



**GOVERNMENT OF ARUNACHAL PRADESH**

**ACCOUNTS AT A GLANCE  
2009-2010**



**ACCOUNTANT GENERAL  
ARUNACHAL PRADESH**



सत्यमेव जयते

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**ACCOUNTANT GENERAL  
ARUNACHAL PRADESH  
ITANAGAR**

## PREFACE

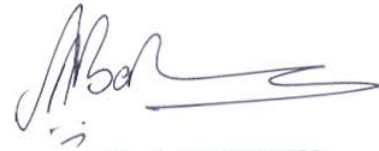
This is the eleventh issue of our annual publication of

### **'Accounts at a Glance'**

The Annual Accounts of the State Government are prepared and examined under the directions of Comptroller and Auditor General of India (C&AG) in accordance with the requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, for being laid before the Legislature of the State. The Annual Accounts consist of (a) Finance Accounts and (b) Appropriation Accounts. Finance Accounts are summary statements of accounts under the Consolidated Fund, Contingency Fund and Public Account. Appropriation Accounts record the Grant-wise expenditure against provisions approved by State Legislature and offer explanations for variations between the actual expenditure and funds provided. The Accountant General prepares the State Finance Accounts and Appropriation Accounts.

'Accounts at a Glance' gives a broad overview of Government activities, as reflected in the Finance Accounts and Appropriation Accounts. The information is presented through brief explanations, statements, tables, pi diagrams and graphs.

We look forward to suggestions to help us improve the publication.



(S. A. BATHEW)  
ACCOUNTANT GENERAL

Dated: Itanagar

the **21 JUL 2011**

## CHAPTER - I

### OVERVIEW

The monthly accounts of the State Government are compiled and consolidated from the accounts submitted by the District Treasuries, Public Works, Forest Divisions, etc.; to the Accountant General (Accounts and Entitlements). Besides, the Finance Accounts and the Appropriation Accounts are prepared annually by the Accountant General under the directions of the Comptroller and Auditor General of India in accordance with the requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971.

The accounts of Government are kept in the following three parts:

|          |                   |
|----------|-------------------|
| Part I   | Consolidated Fund |
| Part II  | Contingency Fund  |
| Part III | Public Account    |

There are two main divisions under the Consolidated Fund:

The Revenue Division (Revenue Account) deals with the proceeds of taxation and other receipts classed as revenue and the expenditure met therefrom, the net result of which represents the revenue surplus or deficit for the year.

In the Capital Division, the section 'Receipt Heads (Capital Account)' deals with receipts of capital nature, which cannot be applied as a set off to capital expenditure. The section 'Expenditure Heads (Capital Account)' deals with expenditure usually met from borrowed funds, with the object of increasing concrete assets of a material and permanent nature. It also includes receipts of a capital nature intended to be applied as a set off to capital expenditure. The section 'Public Debt, Loans and Advances, etc;.' comprises of loans raised and their repayments by the Government such as 'Internal Debt' and 'Loans and Advances' made (and their recoveries) by the Government.

In the Contingency Fund, transactions connected with Contingency Fund established under Article 267 of the Constitution of India are recorded.

In the Public Account, transactions relating to 'Debt' (other than those included in Part I), 'Deposits', 'Advances', 'Remittances' and 'Suspense' are recorded.

The Annual Accounts of the Government of Arunachal Pradesh for the year 2009-2010, and the Audit Report of the Comptroller and Auditor General of India for the year 2009-2010, were presented to the Legislature on 24<sup>th</sup> March, 2011.

### ***Finance Accounts***

Finance Accounts present the accounts of receipts and outgoings of the Government for the year together with the financial results disclosed by the revenue and capital accounts, the accounts of public debts and the liabilities and assets as worked out from the balances recorded in the accounts.

During 2009-2010 total receipts amounted to ₹ 4931.36 crore comprising of Revenue receipts of ₹ 4294.87 crore (₹ 648.84 crore Tax Revenue, ₹ 511.25 crore Non-Tax Revenue and ₹ 3134.78 crore Grants-in-aid and Contributions), and Capital receipts of ₹ 636.49 crore.

Disbursements during the year were ₹ 4931.36 crore, of which ₹ 3695.59 crore (74.94%) was on Revenue Account and ₹1235.77 crore (25.06%) on Capital Account.

### ***Appropriation Accounts***

Appropriations Accounts bring out the expenditure of the State Government against amounts voted and charged by the State Legislature and supplement the Finance Accounts. These comprise accounts of 3 charged Appropriations, 2 Grants (both Charged and Voted) and 66 voted Grants.

Appropriation Acts, 2009-2010, projected for a gross expenditure of ₹ 7124.69 crore, including Supplementary Grants of Rs. 2569.15 crore, were voted by the State Legislature during the year. An amount of ₹ 0.60 crore was projected as recoveries in reduction of expenditure.

Appropriation Accounts 2009-2010 show disbursements aggregating ₹ 5042.94 crore against the aggregate budget provision of ₹ 7124.69 crore, resulting in savings of ₹ 2081.74 crore against Grants and Appropriations. Out of this, ₹ 780.99 crore (98.18%) was under Grants controlled by the Secretariat-Economic Services.

Recoveries in reduction of expenditure amounted to ₹ 0.77 crore, reflecting an increase of ₹ 0.17 crore, vis-à-vis Budget Estimates.

## CHAPTER - II

### HIGHLIGHTS OF ACCOUNTS

(₹ in crore)

