year decreased by ₹ 3,203.10 crore from ₹ 9,432.70 crore in 2021-22 to ₹ 6,229.60 crore in 2022-23. During the year investment in Treasury Bills decreased by ₹ 6,628.21 crore from ₹ 8,295.14 crore in 2021-22 to ₹ 1,666.93 crore in 2022-23. However, investment in earmarked funds increased by ₹ 2,271.65 crore from ₹ 2,956.83 crore in 2021-22 to ₹ 5,228.48 crore in 2022-23.

State Government invests its surplus cash balance in short and long-term GoI Securities and Treasury Bills. The interest earned from such investments are credited as receipts under the head '0049-Interest Receipts'. The cash balances are invested in the Consolidated Sinking Fund and Guarantee Redemption Fund as well. The State Government has earned an interest of ₹ 26.70 crore during 2022-23 from the investments made in GoI Securities and Treasury Bills.

Out of the investment of ₹ 5,228.48 crore in earmarked funds, ₹ 5,149.64 crore was invested in the Consolidated Sinking Fund and ₹ 78.43 crore in Guarantee Redemption Fund at the end of the year. Interest earned from earmarked funds are credited back to the funds to which these relate for their investment by RBI.

The cash balance investments of the State during the five-year period 2018-19 to 2022-23 are given in **Table 2.48**.

Table 2.48: Cash Balance Investment Account (Major Head-8673)

(₹ in crore)

Year	Opening Balance	Closing Balance	Increase (+)/ decrease (-)	Interest earned
2018-19	936.95	8,262.27	7,325.32	307.00
2019-20	8,262.27	2,932.60	-5,329.67	382.86
2020-21	2,932.60	6,905.27	3,972.67	68.66
2021-22	6,905.27	8,295.14	1,389.87	71.19
2022-23	8,295.14	1,666.93	-6,628.21	26.70

Source: Finance Accounts

The trend analysis of the cash balance investment of the State Government revealed that investment in treasury bills fluctuated significantly during 2018-23. Interest earned from such investments also showed a decreasing trend and stood at ₹ 26.70 crore during the period.

Chart 2.26 compares the balances available in the Cash Balance Investment Account and the Market Loans taken by the State during the period 2018-23. Market Loans were taken at higher interest rates whereas investment in Treasury Bills yielded interest at lower rates.

Chart 2.26: Market loans vis-à-vis Cash Balance Investment Account

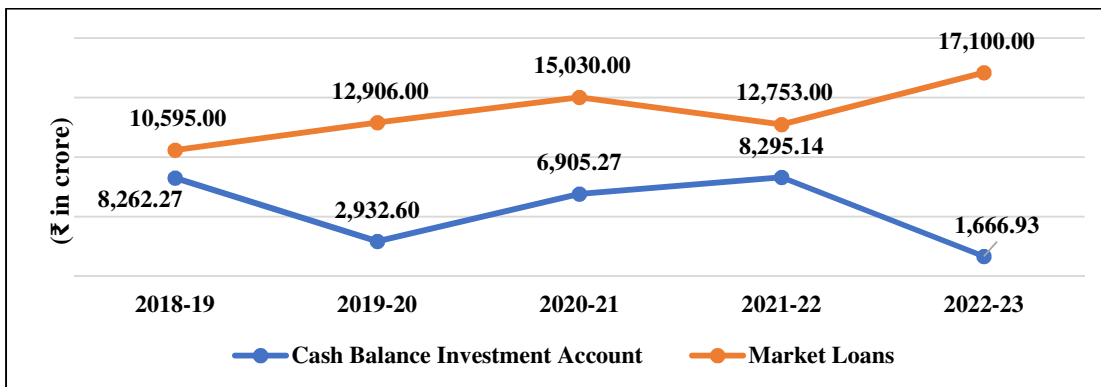
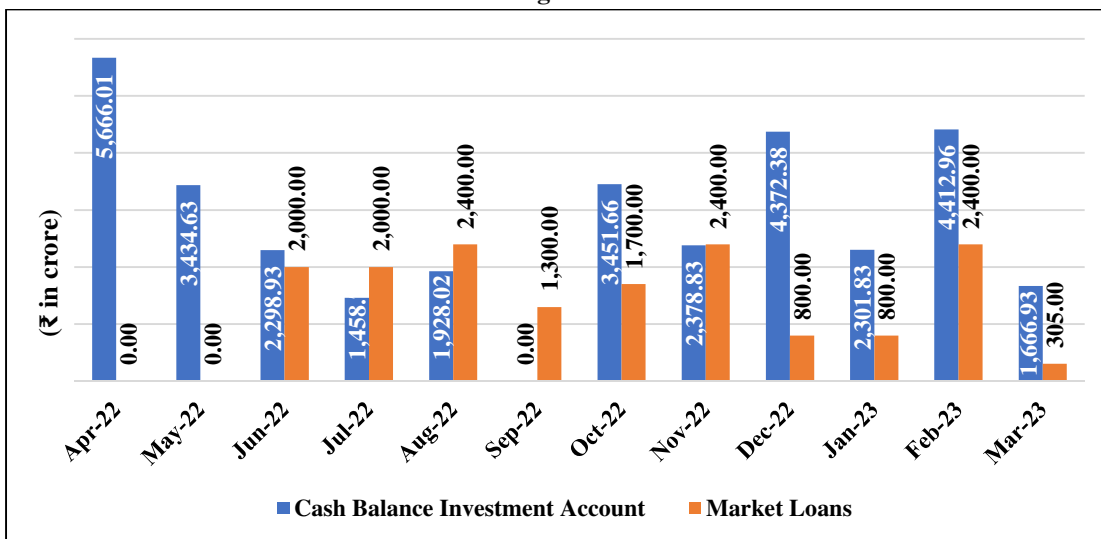


Chart 2.27 compares the month-wise Cash Balance Investment Account with the market loans obtained by the State.

Chart 2.27: Month-wise movement of Cash Balances Investment Account and market loans during 2022-23



The preceding Chart indicates that the State Government had taken recourse to market loans on several occasions during the year despite having large cash balances.

2.9 Salient features

Deficit indicators, revenue augmentation and expenditure management are major yardsticks for judging the fiscal performance of the Government. Comparison of key parameters of State Finances during 2022-23 with that of the previous year *i.e.*, 2021-22 is summarised in **Table 2.49**.

Table 2.49: Key parameters

Positive Indicators	Parameters requiring close watch
↑ Increase in Revenue Receipts by 12.44 <i>per cent</i> .	↓ Increase in Revenue Deficit by 341.76 <i>per cent</i> .
↑ Increase in Revenue Expenditure on Social Services by 56.42 <i>per cent</i> .	↓ Increase in Fiscal Deficit by 52.06 <i>per cent</i> .
↑ Outstanding liabilities to GSDP ratio remained within FRBM target.	↓ Decrease in Capital Expenditure by 20.51 <i>per cent</i> .

2.10 Conclusion

- The fiscal position of the State is viewed in terms of key fiscal parameters- Revenue Deficit/ Surplus, Fiscal Deficit/ Surplus and Primary Deficit/ Surplus. During 2022-23, the State had a Revenue Deficit of ₹ 12,072.35 crore which was 2.45 *per cent* of GSDP during the year. Fiscal Deficit during 2022-23 was ₹ 30,204.83 crore which was 6.12 *per cent* of GSDP and Primary Deficit was ₹ 23,329.86 crore (4.73 *per cent* of GSDP).
- Revenue Receipts during the year 2022-23 were ₹ 89,742.30 crore, which increased by ₹ 9,927.11 crore (12.44 *per cent*), as compared to 2021-22 (₹ 79,815.19 crore). State's Own Tax Revenue increased by ₹ 4,968.92 crore (25.44 *per cent*) compared to the previous year (₹ 19,533.10 crore), while Non-Tax Revenue increased by ₹ 2,181.56 crore (60.94 *per cent*) during the year as compared to 2021-22 (₹ 3,579.75 crore). Grants-in-Aid from GoI increased by ₹ 1,232.92 crore (4.32 *per cent*) as compared to the previous year (₹ 28,551.79 crore) whereas State's Share of Union taxes and Duties increased by ₹ 1,543.71 crore (5.48 *per cent*) during 2022-23 as compared to the previous year (₹ 28,150.55 crore). During 2022-23, revenue collection under State Goods and Services Tax increased by ₹ 1,984.89 crore (18.76 *per cent*) from ₹ 10,579.56 crore in 2021-22 to ₹ 12,564.45 crore in 2022-23.
- Revenue Expenditure during the year 2022-23 was ₹ 1,01,814.65 crore, constituting 84.88 *per cent* of the Total Expenditure of ₹ 1,19,952.20 crore. There was a misclassification of ₹ 6,668.99 crore due to Grants-in-Aid given by the State Government to the local bodies or individual entities under various Central Schemes during the year. These were classified Capital expenditure instead of Revenue Expenditure, resulting in overstatement of Capital expenditure and understatement of Revenue Expenditure to that extent.
- Committed expenditure of the Government like salary & wages, pensions, interest payments steadily increased by ₹ 16,548.72 crore during the last five-year period 2018-23. The Committed expenditure during 2022-23 was ₹ 55,122.72 crore (61.42 *per cent* of Revenue Receipts of ₹ 89,742.30 crore and 54.14 *per cent* of Revenue Expenditure of ₹ 1,01,814.65 crore).
- The State Government short contributed ₹ 284.67 crore to National Pension System since inception of the Scheme creating an avoidable future liability to

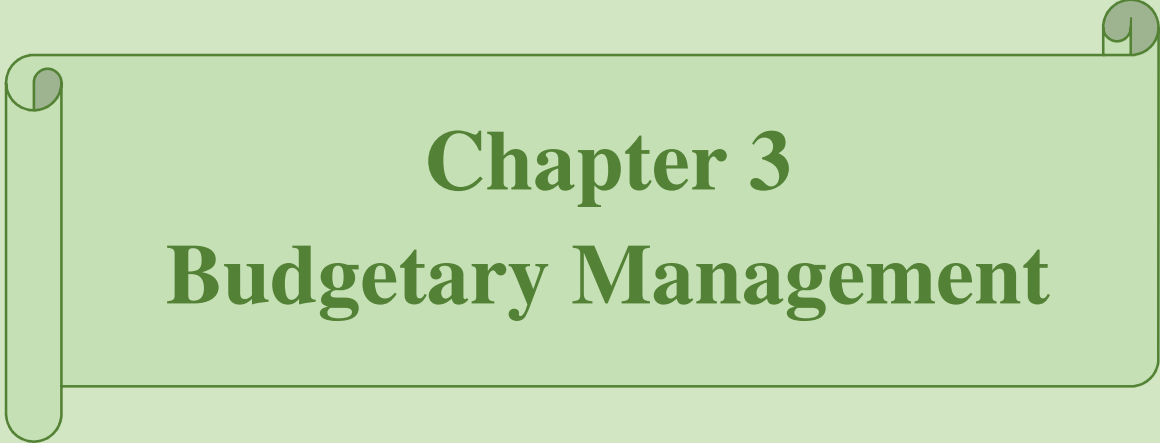
the Government. As on 31 March 2022, an amount of ₹ 251.83 crore remained in the Public Account on which interest of ₹ 17.88 crore was payable in 2022-23.

- Capital Expenditure is the expenditure incurred for creation of fixed infrastructure assets such as roads, building, *etc.* During the year the State's Capital Expenditure decreased by ₹ 4,128.12 crore (20.51 *per cent*) from ₹ 20,125.83 crore during 2021-22 to ₹ 15,997.71 crore during 2022-23.
- During 2022-23, the State Government invested ₹ 111.97 crore in Statutory Corporations (₹ 0.95 crore), Joint Stock Companies (₹ 55.25 crore), Banks (₹ 38.06 crore) and Co-operatives (₹ 17.71 crore). As on 31 March 2023, the State Government's investment stood at ₹ 7,122.76 crore in those Companies/Corporations and Co-operative societies. Out of the investments, they received returns of ₹ 447.62 crore as dividend during the year.
- As on 01 April 2022, the State had a balance of ₹ 719.06 crore lying in the State Disaster Response Fund. Government of Assam had neither invested the balances in SDRF in any of the instruments specified in the Guidelines, nor had it paid the half-yearly interest on the balance lying in the Fund in violation of SDRF guidelines. The unpaid interest of ₹ 53.86 crore by GoA led to understatement of Revenue Deficit to that extent (during 2022-23) and accumulated liabilities for future.
- Outstanding Debt of the State rapidly increased by 107.34 *per cent* from ₹ 59,425.61 crore in 2018-19 to ₹ 1,23,214.80 crore in 2022-23. Growth rate of outstanding liability also increased from 20.60 *per cent* in 2018-19 to 23.32 *per cent* in 2022-23. The Outstanding liabilities/ GSDP ratio increased from 19.21 *per cent* in 2018-19 to 24.98 *per cent* in 2022-23 due to increased borrowings from the open market. The State used about five to seven *per cent* of its Revenue Receipts for payment of interest on the Outstanding Public Debt at an average rate of interest ranging between 6.61 *per cent* to 7.88 *per cent*, during the five-year period 2018-23.
- The maturity profile of outstanding stock of the State public debt as on 31 March 2023 indicated that 59.09 *per cent* (₹ 59,689.92 crore) of the debt is payable within the next seven years while the remaining 40.91 *per cent* (₹ 41,317.41 crore) is in the maturity bracket of more than seven years.
- Public debt constituted 81.98 *per cent* of total debt at the end of 2022-23. During the year, it grew at the rate of 26.15 *per cent i.e.*, the second highest in the last five-year period. Average growth rate of public debt (23.92 *per cent*) also outpaced the average growth rate of GSDP (11.91 *per cent*) during the year. These all indicate that there would be increased pressure on interest payment on public debt in forthcoming years.
- Public debt receipts increased by 140.50 *per cent* from ₹ 11,754.65 crore in 2018-19 to ₹ 28,270.02 crore in 2022-23. Out of public debt receipts of ₹ 28,270.02 crore during 2022-23, the State Government utilised 56.59 *per cent*

(₹ 15,997.71 crore) for capital expenditure and remaining for repayment of earlier loan *etc.*, during the year 2022-23.

2.11 Recommendations

- i. *State Government may take necessary steps to reduce the Fiscal Deficit and to achieve the targets under the AFRBM Act, 2017.*
- ii. *State Government may undertake a rigorous exercise to meet its liability for NPS including short contribution of its share and interest liability and the balance funds to be transferred to NSDL, the pension authority, to ensure that the NPS employees are not deprived of returns. The prescribed procedure for accounting the NPS related transactions should be adhered to scrupulously to avoid future liability.*
- iii. *State Government should review the functioning of the loss making State Public Sector Undertakings in the State considering the investment and negligible returns on investments.*
- iv. *The State Government may invest the balances lying in State Disaster Response Fund as per the guidelines.*
- v. *In view of the increasing growth rate of its public debt, the State Government may make efforts to augment its own Revenues and manage its Revenue Expenditure efficiently so as to avoid pressure on repayment of Public Debt and interest liabilities on Public Debt in forthcoming years.*
- vi. *The State Government may keep the cash balance position in mind while taking any decision on raising market loans.*



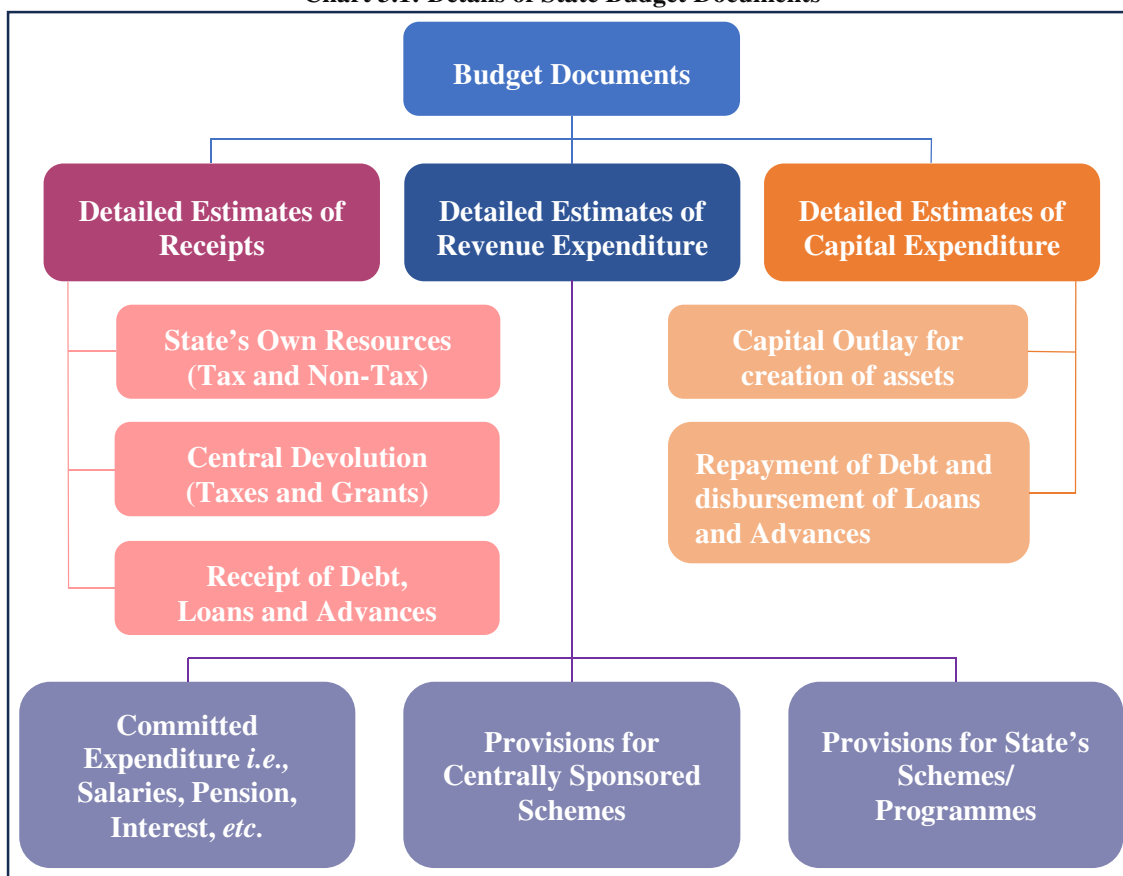
Chapter 3
Budgetary Management

3.1 Budget Process

In compliance with Article 202 of the Constitution of India, in respect of every financial year, a statement of the estimated receipts and expenditure of the State for that year, called the “annual financial statement (Budget)” is to be laid before the State Legislature. The estimates of the expenditure show ‘charged’ and ‘voted’ items¹⁶ of expenditure separately and distinguish expenditure on revenue account from other expenditure. Legislative authorisation is necessary before incurring any expenditure by the State Government.

As per the Assam Budget Manual, the Finance Department is responsible for preparation of the annual budget by obtaining estimates from various departments. The departmental estimates of receipts and expenditure are prepared by Controlling Officers on the advice of the heads of departments and submitted to the Finance Department on prescribed dates. The Finance Department consolidates the estimates and prepares the Detailed Estimates called ‘Demand for Grants’. The State budget comprises following documents as given in **Chart 3.1**.

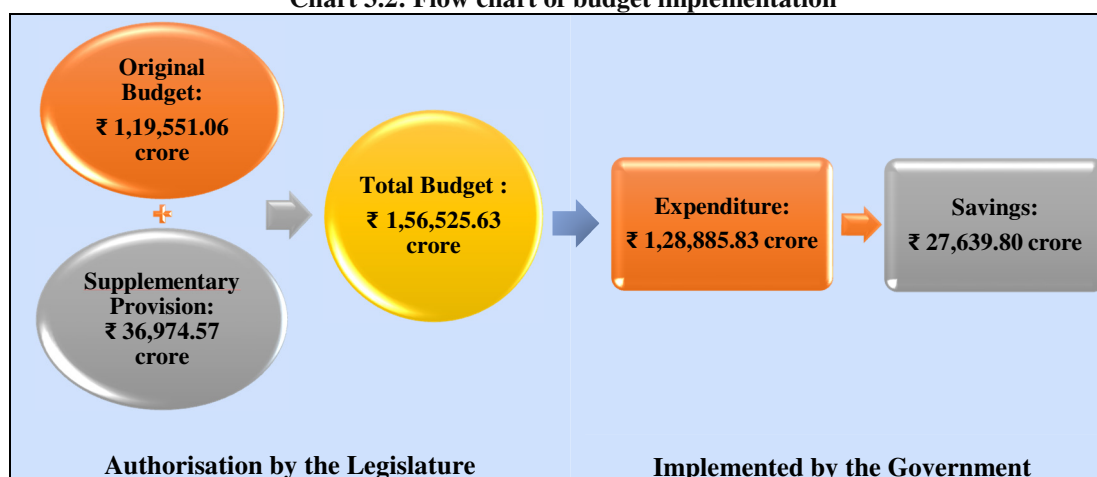
Chart 3.1: Details of State Budget Documents



¹⁶ **Charged expenditure:** Certain categories of expenditure (e.g., salaries of Constitutional authorities, loan repayments, etc.), constitute a charge on the Consolidated Fund of the State and are not subject to vote by the Legislature. **Voted expenditure:** All other expenditure is voted by the Legislature.

The various components of budget are depicted in the **Chart 3.2**.

Chart 3.2: Flow chart of budget implementation



Source: Appropriation Accounts

The net savings of ₹ 27,639.80 crore was the result of gross savings of ₹ 32,410.23 crore offset by an excess expenditure of ₹ 4,770.43 crore during the year.

Chart 3.2 shows that the Supplementary Grant of ₹ 36,974.57 crore¹⁷ was excessive as the gross expenditure (₹ 1,28,885.83 crore) only exceeded the Original provision (₹ 1,19,551.06 crore) by ₹ 9,334.77 crore. This was indicative of over estimation and need for better financial management. The issue of unnecessary supplementary provisions has been discussed in detail under **Paragraph 3.3.3**.

3.1.1 Summary of total provisions, actual disbursements and savings during financial year 2022-23

A summarised position of total budget provision, disbursement and savings/ excess with bifurcation into voted/ charged during the year 2022-23 is given in **Table 3.1**.

Table 3.1: Budget provision, disbursement and savings/excess during 2022-23

	Total Budget provision		Disbursements		Savings (-)/Excess	
	Voted	Charged	Voted	Charged	Voted	Charged
Revenue	1,16,954.79	9,680.72	94,425.03	8,985.21	-22,529.76	-695.51
Capital Outlay	24,961.94	-	16,004.90	-	-8,957.04	-
Loans and Advances	405.27	-	339.83	-	-65.44	-
Public Debt	-	2,722.91	-	7,330.86	-	4,607.95
Transfer to Contingency Fund	-	1,800.00	-	1,800.00	-	-
Total	1,42,322.00	14,203.63	1,10,769.76	18,116.07	-31,552.24	3,912.44

Source: Appropriation Accounts

As can be seen from **Table 3.1**, during the year 2022-23, Government of Assam (GoA) incurred total expenditure of ₹ 1,28,885.83 crore against the total grants and appropriations of ₹ 1,56,525.63 crore resulting in overall savings of ₹ 27,639.80 crore.

¹⁷ ₹ 7,946.24 crore on 01 October 2022, ₹ 18,177.56 crore on 05 January 2023 and ₹ 10,850.77 crore on 22 March 2023.

These savings stood at 17.66 *per cent* of total grants and appropriations made for the year.

These savings may be seen in the context of the over estimation¹⁸ of receipts of ₹ 1,37,521.74 crore by the State Government and the estimation on the expenditure side being ₹ 1,56,525.63 crore during the year 2022-23. As against the estimated receipts, the total receipts in the Consolidated Fund of State were ₹ 1,18,017.39 crore only thereby restricting the gross expenditure during the year to ₹ 1,28,885.83 crore. This implied that the savings were notional, as the funds were not actually available for expenditure.

3.1.2 Charged and Voted disbursements

The break-up of total disbursement into charged and voted during the last five years (2018-23) is given in **Table 3.2**.

Table 3.2: Trend of Disbursement into Charged and Voted during 2018-23

Year	Disbursements			Savings (-)/ Excess		
	Voted	Charged	Total	Voted	Charged	Total
2018-19	64,586.31	7,745.03	72,331.34	-33,050.69	-3,108.32	-36,159.01
2019-20	74,951.06	8,080.01	83,031.07	-35,317.53	-1,367.08	-36,684.61
2020-21	75,350.30	7,538.33	82,888.63	-38,558.11	-894.92	-39,453.03
2021-22	97,689.85	10,124.77	1,07,814.62	-27,691.20	-1,048.87	-28,740.07
2022-23	1,10,769.76	18,116.07	1,28,885.83	-31,552.24	3,912.44	-27,639.80

Source: Appropriation Accounts

It can be seen from **Table 3.2** that the savings ranged between ₹ 27,639.80 crore in 2022-23 and ₹ 39,453.03 crore in 2020-21.

3.1.3 Budget marksmanship

Aggregate Budget Outturn

Aggregate Budget Outturn measures the extent to which the aggregate budget expenditure outturn/ actual expenditure reflects the amount originally approved, both in terms of less than approved and in excess of approved.

Table 3.3: Difference between Budget Estimate and Actual Outturn

Description	Difference between Actual and BE*		
	Original Approved Budget (BE)	Actual Outturn	Difference between Actual and BE*
Revenue	96,367.05	1,03,410.24	7,043.19
Capital	23,184.01	25,475.59	2,291.58
Total	1,19,551.06	1,28,885.83	9,334.77

* Excess of actuals over original provision is denoted as (+).

In Revenue section, deviation in outturn compared with BE was 7.31 *per cent*. This was due to deviation between 0 and ± 25 *per cent* in 43 grants, between ± 25 *per cent* to ± 50 *per cent* in 31 grants, between ± 50 *per cent* to ± 100 *per cent* in four grants and equal or more than 100 *per cent* in three grants.

¹⁸ As per Budget documents

In Capital section, deviation in outturn compared with BE was 9.88 *per cent*. This was due to deviation between 0 and ± 25 *per cent* in 18 grants, between ± 25 *per cent* to ± 50 *per cent* in 14 grants, between ± 50 *per cent* to ± 100 *per cent* in 21 grants and equal or more than 100 *per cent* in 14 grants/appropriations.

Expenditure Composition Outturn

Expenditure Composition Outturn measures the extent to which re-allocations between the main budget categories during execution have contributed to variance in expenditure composition.

Table 3.4: Difference between Revised Estimate and Actual Outturn

(₹ in crore)

Description	Original Approved Budget (BEs)	Revised (REs)	Actual Outturn	Difference between BEs and REs	Difference between Actual and REs*
Revenue	96,367.05	1,26,635.51	1,03,410.24	30,268.46	-23,225.27
Capital	23,184.01	29,890.12	25,475.59	6,706.11	-4,414.53
Total	1,19,551.06	1,56,525.63	1,28,885.83	36,974.57	-27,639.80

* Shortage of actuals over Total Budget provision is denoted as (-) figure

In Revenue section, deviation in outturn compared with RE was – 18.34 *per cent*. This was due to deviation between 0 and ± 25 *per cent* in 39 grants, between ± 25 *per cent* to ± 50 *per cent* in 34 grants, between ± 50 *per cent* to ± 100 *per cent* in six grants and equal or more than 100 *per cent* in two grants.

In Capital section, deviation in outturn compared with RE was – 14.77 *per cent*. This was due to deviation between 0 and ± 25 *per cent* in 16 grants, between ± 25 *per cent* to ± 50 *per cent* in 17 grants, between ± 50 *per cent* to ± 100 *per cent* in 24 grants and equal or more than 100 *per cent* in 10 grants.

3.2 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 Article 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 Integrity of budgetary and accounting process

3.3.1 Expenditure incurred without authority of law

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 the 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.

Similarly, as per Para 8.3 Assam Budget Manual, 2012, no expenditure can be incurred under any Head (Major/ Minor or Sub-Head) without budget provision or in anticipation of a Supplementary Grant/ Appropriation or prior to provision of funds by Re-appropriation.

However, during 2022-23, an expenditure of ₹ 176.49 crore was incurred in four Sub-heads under four Grants/ Appropriations (₹ 50 lakh and above in each case) without budget provision as detailed in *Appendix 3.1*. Grant-wise summary of the cases where expenditure was incurred without budget provision is also given in **Table 3.5**.

Table 3.5: Summary of Expenditure without Budget Provision during 2022-23

(₹ in crore)

Sl. No.	Grant No. and Name	Number of Sub Heads	Expenditure
1	14 Police	1	3.50
2	38 Welfare of SC, ST and OBC	1	0.76
3	41 Natural Calamities	1	171.60
4	44 North East Council Scheme	1	0.63
	Total	4	176.49

Source: Appropriation Accounts

Out of four sub-heads, the details of one sub-heads with expenditure in excess of ₹ 10 crore without budget provision is given in **Table 3.6**.

Table 3.6: Expenditure incurred without budget provision during 2022-23

(₹ in crore)

Sl. No.	Grant	Heads of Account	Sub-Head	Expenditure
1	41 Natural Calamities	2245-08-797	--	171.60
	Total			171.60

Source: Appropriation Accounts

Expenditure without budget is violative of financial regulations as well as the will of the Legislature. This is also indicative of lack of financial discipline in Government Departments.

During the Exit Conference (December 2023), the Secretary to the Finance Department assured to examine the issue and take remedial action to avoid expenditure without provision in the forthcoming years.

3.3.2 Incorrect classification of Head of Account in Budget Estimates

Misclassification of expenditure and receipts has a great impact on the integrity of the financial statements. Article 202 of the Constitution prescribes that, in respect of every financial year, a statement of the estimated receipts and expenditure of the State for that year, called the “Annual Financial Statement” (or the “budget”), is to be laid before both the Houses of the State Legislature. The estimates of expenditure are classified under ‘charged’ (such expenditure ‘as’ is not to be submitted to the vote of the Legislative Assembly under the provisions of the Constitution) and ‘voted’ items of expenditure separately. Annual Financial Statement distinguishes expenditure on revenue account from other expenditure as explained in **Chapter 2**.

General Financial Rules categorise the primary units of appropriation. There are specific object heads meant for obtaining provision for acquisition of Capital Assets and other Capital Expenditure. These object heads pertaining to booking of expenditure of capital nature should correspond with capital major heads only. However, there are instances where object heads of revenue nature are incorrectly operated with capital major heads and *vice-versa*, for example Grants-in-Aid.

Classification of expenditure of revenue nature as capital expenditure or *vice-versa*, results in overstatement/ understatement of Revenue Expenditure and Revenue Deficit/ Surplus.

As per IGAS 2, Grants-in-Aid disbursed by a grantor to a grantee shall be classified and accounted for as Revenue Expenditure irrespective of the purpose for which the funds disbursed as Grants-in-Aid are to be spent by the grantee, except in cases where it has been specifically authorised by the President on the advice of the Comptroller and Auditor General of India. It is observed that Grants-in-Aid of ₹ 6,668.99 crore were erroneously budgeted and expended under Capital Section instead of Revenue, in violation of IGAS 2.

Further, Government of Assam budgeted and spent an amount of ₹ 21.80 crore on “Major Works” under the Revenue Section, ₹ 72.51 crore on “Minor Works” and ₹ 9.37 crore on “Maintenance” under the Capital Section.

Non-compliance led to understatement of Revenue Deficit and overstatement of Capital Expenditure during the year.

3.3.3 Unnecessary/ Excessive Supplementary Grants

As per Article 205 of the Constitution, a Supplementary or Additional Grant or Appropriation over the provision made by the Appropriation Act for the year can be made during the current financial year but not after the expiry of the current financial year. When such additional expenditure is found to be inevitable and there is no possibility of effecting savings within the grant to cover the excess by re-appropriation,

the Secretary in the Department concerned proposes to the Finance Department for supplementary or additional grant or appropriation.

The Assam Budget Manual (ABM), 2012 permits obtaining a Supplementary Grant/ Appropriation if the budgetary provision falls short and a commitment for expenditure has already been made under the orders of the competent authority.

Besides approving original budget of ₹ 1,19,551.06 crore for the year 2022-23, the State Legislature also approved three supplementaries of ₹ 36,974.57 crore in 64 Grants/ Appropriations under 95 Segments¹⁹. Audit analysis of utilisation of these supplementary allocations showed that Supplementary provision of only ₹ 22,642.23 crore (61.24 per cent) was required in 30 Segments of 27 Grants/ Appropriations where the final expenditure exceeded the original budget provision. Even in these cases, the actual allocation of ₹ 28,667.98 crore proved excessive in case of 27 segments, as shown in *Appendix 3.2*. In 65 Segments of 50 Grants/ Appropriations, the Supplementary Budgetary allocation of ₹ 8,306.57 crore made was unnecessary, as the actual expenditure was less than the Original Budgetary allocation, as shown in *Appendix 3.3*.

Table 3.7 shows eight Segments where Supplementary Budget in excess of ₹ 250 crore each was provided despite the actual expenditure falling short of the Original Budgetary allocation.

Table 3.7: Instances of Unnecessary Supplementary Budget Allocation of more than ₹ 250 crore (₹ in crore)

Sl. No.	Grant	Segment	Budget (Original)	Expenditure	Savings (-) Against Original Budget	Budget (Supplementary)
1	25 Miscellaneous General Services and Others	Revenue-Voted	5,863.11	5,324.45	-538.66	1,483.09
2	29 Medical and Public Health	Revenue-Voted	6,547.39	5,993.58	-553.81	509.36
3	30 Water Supply and Sanitation	Capital-Voted	919.21	863.29	-55.92	416.18
4	34 Housing & Urban Affairs (Municipal Administration)	Revenue-Voted	1,749.52	1,236.92	-512.60	903.79
5	37 Food Storage and Warehousing	Revenue-Voted	998.97	776.80	-222.17	375.55
6	62 Power (Electricity)	Capital-Voted	902.69	836.91	-65.78	325.61
7	63 Water Resources	Capital-Voted	889.26	804.75	-84.51	555.13
8	71 Education (Elementary, Secondary etc.)	Revenue-Voted	15,820.45	13,824.10	-1,996.35	1,662.15
	Total		33,690.60	29,660.80	-4,029.80	6,230.86

Source: Appropriation Accounts

¹⁹ Allocation within a Grant/Appropriation under each combination of Voted/Charged and Revenue/Capital is a separate segment.

Thus, it can be concluded that the large Supplementary grants of ₹ 36,974.57 crore led to a further increase in the savings against the Budget, for the actual requirement of ₹ 22,642.23 crore was only 61 *per cent* of this amount.

Seeking supplementary grants without requirement is indicative of poor budgetary management by the State Government. Further, it is also clear that there is absence of allocative efficiency and utilisation efficiency by departments which led to excess expenditure in some grants and savings in others. The Government may review its Budget management practice and avoid large cash supplementaries.

During the Exit Conference (December 2023), the Secretary to the Finance Department noted the issue and agreed to apply the concept of Technical Supplementary²⁰ in the Supplementary Budget in the subsequent years.

3.3.4 Unnecessary or Excessive Re-appropriation of Funds

Re-appropriation is transfer of funds within a grant from one unit of appropriation, where savings are anticipated, to another unit where need for additional funds is identified. As per Paragraph 9.2 of ABM, 2012, Finance Department has the power to sanction/ authorise any re-appropriation within a Grant, which does not involve the undertaking of a recurring liability.

Audit analysis revealed that re-appropriation proved excessive and resulted in huge savings in 30 Sub-Heads (₹ one crore and above in each case), details of which are given in *Appendix 3.4*. Out of those 30 Sub-Heads, the final savings were more than ₹ 10 crore in 10 sub-heads, as detailed in **Table 3.8**.

Table 3.8: Excessive re-appropriation (with final savings/ excess of more than ₹ 10 crore)

(₹ in crore)						
Sl. No.	Grant	Head of Account (Major Head to Minor Head)	Sub Head	Savings (-)/ Excess (OS)	Re-Appropriation	Savings (-)/ Excess (OSR)
1	29 Medical and Public Health	2210-03-101	{3594} National Health Mission (NHM)	547.79	579.68	-31.89
2		4210-03-001	{0172} Headquarters Establishment	4.83	45.75	-40.92
3	39 Social Security, Welfare and Nutrition	2235-02-102	{6158} New Initiative-Saksham Anganwadi Upgradation	9.84	20.03	-10.19
4		2236-02-789	{0976} Special Nutrition Programme (PMGY)	4.90	32.47	-27.57
5	44 North Eastern Council Scheme	4552-00-800	{5704} Scheme under NLCPR	13.47	56.00	-42.53
6	48 Agriculture	2401-00-789	{3807} Rastriya Krishi	40.49	80.99	-40.50
7		2401-00-796	Vikash Yojana	14.44	29.06	-14.62
8	57 Panchayat & Rural Development	2216-03-789	{5689} Pradhan	309.92	562.33	-252.41
9		2216-03-796	Mantri Awas Yojana (Gramin) PMAY-G	523.70	952.98	-429.28

²⁰ Technical Supplementary is required for transferring the savings from one section of Grant to other.

Sl. No.	Grant	Head of Account (Major Head to Minor Head)	Sub Head	Savings (-)/ Excess (OS)	Re-Appropriation	Savings (-)/ Excess (OSR)
	(Rural Development)					
10	67 Horticulture	2401-00-796	{5675} Pradhan Mantri Krishi Sinchayee Yojana (PMKSY)	2.76	18.73	-15.97
Total				1,472.14	2,378.02	-905.88

Source: Detailed Appropriation Accounts

Further, re-appropriation proved unnecessary in 68 Sub-Heads, as the re-appropriated amount ultimately resulted in even larger savings. The complete list of Heads of Account where funds were re-appropriated, and where the final savings was more than ₹ one crore, is given in **Appendix 3.5**. Of these 68 Sub-Heads where re-appropriation was unnecessary, the final savings in case of 11 Sub-Heads exceeded ₹ 50 crore, as shown in **Table 3.9**:

Table 3.9: Unnecessary re-appropriation of funds (with final savings of more than ₹ 10 crore)
(₹ in crore)

Sl. No.	Grant	Head of Account	Sub Head	Savings (-)/ Excess (OS)	Re-Appropriation	Savings (-) / Excess (OSR)
1	14 Police	2055-00-101	{0443} Special Branch	-69.55	0.10	-69.65
2	14 Police	2055-00-104	{0446} Armed Police Battalions	-138.31	0.20	-138.51
3	14 Police	2055-00-111	{0475} Supervising Staff	-55.38	0.05	-55.43
4	14 Police	2055-00-800	{0482} Relief Operation in Connection with Disturbance	-128.59	0.28	-128.87
5	27 Art and Culture	4202-04-101	{0680} Establishment of Cultural Research Centre	-45.06	5.00	-50.06
6	29 Medical and Public Health	2210-05-001	{0172} Headquarters Establishment	-85.17	1.54	-86.71
7	39 Social Security, Welfare and Nutrition	2236-02-796	{0976} Special Nutrition Programme (PMGY)	-0.92	56.31	-57.23
8	41 Natural Calamities	2245-02-101	{4703} Gratuitous Relief (Flood)	-18.31	100.00	-118.31
9	48 Agriculture	2401-00-114	{4611} National Food Security Mission - Oil Palm	-23.57	50.72	-74.29
10	49 Irrigation	2702-80-001	{0000} -NA-	-92.90	0.36	-93.26
11	64 Roads and Bridges	5054-03-800	{3037} Loan Assistance from NABARD under RIDF-II for Completion of Ongoing and Incomplete Roads and Bridges	-110.64	150.00	-260.64
Total				-768.40	364.56	-1,132.96

Source: Detailed Appropriation Accounts

Substantial savings of more than ₹ 50 crore in respect of Heads of Account where re-appropriation was resorted to, reflects poor planning and monitoring of budget allocation and its utilisation by the State Government.

3.3.5 Unspent amount and surrendered appropriations and/or Large Savings/ Surrenders

3.3.5.1 Surrender of Savings

Complete accuracy of estimates may not always be possible; but where the omission or inaccuracy is the result of lack of forethought, neglect of the obvious or unrealistic estimating, it is a matter of concern. All Estimating Officers should strive to provide in the budget for everything that can be foreseen and to provide only as much as necessary. The Administrative and Finance Departments should consider this while exercising final check on the estimates.

Budgetary allocations based on unrealistic proposals, overstretching the potential of resource mobilisation, poor expenditure monitoring mechanism, weak scheme implementation capacities/ weak internal controls promote release of funds towards the end of the financial year. Excessive savings in some heads also deprive other Departments of the funds which they could have utilised.

As per the Assam Budget Manual (ABM) 2012 and the budget calendar of the State Government, the target dates for intimation of savings by the DDOs to their Controlling Officers is 15th January, and their subsequent surrender to the Finance Department is 15th February. During 2022-23, an amount of ₹ 285.85 crore only was surrendered under 14 Grants against total savings of ₹ 2,372.66 crore which occurred under these Grants. This surrender stood at 12.05 *per cent* of the savings recorded in these grants, as shown in the table below.

Table 3.10: Grant-wise Summary of Surrender of Savings

(₹ in crore)

Sl. No.	Grant	Total Provision	Expenditure	Savings (-)/ Excess	Amount Surrendered (In per cent)
1	05 Sales Tax and Other Tax	699.50	422.61	-276.89	27.80 (10.04)
2	09 Transport Services	818.08	641.33	-176.75	92.18 (52.15)
3	27 Art and Culture	283.70	152.85	-130.85	38.97 (29.78)
4	36 Labour and Employment	533.18	423.55	-109.63	5.26 (4.80)
5	38 Welfare of SC, ST and OBC	1,773.85	1,298.45	-475.40	0.61 (0.13)
6	48 Agriculture	2,258.55	1,617.01	-641.54	22.26 (3.47)
7	50 Other Special Area Programmes (Border Protection & Development)	70.36	65.76	-4.60	3.71 (80.65)
8	52 Animal Husbandry & Veterinary	514.33	307.72	-206.61	42.91 (20.77)
9	53 Dairy Development	82.37	40.17	-42.20	15.94 (37.77)
10	54 Fisheries	143.96	109.65	-34.31	23.86 (69.54)
11	61 Mines and Minerals	25.52	13.72	-11.80	9.47 (80.25)
12	67 Horticulture	288.99	74.26	-214.73	0.43 (0.20)
13	70 Hill Areas	10.80	1.92	-8.88	1.76 (19.82)
14	75 Information and Technology	183.29	144.82	-38.47	0.69 (1.79)
	Total	7,686.48	5,313.82	-2,372.66	285.85

Of the overall savings of ₹ 27,639.80 crore, only one *per cent* (amounting to ₹ 285.85 crore) was surrendered during 2022-23 indicating poor financial management. Out of the total surrender of ₹ 285.85 crore, the amount surrendered exceeded ₹ 10 crore in respect of seven cases as shown in subsequent table.

Table 3.11: Cases of substantial surrenders (amount exceeding ₹ 10 crore)

(₹ in crore)

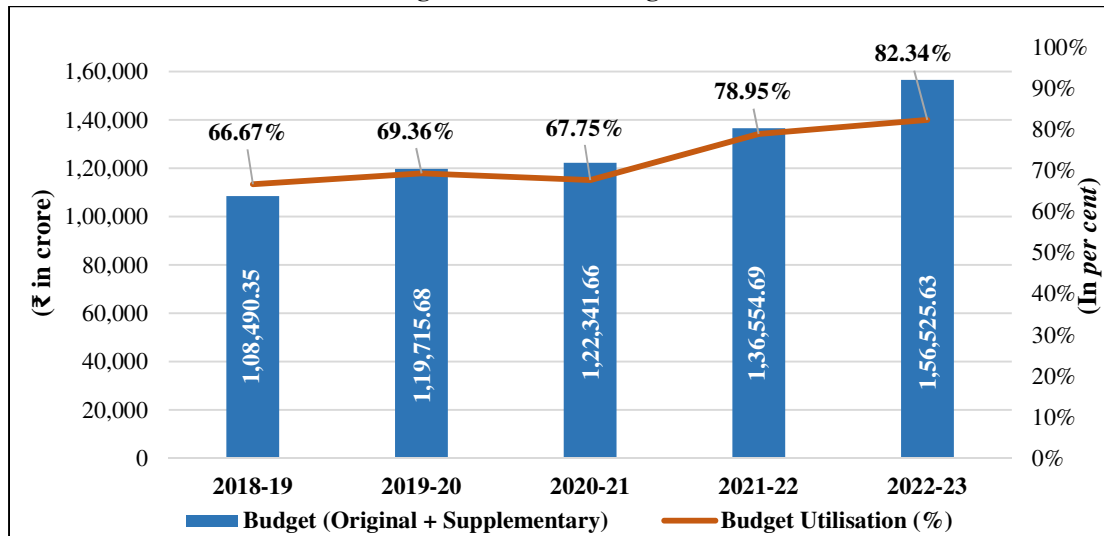
Sl. No.	Grant	Head of Account (Major Head to Minor Head)	Sub Head/ Sub Sub Head	Total Budgeted Provision	Expenditure	Savings (-)/ Excess	Amount Surrendered
1	05 Sales Tax and Other Tax	2040-00-001	{4844} Re-imbursement of Assam State GST/ [302] Reimbursement Scheme for Majuli Bridge Project	22.50	0.00	-22.50	20.50
2	09 Transport Services	3056-00-800	{1396} Government Transport Services Working Expenses - Major Ferry Services/ [902] Operation	143.22	84.24	-58.98	56.29
3	09 Transport Services	3056-00-800	{1396} Government Transport Services Working Expenses - Major Ferry Services/ [929] Management	63.63	48.45	-15.18	13.50
4	27 Art and Culture	4202-04-101	{0680} Establishment of Cultural Research Centre/ [511] Renovation of Rang Ghar, Sivasagar	20.00	0.00	-20.00	20.00
5	48 Agriculture	2401-00-001	{0240} Subordinate Establishment	273.08	198.97	-74.11	16.46
6	52 Animal Husbandry & Veterinary	4403-00-106	{5338} Scheme under RIDF (NABARD)/ [727] Construction of Veterinary Hospital & Other Departmental Institution	42.15	13.17	-28.98	20.52
7	54 Fisheries	4405-00-800	{5338} Assam Rural Infrastructure Development Fund (RIDF)-NABARDs Loan Component/ [763] Development of Beel/ Dead River Course	26.32	7.78	-18.54	15.91
Total				590.90	352.61	-238.29	163.18

Substantial surrender of more than ₹ 10 crore is indicative of inefficiency in budget planning and budget management.

3.3.5.2 Underutilisation of Budgeted Funds

Budget provision has been significantly underutilised by the State every year during the past few years. The extent of utilisation of budget during the five-year period from 2018-19 to 2022-23 is given in **Chart 3.3**.

Chart 3.3: Budget Utilisation during 2018-19 to 2022-23



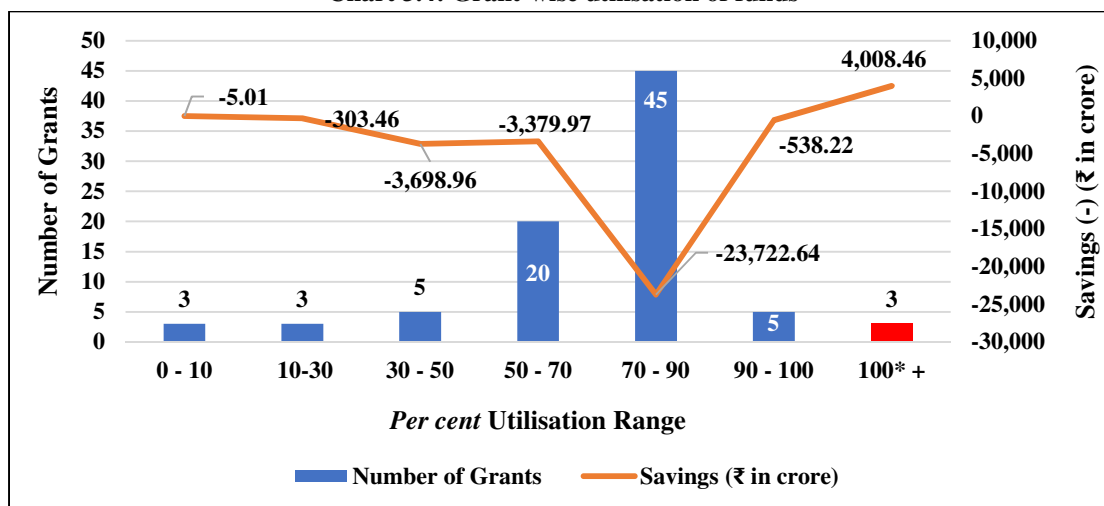
As can be seen from **Chart 3.3**, utilisation of budget has improved from 66.67 per cent in 2018-19 to 82.34 per cent in 2022-23. The Government should continue improving utilisation of budget in the forthcoming year(s) for effective budgetary management.

During the Exit Conference (December 2023), the Secretary to the Finance Department assured to improve the utilisation of budget further in the forthcoming years.

3.3.5.3 Large and Persistent Savings in Grants/ Appropriations

There were large savings during 2022-23, with 11 Grants/ Appropriations showing utilisation of less than 50 per cent of the budget allocation. The distribution of number of Grants/ Appropriations grouped by the extent of savings is given in **Chart 3.4**.

Chart 3.4: Grant-wise utilisation of funds



* Two Grants and one Appropriation (Grant No. 72, 78 & Appropriation Public Debt and Servicing of Debt) had utilisation in excess of Budget provision at Grant/ Appropriation level.

Of these 11 Grants/Appropriations which show utilisation of less than 50 per cent in 2022-23, seven showed similar low utilisation in three or more years during the last five-year period *i.e.*, 2018-23. This is indicative of systemic issues that warrants a close review by the Government to enable initiation of expeditious corrective measures.

Utilisation of budgetary allocation in these seven Grants/ Appropriations for the five-year period from 2018-19 to 2022-23 is shown in **Table 3.12**.

Table: 3.12: Grants/Appropriations with budget under-utilisation (< 50 per cent)

(₹ in crore)

Sl. No.	Grant	2018-19	2019-20	2020-21	2021-22	2022-23	No. of Years*	Budget 2022-23	Total Budget (5 Years)
1	17 Administrative and Functional Buildings	53.96%	48.35%	46.97%	45.25%	44.81%	4	2,760.53	4,896.04
2	24 Aid Materials	0.00%	0.00%	0.00%	0.00%	0.00%	5	0.01	0.05
3	34 Housing & Urban Affairs (Municipal Administration)	36.89%	31.65%	23.82%	37.18%	46.58%	5	2,655.21	8,719.65
4	67 Horticulture	48.83%	42.68%	36.46%	47.69%	25.70%	5	288.99	1,119.37
5	68 Loans to Government Servants etc.	92.12%	0.00%	--	0.00%	0.00%	3	0.00	176.90
6	70 Hill Areas	18.03%	11.62%	6.13%	40.58%	17.74%	5	10.80	106.72
7	73 Housing & Urban Affairs (Guwahati Development)	23.41%	45.08%	14.87%	68.47%	38.06%	4	1,140.91	4,872.20

Source: Appropriation Accounts

* Number of years where utilisation of budgeted funds was below 50 per cent

The low utilisation under Grant No. 34 – Housing & Urban Affairs (Municipal Administration) had been mentioned as a point of concern in the previous year's report, and in the current year too, this grant has shown low utilisation of less than 50 per cent during the period 2018-23. Improving urban infrastructure is a challenge faced by the State, and the low utilisation on allocation against related grants is a cause for concern. State Government needs to examine the reasons for poor utilisation of allocated funds in this Grant and take appropriate corrective action expeditiously.

Budget provision sought and obtained by some Departments far in excess of actual requirement and inability to utilise the funds, deprives allocation of resources to priority sectors and also leads to poor legislative control over public finances.

3.3.6 Excess Expenditure and its Regularisation

As per Article 204 of the Constitution of India, 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 the Article. Further, as per Article 205 of the Constitution of India, it is mandatory for the State Government to get excesses over grants/ appropriations regularised by the State Legislature. Although no time limit for regularisation of excess expenditure has been prescribed under the Article, the regularisation of excess expenditure is done after the completion of discussion of the Appropriation Accounts by the Public Accounts Committee (PAC). Failure to do so is in contravention of constitutional provisions and defeats the objective of ensuring accountability by the Legislature of the executive over utilisation of public money.

3.3.6.1 Excess Expenditure

Excess expenditure over the provision for the year is not only in contravention of the provisions requiring Legislative sanction but also indicative of bad planning, which could be avoided by keeping track of expenditure progression with budget made for the purpose.

During 2022-23, an amount of ₹ 4,607.94 crore was incurred in excess of the budget provision in one Appropriation which is required to be regularised by the State Legislature as per Article 205 of the Constitution. The details of the excess expenditure occurred are shown in **Table 3.13**.

Table 3.13: Excess expenditure during 2022-23 requiring regularisation

(₹ in crore)				
Grant	Segment	Total Grant	Actual Expenditure	Excess Expenditure
PD Public Debt and Servicing of Debt	Capital-Charged	2,722.92	7,330.86	4,607.94

Source: Appropriation Accounts

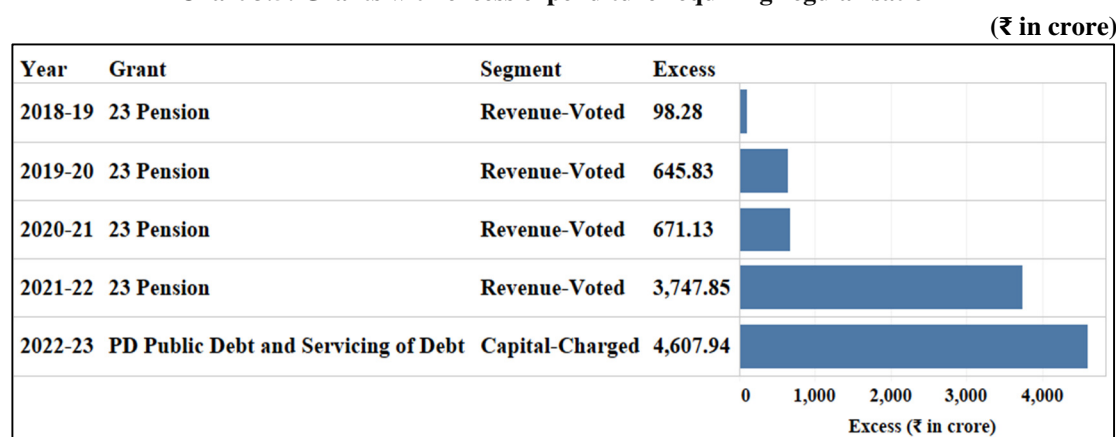
Such excess expenditure vitiates the system of budgetary and financial control and encourages financial indiscipline in management of public resources.

During the Exit Conference (December 2023), the Secretary to the Finance Department assured to take suitable action on the issue.

3.3.6.2 Persistent excesses in certain Grants

Details of excess expenditure over the approved allocation during the five-year period from 2018-19 to 2022-23, which require regularisation by the State Legislature, are given in **Chart 3.5**.

Chart 3.5: Grants with excess expenditure requiring regularisation



As can be seen from the above chart, there was excess expenditure over budget provision requiring regularisation in Grant No. 23 Pension in four of the last five-year during 2018-23.

The PAC, *vide* Para 3 of its 161st Report placed in the State Legislature on 24 March 2020, had recommended that the Finance Department should take initiative to constitute a high-level Committee to study the reason for excess expenditure under Grant No. 23. Accordingly, the ARTPPG Department had constituted a High-Level Committee on 11 June 2020. The Report of the Committee is awaited (September 2023).

Further, Government of Assam has re-constituted (November 2023) a High-Level Committee to examine the matter of excess expenditure against various grants across the State including Sixth Schedule Areas and BTR and to submit a Report within a month.

3.3.6.3 Regularisation of excess expenditure of previous financial years

Excess expenditure remaining un-regularised for extended periods dilutes Legislative control over the executive. A summarised position of excess expenditure relating to previous years requiring regularisation is given in **Table 3.14**.

Table 3.14: Excess expenditure relating to previous years requiring regularisation

Year	Grant No. and Name	Segment	Amount of excess over provision required to be regularised	Status of regularisation
2006-07	30 – Water Supply and Sanitation	Revenue Voted	52.39	Not Regularised
2018-19	23 - Pension	Revenue Voted	98.28	
2019-20	23 - Pension	Revenue Voted	645.83	
2020-21	23 - Pension	Revenue Voted	671.13	
2021-22	23 - Pension	Revenue Voted	3,747.85	
Total			5,215.48	

Source: Appropriation Accounts

Excess expenditure of ₹ 5,215.48 crore remains to be regularised. The PAC had discussed (February 2020 and February 2021) the excess expenditure for the years 2005-06 to 2017-18 and issued recommendation *vide* its 161st and 169th Reports for regularisation of the total excess expenditure amounting to ₹ 9,540.37 crore under Article 205 of the Constitution. The same has been regularised *vide* Assam Appropriation Acts, 2023 (No. III to XV). Grant-wise details of excess expenditure from 2005-06 to 2021-22, along with status of regularisation is given in **Appendix 3.6**.

3.3.7 Grants-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.

As per IGAS 2, Grants-in-Aid disbursed by a grantor to a grantee shall be classified and accounted for as Revenue Expenditure irrespective of the purpose for which the funds disbursed as grants are to be spent by the grantee, except in cases where it has been specifically authorised by President on the advice of the Comptroller and Auditor General of India.

During 2022-23, Capital Expenditure stood at ₹ 15,997.71 crore. However, it included an amount of ₹ 6,668.99 crore of GIA booked as Capital Expenditure instead of Revenue Expenditure in violation of provision of IGAS 2.

Table 3.15 and **Chart 3.6** highlight the extent of misclassification of GIA as Capital Expenditure instead of as Revenue Expenditure by the State during 2018-23.

Table 3.15: Extent of classification of GIA as Capital Expenditure

	2018-19	2019-20	2020-21	2021-22	2022-23
Capital Expenditure	11,034.08	13,185.42	12,399.39	20,125.83	15,997.71
Share of GIA in Capital Expenditure	5,489.95	6,225.45	5,640.47	6,168.69	6,668.99

(₹ in crore)

Source: Appropriation Accounts

Chart 3.6: Share of Grants-in-Aid in Capital Expenditure

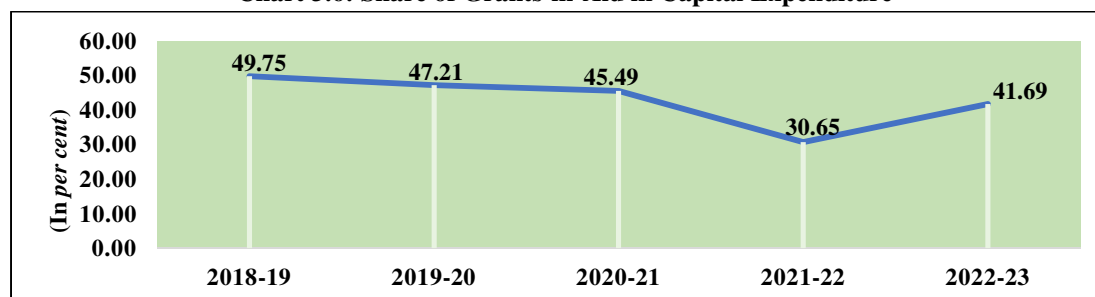


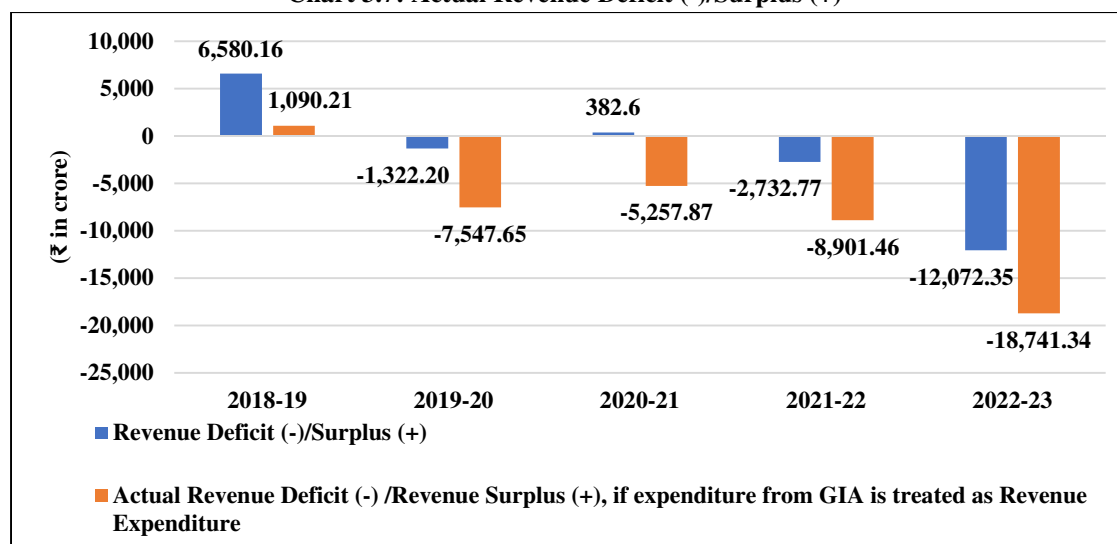
Table 3.16 and Chart 3.7 indicate that the impact of non-compliance with the provisions of IGAS-2 by the State in absolute terms during 2018-23 was that Revenue Surplus was overstated and Revenue Deficit was understated during the period. Moreover, Capital Expenditure during the period was also overstated to that extent.

Table 3.16: Impact of non-compliance with IGAS-2

	2018-19	2019-20	2020-21	2021-22	2022-23
GIA booked as Capital Expenditure	5,489.95	6,225.45	5,640.47	6,168.69	6,668.99
Revenue Deficit (-)/Surplus (+)	6,580.16	-1,322.20	382.60	-2,732.77	-12,072.35
Actual Revenue Deficit (-) /Revenue Surplus (+), if expenditure from GIA is treated as Revenue Expenditure	1,090.21	-7,547.65	-5,257.87	-8,901.46	-18,741.34

(₹ in crore)

Chart 3.7: Actual Revenue Deficit (-)/Surplus (+)



During the Exit Conference (December 2023), the Secretary to the Finance Department noted the issue and stated that since the Grants-in-Aid is given mainly for Centrally Sponsored Schemes, and the assets thus created, lies with the State Government, these are classified as Capital Expenditure.

After analysis of GoI's Notification on IGAS 2, Audit concluded that expenditure incurred from Grant-in-Aid should be booked under Revenue Section only.

3.4 Effectiveness of budgetary and accounting process

3.4.1 Budget projection and gap between expectation and actual

Efficient management of tax administration/ other receipts and public expenditure holds the balance for achievement of various fiscal indicators. Budgetary allocations based on unrealistic proposals, poor expenditure monitoring mechanism, weak scheme implementation capacities/ weak internal controls lead to sub-optimal allocation among various developmental needs. Excessive savings in some departments deprive other departments of the funds which they could have utilised.

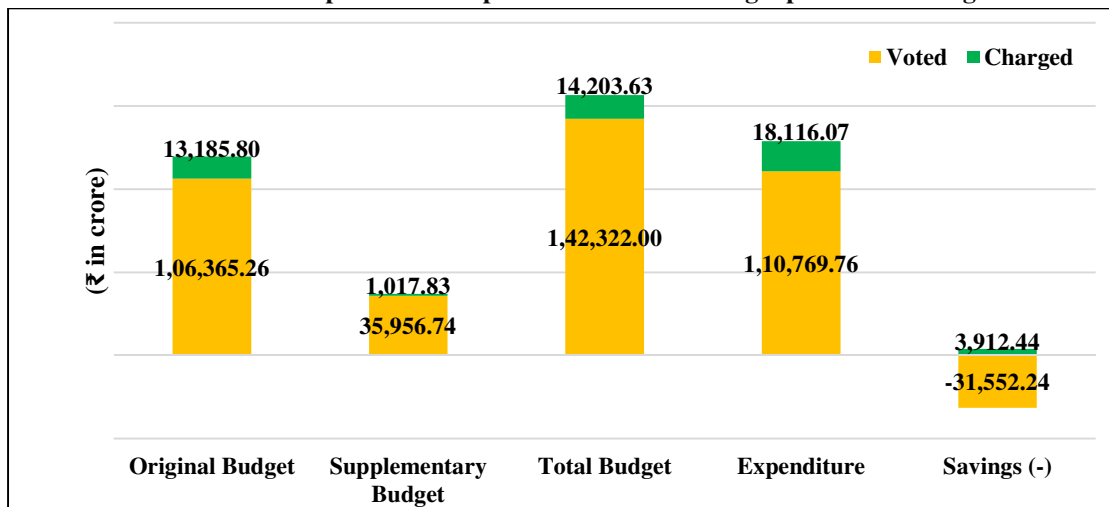
The summarised position of the budget including supplementary budget, actual expenditure, and excess/ savings during 2022-23 against 84 Grants/ Appropriations (80 Grants and four Appropriations) is given in **Table 3.17** as well as in **Chart 3.8**.

Table 3.17: Summarised position of Expenditure vis-à-vis Budget provision

(₹ in crore)							
Voted / Charged	Nature of Expenditure	Budget (Original)	Budget (Supplementary)	Total	Expenditure	Excess (+)/ Savings (-)	Excess / Savings (In per cent)
Voted	Revenue	87,703.99	29,250.80	1,16,954.79	94,425.03	-22,529.76	-19.26
	Capital Outlay	18,371.00	6,590.94	24,961.94	16,004.90	-8,957.04	-35.88
	Loans and Advances	290.27	115.00	405.27	339.83	-65.44	-16.15
	Total Voted	1,06,365.26	35,956.74	1,42,322.00	1,10,769.76	-31,552.24	-22.17
Charged	Revenue	8,663.06	1,017.66	9,680.72	8,985.21	-695.51	-7.18
	Public Debt Repayment	2,722.74	0.17	2,722.91	7,330.86	4,607.95	169.23
	Transfer to Contingency Fund	1,800.00	0.00	1,800.00	1,800.00	0.00	0.00
	Total Charged	13,185.80	1,017.83	14,203.63	18,116.07	3,912.44	27.55
Total (Voted & Charged)	1,19,551.06	36,974.57	1,56,525.63	1,28,885.83	-27,639.80	-17.66	

Source: Appropriation Accounts

Chart 3.8: Summarised position of Expenditure vis-à-vis Budget provision during 2022-23



It may be seen from **Table 3.17** that during the year 2022-23, Government of Assam (GoA) incurred expenditure of ₹ 1,28,885.83 crore against the total grants and

appropriations of ₹ 1,56,525.63 crore resulting in overall savings of ₹ 27,639.80 crore. These savings stood at 17.66 per cent of total grants and appropriations made for the year. Huge savings also stood at 75 per cent of supplementary budget obtained during the year.

Of the overall savings of ₹ 27,639.80 crore, savings of ₹ 23,344.83 crore (84.46 per cent) occurred in 17 cases (₹ 500 crore and above in each case) at Segment level within 15 Grants/ Appropriations as indicated in **Appendix 3.7**.

Utilisation of budgeted funds by the State has been to some extent sub-optimal every year during the past five years. The extent of savings during the last five years is given in **Table 3.18**.

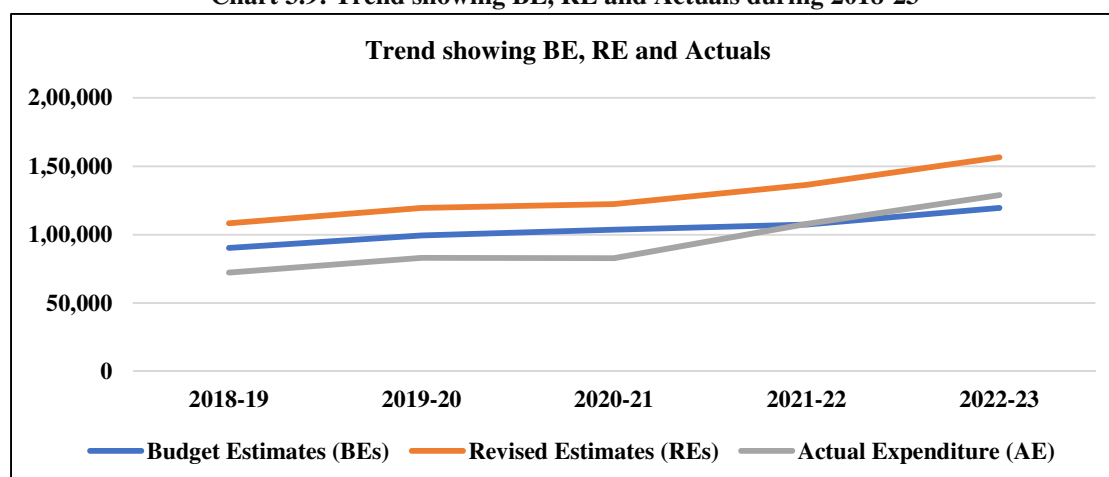
Table 3.18: Original Budget, Revised Estimate and Expenditure during 2018-23

(₹ in crore)					
Particulars	2018-19	2019-20	2020-21	2021-22	2022-23
Original Budget	90,269.92	99,418.91	1,03,761.63	1,07,556.29	1,19,551.06
Supplementary Budget	18,220.43	20,296.77	18,580.03	28,998.40	36,974.57
Total Budget (TB)	1,08,490.35	1,19,715.68	1,22,341.66	1,36,554.69	1,56,525.63
Revised Estimate (RE)	1,08,490.35	1,19,715.68	1,22,341.66	1,36,554.69	1,56,525.63
Actual Expenditure (AE)	72,331.34	83,031.07	82,888.63	1,07,814.62	1,28,885.83
Savings (-) /excess (+)	-36,159.01	-36,684.61	-39,453.03	-28,740.07	-27,639.80
Per cent of Supplementary to the Original Provision	20.18	20.42	17.91	26.96	30.93
Per cent of overall Savings to the overall provision	-33.33	-30.64	-32.25	-21.05	-17.66
TB-RE	0.00	0.00	0.00	0.00	0.00
RE-AE	36,159.01	36,684.61	39,453.03	28,740.07	27,639.80
(TB-RE) as % of TB	0	0	0	0	0
(RE-AE) as % of TB	33.33	30.64	32.25	21.05	17.66

Source: Annual Financial Statements and Appropriation Accounts

Table 3.18 shows that supplementary provision of ₹ 36,974.57 crore during 2022-23 constituted 30.93 per cent of the original provision as against 26.96 per cent in the previous year.

Chart 3.9: Trend showing BE, RE and Actuals during 2018-23



From the preceding Chart, it can be seen that over the years from 2018-19 to 2022-23, the Actual Expenditure (AE) was lower than the Budget Estimate (BE) during the years 2018-19 to 2020-21. As such, the supplementary provisions during the years 2018-19 to 2020-21 proved unnecessary since the expenditure did not come up even to the level of original budget provisions. Further, the percentage of Actual Expenditure (AE) during the last five years from 2018-19 to 2022-23 was lower than the Revised Estimate (RE) throughout the period and it ranged between 17.66 *per cent* and 33.33 *per cent* of the RE.

This reflects that budgetary allocations were based on unrealistic proposals as budget was inflated, and the expenditure was less than the budgetary provisions.

3.4.1.1 Missing/ Incomplete Explanation for Variation from Budget

Apart from showing the expenditure against the approved budget, Appropriation Accounts also provide explanation for cases where the expenditure varies significantly from the budgeted provision (Original *plus* Supplementary). The limit beyond which such variation at the Sub-Head/ Sub-Sub-Head level (Unit of Appropriation) are to be explained in the Appropriation Accounts is set by the PAC.

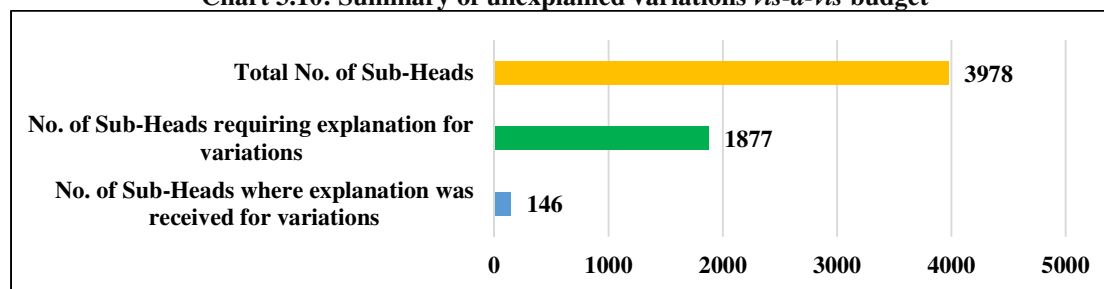
Accountant General (A&E) provides the draft Appropriation Accounts to the Controlling Officers of the Departments and seeks the reasons/ explanations for the variations in expenditure with reference to approved budgetary allocation in keeping with the limits set by the PAC.

The current limits set by the State PAC in May 1989 are as follows:

Savings	<ul style="list-style-type: none"> Comments are to be made if variations (savings including non-utilisation) under Sub-Heads of Grants/ Appropriations are over ₹ 15 lakh or 20 <i>per cent</i> of the total provision (original plus supplementary), whichever is more
Excess	<ul style="list-style-type: none"> General comments are to be made for regularisation of excess over the provision in all cases where there is an overall excess (irrespective of the amount) Comments are to be made if variations (excesses) under Sub-Heads of Grants/ Appropriations are ₹ 15 lakh or 20 <i>per cent</i> of the total provision (original plus supplementary), whichever is more

Audit of Appropriation Accounts of 2022-23 and an analysis of the underlying accounting data revealed that the Controlling Officers have provided explanation for the variations in the expenditure *vis-à-vis* budgeted allocation in about 7.78 *per cent* of cases. Of the 84 Grants/ Appropriations, reasons for variation were called for in respect of 1,877 cases under 79 Grants/ Appropriations. However, reasons for variations in respect of only 146 cases under 21 Grants/ Appropriations were furnished by the Controlling Officers of Government Departments. Summary of unexplained variations over budget provision is given in **Chart 3.10** and grant-wise further details are given in **Appendix 3.8**.

Chart 3.10: Summary of unexplained variations vis-à-vis budget



Absence of explanation for variation between the budgeted allocation and its utilisation limits the informational utility of Appropriation Accounts for enabling financial accountability of the Government and legislative control over the budget.

Finance Department may therefore issue clear instructions to all departments for timely submission of explanations of variations with respect to approved provision to the Accountant General (A&E), Assam for their incorporation in the Appropriation Accounts.

During the Exit Conference (December 2023), the Secretary to the Finance Department assured to issue necessary instructions in this regard.

3.4.1.2 Large Variation from Budget at Sub-head level remaining unexplained

As explained earlier, the limit for variation of expenditure from budgeted provisions beyond which explanation is to be provided in the Appropriation Accounts was set by the Public Accounts Committee in May 1989.

A similar approach is followed in case of Appropriation Accounts for the Union Government, where the limits were set by the Central PAC. The PAC (17th Lok Sabha, 2019-20) in its first report of December 2019 titled 'Revision of ceiling for exception reporting in Appropriation Accounts', had reviewed the ceiling for sub-head level comments in the Appropriation Accounts, and raised the limits. The proposal for revision was initiated by Ministry of Finance on the grounds that the current limits were effective since 1993-94, and since then, the size of the Union Budget had gone up by 28 times, necessitating an upward revision of the materiality level or ceiling for comment/ explanation in Appropriation Accounts.

The revised and earlier limits for explaining variation at Sub-Head level along with the corresponding figure in case of Government of Assam is given in **Table 3.19**.

Table 3.19: Norms for Explaining Variation at Sub-Head Level – comparison with Union Government

Norms set by Central PAC		Norms by State PAC
Pre-Revised Norm (from 1993-94)	Revised Norm (from 2018-19)	Extant Norm (from 1987-88)
Variation (Excess or Savings) exceeding ₹ 100 lakh are explained	Variation (Excess or Savings) exceeding ₹ 500 lakh are explained	<i>No analogous norm</i>
All cases where the Variation (Excess or Savings) exceeds	All cases where the Variation (Excess or Savings) exceeds	All cases where the Variation (Excess or Savings) exceeds

Norms set by Central PAC		Norms by State PAC
Pre-Revised Norm (from 1993-94)	Revised Norm (from 2018-19)	Extant Norm (from 1987-88)
10 per cent of the sanctioned provision or ₹ 50 lakh whichever is higher , are explained	10 per cent of the sanctioned provision or ₹ 250 lakh, whichever is higher , are explained	20 per cent of the sanctioned provision or ₹ 15 lakh, whichever is higher , are explained
If there is a supplementary, all cases where savings exceeds 10 per cent of the supplementary or ₹ 5 lakh , whichever is higher, are explained	If there is a supplementary, all cases where savings exceeds 10 per cent of the supplementary or ₹ 100 lakh whichever is higher, are explained	<i>No analogous norm</i>
When Grant as a whole exceeded , Sub-Heads involving excess of ₹1 Lakh are picked up	When Grant as a whole exceeded , Sub-Heads involving excess of ₹ 25 lakh are picked up	<i>No analogous norm</i>

As can be seen, the norms set by Central PAC cover a wider range of cases requiring explanation for variation. Where the norm is similar, the limits are understandably different owing to the difference in the size of the Central and State Government, and the different time period when the norms were set by the respective PAC.

Of immediate relevance in case of Assam is the absence of any norm for explanation based on absolute/size of deviation, and explanation for large savings at the Grant level. Thus, while Central PAC had set a limit of ₹ 100 lakh, which has now been raised to ₹ 500 lakh, for explaining variation (Excess or Savings) irrespective of the percentage of deviation from the Budget provision, there is no analogous norm in Assam. Thus, in cases where the budget provision at Sub-Head level is high, say over ₹ 25 crore, then even a variation of ₹ 5 crore would not require explanation as it would be within the 20 per cent limit.

During the Exit Conference (December 2023), the Secretary to the Finance Department assured to bring up the matter in the PAC meeting.

3.4.1.3 Large Variation from Budget at Grant level

The Public Accounts Committee (10th Lok Sabha, 1990-91) in its 60th Report *vide* Para 1.22 and 1.24 had observed that savings of ₹ 100 crore or above are indicative of defective budgeting as well as shortfall in performance in a Grant or Appropriation. It was therefore decided by the Public Accounts Committee, that each year a detailed explanatory note in respect of savings of ₹ 100 crore or above shall be furnished by the respective Ministry/Department, to the Committee.

As regards explanation for large excess/ savings at grant level, there is no such requirement presently set by State PAC. Even if the limit of ₹ 100 crore as applicable for Centre is considered for the State of Assam, explanation would be necessitated in 40 of the 84 Grants/ Appropriations. As observed in **paragraph 3.3.5.2**, Assam has seen significant under-utilisation of Budget in each of the last five years. Thus, the bigger problem in budgetary compliance is that of savings rather than excess.

Thus, it is recommended that Norms for Explaining Variation at Sub-Head Level may be considered for revision by the State PAC, as also setting an appropriate limit of

Savings at Grant/Appropriation level beyond which explanation would be required, and Finance Department may initiate necessary action in this regard.

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

Several policy initiatives taken up by Government are partially executed or not executed due to non-approval of scheme guidelines/ modalities, non-commencement of works for want of administrative sanction, non-release of budget, *etc.* This deprives the beneficiaries of intended benefits. Savings in such schemes deprives other departments of the funds which they could have utilised. In the Budget speech 2022-23, the Finance Minister had announced 18 flagship schemes, “*Astadash Mukutar Unnoyonee Maala*”, for the social and economic welfare of the people of the State.

Appropriation Accounts (2022-23) showed that savings out of total budget provision exceeded 50 *per cent* in 3 out of 18 flagship schemes announced by the State Government in the Budget of 2022-23. Scheme-wise details of these three schemes are given in **Table 3.20**.

Table 3.20: Details of the schemes for which savings out of budget provision exceeded 50 *per cent*
(₹ in crore)

Grant No.	Head of Account	Name of the Scheme	Budget Provision	Expenditure	Savings	Per cent Savings
25	2235-60-200-0417-352-32	Assam Microfinance Incentive and Relief Scheme, 2021 (AMFIRS)	1,736.38	299.69	1,436.69	-82.74
37	2408-01-101-3161-209-32, 2408-01-102-4732-444-33, and 2408-01-102-6050-927-05	Food Security	553.93	255.62	-298.31	-53.85
27, 35	2205-00-102-0693-882-35, 4202-04-101-0680-562-32, 4202-04-101-0680-564-13, 4202-04-101-0693-324-35, and 2220-01-001-0172-237-26	Quest for Cultural Identity	23.43	3.16	-20.27	-86.51

Source: FinAssam website, Appropriation Accounts and Budget Documents

Overall, the Government of Assam could spend ₹ 6,397.62 crore (58.84 *per cent*) against the total allocation of ₹ 10,873.54 crore made in the 18 flagship schemes in its budget during 2022-23.

3.5 Review of Selected Grants

During the year 2022-23, two Grants - Grant No. 52 – Animal Husbandry and Veterinary and Grant No. 57 – Panchayat & Rural Development (Rural Development) were selected for detailed scrutiny in audit to review compliance with prescribed budgetary procedures, monitoring of funds, control mechanisms and implementation of schemes within these grants. Outcome of the audit is discussed in the succeeding paragraphs.

3.5.1 Grant 52 – Animal Husbandry and Veterinary

The Animal Husbandry and Veterinary Department is responsible for livestock production, preservation, protection from disease and improvement of stocks and dairy development. The department plays a vital role in socio-economic development of the rural mass in particular and the state as a whole.

3.5.1.1 Budget and Expenditure

The overall position of budget provision, actual expenditure and savings/ excesses under this Grant during the five-year period 2018-23 is given below.

Table 3.21: Budget and Expenditure

Grant No. 52		2018-19	2019-20	2020-21	2021-22	2022-23
Total (Revenue + Capital)	Budget Provision	508.04	579.39	432.49	511.73	514.33
	Expenditure	304.83	289.48	276.75	320.17	307.72
	Savings (-)/ Excess (+)	-203.21	-289.91	-155.74	-191.56	-206.61
	Savings (-)/ Excess (+) (in per cent)	-40.00	-50.04	-36.01	-37.43	-40.17
Revenue	Budget Provision	413.47	509.06	380.33	453.04	455.37
	Expenditure	269.24	264.54	262.56	286.90	288.12
	Savings (-)/ Excess (+)	-144.23	-244.52	-117.77	-166.14	-167.25
	Savings (-)/ Excess (+) (in per cent)	-34.88	-48.03	-30.97	-36.67	-36.73
Capital	Budget Provision	94.57	70.33	52.16	58.69	58.96
	Expenditure	35.59	24.94	14.19	33.27	19.60
	Savings (-)/ Excess (+)	-58.98	-45.39	-37.97	-25.42	-39.36
	Savings (-)/ Excess (+) (in per cent)	-62.37	-64.54	-72.80	-43.31	-66.76

Source: Appropriation Accounts

As can be seen from **Table 3.21**, the Grant showed large overall savings, both in Revenue and Capital Segments, with savings as a percentage of total budget provisions ranging from 30.97 per cent to 48.03 per cent in Revenue segment, and 43.31 per cent to 72.80 per cent in Capital segment, during the period 2018-23.

The Department stated (August 2023) that savings occurred mainly due to vacant posts, non-receipt of Sanction, partial/ non-release of FOC, non-release of Central Share, etc.

3.5.1.2 Surrender of Savings

According to Paragraph 11.17 of ABM, 2012, a Controlling Officer should anticipate savings under a Grant and surrender them to the Finance Department not later than 15th of February each year.

Table 3.22 details the Major Head-wise total Budget, Expenditure, Savings and Surrender of Savings under Grant No. 52, during the last five years, i.e., 2018-23.

Table 3.22: Segment-wise Budget and Expenditure

Major Head		2018-19	2019-20	2020-21	2021-22	2022-23
2403 – Animal Husbandry	Total Budget (O + S)	413.47	509.06	380.33	453.04	455.37
	Budget (O)	371.33	491.97	325.99	452.54	448.17
	Budget (S)	42.14	17.09	54.34	0.50	7.20
	Surrender	-	-	-	-	12.79
	Expenditure	269.24	264.54	262.56	286.90	288.12

Major Head	Item	2018-19	2019-20	2020-21	2021-22	2022-23
	Savings (-)/ Excess (+)	-144.23	-244.52	-117.77	-166.14	-167.25
	Savings (-)/ Excess (+) (in per cent)	-34.88	-48.03	-30.97	-36.67	-36.73
4403 – Capital Outlay on Animal Husbandry	Total Budget (O + S)	94.57	69.82	52.16	58.69	58.96
	Budget (O)	85.15	41.10	51.66	57.68	58.96
	Budget (S)	9.42	28.72	0.50	1.01	-
	Surrender	-	-	-	-	30.12
	Expenditure	35.59	24.94	14.19	33.27	19.60
	Savings (-)/ Excess (+)	-58.98	-44.88	-37.97	-25.42	-39.36
	Savings (-)/ Excess (+) (in per cent)	-62.37	-64.28	-72.80	-43.31	-66.76
4415 - Capital Outlay on Agricultural Research and Education	Total Budget (O + S)	-	0.51	-	-	-
	Budget (O)	-	0.01	-	-	-
	Budget (S)	-	0.50	-	-	-
	Surrender	-	-	-	-	-
	Expenditure	-	-	-	-	-
	Savings (-)/ Excess (+)	-	-0.51	-	-	-
	Savings (-)/ Excess (+) (in per cent)	-	-100.00	-	-	-

As can be seen from **Table 3.22**, savings were seen across all the Major Head level where allocation was made in the grant for the current year. Despite large overall savings at Major Head level of ₹ 167.25 crore under Major Head 2403 – Animal Husbandry, only ₹ 12.79 crore (7.65 per cent) was surrendered during 2022-23. Further, under Major Head 4403 – Capital Outlay on Animal Husbandry, only ₹ 30.12 crore (76.52 per cent of total savings of ₹ 39.36 crore) was surrendered. No amount was surrendered during the period 2018-22 despite large persistent savings ranging from 30.97 per cent to 48.03 per cent under Major Head 2403, and 43.31 per cent to 72.80 per cent under Major Head 4403. Non-surrender of savings indicated inefficient budget management and deprived allocation of resources to other priority sectors.

The Department stated (August 2023) that the funds were expected to be utilised during the last part of the financial year, however, due to non-receipt of Fixation of Ceiling (FOC), the same could not be utilised.

3.5.1.3 Unnecessary/ Excessive Supplementary Grant

Supplementary Grant provided under Grant No. 52 during the last five years, *i.e.*, 2018-19 to 2022-23 is given in **Table 3.23** and also in **Chart 3.11** and **Chart 3.12**.

With large savings being exhibited in the Grant, the supplementary provision proved unnecessary in all the years in case of Revenue Segment, and in four of the last five years in the Capital Segment. In the financial year 2022-23, the supplementary grant of ₹ 7.20 crore in the Revenue segment proved unnecessary as the expenditure was less than the original budget provision.

Table 3.23: Unnecessary Supplementary Provision

(₹ in crore)

Segment	Year	Original Budget Provision	Expenditure	Savings out of Original Provision	Supplementary Grant
Revenue	2018-19	371.33	269.24	-102.09	42.14
	2019-20	491.97	264.54	-227.43	17.09
	2020-21	325.99	262.56	-63.43	54.34
	2021-22	452.54	286.90	-165.64	0.50
	2022-23	448.17	288.12	-160.05	7.20
Capital	2018-19	85.15	35.59	-49.56	9.42
	2019-20	41.11	24.94	-16.17	29.22
	2020-21	51.66	14.19	-37.47	0.50
	2021-22	57.68	33.27	-24.41	1.01
	2022-23	58.96	19.60	-39.36	0.00

Chart 3.11: Unnecessary Supplementary grants under Grant No. 52 (Revenue)

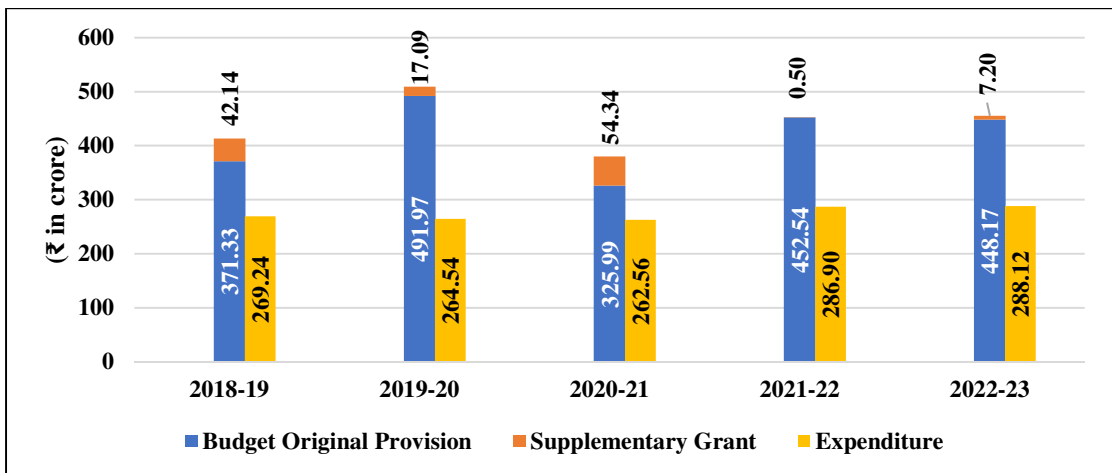
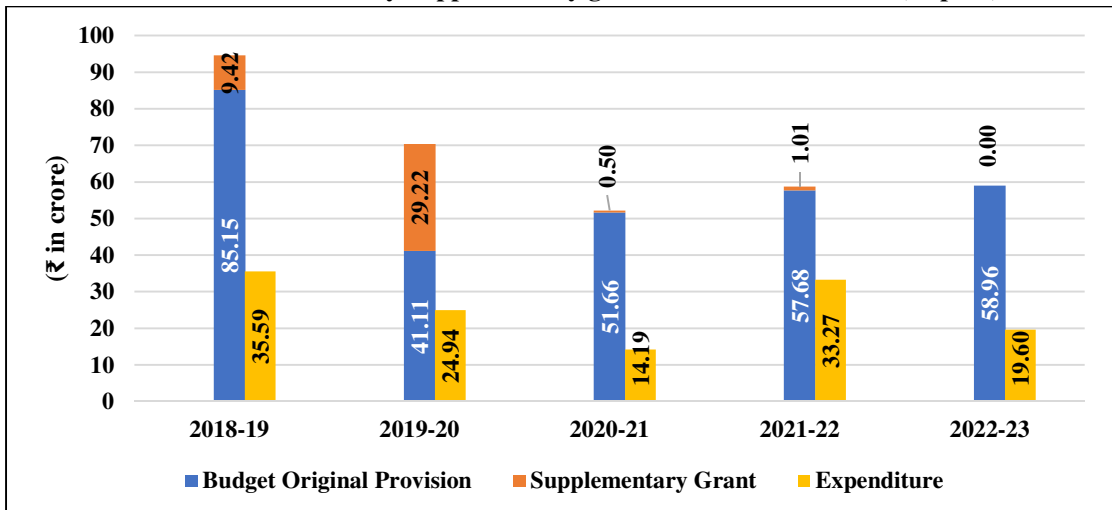


Chart 3.12: Unnecessary Supplementary grants under Grant No. 52 (Capital)



During 2022-23, out of the total supplementary provision of ₹ 7.20 crore under the Revenue Segment, ₹ 6.15 crore (85.42 per cent) was granted to Headquarters Establishment, as detailed in the subsequent **Table 3.24**.