| Sl. No |   | B.E<br>2009-2010 | Actuals   | Percentage<br>of Actuals<br>to B.E | Percentage<br>of Actuals<br>to GSDP |
|--------|---|------------------|-----------|------------------------------------|-------------------------------------|
| 1.     | Tax Revenue                             | 624.60           | 648.84    | 103.88                             | 10.37                               |
| 2.     | Non-Tax Revenue                         | 318.41           | 511.25    | 160.56                             | 8.17                                |
| 3.     | Grants-in-aid & Contributions           | 2,313.95         | 3,134.78  | 135.47                             | 50.09                               |
| 4.     | Revenue Receipts (1+2+3)                | 3,256.96         | 4,294.87  | 131.87                             | 68.63                               |
| 5.     | Recovery of Loans & Advances            | 2.72             | 202.70    | 7,452.21                           | 3.24                                |
| 6.     | Other Receipts                          | 0.00             | 0.00      | 0.00                               | 0.00                                |
| 7.     | Borrowings & Other Liabilities          | 1,119.26         | 433.79    | 38.76                              | 6.93                                |
| 8.     | Capital Receipts (5+6+7)                | 1,121.98         | 636.49    | 56.73                              | 10.17                               |
| 9.     | Total Receipts (4+8)                    | 4,378.94         | 4,931.36  | 112.62                             | 78.80                               |
| 10.    | Non-Plan Expenditure (NPE)              | 1,936.15         | 2,788.70  | 144.03                             | 44.56                               |
| 11.    | NPE on Revenue Account                  | 1,930.20         | 2,560.42  | 132.65                             | 40.92                               |
| 12.    | NPE on Interest Payments                | 228.11           | 226.99    | 99.51                              | 3.63                                |
| 13.    | NPE on Capital Account                  | 5.95             | 228.28    | 3,836.64                           | 3.65                                |
| 14.    | Plan Expenditure (PE)                   | 2,442.79         | 2,142.66  | 87.71                              | 34.24                               |
| 15.    | PE on Revenue Account                   | 1,677.17         | 1,135.17  | 67.68                              | 18.14                               |
| 16.    | PE on Capital Account                   | 765.62           | 1,007.49  | 131.59                             | 16.10                               |
| 17.    | Total Expenditure (10+14)               | 4,378.94         | 4,931.36  | 112.62                             | 78.80                               |
| 18.    | Revenue Expenditure (11+15)             | 3,607.37         | 3,695.59  | 102.45                             | 59.05                               |
| 19.    | Capital Expenditure (13+16)             | 771.57           | 1,235.77* | 160.16                             | 19.75                               |
| 20.    | Revenue Surplus (+)/ Deficit (-) (4-18) | -350.41          | 599.28    | -171.02                            | 9.58                                |
| 21.    | Fiscal Deficit {17 - (4+5+6) = 7}       | 1,119.26         | 433.79    | 38.76                              | 6.93                                |

GSDP - Gross State Domestic Product for the year 2009-2010 was ₹ 6,257.88 crore. (Quick Estimate), as per Time Series Data.

\* Expenditure on Capital Account consists of Capital Expenditure (₹ 1,030.31 crore) and Loans and Advances Disbursed (₹ 205.46 crore.)

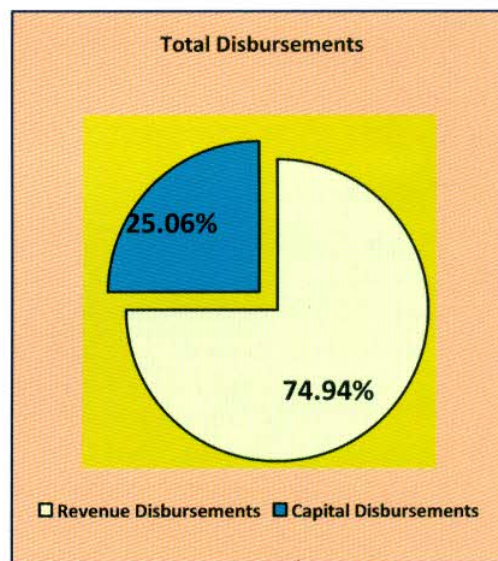
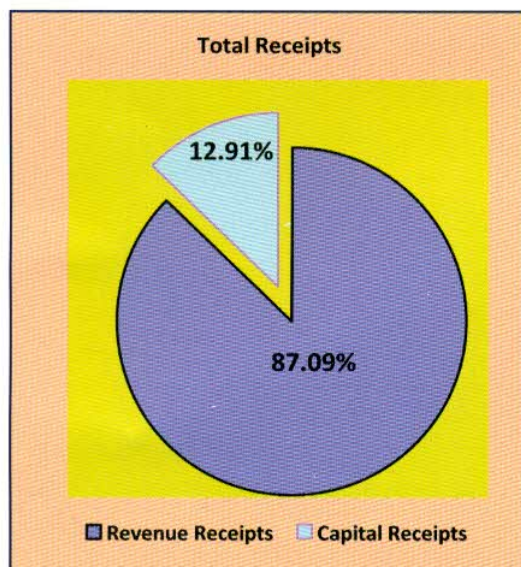
### Receipts and Disbursements

During the year total receipts were ₹ 4931.36 crore, against which total disbursements were ₹ 4931.36 crore.

The following table summarizes the Accounts for 2009-2010:

(₹ in crore)

|                       |                     |                            |                     |
|-----------------------|---------------------|----------------------------|---------------------|
| <b>Total Receipts</b> | <b>4931.36</b>      | <b>Total Disbursements</b> | <b>4931.36</b>      |
| Revenue Receipts      | 4294.87<br>(87.09%) | Revenue Disbursements      | 3695.59<br>(74.94%) |
| Capital Receipts      | 636.49<br>(12.91%)  | Capital Disbursements      | 1235.77<br>(25.06%) |



## RECEIPTS

### Revenue Receipts

The gross Tax and non-Tax Revenue were ₹ 648.84 crore and ₹ 511.25 crore respectively. The major contributor to revenue was Taxes on Commodities and Services.

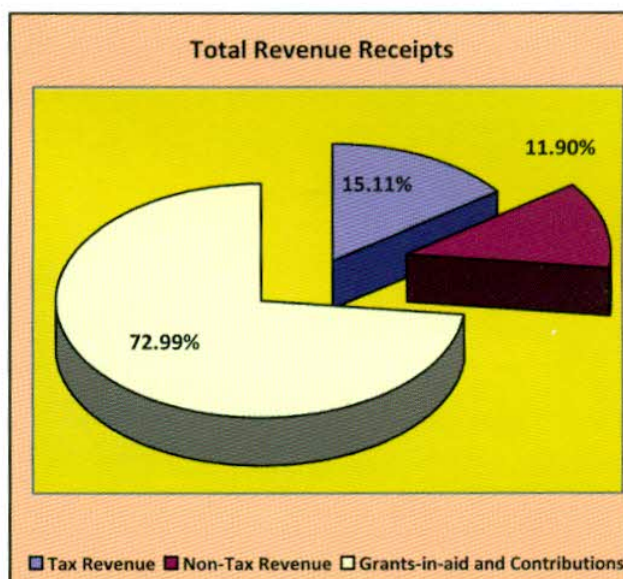
Net tax receipts during the year exceeded the Budget Estimates by ₹ 24.24 crore, mainly on account of collection under Taxes on Income and Expenditure.