Table 3.24: Unnecessary Supplementary under Sub-Head

(₹ in crore)

Head of Account	Original Budget Provision	Expenditure	Savings out of Original Budget Provision	Supplementary Grant
2403-00-001-{0172} Headquarters Establishment	28.32	20.29	-8.03	6.15

Seeking supplementary grants without requirement/ in excess of requirement is indicative of poor budgetary management by the State Government.

3.5.1.4 Unnecessary Re-appropriation

Re-appropriation is the transfer of savings from one unit of appropriation to meet additional expenditure under another unit within the same grant or charged Appropriation.

As per Paragraph 9.2 of ABM, 2012, Finance Department has the power to sanction/ authorise any re-appropriation within a Grant, which does not involve undertaking of a recurring liability. Copies of such orders sanctioning any re-appropriation must be communicated to the Principal Accountant General as soon as they are passed.

Within Grant No. 52, enhancement in provision through re-appropriation by ₹ 3.61 crore proved unnecessary in one Sub-Head as expenditure was less than the original provision, as detailed in the table below.

Table 3.25: Unnecessary Re-appropriation

(₹ in crore)

Head of Account	Original	Supplementary	Expenditure	Savings against Budget Provision (O+S)	Re-appropriation	Total Savings	Surrender
2403-00-001-{0172} Headquarters Establishment	28.32	6.15	20.29	-14.18	3.61	-17.79	3.85

The Department stated (August 2023) that savings occurred due to partial release of FOC by the Government.

3.5.1.5 Persistent Savings under Sub-Head

The three schemes listed in **Table 3.26** showed large savings (over 50 per cent) in the current financial years 2022-23. These schemes showed similar large savings persistently over the last five years from 2018-19 to 2022-23, with average savings ranging from 51.81 per cent to 82.63 per cent across three Major Heads as depicted in the table below.

Table 3.26: Persistent Savings under Sub-Head

(₹ in crore)

Head of Account	Year	Total Budget Provision	Expenditure	Savings		Reply of the Department
				Amount	Per cent	
2403-00-101- {4895} National Livestock Health and	2018-19	13.87	9.56	-4.31	-31.07	Savings occurred due to non-receipt of Central and corresponding State share from
	2019-20	20.62	2.11	-18.51	-89.77	
	2020-21	14.45	9.34	-5.11	35.36	
	2021-22	12.95	8.84	-4.11	-31.74	
	2022-23	15.50	7.47	-8.03	-51.81	

Head of Account	Year	Total Budget Provision	Expenditure	Savings		Reply of the Department
				Amount	Per cent	
Disease Control Programme						the Government in time.
	Total	77.39	37.32	-40.07	-51.78	
2403-00-106-{0200} Other Development Programme	2018-19	0.89	0.62	-0.27	-30.34	Savings occurred due to non-release of FOC from the Government.
	2019-20	6.56	0.81	-5.75	-87.65	
	2020-21	3.40	0.34	-3.06	-90.00	
	2021-22	1.41	0.33	-1.08	-76.60	
	2022-23	1.67	0.32	-1.35	-80.84	
	Total	13.93	2.42	-11.51	-82.63	
4403-00-106-{5338} Scheme under RIDF (NABARD)	2018-19	80.10	23.96	-56.14	-70.09	The funds could not be utilised due to non-receipt of bills/claims from the concerned contractor in due time.
	2019-20	55.22	21.35	-33.87	-61.34	
	2020-21	47.75	12.32	-35.43	-74.20	
	2021-22	42.15	26.74	-15.41	-36.56	
	2022-23	42.15	13.17	-28.98	-68.75	
	Total	267.37	97.54	-169.83	-63.52	

Source: Appropriation Accounts

Budget provision sought and obtained in excess of actual requirement and inability to utilise the funds, deprives allocation of resources to priority sectors and leads to poor legislative control over public finances.

3.5.1.6 Savings of Entire Budget Provision

Budget provision of ₹ nine crore made under the following two Head of Accounts (over ₹ one crore each), under Grant No. 52 for the year 2022-23 remained unutilised at the end of the year. Scheme-wise details are given in **Table 3.27**.

Table 3.27: Non-utilisation of budget provision

(₹ in crore)				
Sl. No.	Head of Account	Budget (O+S)	Expenditure	Reply of the Department
1	2403-00-101-{4895}-[928] National Livestock Health and Disease Control Program/ State Share	7.50	0.00	Funds could not be utilised due to non-receipt of State Share.
2	2403-00-106-{4896}-[928] National Livestock Management Programme/ State Share	1.50	0.00	Funds could not be utilised due to non-receipt of State Share.
	Total	9.00	0.00	

Source: Appropriation Accounts

3.5.1.7 Non-materialisation of Budget Commitment

The budget speech outlines the priorities of the Government by detailing the new policy initiatives/ schemes for the social and economic welfare of the people of the State. In the Budget Speech 2022-23, the Finance Minister announced the following schemes/ projects under Grant No. 52 as shown in **Table 3.28**.

Table 3.28: Non-materialisation of budget commitment

(₹ in crore)

Scheme/ Project	Budget Allotment	Expenditure	Savings	Reply of the Department
Critical Veterinary Hospitals at Guwahati, Dibrugarh and Bokakhat	9.50	0.00	-9.50	Savings occurred due to non-receipt of Administrative Approval.
Poultry Sector Intervention for self-sufficiency in egg production	5.22	2.56	-2.66	Savings occurred due to non-release of FOC.
Total	14.72	2.56	-12.16	

Thus, budget commitment could not be fulfilled in two schemes as the Department could incur an expenditure of ₹ 2.56 crore (17 per cent) only against the allocation of ₹ 14.72 crore made during 2022-23.

3.5.1.8 Operation of Single Nodal Agency Accounts

The Government of India vide Office Memorandum No. 1(13)/PFMS/FCD/2020 dated 8 December 2021, instructed that every State Government is required to designate a Single Nodal Agency (SNA) for implementing each Centrally Sponsored Scheme (CSS). The SNA is to open Single Nodal Account for each CSS at the State level in a Scheduled Commercial Bank authorised to conduct business by the State Government.

During the year 2022-23, the State Government transferred CSS funds to SNA Accounts amounting to ₹ 6.67 crore (₹ 0.03 crore Central contribution and ₹ 6.64 crore State contribution). As on 31 March 2023, an amount of ₹ 19.99 crore remained unspent in SNA across four schemes under Grant No. 52 as detailed in the table below.

Table 3.29: Balances under SNA Accounts

(₹ in crore)

Scheme Name	Opening Balance	Funds Received	Interest Accrued	Interest Remitted	Expenditure	Closing Balance
Assistance to States for Control of Animal Diseases (ASCAD)	6.54	6.64	0.23	0.00	12.68	0.73
Integrated Sample Survey (ISS)	0.00	0.03	0.00	0.00	0.00	0.03
Livestock Census	1.48	0.00	0.05	0.52	0.38	0.63
National Livestock Mission (NLM)	16.92	0.00	0.62	1.46*	13.23*	18.60
Total	24.94	6.67	0.90	1.98	26.29	19.99

* Interest remitted and Expenditure for NLM is consolidated amount from 2016-23

As per Memorandum issued by the Ministry of Finance (30 June 2021), the interest earned from the funds in SNA Accounts is to be remitted to the respective Consolidated Funds. Audit analysis revealed the following:

- (a) During 2020-23, interest earned amounting to ₹ 0.54 crore was not remitted to SNA Account for the Scheme “Assistance to State for Control of Animal Diseases (ASCAD)”. On this being pointed out by Audit, the Director, A. H. & Veterinary Department stated (September 2023) that interest accrued could not be remitted to SNA due to non-bifurcation of Central Share and State Share components. Further, out of this amount, ₹ 0.38 crore was eventually remitted to the Consolidated Fund

- of India (CFI) in the financial year 2023-24 resulting in short remittance of ₹ 0.11 crore to the CFI and ₹ 0.05 crore to the Consolidated Fund of the State.
- (b) During 2022-23, ₹ 0.05 crore accrued as interest income was not remitted in the SNA Account for the Scheme “Livestock Census”. The Department stated that the remittance of the accrued interest is currently under process.
- (c) During 2022-23, interest accrued of ₹ 0.15 crore was not remitted as proportionate State Share in the SNA Account for the Scheme “National Livestock Mission”. The Department stated that no instruction regarding remittances of interest earned under State Share was received from the State Government.

Thus, non-remittance of interest earned from the CSS funds to the respective Consolidated Funds was not in compliance to the Memorandum issued by the Ministry of Finance in June 2021.

Further, as per Memorandum issued by the Ministry of Finance (14 September 2022), Central share of funds released to States under CSS before 01 April 2022, but not released further from State Treasury to the SNA Account up to 20 July 2022 should be returned to the CFI. However, Central share of funds amounting to ₹ 17.11 crore under 11 schemes released by GoI during 2015-22 was not released to concerned SNA Accounts within the stipulated date and had to be returned to the CFI. Details of the schemes are given in **Table 3.30**.

Table 3.30: Non-transfer of Central Share of CSS to SNA in due time

(₹ in crore)

Sl. No.	Name of the Scheme	Year of GoI Sanction	Central Share Received from GoI	Amount Released and Utilised	Amount not Released by State by 20 July 2022
1	Foot and Mouth Disease Control Program	2017-18	2.81	1.63	1.18
		2019-20	3.19	0.00	3.19
2	Brucellosis Control Program	2015-16	0.01	0.00	0.01
3	Assistance to State for Control of Animal Disease	2015-16	1.52*	0.00	0.05
		2019-20	3.84	0.32	3.52
4	National Animal Disease Reporting System	2019-20	0.01	0.00	0.01
5	Peste-Des Petits Ruminant Control Program	2015-16	0.59	0.00	0.59
		2019-20	0.40	0.00	0.40
6	Classical Swine Fever Control Program	2019-20	0.25	0.00	0.25
		2021-22	6.05	0.00	6.05
7	Establishment & Strengthening of Veterinary Hospital/ Dispensary	2015-16	6.18	5.31	0.87
8	Professional Efficiency Development	2016-17	0.04	0.00	0.04
9	National Project on Rinderpest Surveillance & Monitoring	2020-21	0.06	0.00	0.06
10	National Livestock Mission	2019-20	0.84	0.00	0.84
11	Integrated Sample Survey	2015-16	0.02	0.00	0.02
		2016-17	0.03	0.00	0.03
Total			25.84	7.26	17.11

*Out of ₹ 1.52 crore sanctioned during 2015-16, ₹ 1.47 crore was refunded to GoI during 2017-18.

3.5.2 Grant 57 – Panchayat and Rural Development (Rural Development)

The Panchayat and Rural Development (P&RD) Department is responsible for enhancing livelihood opportunities, providing social security and working for economic inclusion of rural poor families. Rural development programmes are being implemented through the P&RD Department at the State level and by the Zilla Parishad at the District Level. In 1989, the Panchayat & Community Development Department and the Rural Development Department were merged into “Panchayat & Rural Development Department.”

3.5.2.1 Budget and Expenditure

The overall position of budget provision, actual expenditure and savings/ excesses under this Grant during the five-year period 2018-23 is given in **Table 3.31**.

Table 3.31: Budget and Expenditure

Grant No. 57		2018-19	2019-20	2020-21	2021-22	2022-23
Total (Revenue + Capital)	Budget Provision	3,700.95	4,086.36	6,432.37	8,020.13	17,198.28
	Expenditure	1,106.36	2,823.14	3,543.21	3,593.85	14,248.02
	Savings (-)/ Excess (+)	-2,594.59	-1,263.22	-2,889.16	-4,426.28	-2,950.26
	Savings (-)/ Excess (+) (in per cent)	-70.11	-30.91	-44.92	-55.19	-17.15
i) Revenue- Voted	Budget Provision	3,700.95	4,086.36	6,394.37	8,020.13	17,198.28
	Expenditure	1,106.36	2,823.14	3,543.21	3,593.85	14,248.02
	Savings (-)/ Excess (+)	-2,594.59	-1,263.22	-2,851.16	-4,426.28	-2,950.26
	Savings (-)/ Excess (+) (in per cent)	-70.11	-30.91	-44.59	-55.19	-17.15
ii) Capital- Voted	Budget Provision	0.00	0.00	38.00	0.00	0.00
	Expenditure	0.00	0.00	0.00	0.00	0.00
	Savings (-)/ Excess (+)	0.00	0.00	-38.00	0.00	0.00
	Savings (-)/ Excess (+) (in per cent)	0.00	0.00	-100.00	0.00	0.00

Source: Appropriation Accounts

The grant showed large overall savings, with savings as a percentage of budget provision ranging from 17.15 per cent to 70.11 per cent during the period 2018-23. There was a marked improvement in savings in the current year, with savings as a percentage of total budget provision reducing from 55.19 per cent in 2021-22 to 17.15 per cent in 2022-23.

The Department stated (September 2023) that savings occurred mainly due to the non-filling of vacant posts and non-receipt of GoI sanction as per the estimated budget provision under the Centrally Sponsored Schemes.

3.5.2.2 Surrender of Savings

According to Paragraph 11.17 of Assam Budget Manual, 2012, a Controlling Officer should anticipate savings under a Grant and communicate them to the Finance Department not later than 15th of February each year.

Table 3.32 details the Major Head-wise total Budget, Expenditure, Savings and Surrender of Savings under Grant No. 57, during the last five years, *i.e.*, 2018-23.

Table 3.32: Segment-wise Budget and Expenditure

(₹ in crore)

Major Head	Item	2018-19	2019-20	2020-21	2021-22	2022-23
2216 - Housing	Total Budget (O + S)	1,697.30	1,950.54	3,489.84	5,587.25	15,330.85
	Budget (O)	1,697.30	1,100.00	1,823.18	2,837.25	3,888.89
	Budget (S)	0.00	850.54	1,666.66	2,750.00	11,441.96
	Surrender	1,619.75	0.00	0.00	0.00	0.00
	Expenditure	77.55	1,527.56	1,670.47	2,069.02	12,804.18
	Savings (-)/ Excess (+)	-1,619.75	-422.98	-1,819.37	-3,518.23	-2,526.67
	Savings (-)/ Excess (+) (in per cent)	-95.43	-21.69	-52.13	-62.97	-16.48
2501 - Special Programmes for Rural Development	Total Budget (O + S)	1,128.65	1,379.82	1,516.86	1,256.91	1,197.76
	Budget (O)	1,113.14	1,362.19	1,433.64	1,193.72	1,182.31
	Budget (S)	15.51	17.63	83.22	63.19	15.45
	Surrender	225.07	0.00	0.00	0.00	0.00
	Expenditure	899.29	1,115.78	1,182.12	1,017.34	1,144.69
	Savings (-)/ Excess (+)	-229.36	-264.04	-334.74	-239.57	-53.07
	Savings (-)/ Excess (+) (in per cent)	-20.32	-19.14	-22.07	-19.06	-4.43
2505 – Rural Employment	Total Budget (O + S)	875.00	756.00	1,387.67	1,175.97	669.67
	Budget (O)	875.00	756.00	382.84	1,175.97	669.67
	Budget (S)	0.00	0.00	1,004.83	0.00	0.00
	Surrender	745.48	0.00	0.00	0.00	0.00
	Expenditure	129.52	179.80	690.62	507.49	299.15
	Savings (-)/ Excess (+)	-745.48	-576.20	-697.05	-668.46	-370.52
	Savings (-)/ Excess (+) (in per cent)	-85.20	-76.22	-50.23	-56.84	-55.33
4515 - Capital Outlay on other Rural Development Programmes	Total Budget (O + S)	-	-	38.00	-	-
	Budget (O)	-	-	38.00	-	-
	Budget (S)	-	-	0.00	-	-
	Surrender	-	-	0.00	-	-
	Expenditure	-	-	0.00	-	-
	Savings (-)/ Excess (+)	-	-	-38.00	-	-
	Savings (-)/ Excess (+) (in per cent)	-	-	-100.00	-	-

Source: Appropriation Accounts

As can be seen from **Table 3.32**, savings were seen across all the Major Head levels where allocation was made in the grant for the current year. Despite large overall savings at Major Head level of ₹ 2,526.67 crore under Major Head 2216 – Housing, ₹ 53.07 crore under Major Head 2501 – Special Programmes for Rural Development, and ₹ 370.52 crore under Major Head 2505 – Rural Employment, no amount was surrendered. Such large savings at Major Head levels were also seen in each of the last five years but surrender of funds was done only once in the financial year 2018-19. Non-compliance of the provisions of the Assam Budget Manual for surrender of savings indicated inefficient budget management.

3.5.2.3 Unnecessary/Excessive Supplementary Grant

Quantum of Supplementary Grant provided to the P&RD Department under Grant No. 57 during the last five years *i.e.*, 2018-19 to 2022-23 is given in **Table 3.33** and also in **Chart 3.13**.

The Supplementary Grant provision proved unnecessary in the years 2018-19 to 2021-22 as the actual expenditure was less than the Original Budget Provision resulting

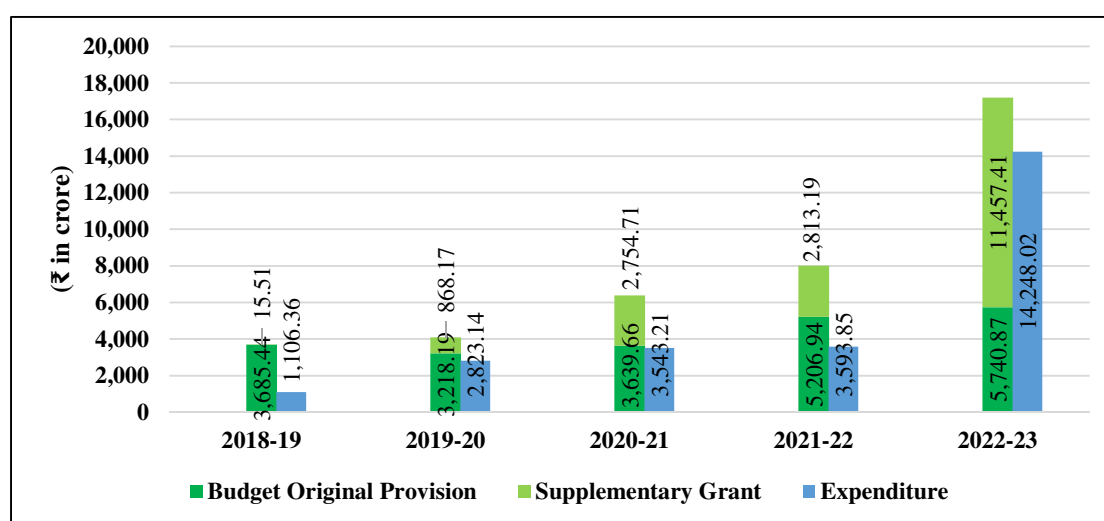
in huge savings. However, in the year 2022-23, the supplementary allocation proved excessive as the final expenditure fell short of the total budget provision during the year as shown below.

Table 3.33: Unnecessary/ Excessive Supplementary Provision

(₹ in crore)					
Segment	Year	Original Budget Provision	Expenditure	Savings (-)/ Excess (+) out of Original Provision	Supplementary Grant
Revenue-Voted	2018-19	3,685.44	1,106.36	-2,579.08	15.51
	2019-20	3,218.19	2,823.14	-395.05	868.17
	2020-21	3,639.66	3,543.21	-96.45	2,754.71
	2021-22	5,206.94	3,593.85	-1,613.09	2,813.19
	2022-23	5,740.87	14,248.02	8,507.15	11,457.41

Source: Appropriation Accounts

Chart 3.13: Unnecessary/ Excessive Supplementary grants under Grant No. 57 (Revenue-Voted)



Out of the total supplementary provision of ₹ 11,457.41 crore during the current year, ₹ 10,702.83 crore (93.41 per cent) was provided under two Heads of Account to Pradhan Mantri Awas Yojana (Gramin), as detailed in the table below.

Table 3.34: Excessive Supplementary under Sub-Head

(₹ in crore)							
Sl. No.	Head of Account	Name of Scheme/ Programme	Original Budget Provision	Expenditure	Supplementary Required	Supplementary Provision	Excessive Supplementary Grant
1	2216-03-105-5689-927	Pradhan Mantri Awas Yojana (Gramin)/ Central Share	3,500.00	9,981.98	6,481.98	9,632.55	3,150.57
2	2216-03-105-5689-928	Pradhan Mantri Awas Yojana (Gramin)/ State Share	388.89	1,249.45	860.56	1,070.28	209.72
Total			3,888.89	11,231.43	7,342.54	10,702.83	3,360.29

Source: Appropriation Accounts

Seeking supplementary grants without/ in excess of requirement is indicative of poor budgetary management by the State Government.

3.5.2.4 Unnecessary Re-appropriation

Re-appropriation is the transfer of savings from one unit of appropriation to meet additional expenditure under another unit within the same grant or charged Appropriation.

As per Paragraph 9.2 of ABM, 2012, Finance Department has the power to sanction/authorise any re-appropriation within a Grant, which does not involve undertaking of a recurring liability. Copies of such orders sanctioning any re-appropriation must be communicated to the Principal Accountant General as soon as they are passed.

Within Grant No. 57, enhancement in provision through re-appropriation proved excessive and resulted in huge savings (₹ five crore and above in each case) in five Sub-Heads as re-appropriated amount was not fully utilised, as detailed in the table below.

Table 3.35: Excessive Re-appropriation

(₹ in crore)

Sl. No.	Head of Account	Budget (O+S)	Re-appropriation	Expenditure	Savings
1	2216-03-789-5689-927 PMAY-G/ Central Share	246.38	506.10	507.71	-244.77
2	2216-03-789-5689-928 PMAY-G/ State Share	27.38	56.23	75.97	-7.64
3	2216-03-796-5689-927 PMAY-G/ Central Share	418.84	857.68	860.41	-416.11
4	2216-03-796-5689-928 PMAY-G/ State Share	46.54	95.30	128.67	-13.17
5	2501-06-101-4921-927 NRLM/ Central Share	0.00	228.27	221.15	-7.12

Source: Appropriation Accounts

Further, re-appropriation proved unnecessary resulting in huge savings (₹ one crore and above in each case) in two Sub-Heads as re-appropriated amount was completely unutilised, as shown in the table below.

Table 3.36: Unnecessary Re-appropriation

(₹ in crore)

Sl. No.	Head of Account	Budget (O+S)	Expenditure	Re-appropriation	Savings
1	2501-06-101-4598-927 DDU-GKY/ Central Share	0.00	0.00	3.03	-3.03
2	2501-06-101-4599-927 Start-up Village Entrepreneurs Programme/ Central Share	0.00	0.00	1.69	-1.69

Source: Appropriation Accounts

Substantial savings in respect of Heads of Account where re-appropriation is resorted to, reflects poorly on planning and monitoring of budget allocation and its utilisation by the State Government.

The Department stated (September 2023) that the re-appropriated funds could not be utilised due to non-receipt of sanction from the Government.

3.5.2.5 Persistent Savings under Sub-Head

The two schemes listed in **Table 3.37** showed large and persistent savings in the last five years, during the period 2018-23.

Table 3.37: Persistent Savings under Sub-Head

(₹ in crore)

Sl. No.	Head of Account	Year	Total Grant	Expenditure	Details of Savings	
					Amount	Per cent
1	2216-03-105-{5689}-Pradhan Mantri Awas Yojana (Gramin)	2018-19	1,697.30	77.55	-1,619.75	-95.43
		2019-20	1,950.54	1,527.56	-422.98	-21.69
		2020-21	3,489.84	1,670.47	-1,819.37	-52.13
		2021-22	5,587.25	2,069.02	-3,518.23	-62.97
		2022-23	13,076.41	11,231.42	-1,844.99	-14.11
		Total	25,801.34	16,576.02	-9,225.32	-35.76
2	2505-02-101- {4866}-Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)	2018-19	875.00	129.52	-745.48	-85.20
		2019-20	756.00	179.80	-576.20	-76.22
		2020-21	1,387.67	690.62	-697.05	-50.23
		2021-22	1,175.97	507.49	-668.48	-56.84
		2022-23	666.67	296.22	-370.45	-55.57
		Total	4,861.31	1,803.65	-3,057.66	-62.90

Source: Appropriation Accounts

The Department stated (September 2023) that the savings occurred due to non-receipt of FOC, Sanction, and Central Share from GoI.

3.5.2.6 Savings of Entire Budget Provision

Budget provision of ₹ 7.42 crore made under the following seven schemes/ projects, with individual allocation in excess of ₹ 10 lakh, for the year 2022-23 under Grant No. 57 remained unutilised at the end of the year. Scheme-wise details is given in **Table 3.38**.

Table 3.38: Non-utilisation of budget provision

(₹ in crore)

Sl. No	Head of Account	Budget Provision	Expenditure
1	2501-01-800- {2674} Expenditure for National Green Tribunal (NGT) related Works to Compliance of Honourable NGTs Order	3.80	0.00
2	2501-01-800- {6082} Family Identification Card	1.00	0.00
3	2501-01-800- {2297} New Office Building of Lakhimpur Zilla Parishad	0.95	0.00
4	2501-01-800- {2378} Training at SIRD, P&RD Department	0.55	0.00
5	2501-01-800- {2629} New Pension Scheme for Unmarried Women above 40 for 66000 Nos. Beneficiaries @300/- per Beneficiary	0.49	0.00
6	2501-01-800- {2299} Atal Atma Sanstha Yojana (SIPRD)	0.48	0.00
7	2501-01-800- {5538} Chief Ministers Special Package for Dhakuakhana	0.15	0.00
Total		7.42	0.00

Source: Detailed Appropriation Accounts (2022-23)

The Department stated (September 2023) that budget provision could not be utilised mainly due to non-release of funds, non-receipt of Financial Sanction and FOC from the Government.

3.5.2.7 Single Nodal Agency

The Government of India, Ministry of Finance, Department of Expenditure, New Delhi vide Office Memorandum No. 1(13)/PFMS/FCD/2020 dated 8 December 2021, provided that every State Government is required to designate a Single Nodal Agency (SNA) for implementing each Centrally Sponsored Scheme (CSS). The SNA is to open Single Nodal Account for each CSS at the State level in a Scheduled Commercial Bank authorised to conduct business by the State Government.

During the year 2022-23, the State Government transferred CSS funds to SNA Accounts amounting to ₹ 14,136.36 crore (₹ 12,507.91 crore: Central Contribution and ₹ 1,628.45 crore: State Contribution). As on 31 March 2023, an amount of ₹ 12,139.32 crore was utilised by the SNAs, while an amount of ₹ 2,898.64 crore remained unspent in SNA across 14 schemes under Grant No. 57 as detailed in **Appendix 3.9. Table 3.39** summarises the overall position of all SNA accounts operated under Grant No. 57.

Table 3.39: Balances under SNA Accounts

(₹ in crore)						
Opening Balance on 01.04.2022	Funds received in SNA Accounts	Interest Accrued	Other Receipt	Interest Remitted	Expenditure	Unspent Balance as on 31.03.2023
899.11	14,136.36	41.57	0.11	39.19	12,139.32	2,898.64

As per Memorandum issued by the Ministry of Finance dated 30 June 2021, the interest earned from the funds in SNA Accounts is to be remitted to the respective Consolidated Funds. Out of the total interest accrued amounting to ₹ 41.57 crore, an amount of ₹ 2.38 crore remained unremitted to the Consolidated Funds as on 31 March 2023. Further, of ₹ 2.38 crore of unremitted interest, an amount of ₹ 1.97 crore was not remitted under two schemes, as detailed in **Table 3.40**.

Table 3.40: Non-remittance of interest to Consolidated Funds

(₹ in crore)						
Sl. No.	Scheme Name	Interest accrued during 2022-23		Interest Remitted		Reply of Department
		Centre	State	Centre	State	
1	Indira Gandhi National Old Age Pension Scheme	0.95	0.25	0.00	0.00	Interest could not be remitted due to technical problems arising in PFMS.
2	Shyama Prasad Mukherjee Rurban Mission (SPMRM)	0.69	0.08	0.00	0.00	Interest could not be remitted due to pending DDO mapping of SPMRM.

Further, as per Para 8 and 9 of the Ministry of Finance order dated 23 March 2021, GoI would release central share for CSS to the State Government's accounts for further release to the SNA Account. The SNA Account must be fully integrated with PFMS in consonance with Rule 232 (v) of the General Financial Rule for better monitoring and utilisation of funds.

Audit analysis of both PFMS and SNA Accounts revealed there was a mismatch of funds between SNA and PFMS in respect two schemes, as shown in **Table 3.41**.

Table 3.41: Mismatch of Funds between SNA & PFMS

(₹ in crore)

Sl. No.	Name of Scheme	Account No.	Funds released from the Treasury to SNA as per PFMS		Fund received from Treasury to SNA as per State Nodal Account		Mismatch of funds	
			CS	SS	CS	SS	CS	SS
1	PMAY-G	SBI XXX904	8,830.48	981.16	11,350.09	1,454.08	2,519.61	472.92
2	NRLM-NRETP	Canara XXX820	39.68	4.41	40.08	4.41	0.40	-

The Department stated (September 2023) that the difference of funds between PFMS and SNA in respect of PMAY-G was due to non-updating of SNA report of PFMS. The mismatch of ₹ 40 lakh in respect of National Rural Economic Transformation Project (NRETP) was due to release of funds from MoRD directly to the SNA Account and not through PFMS.

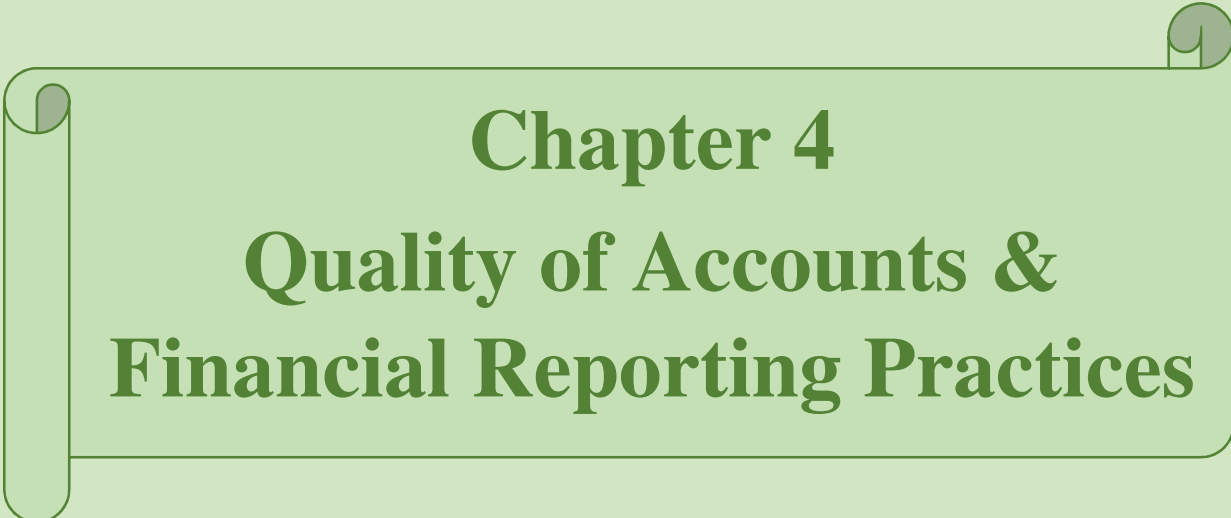
3.6 Conclusion

- Budgetary assumptions of Government of Assam (GoA) continued to be unrealistic and overestimated during 2022-23, as the State Government incurred an expenditure of ₹ 1,28,885.83 crore, against 84 grants and appropriations of ₹ 1,56,525.63 crore, resulting in overall savings of ₹ 27,639.80 crore during the year. These savings stood at 17.66 *per cent* of total grants and appropriations made for the year.
- These savings may be seen in the context of over estimation of receipts of ₹ 1,37,521.74 crore by the State Government and the estimation on the expenditure side being ₹ 1,56,525.63 crore during the year 2022-23. As against the estimated receipts, the actual receipts were ₹ 1,18,017.39 crore only thereby restricting the total expenditure during the year to ₹ 1,28,885.83 crore. This implied that the savings were notional, as the funds were not actually available for expenditure.
- Out of the total savings of ₹ 27,639.80 crore during the current year, only one *per cent* (amounting to ₹ 285.85 crore) was surrendered, which deprived the other departments from utilising the amount, indicating poor financial management.
- During 2022-23, an expenditure of ₹ 176.49 crore was incurred in four Sub-Heads under four Grants/ Appropriation (₹ 50 lakh and above in each case) without budget provision.
- Review of Grant No. 52 revealed that Animal Husbandry and Veterinary Department had persistent savings ranging between 36.01 *per cent* and 50.04 *per cent* during the period 2018-23. During 2022-23, out of the total budget provision of ₹ 514.33 crore, only ₹ 307.72 crore was utilised resulting in overall savings of ₹ 206.61 crore.

- Review of Grant No. 57 showed that the Panchayat and Rural Development Department had large savings over budget provisions ranging from 17.15 per cent to 70.11 per cent during the period 2018-23. There was a marked improvement in control of savings in the current year, with savings as a percentage of total budget provisions reducing from 55.19 per cent in 2021-22 to 17.15 per cent in 2022-23.

3.7 Recommendations

- State Government may formulate realistic budget based on reliable assumptions of likely resource mobilisation, the assessed needs of the Departments and their capacity to utilise the allocated resources so as to avoid inflated budgeting without corresponding to the available resources.*
- State Government may institute a formal mechanism to enforce proper implementation and monitoring of budget to ensure that large savings within the grant/ appropriation are controlled, and anticipated savings are identified and surrendered within the specified timeframe.*
- Finance Department may review the Departments having persistent savings for realistic budget allocation and monitoring of expenditure.*
- State Government may get the expenditure incurred in excess of the budget provision regularised by the State Legislature.*



Chapter 4
**Quality of Accounts &
Financial Reporting Practices**

Chapter 4 Quality of Accounts & Financial Reporting Practices

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.

This Chapter provides an overview and status of the State Government's compliance with various financial rules, procedures and directives during the current year.

Issues related to completeness of accounts

4.1 Non discharge of liability in respect of interest towards interest bearing deposits/ Reserve Funds

The Government has a liability to provide and pay interest on the amounts in the interest-bearing Reserve Funds and Deposits.

Audit observed that ₹ 92.13 crore were required to be paid as interest on the balance of ₹ 1,560.76 crore lying under interest bearing deposits/ Reserve Funds as on 01 April 2022 as shown in **Table 4.1**. Non-payment of interest liability has resulted in understatement of Revenue Deficit and Fiscal Deficit to that extent during the year.

Table 4.1: Non discharge of interest liability

(₹ in crore)

Sector	Sub-Sector	Rate of Interest	Balance at the beginning of 2022-23	Interest Payable
J-Reserve Funds	(i) Reserve Funds bearing interest (SDRF)	7.49 per cent (As per guidelines of SDRF)	719.06	53.86
	(ii) Reserve Funds bearing interest (SCAF)	3.35 per cent *	560.81	18.79
K-Deposits and Advances	(i) Deposits bearing interest MH 8342 (NPS)	7.1 per cent**	251.83	17.88
	(ii) Deposit bearing interest other than DCPS	5.49 per cent (Taking average Ways and Means Advance interest rate)	29.06	1.60
Total			1,560.76	92.13

Source: Finance Accounts

*As per rate notified by Government of India vide circular No. 4-58/2019-NAPt.2 dated 11 January 2022.

**The State Government vide OM dated 06 October 2009 specified the interest rate of NPS as applicable to the GPF (as had been prevailing at that time).

4.2 Funds transferred directly to State implementing agencies

The Government of India (GoI) has been transferring sizeable quantum of funds directly to the State Implementing Agencies (SIAs) for implementation of various schemes. Government of India decided to route these funds through State Budget from 2014-15 onwards. Subsequently, the GoI vide Budget Circular for the financial year 2022-23 instructed the following procedure for public funded schemes:

a) Central Sector Schemes are funded and implemented by the Central Agencies, and in some cases through concerned State implementing agencies. The transfer of funds in such cases will be done directly to the implementing agencies and not through the State treasuries.

b) Centrally Sponsored Schemes are implemented by the State/ UT governments with the sharing pattern as approved by the Government. The central share for the schemes will be routed entirely through the State/ UT treasuries as Grants-in-Aid, except in the case of Direct Benefit Transfers where the functional heads could be used.

Over the years, the Government of India has been transferring funds to the State of Assam under both the Schemes. **Table 4.2** provides the quantum of fund transferred to the State Implementing Agencies during the last five years *i.e.*, 2018-23.

Table 4.2: Direct Transfer of Funds by GoI

	(₹ in crore)				
Direct transfers to State Implementing Agencies	2018-19	2019-20	2020-21	2021-22	2022-23
Funds transferred	4,534.21	5,946.75	7,733.54	12,543.88	12,878.62

Source: Finance Accounts

As can be seen from **Table 4.2**, transfer of funds increased by ₹ 334.74 crore from ₹ 12,543.88 crore in 2021-22 to ₹ 12,878.62 crore in 2022-23. During 2022-23, out of the total amount of ₹ 12,878.62 crore, ₹ 5,655.75 crore being Central Assistance/ Share was transferred to the intermediaries (*i.e.*, NGOs, Societies, *etc.*) and ₹ 7,222.87 crore was transferred directly to beneficiaries.

Scheme wise total amount release to the State implementing agencies during 2022-23 is given in **Appendix 4.1**. Out of the total amount of ₹ 12,878.62 crore of direct transfer of funds by GoI, ₹ 6,870.00 crore was transferred for implementation of Centrally Sponsored Schemes (CSS) as detailed in **Appendix 4.2**. This pertained primarily to the two Centrally Sponsored schemes - Jal Jeevan Mission/ National Drinking Water Mission and Mahatma Gandhi National Rural Guarantee Programme, where the amount of direct transfer to the implementing agencies of ₹ 4,589.98 crore and ₹ 1,870.22 crore respectively represented 100 *per cent* and 89.26 *per cent* respectively of the total transfer under these schemes.

The direct transfer of ₹ 6,870.00 crore of CSS funds directly to implementing agencies of the State constituted 7.66 *per cent* and 23.07 *per cent* of Revenue Receipts (₹ 89,742.30 crore) and Grants-in-Aid (₹ 29,784.71 crore) respectively. The State

Government accounts for the year 2022-23 depicts only ₹ 21,557.32 crore under Central share of Centrally Sponsored Schemes.

Issues related to transparency

4.3 Delay in Submission of Utilisation Certificates

Rule 517 (Appendix 16) of Assam Financial Rules, 1939 provides that every grant made for a specified object is subject to the implied conditions such as (i) the grant shall be spent for the intended purpose, and within a reasonable time if no time limit has been fixed by the sanctioning authority, and (ii) any portion of the amount which is ultimately not required for expenditure for the purpose, shall be duly surrendered to the Government.

State Government authorities who have received conditional grants are required to furnish formal Utilisation Certificates (UCs) about the proper utilisation of the grants, to the Accountant General (A&E) within 12 months of the closure of the financial year in which the grants have been released, unless specified otherwise.

Audit scrutiny revealed that 14,159 UCs in respect of grants aggregating ₹ 37,991.70 crore given to 53 Departments of the State Government during the period from 2001-02 to 2021-22 had not been submitted. UCs for 1,492 grants of ₹ 14,880.02 crore paid in 2022-23 would become due only in 2023-24. Age-wise details of delays in submission of UCs due up to the year 2022-23 is given in **Table 4.3**.

Table 4.3: Age-wise 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 2020-21	12,111	43,236.13	2,800	21,065.58	394	3,606.64	14,517	60,695.07
2021-22	14,517	60,695.07	3,346	23,942.88	915	28,760.49	16,948	55,877.46
2022-23	16,948	55,877.46	1,492**	14,880.02	2,789	17,885.76	14,159	37,991.70

Source: Data compiled by the O/o the PAG (A&E), Assam.

*The year mentioned above relates to "Due year" i.e., after one year of actual drawal.

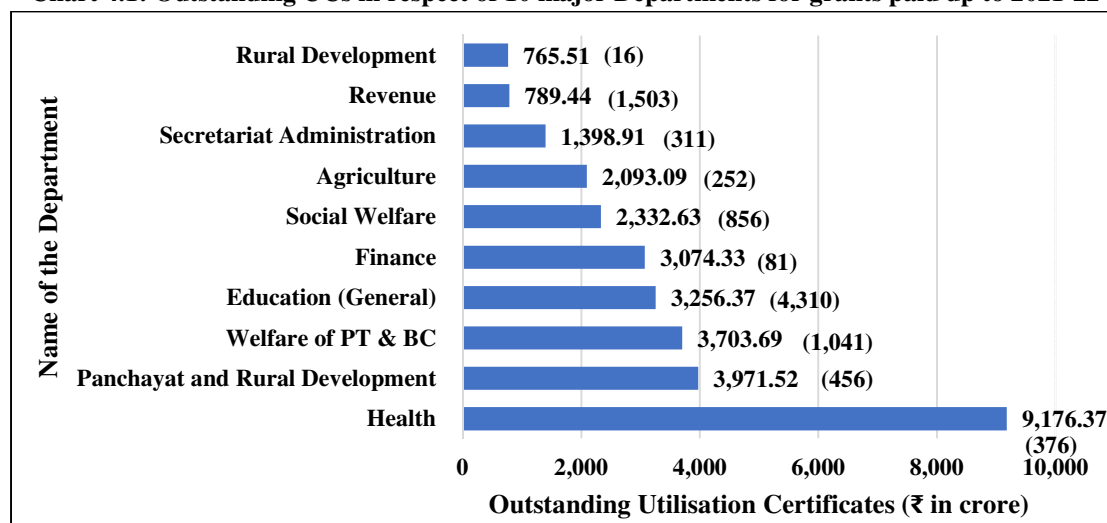
**UCs for the GIA disbursed during 2022-23 become due only during 2023-24.

Table 4.4: Year wise break up of outstanding UCs
(₹ in crore)

Drawal Year	Number of UCs	Amount
2001-02	833	54.26
2002-03	409	36.22
2003-04	739	65.44
2004-05	948	142.80
2005-06	711	198.03
2006-07	653	193.81
2007-08	462	220.65
2008-09	340	301.49
2009-10	122	447.19
2010-11	295	390.84
2011-12	274	582.84
2012-13	235	767.76
2013-14	381	1,189.49
2014-15	714	1,539.91
2015-16	449	2,848.82
2016-17	21	104.93
2017-18	166	1,477.18
2018-19	801	4,258.99
2019-20	1,986	8,670.05
2020-21	1,966	9,078.10
2021-22	1,654	5,422.90
Total	14,159	37,991.70

Analysis of year-wise details of pending UCs and the amounts involved tabulated alongside shows that UCs have not been submitted for an amount of ₹ 37,991.70 crore released over the years. To the extent of non-submission of UCs, there is no assurance that the amount shown in the Finance Accounts had actually been spent in keeping with the sanction and cannot be vouched as correct or final. **Table 4.4** given alongside also reveals that 76.09 *per cent* of outstanding UCs pertain to the last five years *i.e.*, 2017-22. Department-wise break-up of outstanding UCs for the grants paid up to the year 2021-22 is given in **Appendix 4.3**.

Status of outstanding UCs in respect of 10 major departments is given in **Chart 4.1**.

Chart 4.1: Outstanding UCs in respect of 10 major Departments for grants paid up to 2021-22

In the absence of the UCs, it could not be ascertained whether the recipients had utilised the grants for the purposes for which those were given, and since 42 *per cent* of the Capital Expenditure is being incurred out of GIA, in the absence of UCs, it could not be ascertained whether the assets had been created.

During Exit Conference (December 2023), the Secretary to the Finance Department assured to take necessary steps for early submission of UCs, wherever needed, by the Administrative Departments.

4.4 Abstract Contingent Bills

Under Rule 21 of the Assam Contingency Manual, 1989, Drawing and Disbursing Officers (DDOs) are authorised to draw sums of money for limited purposes by preparing Abstract Contingent (AC) bills without vouchers. Subsequently, Detailed Countersigned Contingent (DCC) bills (vouchers in support of final expenditure) are required to be furnished to the Accountant General (A&E) not later than 25th of the month following the month in which such amounts are drawn.

During 2022-23, 40 AC bills were drawn for an amount of ₹ 15.19 crore, of which 2 AC bills for an amount of ₹ 0.20 crore (1.32 *per cent*) were drawn in March 2023. As of 31 March 2023, 38 Departments of Government of Assam had not submitted DCC bills for ₹ 899.59 crore against 1,419 AC Bills. Year-wise details of pendency of DCC bills for the years up to 2022-23 is given in **Table 4.5**.

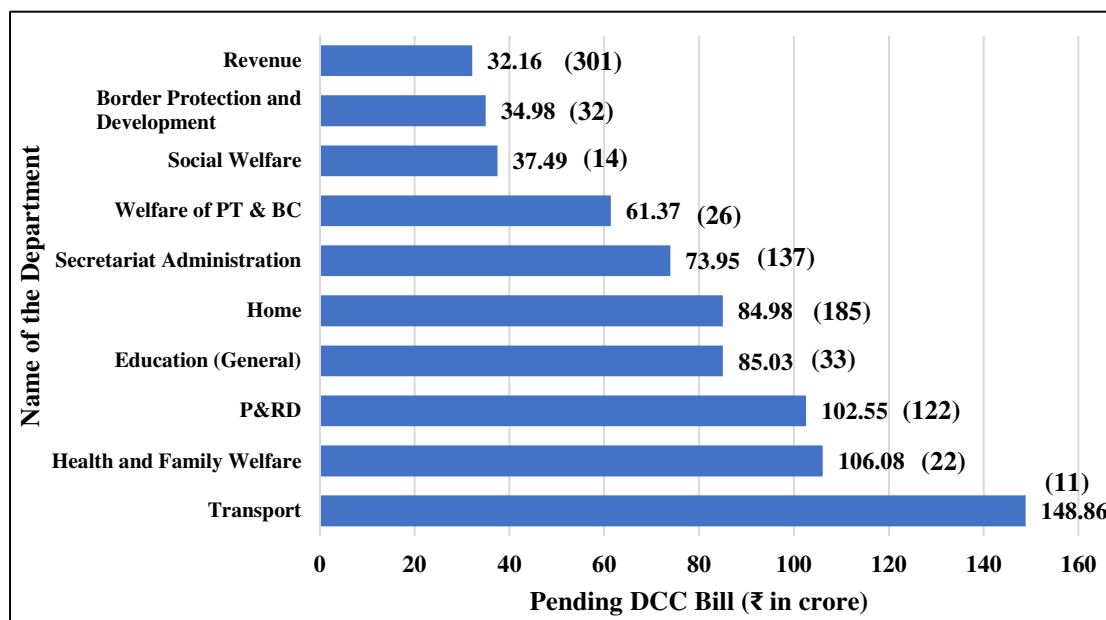
Table 4.5: Pendency in submission of DCC bills against the AC bills

Year	Opening Balance		Addition		Clearance		Closing Balance	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Up to 2020-21	1,432	882.86	249	174.89	33	6.91	1,648	1,050.84
2021-22	1,648	1,050.84	32	25.57	140	118.04	1,540	958.37
2022-23	1,540	958.37	40	15.19	161	73.97	1,419	899.59

Source: Data compiled by O/o the PAG (A&E), Assam

Department-wise pending DCC bills for the years up to 2022-23 are detailed in **Appendix 4.4** while status of pending DCC bills in respect of 10 major departments is given in **Chart 4.2**.

Chart 4.2: Pending DCC Bills in respect of 10 major Departments



Expenditure against AC bills at the end of the year indicates poor public expenditure management. Non-adjustment of advances for long periods is fraught with the risk of misappropriation and therefore, requires close monitoring by the respective DDOs for

ensuring submission of DCC bills. Further, to the extent of non-receipt of DCC bills, the expenditure shown in the Finance Accounts cannot be asserted as correct or final.

During the Exit Conference (December 2023), the Secretary to the Finance Department assured to issue instructions to all concerned Departments for early submission of DCC bills.

4.5 Personal Deposit Accounts

Under specific circumstances, the Government may authorise the opening of Personal Deposit (PD) accounts for operation by designated Administrators. Transfer of funds to PD accounts is booked under the service major heads, as expenditure under the Consolidated Fund of the State. Under Rule 325 of Treasury Rules, 2017 of Government of Assam, the Administrators are required to close such accounts on the last working day of the year and transfer the unspent balances back to the Consolidated Fund, with the PD accounts being reopened in the next year, if necessary. Government of Assam, however, did not follow this procedure.

Table 4.6 provides the status of funds lying in PDA on the last day of the financial year during 2018-23.

Table 4.6: Parking of funds in Personal Deposit Accounts during 2018-23

Year	2018-19	2019-20	2020-21	2021-22	2022-23
Funds parked in PDA	0.60	0.57	0.57	0.09	0.07

(₹ in crore)

Source: Finance Accounts

As on 31 March 2023, there were four PD Accounts under which ₹ 0.07 crore was lying. During the year 2022-23, no amount was transferred to these PD Accounts.

Further, in terms of Rule 324 and 333 of Treasury Rules, 2017 of Government of Assam, the Administrator of Personal Deposit Account shall make necessary verification and reconciliation of the balances with the Treasury and shall furnish a certificate to the Treasury Officer by 30th April every year. The Treasury officer shall verify the said certificate with treasury records and send a report of verification of such balances to the Accountant General (A&E) as early as possible.

During the year 2022-23, none of the nine Administrators of Personal Deposit Accounts had reconciled and verified their balances with the treasury figures and the annual verification certificate was also not furnished to the Accountant General (A&E) Office.

4.6 Indiscriminate use of Minor Head 800

The omnibus Minor Head 800 relating to Other Receipts/ Other Expenditure is to be operated only in cases where the appropriate Minor Head has not been provided under a Major Head in the List of Major and Minor Heads of Accounts (LMMHA). If such instances occur on a regular basis, it is the responsibility of the State Government to discuss with the Accountant General (A&E) and seek advice on an appropriate classification. Indiscriminate booking of receipts and expenditure under Minor Head 800 affects transparency and nature of transactions and renders the accounts opaque.

Audit examined selected cases of booking under Minor Head 800 (Expenditure more than ₹ 50.00 crore), and noted that in 10 instances, a valid Minor Head, other than 800, was available in the LMMHA, for booking these transactions. The total expenditure under these schemes amount to ₹ 1,576.94 crore (8.13 per cent of total expenditure under Minor Head 800) was booked in State Finance Accounts (2022-23), as given in Table 4.7.

Table 4.7: Incorrect depiction of Minor Heads in the State Accounts (2022-23)

Sl. No.	Specified Heads in the LMMHA	Actual Head in Detailed Appropriation Accounts	Expenditure (₹ in crore)
1	2235-03-101 National Old Age Pension Scheme	2501-01-800-0318-504 Old Age Pension Scheme	428.34
2	2202-02-113 Samagra Shiksha	2202-02-800-3952 Rashtriya Madhyamik Shiksha Abhijan (RMSA)	303.18
3	4702-00-101 Surface Water	4702-00-800-2555 Pradhan Mantri Krishi Sinchai Yojana – Har Khet ko Pani	195.97
4	4202-02-105 Engineering/ Technical Colleges & Institutes	4250-00-800-6103 Partnership with TATA Technology for Modernisation of Polytechnic and ITI	174.00
5	2501-06-102 National Rural Livelihood Mission	2501-01-800-4921- National Rural Livelihood Mission (NRLM)	98.57
6	3054-04-338 Pradhan Mantri Gram Sadak Yojana	3054-04-800-0123 PMGSY Maintenance to ASRB	87.51
7	2217-80-191 Assistance to Local Bodies, Corporations, Urban Development Authorities, Town Improvement Boards etc.	2217-80-800-0798 Guwahati Municipal Corporation	87.37
8	2235-02-103 Women's Welfare	2501-01-800-2529 Indira Miri Widow Pension Achoni for age Group 18 to 59 years left out from IGNWPS under NSAP and One Time Grant of ₹ 25000/-	73.15
9	2210-01-110 Hospital and Dispensaries	2210-03-800-4637 Urban Health and Wellness Centres-Central Finance Commission Award	65.55
10	2202-02-106 Text Books	2202-02-800-5764 Free Text Books to Students from Class IX to X	63.30
Total			1,576.94

Source: Finance Accounts

Thus, it is imperative that the State Government should review all classifications of schemes being made under 800 - Other Expenditure in the light of their depiction in the List of Major and Minor Heads of Account (LMMHA) and after consultation with the Principal Accountant General (A&E), classify them appropriately as per existing LMMHA, or seek addition of new Minor Heads, to bring transparency in Accounts.

During 2022-23, the State Government classified receipts of ₹ 924.36 crore (1.03 per cent of total Revenue Receipts of ₹ 89,742.30 crore), pertaining to 48 Major

Heads of Account, under the Minor Head '800 - Other Receipts' while an expenditure of ₹ 19,388.98 crore was booked under Minor Head 800 under 70 Major Heads of Account, constituting 16.46 per cent of the total revenue and capital expenditure of ₹ 1,17,812.35 crore.

Instances of substantial proportion (50 per cent or more and ₹ 100 crore or more) of the expenditure within a given Major Head, classified under the Minor Head 800 – 'Other Expenditure', are given in **Table 4.8**.

Table 4.8: Significant expenditure booked under Minor Head 800 – Other Expenditure during 2022-23

(₹ in crore)

Sl. No.	Major Head	Major Schemes under Minor Head 800	Expenditure under Minor Head 800	Total Expenditure	Per cent
1	2075 - Miscellaneous General Services	Assam Infrastructure Financing Authority, PRANAM Commission	687.17	699.78	98.20
2	2217 - Urban Development	PMAY (Housing for All), AMRUT, GMC, City Amenities Development Fund, NULM, GMDA, Smart City Mission	1,315.86	2,555.72	51.49
3	2225 - Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	Special Grants to Karbi Anglong Autonomous Council, Bodoland Autonomous Council, Dima Hasao Autonomous Council, One Time Special Grant, CM's Special One-time Assistance to Tai Ahom Autonomous Council, PM Adarsh Gram Yojana	2,430.68	3,076.36	79.01
4	2501 - Special Programmes for Rural Development	NSAP, NRLM, Indira Miri Widow Pension Achni, Shyama Prasad Mukherjee Urban Mission (SPMRM)	697.02	1167.21	59.72
5	2515 - Other Rural Development Programmes	District Development Project/ Programme, Tied Grant, Untied Grant	3,223.31	3,909.28	82.45
6	2575 - Other Special Areas Programmes	Multi Sectoral Development Programme for Minorities	194.99	201.84	96.61
7	2801 - Power	DDUGJY and SAUBHAGYA Scheme, Power Purchase Subsidy, Payment of dues as per FTFRP, UDAY, Targeted Subsidy to APDCL	1,148.96	1,150.86	99.83
8	2852 - Industries	Implementation of the Relief Package Offered to Employees and Workers of HPC Ltd.	391.82	632.75	61.92
9	3056 - Inland Water Transport	Government Transport Services working expenses - Major Ferry Services, Subansiri River Passenger Service	151.38	168.43	89.88
10	4070- Capital Outlay on Other Administrative Services	State Signature Scheme, Assam State Information Commission	204.65	207.63	98.56
11	4225 - Capital Outlay on Welfare of Scheduled Caste, Scheduled Tribes, Other Backward Classes and Minorities	Model Village for Schedule Caste, Infrastructure Development in ITDP and Outside ITDP Areas of Assam	105.88	106.08	99.81
12	4250 - Capital Outlay on Other Social Services	Skill City Development, Partnership with TATA Technology for Modernisation of Polytechnic and ITI	245.08	253.95	96.51

Sl. No.	Major Head	Major Schemes under Minor Head 800	Expenditure under Minor Head 800	Total Expenditure	Per cent
13	4552 – Capital Outlay on North Eastern Areas	NESIDS, Scheme under NLCPR, Provision for Schemes under NEC Project (Capital)	290.80	290.80	100.00
14	4702 – Capital Outlay on Minor Irrigation	Pradhan Mantri Krishi Sinchai Yojana – Har Khet ko Pani	242.04	363.26	66.63
15	4801 – Capital Outlay on Power Projects	APSEIP Tranche 4 (ADB), Enhancement of Intra State Transmission System of Assam (AIIB)	780.92	782.92	99.74
Total			12,110.56	15,566.87	77.80

Source: Finance Accounts

In the case of receipts, cases where over 50 per cent of receipts and also more than ₹ one crore were classified under Minor Head 800 – ‘Other Receipts’, are given in **Table 4.9**.

Table 4.9: Significant receipts booked under Minor Head 800 – Other Receipts during 2022-23
(₹ in crore)

Sl. No.	Major Head	Receipts under Minor Head 800	Total Receipts	Percentage
1	0049 – Interest Receipts	294.87	323.68	91.10
2	0059 – Public Works	1.95	2.04	95.59
3	0405 – Fisheries	2.56	4.86	52.67
4	0552 – North-Eastern Areas	15.14	15.14	100.00
5	0702 – Minor Irrigation	1.25	1.26	99.21
6	1054 – Roads and Bridges	10.75	11.92	90.18
7	1056 – Inland Water Transport	7.47	7.47	100.00
Total		333.99	366.37	91.16

Source: Finance Accounts

Classification of large amounts under the omnibus Minor Head 800 affects transparency in financial reporting and distorts proper analysis of allocative priorities and quality of expenditure.

During the Exit Conference (December 2023), the Secretary to the Finance Department assured that the suggested changes would be adopted from the next budget.

4.7 Central Road and Infrastructure Fund (CRIF)

Government of India provides annual grants under Central Road and Infrastructure Fund (CRIF) (erstwhile CRF) to the State Government to incur expenditure on specific road projects. The fund is constituted out of the proceeds of (i) a duty of excise and customs on motor spirit (commonly known as petrol) and high-speed diesel oil (ii) Road and Infrastructure Cess and (iii) Grants and Loans by the Central Government.

In terms of the extant accounting procedure, the grants are to be initially booked as Revenue Receipts under Major Head “1601-06-104-Grants from Central Road and Infrastructure Fund”. Thereafter, the amount so received is to be transferred by the State Government to the Public Account under Major Head “8449-Other Deposits-103 Subvention from Central Road and Infrastructure Fund”, through Revenue Expenditure Major Head “3054 Roads and Bridges”. This process ensures that receipt of the grants do not result in overstatement of Revenue Surplus or understatement of Revenue Deficit

in the accounts. The expenditure on prescribed road works under CRIF will first be accounted for under the relevant Capital or Revenue Expenditure section (Major Heads 5054 or 3054) and reimbursed out of the Public Account under Major Head 8449 as a deduct expenditure to the concerned Major Head (5054 or 3054 as the case may be).

During the year 2022-23, the State Government received grants of ₹ 122.82 crore towards CRIF. While the receipt of fund was accounted for correctly in Revenue Receipts Major Head 1601-06-104 Grants from Central Road Fund, the accounting procedure for recording expenditure under CRIF as detailed above was not followed. No budget provision was made under the Major Head - '3054-80-797 - transfer to Deposit Accounts' for transfer of funds to the Major Head - '8449-Other Deposits-103 subvention from Central Road and Infrastructure Fund' in Public Account, nor was subsequent expenditure from CRIF recorded in appropriate budget heads. However, ₹ 107.64 crore was booked under CRIF during the year under the head of account 5054-03-337-1857 – Construction Expenditure Met from Central Road Fund in Grant No. 64 of Appropriation Accounts. Non-transfer of the balance amount of ₹ 15.18 crore has resulted in understatement of Revenue Deficit during the year.

During the Exit Conference (December 2023), the Secretary to the Finance Department agreed to follow the prescribed accounting procedure of CRIF.

Issues related to Measurement

4.8 Outstanding balance under major Suspense and DDR heads

Suspense heads are operated in Government accounts to reflect transactions that cannot be booked initially to their final Head of Account for some reason or the other. These are finally cleared by minus debit or minus credit when the amount is taken to its final Head of Account. If the amounts under suspense heads remain unadjusted, the balances under these heads get accumulated resulting in understatement of Government's receipts and payments.

Remittances embrace all transactions which are adjusting Heads of Account and the debits or credits under these heads are eventually cleared by corresponding credit or debit within the same or in another circle of accounting.

The Finance Accounts reflect the net balances under Suspense and Remittance Heads. The outstanding balances under these heads are worked out by aggregating the outstanding debit and credit balances separately under various heads. Clearance of suspense and remittance items depends on the details furnished by the State Treasuries/ Works and Forest Divisions, *etc.* The position of gross figures under major suspense and remittance heads for the last three years is given in **Table 4.10**.

Table 4.10: Balances under Suspense and Remittance Heads

Name of Major and Minor Head	2020-21		2021-22		2022-23	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
8658 - Suspense						
101 - PAO suspense	327.29	227.41	481.71	314.04	294.73	155.76
Net	Dr. 99.88		Dr. 167.67		Dr. 138.97	

(₹ in crore)

Name of Major and Minor Head	2020-21		2021-22		2022-23	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
102 - Suspense Account-Civil	1,758.94	372.63	2,218.58	866.61	2,155.06	992.21
Net	Dr. 1,386.31		Dr. 1,351.97		Dr. 1,162.85	
107 - Cash Settlement Suspense Account	82.73	15.65	82.73	15.65	82.73	15.65
Net	Dr. 67.08		Dr. 67.08		Dr. 67.08	
109 - Reserve Bank Suspense -Headquarters	-216.08	-0.22	-376.36	-0.03	-33.50	376.29
Net	Cr. 215.86		Cr. 376.33		Cr. 409.79	
110 - Reserve Bank Suspense - CAO	20.85	214.61	14.85	11.27	14.30	18.27
Net	Cr. 193.76		Dr. 3.58		Cr. 3.97	
112 - Tax Deducted at Source (TDS) Suspense	---	---	--	32.25	---	0.02
Net	---		Cr. 32.25		Cr. 0.02	
123 - A.I.S Officers' Group Insurance Scheme	0.25	1.51	0.14	1.37	0.07	1.27
Net	Cr. 1.26		Cr. 1.23		Cr. 1.20	
8782 - Cash Remittances						
102 - P.W. Remittances	76,676.11	76,290.28	85,421.80	85,034.15	8,885.45	8,478.34
Net	Dr. 385.83		Dr. 387.65		Dr. 407.11	
103 - Forest Remittances	5,873.61	5,490.72	6,236.10	5,855.60	949.82	517.28
Net	Dr. 382.89		Dr. 380.50		Dr. 432.54	
110 - Miscellaneous Remittances	---	12.91	---	12.91	---	12.91
	Cr. 12.91		Cr. 12.91		Cr. 12.91	
8793 - Inter State Suspense Account						
	41.58	0.05	108.60	902.62	8.99	0.03
	Dr. 41.53		Cr. 794.02		Dr. 8.96	

Source: Finance Accounts

Non-clearance of outstanding balances under these heads affects the accuracy of receipts/ expenditure figures and balances under different heads of accounts (which are carried forward from year to year) of the State Government.

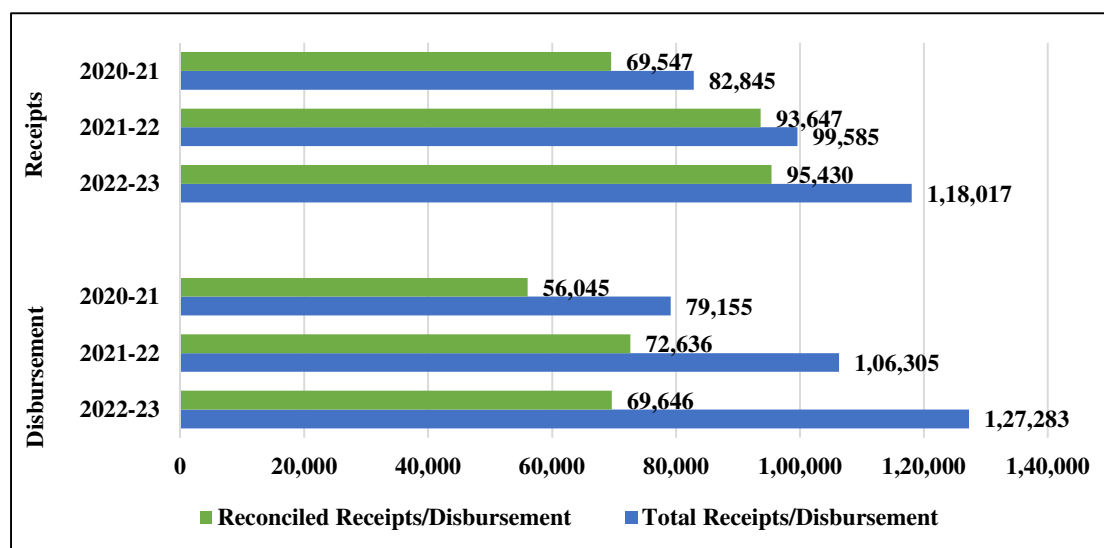
4.9 Reconciliation of Departmental figures

Financial Rules stipulate those receipts and expenditure recorded in the books of accounts of Controlling Officers (COs) be reconciled by them every month during the financial year with those recorded in the books of the Accountant General (Accounts and Entitlements). This is to enable the COs to exercise effective control over expenditure and manage their budgetary allocation efficiently, and ensure accuracy of their accounts.

While 94.04 per cent of receipts and 68.33 per cent of disbursement were reconciled during 2021-22, the figure for receipts reduced to 80.86 per cent, and that for disbursement reduced to 54.72 per cent for the year 2022-23.

The status of reconciliation of receipts and disbursement figures by the COs during the three-year period 2020-23 is shown in **Chart 4.3**.

Chart 4.3: Status of reconciliation during the three years 2020-23 (₹ in crore)



The details relating to the number of COs and the extent of reconciliation during the last three years are given in **Table 4.11**.

Table 4.11: Status of Reconciliation of Receipts and Disbursement figures

Year	Total No. of Controlling Officers	Status of reconciliation			Total Receipts/ Disbursement (₹ in crore)	Reconciled Receipts/ Disbursement	
		Fully	Partially	Not done		Amount (₹ in crore)	Per cent
Receipts							
2020-21	58	5	3	50	82,845	69,547	83.95
2021-22	58	13	3	42	99,585	93,647	94.04
2022-23	58	11	2	45	1,18,017	95,430	80.86
Disbursement							
2020-21	58	36	16	6	79,155	56,045	70.80
2021-22	58	35	21	2	1,06,305	72,636	68.33
2022-23	58	25	24	9	1,27,283	69,646	54.72

Source: Finance Accounts

Non-reconciliation of figures has been pointed out by the CAG in the Audit Reports year after year. The PAC in its 161st Report (Paragraph 13) also recommended (March 2020) that the departments should reconcile their figures with the Accountant General (A&E) on monthly basis or at least quarterly basis to avoid wrong booking of figures. In spite of the recommendations, 19.14 *per cent* of receipts and 45.28 *per cent* of disbursement figures booked by the Accountant General (A&E) were not reconciled by the departmental authorities during 2022-23.

Reconciliation and verification of figures is an important tool of financial management. Failure to exercise/ adhere to the codal provisions and executive instructions in this regard not only results in misclassification and incorrect booking of receipts and disbursement in the accounts, but also defeats the very objective of budgetary process.

During a Joint meeting (September 2023), the Finance Department assured to issue instructions to all Chief Controlling Officers (CCOs) to reconcile all the receipts and expenditure booked in the Annual Accounts of State.

4.10 Reconciliation of Cash Balances

As on 31 March 2023, Cash balance as per record of Principal Accountant General was ₹ 674.23 crore (Cr.) and that reported by the RBI was ₹ 522.60 crore (Dr.). There was a net difference of ₹ 151.63 crore (Cr.) mainly due to erroneous reporting by Agency banks.

During a Joint meeting (September 2023), the Finance Department assured to issue necessary instructions to all the Treasury Officers for proper reconciliation of Date-wise Monthly Statement (DMS) with the Monthly Accounts of Treasury.

Issues related to Disclosure

4.11 Compliance with Accounting Standards

Government Accounting Standards Advisory Board (GASAB), set up by the Comptroller and Auditor General of India in 2002, has been formulating standards for government accounting and financial reporting to enhance accountability mechanisms. At the end of March 2023, three Indian Government Accounting Standards (IGAS) have been notified. The details of these standards and the extent of compliance with these by Government of Assam in its financial statements for the year 2022-23 are given in **Table 4.12**.

Table 4.12: Compliance with Indian Government Accounting Standards

IGAS	Essence of IGAS	Status	Impact of non-compliance
IGAS 1 <i>Guarantees given by government – Disclosure requirements</i>	This standard requires the government to disclose the maximum amount of guarantees given during the year in its financial statements along with additions, deletions, invoked, discharged and outstanding at the end of the year.	Partly complied	While the government has disclosed the maximum amount of guarantees given during the year, detailed information like number of guarantees for each institution was not depicted.
IGAS 2 <i>Accounting and Classification of Grants-in-Aid</i>	Grants-in-Aid are to be classified as Revenue Expenditure in the accounts of the grantor and as Revenue Receipts in the accounts of the grantee, irrespective of the end use.	Partly complied	State Government made budgetary provision and classified GIA amounting to ₹ 6,668.99 crore under Capital Major Heads of Account, instead of under the Revenue Section. It did not also furnish any information regarding GIA paid in kind during the year.
IGAS 3 <i>Loans & Advances made by Government</i>	This Standard relates to recognition, measurement, valuation and reporting in respect of loans and advances made by the Government in its Financial Statements to ensure complete, accurate and uniform accounting practices.	Partly complied	While the State government complied with the format prescribed by the Standard, the information in this regard is incomplete, since the details of overdue principal and interest in respect of loans and advances have not been provided to the Principal Accountant General (A&E).

4.12 Submission of Accounts of Autonomous Councils/ Bodies

As per Section 19(3) of the CAG's DPC Act, the Governor/ Administrator may, in 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 body or authority has not been entrusted to the CAG by or under any law, he shall, if requested to do so 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).

Audit certificate is issued in case of above-mentioned autonomous bodies and authorities provided CAG is the sole auditor. Thus, these bodies and authorities are required to prepare annual accounts and submit to AG (Audit) for audit.

The CAG had not received 489 annual accounts of 75 Autonomous Councils, Development Councils and Government Bodies (due up to 2022-23) for audit as of September 2023. Out of 489 outstanding annual accounts, 10 accounts²¹ pertained to three Autonomous District Councils created under sixth Schedule of the Constitution.

Table 4.13: Age-wise analysis of Annual Accounts due for audit but not submitted

Delay in Number of Years	No. of Accounts
0-1	75
1-3	111
3-5	75
5-10	147
More than 10	81*
Total	489

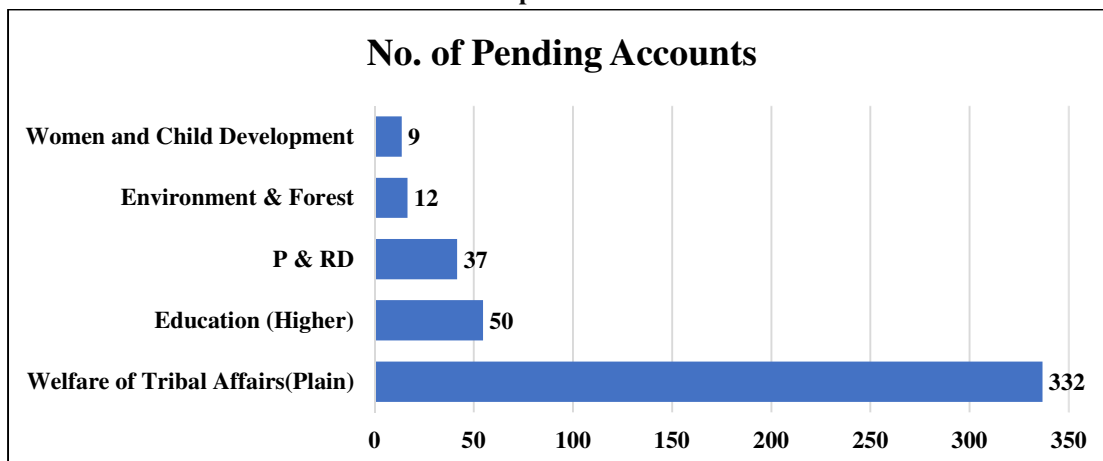
* Several Autonomous Councils under Department of Welfare of Tribal Affairs (Plain) have accounts pending for 14 years

The Department-wise details of accounts due from Autonomous Councils, Development Councils, Government Bodies are given in **Appendix 4.5**.

Age-wise pendency of these 489 accounts is given above. Status of pending accounts in respect of five major departments is given in **Chart 4.4**.

²¹ i) Bodoland Territorial Council, Kokrajhar: Two Annual Accounts (2021-22 & 2022-23); ii) Karbi Anglong Autonomous Council, Diphu: Five Annual Accounts (2018-19 to 2022-23); and iii) North Cachar Hills Autonomous Councils, Haflong: Three Annual Accounts (2020-21 to 2022-23)

Chart 4.4: Status of pending accounts of Autonomous Councils/ Bodies pertaining to five major Departments



In the absence of annual accounts and their audit, proper utilisation of the grants and loans disbursed to those bodies/ authorities and their accounting cannot be vouched. Audit took up the matter of non-submission of accounts of the defaulting bodies with the authorities concerned from time to time, but without perceivable improvement.

The Government may consider fixing responsibility on the officers concerned for non-submission of accounts.

During the Exit Conference (December 2023), the Secretary to the Finance Department stated that necessary instructions would be issued to Departments concerned for early submission of Accounts.

4.13 Timeliness and Quality of Accounts

The accounts of the State Government are compiled by the Principal Accountant General (A&E) from the initial accounts rendered by 33 District Treasuries, 51 Sub-Treasuries, Assam House (New Delhi), Cyber Treasury (Dispur), 43 Public Works (Building) Divisions, 90 Public Works (Road) Divisions, 03 Inland Water Transport Division, 67 Irrigation Divisions, and 49 Public Health Engineering Divisions, 42 Water Resources Divisions, 148 Forest Divisions, 66 Pay and Accounts Offices and Advices of the Reserve Bank of India.

During the financial year 2022-23, significant number of monthly accounts of Treasuries, Public Works Divisions and Forest Divisions were not submitted in time by the concerned authorities of Government of Assam. As a result, during the year 2022-23, monthly Civil Accounts were closed by Office of the PAG (A&E), Assam by excluding accounts of certain treasuries/ divisions in certain months. Details of accounts excluded from the monthly Civil Accounts are given in **Chart 4.5**.

Chart 4.5: No. of accounts excluded from monthly Civil Accounts during 2022-23

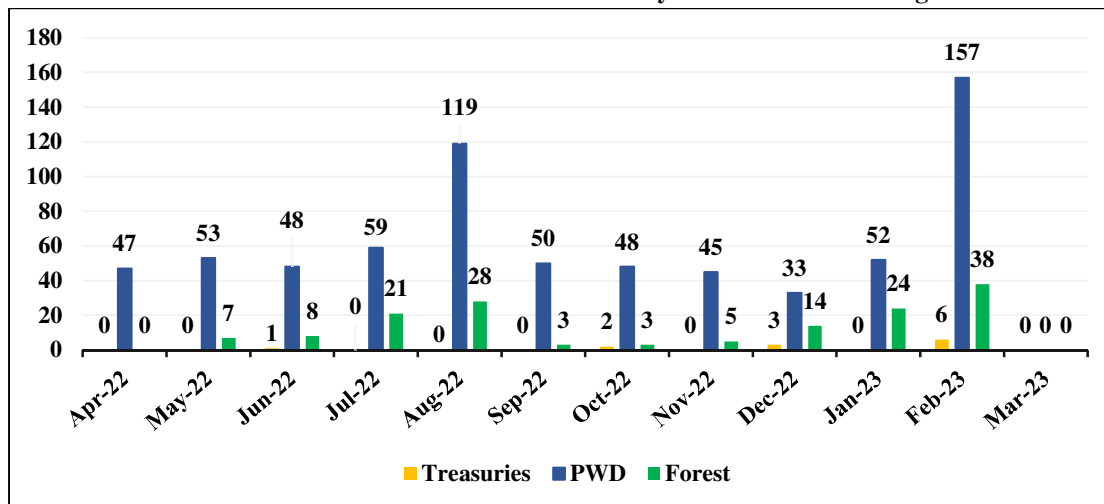


Chart 4.5 indicates that public works divisions were the major units that delayed rendition of monthly accounts. Consequently, receipts and expenditure relating to these divisions/ units could not be incorporated in the Civil Accounts of the respective month of the occurrence of the transaction. Due to the failure of the account rendering units to furnish accounts on time, some accounts were excluded from the monthly Civil Accounts by the Principal Accountant General (A&E) throughout the year 2022-23, except for March 2023. Therefore, the monthly accounts indicating the receipts and disbursements of the State during the month, rendered by the Principal Accountant General (A&E) to the State Government were incomplete in all the months, except for the month of March.

Exclusion of accounts not only distorts the financial picture presented in the monthly accounts of the Government, but also impacts the monitoring of fund flow to the last mile of implementation, planned pacing of expenditure on developmental programmes, provides intended benefits to the targeted beneficiaries, functioning of departments, etc. during the year. The State Government therefore needs to monitor closely and ensure the rendition of accounts by all the account rendering authorities to the Principal Accountant General (A&E) on a timely basis.

During the Entry Conference (September 2023), the Finance Department assured to instruct all the Account Rendering Units to submit the Monthly Accounts on time.

Other Issues

4.14 Misappropriations, losses, thefts, etc.

Audit observed 327 cases of theft, misappropriation and losses involving Government money amounting to ₹ 135.84 crore (up to March 2023) on which final action was pending. The Department-wise breakup of pending cases and age-wise analysis and nature of those cases is given in *Appendix 4.6*.

Table 4.14 summarises age-profile of pending cases and the number of cases pending in each category *i.e.*, theft, misappropriation, and loss of Government material, etc.

Table 4.14: Profile of cases of theft, misappropriation, and loss

(₹ in lakh)

Age Profile of the Pending cases			Nature of the Pending Cases		
Range in Years	Number of cases	Amount involved	Nature/ characteristics of the cases	Number of cases	Amount
0 to 5	41	1,445.67	Theft	23	100.90
5 to 10	152	8,530.97			
10 to 15	79	1,992.40	Misappropriation/ Loss of material, etc.	304	13,482.89
15 to 20	36	1,365.93			
20 to 25	12	178.18	Total	327	13,583.79
25 and above	7	70.64	Cases of loss written off during the year	0	0.00
Total	327	13,583.79	Total cases as on 31 March 2023	327	13,583.79

Source: Inspection Reports

Further analysis indicated that the reasons for which the cases were outstanding could be classified in the categories listed in Table 4.15.

Table 4.15: Reasons for outstanding cases of theft, misappropriation and losses

Reasons for the Delay of Outstanding Pending cases	Number of cases	Amount (₹ in lakh)
(i) Non-receipt of reply or want of reply from Department	200	6,288.29
(ii) Non-submission of specific/ proper/ appropriate/ final/ relevant/ authentic reply by Department	127	7,295.50
Total	327	13,583.79

Source: Inspection Reports

Of the 327 cases above, the First Information Report (FIR) in respect of only 22 cases involving ₹ 6.43 crore was lodged where the investigation was in process. Government may take necessary action in all the remaining cases also, and logically conclude the misappropriation cases. Besides, Government should consider putting in place an effective mechanism to ensure monitoring and speedy settlement of cases relating to theft, misappropriation and losses, in their own financial interests.

4.15 Follow up action on State Finances Audit Report

4.15.1 *Suo-motu* Action Taken Notes

In the Audit Reports on the Finances of Government of Assam, the Comptroller and Auditor General of India has been flagging issues of concern relating to various aspects of financial and budgetary management, areas of non-compliance with the prescribed procedures, rules and regulations, etc. by the State Government departments/ authorities. These Reports can achieve the desired results only when they evoke positive and adequate response from the Government/ administration itself. To ensure accountability of the executive with regard to the issues contained in the Audit Reports, the Public Accounts Committee (PAC) of Assam Legislative Assembly issued instructions (September 1994) for submission of *suo-motu* Action Taken Notes (ATNs) by the administrative departments concerned within three months of presentation of the Audit Reports to the State Legislature. However, this is not being complied with by most Departments.

4.15.2 Discussion of SFAR and Appropriation Accounts by the PAC

The PAC discussed the audit observations that featured in the State Finances Audit Report for the year ended 31 March 2018 with the Principal Secretary of the Finance Department on 19 November 2019 and obtained a written response from him in this regard. The Report of the PAC thereon is awaited (September 2023).

Further, the PAC discussed on two separate occasions (February 2020 and February 2021) the issue of excess expenditure reported in Appropriation Accounts of different years and issued 13 recommendations *vide* its 161st and 169th Reports placed before the State Legislature on 24 March 2020 and 11 February 2021 respectively, asking the departments to furnish Action Taken Report (ATR) in three cases. But only two Action Taken Reports have been submitted as of September 2023.

4.16 Implementation of Recommendation of Sixth Assam State Finance Commission on fiscal devolution

Article 243-I and 243-Y of the Constitution stipulates that the Governor of the State shall, as soon as may be, within one year from the commencement of the Constitution (73rd and 74th Amendment) Act, 1992, and thereafter at the expiration of every fifth year, constitute a Finance Commission to review the financial position of Panchayats and Municipalities and to make recommendations to the Governor as to

- (a) the principles which should govern the (i) distribution of the net proceeds of taxes, duties, *etc.* leviable by the State, between States, and Panchayats and Municipalities, (ii) determination of taxes, duties, *etc.* which may be assigned to/ appropriated by Panchayats and Municipalities, and (iii) GIA to Panchayats and Municipalities from the Consolidated Fund of the State;
- (b) the measures needed to improve the financial position of Panchayats and Municipalities; and
- (c) any other matter referred to the Finance Commission by the Governor.

Thus, as per the provisions of the Constitution, the first State Finance Commission became due in 1994-95. The first Assam State Finance Commission (SFC) was constituted in June 1995 and the latest SFC *i.e.*, 6th Assam SFC was constituted in November 2018. Sixth SFC Report was submitted in April 2020 and the period of the Report would be 2020-25.

The 11th Schedule of the Constitution contains 29 functions to be discharged by the Panchayati Raj Institutions (PRIs). Similarly, the 12th Schedule of the Constitution contains 18 functions to be discharged by the Urban Local Bodies (ULBs). To discharge the said functions, the PRIs and ULBs receive funds from its own resources, SFC devolution, grants from State Government and grants from Central Finance Commission.

The 6th Assam SFC had recommended criteria for both vertical devolution of the State's Own Tax Revenue between State and Local Bodies, as well as horizontal devolution among individual units of PRIs and ULBs.

Summary of actual GIA disbursed to PRIs and ULBs as per recommendation of the 6th Assam SFC is given in **Table 4.16**.

Table 4.16: Details of the devolution of SFC Grants

(₹ in crore)			
Purpose	2020-21	2021-22	2022-23
PRIs	66.84	80.21	62.79
ULBs	0.00	54.26	159.18
Total	66.84	134.47	221.97

Source: Finance (Economic Affairs) Department, GoA and DMA

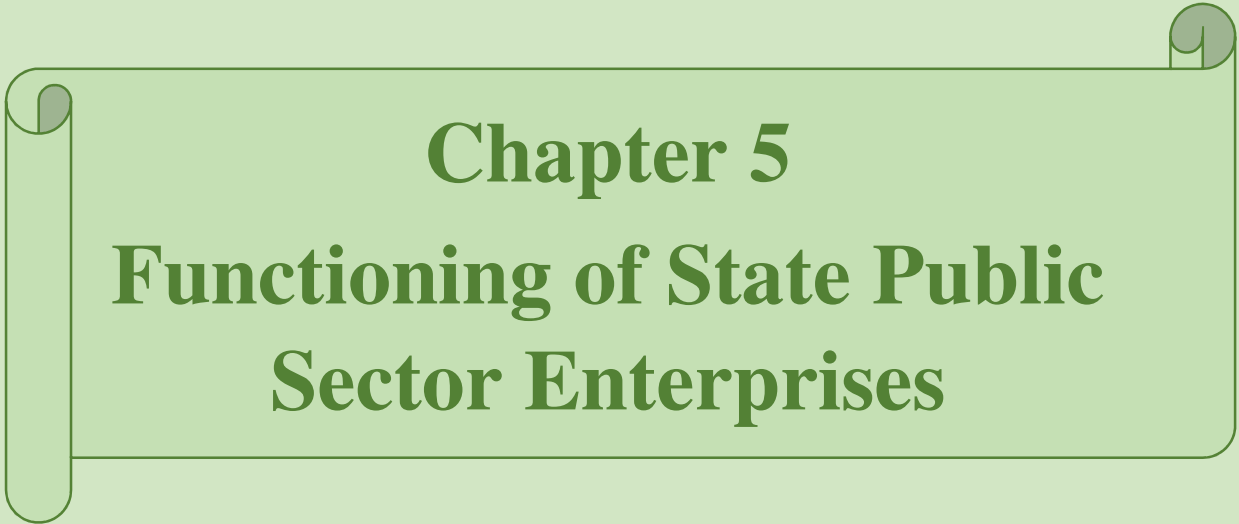
As can be seen from **Table 4.16**, the devolution of SFC Grants for PRIs decreased by ₹ 17.42 crore from ₹ 80.21 crore in 2021-22 to ₹ 62.79 crore in 2022-23, while the devolution of SFC Grants for ULBs increased by ₹104.92 crore from ₹ 54.26 crore in 2021-22 to ₹ 159.18 crore in 2022-23.

4.17 Conclusion

- Utilisation Certificates in respect of grants aggregating ₹ 37,991.70 crore (14,159 UCs) given to 53 Departments of the State Government during the period from 2001-02 to 2021-22 had not been submitted. In absence of UCs, it could not be ascertained whether the recipients had utilised the grants for the purposes for which those were given, and the assets had been created.
- As of 31 March 2023, 38 State Departments had not submitted DCC bills for ₹ 899.59 crore against 1,419 AC Bills. Non-adjustment of advances for long periods is fraught with the risk of misappropriation and therefore, requires close monitoring by the respective DDOs for ensuring submission of DCC bills.
- During 2022-23, the State Government classified receipts of ₹ 924.36 crore (1.03 per cent of total Revenue Receipts of ₹ 89,742.30 crore), pertaining to 48 Major Heads, under the Minor Head '800 - Other Receipts' while an expenditure of ₹ 19,388.98 crore was booked under Minor Head 800 under 70 revenue and capital Major Heads of Account, constituting 16.46 per cent of the total revenue and capital expenditure of ₹ 1,17,812.35 crore.
- During the year, expenditure amounting to ₹ 69,646 crore (55 per cent of total expenditure of ₹ 1,27,283 crore) and receipts of ₹ 95,430 crore (81 per cent of the total receipts of ₹ 1,18,017 crore) were reconciled. Failure to exercise/ adhere to the codal provisions and executive instructions in this regard may entail the risk of misclassification and incorrect booking of both receipts and expenditure in the accounts.
- As on 31 March 2023, there were 489 annual accounts of 75 Autonomous Councils, Development Councils and Government Bodies (due up to 2022-23) pending for submission to the CAG for audit. Delayed rendering of accounts by the account rendering units/ authorities distorted the accurate depiction of monthly transactions of the State and impacted effective budgetary management and diluted accountability of these Bodies.

4.18 Recommendations

- i. *State Government may institute a monitoring mechanism to ensure that the Departments comply with the prescribed rules and procedures with regard to submission of UCs, DCC bills and accounts for audit.*
- ii. *State Government should discourage the use of omnibus Minor Head 800 and chalk out a specific timeframe in consultation with the Principal Accountant General (A&E), to identify appropriate Heads of Account to classify the transactions correctly in the books of accounts.*
- iii. *Internal control mechanism needs to be strengthened and the Government needs to ensure that the Controlling Officers reconcile their figures of receipts and expenditure with those of the Principal Accountant General (A&E) at prescribed intervals, to provide transparency and accuracy in accounting of Government transactions.*
- iv. *The State Government may draw up a concrete plan to clear arrears in Accounts of persistently delaying/ defaulting Autonomous District Councils (ADCs) and other Government bodies. Disbursal of financial assistance to ADCs/ Autonomous Bodies of the State may be linked to improvement in finalisation of their Accounts.*



Chapter 5
**Functioning of State Public
Sector Enterprises**

Chapter 5 Functioning of State Public Sector Enterprises

This chapter discusses the financial performance of Government Companies, Statutory Corporations and Government controlled other Companies in the State of Assam. Impact of significant comments issued as a result of supplementary audit of the Financial Statements of the State Public Sector Enterprises (SPSEs) conducted by the Comptroller and Auditor General (CAG) of India for the year 2022-23 (or of earlier years which were finalised during the current year) has been discussed.