The share of various Tax, non-Tax Revenue and Grants-in-aid & Contributions to total revenue receipts is given below:

### Revenue Receipts and Grants-in-Aid and Contributions

(₹ in crore)

| Components                                 | Actuals        | Percentage to total Revenue Receipts |
|--|----------------|--------------------------------------|
| <b>A. Tax Revenue</b>                      | <b>648.84</b>  | <b>15.11</b>                         |
| Taxes on Income and Expenditure            | 304.61         | 7.09                                 |
| Taxes on Property and Capital Transactions | 6.78           | 0.16                                 |
| Taxes on Commodities and Services          | 337.45         | 7.86                                 |
| <b>B. Non-Tax Revenue</b>                  | <b>511.25</b>  | <b>11.90</b>                         |
| Fiscal Services                            | 0.01           | ...                                  |
| Interest Receipts, Dividends and Profits   | 40.02          | 0.93                                 |
| General Services                           | 23.09          | 0.54                                 |
| Social Services                            | 9.07           | 0.21                                 |
| Economic Services                          | 439.06         | 10.22                                |
| <b>C. Grants-in-aid and Contributions</b>  | <b>3134.78</b> | <b>72.99</b>                         |
| <b>TOTAL - REVENUE RECEIPTS</b>            | <b>4294.87</b> | <b>100.00</b>                        |



### Capital Receipts

Compared to the Revised Estimates, there was an overall increase of ₹ 251.88 crore in Capital Receipts. This increase was mainly due to more borrowings by the Government.



## DISBURSEMENTS

### *Revenue Disbursements*

Revenue Disbursement (net) was more than the Budget Estimates by ₹ 88.22 crore (₹ 630.22 crore more under Non-Plan and ₹ 542.00 crore less under Plan).

### *Capital Disbursements*

Capital Disbursements were more than the Budget Estimates by ₹ 464.20 crore due to more disbursements under Non-Plan, (₹ 222.33 crore) and more under Plan (₹ 241.87 crore).

### *Plan Disbursements*

During the year 2009-2010, Plan Disbursements were ₹ 2142.66 crore, out of which ₹ 1647.04 crore was under State Plan, ₹ 256.27 crore under Centrally Sponsored Plan and ₹ 239.35 under Central Sector Schemes.

### *Non-Plan Disbursements*

Non-plan Disbursements during 2009-2010 were ₹ 2788.70 crore, comprising of ₹ 2560.42 crore under Revenue and ₹ 228.28 crore under Capital.

Sectoral distribution of expenditure and its percentage to total revenue expenditure is given below:

## SECTORAL DISTRIBUTION OF EXPENDITURE AND ITS PERCENTAGE TO TOTAL REVENUE EXPENDITURE

(₹ in crore)

| Components  | Amount          | Percentage to Total Revenue Expenditure |
|---|-----------------|---|
| <b>A. Fiscal Services</b>                                     | <b>17.24</b>    | <b>0.47</b>                             |
| (i) Collection of Taxes on Income and Expenditure             | ...             | ...                                     |
| (ii) Collection of Taxes on Property and Capital Transactions | 7.57            | 0.20                                    |
| (iii) Collection of Taxes on Commodities and Services         | 8.77            | 0.24                                    |
| (iv) Other Fiscal Services                                    | 0.90            | 0.02                                    |
| <b>B. Organs of State</b>                                     | <b>73.21</b>    | <b>1.98</b>                             |
| <b>C. Interest Payments and Servicing of debt</b>             | <b>241.98</b>   | <b>6.55</b>                             |
| <b>D. Administrative Services</b>                             | <b>644.76</b>   | <b>17.45</b>                            |
| <b>E. Pensions and Miscellaneous General Services</b>         | <b>183.84</b>   | <b>4.97</b>                             |
| <b>F. Social Services</b>                                     | <b>1,196.66</b> | <b>32.38</b>                            |
| <b>G. Economic Services</b>                                   | <b>1,337.90</b> | <b>36.20</b>                            |
| <b>H. Grants-in-aid and Contributions</b>                     | ...             | ...                                     |
| <b>TOTAL EXPENDITURE : (REVENUE ACCOUNT)</b>                  | <b>3,695.59</b> | <b>100.00</b>                           |

## TREND OF EXPENDITURE

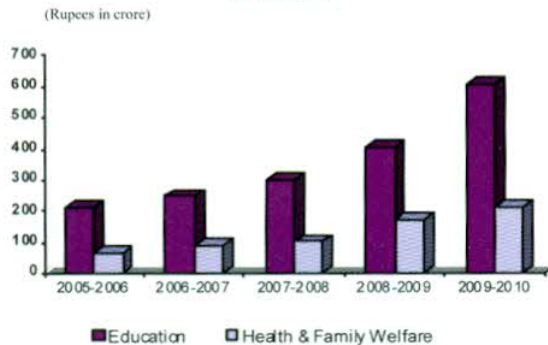
The trend of expenditure in some important sectors between 2005-2006 and 2009-2010 (5 years) is shown below.

### STATEMENT OF EXPENDITURE IN SELECTED SECTORS COMPARED TO BUDGET ESTIMATE AND REVISED ESTIMATE

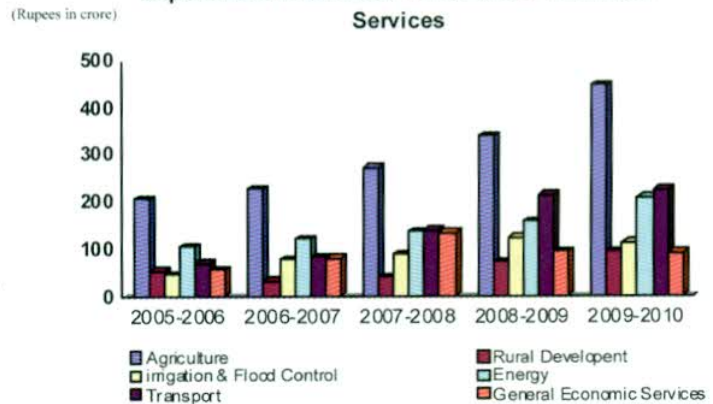
(₹ in crore)

| Sector                          | 2005-2006   |          |          | 2006-2007   |          |          | 2007-2008   |          |          | 2008 - 2009 |          |          | 2009-2010   |          |          |
|---------------------------------|-------------|----------|----------|-------------|----------|----------|-------------|----------|----------|-------------|----------|----------|-------------|----------|----------|
|                                 | Expenditure | % to B.E | % to R.E | Expenditure | % to B.E | % to R.E | Expenditure | % to B.E | % to R.E | Expenditure | % to B.E | % to R.E | Expenditure | % to B.E | % to R.E |
| <b>A. Social Services</b>       |             |          |          |             |          |          |             |          |          |             |          |          |             |          |          |
| i) Education                    | 216.07      | 182.88   | 96.36    | 248.29      | 122.59   | 99.00    | 297.21      | 137.61   | 96.90    | 407.85      | 153.72   | 303.87   | 605.88      | 152.36   | 97.55    |
| ii) Health & Family Welfare     | 70.83       | 116.52   | 96.78    | 92.63       | 134.56   | 107.80   | 103.31      | 129.75   | 82.10    | 171.48      | 195.20   | 189.54   | 210.42      | 112.24   | 92.09    |
| <b>B. Economic Services</b>     |             |          |          |             |          |          |             |          |          |             |          |          |             |          |          |
| i) Agriculture                  | 204.44      | 144.09   | 94.89    | 226.04      | 129.84   | 96.99    | 273.05      | 149.76   | 95.01    | 338.41      | 163.36   | 232.01   | 444.92      | 134.50   | 87.64    |
| ii) Rural Development           | 54.47       | 186.67   | 74.35    | 32.93       | 72.15    | 69.65    | 39.63       | 87.21    | 74.14    | 72.33       | 142.24   | 240.14   | 93.81       | 92.21    | 87.39    |
| iii) Irrigation & Flood Control | 45.26       | 108.33   | 96.03    | 76.73       | 144.88   | 123.74   | 87.96       | 107.64   | 74.06    | 123.21      | 220.41   | 164.54   | 111.24      | 129.47   | 76.06    |
| iv) Energy                      | 103.24      | 96.57    | 90.97    | 120.25      | 111.83   | 99.61    | 136.01      | 109.61   | 99.75    | 157.02      | 114.58   | 631.11   | 208.86      | 141.82   | 99.99    |
| v) Transport                    | 70.30       | 89.29    | 71.59    | 81.95       | 94.76    | 77.70    | 138.46      | 132.12   | 83.52    | 214.16      | 213.95   | 154.78   | 223.15      | 135.14   | 79.43    |
| vi) General Economic Services   | 55.41       | 14.72    | 14.60    | 80.15       | 20.35    | 79.77    | 131.80      | 22.01    | 20.01    | 91.90       | 43.48    | 174.85   | 91.27       | 10.46    | 96.91    |

Expenditure in selected sector under Social Services



Expenditure in selected sector under Economic Services



## DEBTS AND LIABILITIES

Outstanding Public Debts and Other Liabilities at the end of 2009-2010 was ₹ 3119.02 crore, comprising of Internal Debt of ₹ 1721.51 crore, Loans and Advances from the Central Government of ₹ 420.66 crore and Other Liabilities accounted under Public Account of ₹ 976.85 crore.

The State also acts as a banker and trustee in respect of deposits like Small Savings collections and Provident Funds. There was an overall increase of ₹ 142.74 crore in respect of such liabilities of the State Government during 2009-2010.

Interest payments on Debt and Other Liabilities totaling ₹ 226.98 crore, constituted 6.14 % of the total Revenue Expenditure of ₹ 3695.59 crore. Interest payments on Public Debts were ₹ 226.98 crore (Internal Debt – ₹ 77.22 crore, Loans and Advances from the Central Government – ₹ 87.10 crore and Other Liabilities – ₹ 62.66 crore). Expenditure on account of Interest payments increased by ₹ 11.44 crore during 2009-2010 as compared to 2008-2009.

Out of the Internal Debt of ₹ 216.20 crore raised during 2009-2010, ₹ 86.70 crore was used for discharge of debt obligations and the residual amount of ₹ 129.50 crore for developmental activities in the State.

## INVESTMENTS AND RETURNS

The total investments as share capital in Co-operative Societies and Government Companies stood at ₹ 220.42 crore at the end of 2009-2010. No dividend was received on investment during the year.

## LOANS AND ADVANCES BY THE STATE GOVERNMENT

The total Loans and Advances disbursed by the State Government at the end of 31<sup>st</sup> March, 2010 was ₹ 55.17 crore. Information regarding arrears in recovery of Loans and Advances (including Interest) as on 31<sup>st</sup> March 2010, was not received from Departmental authorities who maintained the Detailed Accounts.

The total Loans and Advances to Government Corporations/Companies, Non-Government Institutions, Local Bodies, etc.; at the end of 2009-2010 was ₹ 215.58 crore.

## FINANCIAL ASSISTANCE TO LOCAL BODIES AND OTHERS

Assistance to Local Bodies, etc.; during 2009-2010 was ₹ 40.76 crore. It increased from ₹ 30.98 crore in 2005-2006 to ₹ 40.76 crore in 2009-2010, which was a 31.57 % increase in the last five years. Educational Institutions (including University) accounted for a major portion of the financial assistance ranging from 53.23% to 8.34% of the total grant during the five years from 2005-2006 to 2009-2010, whereas the Warehousing Corporation consumed the major portion (88.62%) of the total grant during 2009-2010.

## COMMITMENTS ON ACCOUNT OF INCOMPLETE CAPITAL WORKS

During the year 2009-2010, a total expenditure of ₹ 331.89 crore was incurred by the State on various projects taken up by Engineering Departments.

## APPROPRIATION ACCOUNTS

The Appropriation Accounts of the Government of Arunachal Pradesh for the year 2009-2010 present the accounts of sums expended in the year ended 31st March 2010, compared with the sums specified in the Schedules appended to the Appropriation Acts passed under Article 204 and 205 of the Constitution of India.