5.1 Definition of Government Companies

A Government Company is defined in Section 2(45) of the Companies Act, 2013 as a company in which not less than 51 *per cent* of the paid-up share capital is held by Central Government, or by any State Government or Governments, or partly by the Central Government and partly by one or more State Governments and includes a company which is a subsidiary of a Government Company.

Besides this, any other company²² owned or controlled, directly or indirectly, by the Central Government, or by any State Government or Governments, or partly by the Central Government and partly by one or more State Governments are referred to in this Report as ‘Government controlled other Companies’.

5.2 Mandate

Audit of ‘Government companies’ and ‘Government controlled other companies’ is conducted by the Comptroller and Auditor General of India (CAG) under the provisions of Sections 143(5) to 143(7) of the Companies Act, 2013 read with Section 19 of the CAG’s (Duties, Powers and Conditions of Service) Act, 1971 and the Regulations made thereunder. Under the Companies Act, 2013, the CAG appoints the Chartered Accountants (CAs) as Statutory Auditors for ‘Government/Government controlled other Companies’ and gives directions on the manner in which the accounts are to be audited. In addition, CAG has the right to conduct a supplementary audit. The statutes governing some Statutory Corporations and Regulatory Authorities require their accounts to be audited only by CAG.

5.3 SPSEs and their contribution to the GSDP of the State

SPSEs consist of State Government Companies and Statutory Corporations. SPSEs are established to carry out activities of commercial nature keeping in view the welfare of people and occupy an important place in the state economy. As on 31 March 2023, there were 52 SPSEs and State Electricity Regulatory Commission under the audit jurisdiction of CAG in Assam. These SPSEs include 49 Government Companies

²² Companies (Removal of Difficulties) Seventh Order, 2014 issued by Ministry of Corporate Affairs vide Gazette Notification dated 4 September 2014.

(including 10 subsidiaries of different State Government Companies²³ and two Government-controlled other companies²⁴) and three Statutory Corporations. Out of 52 SPSEs, there were 36 working SPSEs and 16 non-working SPSEs (all Government Companies). None of these Government Companies was listed on the Stock Exchange.

The 16 non-working SPSEs have investment of ₹ 91.92 crore, towards Capital ₹ 70.46 crore (State Government: ₹ 44.30 crore and Others: ₹ 26.16 crore) and long-term loans ₹ 21.46 crore (State Government: ₹ 20.18 crore and Others: ₹ 1.28 crore) as on 31 March 2023. SPSE-wise total investment (equity and long-term loans) is given in **Appendix 5.1**. This is a critical area as the investments in non-working SPSEs do not contribute to the economic growth of the State.

A ratio of turnover of SPSEs to GSDP shows the extent of activities of SPSEs in the state economy. The details of turnover of working SPSEs as per their latest finalised accounts are given in **Appendix 5.2**. Turnover of working SPSEs and GSDP for a period of three years ending 31 March 2023 are given in **Table 5.1**.

Table 5.1: Details of SPSEs' turnover vis-à-vis GSDP

Particulars	(₹ in crore)		
	2020-21	2021-22	2022-23
Power Sector SPSEs	6,648.55	6,564.95	7,989.68
Agriculture and Allied Sector SPSEs	79.42	188.94	211.83
Other SPSEs ²⁵	744.02	802.47	1,114.47
Total Turnover ²⁶	7,471.99	7,556.36	9,315.98
GSDP	3,53,605.42	4,12,611.87	4,93,166.60
Percentage of Turnover to GSDP of Assam			
Power Sector SPSEs	1.88	1.59	1.62
Agriculture and Allied Sector SPSEs	0.02	0.05	0.04
Other SPSEs	0.21	0.19	0.23
Percentage of Turnover to GSDP	2.11	1.83	1.89

Source: Latest finalised accounts of SPSEs and information provided by the Directorate of Economic & Statistics, GoA; Figure of GSDP relating to 2022-23 is at current prices.

As can be noticed from **Table 5.1**, the turnover of the working SPSEs had shown a gradual increase from ₹ 7,471.99 crore (2020-21) to ₹ 9,315.86 crore (2022-23). However, the pace of increase in SPSEs' turnover during 2020-23 (24.68 per cent) was not commensurate with the overall growth in GSDP of (39.47 per cent) during the corresponding period leading to decrease in the contribution of SPSEs' turnover to GSDP from 2.11 per cent (2020-21) to 1.89 per cent (2022-23).

The contribution of Power sector SPSEs to GSDP was 1.62 per cent while Other sector SPSEs contributed 0.23 per cent in the year 2022-23. Agriculture and Allied sector SPSEs contribution to GSDP though was minimal (from 0.02 per cent to 0.05 per cent) but were having staff (Permanent and contractual) of 14,670 out of 37,053 employed by the working SPSEs as at the end of 31 March 2023 (**Appendix 5.1**).

²³ SPSEs at Sl. No. B25, B26, B32, D7, D9, D11, D12, D13, D15 and D16 of Appendix 5.1.

²⁴ SPSEs at Sl. No. B22 and B33 of Appendix 5.1.

²⁵ Other SPSEs also includes Statutory Corporations (viz., Assam Financial Corporation, Assam State Transport Corporation and Assam State Warehousing Corporation).

²⁶ As per the latest finalised accounts of working SPSEs as on 30th September of respective years.

5.4 Investment in SPSEs and Budgetary Support

5.4.1 Equity holding and Loans in SPSEs

The sector wise Total Equity, Equity Contribution by the State Government and the Long-term loans including the loans given by the State Government in 36 working SPSEs as on 31 March 2023 is given in **Table 5.2**.

Table 5.2: Sector-wise investment²⁷ in SPSEs

Particulars	Investment (₹ in crore)						Percentage share of State Government to Total Equity and Long-term loans
	Total Equity	Total Long-term loans	Total Equity and Long-term loans	State Government			
				Total Equity	Total Long-term loans	Total Equity and Long-term loans	
Power sector SPSEs	9,946.91	838.26	10,785.17	9,946.91	123.22	10,070.13	93.37
Agriculture and Allied SPSEs	50.87	778.26	829.13	48.75	778.26	827.01	99.74
Other SPSEs ²⁸	1,410.30	1,228.02	2,638.32	700.55	204.69	905.24	24.31
Total	11,408.08	2,844.54	14,252.62	10,696.21	1,106.17	11,802.38	82.81

Source: As per information furnished by the SPSEs.

As could be seen from **Table 5.2**, the thrust of investment by GoA was mainly on power sector SPSEs which had received as much as ₹ 10,785.17 crore (75.67 per cent) of the total investment of ₹ 14,252.62 crore as on 31 March 2023. The State Government share was 82.81 per cent (₹ 11,802.38 crore) of the total investment of ₹ 14,252.62 crore (**Appendix 5.1**).

5.4.2 Budgetary support by GoA

GoA provided financial support to SPSEs in various forms through the annual State budget. The details of year-wise budgetary outgo towards equity, loans and grants/subsidies in respect of the SPSEs during 2020-21 to 2022-23 are given in **Table 5.3**.

Table 5.3: Year-wise budgetary support by GoA to SPSEs

Particulars	(₹ in crore)					
	2020-21		2021-22		2022-23	
	SPSEs	Amount	SPSEs	Amount	SPSEs	Amount
Equity capital outgo from Budget	-	-	1	40.00	2	63.79 ²⁹
Loans given from budget	4	64.43	5	87.17	4	335.24
Grants ³⁰ /subsidies from budget	11	1,606.46	12	1,630.35	10	1,567.65
Total Outgo ³¹	12	1,670.89	14	1,757.52	13	1,966.68
Waiver of interest	-	-	3	929.88	-	-
Conversion of loans to Equity	-	-	2	1,578.90	1	638.41
Conversion of Capital grants to Equity	-	-	2	4,684.18	1	1,955.05

Source: Information furnished by the SPSEs

²⁷ Investment includes equity and long-term loans and the figures are provisional and as provided by the SPSEs except for seven SPSEs (Sl. No. A1, A2, B22, B24, B31, B32 and B33 of Appendix 5.2), which finalised their accounts for 2022-23.

²⁸ Other SPSEs also includes SPSEs under Finance, Infrastructure, Manufacturing, Services and Miscellaneous sectors. It also includes Statutory Corporations (*viz.*, Assam Financial Corporation, Assam State Transport Corporation and Assam State Warehousing Corporation).

²⁹ This includes Paid-up capital (₹ 8.54 crore) of Assam Medical Services Corporation Limited which furnished its first accounts during 2022-23.

³⁰ Includes Capital and Revenue grants.

³¹ Actual number of SPSEs which received equity, loans, grants/subsidies from GoA

As can be noticed from **Table 5.3**, the budgetary outgo (equity, loans and grants/subsidies) was at the highest during 2022-23 (₹ 1,966.68 crore) as compared to the previous two years. Major recipients of budgetary assistance during 2020-21 to 2022-23 were three power sector SPSEs, which received 85.52 per cent (₹ 1,429.01 crore), 82.21 per cent (₹ 1,444.85 crore) and 71.79 per cent (₹ 1,411.94 crore) of total budgetary allocation to SPSEs during 2020-21, 2021-22 and 2022-23 respectively.

Further, 67.02 per cent (₹ 910.15 crore) of the total grants/subsidy released by GoA (₹ 1,357.95 crore) to power sector SPSEs during 2022-23, was provided to one power sector SPSE (Assam Power Distribution Company Limited) towards capital grants (₹ 211.05 crore) and revenue grants/subsidies (₹ 699.10 crore).

5.4.3 Disinvestment, Restructuring and Privatisation

During the year 2022-23, there was no case of disinvestment, restructuring and privatisation of working as well as non-working SPSEs.

5.5 Returns from SPSE

5.5.1 Profit earned by working SPSEs

During 2022-23, out of 36 working SPSEs, 19 SPSEs had earned profits of ₹ 592.14 crore (**Appendix 5.2**) as compared to 24 SPSEs, which earned profit of ₹ 513.40 crore during 2021-22. The top three working SPSEs which contributed maximum profit are summarised in **Table 5.4**.

Table 5.4: Top three SPSEs which contributed maximum profit

Name of SPSE	Net profit (₹ in crore)	Percentage of profit to total profit of SPSEs
Assam Power Distribution Company Limited	336.35	56.80
Assam Power Generation Corporation Limited	92.21	15.57
DNP Limited ³²	49.21	8.31
Total	477.77	80.68

Source: Latest finalised accounts of SPSEs

The three SPSEs had contributed as much as 80.68 per cent of the total profit (₹ 592.14 crore) earned by 19 SPSEs during 2022-23. Net profit ratio³³ of SPSEs is depicted in **Table 5.5**.

Table 5.5: Net profit ratio of the working SPSEs in three major Sectors during 2022-23

Name of SPSE	Net profit (₹ in crore)	Turnover (₹ in crore)	Percentage of profit to total turnover of SPSEs
Power sector SPSEs	469.69	7,989.68	5.88
Agriculture and Allied SPSEs	39.70	211.83	18.74
Other SPSEs	-112.62	1,114.47	-
Total	396.77	9,315.98	4.26

Source: Latest finalised accounts of SPSEs

³² A subsidiary company of Assam Gas Company Limited

³³ Net Profit/Turnover*100

5.5.2 Dividend paid by working SPSEs

As per Public Enterprise Policy, 2019 of GoA, SPSEs having no accumulated loss and having operating profit shall pay a minimum dividend to its shareholders out of the profit earned after payment of tax dues by SPSE during the preceding financial year provided such provision is laid down in Articles of Association/Articles of Incorporation of the SPSE. The dividend paid by working SPSEs during 2020-23, in which GoA had direct equity infusion, is given in **Table 5.6**.

Table 5.6: Dividend Pay out by working SPSEs

Year	Particulars	No. of SPSEs which declared dividend	Paid Up Capital	Net profit (₹ in crore)	Dividend declared
2020-21	Power sector SPSEs	-	-	-	-
	Agriculture and Allied SPSEs	-	-	-	-
	Other SPSEs	1	16.91	64.61	5.07
	Total	1	16.91	64.61	5.07
2021-22	Power sector SPSEs	-	-	-	-
	Agriculture and Allied SPSEs	-	-	-	-
	Other SPSEs	1	16.91	48.93	5.07
	Total	1	16.91	48.93	5.07
2022-23	Power sector SPSEs	-	-	-	-
	Agriculture and Allied SPSEs	-	-	-	-
	Other SPSEs	1	16.91	2.75	5.07
	Total	1	16.91	2.75	5.07

Source: Latest finalised accounts of SPSEs

It could be noticed from **Table 5.6**, only one profit making SPSE (Assam Gas Company Limited) having direct equity infusion by GoA, had declared total dividend of ₹ 15.21 crore during the last three years (2020-21 to 2022-23). During 2022-23, out of 18 profit-making SPSEs in which GoA had direct equity infusion (total profit: ₹ 542.93 crore), only one SPSE (Assam Gas Company Limited) paid a total dividend of ₹ 5.07 crore to GoA while remaining 17 SPSEs which earned aggregate profits of ₹ 540.18 crore had not declared/paid dividend.

One SPSE, namely DNP Limited (a subsidiary company of Assam Gas Company Limited), which had no direct equity infusion by GoA, also earned profit of ₹ 49.21 crore during 2022-23 and declared/paid dividend amounting to ₹ 6.77 crore to its holding companies (Assam Gas Company Limited: ₹ 3.45 crore, Numaligarh Refinery Limited: ₹ 1.76 crore and Oil India Limited: ₹ 1.56 crore).

Further, one power sector SPSE (Assam Power Generation Corporation Limited) having no accumulated losses registered a total profit of ₹ 92.21 crore during 2022-23. In absence of any specific instructions from GoA in line with the Public Enterprise Policy, 2019, this SPSE did not declare any dividend.

5.6 Debt Servicing

5.6.1 Interest Coverage Ratio

Interest Coverage Ratio (ICR) is used to determine the ability of a company to pay interest on outstanding debt and is calculated by dividing a company's Earnings Before Interest and Taxes (EBIT) by interest expenses of the same period. The lower the ratio,

the lesser is the ability of the company to pay interest on debt. An interest coverage ratio below one indicates that the company was not generating sufficient revenues to meet its expenses on interest.

The details of ICR in respect of working SPSEs³⁴ having interest burden against long-term loans during 2020-21 to 2022-23 are given in **Table 5.7**.

Table 5.7: Interest Coverage Ratio of working SPSEs

Year	Particulars	Interest (₹ in crore)	EBIT (₹ in crore)	SPSEs having interest		
				burden on long- term loans	coverage ratio more than 1	coverage ratio of less than 1
2020-21	Power sector SPSEs	167.19	193.72	3	2	1
	Agriculture and Allied SPSEs	3.08	- 14.90	1	0	1
	Other SPSEs	3.88	- 2.67	4	2	2
	Total	174.15	176.15	8	4	4
2021-22	Power sector SPSEs	112.25	71.16	2	1	1
	Agriculture and Allied SPSEs	3.29	43.01	1	1	0
	Other SPSEs	5.20	- 35.66	8	5	3
	Total	120.74	78.51	11	7	4
2022-23	Power sector SPSEs	95.21	584.19	3	3	0
	Agriculture and Allied SPSEs	3.29	43.01	1	1	0
	Other SPSEs	7.40	- 96.15	9	5	4
	Total	105.90	531.05	13	9	4

Source: Latest finalised accounts of SPSEs as on 30 September of the respective year

As can be noticed from **Table 5.7**, out of 8 to 13 SPSEs having interest burden against long-term borrowing during 2020-21 to 2022-23, 4 SPSEs on an average had ICR of 'less than one' during the respective year. This indicated that these SPSEs were not in a comfortable position to service their long-term debts.

5.7 Financial performance of SPSEs

5.7.1 Return on Capital Employed

Return on Capital Employed (RoCE) is a profitability metric that measures the long-term profitability and efficiency of the total capital employed by a company. Companies create value when they generate returns on the capital employed in excess of the cost of capital. RoCE is an important metric for long-term lenders. RoCE is calculated by dividing a company's EBIT by the Capital Employed.

The RoCE is not workable in respect of SPSEs having negative capital employed. During 2022-23, out of 36 working SPSEs, 25 SPSEs³⁵ had positive capital employed while remaining 11 SPSEs had negative capital employed as detailed in **Appendix 5.2**.

³⁴ Excluding one SPSEs (Sl. No. B22 of Appendix 5.2), which capitalised the interest expenses and other six SPSEs (Sl. No. B4, B8, B14, B15, B16 & B17 of Appendix 5.2), which did not provide for the interest liability in their Accounts.

³⁵ SPSEs at Sl. No. A1, A2, A3, B5, B6, B8, B9, B12, B15, B16, B18, B19, B20, B21, B22, B24, B26, B27, B28, B30, B31, B32, B33, C1 and C3 of Appendix 5.2.

The details of RoCE in respect the working SPSEs having positive capital employed during the last three years (2020-21 to 2022-23) have been given in **Table 5.8**.

Table 5.8: Return on Capital Employed

Year	Working SPSEs	SPSEs having positive Capital Employed			
		Number	EBIT (₹ in crore)	Capital Employed (₹ in crore)	RoCE (per cent)
2020-21	Power sector SPSEs	2	- 76.26	1,694.75	-
	Agriculture and Allied SPSEs	4	2.63	35.00	7.51
	Other SPSEs	17	184.87	2,832.28	6.52
	Total	23	111.24	4,562.03	2.44
2021-22	Power sector SPSEs	3	176.61	2,181.39	8.10
	Agriculture and Allied SPSEs	4	3.44	61.97	5.55
	Other SPSEs	17	190.17	3,179.68	5.98
	Total	24	370.22	5,423.04	6.83
2022-23	Power sector SPSEs	3	584.19	9,647.37	6.05
	Agriculture and Allied SPSEs	4	1.98	44.26	4.47
	Other SPSEs	18	22.32	3,439.37	0.65
	Total	25	608.49	13,131.00	4.63

Source: As per latest finalised accounts as on 30 September 2023

As can be seen from **Table 5.8**, during the last three years, the SPSEs with positive capital employed had registered increase of ₹ 8,578.97 crore (188.46 per cent) in their aggregate capital employed from ₹ 4,562.03 crore (2020-21) to ₹ 13,131.00 crore (2022-23). The EBIT of these SPSEs had also increased by ₹ 497.25 crore (447.01 per cent) from ₹ 111.24 crore (2020-21) to ₹ 608.49 crore (2022-23). As a result, RoCE of the working SPSEs having positive capital employed had shown an overall improvement during the last three years from 2.44 per cent (2020-21) to 4.63 per cent (2022-23). It may however, be noticed that RoCE during 2022-23 (4.63 per cent) had diminished compared to 2021-22 (6.83 per cent) despite increase of 64.36 per cent (₹ 238.27 crore) in the EBIT from ₹ 370.22 crore (2021-22) to 608.49 crore (2022-23) since appreciation in EBIT was not commensurate to the increase of 142.13 per cent (₹ 7,707.96 crore) in the capital employed of SPSEs during the corresponding period from ₹ 5,423.04 crore (2021-22) to ₹ 13,131.00 crore (2022-23).

5.7.2 Return on Equity

Return on equity³⁶ (ROE) is a measure of financial performance of companies calculated by dividing the 'net income earned' by the equity.

During 2022-23, 19 working SPSEs earned profits of ₹ 592.14 crore as compared to the profits of ₹ 513.40 crore earned by 24 working SPSEs during 2021-22. Further, out of 19 SPSEs which earned profit during 2022-23, 14 SPSEs³⁷ had positive equity or shareholders' fund. RoE of these 14 SPSEs was 5.30 per cent³⁸ during 2022-23 as

³⁶ Return on Equity = (Net profit after tax and preference dividend ÷ Equity) x 100; where, Equity=paid up capital plus free reserves and accumulated profits minus accumulated losses and deferred revenue expenditure.

³⁷ SPSEs at Sl. No. A1, A2, A3, B9, B12, B18, B19, B21, B24, B27, B30, B31, B32 and C3 of **Appendix 5.2**.

³⁸ Net Profit (₹ 551.03 crore) ÷ Shareholders' fund (₹ 10,400.11 crore) x 100.

compared to RoE of 13.60 *per cent* during 2021-22 in respect of 16 SPSEs (having positive equity or shareholders' fund). In case of the remaining five SPSEs³⁹ which earned profit during 2022-23, the accumulated losses (₹ 463.39 crore) had completely eroded their paid-up capital (₹ 38.26 crore) as per their latest finalised accounts.

5.7.3 Return on Investment by GoA based on Present Value of Investment

Rate of Real Return (RoRR) measures the profitability and efficiency with which equity and similar capital bearing no interest earning have been employed, after adjusting them for the time value.

To determine RoRR on investment, the investment of GoA in SPSEs in the form of equity, interest-free loans and grants/subsidies provided by GoA for operational and management expenses less disinvestments (if any) has been considered and indexed to their Present Value (PV) and summated. RoRR is then calculated by dividing the 'Profit After Tax' (PAT) by the sum of the PV of the GoA investment.

GoA, since inception of SPSEs infused a total fund⁴⁰ of ₹ 18,733.07 crore in the form of equity (₹ 10,740.51 crore) in 41 SPSEs and revenue grants/subsidies (₹ 7,992.56 crore) in all 50 SPSEs as on 31 March 2023. During 2022-23, the 36 working SPSEs earned an overall profit of ₹ 396.77 crore comprising profit of ₹ 592.14 crore (19 SPSEs) and loss of ₹ 195.37 crore (17 SPSEs). In addition, 16 non-working SPSEs earned an overall profits of ₹ 1.23 crore as per their latest finalised accounts (**Appendix 5.3**). Based on historical value of investment, the return on investment by GoA during 2022-23 was 2.12 *per cent*. On the other hand, when the present value of investment is considered, RoRR on investment by GoA during 2022-23 worked out at 1.44 *per cent* as shown in **Appendix 5.3 and Appendix 5.3 (A)**. This difference in the percentage of return on investment by GoA was on account of the adjustments made in the investment amount for time value of money.

5.8 SPSEs incurring Losses

5.8.1 Losses incurred

During 2022-23, out of 36 working SPSEs, 17 SPSEs had incurred loss of ₹ 195.37 crore (**Appendix 5.2**) as compared to 11 SPSEs that incurred loss of ₹ 342.09 crore during 2021-22. The position of aggregate losses incurred by loss-making working SPSEs during the past three years as per their latest finalised accounts is given in **Table 5.9**.

³⁹ SPSEs at Sl. No. B7, B10, B11, B23 and B29 of Appendix 5.2.

⁴⁰ GoA did not provide any interest free loans to the SPSEs.

Table 5.9: Number of working SPSEs that incurred losses during 2020-21 to 2022-23

Year	Particulars	No. of loss making SPSEs	Net loss for the year (₹ in crore)	Accumulated loss less Free Reserves & Surplus (₹ in crore)	Net Worth (₹ in crore)
2020-21	Power sector SPSEs	1	- 181.60	- 395.98	- 296.05
	Agriculture and Allied SPSEs	5	- 22.32	- 353.39	- 305.01
	Other SPSEs	9	- 68.95	- 1,115.30	- 886.81
	Total	15	-272.87	-1,864.67	-1487.87
2021-22	Power sector SPSEs	1	- 292.42	- 1,251.21	- 786.77
	Agriculture and Allied SPSEs	2	- 0.52	- 14.84	- 7.65
	Other SPSEs	8	- 49.15	- 1,108.72	- 884.96
	Total	11	- 342.09	- 2,374.77	- 1,679.38
2022-23	Power sector SPSEs	-	-	-	-
	Agriculture and Allied SPSEs	4	- 4.65	0.51	9.65
	Other SPSEs	13	- 190.72	- 1,891.32	- 780.70
	Total	17	- 195.37	- 1,890.81	- 771.05

Source: Latest finalised accounts of SPSEs

It could be seen from **Table 5.9** that during the last three years (2020-21 to 2022-23), there was an overall improvement in the quantum of losses incurred by SPSEs from ₹ 272.87 crore (2020-21) to ₹ 195.37 crore (2022-23) particularly, in power sector where no loss was incurred by any of the power SPSE during 2022-23 as against the loss of ₹ 181.60 crore incurred by one power SPSE during 2020-21. However, the number of loss-making SPSEs has increased during last three years from 15 to 17 SPSEs.

During 2022-23, more than 89 per cent (₹173.89 crore) of SPSEs-losses (₹ 195.37 crore) were contributed by two SPSEs from Other SPSEs category viz., Assam State Transport Corporation (₹ 106.53 crore) and Assam Petro-Chemicals Limited (₹ 67.36 crore).

In view of above scenario, GoA may take a focussed effort and extend necessary support for improvement of their operational performance of loss making SPSEs.

5.8.2 SPSEs having complete erosion of paid-up capital

Complete erosion of equity capital by the accumulated losses (net after free reserves) represents negative net worth of the SPSEs.

The aggregate paid-up capital and overall accumulated losses (net after adjusting free reserves & surplus) of 36 working SPSEs as per their latest finalised accounts as on 30 September 2023 were ₹ 11,312.83 crore and (-) ₹ 2,106.55 crore respectively. Analysis of investment and net accumulated losses of these SPSEs revealed that the accumulated losses (net after adjusting free reserves & surplus) of 14 working SPSEs (₹ 2,225.08 crore) had completely eroded their paid-up capital (₹ 236.26 crore) as detailed in **Table 5.10**.

Table 5.10: Erosion of Capital of SPSEs

(₹ in crore)				
Sl. No.	Name of the SPSE	Latest finalised accounts	Paid-up capital	Accumulated losses (net after adjusting free reserves)
1	Assam State Transport Corporation	2021-22	167.73	1,664.06
2	Assam Tea Corporation Limited	2014-15	27.54	284.03
3	Ashok Paper Mill (Assam) Limited	2018-19	0.01	99.43
4	Assam Plains Tribes Development Corporation Limited	2020-21	2.95	41.88
5	Assam State Development Corporation for Scheduled Castes Limited	2017-18	10.10	34.07
6	Assam State Development Corporation for Other Backward Classes Limited	2021-22	3.40	18.20
7	Assam Small Industries Development Corporation Limited	2014-15	6.67	17.63
8	Assam Government Marketing Corporation Limited	2018-19	4.36	17.50
9	Assam Plantation Crops Development Corporation Limited	2013-14	5.00	13.71
10	Assam Hills Small Industries Development Corporation Limited	2006-07	2.00	12.38
11	Assam Seeds Corporation Limited	2018-19	1.46	10.28
12	Assam State Fertilizers and Chemicals Limited	2011-12	4.93	7.28
13	Amtron Informatics (India) Limited	2017-18	0.01	4.34
14	Assam State Film (Finance & Development) Corporation Limited	2015-16	0.10	0.29
Total			236.26	2,225.08

Source: As per latest finalised accounts as on 30 September 2023

It was seen that the net worth of 13 out of 14 SPSEs⁴¹ mentioned above continued to be negative for more than 10 years. The gradual increase in the losses of above SPSEs over the years is a drain on the State's economy and resources.

Accumulation of losses of above SPSEs had eroded public wealth, which is a cause of concern and the State Government needs to review the working of these SPSEs to either improve their profitability or close their operations.

5.8.3 Investment made by GoA in loss-making working SPSEs

Out of 17 loss-making working SPSEs, Government of Assam had made investment in six SPSEs during 2022-23. Details of investment made by the Government during the year are given in **Table 5.11**.

Table 5.11: Investment made by GoA in loss-making working SPSEs

(₹ in crore)				
Sl. No.	SPSEs	Investment by GoA		
		Equity	Loans	Grants
1	Assam Tea Corporation Limited	0.00	281.25	0.00
2	Assam State Development Corporation for Scheduled Castes Limited	0.00	0.00	5.36
3	Assam State Film (Finance & Development) Corporation Limited.	0.00	0.00	2.83
4	Assam Petro-Chemicals Limited	55.25	0.00	0.00
5	Assam Medical Services Corporation Limited	8.54	0.00	0.00
6	Assam State Transport Corporation	0.00	0.00	100.79
Total		63.79	281.25	108.98

As can be seen from **Table 5.11**, six loss-making working SPSEs received budgetary support of ₹ 454.02 crore by way of equity (₹ 63.79 crore), loans (₹ 281.25 crore) and

⁴¹ Other than Assam State Film (Finance & Development) Corporation Limited

grants (₹ 108.98 crore), out of which the budgetary support of ₹ 380.13 crore⁴² was meant to meet the salary-related expenses of their employees. Though necessary financial support had been given to the loss-making working SPSEs, the GoA may take a focussed effort and extend necessary support for improvement of their operational performance.

5.8.4 Viability of loss-making working SPSEs

Financial autonomy is the ability to manage funds independently, which enables a company to set and achieve its major objectives. It was seen that none of the 14 working SPSEs whose accumulated losses completely eroded their paid-up capital had adequate resources to achieve the envisaged objectives. This led to dependency on the State Government for financial support not only to undertake their mandated objectives but also to meet their own employee's expenses. The turnover *vis-a-vis* employees' expenses of 14 working SPSEs whose accumulated losses completely eroded, their paid-up capital is detailed in **Table 5.12**.

Table 5.12: Turnover *vis-à-vis* employees' expenses of SPSEs

(₹ in crore)				
Sl. No.	Name of the SPSE	Latest finalised accounts	Turnover	Employees' expenses
1	Assam Seeds Corporation Ltd.	2018-19	83.97	97.23
2	Assam Tea Corporation Ltd.	2014-15	43.01	60.31
3	Assam Plantation Crop Development Corporation Ltd.	2013-14	1.99	1.26
4	Assam Plains Tribes Development Corporation Ltd.	2020-21	0.02	5.67
5	Assam State Development Corporation for Other Backward Classes Ltd.	2021-22	0.12	4.79
6	Assam State Development Corporation for Scheduled Castes Ltd.	2017-18	0.00	5.91
7	Assam State Film (Finance & Development) Corporation Ltd.	2015-16	0.03	0.39
8	Assam Hills Small Industries Development Corporation Ltd.	2006-07	0.00	0.04
9	Assam Small Industries Development Corporation Ltd.	2014-15	44.86	9.02
10	Ashok Paper Mill (Assam) Ltd.	2018-19	0.00	0.49
11	Amtron Informatics (India) Ltd.	2017-18	0.00	*
12	Assam State Fertilizers and Chemicals Ltd.	2011-12	1.98	1.09
13	Assam Government Marketing Corporation Ltd.	2018-19	20.40	3.43
14	Assam State Transport Corporation	2021-22	70.45	87.01
Total			266.83	276.64

Source: Latest finalised accounts of SPSEs as on 30 September 2023 *other expenses

As can be seen from **Table 5.12**, the turnover of four SPSEs could meet their own employees' expenses and the turnover of six SPSEs could not meet its employees' expenses as per their latest finalised accounts as on 30 September 2023. However, four SPSEs have zero turnover and had to depend on other sources to meet the salary-related expenses. It was further seen that 9 out of 10 SPSEs whose turnover was less than

⁴² Government Loan (₹ 281.25 crore) to Assam Tea Corporation Limited; Grants (₹ 98.88 crore) to i) Assam State Development Corporation for Scheduled Castes Limited (₹ 3.37 crore), ii) Assam State Film (Finance & Development) Corporation Limited (₹ 0.42 crore) and iii) Assam State Transport Corporation (₹ 95.09 crore).

employees' expenses depended on other income⁴³ such as interest earned from fixed deposits or budgetary support⁴⁴ to meet their salary-related expenses.

Accumulation of losses of above SPSEs had eroded public wealth, which is a cause of concern, and the State Government needs to review the working of these SPSEs to either improve their profitability or close their operations. The State Government may also review/downsize the staff requirement of the SPSEs and bring their establishment cost to acceptable level. It may also merge the SPSEs to one or two with defined verticals of business within the SPSEs to achieve economies of scale.

5.9 Audit of State Public Sector Enterprises

The Comptroller & Auditor General of India (CAG) appoints statutory auditors of a 'Government Company' and 'Government Controlled Other Company' under Section 139(5) and (7) of the Companies Act, 2013. CAG has a right to conduct a supplementary audit and supplement or comment upon the Audit Report of the statutory auditor. In addition, statutes governing some Statutory Corporations require that their accounts be audited by the CAG and a report be submitted to the State Legislature.

5.10 Appointment of statutory auditors of SPSEs by CAG

Section 139(5) of the Companies Act, 2013 provides that the statutory auditors in case of a Government Company or Government Controlled Other Company are to be appointed by the CAG within a period of 180 days from the commencement of the financial year. The statutory auditors of 49 SPSEs⁴⁵ out of total 52 SPSEs in Assam are appointed by the CAG.

5.11 Submission of accounts by State Public Sector Enterprises

5.11.1 Need for timely submission

According to Section 394 of the Companies Act, 2013, Annual Report on the working and affairs of a Government Company is to be prepared within three months of its Annual General Meeting (AGM) and as soon as may be after such preparation, laid before both the Houses of Parliament together with a copy of the Audit Report and any comments upon or supplement to the Audit Report, made by the CAG. In the case of State-owned Government companies, the State Government shall cause a copy of the Annual Report together with a copy of the Audit Report and the comments made thereon by the CAG to be laid before both the Houses of the State Legislature. Similar provisions exist in the respective Acts regulating Statutory Corporations.

Section 96 of the Companies Act, 2013 requires every company to hold AGM of the shareholders once in every calendar year. It is also stated that not more than 15 months

⁴³ Sl. No. 1, 8 & 10 of Table 5.12

⁴⁴ Sl. No. 2, 4, 5, 6, 7 & 14 of Table 5.12

⁴⁵ Excluding Assam State Transport Corporation where CAG is the sole auditor and two other corporations, namely, Assam Financial Corporation, whose auditors are appointed by the Corporation out of the panel of auditors provided by Reserve Bank of India and Assam State Warehousing Corporation, whose auditors are appointed by the State Government on the advice of CAG.

shall elapse between the date of one AGM and the next. Further, Section 129 of the Companies Act, 2013 stipulates that the audited Financial Statements for the financial year have to be placed in the said AGM for their consideration.

Section 129(7) of the Companies Act, 2013 also provides for levy of penalty like fine and imprisonment of the persons including Directors of the Company responsible for non-compliance with the provisions of Section 129 of the Companies Act, 2013. Despite the above, annual accounts of various SPSEs were pending as on 30 September 2023, as discussed in the succeeding paragraphs.

5.11.2 Timeliness in preparation of accounts by SPSEs

As on 31 March 2023, there were 52 SPSEs under the audit jurisdiction of the Accountant General (Audit), Assam. These SPSEs include 49 Government Companies/ Government controlled other companies⁴⁶ and three Statutory Corporations. Details of submission of accounts by SPSEs and age-wise analysis of arrears of the accounts of SPSEs as on 30 September 2023 are given in **Table 5.13** and **Table 5.14**.

Table 5.13: Details of submission of accounts by SPSEs

Particulars	No. of SPSEs
Total number of SPSEs under the purview of CAG's audit	52
Number of SPSEs which submitted their accounts for CAG's audit during October 2022 to September 2023	22
Number of SPSEs who submitted the current year's accounts (2022-23)	07 ⁴⁷
Number of SPSEs who submitted their accounts but having arrears	15

Table 5.14: Age-wise analysis of arrears of accounts of SPSEs

Particulars	Accounts in arrears	SPSEs
Break-up of accounts in arrears	Working SPSEs	192
	Companies	187
	Statutory Corporations	5
	Non-working SPSEs	218
	All Companies	218
	Total	410
Age-wise Analysis of the arrears (No. of accounts)	No arrears	07
	Working	07
	Non-working	00
	One year (2022-23)	09
	Working	06
	Non-working	03
	Two to five years (2017-18 and 2021-22)	53
	Working	47
	Non-working	06
	More than five years	348
	Working	139
	Non-working	209

Source: Compiled based on accounts of SPSEs received during October 2022 to September 2023

⁴⁶ SPSEs at Sl. No. A1, A2, A3, B4, B5, B6, B7, B8, B9, B10, B11, B12, B13, B14, B15, B16, B17, B18, B19, B20, B21, B23, B24, B27, B28, B29, B30, D1, D2, D3, D4, D5, D6, D8, D10 & D14; Subsidiaries of Government companies at Sl. No. B25, B26, B31, D7, D9, D11, D12, D13, D15 & D16; Government controlled other companies at Sl. No. B22 & B33 of Appendix 5.2.

⁴⁷ SPSEs at Sl. No. A1, A2, B22, B24, B31, B32 and B33 (all working) of **Appendix 5.2**.

As can be noticed from **Table 5.14**, 45 SPSEs (29 working and 16 non-working) had total 410 accounts pending finalisation as on 30 September 2023. Further, 20 SPSEs (nine working and 11 non-working) had 348 accounts pending finalisation for more than five years as on 30 September 2023. The highest number of accounts pending finalisation amongst working and non-working SPSEs pertained to Assam Plantation Crop Development Corporation Limited (30 accounts) and Assam Tanneries Limited (40 accounts) respectively.

Delay in finalisation of accounts entails the risk of fraud/misappropriation and leakage of public money apart from violation of the provisions of the relevant statutes. Further, in the absence of up-to-date accounts of SPSEs, the actual status regarding utilisation and current worth of the public money invested in these SPSEs could not be ascertained and reported to the Legislature and other stakeholders including the State Government.

The Administrative Departments concerned have the responsibility to oversee the activities of these entities and to ensure that the accounts of SPSEs under their control are finalised and adopted by the SPSEs within the stipulated period. In view of the huge arrears in finalisation of accounts by the SPSEs, the Principal Accountant General (Audit), Assam had taken up (February 2023) the matter with the SPSEs for liquidating the arrears of accounts. However, the GoA and the SPSEs concerned have not been able to address the issue in a time-bound manner.

5.12 CAG's oversight Audit of accounts and supplementary audit

5.12.1 Financial reporting framework

Companies are required to prepare the financial statements in the format laid down in Schedule III to the Companies Act, 2013 and in adherence to the mandatory Accounting Standards prescribed by the Central Government, in consultation with National Advisory Committee on Accounting Standards. The statutory corporations are required to prepare their accounts in the format prescribed under the rules, framed in consultation with the CAG and any other specific provision relating to accounts in the Act governing such corporations.

5.12.2 Audit of accounts of Government Companies by Statutory Auditors

The statutory auditors appointed by the CAG under Section 139 of the Companies Act, 2013, conduct audit of accounts of the Government Companies and submit their report thereon in accordance with Section 143 of the Companies Act, 2013.

The CAG plays an oversight role by monitoring the performance of the statutory auditors in audit of the public sector enterprises with the overall objective that the statutory auditors discharge the functions assigned to them properly and effectively.

This function is discharged by exercising the power to issue directions to the statutory auditors under Section 143(5) of the Companies Act, 2013, and to supplement or comment upon the statutory auditor's report under Section 143(6) of the Companies Act, 2013.

5.12.3 Supplementary Audit of accounts of Government Companies

The prime responsibility for preparation of the financial statements in accordance with the financial reporting framework prescribed under the Companies Act, 2013 or other relevant Act is that of the Management of the entity (SPSE) concerned.

The statutory auditors appointed by the CAG under Section 139 of the Companies Act, 2013 are responsible for expressing an opinion on the financial statements under Section 143 of the Companies Act, 2013 based on independent audit in accordance with the Standard Auditing Practices of Institute of Chartered Accountants of India (ICAI) and directions given by the CAG. The statutory auditors are required to submit their Audit Report to the CAG under Section 143 of the Companies Act, 2013.

The certified accounts of selected Government Companies along with the report of the statutory auditors are reviewed by CAG by carrying out a supplementary audit. Based on such review, significant audit observations, if any, are reported under Section 143(6) of the Companies Act, 2013 to be placed before the Annual General Meeting of the company concerned.

5.13 Result of CAG's oversight role

5.13.1 Audit of Accounts of SPSEs

During October 2022 to September 2023, 22 SPSEs forwarded 33 accounts to the Accountant General (Audit), Assam. Of these, 28 accounts (seven accounts for the year 2022-23 and 21 accounts pertaining to previous years) of 20 SPSEs were selected for supplementary audit. For the remaining five accounts (One account for the year 2020-21 and four accounts for the year 2021-22) of four SPSEs⁴⁸, non-review certificates (NRCs) were issued. In addition to the above, two Consolidated Financial Statements (CFS) forwarded by two SPSEs⁴⁹ were also selected for supplementary audit.

Some of the significant comments issued on the financial statements of the SPSEs are given in **Table 5.15**.

Table 5.15: Comments on Profitability

Sl. No.	SPSEs	Comments
1	Assam Power Generation Corporation Limited (FY 2022-23)	The Company wrongly booked the advance (₹ 1.36 crore) received against 'Land Lease Charges' & 'Local Area Development Fund Charges' for the financial year 2023-24 as 'Other Income' for current year (2022-23) instead of accounting the same under 'Current Liabilities'. This has resulted in overstatement of "Profit for the year" and understatement of "Current Liabilities" by ₹ 1.36 crore each.
2	Assam Power Distribution	The Regulator (Assam Electricity Regulatory Commission) during the truing up of tariff of the Company for the financial year 2020-21, declared (March

⁴⁸ Assam Medical Services Corporation Limited forwarded three accounts (2019-20, 2020-21 and 2021-22) for which supplementary audit was conducted for 2019-20 and NRC was issued for the year 2020-21 and 2021-22; Assam Hydro-Carbon and Energy Company Limited forwarded two accounts (2021-22 and 2022-23) for which NRC was issued for the year 2021-22 and supplementary audit was conducted for 2022-23. Further, NRC was issued for one accounts each of Assam Trade Promotion Organisation (2021-22) and Fertichem Limited (2021-22).

⁴⁹ Assam Gas Company Limited and Assam Mineral Development Corporation Limited.

Sl. No.	SPSEs	Comments
	Company Limited (FY 2021-22)	2022) revenue gap (deficit) of ₹ 561.47 crore (including interest component: ₹ 104.26 crore) and considered for adjustment (recovery) of the same during the next year (2022-23). The Company, however, did not create corresponding 'Regulatory Assets' by crediting the 'Profit and Loss Accounts' in the current accounts (2021-22) as per the 'Guidance Note on Accounting for Rate Regulated Activities issued by ICAI'. This has resulted in understatement of 'Profit for the year' and understatement of 'Regulatory Assets' by ₹ 535.44 crore each (excluding the interest component of ₹ 26.03 crore pertaining to 2022-23) respectively.
3	Assam Petro-Chemicals Limited (FY 2022-23)	Refer 'Notes forming part of the financial statements' (Notes-34.7) regarding allotment of land (non-monetary grant) (fair market value: ₹ 7.36 crore) by the State Government in Bongaigaon, Assam for setting up of Industrial/200 TPD Formalin Plant (TPD Plant) and accounting of the said land in accordance with the provisions of Ind AS 20 (Government Grants). While the TPD Plant was under construction as on 31 March 2023, the Company estimated the 'construction period' and 'useful life' of the TPD Plant as 2 years and 25 years respectively. As per Ind AS 20 (refer paragraphs 24 and 26), the Government Grants related to Assets (including non-monetary grants at fair value), shall be recognised as 'Deferred Income' and the same shall be recognised in profit or loss on a systematic basis over the useful life of the asset. As such, the Company was required to book the Grant (fair value of Land) as 'Deferred Income' in the Balance Sheet (Liabilities side) and after commissioning of the TPD Plant, the Company should start recognising the said Grant (Deferred Income) as 'Income' in Profit and Loss Account on a systematic basis, over the useful life of the TPD Plant (25 years). However, the Company started recognising (crediting) the Grant (Deferred Income) as 'Income' to the extent of ₹ 0.27 crore (being the 1/27th part of ₹ 7.36 crore) in the Profit and Loss Account under 'Other Non-operating Income' (Note-25) from the accounting year 2020-21 by debiting 'Other Non-Current Liabilities', despite the project still pending commissioning. This has resulted in understatement of 'Loss for the year' by ₹ 0.27 crore with corresponding understatement of 'Accumulated loss (Other Equity-Note-16)' and 'Other Non-Current Liabilities' by ₹ 0.81 crore each.
4	Assam Industrial Development Corporation Limited (FY 2020-21)	The Company invested 1,09,28,423 equity shares of ₹ 10 each in Calcom Cement Limited. As on the Balance Sheet date the book value of each equity share of ₹ 10 in Calcom Cement Limited was ₹ 6.59 with diminution of ₹ 3.41 per share. However as against diminution of ₹ 3.73 crore (1,09,28,423 x ₹ 3.41 per share) the company has made provision of ₹ 1.63 crore only for loss of investment. This has resulted in understatement of 'Loss for the year' and overstatement of 'Non-current Investment' by ₹ 2.10 crore each
5	Assam Fisheries Development Corporation Limited (FY 2020-21)	During the year 2020-21, the Company transferred work advance of ₹ 2.26 crore directly to the personal accounts of nine of its employees/officers towards execution of the AFDC Beel Development Scheme 2020-21. The work advances were subject to adjustment after submission of necessary vouchers or bills by the employees/officers. The Company, however, instead of booking the above payments under 'Short Term Loans and Advances (Note-11)' as 'Advance against AFDC Beel Development Scheme', charged the same to revenue under 'Other Expenses (Note-17)' by creating corresponding provisions for liabilities under 'Long Term Provisions (Note-4)'. This has resulted in overstatement

Sl. No.	SPSEs	Comments
		of the above head and 'Long Term Provisions' by ₹ 2.26 crore each with corresponding understatement of 'Short Term Loans and Advances' and 'Profit for the year' to that extent.

Table 5.16: Comments on Financial Position

Sl. No.	SPSEs	Comments
1	Assam Power Generation Corporation Limited (FY 2022-23)	Regulation 48.1 of the Assam Electricity Regulatory Commission (Terms and Conditions for determination of Multi Year Tariff) Regulations 2021 stipulates that the Normative Annual Plant Availability Factor (NAPAF) for full recovery of Annual Fixed Charges (AFC) from the Consumer (APDCL) shall be minimum 85 <i>per cent</i> for Namrup Replacement Power Project (NRPP). Regulation 52.1(b) of the above Regulations further provides that recovery of AFC below the level of NAPAF shall be on pro rata basis. The AERC, while approving Generation tariff for the financial year 2022-23, allowed AFC of ₹ 148.68 crore for NRPP considering NAPAF of 85 <i>per cent</i> . The Company recovered ₹ 148.68 crore (as AFC of NRPP) from APDCL for the financial year 2022-23 but it could achieve Plant Availability Factor (PAF) of 52.99 <i>per cent</i> only, which was below the prescribed NAPAF (85 <i>per cent</i>). However, it did not provide for the AFC refundable to APDCL due to underachievement of PAF. This has resulted in understatement of Current Liabilities and overstatement of Profit for the year by ₹ 47.59 crore each.
2	Assam Power Distribution Company Limited (FY 2021-22)	The Company did not book ₹ 82.83 crore, being the assets created out of the consumers' contribution during the year 2021-22. This resulted in understatement of 'Property, Plant and Equipment' with corresponding understatement of 'Deferred Government Grants, Subsidies and Consumer Contribution (Note-15)' to the same extent.

5.13.2 Management Letters

One of the objectives of financial audit is to establish communication between the auditor and those charged with the responsibility of governance of the corporate entity on audit matters arising from the audit of the financial statements.

The material observations on the financial statements of Government Companies were reported in the form of 'comments on accounts' by the CAG under Section 143(5) of the Companies Act, 2013. Besides these comments, irregularities or deficiencies observed by CAG in the financial reports or in the reporting process were also communicated to the management separately through 'Management Letter' for taking corrective action. These deficiencies generally related to:

- application and interpretation of accounting policies and practices;
- adjustments arising out of audit observations that could have a significant effect on the financial statements; and
- inadequate or non-disclosure of certain information on which Management of the concerned company provided assurances that corrective action would be taken in the subsequent year.

As per latest finalised accounts as on 30 September of respective years, ‘Management Letters’ were issued⁵⁰ to five Government companies as shown in **Table 5.17**.

Table 5.17: List of SPSEs where Management Letters were issued

Sl. No.	Name of SPSE	Year of accounts
1	AMTRON Informatics (India) Ltd.	2017-18
2	Purba Bharti Gas Private Ltd.	2022-23
3	Assam Seeds Corporation Ltd.	2018-19
4	Assam Fisheries Development Corporation Ltd.	2020-21
5	DNP Ltd.	2022-23

5.13.3 Amendment of Financial Statements

During 2022-23, there was no case of SPSEs amending their Financial Statements before laying the same in the Annual General Meeting.

5.13.4 Revision of Auditors Report

During 2022-23, there was no case of revision of Statutory auditors’ report as a result of supplementary audit of the Financial Statements conducted by CAG.

5.14 Conclusion

Out of the total profit of ₹ 592.14 crore earned by 19 SPSEs 80.69 *per cent* was contributed by three SPSEs. Similarly, more than 89 *per cent* (₹ 173.89 crore) of the losses (₹ 195.37 crore) incurred by 17 SPSEs during 2022-23, were contributed by two SPSEs viz. Assam State Transport Corporation (₹ 106.53 crore) and Assam Petro-Chemicals Limited (₹ 67.36 crore).

Further, out of 18 profit-making SPSEs in which GoA had direct equity infusion (total profit: ₹ 542.93 crore), only one SPSE (Assam Gas Company Limited) paid a total dividend of ₹ 5.07 crore to GoA while remaining 17 SPSEs which earned aggregate profits of ₹ 540.18 crore had not declared/paid dividend.

As on 31 March 2023, there were 52 SPSEs (36 working SPSEs and 16 non-working SPSEs). SPSEs did not adhere to the prescribed timeline regarding submission of their Financial Statements as 45 SPSEs (29 working and 16 non-working) had total 410 accounts pending finalisation as on 30 September 2023. Further, 20 SPSEs (nine working and 11 non-working) had 348 accounts pending finalisation for more than five years as on 30 September 2023. The highest number of accounts pending finalisation amongst working and non-working SPSEs pertained to Assam Plantation Crops Development Corporation Limited (30 accounts) and Assam Tanneries Limited (40 accounts) respectively.

5.15 Recommendations

- i. Considering huge pendency of accounts of SPSEs State Government may impress upon the managements of SPSEs to ensure timely submission of their Financial Statements. In absence of the latest finalised accounts, Government investments in such arrears SPSEs remain outside the oversight of the State Legislature;*

⁵⁰ Issued during the years 2022-23 and 2023-24.

- ii. As 16 non-working SPSEs are neither contributing to State economy nor meeting their intended objectives, State Government may expedite the process of their closure; and
- iii. State Government may analyse the reasons of losses in those SPSEs whose net worth has been eroded, initiate steps to make their operations efficient and profitable and consider continuance of their operation.



(KUMAR ABHAY)
Accountant General (Audit), Assam

Guwahati
The 25 April 2024

Countersigned



(GIRISH CHANDRA MURMU)
Comptroller and Auditor General of India

New Delhi
The 6 May 2024



Appendices

Appendix 1.1: State Profile (Reference: Paragraph 1.1)

General Data							
Sl. No.	Particulars	Unit		Assam			
1.	Area	In sq. kms		78,438			
2.	Population	In Crore		3.12			
3.	Density of Population (All India Average:382)	Per sq km		398			
4.	Literacy (All India Average:73.0)	Per cent		72.2			
5.	Gross State Domestic Product (GSDP) 2022-23 at current prices	In crore		4,93,166.60 (A.E)			
6.	Per capita NSDP of the State, 2022-23	In ₹		1,18,504			
7.	Population Below Poverty Line (BPL) 2011-12 (All India Average:21.92 per cent)	Per cent		31.98			
8.	Infant mortality (All India Average = 30 per 1000 live births) (2019)	Per 1000 live births		40			
9.	Life Expectancy at birth (in 2014-18) (All India Average: 69.4)	In years		66.9			
B. Financial Data							
	Particulars	Compound Annual Growth Rate (%)					
		CAGR (2013-14 to 2021-22)		CAGR (2017-18 to 2021-22)		Growth 2021-22 to 2022-23	
		NE&HS*	Assam	NE&HS*	Assam	NE&HS*	Assam
a.	Revenue Receipts	11.28	12.01	8.65	10.19	10.93	12.44
b.	Own Tax Revenue	9.73	10.18	9.93	10.26	17.39	25.44
c.	Non-tax Revenue	5.70	3.56	1.16	-3.17	32.79	60.94
d.	Total Expenditure	11.54	14.01	9.39	12.80	13.10	16.71
e.	Capital Expenditure	14.23	25.90	8.80	27.18	1.13	-20.51
f.	Revenue Expenditure on Education	9.72	8.43	5.90	6.30	11.59	7.33
g.	Revenue Expenditure on Health & Family Welfare	15.95	16.98	12.00	11.64	9.15	-3.64
h.	Revenue Expenditure on Salary and Wages	8.86	8.04	5.39	3.01	9.81	8.48
i.	Revenue Expenditure on Pension	16.87	25.21	13.96	20.07	10.74	-4.74

*NE&HS: 11 North Eastern & Himalayan States.

Sources: i) Census, 2011 for Sl. No. 1 to 4;

ii) Directorate of Economics & Statistics, Assam for Sl. No. 5 and 6;

iii) Statistical Handbook, 2020 for Sl No. 7;

iv) SRS Bulletin (October 2021) for Sl. No.8;

v) Economic Survey (2020-21) for Sl. No.9

**Appendix 1.2: Time Series Data on
State Government Finances
(Reference: Paragraph 1.1)**

(₹ in crore)

Indicators	2018-19	2019-20	2020-21	2021-22	2022-23
Part A: Receipts					
1. Revenue Receipts (i + ii + iii)	63,479.16 (84.37)	64,495.08 (80.73)	64,902.19 (78.34)	79,815.19 (80.15)	89,742.30 (76.04)
(i) Tax Revenue (a + b)	41,140.70 (64.81)	38,250.13 (59.31)	35,762.93 (55.10)	47,683.65 (59.74)	54,196.28 (60.39)
(a) Own Tax Revenue	15,924.85 (25.09)	16,528.69 (25.63)	17,133.61 (26.40)	19,533.10 (40.96)	24,502.02 (45.21)
State Goods and Services Tax (SGST)	8,393.04 (52.70)	8,755.30 (52.97)	8,549.02 (49.90)	10,579.56 (54.16)	12,564.45 (51.28)
Taxes on Agricultural Income	7.85 (0.05)	6.87 (0.04)	(-)38.00 (-0.22)	-0.62 (0.00)	1.67 (0.01)
Taxes on Sales, Trade, etc.	4,698.74 (29.51)	4,480.96 (27.11)	5,070.97 (29.60)	4,866.68 (24.92)	6,748.61 (27.54)
Taxes and duties on electricity	72.75 (0.46)	194.57 (1.18)	197.59 (1.15)	337.91 (1.73)	87.81 (0.36)
State Excise	1,399.84 (8.79)	1,650.03 (9.98)	2,039.94 (11.91)	1,939.07 (9.93)	2,525.57 (10.31)
Taxes on Vehicles	765.01 (4.80)	815.82 (4.94)	723.98 (4.23)	978.21 (5.01)	1,348.41 (5.50)
Stamps and Registration fees	240.72 (1.51)	292.65 (1.77)	280.75 (1.64)	439.46 (2.25)	851.51 (3.48)
Land Revenue	163.22 (1.02)	94.16 (0.57)	116.81 (0.68)	185.02 (0.95)	158.50 (0.65)
Other Taxes	183.68 (1.15)	238.33 (1.44)	192.55 (1.12)	207.81 (1.06)	215.49 (0.88)
(b) State's share in Union taxes and duties	25,215.85 (39.72)	21,721.44 (33.68)	18,629.32 (28.70)	28,150.55 (59.04)	29,694.26 (54.79)
(ii) Non-Tax Revenue	8,221.29 (12.95)	5,539.34 (8.59)	2,899.61 (4.47)	3,579.75 (4.49)	5,761.31 (6.42)
(iii) Grants in Aid from GoI	14,117.17 (22.24)	20,705.61 (32.10)	26,239.65 (40.43)	28,551.79 (35.77)	29,784.71 (33.19)
2. Miscellaneous Capital Receipts	--	--	--	--	--
3. Recovery of Loans and Advances	2.93 (0.00)	7.98 (0.01)	2.56 (0.00)	3,099.49 (3.74)	5.07 (0.01)
4. Total revenue and Non debt capital receipts (1+2+3)	63,482.09	64,503.06	64,904.75	82,914.68	89,747.37
5. Public Debt Receipts	11,754.65 (15.62)	14,249.63 (17.84)	17,940.18 (21.66)	16,670.15 (16.74)	28,270.02 (23.95)
Internal Debt (excluding Ways and Means Advance and Overdraft)	11,665.49	14,143.29	16,382.36	14,138.94	19,225.76
Transactions under Ways and Means Advance and Overdraft	Nil	Nil	Nil	Nil	4,608.64
Loans and Advances from GoI	89.16	106.34	1,557.82	2,531.21	4,435.62
6. Total receipts in the Consolidated Fund (4+5)	75,236.74	78,752.69	82,844.93	99,584.83	1,18,017.39
7. Contingency Fund Receipts	--	100.00	--	--	1,800.00
8. Public Account Receipts^	1,63,406.39	1,74,896.85	1,49,056.68	1,77,344.64	1,19,146.12
9. Total receipts of the State (6+7+8)	2,38,643.13	2,53,749.54	2,31,901.61	2,76,929.47	2,38,963.51
Part B: Expenditure					
10. Revenue Expenditure	56,899.00 (83.35)	65,817.28 (82.87)	64,519.59 (83.78)	82,547.96 (80.32)	1,01,814.65 (84.88)

Indicators	2018-19	2019-20	2020-21	2021-22	2022-23
General Services (including interest payments)	21,058.65	22,350.35	22,892.34	36,368.53	34,483.17
Social Services	25,334.44	29,060.76	29,014.03	33,182.34	51,903.99
Economic Services	10,232.02	14,039.94	12,236.27	12,690.96	14,911.26
Grants-in-Aid and Contributions	273.89	366.23	376.95	306.13	516.23
11. Capital Expenditure	11,034.08	13,185.42	12,399.39	20,125.83	15,997.71
	(16.16)	(16.72)	(16.10)	(19.58)	(13.34)
General Services	464.28	506.74	518.45	862.79	1,921.50
Social Services	2,164.07	1,683.64	2,354.34	3,000.52	2,638.13
Economic Services	8,405.73	10,995.04	9,526.60	16,262.52	11,438.08
12. Disbursement of Loans Advances	328.07	316.16	87.80	104.01	339.84
	(0.48)	(0.39)	(0.11)	(0.10)	(0.28)
<i>Social Services</i>	<i>2.54</i>	<i>2.71</i>	<i>0.00</i>	<i>0.10</i>	<i>0.00</i>
<i>Economic Services</i>	<i>254.32</i>	<i>312.86</i>	<i>87.80</i>	<i>97.17</i>	<i>335.24</i>
<i>Loans to Govt. Servant</i>	<i>71.21</i>	<i>0.59</i>	<i>0.00</i>	<i>6.74</i>	<i>4.60</i>
13. Appropriation to Contingency Fund	0.00	100.00	0.00	0.00	1,800.00
14. Total (10+11+12+13)	68,261.15	79,418.86	77,006.78	1,02,777.80	1,19,952.20
	(95.00)	(96.16)	(97.29)	(96.68)	(94.24)
15 Repayment of Public Debt	3,589.36	3,169.26	2,147.98	3,526.89	7,330.86
	(5.00)	(3.84)	(2.71)	(3.32)	(5.76)
Internal Debt (excluding Ways and Means Advances and Overdraft)	3,448.10	3,024.15	1,998.55	3,372.86	2,562.42
Transactions under Ways and Means Advances and Overdraft	Nil	Nil	Nil	Nil	4,608.64
Loans and Advances from Government of India	141.26	145.11	149.43	154.03	159.80
16 Total disbursement out of Consolidated Fund (14+15)	71,850.51	82,588.12	79,154.76	1,06,304.69	1,27,283.06
17. Contingency Fund disbursements	0	0	0	0	0
18. Public Account disbursements^	1,67,536.69	1,67,618.14	1,52,030.29	1,76,148.11	1,10,528.11
19. Total disbursement by the State (16+17+18)	2,39,387.20	2,50,206.26	2,31,185.05	2,82,452.80	2,37,811.17
Part C: Deficits					
20. Revenue Deficit (-)/Surplus (+) (1-10)	(+)6,580.16	(-)1,322.20	(+) 382.60	(-)2,732.77	(-)12,072.35
21. Fiscal Deficit (-)/Surplus (+) (4-14)	(-)4,779.06	(-)14,915.80	(-)12,102.03	(-)19,863.12	(-)30,204.83
22. Primary Deficit (-)/Surplus (+) (21+23)	(-)934.69	(-)10,476.93	(-)6,902.85	(-)13,811.65	(-)23,329.86
Part D: Other data					
23. Interest Payments (included in Revenue Expenditure)	3,844.37	4,438.87	5,199.18	6,051.47	6,874.97
24. Ways and Means Advances/ Overdraft availed (days)					
Ways and Means Advances availed (No. of days)	Nil	Nil	Nil	Nil	60
Overdraft availed (days)	Nil	Nil	Nil	Nil	Nil
25. Interest on Ways and Means Advances/overdraft	Nil	Nil	Nil	Nil	1.45
26. Gross State Domestic Product (GSDP)	3,09,336.32	3,46,850.68	3,53,605.42	4,12,611.87	4,93,166.60
			(P.E-II)	(Q.E)	(A.E)
27. Outstanding Debt	59,425.61	72,256.52	87,407.79	99,918.54	1,23,214.80
28. Outstanding guarantees	85.02	83.42	77.72	311.76	1,166.49
29. Maximum amount guaranteed	482.25	482.25	482.25	10,172.00	10,172.00
30. Number of incomplete projects	94	162	133	554	627
31. Capital blocked in incomplete projects (₹ in crore)	586.37	1,072.21	1,060.53	1,622.28	2,964.70

Indicators	2018-19	2019-20	2020-21	2021-22	2022-23
Part E: Fiscal Health Indicators					
32. Resource Mobilisation (in per cent)					
Own tax Revenue/GSDP	5.15	4.77	4.85	4.73	4.97
Own Non-Tax Revenue/GSDP	2.66	1.60	0.82	0.87	1.17
Central Transfers/GSDP	12.72	12.23	12.69	13.74	12.06
33. Expenditure Management (In per cent)					
Total Expenditure/GSDP	22.07	22.90	21.78	24.91	24.32
Total Expenditure/Revenue Receipts	107.53	123.14	118.65	128.77	133.66
Revenue Expenditure/Total Expenditure	83.35	82.76	83.78	80.32	84.88
Expenditure on Social Services/Total Expenditure	40.29	38.72	40.73	35.21	45.47
Expenditure on Economic Services/Total Expenditure	27.68	31.92	28.37	28.27	22.25
Capital Expenditure/Total Expenditure	16.16	16.60	16.10	19.58	13.34
Capital Expenditure on Social and Economic Services/Total Expenditure	15.48	15.96	15.43	18.74	11.73
34. Management of Fiscal Imbalances (in per cent)					
Revenue Deficit (-) or Surplus (+)/GSDP	2.13	-0.38	0.11	-0.66	-2.45
Fiscal Deficit (-) or Surplus (+)/GSDP	-1.54	-4.30	-3.42	-4.81	-6.12
Primary Deficit (-) or Surplus (+)/GSDP	-0.30	-3.02	-1.95	-3.35	-4.73
Revenue Deficit/Fiscal Deficit	-137.69	8.86	-3.16	13.76	39.97
35. Management of Fiscal Liabilities/Outstanding Debt (in per cent)					
Fiscal Liabilities/GSDP	19.21	20.83	24.72	24.22	24.98
Fiscal Liabilities/RR	93.61	112.03	134.68	125.19	137.30

Note: Figures in brackets of Sl. No. 1, 3, 5, 14 and 15 represent percentages to the Consolidated Fund of the State whereas figures in others places in bracket represent percentages to total of each sub-heading

^The figures appear huge on account of transaction under Cash Balance Investment Account (Major Head 8673) included in Suspense and Miscellaneous Account.

◆ GSDP figures at current prices (Base year 2011-12) were obtained from Directorate of Economics and Statistics.

**Appendix 1.3: Summarised financial position of the Government
of Assam as on 31 March 2023**
(Reference: Paragraph 1.3.2)

(₹ in crore)

LIABILITIES	As on 31.03.2022	As on 31.03.2023
Internal Debt -	77,780.15	94,443.49
Market Loans bearing interest	66,534.00	82,639.00
Market Loans not bearing interest	0.01	0.01
Loans from Life Insurance Corporation of India	-0.02	-0.02
Loans from other Institutions	11,246.16	11,804.50
Ways and Means Advances and Overdrafts from Reserve Bank of India	0.00	0.00
Loans and Advances from Central Government -	5,055.86	9,331.68
Non-Plan Loans	87.38	87.38
Loans for Central Plan Schemes	0.08	0.08
Pre 1984-85 Loans	0.25	0.25
Other loans for State	4,968.15	9,243.97
Contingency Fund	200.00	2,000.00
Small Savings, Provident Funds, etc.	14,646.90	14,747.07
Deposits	3,909.17	4,370.94
Reserve Funds	4,251.16	7,226.7
Suspense and Miscellaneous Balances	0.00	0.00
Remittance Balances	0.00	0.00
Cumulative excess of receipts over expenditure	17,606.00	3,733.65
Total	1,23,449.24	1,35,853.53
ASSETS		
Gross Capital Outlay on Fixed Assets -	1,08,590.29	1,24,922.76
Investment in shares of Companies, Corporation, etc.	7,010.79	7,122.76
Other Capital Expenditure	98,432.74	1,14,318.47
Loans and Advances -	3,146.76	3,481.53
Loans for Power Projects	1,786.16	1,840.15
Other Development Loans	1,279.56	1,560.25
Loans to Government servants and miscellaneous loans	81.04	81.13
Advances with Departmental Officers	3,482.07	2,921.43
Remittance Balances	765.08	827.21
Cash	9,432.7	6,229.6
Cash in Treasuries and local remittances	0.00	0.00
Departmental Cash Balance	6.84	7.95
Permanent Advances/Cash Imprest	0.47	0.47
Cash Balance Investments	8,295.14	1,666.93
Deposits with Reserve Bank of India	-1,826.58	-674.23
Investments from Earmarked Funds	2,956.83	5,228.48
Suspense and Miscellaneous Balances	1,179.10	952.53
Total	1,23,449.24	1,35,853.53

Appendix 2.1: Reconciliation of Government Investments with Accounts of Companies

(Reference: Paragraph 2.4.2.2)

(₹ in crore)

Sl. No.	Name of the Entity	As per Finance Accounts 2022-23	As per accounts received of PSUs	Difference
1	Assam Financial Corporation Guwahati	25.75	26.85	1.10
2	Assam State Ware-housing Corporation	21.37	8.00	-13.37
3	Assam State Transport Corporation	714.66	157.47	-557.19
4	Assam State Electricity Board*	4,494.58	---	-4,494.58
5	Assam Power Generation Corporation Limited	---	2,428.71	2,428.71
6	Assam Electricity Grid Corporation Limited	---	2,693.39	2,693.39
7	Assam Power Distribution Company Limited	---	4,824.81	4,824.81
8	Assam Government Marketing Corporation Limited	1.67	2.16	0.49
9	Assam Tourism Development Corporation	0.46	0.39	-0.07
10	Assam Government Construction Corporation Limited	0.50	2.00	1.50
11	Assam Livestock and Poultry Corporation Ltd.	---	0.07	0.07
12	Assam Food and Civil Supplies Ltd.	---	12.19	12.19
13	Assam Minorities Development and Finance Ltd.	---	2.41	2.41
14	Assam Police Housing Corporation Ltd.	---	0.04	0.04
15	Assam Trade Promotion Organisation	---	10.00	10.00
16	Assam Gas Company Limited	5.64	16.91	11.27
17	Assam Small Industries Development Corporation Limited	3.77	6.67	2.90
18	Assam Industrial Development Corporation Limited	29.71	139.21	109.50
19	Assam Agro Industries Development Corporation Limited Guwahati	22.08	2.20	-19.88
20	Assam Seeds Corporation Limited Guwahati	1.25	1.46	0.21
21	Assam Hills Small Industries Development Corporation Limited	9.82	2.00	-7.82
22	Assam Tea Corporation Limited Guwahati	8.07	29.54	21.47
23	Assam State Film Corporation Limited	0.05	0.10	0.05
24	Assam State Text Book Production and Publication Corporation Limited	0.23	1.00	0.77
25	Assam Plantation Crop Development Corporation Limited	3.91	5.00	1.09
26	The Assam State Textile Corporation Limited	4.78	15.76	10.98
27	Assam State Development Corporation for Scheduled Castes Limited	4.88	5.59	0.71
28	Assam State Development Corporation for OBC Limited	2.59	3.40	0.81
29	Assam State Development Corporation for Scheduled Tribes	0.09	---	-0.09
30	Assam Electronic Development Corporation Limited	32.62	9.46	-23.16
31	Assam State Fisheries Development Corporation Limited	1.12	0.49	-0.63
32	Assam Mineral Development Corporation Limited	21.20	4.89	-16.31
33	Assam Plain Tribes Development Corporation	0.46	2.20	1.74
34	Assam Spun Silk Mills Limited	21.64	1.70	-19.94
35	Assam Tanneries Limited	0.01	0.01	0.00
36	Assam and Meghalaya Mineral Development Corporation limited Guwahati	0.35	0.20	-0.15
37	Assam State Fertilizers and Chemicals Ltd.***	---	0.00	0.00
38	Assam Hydrocarbon and Energy Company Limited	40.00	61.00	21.00
39	Assam Saw Mills and Timber Co. Limited **	0.05	---	-0.05

Sl. No.	Name of the Entity	As per Finance Accounts 2022-23	As per accounts received of PSUs	Difference
40	Amtron Informatics (India) Ltd. ***	---	0.00	0.00
41	Associated Industries Limited **	0.23	---	-0.23
42	Indian Carbon Limited **	0.10	---	-0.10
43	Assam Hard Board Limited **	0.05	---	-0.05
44	Assam Bone Mills Limited **	0.00	---	0.00
45	Assam Chemical and Pharmaceutical Limited **	0.01	---	-0.01
46	Assam Polytex Ltd. ***	---	0.00	0.00
47	Assam Syntex Ltd. ***	---	0.00	0.00
48	Assam State Weaving and Manufacturing Company Ltd. ***	---	0.00	0.00
49	Everest Cycle Limited **	0.05	---	-0.05
50	Ashok Paper Mills Limited	3.81	0.01	-3.80
51	Assam Tea Traders and Exporters Private Limited **	0.00	---	0.00
52	Cachar Sugar Mills Ltd. ***	---	0.00	0.00
53	Central Road Transport Corporation Limited **	0.10	---	-0.10
54	Central Inland Water Transport Corporation **	0.86	---	-0.86
55	DNP Ltd. ***	---	0.00	0.00
56	Fertichem Ltd. ***	---	0.00	0.00
57	Inland Water Transport **	1.11	---	-1.11
58	Indian Refineries Limited **	1.00	---	-1.00
59	Industrial Papers (Assam) Ltd. ***	---	0.00	0.00
60	Numaligarh Refinery Limited **	1,227.45	---	-1,227.45
61	National Projects Construction Corporation Limited Guwahati **	0.10	---	-0.10
62	Purba Bharti Gas Private Ltd. ***	---	0.00	0.00
63	Pragjyotish Fertilizers and Chemicals Ltd. ***	---	0.00	0.00
64	Brahmaputra Cracker and Polymer Limited **	0.01	---	-0.01
65	Assam Chemical and Petrochemical Limited #	206.23	232.25	26.02
66	Assam State Minor Irrigation Development Corporation Ltd.	---	17.35	17.35
67	Assam Power Loom Development Corporation Ltd.	---	3.54	3.54
68	Assam Conductors and Tubes Ltd.	---	1.54	1.54
69	Assam Medical Services Corporation Ltd.	---	8.54	8.54
	Total	6,914.42	10,740.51	3,826.09

Note: i) No. of entities as per Finance Accounts: 46

ii) No. of entities as per state PSU Report: 52

* Government of Assam Power (Electricity) Department vide notification No.PEL.125/2011/126 dated 12 March 2013 reorganised the Assam State Electricity Board (ASEB) into three entities namely (i) Assam Power Distribution Company Limited (APDCL) (ii) Assam Electricity Grid Corporation Limited (AEGCL) and (iii) Assam Power Generation Corporation Limited (APGCL).

** Not recorded in State PSU Audit Report

Recorded as Assam Petro-Chemicals Limited in state PSU Report

*** These are 11 entities (10 subsidiaries of different State Government Companies and one Government-controlled other companies) in which Government of Assam does not have any investment.

Appendix 3.1: Expenditure in Excess of ₹ 50 lakh without Provision at the Sub-Head Level

(Reference: Paragraph 3.3.1)

(₹ in crore)

Sl. No.	Grant	Major Head	Sub Major Head	Minor Head	Sub Head	Segment	Expenditure
1	14 Police	2055 Police	00	800 Other Expenditure	{0483} New Indian Reserve Battalions	Revenue-Voted	3.50
2	38 Welfare of SCs, STs and OBCs	2225 Welfare of SCs, STs, OBCs and Minorities	02 Welfare of Scheduled Tribes	800 Other Expenditure	{5909} Infrastructural Development in ITDP and Outside ITDP Areas of Assam	Revenue-Voted	0.76
3	41 Natural Calamities	2245 Relief on Account of Natural Calamities	08 State Disaster Mitigation Fund	797 Transfers to Reserve Fund and Deposit Accounts	{0000} -NA-	Revenue-Voted	171.60
4	44 North Eastern Council Scheme	4552 Capital Outlay on North-Eastern Areas	00	212 Public Works Department	{5556} Karmachari Bhawan at Panjabari, Guwahati	Capital-Voted	0.63
Total							176.49

Appendix 3.2: Excessive/ Insufficient Supplementary Provision at the Segment Level

(Reference: Paragraph 3.3.3)

								(₹ in crore)
Sl. No.	Grant	Segment	Budget (Original)	Expenditure	Actual Supplementary Requirement	Budget (Supplementary)	Excessive Supplementary	Insufficient Supplementary
1	01 State Legislature	Revenue-Voted	102.88	121.35	18.47	30.20	11.73	--
2	06 Land Revenue	Capital-Voted	1.90	31.12	29.22	30.00	0.78	--
3	09 Transport Services	Capital-Voted	154.41	313.66	159.25	204.63	45.38	--
4	23 Pension & Other Retirement Benefits	Revenue-Voted	11,059.47	16,398.52	5,339.05	5,833.53	494.48	--
5	27 Art and Culture	Revenue-Voted	94.57	103.36	8.79	69.35	60.56	--
6	31 Housing & Urban Affairs (Town and Country Planning)	Revenue-Voted	941.79	1,020.01	78.22	293.29	215.07	--
7	35 Information and Publicity	Revenue-Voted	113.49	127.93	14.44	36.62	22.18	--
8	36 Labour and Employment	Capital-Voted	110.83	253.95	143.12	175.86	32.74	--
9	38 Welfare of Scheduled Caste, Scheduled Tribes and Other Backward Classes	Revenue-Voted	812.12	1,192.37	380.25	527.19	146.94	--
10	39 Social Security, Welfare and Nutrition	Revenue-Voted	1,990.20	2,590.85	600.65	1,470.50	869.85	--
11	41 Natural Calamities	Revenue-Voted	1,916.30	2,461.28	544.98	1,558.63	1,013.65	--
12	42 Other Social Services (Welfare of Minorities & Development)	Revenue-Voted	184.07	208.11	24.04	85.57	61.53	--
13	48 Agriculture	Revenue-Voted	1,417.25	1,599.54	182.29	724.40	542.11	--
14	49 Irrigation	Revenue-Voted	721.87	837.06	115.19	264.44	149.25	--
15	50 Other Special Area Programmes (Border Protection & Development)	Capital-Voted	49.12	62.68	13.56	17.03	3.47	--
16	51 Soil and Water Conservation	Capital-Voted	38.37	38.60	0.23	6.71	6.48	--
17		Revenue-Voted	92.68	100.23	7.55	59.21	51.66	--
18	56 Panchayat & Rural Development (Panchayat)	Revenue-Voted	2,224.47	2,483.06	258.59	565.71	307.12	--
19	57 Panchayat & Rural Development (Rural Development)	Revenue-Voted	5,740.87	14,248.02	8,507.15	11,457.41	2,950.26	--
20	58 Industries & Commerce	Capital-Voted	308.45	421.54	113.09	177.75	64.65	--
21		Revenue-Voted	408.70	425.55	16.85	130.79	113.94	--
22	62 Power (Electricity)	Revenue-Voted	1,043.30	1,154.91	111.61	162.98	51.37	--

Appendices

Sl. No.	Grant	Segment	Budget (Original)	Expenditure	Actual Supplementary Requirement	Budget (Supplementary)	Excessive Supplementary	Insufficient Supplementary
23	64 Roads and Bridges	Capital-Voted	7,478.93	8,201.14	722.21	3,565.81	2,843.60	--
24	65 Tourism	Revenue-Voted	40.70	42.98	2.28	13.65	11.37	--
25	69 Science, Technology and Climate Change	Capital-Voted	36.58	89.34	52.76	71.86	19.10	--
26	72 Social Security and Welfare	Revenue-Voted	19.01	26.38	7.37	7.00	--	0.37
27	75 Information and Technology	Revenue-Voted	100.30	144.82	44.52	82.99	38.47	--
28	78 Bodoland Territorial Council	Capital-Voted	124.14	321.20	197.06	34.94	--	162.12
29	PD Public Debt and Servicing of Debt	Capital-Charged	2,722.74	7,330.86	4,608.12	0.18	--	4,607.94
30		Revenue-Charged	8,533.65	8,874.97	341.32	1,009.75	668.43	--
	Total		48,583.16	71,225.39	22,642.23	28,667.98	10,796.17	4,770.43

Appendix 3.3: Unnecessary Supplementary Provision at the Segment Level

(Reference: Paragraph 3.3.3)

(₹ in crore)

Sl. No.	Grant	Segment	Budget (Original)	Expenditure	Savings (-) against Budget (Original)	Budget (Supplementary)
1	03 Administration of Justice	Capital-Voted	125.29	80.90	-44.39	10.25
2		Revenue-Charged	87.44	80.89	-6.55	3.54
3		Revenue-Voted	515.78	355.44	-160.34	21.97
4	05 Sales Tax and Other Tax	Revenue-Voted	665.19	408.37	-256.82	0.03
5	06 Land Revenue	Revenue-Voted	497.61	388.62	-108.99	0.50
6	09 Transport Services	Revenue-Voted	399.48	327.66	-71.82	59.56
7	11 General Administration (Secretariat and Attached Offices)	Revenue-Voted	946.14	833.25	-112.89	143.39
8	12 General Administration (District and Sub-Divisions)	Capital-Voted	168.50	148.45	-20.05	80.09
9		Revenue-Voted	493.15	459.04	-34.11	55.36
10	13 Treasury and Accounts Administration	Revenue-Voted	116.27	93.82	-22.45	0.43
11	14 Police	Capital-Voted	434.00	380.50	-53.50	0.05
12		Revenue-Charged	0.52	0.26	-0.26	1.38
13		Revenue-Voted	6,486.07	4,827.86	-1,658.21	236.18
14	15 Jails	Revenue-Voted	96.25	75.11	-21.14	6.36
15	16 Printing and Stationery	Revenue-Voted	35.42	23.92	-11.50	0.80
16	17 Administrative and Functional Buildings	Capital-Voted	2,162.49	1,044.41	-1,118.08	197.56
17		Revenue-Voted	382.68	192.66	-190.02	17.80
18	18 Fire & Emergency Services	Revenue-Charged	0.00	0.00	0.00	0.21
19		Revenue-Voted	185.62	174.85	-10.77	1.68
20	19 Vigilance Commission and Others	Revenue-Voted	323.52	220.79	-102.73	15.82
21	20 Civil Defence and Home Guards	Revenue-Voted	313.58	293.57	-20.01	2.79
22	21 Guest Houses, Government Hostels	Revenue-Voted	53.29	33.30	-19.99	2.47
23	25 Miscellaneous General Services and Others	Capital-Voted	344.00	219.10	-124.90	134.17
24		Revenue-Voted	5,863.11	5,324.45	-538.66	1,483.09
25	26 Education (Higher)	Capital-Voted	213.47	139.81	-73.66	88.00
26		Revenue-Voted	3,282.95	3,017.22	-265.73	199.61
27	27 Art and Culture	Capital-Voted	109.57	49.49	-60.08	10.21
28	29 Medical and Public Health	Capital-Voted	606.12	560.36	-45.76	237.79
29		Revenue-Voted	6,547.39	5,993.58	-553.81	509.36
30	30 Water Supply and Sanitation	Capital-Voted	919.21	863.29	-55.92	416.18
31	34 Housing & Urban Affairs (Municipal Administration)	Revenue-Voted	1,749.52	1,236.92	-512.60	903.79

Appendices

Sl. No.	Grant	Segment	Budget (Original)	Expenditure	Savings (-) against Budget (Original)	Budget (Supplementary)
32	36 Labour and Employment	Revenue-Voted	243.13	169.61	-73.52	3.35
33	37 Food Storage and Warehousing	Revenue-Voted	998.97	776.80	-222.17	375.55
34	38 Welfare of SCs, STs and OBCs	Capital-Voted	432.77	106.08	-326.69	1.77
35	39 Social Security, Welfare and Nutrition	Capital-Voted	49.25	19.37	-29.88	2.36
36	40 Social Security and Welfare (Freedom Fighter)	Revenue-Voted	64.51	58.40	-6.11	3.07
37	43 Co-operation	Capital-Voted	84.91	34.81	-50.10	24.67
38	45 Census, Surveys and Statistics	Revenue-Voted	45.55	33.90	-11.65	0.06
39	49 Irrigation	Capital-Voted	223.37	166.60	-56.77	42.09
40	52 Animal Husbandry & Veterinary	Revenue-Voted	448.17	288.12	-160.05	7.20
41	53 Dairy Development	Revenue-Voted	73.78	37.27	-36.51	0.00
42	54 Fisheries	Revenue-Voted	113.54	99.69	-13.85	0.00
43	55 Environment & Forest	Revenue-Voted	963.07	717.38	-245.69	8.12
44	56 Panchayat & Rural Development (Panchayat)	Capital-Voted	1.90	1.85	-0.05	2.00
45		Revenue-Charged	3.79	2.44	-1.35	0.00
46	59 Village and Small Industries, Sericulture and Weaving	Revenue-Voted	397.52	233.77	-163.75	0.00
47	60 Cottage Industries	Revenue-Voted	72.19	48.11	-24.08	0.06
48	62 Power (Electricity)	Capital-Voted	902.69	836.91	-65.78	325.61
49	63 Water Resources	Capital-Voted	889.26	804.75	-84.51	555.13
50		Revenue-Voted	393.35	317.31	-76.04	1.72
51	64 Roads and Bridges	Revenue-Voted	1,463.41	771.67	-691.74	0.41
52	65 Tourism	Capital-Voted	72.39	47.54	-24.85	5.65
53	67 Horticulture	Revenue-Voted	287.84	74.26	-213.58	0.00
54	69 Science, Technology and Climate Change	Revenue-Voted	20.00	19.68	-0.32	1.59
55	71 Education (Elementary, Secondary <i>etc.</i>)	Capital-Voted	666.05	261.73	-404.32	180.88
56		Revenue-Voted	15,820.45	13,824.10	-1,996.35	1,662.15
57	73 Housing & Urban Affairs (Guwahati Development)	Capital-Voted	607.44	133.97	-473.47	98.91
58		Revenue-Voted	355.41	300.29	-55.12	79.15
59	74 Sports and Youth Welfare	Revenue-Voted	134.25	107.64	-26.61	30.70
60	77 North Cachar Hills Autonomous Council	Revenue-Voted	839.73	809.42	-30.31	0.00
61	78 Bodoland Territorial Council	Revenue-Voted	3,383.11	3,331.82	-51.29	42.25
62	80 Indigenous and Tribal Faith and Culture	Capital-Voted	10.41	9.66	-0.75	7.97
63		Revenue-Voted	86.24	16.07	-70.17	0.96
64	C1 Public Service Commission	Revenue-Charged	24.58	16.97	-7.61	2.00
65	C2 Head of State	Revenue-Charged	10.64	8.61	-2.03	0.77
	Total		64,307.30	52,334.49	-11,972.81	8,306.57

Appendix 3.4: Excessive Re-appropriation of Funds

(Reference: Paragraph 3.3.4)

(₹ in crore)

Sl. No.	Grant	Head of Account (Major Head to Minor Head)	Sub-Head	Budget (O+S)	Expenditure	(-) Savings/ (+) Excess (OS)	Re-appropriation	(-) Savings/ (+) Excess (OSR)
1	17 Administrative and Functional Buildings	2059-80-191	{5441} Town Hall	3.13	5.28	2.15	10.00	-7.85
2		4059-60-051	{4540} Development (Construction) of Batadrava Than as Cultural & Tourist Destination	29.25	51.19	21.94	25.00	-3.06
3	25 Miscellaneous General Services and Others	2075-00-800	{2490} Payment of Medical Reimbursement	25.60	27.26	1.66	10.00	-8.34
4	29 Medical and Public Health	2210-03-101	{3594} National Health Mission (NHM)	57.77	605.56	547.79	579.68	-31.89
5		2210-03-789		2.69	39.53	36.84	38.20	-1.36
6		2210-03-796		0.00	68.80	68.80	74.05	-5.25
7		4210-03-001	{0172} Headquarters Establishment	80.00	84.83	4.83	45.75	-40.92
8		4210-03-105	{5982} Improvement of Infrastructure of GMC&H, AMC&H and SMC&H Over a Period of Three Years @ 100 Crore Each	38.00	49.07	11.07	18.47	-7.40
9	34 Housing & Urban Affairs (Municipal Administration)	2217-21-789	{4093} National Urban Livelihood Mission (NULM)	0.00	5.86	5.86	12.05	-6.19
10	39 Social Security, Welfare and Nutrition	2235-02-102	{6158} New Initiative-Saksham Anganwadi Upgradation	0.00	9.84	9.84	20.03	-10.19
11		2236-02-789	{0976} Special Nutrition Programme (PMGY)	38.04	42.94	4.90	32.47	-27.57
12	44 North Eastern Council Scheme	4552-00-800	{5704} Scheme under NLCPR	111.10	124.57	13.47	56.00	-42.53
13	48 Agriculture	2401-00-789	{3807} Rastriya Krishi Vikash Yojana	0.00	40.49	40.49	80.99	-40.50
14		2401-00-789	{4607} Sub-Mission on Agricultural Extension (SMAE)	0.00	0.38	0.38	1.62	-1.24
15		2401-00-789	{4732} National Food Security Mission	0.00	4.51	4.51	7.97	-3.46
16		2401-00-796	{3807} Rastriya Krishi Vikash Yojana	0.00	14.44	14.44	29.06	-14.62
17		2401-00-796	{4607} Sub-Mission on Agricultural Extension (SMAE)	0.00	0.65	0.65	2.78	-2.13
18		2401-00-796	{4732} National Food Security Mission	0.00	8.11	8.11	14.32	-6.21

Appendices

Sl. No.	Grant	Head of Account (Major Head to Minor Head)	Sub-Head	Budget (O+S)	Expenditure	(-) Savings/ (+) Excess (OS)	Re-appropriation	(-) Savings/ (+) Excess (OSR)
19	55 Environment & Forest	2406-01-101	{1236} Purchase & Upkeep of Livestock	2.15	2.55	0.40	1.98	-1.58
20		2406-02-111	{1277} State Zoo	12.12	12.13	0.01	2.50	-2.49
21	56 Panchayat & Rural Development (Panchayat)	2235-03-101	{2657} Indira Gandhi National Widow Pension Scheme (IGNWPS)	0.00	21.22	21.22	23.38	-2.16
22	57 Panchayat & Rural Development (Rural Development)	2216-03-789	{5689} Pradhan Mantri Awas Yojana (Gramin) PMAY-G	273.75	583.67	309.92	562.33	-252.41
23		2216-03-796		465.38	989.08	523.70	952.98	-429.28
24		2501-06-101	{4921} National Rural Livelihood Mission (NRLM)	0.00	245.73	245.73	253.64	-7.91
25		2501-06-789		0.00	26.70	26.70	28.25	-1.55
26		2501-06-796		0.00	45.38	45.38	46.58	-1.20
27	67 Horticulture	2401-00-789	{5410} Horticulture Mission for North East and Himalayan State	0.00	1.05	1.05	5.78	-4.73
28		2401-00-789	{5675} Pradhan Mantri Krishi Sinchayee Yojana (PMKSY)	0.00	1.60	1.60	10.09	-8.49
29		2401-00-796	{5410} Horticulture Mission for North East and Himalayan State	0.00	1.80	1.80	9.91	-8.11
30		2401-00-796	{5675} Pradhan Mantri Krishi Sinchayee Yojana (PMKSY)	0.00	2.76	2.76	18.73	-15.97
	Total			1,138.98	3,116.98	1,978.00	2,974.59	-996.59

Appendix 3.5: Unnecessary Re-appropriation of Funds

(Reference: Paragraph 3.3.4)

(₹ in crore)