The Appropriation Accounts show that in the year 2009-2010, there was an actual expenditure of ₹ 5042.94 crore, comprising Revenue Expenditure of ₹ 3695.59 crore, Capital Expenditure of ₹ 1236.54 crore, and Repayment of Debt of ₹ 110.81 crore. There was savings under Revenue/Capital and Loans and Advances and Public Debt with reference to total grants allocated by the State Legislature as shown below:

(₹ in crore)

| Sl. No. | Nature of Expenditure     | Original Grant | Supplementary Grant | Total          | Actual Expenditure | Savings(-) Excess(+) |
|---------|---------------------------|----------------|---------------------|----------------|--------------------|----------------------|
| 1.      | <b>Revenue</b>            |                |                     |                |                    |                      |
|         | Voted                     | 3338.30        | 1187.66             | 4525.96        | 3444.57            | (-)1081.39           |
|         | Charged                   | 5.00           | 5.11                | 10.11          | 9.04               | (-) 1.07             |
| 2.      | <b>Capital</b>            |                |                     |                |                    |                      |
|         | Voted                     | 767.37         | 1146.32             | 1913.69        | 1031.07            | (-) 882.61           |
|         | Charged                   | ...            | ...                 | ...            | ...                | ...                  |
| 3.      | <b>Public Debt</b>        |                |                     |                |                    |                      |
|         | Charged                   | 268.00         | ...                 | 268.00         | 241.99             | (-) 26.01            |
| 4.      | <b>Loans and Advances</b> |                |                     |                |                    |                      |
|         | Voted                     | 4.20           | 203.53              | 207.73         | 205.46             | (-) 2.27             |
|         | Charged                   | 172.67         | 26.53               | 199.20         | 110.81             | (-) 88.39            |
|         | <b>Total</b>              | <b>4555.54</b> | <b>2569.15</b>      | <b>7124.69</b> | <b>5042.94</b>     | <b>(-)2081.74</b>    |

Details of persistent savings/excess on a few selected Grants/Appropriations are given below:

**TREND OF EXPENDITURE ON SELECTED GRANTS SHOWING  
PERSISTENT SAVINGS**

(a)

| Year      | Grant No. & Name  | Total Allocation<br>(₹ in crore) | Percentage of Savings<br>to Total Grant |
|-----------|-------------------|----------------------------------|---|
| 2005-2006 | 31 - Public Works | 61.75                            | 8.90                                    |
| 2006-2007 | 31 - Public Works | 77.42                            | 13.70                                   |
| 2007-2008 | 31 - Public Works | 93.64                            | 6.82                                    |
| 2008-2009 | 31 - Public Works | 163.96                           | 24.90                                   |
| 2009-2010 | 31 - Public Works | 200.92                           | 19.26                                   |

(b)

| Year      | Grant No. & Name | Total Allocation<br>(₹ in crore) | Percentage of Savings<br>to Total Grant |
|-----------|------------------|----------------------------------|---|
| 2005-2006 | 33 - N.E. Areas  | 47.19                            | 10.47                                   |
| 2006-2007 | 33 - N.E. Areas  | 5.04                             | 4.17                                    |
| 2007-2008 | 33 - N.E. Areas  | 41.57                            | 24.42                                   |
| 2008-2009 | 33 - N.E. Areas  | 50.02                            | 7.54                                    |
| 2009-2010 | 33 - N.E. Areas  | 104.50                           | 31.17                                   |

(c)

| Year      | Grant No. & Name       | Total Allocation<br>(₹ in crore) | Percentage of Savings<br>to Total Grant |
|-----------|------------------------|----------------------------------|---|
| 2005-2006 | 42 - Rural Development | 30.91                            | 16.31                                   |
| 2006-2007 | 42 - Rural Development | 29.94                            | 4.14                                    |
| 2007-2008 | 42 - Rural Development | 38.56                            | 9.54                                    |
| 2008-2009 | 42 - Rural Development | 71.77                            | 34.35                                   |
| 2009-2010 | 42 - Rural Development | 83.50                            | 13.77                                   |

(d)

| Year      | Grant No. & Name                      | Total Allocation<br>(₹ in crore) | Percentage of Savings<br>to Total Grant |
|-----------|---------------------------------------|----------------------------------|---|
| 2005-2006 | 50 - Secretariat-Economic<br>Services | 363.48                           | 93.92                                   |
| 2006-2007 | 50 - Secretariat-Economic<br>Services | 368.97                           | 89.00                                   |
| 2007-2008 | 50 - Secretariat-Economic<br>Services | 554.82                           | 94.40                                   |
| 2008-2009 | 50 - Secretariat-Economic<br>Services | 1185.29                          | 99.50                                   |
| 2009-2010 | 50 - Secretariat-Economic<br>Services | 795.00                           | 98.18                                   |

(e)

| Year      | Grant No. & Name        | Total Allocation<br>(₹ in crore) | Percentage of Savings<br>to Total Grant |
|-----------|-------------------------|----------------------------------|---|
| 2005-2006 | 61 - Geology and Mining | 2.51                             | 5.58                                    |
| 2006-2007 | 61 - Geology and Mining | 1.50                             | 6.67                                    |
| 2007-2008 | 61 - Geology and Mining | 1.75                             | 5.71                                    |
| 2008-2009 | 61 - Geology and Mining | 5.94                             | 26.09                                   |
| 2009-2010 | 61 - Geology and Mining | 5.17                             | 18.76                                   |

## RECONCILIATION OF ACCOUNTS

Accuracy and reliability of accounts depend, among other things, on timely reconciliation of Departmental figures with the Accounts figures.

Before annual accounts are finalized, the Heads of Departments reconcile the Departmental accounts figures with those booked in the accounts compiled by the Accountant General. The reconciliation of accounts figures is to be done monthly, but in the year 2009-2010 the Departments/Controlling Officers who defaulted in attending the reconciliation were:-

| Sl. No. | Grant No. and Name                | Name of Controlling Officer |
|---------|-----------------------------------|-----------------------------|
| 1.      | 12 - Social Security and Welfare  | Secretary, Finance.         |
| 2.      | 39 - Loans to Government Servants | Secretary, Finance.         |

## SUBMISSION OF ACCOUNTS BY TREASURIES

### Timeliness

The monthly accounts from all Treasuries for all months were received late, except for the following two cases:

- (i) Itanagar Treasury in October 2009.
- (ii) Naharlagun Treasury in January 2010.

During the year 2009-2010, the average extent of delay on the part of Treasuries in submission of the monthly Accounts to this Office ranged from a minimum of 01 day to a maximum of 146 days.