Sl. No.	Grant	Head of Account (Major Head to Minor Head)	Sub-Head	Budget (O+S)	Expenditure	(-) Savings/ (+) Excess (OS)	Re-appropriation	(-) Savings/ (+) Excess (OSR)
1	03 Administration of Justice	4059-01-051	{1483} Building (Administration of Justice)	29.50	22.87	-6.63	0.40	-7.03
2	04 Elections	2015-00-102	{0144} District Establishment	17.12	12.77	-4.35	0.02	-4.37
3	06 Land Revenue	2029-00-001	{0140} Directorate of Land Records	9.30	3.77	-5.53	0.50	-6.03
4	06 Land Revenue	2029-00-102	{0322} Survey Schools	4.41	2.78	-1.63	0.07	-1.70
5	06 Land Revenue	2029-00-800	{1816} Computerisation of Land Records under Dharitri Project	10.76	-	-10.76	5.48	-16.24
6	08 Excise and Prohibition	2039-00-001	{0343} Establishment of Commissioner of Excise	3.89	1.70	-2.19	0.11	-2.30
7	11 General Administration (Secretariat and Attached Offices)	3451-00-091	{1420} Decentralised Planning Division	19.75	15.19	-4.56	0.07	-4.63
8		3451-00-091	{5796} State Innovation and Transformation Aayog (SITA)	3.97	0.46	-3.51	0.31	-3.82
9	14 Police	2055-00-001	{0172} Headquarters Establishment	70.79	46.61	-24.18	8.28	-32.46
10	14 Police	2055-00-101	{0442} Criminal Investigation Department	51.24	41.14	-10.10	0.15	-10.25
11	14 Police	2055-00-101	{0443} Special Branch	297.09	227.54	-69.55	0.10	-69.65
12	14 Police	2055-00-104	{0446} Armed Police Battalions	1,090.63	952.32	-138.31	0.20	-138.51
13	14 Police	2055-00-109	{1015} Checking of Bangladeshi Infiltration	95.78	66.06	-29.72	0.05	-29.77
14	14 Police	2055-00-111	{0475} Supervising Staff	99.28	43.90	-55.38	0.05	-55.43
15	14 Police	2055-00-800	{0482} Relief Operation in Connection with Disturbance	897.35	768.76	-128.59	0.28	-128.87
16	17 Administrative and Functional Buildings	2059-80-001	{0138} Direction	23.72	16.51	-7.21	0.61	-7.82
17		4059-01-101	{0121} Buildings (Public Works)	119.17	90.41	-28.76	12.10	-40.86
18	18 Fire & Emergency Services	2070-00-108	{0527} Direction & Administration	9.08	7.75	-1.33	0.20	-1.53
19	20 Civil Defence and Home Guards	2070-00-107	{0525} Assam Special Reserve Force (ASRF)	126.11	122.11	-4.00	2.23	-6.23
20	22 Administrative Training	2070-00-003	{0505} Training Scheme for I.A.S./ A.C.S Officers	9.93	6.90	-3.03	0.19	-3.22

Appendices

Sl. No.	Grant	Head of Account (Major Head to Minor Head)	Sub-Head	Budget (O+S)	Expenditure	(-) Savings/ (+) Excess (OS)	Re-appropriation	(-) Savings/ (+) Excess (OSR)
21	25 Miscellaneous General Services and Others	2052-00-090	{0417} Director Institutional Finance Cell	1.95	0.15	-1.80	5.50	-7.30
22	27 Art and Culture	2205-00-101	{0668} Non-Government Cultural Organisation	32.57	9.69	-22.88	0.10	-22.98
23	27 Art and Culture	4202-04-101	{0680} Establishment of Cultural Research Centre	86.52	41.46	-45.06	5.00	-50.06
24	29 Medical and Public Health	2210-01-110	{0163} General Hospital	275.86	261.36	-14.50	15.00	-29.50
25	29 Medical and Public Health	2210-05-001	{0172} Headquarters Establishment	435.80	350.63	-85.17	1.54	-86.71
26	36 Labour and Employment	2230-03-003	{0917} Industrial Training School	56.72	43.28	-13.44	0.09	-13.53
27	39 Social Security, Welfare and Nutrition	2236-02-796	{0976} Special Nutrition Programme (PMGY)	65.96	65.04	-0.92	56.31	-57.23
28	41 Natural Calamities	2245-02-101	{4703} Gratuitous Relief (Flood)	342.84	324.53	-18.31	100.00	-118.31
29	41 Natural Calamities	2245-02-122	{1000} Repair & Restoration of Damaged Irrigation & Flood Control Works	4.30	0.84	-3.46	0.48	-3.94
30	41 Natural Calamities	2245-80-800	{0821} Others	100.80	72.78	-28.02	0.72	-28.74
31	48 Agriculture	2401-00-001	{0172} Headquarters Establishment	29.02	21.89	-7.13	2.45	-9.58
32	48 Agriculture	2401-00-109	{6020} IT in Agriculture	5.00	-	-5.00	5.00	-10.00
33	48 Agriculture	2401-00-114	{4611} National Food Security Mission - Oil Palm	23.57	0.00	-23.57	50.72	-74.29
34	48 Agriculture	2401-00-789	{4608} Sub-Mission on Agriculture Mechanisation (SMAM)	11.20	2.22	-8.98	0.00	-8.98
35	48 Agriculture	2401-00-789	{4611} National Food Security Mission - Oil Palm	2.09	0.00	-2.09	4.51	-6.60
36	48 Agriculture	2401-00-796		3.63	0.00	-3.63	7.82	-11.45
37	49 Irrigation	2702-01-800	{0160} Flow Irrigation System	19.22	9.48	-9.74	0.16	-9.90
38	49 Irrigation	2702-80-001	{0000} -NA-	399.81	306.91	-92.90	0.36	-93.26
39	49 Irrigation	4701-04-800	{3012} New Schemes	2.96	0.47	-2.49	0.09	-2.58
40	49 Irrigation	4702-00-102	{1523} Tube Well	58.03	43.51	-14.52	0.85	-15.37
41	51 Soil and Water Conservation	2402-00-789	{6116} Integrated Watershed Management Programme Central Share for SC Area	10.92	7.39	-3.53	0.38	-3.91
42	51 Soil and Water Conservation	4402-00-102	{0122} Common & Other Schemes	10.81	9.67	-1.14	1.27	-2.41
43	52 Animal Husbandry & Veterinary	2403-00-001	{0172} Headquarters Establishment	35.90	21.72	-14.18	3.61	-17.79

Sl. No.	Grant	Head of Account (Major Head to Minor Head)	Sub-Head	Budget (O+S)	Expenditure	(-) Savings/ (+) Excess (OS)	Re-appropriation	(-) Savings/ (+) Excess (OSR)
44	53 Dairy Development	2404-00-102	{4526} Umbrella Scheme for Production of Milk	32.73	18.37	-14.36	3.25	-17.61
45	54 Fisheries	2405-00-001	{0143} District Administration	22.63	19.31	-3.32	0.16	-3.48
46	54 Fisheries	2405-00-001	{0172} Headquarters Establishment	5.29	4.39	-0.90	0.28	-1.18
47	54 Fisheries	2405-00-101	{1203} Fish and Fish Seed Farming	11.04	9.11	-1.93	0.27	-2.20
48	55 Environment & Forest	2406-01-101	{1242} Infrastructure of Forest Protection	0.95	-	-0.95	0.68	-1.63
49	55 Environment & Forest	2406-01-800	{0708} Other Works	114.44	104.66	-9.78	0.72	-10.50
50	55 Environment & Forest	2406-01-800	{0800} Other Expenditure	16.49	14.65	-1.84	1.67	-3.51
51	55 Environment & Forest	4406-01-070	{0121} Buildings	10.26	7.60	-2.66	1.05	-3.71
52	56 Panchayat & Rural Development (Panchayat)	2515-00-789	{4684} Rashtriya Gram Swaraj Abhiyan (RGSA)	0.00	-	-0.00	2.23	-2.23
53		2515-00-796		0.00	-	-0.00	3.84	-3.84
54	58 Industries & Commerce	2852-80-800	{4659} Implementation of Electric Vehicle Policy of Assam	0.95	-	-0.95	0.12	-1.07
55	58 Industries & Commerce	2852-80-800	{5393} Investment Promotion Activities	2.28	1.79	-0.49	6.13	-6.62
56	58 Industries & Commerce	4885-60-800	{3580} Development of Industrial Area & Upgradation of Existing Industrial Areas	48.85	48.80	-0.05	3.06	-3.11
57	58 Industries & Commerce	4885-60-800	{4169} Up-gradation of C/E, Morigaon	0.38	-	-0.38	1.14	-1.52
58	59 Village and Small Industries, Sericulture and Weaving	2851-01-001	{1735} Directorate of Sericulture	11.33	8.78	-2.55	0.04	-2.59
59		2851-01-107	{0017} Sericulture Farms	60.60	48.44	-12.16	0.77	-12.93
60	61 Mines and Minerals	2853-02-001	{1375} Directorate of Geology & Mining (H.Qr.)	7.88	4.74	-3.14	0.03	-3.17
61	63 Water Resources	4711-01-103	{0117} Barak Valley Flood Control Project	107.17	93.30	-13.87	12.66	-26.53
62	64 Roads and Bridges	5054-03-800	{3037} Loan Assistance from NABARD under RIDF-II for Completion of Ongoing and Incomplete Roads and Bridges	1,232.14	1,121.50	-110.64	150.00	-260.64
63	71 Education (Elementary, Secondary etc.)	2202-80-001	{6124} Teacher Education	25.24	8.61	-16.63	7.74	-24.37
64	73 Housing & Urban Affairs (Guwahati Development)	2217-05-191	{6110} Direct Grant (under the award of 6th ASFC)	0.00	-	-0.00	19.96	-19.96

Appendices

Sl. No.	Grant	Head of Account (Major Head to Minor Head)	Sub-Head	Budget (O+S)	Expenditure	(-) Savings/ (+) Excess (OS)	Re-appropriation	(-) Savings/ (+) Excess (OSR)
65		2217-05-191	{6123} Assam Urban Infrastructure Development and Finance Corporation Ltd. (AUIDFCL)	0.00	-	-0.00	15.00	-15.00
66		4217-01-051	{6109} Assam Urban Infrastructure Investment Program (NDB)	0.00	-	-0.00	9.00	-9.00
67	78 Bodoland Territorial Council	2210-03-110	{0288} Hospital & Dispensaries	12.08	10.51	-1.57	0.01	-1.58
68	78 Bodoland Territorial Council	2210-06-101	{0749} Leprosy	3.94	3.02	-0.92	0.36	-1.28
Total				6,731.02	5,570.15	-1,160.87	533.53	-1,694.40

**Appendix 3.6: Status of Regularisation of Excess Expenditure
pertaining to 2005-06 to 2021-22
(Reference: Paragraph 3.3.6.3)**

(₹ in crore)

Year	Number of Grants/ Appropriations	Grant No./Appropriation	Amount of excess	Amount recommended for Regularisation by the PAC	Status of Regularisation
2005-06	2-Grants 2-Appropriations	Revenue Voted – 47 Capital Voted – 67 Revenue Charged – 6 and 14	2.45	2.45	Regularised vide Assam Appropriation Act, 2023 (No. III)
2006-07	4-Grants 2-Appropriations	Revenue Voted – 30 Capital Voted – 54, 58 and 60 Revenue Charged – 8 and 12	80.61	28.22	Partially regularised vide Assam Appropriation Act, 2023 (No. IV)*
2007-08	9-Grants 2-Appropriations	Revenue Voted – 4, 40, 42 and 65 Capital Voted – 31, 34, 59, 60 and 70 Revenue Charged-Head of State and 6	113.24	113.24	Regularised vide Assam Appropriation Act, 2023 (No. V to XV)
2008-09	6-Grants 2-Appropriations	Revenue Voted – 4, 40 and 72 Capital Voted – 60, 76 and 77 Revenue Charged – Head of State and 39	108.41	108.41	
2009-10	3-Grants	Revenue Voted – 40 and 47 Capital Voted – 60	10.18	14.84	
2010-11	1-Grant 1-Appropriation	Revenue Voted – 40 Revenue Charged – 15	4.27	4.27	
2011-12	5-Grants 2-Appropriations	Revenue Voted – 22, 23, 47 and 62 Capital Voted – 78 Revenue Charged – 12 Capital Charged – 63	915.14	915.14	
2012-13	4-Grants	Revenue Voted – 13, 23 and 47 Capital Voted – 78	1,195.60	1,195.60	
2013-14	5-Grants	Revenue Voted – 23, 40 and 64 Capital Voted – 55 and 78	1,499.89	1,499.89	
2014-15	5-Grants 1-Appropriation	Revenue Voted – 23, 30 and 72 Capital Voted – 55 and 78 Capital Charged – Public Debt and Servicing of Debt	3,801.63	3,801.63	
2015-16	3 Grants	Revenue Voted – 30 Capital Voted – 76 and 77	243.77	243.77	
2016-17	5 Grants	Revenue Voted – 30 and 64 Capital Voted – 34, 76 and 77	1,348.44	1,348.44	
2017-18	1 Grant	Revenue Voted – 78 Capital Voted - 78	264.47	264.47	
2018-19	1 - Grant	Revenue Voted - 23	98.28	Yet to be recommended for regularisation by the PAC	
2019-20	1 - Grant	Revenue Voted - 23	645.83		
2020-21	1 - Grant	Revenue Voted – 23	671.13		
2021-22	1 - Grant	Revenue Voted – 23	3,747.85		
Total			14,751.19		

*Out of ₹ 80.61 crore of excess over six Grants/ Appropriations during 2006-07, an amount of ₹ 52.39 crore pertaining to Grant 30 remains to be regularised

Appendix 3.7: Grants (at Segment level) with Savings of ₹ 500 crore and above

(Reference: Paragraph 3.4.1)

(₹ in crore)

Sl. No.	Grant	Segment	Total Grant/ Appropriation	Expenditure	(-) Savings
1	14 Police	Revenue-Voted	6,722.26	4,827.86	-1,894.40
2	17 Administrative and Functional Buildings	Capital-Voted	2,360.05	1,044.41	-1,315.64
3	25 Miscellaneous General Services and Others	Revenue-Voted	7,346.20	5,324.45	-2,021.75
4	29 Medical and Public Health	Revenue-Voted	7,056.75	5,993.58	-1,063.17
5	34 Housing & Urban Affairs (Municipal Administration)	Revenue-Voted	2,653.31	1,236.92	-1,416.39
6	37 Food Storage and Warehousing	Revenue-Voted	1,374.52	776.80	-597.72
7	39 Social Security, Welfare and Nutrition	Revenue-Voted	3,460.70	2,590.85	-869.85
8	41 Natural Calamities	Revenue-Voted	3,474.93	2,461.28	-1,013.65
9	48 Agriculture	Revenue-Voted	2,141.65	1,599.54	-542.11
10	57 Panchayat & Rural Development (Rural Development)	Revenue-Voted	17,198.27	14,248.02	-2,950.25
11	63 Water Resources	Capital-Voted	1,444.38	804.75	-639.63
12	64 Roads and Bridges	Capital-Voted	11,044.74	8,201.14	-2,843.60
13		Revenue-Voted	1,463.82	771.67	-692.15
14	71 Education (Elementary, Secondary etc.)	Capital-Voted	846.94	261.73	-585.21
15		Revenue-Voted	17,482.60	13,824.10	-3,658.50
16	73 Housing & Urban Affairs (Guwahati Development)	Capital-Voted	706.35	133.97	-572.38
17	PD Public Debt and Servicing of Debt	Revenue-Charged	9,543.40	8,874.97	-668.43
Total			96,320.87	72,976.04	-23,344.83

Appendix 3.8: Heads with Variation beyond PAC specified limits and status of explanation

(Reference: Paragraph 3.4.1.1)

Sl. No.	Grant / Appropriation	Total Heads	Heads Requiring Explanation	Heads where Explanation was given
1	01 State Legislature	15	3	--
2	02 Council of Ministers	6	6	--
3	03 Administration of Justice	52	35	--
4	04 Elections	17	10	4
5	05 Sales Tax and Other Taxes	7	3	--
6	06 Land Revenue	37	24	--
7	07 Stamps and Registration	8	6	--
8	08 Excise and Prohibition	6	4	--
9	09 Transport Services	75	39	--
10	10 Other Fiscal Services	3	2	--
11	11 Secretariat and Attached Offices	54	33	11
12	12 District Administration	49	20	--
13	13 Treasury and Accounts Administration	14	5	--
14	14 Police	69	44	1
15	15 Jails	17	12	--
16	16 Printing and Stationery	5	4	--
17	17 Administrative and Functional Buildings	43	29	--
18	18 Fire Services	13	8	--
19	19 Vigilance Commission and Others	17	10	--
20	20 Other Administrative Services	16	12	--
21	21 Guest Houses, Government Hostels	15	14	--
22	22 Administrative Training	14	5	2
23	23 Pension	18	15	--
24	24 Aid Materials	1	--	--
25	25 Miscellaneous General Services	41	22	2
26	26 Education (Higher)	126	54	1
27	27 Art and Culture	142	57	2
28	28 State Archives	2	2	--
29	29 Medical and Public Health	219	36	--
30	30 Water Supply and Sanitation	24	18	--
31	31 Urban Development (Town and Country Planning)	29	12	--
32	32 Housing Schemes	6	4	--
33	33 Residential Buildings	3	2	--
34	34 Urban Development (Municipal Administration)	48	26	--
35	35 Information and Publicity	21	9	--
36	36 Labour and Employment	80	38	7
37	37 Food Storage and Warehousing	37	19	--
38	38 Welfare of Scheduled Caste, Scheduled Tribes and Other Backward Classes, etc.	193	79	1
39	39 Social Security, Welfare and Nutrition	145	73	--
40	40 Social Security and Welfare (Freedom Fighter)	3	--	--
41	41 Natural Calamities	25	23	1
42	42 Other Social Services	10	6	--
43	43 Co-operation	23	6	--
44	44 North Eastern Council Schemes	11	9	--
45	45 Census, Surveys and Statistics	15	9	--
46	46 Weights and Measures	6	3	--

Sl. No.	Grant / Appropriation	Total Heads	Heads Requiring Explanation	Heads where Explanation was given
47	47 Trade Adviser	1	1	1
48	48 Agriculture	123	60	--
49	49 Irrigation	87	45	--
50	50 Other Special Areas Programmes	7	3	--
51	51 Soil and Water Conservation	30	17	--
52	52 Animal Husbandry	70	42	41
53	53 Dairy Development	22	15	2
54	54 Fisheries	33	21	--
55	55 Forestry and Wildlife	96	43	2
56	56 Rural Development (Panchayat)	50	37	--
57	57 Rural Development	64	42	--
58	58 Industries	95	55	--
59	59 Village and Small Industries, Sericulture and Weaving	90	57	--
60	60 Cottage Industries	12	6	--
61	61 Mines and Minerals	11	8	2
62	62 Power (Electricity)	35	18	--
63	63 Water Resources	39	17	--
64	64 Roads and Bridges	71	47	1
65	65 Tourism	47	22	--
66	66 Compensation and Assignment to Local Bodies and Panchayati Raj Institutions	29	17	--
67	67 Horticulture	19	18	--
68	68 Loan to Government Servants, etc.	1	--	--
69	69 Scientific Services and Research	45	3	--
70	70 Hill Areas	8	6	5
71	71 Education (Elementary, Secondary, etc.)	171	105	17
72	72 Social Security and Welfare	2	--	--
73	73 Urban Development (Guwahati Development Department)	37	28	--
74	74 Sports and Youth Services	49	21	--
75	75 Information and Technology	26	4	--
76	76 Karbi Anglong Autonomous Council	169	98	--
77	77 North Cachar Hills Autonomous Council	147	55	13
78	78 Bodoland Territorial Council	233	93	27
79	79 Welfare of Bodoland	1	1	--
80	80 Indigenous and Tribal Faith and Culture	14	10	--
81	81 AP Appropriation to the Contingency Fund	1	--	--
82	82 C1 Public Service Commission	1	1	--
83	83 C2 Head of State	19	4	--
84	84 PD Public Debt and Servicing of Debt	243	7	3
	Total	3,978	1,877	146

Appendix 3.9: Details of Funds in Single Nodal Agency Accounts during 2022-23
(Reference: Paragraph 3.5.2.7)

(₹ in crore)

Sl. No.	Scheme	Account No.	Opening Balance	Funds received during 2022-23		Interest Accrued		Other receipt	Interest Remitted		Expenditure	Balance as on 31.03.2023
				Centre	State	Centre	State		Centre	State		
1	Indira Gandhi National Old Age Pension Scheme	ICICI XXX492	14.25	316.34	42.48	0.95	0.25	--	--	--	284.38	89.89
2	Indira Gandhi National Widow Pension Scheme	ICICI XXX491	7.48	52.58	--	0.22	--	--	0.22	--	43.76	16.30
3	Indira Gandhi National Disability Pension Scheme	ICICI XXX493	2.73	14.68	--	0.07	--	--	0.07	--	12.37	5.04
4	National Family Benefit Scheme	ICICI XXX494	1.39	--	--	0.05	--	--	0.05	--	0.37	1.02
5	Pradhan Mantri Awas Yojna – Gramin (PMAY-G)	SBI XXX904	574.94	11,350.10	1,454.08	27.75	3.08	--	27.75	3.08	10,882.85	2,496.27
6	Rashtriya Gram Swaraj Abhiyan (RGSA)	SBI XXX510	16.64	74.26	4.93	0.51	0.06	--	0.51	0.06	94.75	1.08
7	Shyama Prasad Mukherji Rurban Mission (SPMRM)	IDBI XXX011	26.45	64.72	7.19	0.69	0.08	--	--	--	44.94	54.19
8	Deen Dayal Antyodaya Yojana – National Rural Livelihood Mission (DAY-NRLM)	HDFC XXX521	49.02	371.77	41.31	1.37	0.15	0.10	1.66	0.08	428.13	33.85
9	National Rural Economic Transformation Project (NRETP)	Canara XXX820	1.95	40.08	4.41	0.08	0.01	0.01	0.06	0.01	34.91	11.56
10	Start-up Village Entrepreneurship Programme (SVEP)	UBI XXX689	4.13	--	--	0.10	0.01	--	0.10	0.01	1.38	2.75
11	Mahila Kisan Sashaktikaran Pariyojana (MKSP)	NESFB XXX783	3.66	--	--	0.18	0.02	--	0.13	0.01	--	3.72
12	Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY)	IDBI XXX730	69.07	--	--	1.34	0.15	--	1.51	0.17	51.40	17.48
13	Rural Self Employment Training Institute (RSETI)	SBI XXX105	0.00	1.22	--	--	--	--	--	--	1.22	--
14	Mahatma Gandhi National Rural Guarantee Programme (MGNRGP)	SBI XXX671	127.40	222.16	74.05	3.34	1.11	0.00	1.74	1.97	258.86	165.49
	Total		899.11	12,507.91	1,628.45	36.65	4.92	0.11	33.80	5.39	12,139.32	2,898.64

**Appendix 4.1: Statement showing details of Funds transferred by GoI
directly to State Implementing Agencies
(Reference: Paragraph 4.2)**

(₹ in crore)

Sl. No.	GoI Scheme Name/ Scheme Code	Amount Released by GoI
Central Sector Scheme		
1	Aid To Voluntary Organisations Working for the Welfare of Scheduled Tribes- [3547, 4014]	0.88
2	Atal Innovation Mission (AIM) Including Self Employment and Talent Utilisation (SETU) - [2351]	3.04
3	Ayurgyan - [3987]	0.01
4	Blood Transfusion Services - [4061]	4.79
5	Capacity Building for Service Providers - [1095]	0.40
6	Centenaries And Anniversaries, Celebrations and Schemes - [1913]	0.19
7	Conservation Development and Sustainable Management of Medicinal Plants - [3989]	1.64
8	Consumer Welfare Fund - [3048]	0.16
9	Deendayal Disabled Rehabilitation Scheme - [0971]	2.61
10	Designing Innovative Solutions for Holistic Access to Justice in India (DISHA) - [3955]	0.06
11	Dima Hasao Territorial Council - [2023]	3.96
12	Family Welfare Schemes - [3255]	0.62
13	Feedstock Subsidy to BCPL / Assam Gas Cracker Complex - [3950]	131.00
14	Grants to Other Institutions - [3758]	2.94
15	Health Sector Disaster Preparedness and Response and Human Resources Development for Emergency Medical Services - [3263]	3.90
16	Indradhanush Gas Grid Limited (IGGL)-Part of the North-East Natural Gas Pipeline Grid - [3951]	1,528.53
17	Industrial Research and Development - [1826]	0.91
18	Infrastructure Development and Capacity Building - [4117]	25.08
19	Innovation, Technology Development and Deployment - [1819]	0.16
20	Integrated Management of Public Distribution System - [3543]	1.36
21	International Cooperation Scheme (MSME) - [0658]	0.16
22	Kala Sanskriti Vikas Yojana - [1914]	3.22
23	Land Records Modernisation Programme - [1811]	33.03
24	Livestock Health and Disease Control Central Sector - [9979]	5.58
25	Loan To North-East Development Finance Corporation - [3731]	50.00
26	Management Support to Rural Development Programs and Strengthening of District Planning Process - [0821]	3.08
27	Member of Parliament Local Area Development Scheme (MPLAD) - [1261]	90.50
28	National AIDS And STD Control Programme - [9316]	25.60
29	National Child Labour Project Including Grants in Aid to Voluntary Agencies and Reimbursement of Assistance to Bonded Labour - [0598]	1.40
30	National Digital Health Mission - [3893]	0.76
31	National Fellowship and Scholarship for Higher Education of ST Students - [1115, 4019]	0.45
32	National Handicrafts Development Programme (NHDP) - [4022]	0.47
33	National Hydrology Project - [1163]	4.90

Sl. No.	GoI Scheme Name/ Scheme Code	Amount Released by GoI
34	National Institutes of Pharmaceutical Education and Research (NIPERS) - [3267]	96.79
35	National Service Scheme - [9230]	1.34
36	National Tele Mental Health Programme - [4126]	0.14
37	North-East Industrial Development Scheme (NEIDS) 2017 - [3814]	164.99
38	North-East Special Infrastructure Development Scheme (NESIDS) - [3559]	241.34
39	North-Eastern Industrial and Investment Promotion Policy (NEIPP) - [9265]	109.97
40	Numaligarh Refinery Expansion Project - [4125]	245.00
41	Other Renewable Energy Applications (OREA) - [4100]	0.04
42	Pradhan Mantri Swasthya Suraksha Yojana - [0398]	22.51
43	Payment For Import of Urea - [9747]	2.79
44	Payment For Indigenous Urea - [9750]	379.91
45	Pradhan Mantri Kisan Sampada Yojana-Creation of Infrastructure for Agro Processing Clusters - [3607]	13.84
46	Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) - [3624]	572.70
47	Pradhan Mantri Kisan Sampada Yojana-Creation/Expansion of Food Processing & Preservation Capacities - [3609]	19.07
48	Pradhan Mantri Kisan Sampada Yojana-Human Resource and Institutions - [3612]	0.22
49	Price Monitoring Structure - [3046]	0.00
50	Prime Minister's Development Initiative for North-East Region (PM-DEVINE) - [4129]	121.41
51	Procurement and Marketing Support Scheme - [0648]	0.65
52	Relief And Rehabilitation for Migrants and Repatriates - [3191]	0.57
53	Research, Training and Studies and Other Road Safety Schemes - [0848]	1.00
54	Research, Development and Consultancy on Generic Issues Related to CPSES and State Level Public Enterprises - [0700]	0.38
55	SARDP for NER Financed from NIF - [0847]	50.16
56	Scheme for Leadership Development of Minority Women - [1340]	0.03
57	Scheme of Residential Education for Students in High School in Targeted Area (SRESHTA) for SCs - [3964]	0.64
58	Schemes for Differently Abled Persons - [0970]	5.49
59	Schemes of North-East Council - Special Development Projects - [0248]	334.31
60	Science and Technology Institutional and Human Capacity Building - [1817]	1.36
61	Skill Development Initiatives (MOMA) - [3586]	2.21
62	Social Security for Plantation Workers in Assam - [3083]	15.00
63	Space Science Promotion - [2792]	0.91
64	Training Schemes - PPG&P - [1950]	0.10
65	Transport/ Freight Subsidy Scheme - [0508]	202.22
66	Payment for Indigenous P and K Fertilisers - [9745]	25.64
Centrally Sponsored Scheme		
1	Agriculture Census and Statistics - [9005]	30.94
2	Agriculture Extension - [9144]	2.90
3	Atal Vayo Abhyuday Yojana (AVYAY) - [3968]	6.09
4	Ayushman Bharat - Pradhan Mantri Jan Arogya Yojana (PMJAY) - [3685]	214.34
5	Development of Skills - [3212]	2.74
6	Incentivisation of Panchayat - [1813]	1.59
7	Jal Jeevan Mission (JJM)/National Rural Drinking Water Mission - [9150]	4,589.98
8	Livestock Census and Integrated Sample Survey - [9978]	0.03
9	Mahatma Gandhi National Rural Guarantee Program - [9219]	1,870.22

Appendices

Sl. No.	GoI Scheme Name/ Scheme Code	Amount Released by GoI
10	National Action Plan for Drug Demand Reduction (SJE) - [3817]	4.37
11	National Apprenticeship Promotion Scheme (PMKVY) - [4086]	0.12
12	National Livestock Mission - [9008]	0.08
13	National Rural Livelihood Mission - [9181]	0.48
14	Organic Value chain Development for North-East Region (Krishionnati Yojana) - [4035]	20.59
15	PM Formalisation of Micro Food Processing Enterprises PM - FME - [3887]	0.40
16	Pradhan Mantri Anusuchit Jaati Abhyuday Yojana (PM AJAY) - [3967]	0.05
17	Pradhan Mantri Ayushman Bharat Health Infrastructure Mission (PM-ABHIM) - [3991]	2.26
18	Rashtriya Gokul Mission - [3033]	36.58
19	Rashtriya Krishi Vikas Yojna - [9145]	1.28
20	SAMARTHYA (Shakti Sadan (Swadhar Ujjawala Widow Home) Shakhi Niwas Palna PMMVY National Hub for Women Empowerment Gender Budgeting Research Skilling Training Media etc.) - [3980]	79.18
21	SAMBAL (Beti Bachao Beti Padhao One Stop Centre Mahila Police Volunteer Women helpline Nari Adalat etc.) - [3979]	0.67
22	SAMBAL (One Stop Centre Mahila Police Volunteer Women helpline Swadhar Ujjawala Widow homes etc.) - [3979]	0.62
23	Seed and Planting Material - [3031]	3.23
24	Tertiary Care Programs - [2035]	1.26
Establishment Expenditure		
1	Establishment Expenditure (Animal Husbandry Dairying and Fisheries) - [3440]	0.10
2	Establishment Expenditure (IPP) - [3462]	0.41
3	Establishment Expenditure (Police) - [3460]	0.05
4	Establishment Expenditure Election Commission of India - [3605]	1.30
5	Establishment Expenditure-(DWRD & GR) - [3437]	61.85
Other Central Expenditure		
1	Assistance to Autonomous Bodies (DST) - [1015]	43.72
2	Assistance to Other Institutions - [1958]	22.00
3	Autonomous Organisations - [1853]	14.21
4	Exploration Activities under National Mineral Exploration Trust - [3583]	1.61
5	Grants to Central Universities (CUs) - [0873]	11.48
6	Lokpriya Gopinath Bordoloi Regional Institute of Mental Health, Tezpur - [3266]	58.30
7	National Institute of Pharmaceutical Education and Research (NIPERS)- (Establishment Expenditure) - [3849]	9.70
8	North-East Regional Agricultural Marketing Corporation - [3168]	5.67
9	North-Eastern Handicrafts and Handlooms Corporation Ltd - [9761]	2.00
10	Support to Autonomous Bodies (MINES) - [9982]	0.20
11	Support to Indian Institutes of Technology - [0920]	459.73
12	Support to National Institutes of Technology (NITS) And IEST - [3670]	156.44
13	Welfare Grant and Miscellaneous-Police - [3571]	0.73
Others		
1	Others	595.00
Total		12,878.62

Appendix 4.2: Statement showing details of Centrally Sponsored Scheme Funds, transferred by GoI directly to State Implementing Agencies
(Reference: Paragraph 4.2)

(₹ in crore)

Sl. No.	GoI Scheme Name/ Scheme Code	Amt. Released by GoI directly to IAs	Release to State Government	Per cent of direct release
1	Agriculture Census and Statistics- [9005]	30.94	0.00	100.00
2	Agriculture Extension - [9144]	2.90	19.00	13.24
3	Atal Vayo Abhyuday Yojana (AVYAY) - [3968]	6.09	0.00	100.00
4	Ayushman Bharat - Pradhan Mantri Jan Arogya Yojana (PMJAY) - [3685]	214.34	0.00	100.00
5	Border Area Development Program - [9161]	0.00	5.09	0.00
6	Development Of Skills - [3212]	2.74	0.00	100.00
7	Digitalisation Of Primary Agriculture Cooperative Societies - [4008]	0.00	6.41	0.00
8	Edible Oil -Oilseeds (Krishionnati Yojna) - [4034]	0.00	1.58	0.00
9	Flexible Pool for RCH & Health System Strengthening, National Health Programme and National Urban Health Mission - [4063]	0.00	1,699.30	0.00
10	Flood Management and Border Areas Programme FMBAP - [3546]	0.00	248.66	0.00
11	Food and Nutrition Security (Krishionnati Yojana) - [9140]	0.00	79.78	0.00
12	Har Khet Ko Pani - [2052]	0.00	75.22	0.00
13	Human Resources for Health and Medical Education - [9157]	0.00	50.00	0.00
14	Incentivisation of Panchayat - [1813]	1.59	0.00	100.00
15	Indira Gandhi National Disability Pension Scheme (IGNDPS) - [3169]	0.00	12.93	0.00
16	Indira Gandhi National Old Age Pension Scheme (IGNOAPS) - [3163]	0.00	254.44	0.00
17	Indira Gandhi National Widow Pension Scheme (IGNWPS) - [3167]	0.00	42.18	0.00
18	Infrastructure Facilities for Judiciary - [9174]	0.00	25.00	0.00
19	Infrastructure Maintenance - [4064]	0.00	264.74	0.00
20	Integrated Development of Wildlife Habitats - [9186]	0.00	2.09	0.00
21	Integrated Development of Horticulture - [9120]	0.00	28.25	0.00
22	Irrigation Census - [2027]	0.00	2.12	0.00
23	Jal Jeevan Mission (JJM)/National Rural Drinking Water Mission - [9150]	4,589.98	0.00	100.00
24	Livestock Census and Integrated Sample Survey - [9978]	0.03	0.00	100.00
25	Mahatma Gandhi National Rural Guarantee Program - [9219]	1,870.22	225.09	89.26
26	Mission For Development Of 100 Smart Cities - [9478]	0.00	147.00	0.00

Appendices

Sl. No.	GoI Scheme Name/ Scheme Code	Amt. Released by GoI directly to IAs	Release to State Government	Per cent of direct release
27	Mission Vatsalya (Child Protection Services and Child Welfare Services) - [3976]	0.00	37.35	0.00
28	Modernisation Of Police Forces - [3194]	0.00	113.02	0.00
29	National Action Plan for Drug Demand Reduction (SJE) - [3817]	4.37	0.02	99.54
30	National Apprenticeship Promotion Scheme (PMKVY) - [4086]	0.12	0.00	100.00
31	National AYUSH Mission (NAM) - [9158]	0.00	10.12	0.00
32	National Career Service - [9499]	0.00	1.25	0.00
33	National Livestock Mission - [9008]	0.08	0.00	100.00
34	National Mission for Safety of Women (Fast Track Spl Courts - Nirbhaya Fund) - [3690]	0.00	6.73	0.00
35	National Rural Livelihood Mission - [9181]	0.48	427.93	0.11
36	National Urban Livelihood Mission - State Component - [2000]	0.00	20.16	0.00
37	New India Literacy Programme (NILP) - [4122]	0.00	8.27	0.00
38	Organic Value chain Development for Northeast Region (Krishionnati Yojana) - [4035]	20.59	0.00	100.00
39	Other Items of State/UT Component - PMAY Urban - [1989]	0.00	397.00	0.00
40	PM Formalisation of Micro Food Processing Enterprises PM - FME - [3887]	0.40	12.18	3.18
41	PMKSY - Accelerated Irrigation Benefit Programme and National/Special Projects - [3993]	0.00	41.98	0.00
42	Post Matric Scholarship - Tribal - [3373]	0.00	68.45	0.00
43	Post - Matric Scholarship - SCs - [2063]	0.00	0.10	0.00
44	Pradhan Mantri Anusuchit Jaati Abhyuday Yojana (PM AJAY) - [3967]	0.05	0.00	100.00
45	Pradhan Mantri Awas Yojna (PMAY) - Rural - [9180]	0.00	6,826.40	0.00
46	Pradhan Mantri Ayushman Bharat Health Infrastructure Mission (PM - ABHIM) - [3991]	2.26	0.00	100.00
47	Pradhan Mantri Gram Sadak Yojna - [9179]	0.00	664.91	0.00
48	Pradhan Mantri Krishi Sinchayi Yojna - Watershed Development Component - [9183]	0.00	54.02	0.00
49	Pradhan Mantri Matsya Sampada Yojana (PMMSY) - [3890]	0.00	26.54	0.00
50	Pradhan Mantri Poshan Shakti Nirman (Erstwhile National Programme of Mid-Day Meal in Schools) - [9165]	0.00	887.21	0.00
51	Pre-Matric Scholarship for OBCs, EBCs and DNTs - PM YASASVI - [9493]	0.00	17.59	0.00
52	Pre-Matric Scholarship - Tribal - [9272]	0.00	1.07	0.00
53	Project Elephant - [0260]	0.00	1.67	0.00
54	Project Tiger - [9155]	0.00	25.60	0.00
55	Rashtriya Gokul Mission - [3033]	36.58	0.00	100.00
56	Rashtriya Gram Swaraj Abhiyan (RGSA) - [3617]	0.00	55.29	0.00

Sl. No.	GoI Scheme Name/ Scheme Code	Amt. Released by GoI directly to IAs	Release to State Government	Per cent of direct release
57	Rashtriya Krishi Vikas Yojna - [9145]	1.28	204.50	0.62
58	Rashtriya Uchhatar Shiksha Abhiyan (RUSA) - [9170]	0.00	68.43	0.00
59	Revision of norms for Central Assistance Released to States/UTs for meeting expenditure on intra - state movement handing of food grains and FPS dealers' margin under NFSA - [4048]	0.00	238.24	0.00
60	Saksham Anganwadi and Poshan 2.0(Umbrella ICDS - Anganwadi Services Poshan Abhiyan Scheme for Adolescent Girls National Crèche Scheme) - [3975]	0.00	1,651.63	0.00
61	Samagra Shiksha - [3667]	0.00	2,080.86	0.00
62	SAMARTHYA (Shakti Sadan (Swadhar Ujjawala Widow Home) Shakhi Niwas Palna PMMVY National Hub for Women Empowerment Gender Budgeting Research Skilling Training Media etc.) - [3980]	79.18	5.61	93.38
63	SAMBAL (Beti Bachao Beti Padhao One Stop Centre Mahila Police Volunteer Women helpline Nari Adalat etc.) - [3979]	1.30	8.90	12.75
64	SBM - Rural (DWS) - [9151]	0.00	214.45	0.00
65	Seed and Planting Material - [3031]	3.23	0.00	100.00
66	Shyama Prasad Mukherjee Rurban Mission - [2049]	0.00	64.72	0.00
67	Skill Strengthening for Industrial Value Enhancements - [3822]	0.00	2.02	0.00
68	Special Central Assistance to Tribal Sub - Schemes - [3380]	0.00	115.38	0.00
69	Swachh Bharat Mission (SBM) - Urban - [9757]	0.00	70.40	0.00
70	Tertiary Care Programs - [2035]	1.24	0.00	100.00
71	Urban Rejuvenation Mission - 500 Cities - [9556]	0.00	315.49	0.00
Total		6,870.00	17,934.37	27.70

**Appendix 4.3: Department-wise List of Outstanding UCs for the year
2001-02 to 2021-22
(Reference: Paragraph 4.3)**

(₹ in crore)

Sl. No.	Name of the Department	No. of Outstanding UCs	Amount
1.	Administrative Reforms (Training)	6	55.92
2.	Agriculture	252	2,093.09
3.	Animal Husbandry	33	40.71
4.	Assembly Secretariat	99	2.14
5.	Co-operation	132	56.92
6.	Cultural Affairs	432	189.09
7.	Dairy Development	30	26.47
8.	Education (General)	4,310	3,256.37
9.	Election	2	0.22
10.	Excise	2	1.98
11.	Finance (Taxation)	355	647.75
12.	Finance (Economic Affairs)	93	375.01
13.	Finance	81	3,074.33
14.	Fisheries	145	53.22
15.	Food & Civil Supplies	26	233.79
16.	Forest	4	3.48
17.	General Administration	216	105.92
18.	Governor Secretariat	21	1.91
19.	Guwahati Development	37	657.41
20.	Handloom and Textile	132	78.92
21.	Health	376	9,176.37
22.	Hill Areas	111	38.35
23.	Home	114	380.31
24.	Horticulture	18	160.17
25.	Industry and Commerce	108	252.44
26.	Information and Public Relation	1	0.10
27.	Information and Technology	36	93.62
28.	Irrigation	1	3.60
29.	Judicial	15	26.81
30.	Labour & Employment	40	206.26
31.	Labour welfare	5	25.23
32.	Power	6	0.56
33.	Minority Development	77	463.81
34.	Municipal Administration	120	528.27
35.	Panchayat and Rural Development	456	3,971.52
36.	Transformation and Development (Planning)	806	753.32
37.	Political	13	18.64
38.	Public Health Engineering	7	386.13
39.	Public Works Department	11	411.42
40.	Revenue and Disaster Management	913	66.24
41.	Revenue	1,503	789.44
42.	Rural Development	16	765.51
43.	Science and Technology	84	35.81
44.	Secretariat Administration	311	1,398.91
45.	Sericulture	233	105.85
46.	Social Welfare	856	2,332.63
47.	Sports and Youth Welfare	179	146.01
48.	Tourism	148	164.49
49.	Urban Development (Town & Country Planning)	97	70.79
50.	Urban Development	7	2.44
51.	Transport	40	247.20

Sl. No.	Name of the Department	No. of Outstanding UCs	Amount
52.	Water Resources	2	311.11
53.	Welfare of PT & BC	1,041	3,703.69
	Total	14,159	37,991.70

Appendix 4.4: Outstanding DCC Bills against drawal of AC Bills up to 2022-23

(Reference: Paragraph 4.4)

(₹ in crore)

Sl. No.	Name of the Department	No. of Pending DCC Bills	Amount
1	Administrative Reforms and Training	1	0.00049
2	Agriculture	1	0.01
3	Assam Legislative Assembly Secretariat	7	0.14
4	Co-operation	1	0.0015
5	Cultural Affairs	27	2.24
6	Border Protection and Development	32	34.98
7	Education (General)	33	85.03
8	Election	100	28.06
9	Excise	1	0.002
10	Finance (Taxation)	8	0.92
11	Finance	24	28.58
12	Food, Civil Supplies and Consumer Affairs	2	26.03
13	General Administration	81	20.23
14	Governor Secretariat	1	0.21
15	Health and Family Welfare	22	106.08
16	Hill Areas	9	2.79
17	Home	185	84.98
18	Industries and Commerce	4	2.93
19	Information & Public Relation	11	0.06
20	Judicial	57	1.88
21	Labour Welfare	4	0.04
22	Panchayat and Rural Development	122	102.55
23	Pension & Public Grievances	4	0.07
24	Personnel Department	9	0.72
25	Transformation & Development	22	6.97
26	Political	42	0.33
27	Public Health Engineering	2	0.0004
28	Public Works	29	0.26
29	Revenue & Disaster Management	9	0.87
30	Revenue	301	32.16
31	Sainik Welfare	1	0.03
32	Secretariat Administration	137	73.95
33	Social Welfare	14	37.49
34	Sports & Youth Welfare	2	0.26
35	Tourism	42	8.44
36	Transport	11	148.86
37	Water Resources	35	0.07
38	Welfare of PT & BC	26	61.37
Total		1,419	899.59

**Appendix 4.5: Statement showing details of pendency in finalisation
Accounts by various Bodies and Authorities
(Reference: Paragraph 4.12)**

Sl. No.	Name of the Department	Name of the Body/Authority	Year (s) for which Accounts had not been Received	Total No. of Pending Annual Accounts
1	Agriculture	Assam Agricultural University (AAU), Jorhat	2021-22 to 2022-23	2
2		Assam Rural Infrastructure & Agriculture Services (ARIAS) Society	2021-22 to 2022-23	2
3	Art & Culture	Shrimanta Sankardev Kalakhetra Society (SSKS)	2022-23	1
4	Education (Elementary)	Samagra Shiksha Assam	2022-23	1
5	Education (Higher)	Anandaram Borooah Institute of Language, Art & Culture, Guwahati	2021-22 to 2022-23	2
6		Assam Science & Technology University, Guwahati	2020-21 to 2022-23	3
7		Bodoland University, BTAD	2022-23	1
8		Cotton University	2020-21 to 2022-23	3
9		Dibrugarh University	2021-22 to 2022-23	2
10		Gauhati University	2015-16 to 2022-23	8
11		Krishna Kanta Handique State Open University	2022-23	1
12		Rashtriya Uchhatar Siksha Abhiyan	2014-15 to 2022-23	9
13		Rabindra Nath Thakur University, Hojai	2017-18 to 2022-23	6
14		Mahapurush Srimanta Sankardev Biswavidyalaya	2014-15 to 2022-23	9
15	Sri Sri Anirudhhadev Sports University	2020-21 to 2022-23	3	
16	Assam Institute of Management (AIM)	2020-21 to 2022-23	3	
17	Environment & Forest	Assam Project Forest and Biodiversity Conservation (APFBC)	2022-23	1
18		Assam State Bio-Diversity Board (ASBB)	2020-21 to 2022-23	3
19		Compensatory Afforestation fund Management and Planning Authority (CAMPA)	2020-21 to 2022-23	3
20		State Pollution Control Board, Assam (SPCB)	2018-19 to 2022-23	5
21	Finance	Chief Minister Samagra Gramya Unnayan Yojana (CMSGUY)	2022-23	1
22	Handloom & Textiles	Assam Khadi & Village Industries Board (AKVIB)	2022-23	1
23	Health & Family Welfare	Assam State AIDS Control Society, Guwahati	2022-23	1
24		Assam Arogya Nidhi Trust	2022-23	1
25		National Health Mission, Guwahati	2022-23	1
26		Srimanta Sankaradeva University of Health Science	2020-21 to 2022-23	3
27	Hill Areas	Karbi Anglong Autonomous Council	2018-19 to 2022-23	5
28		North Cachar Hills Autonomous Council	2020-21 to 2022-23	3
29	Home & Political	Assam Human Rights Commission	2019-20 to 2022-23	4