The persistent and chronic delay in submission of monthly accounts to this Office by Treasuries resulted in delay in compilation of accounts by this office.

### Completeness

Due to non-receipt of vouchers from Treasuries, an amount of ₹ 33.30 crore in the Receipt side and ₹ 8.68 crore in Payment side of Accounts was kept under Treasury Suspense during the period from 2008-2009 to 2009-2010. The details are as follows:-

| Name of Treasury          | Year      | Amount kept under Treasury Suspense (₹ in crore) |             |
|---------------------------|-----------|--|-------------|
|                           |           | Receipt  | Payment     |
| Itanagar Treasury         | 2008-2009 | 10.73  | 0.20        |
| Anini Treasury            | 2008-2009 | 11.28  | 0.01        |
| Along Treasury            | 2008-2009 | 11.28  | 0.30        |
| Changlang Treasury        | 2008-2009 | 0.01   | 0.24        |
| Bomdila Treasury          | 2008-2009 | ...  | 0.19        |
| Ziro Treasury             | 2008-2009 | ...  | 0.05        |
| Tezu Treasury             | 2008-2009 | ...  | 1.48        |
| Khonsa Treasury           | 2008-2009 | ...  | 0.19        |
| Seppa Treasury            | 2008-2009 | ...  | 1.24        |
| Naharlagun Treasury       | 2008-2009 | ...  | 0.70        |
| Pasighat Treasury         | 2008-2009 | ...  | 3.16        |
| Shillong (South) Treasury | 2008-2009 | ...  | 0.07        |
| Anini Treasury            | 2009-2010 | 0.0005   | 0.01        |
| Pasighat Treasury         | 2009-2010 | ...  | 0.04        |
| Roing Treasury            | 2009-2010 | ...  | 0.80        |
| <b>Total</b>              |           | <b>33.30</b>                                     | <b>8.68</b> |

## CHAPTER - III

### TRENDS IN GOVERNMENT REVENUE AND EXPENDITURE

The trends in Government Revenue Receipts and Revenue Expenditure from 2005-2006 to 2009-2010 (5 years period) is shown below:-

#### Revenue Receipts

(₹ in crore)

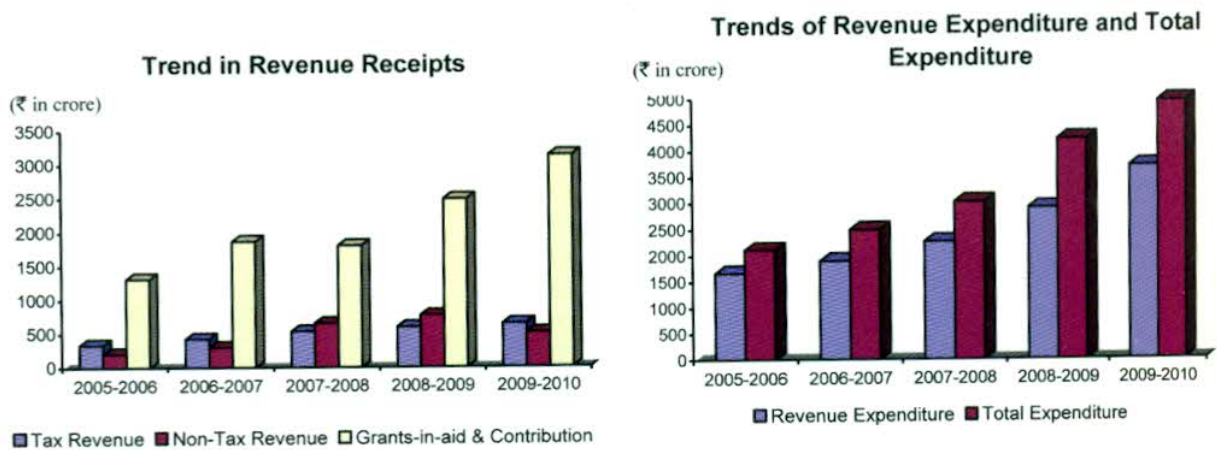
| Year      | Tax Revenue | Non-Tax Revenue | Grants-in-aid & Contributions | Gross Revenue Receipts | *GSDP   | Percentage of Gross Revenue Receipts to GSDP |
|-----------|-------------|-----------------|-------------------------------|------------------------|---------|--|
| 1         | 2           | 3               | 4                             | 5<br>(2+3+4)           | 6       | 7  |
| 2005-2006 | 334.24      | 202.36          | 1312.81                       | 1849.41                | 2918.34 | 63.37  |
| 2006-2007 | 425.38      | 297.18          | 1869.62                       | 2592.18                | 3412.88 | 75.95  |
| 2007-2008 | 535.96      | 656.92          | 1810.13                       | 3003.01                | 3888.25 | 77.23  |
| 2008-2009 | 598.31      | 772.01          | 2485.64                       | 3855.96                | 4536.45 | 85.00  |
| 2009-2010 | 648.84      | 511.25          | 3134.78                       | 4294.87                | 6257.88 | 68.63  |

#### Revenue Expenditure

(₹ in crore)

| Year      | Revenue Expenditure (Actuals) | Total Expenditure | *GSDP   | Percentage increase compared to 2005-2006 |                   |        | Percentage of Government Expenditure to GSDP |
|-----------|-------------------------------|-------------------|---------|---|-------------------|--------|--|
|           |                               |                   |         | Revenue Expenditure                       | Total Expenditure | *GSDP  |  |
| 2005-2006 | 1667.65                       | 2108.95           | 2918.34 | ...                                       | ...               | ...    | 72.27  |
| 2006-2007 | 1897.23                       | 2487.60           | 3412.88 | 13.77                                     | 17.95             | 16.95  | 72.89  |
| 2007-2008 | 2259.55                       | 3015.73           | 3888.25 | 35.49                                     | 43.00             | 33.23  | 77.56  |
| 2008-2009 | 2895.45                       | 4212.93           | 4536.45 | 73.62                                     | 99.76             | 55.45  | 92.87  |
| 2009-2010 | 3695.59                       | 4931.36           | 6257.88 | 121.60                                    | 133.83            | 114.43 | 78.80  |

\*GSDP – Gross State Domestic Product for 2006-2007 was on the basis of Revised Estimates and for 2007-2008 on Provisional figures. The figure for 2009-10 was arrived at on the basis of Quick Estimate.