Sl. No.	Name of the Department	Name of the Body/Authority	Year (s) for which Accounts had not been Received	Total No. of Pending Annual Accounts
30	Labour & Welfare	Assam Building & Other Construction Workers Welfare Board	2020-21 to 2022-23	3
31		Assam Tea Employees Provident Fund Organisation	2022-23	1
32	Legislative	Assam State Legal Services Authority	2020-21 to 2022-23	3
33	P & RD	DRDA, Chirang	2019-20 to 2022-23	4
34		DRDA, Kokrajhar	2019-20 to 2022-23	4
35		DRDA, KAAC, Diphu	2016-17 to 2022-23	7
36		DRDA, Udalguri	2016-17 to 2022-23	7
37		DRDA, Haflong	2016-17 to 2022-23	7
38		DRDA, Baksa	2015-16 to 2022-23	8
39	Public Works	Assam State Road Board (ASRB)	2021-22 to 2022-23	2
40	Science & Technology	Assam Energy Development Agency (AEDA)	2021-22 to 2022-23	2
41		Assam Science Technology & Environment Council (ASTECC)	2021-22 to 2022-23	2
42	Skill & Employment	Assam Skill Development Mission	2021-22 to 2022-23	2
43	Sports & Youth Welfare	Sports Authority of Assam	2021-22 to 2022-23	2
44	Transformation & Development	Omeo Kumar Das Institute of Social Change & Development (OKDISCD)	2022-23	1
45	Welfare of Bodoland	Bodoland Territorial Council	2021-22 to 2022-23	2
46	Welfare of Tribal Affairs (Plain)	Adivasi Development Council	2010-11 to 2022-23	13
47		Amri-Karbi Development Council	2010-11 to 2022-23	13
48		Assam Tribal Development Authority, Guwahati	2022-23	1
49		Barak Valley Hill Tribes Development Council	2010-11 to 2022-23	13
50		Bishnupriya Manipuri Development Council	2010-11 to 2022-23	13
51		Chutia Development Council	2010-11 to 2022-23	13
52		Deori Autonomous Council	2009-10 to 2022-23	14
53		Gorkha Development Council	2010-11 to 2022-23	13
54		Koch Rajbongashi Development Council	2010-11 to 2022-23	13
55		Maimal Development Council.	2010-11 to 2022-23	13
56		Manipuri Development Council	2010-11 to 2022-23	13
57		Mech Kachari Development Council	2010-11 to 2022-23	13
58		Morang Development Council	2010-11 to 2022-23	13
59		Morang Autonomous Council	2009-10 to 2022-23	14
60		Moria Development Council	2010-11 to 2022-23	13
61		Mottok Development Council	2010-11 to 2022-23	13
62		Nath Yogi Development Council	2010-11 to 2022-23	13
63		Rabha Hasong Autonomous Council	2009-10 to 2022-23	14
64		Sadharanjati Development Council	2010-11 to 2022-23	13
65		Sarania Kachari Development Council	2010-11 to 2022-23	13
66		Singph (Man Tai) Development Council	2010-11 to 2022-23	13
67	Sonowal Kachari Autonomous Council	2009-10 to 2022-23	14	
68	Thengal Kachari Autonomous Council	2009-10 to 2022-23	14	
69	Tai Ahom Development Council	2010-11 to 2022-23	13	
70	Tiwa Autonomous Council	2009-10 to 2022-23	14	

Sl. No.	Name of the Department	Name of the Body/Authority	Year (s) for which Accounts had not been Received	Total No. of Pending Annual Accounts
71		T.G & Ex-Tea Garden Development Council	2010-11 to 2022-23	13
72	Welfare of Minorities and Development	Assam Minority Development Board, Guwahati	2020-21 to 2022-23	3
73	Women and Child Development	Assam State Social Welfare Board, Guwahati	2021-22 to 2022-23	2
74		POSHAN Abhiyan	2017-18 to 2022-23	6
75		State Child Protection Society	2022-23	1
Total				489

Appendix 4.6: Department-wise/duration-wise/category-wise breakup of the cases of theft, misappropriation, defalcation, etc. (Cases where final action was pending at the end of 31 March 2023)

(Reference to Paragraph: 4.14)

(₹ in lakh)

Sl. No.	Name of the Department/ Directorate	Up to 5 years		5 to 10 years		10 to 15 years		15 to 20 years		20 to 25 years		More than 25 years		Total		Theft cases		Misappropriation/ Loss to Government	
		N	A	N	A	N	A	N	A	N	A	N	A	N	A	N	A	N	A
1	Agriculture	4	5.70	5	24.29	14	218.35	16	244.93	5	58.47	4	14.94	48	566.68	4	5.27	44	561.41
2	Animal Husbandry & Veterinary	3	6.64	5	310.48	4	144.7	2	1.93	2	9.22	2	1.13	18	474.10	2	9.41	16	464.69
3	Administrative Reform & Training	1	115.81	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	1	115.81	0	0.00	1	115.81
4	Assam Khadi and Village Industries Board (AKVIB)	0	0.00	0	0.00	0	0.00	0	0.00	4	101.92	1	54.57	5	156.49	1	0.49	4	156.00
5	ARTFED	0	0.00	1	0.00	0	0.00	0	0.00	0	0.00	0	0.00	1	0.00	1	0.00	0	0
6	Border Protection and Development	0	0.00	0	0.00	1	22.41	0	0.00	0	0.00	0	0.00	1	22.41	0	0.00	1	22.41
7	Co-operation	0	0.00	5	4.81	1	0.14	0	0.00	0	0.00	0	0.00	6	4.95	0	0.00	6	4.95
8	Cultural Affairs	0	0.00	1	89.72	0	0.00	0	0.00	0	0.00	0	0.00	1	89.72	0	0.00	1	89.72
9	Dairy	0	0.00	0	0.00	1	301.00	0	0.00	0	0.00	0	0.00	1	301.00	0	0.00	1	301.00
10	DIPRO	0	0.00	0	0.00	0	0.00	1	0.24	0	0.00	0	0.00	1	0.24	0	0.00	1	0.24
11	General Administration (DCs)	17	510.4	23	1,366.92	2	150.4	8	83.78	0	0.00	0	0.00	50	2,111.50	0	0.00	50	2,111.50
12	General Administration (SDO)	0	0.00	1	60.58	0	0.00	0	0.00	0	0.00	0	0.00	1	60.58	0	0.00	1	60.58
13	Education (Elementary)	0	0.00	11	556.78	4	170.38	0	0.00	0	0.00	0	0.00	15	727.16	1	0.37	14	726.79
14	Education (Secondary)	0	0.00	5	75.86	1	106.3	0	0.00	0	0.00	0	0.00	6	182.16	0	0.00	6	182.16
15	Education (Higher)	0	0.00	4	1,148.85	3	51.7	0	0.00	0	0.00	0	0.00	7	1,200.55	0	0.00	7	1,200.55
16	Fishery	1	0.60	0	0.00	0	0.00	2	1.55	0	0.00	0	0.00	3	2.15	1	0.60	2	1.55
17	Handloom & Textile	1	1.00	0	0.00	2	11.65	2	8.84	1	8.57	0	0.00	6	30.06	2	8.84	4	21.22

Sl. No.	Name of the Department/ Directorate	Up to 5 years		5 to 10 years		10 to 15 years		15 to 20 years		20 to 25 years		More than 25 years		Total		Theft cases		Misappropriation/ Loss to Government	
		N	A	N	A	N	A	N	A	N	A	N	A	N	A	N	A	N	A
18	Health and Family Welfare	3	127.91	17	848.33	11	55.04	0	0.00	0	0.00	0	0.00	31	1,031.28	0	0	31	1,031.28
19	Hill Areas	0	0.00	3	17.7	15	290.85	0	0.00	0	0.00	0	0.00	18	308.55	0	0	18	308.55
20	Home (A)	0	0.00	3	4.58	0	0.00	0	0.00	0	0.00	0	0.00	3	4.58	0	0.00	3	4.58
21	Home (B)	0	0.00	1	0.28	0	0.00	0	0.00	0	0.00	0	0.00	1	0.28	0	0.00	1	0.28
22	Industries	0	0.00	5	174.70	0	0.00	2	1,020.16	0	0.00	0	0.00	7	1,194.86	0	0.00	7	1,194.86
23	Irrigation	0	0.00	5	205.56	4	166.08	3	4.50	0	0.00	0	0.00	12	376.14	4	16.78	8	359.36
24	Medical Education & Research Deptt.	0	0.00	5	193.74	3	36.42	0	0.00	0	0.00	0	0.00	8	230.16	0	0	8	230.16
25	Panchayat & Rural Development	0	0.00	1	12.65	1	14.86	0	0.00	0	0.00	0	0.00	2	27.51	0	0.00	2	27.51
26	Public Health Engineering	1	293.50	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	1	293.50	0	0.00	1	293.5
27	Public Works (Roads)	1	0.53	10	2,626.63	3	121.03	0	0.00	0	0.00	0	0.00	14	2,748.19	0	0.00	14	2,748.19
28	Public Works (NH)	0	0.00	1	97.09	1	62.70	0	0.00	0	0.00	0	0.00	2	159.79	0	0.00	2	159.79
29	Public Works Department (Building)	0	0.00	1	11.80	0	0.00	0	0.00	0	0.00	0	0.00	1	11.80	0	0.00	1	11.80
30	Sericulture	4	20.17	2	3.69	3	3.27	0	0.00	0	0.00	0	0.00	9	27.13	0	0.00	9	27.13
31	Skill & Employment	0	0.00	4	314.05	0	0.00	0	0.00	0	0.00	0	0.00	4	314.05	0	0	4	314.05
32	Social Justice & Empowerment	0	0.00	1	18.39	0	0.00	0	0.00	0	0.00	0	0.00	1	18.39	0	0	1	18.39
33	Tribal Affairs (Plains)	0	0.00	8	146.72	0	0.00	0	0.00	0	0.00	0	0.00	8	146.72	1	0	7	146.72
34	Urban Development	0	0.00	1	7	1	43.56	0	0.00	0	0.00	0	0.00	2	50.56	0	0	2	50.56
35	Water Resources	1	18.31	2	31.53	1	11.93	0	0.00	0	0.00	0	0.00	4	61.77	3	43.46	1	18.31
36	Welfare of Bodoland	1	4.93	11	134.55	1	0.85	0	0.00	0	0.00	0	0.00	13	140.33	2	10.93	11	129.40
37	Women & Child Development	3	340.17	10	43.69	2	8.78	0	0.00	0	0.00	0	0.00	15	392.64	1	4.75	14	387.89
Total		41	1,445.67	152	8,530.97	79	1,992.4	36	1,365.93	12	178.18	7	70.64	327	13,583.79	23	100.90	304	13,482.89

N-number; A-amount. Source: Inspection Reports.

Appendix 5.1

Statement showing position of total investment (equity and long-term loans) in SPSEs as on 31 March 2023

(Reference: Paragraph 5.3 and 5.4.1)

(₹ in crore)

Sl. No.	Name of SPSE	Name of Department	Month and year of incorporation	Equity ⁵¹ at close of the year 2022-23				Long term loans outstanding at close of the year 2022-23				Total investment (equity and loans) as on 31 March 2023	Man-power
				GoA	GoI	Others	Total	GoA	GoI	Others	Total		
1	2	3	4	5 (a)	5 (b)	5 (c)	5 (d)	6 (a)	6 (b)	6 (c)	6 (d)	7	8
A. Power sector SPSEs													
1	Assam Power Generation Corporation Ltd.	Power	23-10-2003	2,428.71	0.00	0.00	2,428.71	17.70	0.00	371.97	389.67	2,818.38	961
2	Assam Electricity Grid Corporation Ltd.	Power	23-10-2003	2,693.39	0.00	0.00	2,693.39	12.40	0.00	0.00	12.40	2,705.79	1691
3	Assam Power Distribution Company Ltd.	Power	23-10-2003	4,824.81	0.00	0.00	4,824.81	93.12	0.00	343.07	436.19	5,261.00	14,266
Total (A)				9,946.91	0.00	0.00	9,946.91	123.22	0.00	715.04	838.26	10,785.17	16,918
B. Non-Power sector SPSEs (Working)													
AGRICULTURE & ALLIED													
4	Assam Seeds Corporation Ltd.	Agriculture	27-01-1967	1.46	0.00	0.00	1.46	3.89	0.00	0.00	3.89	5.35	96
5	Assam Fisheries Development Corporation Ltd.	Fisheries	01-03-1977	0.49	0.00	0.00	0.49	0.00	0.00	0.00	0.00	0.49	22
6	Assam Livestock and Poultry Corporation Ltd.	Animal Husbandry	02-06-1984	0.07	2.12	0.00	2.19	0.00	0.00	0.00	0.00	2.19	25
7	Assam Tea Corporation Ltd.	Industries & Commerce	02-04-1972	29.54	0.00	0.00	29.54	765.38	0.00	0.00	765.38	794.92	14,167
8	Assam Plantation Crop Development Corporation Ltd.	Soil Conservation	11-01-1974	5.00	0.00	0.00	5.00	8.99	0.00	0.00	8.99	13.99	18
9	Assam Food and Civil Supplies Corporation Ltd.	Food Civil Supplies & Consumer Affairs	23-09-2014	12.19	0.00	0.00	12.19	0.00	0.00	0.00	0.00	12.19	342
Sector wise total				48.75	2.12	0.00	50.87	778.26	0.00	0.00	778.26	829.13	14,670

⁵¹ Equity includes share application money - Assam Tea Corporation Limited: ₹ 2 crore, Assam Minorities Development and Finance Corporation Ltd.: ₹ 2.40 crore, Assam Industrial Development Corporation Limited: ₹ 7.58 crore and Assam State Textiles Corporation Limited: ₹ 0.32 crore.

Sl. No.	Name of SPSE	Name of Department	Month and year of incorporation	Equity ⁵¹ at close of the year 2022-23				Long term loans outstanding at close of the year 2022-23				Total investment (equity and loans) as on 31 March 2023	Man-power
				GoA	GoI	Others	Total	GoA	GoI	Others	Total		
1	2	3	4	5 (a)	5 (b)	5 (c)	5 (d)	6 (a)	6 (b)	6 (c)	6 (d)	7	8
FINANCE													
10	Assam Plains Tribes Development Corporation Ltd.	Welfare of Plains Tribes & Backward Classes	29-03-1975	2.20	0.75	0.00	2.95	0.00	0.00	14.61	14.61	17.56	104
11	Assam State Development Corporation for Other Backward Classes Ltd.		08-06-1975	3.40	0.00	0.00	3.40	0.00	0.00	0.00	0.00	0.00	3.40
12	Assam Minorities Development and Finance Corporation Ltd.	Welfare of Minorities	27-02-1997	2.41	0.00	0.00	2.41	0.00	0.00	8.37	8.37	10.78	-
13	Assam State Development Corporation for Scheduled Castes Ltd.	Welfare of Plains Tribes & Backward Classes	18-01-1975	5.59	4.51	0.00	10.10	0.00	0.00	0.00	0.00	10.10	52
14	Assam State Film (Finance & Development) Corporation Ltd.	Cultural Affairs	09-04-1974	0.10	0.00	0.00	0.10	0.04	0.00	0.00	0.04	0.14	13
Sector wise total				13.70	5.26	0.00	18.96	0.04	0.00	22.98	23.02	41.98	206
INFRASTRUCTURE													
15	Assam Hills Small Industries Development Corporation Ltd.	Hills Areas	30-03-1964	2.00	0.00	0.00	2.00	41.51	0.00	0.00	41.51	43.51	75
16	Assam Industrial Development Corporation Ltd.	Industries & Commerce	21-04-1965	139.21	0.00	0.00	139.21	86.35	0.00	0.00	86.35	225.56	151
17	Assam Small Industries Development Corporation Ltd.	Industries & Commerce	27-03-1962	6.67	0.00	0.00	6.67	5.19	0.00	0.00	5.19	11.86	74
18	Assam Electronics Development Corporation Ltd.	Information Technology	04-04-1984	9.46	0.00	0.00	9.46	0.55	0.00	0.00	0.55	10.01	251
19	Assam Mineral Development Corporation Ltd.	Mines and Mineral	19-05-1983	4.89	0.00	0.00	4.89	0.00	0.00	0.00	0.00	4.89	73
20	Assam Police Housing Corporation Ltd.	Home	11-05-1980	0.04	0.00	0.00	0.04	0.00	0.00	0.00	0.00	0.04	108
21	Assam Trade Promotion Organisation	Industries & Commerce	17-02-2010	10.00	0.00	0.00	10.00	0.00	0.00	0.00	0.00	10.00	3
Sector wise total				172.27	0.00	0.00	172.27	133.60	0.00	0.00	133.60	305.87	735

Appendices

Sl. No.	Name of SPSE	Name of Department	Month and year of incorporation	Equity ⁵¹ at close of the year 2022-23				Long term loans outstanding at close of the year 2022-23				Total investment (equity and loans) as on 31 March 2023	Man-power	
				GoA	GoI	Others	Total	GoA	GoI	Others	Total			
1	2	3	4	5 (a)	5 (b)	5 (c)	5 (d)	6 (a)	6 (b)	6 (c)	6 (d)	7	8	
MANUFACTURING														
22	Assam Petro-Chemicals Ltd.	Industries & Commerce	22-04-1971	232.25	0.00	387.77	620.02	0.00	0.00	924.65	924.65	1,544.67	412	
23	Ashok Paper Mill (Assam) Ltd.		06-07-1991	0.01	0.00	0.00	0.01	2.04	0.00	0.00	2.04	2.04	2.05	7
24	Assam Hydro-Carbon and Energy Company Ltd.		02-05-2006	61.00	0.00	0.00	61.00	0.00	0.00	0.00	0.00	0.00	61.00	9
25	Amtron Informatics (India) Ltd.	Information Technology	27-03-2002	0.00	0.00	0.01	0.01	0.00	0.00	1.20	1.20	1.21	0	
26	Assam State Fertilisers and Chemicals Ltd.	Industries & Commerce	30-03-1988	0.00	0.00	4.93	4.93	10.76	0.00	0.00	10.76	15.69	18	
Sector wise total				293.26	0.00	392.71	685.97	12.80	0.00	925.85	938.65	1,624.62	446	
SERVICES														
27	Assam Tourism Development Corporation Ltd.	Tourism	06-06-1988	0.39	0.00	0.00	0.39	0.00	0.00	0.00	0.00	0.39	180	
28	Assam Medical Services Corporation Limited	Health	22-06-2016	8.54	0.00	0.00	8.54	0.00	0.00	0.00	0.00	8.54	45	
Sector wise total				8.93	0.00	0.00	8.93	0.00	0.00	0.00	0.00	8.93	225	
MISCELLANEOUS														
29	Assam Government Marketing Corporation Ltd.	Handloom Textile & Sericulture	16-12-1959	2.16	1.34	0.00	3.50	0.00	0.00	0.00	0.00	3.50	33	
30	Assam State Textbook Production and Publication Corporation Ltd.	Education	03-03-1972	1.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	1.00	48	
31	Assam Gas Company Ltd.	Industries & Commerce	31-03-1962	16.91	0.00	0.00	16.91	0.00	0.00	41.27	41.27	58.18	325	
32	DNP Ltd.		15-06-2007	0.00	0.00	167.25	167.25	0.00	0.00	25.00	25.00	192.25	31	
33	Purba Bharti Gas Private Ltd.		19-11-2019	0.00	0.00	121.91	121.91	0.00	0.00	0.00	0.00	121.91	25	
Sector wise total				20.07	1.34	289.16	310.57	0.00	0.00	66.27	66.27	376.84	462	
Total (B)				556.98	8.72	681.87	1,247.57	924.70	0.00	1,015.10	1,939.80	3,187.37	16,744	
Total (A+B)				10,503.89	8.72	681.87	11,194.48	1,047.92	0.00	1,730.14	2,778.06	13,972.54	33,662	

Sl. No.	Name of SPSE	Name of Department	Month and year of incorporation	Equity ⁵¹ at close of the year 2022-23				Long term loans outstanding at close of the year 2022-23				Total investment (equity and loans) as on 31 March 2023	Man-power
				GoA	GoI	Others	Total	GoA	GoI	Others	Total		
1	2	3	4	5 (a)	5 (b)	5 (c)	5 (d)	6 (a)	6 (b)	6 (c)	6 (d)	7	8
C. Statutory Corporations													
FINANCE													
1	Assam Financial Corporation	Finance	04-01-1954	26.85	0.00	5.55	32.40	54.00	0.00	0.00	54.00	86.40	82
Sector wise total				26.85	0.00	5.55	32.40	54.00	0.00	0.00	54.00	86.40	82
SERVICE													
2	Assam State Transport Corporation	Transport	03-01-1970	157.47	10.26	0.00	167.73	0.00	0.00	8.23	8.23	175.96	3,054
3	Assam State Warehousing Corporation	Co-operation	08-01-1958	8.00	5.47	0.00	13.47	4.25	0.00	0.00	4.25	17.72	255
Sector wise total				165.47	15.73	0.00	181.20	4.25	0.00	8.23	12.48	193.68	3,309
Total (C)				192.32	15.73	5.55	213.60	58.25	0.00	8.23	66.48	280.08	3,391
Grand Total (A + B + C)				10,696.21	24.45	687.42	11,408.08	1,106.17	0.00	1,738.37	2,844.54	14,252.62	37,053
D. Non-working PSUs													
AGRICULTURE & ALLIED													
1	Assam Agro-Industries Development Corporation Ltd.	Agriculture	27-01-1975	2.20	0.00	0.00	2.20	6.76	0.00	0.50	7.26	9.46	2
2	Assam State Minor Irrigation Development Corporation Ltd.	Irrigation	15-10-1980	17.35	0.00	0.00	17.35	0.00	0.00	0.00	0.00	17.35	-
Sector wise total				19.55	0.00	0.00	19.55	6.76	0.00	0.50	7.26	26.81	2
INFRASTRUCTURE													
3	Assam Power Loom Development Corporation Ltd.	Industries & Commerce	03-05-1990	3.54	0.00	1.00	4.54	0.00	0.00	0.08	0.08	4.62	-
4	Assam Government Construction Corporation Ltd.	PWD (R&B)	24-03-1964	2.00	0.00	0.00	2.00	0.00	0.00	0.00	0.00	2.00	6
Sector wise total				5.54	0.00	1.00	6.54	0.00	0.00	0.08	0.08	6.62	6
MANUFACTURING													
5	Assam Conductors and Tubes Ltd.	Industries & Commerce	22-06-1964	1.54	0.00	0.00	1.54	3.56	0.00	0.00	3.56	5.10	3
6	Assam State Textiles Corporation Ltd.		26-02-1980	15.76	0.00	0.00	15.76	6.07	0.00	0.00	6.07	21.83	7
7	Pragjyotish Fertilisers and Chemicals Ltd.		27-02-2004	0.00	0.00	2.33	2.33	0.00	0.00	0.00	0.00	2.33	1

Appendices

Sl. No.	Name of SPSE	Name of Department	Month and year of incorporation	Equity ⁵¹ at close of the year 2022-23				Long term loans outstanding at close of the year 2022-23				Total investment (equity and loans) as on 31 March 2023	Man-power
				GoA	GoI	Others	Total	GoA	GoI	Others	Total		
1	2	3	4	5 (a)	5 (b)	5 (c)	5 (d)	6 (a)	6 (b)	6 (c)	6 (d)	7	8
8	Assam Tanneries Ltd.		28-09-1961	0.01	0.00	0.01	0.02	0.00	0.00	0.00	0.00	0.02	-
9	Industrial Papers (Assam) Ltd.	Industries & Commerce	09-06-1974	0.00	0.00	0.40	0.40	0.00	0.00	0.00	0.00	0.40	3
10	Assam Spun Silk Mills Ltd.		31-03-1960	1.70	0.00	0.00	1.70	3.79	0.00	0.20	3.99	5.69	-
11	Assam Polytex Ltd.		29-05-1982	0.00	0.00	5.26	5.26	0.00	0.00	0.00	0.00	5.26	-
12	Assam Syntex Ltd.		04-01-1985	0.00	0.00	5.12	5.12	0.00	0.00	0.00	0.00	5.12	2
13	Assam State Weaving and Manufacturing Company Ltd.		29-11-1988	0.00	0.00	8.20	8.20	0.00	0.00	0.00	0.00	8.20	2
14	Assam and Meghalaya Mineral Development Corporation Ltd.	Mines and Mineral	08-10-1964	0.20	0.00	0.03	0.23	0.00	0.00	0.00	0.00	0.23	-
15	Cachar Sugar Mills Ltd.	Industries & Commerce	30-03-1972	0.00	0.00	3.38	3.38	0.00	0.00	0.70	0.70	4.08	-
16	Fertichem Ltd.		29-03-1974	0.00	0.00	0.43	0.43	0.00	0.00	0.00	0.00	0.43	2
Sector wise total				19.21	0.00	25.16	44.37	13.42	0.00	0.90	14.32	58.69	20
Total (D)				44.30	0.00	26.16	70.46	20.18	0.00	1.48	21.66	92.12	28
Grand Total (A+B+C+D)				10,740.51	24.45	713.58	11,478.54	1,126.35	0.00	1,739.85	2,866.20	14,344.74	37,081

Appendix 5.2

Summarised financial position and working results of Government Companies and Statutory Corporations as per their latest financial statements/accounts as on 30 September 2023

(Reference: Paragraph 5.3, 5.5.1, 5.7.1, and 5.8.1)

(₹ in crore)

Sl. No.	Name of SPSE	Period of Accounts	Year in which finalised	Net profit/loss before interest & Tax	Net Profit (+) /Loss (-)	Turn-over	Paid Up Capital	Accumulated Loss (-)	Free Reserve & Surplus ⁵²	Long term loan outstanding ⁵³	Net worth ⁵⁴	Capital employed ⁵⁵
1	2	3	4	5	6	7	8	9	10	11	12	13
A. Power sector SPSEs												
1	Assam Power Generation Corporation Ltd.	2022-23	2023-24	152.93	92.21	1111.08	2428.71	0.00	200.49	389.67	2629.20	3018.87
2	Assam Electricity Grid Corporation Ltd.	2022-23	2023-24	42.01	41.13	442.26	2693.39	-323.60	0.00	12.40	2369.79	2382.19
3	Assam Power Distribution Company Ltd.	2021-22	2022-23	389.25	336.35	6436.34	4736.14	-914.86	18.54	406.49	3839.82	4246.31
Total A (Sector wise)				584.19	469.69	7,989.68	9,858.24	-1,238.46	219.03	808.56	8,838.81	9,647.37
B. Non-Power sector SPSEs (Working)												
AGRICULTURE & ALLIED												
4	Assam Seeds Corporation Ltd.	2018-19	2023-24	-0.22	-0.22	83.97	1.46	-10.28	0.00	7.19	-8.82	-1.63
5	Assam Fisheries Development Corporation Ltd.	2020-21	2022-23	-3.91	-3.91	9.98	0.49	0.00	25.63	0.00	26.12	26.12
6	Assam Livestock and Poultry Corporation Ltd.	2017-18	2020-21	-0.36	-0.36	0.28	2.19	-1.13	0.00	0.00	1.06	1.06
7	Assam Tea Corporation Ltd.	2014-15	2021-22	43.01	39.72	43.01	27.54	-284.03	0.00	110.27	-256.49	-146.22
8	Assam Plantation Crop Development Corporation Ltd. ⁵⁶	2013-14	2016-17	-0.16	-0.16	1.99	5.00	-13.71	0.00	9.69	-8.71	0.98

⁵² Free Reserve & Surplus does include accumulated profit at the end of the respective year.

⁵³ Long term loan outstanding also includes 'Current portion of Long Term Debts'.

⁵⁴ Net worth means Paid up Capital (Equity) *plus* Free Reserves and Surplus *minus* Accumulated losses *minus* Deferred Revenue Expenditure.

⁵⁵ Capital Employed represents Shareholders' Fund (Net worth) plus Long Term Borrowings.

⁵⁶ Assam Plantation Crop Development Corporation Limited finalised its accounts till 1990-91. Thereafter, it had finalised two years' accounts (2012-13 and 2013-14) with an undertaking that the arrears of accounts (1991-92 to 2011-12) would be finalised within five years.

Appendices

Sl. No.	Name of SPSE	Period of Accounts	Year in which finalised	Net profit/loss before interest & Tax	Net Profit (+) /Loss (-)	Turn-over	Paid Up Capital	Accumulated Loss (-)	Free Reserve & Surplus ⁵²	Long term loan outstanding ⁵³	Net worth ⁵⁴	Capital employed ⁵⁵
1	2	3	4	5	6	7	8	9	10	11	12	13
9	Assam Food & Civil Supplies Corporation Limited	2020-21	2023-24	6.41	4.63	72.60	12.19	0.00	3.91	0.00	16.10	16.10
Sector wise total				44.77	39.70	211.83	48.87	-309.15	29.54	127.15	-230.74	-103.59
FINANCE												
10	Assam Plains Tribes Development Corporation Ltd.	2020-21	2022-23	0.73	0.15	0.02	2.95	-44.23	2.35	14.61	-38.93	-24.32
11	Assam State Development Corporation for Other Backward Classes Ltd.	2021-22	2022-23	0.63	0.63	0.12	3.40	-18.20	0.00	0.00	-14.80	-14.80
12	Assam Minorities Development and Finance Corporation Ltd.	1997-98	2016-17	0.01	0.01	0.00	0.01	0.00	0.01	0.00	0.02	0.02
13	Assam State Development Corporation for Scheduled Castes Ltd.	2017-18	2022-23	-0.34	-1.68	0.00	10.10	-34.07	0.00	0.49	-23.97	-23.48
14	Assam State Film (Finance & Development) Corporation Ltd.	2015-16	2020-21	-0.47	-0.47	0.03	0.10	-0.29	0.00	0.15	-0.19	-0.04
Sector wise total				0.56	-1.36	0.17	16.56	-96.79	2.36	15.25	-77.87	-62.62
INFRASTRUCTURE												
15	Assam Hills Small Industries Development Corporation Ltd.	2006-07	2023-24	-0.71	-0.71	0.00	2.00	-12.38	0.00	13.50	-10.38	3.12
16	Assam Industrial Development Corporation Ltd.	2020-21	2022-23	2.51	-0.61	8.99	139.21	-85.94	0.00	86.35	53.27	139.62
17	Assam Small Industries Development Corporation Ltd.	2014-15	2017-18	-3.11	-3.11	44.86	6.67	-17.63	0.00	5.19	-10.96	-5.77
18	Assam Electronics Development Corporation Ltd.	2017-18	2022-23	2.35	2.05	0.40	9.46	0.00	13.64	0.00	23.10	23.10
19	Assam Mineral Development Corporation Ltd.	2020-21	2023-24	22.04	15.33	72.25	4.89	0.00	100.22	0.00	105.11	105.11
20	Assam Police Housing Corporation Ltd.	2015-16	2020-21	-2.54	-2.54	2.91	0.04	0.00	9.88	0.00	9.92	9.92
21	Assam Trade Promotion Organisation	2021-22	2022-23	2.66	2.49	0.26	10.00	0.00	7.05	0.00	17.05	17.05

Sl. No.	Name of SPSE	Period of Accounts	Year in which finalised	Net profit/loss before interest & Tax	Net Profit (+) /Loss (-)	Turn-over	Paid Up Capital	Accumulated Loss (-)	Free Reserve & Surplus ⁵²	Long term loan outstanding ⁵³	Net worth ⁵⁴	Capital employed ⁵⁵
1	2	3	4	5	6	7	8	9	10	11	12	13
Sector wise total				23.20	12.90	129.67	172.27	-115.95	130.79	105.04	187.11	292.15
MANUFACTURING												
22	Assam Petro-Chemicals Ltd.	2022-23	2023-24	-69.00	-67.36	104.06	620.02	-74.96	33.09	924.65	578.15	1502.80
23	Ashok Paper Mill (Assam) Ltd.	2018-19	2020-21	0.66	0.39	0.00	0.01	-99.43	0.00	1.72	-99.42	-97.70
24	Assam Hydro-Carbon and Energy Company Ltd.	2022-23	2023-24	2.71	1.90	0.00	61.00	0.00	18.99	0.00	79.99	79.99
25	Amtron Informatics (India) Ltd.	2017-18	2022-23	-0.11	-0.11	0.00	0.01	-4.34	0.00	0.00	-4.33	-4.33
26	Assam State Fertilisers and Chemicals Ltd.	2011-12	2021-22	-0.19	-0.20	1.98	4.93	-7.28	0.00	9.32	-2.35	6.97
Sector wise total				-65.93	-65.38	106.04	685.97	-186.01	52.08	935.69	552.04	1,487.73
SERVICES												
27	Assam Tourism Development Corporation Ltd.	2020-21	2022-23	1.49	0.92	3.60	0.39	0.00	21.40	0.00	21.79	21.79
28	Assam Medical Services Corporation Limited	2021-22	2023-24	-0.21	-0.22	0.00	5.50	-0.41	0.00	0.00	5.09	5.09
Sector wise total				1.28	0.70	3.60	5.89	-0.41	21.40	0.00	26.88	26.88
MISCELLANEOUS												
29	Assam Government Marketing Corporation Ltd.	2018-19	2022-23	0.26	0.22	20.40	4.36	-17.50	0.00	1.88	-13.14	-11.26
30	Assam State Textbook Production and Publication Corporation Ltd.	1995-96	2019-20	2.85	1.95	13.41	1.00	0.00	3.59	0.00	4.59	4.59
31	Assam Gas Company Ltd.	2022-23	2023-24	8.06	2.75	655.66	16.91	0.00	911.92	41.27	928.83	970.10
32	DNP Ltd.	2022-23	2023-24	53.46	49.21	92.32	167.25	0.00	194.39	25.00	361.64	386.64
33	Purba Bharti Gas Private Limited	2022-23	2023-24	-2.94	-3.24	1.91	121.91	-2.84	0.00	0.00	119.07	119.07
Sector wise total				61.69	50.89	783.70	311.43	-20.34	1,109.90	68.15	1,400.99	1,469.14
Total (B)				65.57	37.45	1,235.01	1,240.99	-728.65	1,346.07	1,251.28	1,858.41	3,109.69
Total (A+B)				649.76	507.14	9,224.69	11,099.23	-1,967.11	1,565.10	2,059.84	10,697.22	12,757.06

Appendices

Sl. No.	Name of SPSE	Period of Accounts	Year in which finalised	Net profit/loss before interest & Tax	Net Profit (+) /Loss (-)	Turn-over	Paid Up Capital	Accumulated Loss (-)	Free Reserve & Surplus ⁵²	Long term loan outstanding ⁵³	Net worth ⁵⁴	Capital employed ⁵⁵
1	2	3	4	5	6	7	8	9	10	11	12	13
C. Statutory Corporations												
FINANCE												
1	Assam Financial Corporation	2021-22	2022-23	-0.93	-3.94	6.24	32.40	-30.09	0.00	34.75	2.31	37.06
Sector wise total				-0.93	-3.94	6.24	32.40	-30.09	0.00	34.75	2.31	37.06
SERVICES												
2	Assam State Transport Corporation	2021-22	2023-24	-105.10	-106.53	70.45	167.73	-1664.06	0.00	16.56	-1496.33	-1479.77
3	Assam State Warehousing Corporation	2019-20	2022-23	0.70	0.10	14.60	13.47	-10.39	0.00	4.25	3.08	7.33
Sector wise total				-104.40	-106.43	85.05	181.20	-1,674.45	0.00	20.81	-1,493.25	-1,472.44
Total (C)				-105.33	-110.37	91.29	213.60	-1,704.54	0.00	55.56	-1,490.94	-1,435.38
Grand Total (A + B + C)				544.43	396.77	9,315.98	11,312.83	-3,671.65	1,565.10	2,115.40	9,206.28	11,321.68
D. Non-working SPSEs												
1	Assam Agro-Industries Development Corporation Ltd	2009-10	2017-18	-0.07	-0.45	0.00	2.20	-22.56	0.00	7.26	-20.36	-13.10
2	Assam State Minor Irrigation Development Corporation Ltd.	2011-12	2013-14	-0.02	-0.02	0.00	17.35	-63.76	0.00	45.65	-46.41	-0.76
3	Assam Power Loom Development Corporation Ltd.	1993-94	2001-02	0.00	0.00	0.00	1.47	0.00	0.00	0.00	1.47	1.47
4	Assam Government Construction Corporation Ltd.	2021-22	2022-23	-0.15	-0.15	0.00	2.00	-10.70	0.00	0.00	-8.70	-8.70
5	Assam Conductors and Tubes Ltd.	2014-15	2017-18	-2.01	-2.01	0.00	1.54	-8.20	0.00	4.68	-6.66	-1.98
6	Assam State Textiles Corporation Ltd.	2021-22	2022-23	-0.12	-0.12	0.00	15.44	-37.01	0.00	6.38	-21.57	-15.19
7	Pragjyotish Fertilisers and Chemicals Ltd.	2015-16	2021-22	0.00	0.00	0.00	2.33	0.00	0.00	0.35	2.33	2.68
8	Assam Tanneries Ltd.	1982-83	1983-84	0.00	0.00	0.00	0.02	0.00	0.00	0.00	0.02	0.02
9	Industrial Papers (Assam) Ltd.	2010-11	2022-23	0.00	0.00	0.00	0.40	0.00	0.00	0.00	0.40	0.40
10	Assam Spun Silk Mills Ltd.	2013-14	2015-16	5.16	4.63	0.00	1.70	-23.65	0.00	3.99	-21.95	-17.96
11	Assam Polytex Ltd.	1987-88	1993-94	0.00	0.00	0.00	5.26	0.00	0.00	6.30	5.26	11.56

Sl. No.	Name of SPSE	Period of Accounts	Year in which finalised	Net profit/loss before interest & Tax	Net Profit (+) /Loss (-)	Turn-over	Paid Up Capital	Accumulated Loss (-)	Free Reserve & Surplus ⁵²	Long term loan outstanding ⁵³	Net worth ⁵⁴	Capital employed ⁵⁵
1	2	3	4	5	6	7	8	9	10	11	12	13
12	Assam Syntex Ltd.	2019-20	2022-23	0.13	0.11	0.00	5.12	-58.91	0.00	0.00	-53.79	-53.79
13	Assam State Weaving and Manufacturing Company Ltd.	2019-20	2022-23	-0.67	-0.67	0.00	8.20	-26.59	0.00	0.00	-18.39	-18.39
14	Assam and Meghalaya Mineral Development Corporation Ltd.	1983-84	1984-85	-0.01	-0.01	0.00	0.23	-0.09	0.00	0.00	0.14	0.14
15	Cachar Sugar Mills Ltd.	2016-17	2022-23	-0.01	-0.01	0.00	3.38	-7.32	0.00	0.70	-3.94	-3.24
16	Fertichem Ltd.	2021-22	2022-23	-0.07	-0.07	0.00	0.43	-22.27	0.00	0.00	-21.84	-21.84
Total (D)				2.16	1.23	0.00	67.07	-281.06	0.00	75.31	-213.99	-138.68
Grand Total (A+B+C+D)				546.59	398.00	9,315.98	11,379.90	-3,952.71	1,565.10	2,190.71	8,992.29	11,183.00

Appendix 5.3
Statement showing Rate of Real Return on Government Investment
(Reference: Paragraph 5.7.3)

(₹ in crore)

Year	Present value of total investment at the beginning of the year	Equity infused by the State government during the year	Net interest free loan given by the State Government during the year	Interest free loan converted into equity during the year	Grants/subsidies given by the State government for operational and administrative expenditure	Disinvestment by the State Government during the year at face value	Total investment during the year	Total investment at the end of the year	Average rate of interest	Present value of total investment at the end of the year	Minimum expected return to recover cost of funds for the year	Total earnings/profit after tax (PAT) for the year
A	B	C	D	E	F	G	H	I	J	K= I x (1+J/100)	L= I x J/100	M
1998-99	0.00	379.46	-	-	0.62	-	380.08	380.08	9.08	414.59	34.51	-35.02
1999-2000	414.59	2.11	-	-	0.73	-	2.84	417.43	14.91	479.67	62.24	-27.82
2000-01	479.67	2.87	-	-	0.01	-	2.88	482.55	11.72	539.11	56.55	-36.41
2001-02	539.11	10.82	-	-	0.36	-	11.18	550.29	12.47	618.91	68.62	-24.36
2002-03	618.91	0.54	-	-	0.48	-	1.02	619.93	9.82	680.80	60.88	-31.82
2003-04	680.80	0.42	-	-	13.26	-	13.68	694.48	9.97	763.72	69.24	-17.17
2004-05	763.72	0.35	-	-	15.13	-	15.48	779.20	8.47	845.20	66.00	0.13
2005-06	845.20	718.96	-	-	9.30	-	728.26	1,573.46	8.18	1702.17	128.71	-10.47
2006-07	1702.17	0.52	-	-	24.46	-	24.98	1,727.15	7.66	1859.45	132.30	-10.28
2007-08	1859.45	22.06	-	-	16.08	-	38.14	1,897.59	7.14	2033.08	135.49	-113.27
2008-09	2033.08	5.71	-	-	13.75	-	19.46	2,052.54	6.76	2191.29	138.75	-154.55
2009-10	2191.29	6.04	-	-	32.12	-	38.16	2,229.45	6.83	2381.72	152.27	-79.01
2010-11	2381.72	89.01	-	-	288.11	-	377.12	2,758.84	6.58	2940.37	181.53	12.32
2011-12	2940.37	52.88	-	-	194.41	-	247.29	3,187.66	6.78	3403.79	216.12	-588.15
2012-13	3403.79	0.20	-	-	194.95	-	195.15	3,598.94	6.57	3835.39	236.45	-470.25
2013-14	3835.39	1.46	-	-	210.52	-	211.98	4,047.37	6.53	4311.66	264.29	-266.21
2014-15	4311.66	0.00	-	-	340.60	-	340.60	4,652.26	6.40	4950.00	297.74	-700.64
2015-16	4950.00	0.00	-	-	377.56	-	377.56	5,327.56	6.47	5672.26	344.69	-662.05
2016-17	5672.26	0.00	-	-	443.11	-	443.11	6,115.37	7.14	6552.00	436.64	-280.30
2017-18	6552.00	111.20	-	-	1,027.25	-	1,138.45	7,690.45	6.87	8218.79	528.33	369.11
2018-19	8218.79	72.44	-	-	971.93	-	1,044.37	9,263.16	7.07	9918.06	654.91	169.09
2019-20	9918.06	303.13	-	-	830.42	-	1,133.55	11,051.61	6.74	11796.49	744.88	-127.36
2020-21	11796.49	0.00	-	-	1,115.75	-	1,115.75	12,912.24	6.51	13752.83	840.59	86.47

Year	Present value of total investment at the beginning of the year	Equity infused by the State government during the year	Net interest free loan given by the State Government during the year	Interest free loan converted into equity during the year	Grants/subsidies given by the State government for operational and administrative expenditure	Disinvestment by the State Government during the year at face value	Total investment during the year	Total investment at the end of the year	Average rate of interest	Present value of total investment at the end of the year	Minimum expected return to recover cost of funds for the year	Total earnings/profit after tax (PAT) for the year
A	B	C	D	E	F	G	H	I	J	$K = I \times (1 + J/100)$	$L = I \times J/100$	M
2021-22	13752.83	6,303.08	-	-	1,056.80	-	7,359.88	21,112.71	6.46	22,476.61	1,363.88	167.94
2022-23	22476.61	2657.25	-	-	814.85	-	3472.10	25,948.71	6.16	27,547.15	1598.44	398.00
TOTAL		10,740.51			7992.56		18,733.07					

Appendix 5.3 (A)
Summarised Statement showing Rate of Real Return on Government Investment
 (Reference: Paragraph 5.7.3)

Year	Total earnings/loss in 2022-23	Investment by the State Government up to 2022-23 (as per total of the column H above)	Return on State Government investment on the basis of historical value	Present value of State Government investment at the end of 2022-23 (as per column K above)	Real return on State Government investment considering the present value of investments
	A	B	$C (A/B*100)$	D	$E (A/D*100)$
2022-23	398.00	18,733.07	2.12	27,547.15	1.44

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