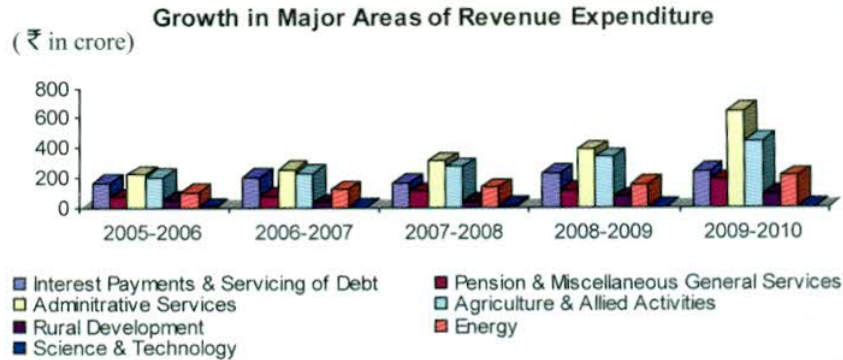




The overall increase in the total expenditure of the Government during 2009-2010 as compared to 2005-2006 was ₹ 2822.41. Growth in major areas of Revenue Expenditure is shown in the following table:

(₹ in crore)

| Areas of Expenditure                       | 2005-2006 | 2006-2007 | 2007-2008 | 2008-2009 | 2009-2010 | Percentage Decrease (-)/ Increase(+) in 2009-2010 over last year |
|--|-----------|-----------|-----------|-----------|-----------|--|
| Interest Payments and Servicing of Debt    | 167.53    | 200.52    | 167.34    | 229.54    | 241.98    | 5.42   |
| Pension and Miscellaneous General Services | 71.18     | 79.33     | 109.99    | 114.46    | 183.84    | 60.62  |
| Administrative Services                    | 224.26    | 255.96    | 309.47    | 387.01    | 644.76    | 66.60  |
| Agriculture and Allied Activities          | 204.44    | 226.04    | 273.05    | 338.41    | 444.92    | 31.47  |
| Rural Development                          | 54.47     | 32.93     | 39.63     | 72.33     | 93.81     | 29.70  |
| Energy                                     | 103.24    | 120.25    | 136.01    | 157.02    | 208.86    | 33.01  |
| Science & Technology                       | 10.35     | 1.50      | 10.74     | 5.33      | 3.53      | -33.77   |



## GOVERNMENT ACCOUNT

The total expenditure (Revenue and Capital) for the year is netted against total receipts (Revenue and Non-debt Capital Receipts) of the year and the surplus/deficit thereof is transferred to a separate ledger called "Government Account". In addition, the net effect of Prior Period Adjustments, Miscellaneous Government Accounts, etc.; are also transferred to the ledger "Government Account". Thus, the ledger "Government Account" represents the cumulative surplus/deficit of the operations of the Government. The details of the ledger "Government Account" for the past five years are given below:

(₹ in crore)

| Year      | Revenue Heads |              |                        | Capital Heads |              |             | Other Heads            | Deficit(-)/ Surplus(+) for the Year | Cumulative Deficit (-)/ Surplus(+) at the end of the Year |
|-----------|---------------|--------------|------------------------|---------------|--------------|-------------|------------------------|-------------------------------------|---|
|           | Receipt       | Disbursement | Deficit(-)/ Surplus(+) | Receipt       | Disbursement | Deficit (-) | Deficit(-)/ Surplus(+) |                                     |   |
| 2005-2006 | 1849.41       | 1667.65      | (+) 181.76             | -             | 437.61       | (-) 437.61  | -                      | (-) 255.85                          | -2268.30  |
| 2006-2007 | 2592.17       | 1897.23      | (+) 694.94             | -             | 585.60       | (-) 585.60  | -                      | (+) 109.34                          | -2158.96  |
| 2007-2008 | 3003.01       | 2259.55      | (+) 743.46             | -             | 753.21       | (-) 753.21  | -                      | (-) 9.75                            | -2168.71  |
| 2008-2009 | 3855.96       | 2895.45      | (+) 960.51             | -             | 1290.23      | (-) 1290.23 | -                      | (-) 329.72                          | -2498.43  |
| 2009-2010 | 4294.87       | 3695.59      | (+) 599.28             | -             | 1030.31      | (-) 1030.31 | -                      | (-) 431.03                          | -2929.46  |

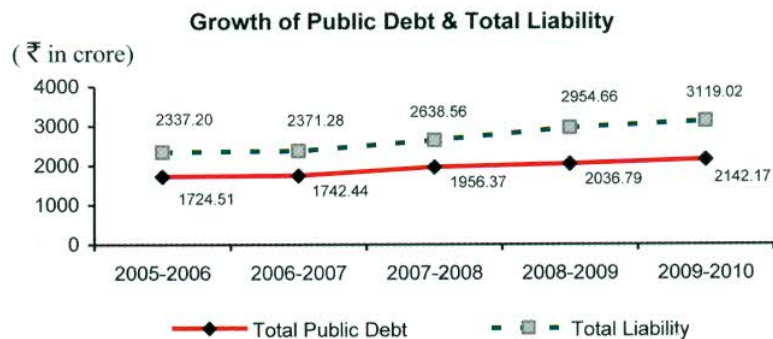
## LIABILITIES

Liabilities of the State Government increased from ₹ 2337.20 crore in 2005-2006 to ₹ 3119.02 crore during 2009-2010 (increase of ₹ 781.82 crore). Public Debt, comprising Internal Debt of the State Government and Loans and Advances from the Central Government, increased from ₹ 1724.51 crore in 2005-2006 to ₹ 2142.17 crore at the end of 2009-2010 (increase of ₹ 417.66 crore). Article 293 of the Constitution of India empowers the State Government to borrow on the security of the Consolidated Fund of the State within such limits, if any, as may be from time to time fixed by the State Legislature. Details of the Public Debt and total liabilities of the State Government were as under:

(₹ in crore)

| Year      | Internal Debt | Loans & Advances from Central Govt. | Total Public Debt | Small Savings | Provident Funds | Other Obligations | Total Liabilities | *GSDP   | % of total liabilities to GSDP |
|-----------|---------------|-------------------------------------|-------------------|---------------|-----------------|-------------------|-------------------|---------|--------------------------------|
| (1)       | (2)           | (3)                                 | (4)<br>(2+3)      | (5)           | (6)             | (7)               | (8)<br>[4+5+6+7]  | (9)     | (10)                           |
| 2005-2006 | 1231.89       | 492.62                              | 1724.51           | 45.51         | 418.87          | 148.31            | 2337.20           | 2918.34 | 80.09                          |
| 2006-2007 | 1277.84       | 464.60                              | 1742.44           | 48.75         | 478.58          | 101.51            | 2371.28           | 3412.88 | 69.26                          |
| 2007-2008 | 1507.87       | 448.50                              | 1956.37           | 52.80         | 517.23          | 112.16            | 2638.56           | 3888.25 | 67.86                          |
| 2008-2009 | 1592.01       | 444.78                              | 2036.79           | 57.34         | 591.24          | 269.29            | 2954.66           | 4536.45 | 65.13                          |
| 2009-2010 | 1721.51       | 420.66                              | 2142.17           | 61.71         | 729.60          | 185.54            | 3119.02           | 6257.88 | 49.84                          |

\* GSDP - Gross State Domestic Product was taken according to the Revised Time Series Data.



## STATE PROVIDENT FUND

Details of transactions from the State Provident Fund during the period 2005-2006 to 2009-2010 are shown in the following table:

(₹ in crore)

| Year      | Opening Balance | Receipts | Payments | Net Accretion for the Year | Closing Balance | Interest charged on Balance of P.F |
|-----------|-----------------|----------|----------|----------------------------|-----------------|------------------------------------|
| 2005-2006 | 354.50          | 123.89   | 59.52    | 64.37                      | 418.87          | 33.40                              |
| 2006-2007 | 418.87          | 127.13   | 67.42    | 59.71                      | 478.58          | 35.07                              |
| 2007-2008 | 478.58          | 116.20   | 77.55    | 38.65                      | 517.23          | 36.82                              |
| 2008-2009 | 517.23          | 150.91   | 76.90    | 70.01                      | 591.24          | 49.07                              |
| 2009-2010 | 591.24          | 213.60   | 75.24    | 138.36                     | 729.60          | 56.82                              |

## GUARANTEES

The position of Guarantees given by the State Government for payment of Loans and Capital and payment of Interest thereon raised by Statutory Corporations, Government Companies, Corporations, Co-operative Societies, etc. is given below:

(₹ in crore)

| At the end of the Year | Amount Guaranteed<br>(Principal only) | Amount Outstanding |          |
|------------------------|---------------------------------------|--------------------|----------|
|                        |                                       | Principal          | Interest |
| 2005-2006              | 24.00                                 | 5.56               | 0.13     |
| 2006-2007              | 23.99                                 | 13.15              | 0.17     |
| 2007-2008              | 12.00                                 | 0.78               | 0.20     |
| 2008-2009              | 12.00                                 | 0.47               | 0.14     |
| 2009-2010              | 12.00                                 | 0.47               | 0.14     |

## WAYS AND MEANS ADVANCES

The State Government, in order to maintain and sustain its liquidity position, takes Ways and Means Advances from the Reserve Bank of India and thereafter, draws upon overdraft whenever there is shortfall in the agreed minimum cash balance in its account with the Reserve Bank of India. The State Government is required to maintain a minimum cash balance of ₹ 26 lakh with the Reserve Bank of India. The larger the amount and greater the number of times such Ways and Means Advances are taken or drawals made, the more it reflects on the adverse position of the cash balance of the State Government.

|  | 2005-2006 | 2006-2007 | 2007-2008 | 2008-2009 | 2009-2010 |
|--|-----------|-----------|-----------|-----------|-----------|
| (i) Number of days on which minimum balance was maintained | 365       | 366       | 365       | 365       | 365       |
| a) Without obtaining any advance                           | ...       | --        | --        | --        | --        |
| b) By obtaining Ways and Means Advance                     | ...       | --        | --        | --        | --        |
| (ii) Number of days on which overdraft was taken           | ...       | --        | --        | --        | --        |

## GENERAL CASH BALANCES

The Closing Cash Balance as on 31st March 2010, according to the Reserve Bank of India, was ₹ 140.47 crore (Debit) against the General Cash Balance of ₹ 83.04 crore (Debit) reflected in the State Government accounts. The difference of ₹ 57.43 crore was under reconciliation.

Investments held in the \*Cash Balance Investment Account as on 31<sup>st</sup> March 2010 were ₹ 1616.37 crore.

Other Cash Balances and Investments as on 31st March 2010 were ₹ 77.06 crore, comprising of cash with Departmental Officers (₹ 3.15 crore), Permanent Advances with Departmental Officers (₹ 0.01 crore) and Investment of earmarked funds (₹ 73.90 crore).

*\*Cash Balance Investment Account is intended for the record of transactions connected with temporary investments of Cash Balance in Short-term Loans or other Government Securities.*

The Cash Balance with the Reserve Bank of India decreased from ₹ (-) 439.44 crore at the beginning of the year 2009-2010 to ₹ (-) 83.04 crore at the end of the year, the details of sources and application of funds being as follows: -

(₹ in crore)

| SOURCES      |  |                | APPLICATION  |   |                           |                    |                  |
|--------------|--|----------------|--------------|---|---------------------------|--------------------|------------------|
| Sl.No.       | Items  | Amount         | Sl. No.      | Items   | Amount                    |                    |                  |
| 1.           | Opening Cash Balance   | (-) 439.44     | 1.           | Revenue Expenditure   | Non-plan<br>2560.42       | Plan<br>1135.17    | Total<br>3695.59 |
| 2.           | State share of Union Taxes   | 475.40         | 2.           | Capital Expenditure   | Non-plan<br>22.82         | Plan<br>1007.49    | Total<br>1030.31 |
| 3.           | State's own Revenue Collection   | 684.69         | 3.           | Loans and Advances repaid   | To Central Govt.<br>24.12 | To Others<br>86.70 | Total<br>110.82  |
| 4.           | Central Grants/Assistance other than Loans   | 3134.78        | 4.           | Loans and Advances given  |                           |                    | 205.46           |
| 5.           | Miscellaneous Receipts   | ...            | 5.           | Net effect of adjustment of Suspense & Remittances Balances and Increase/Decrease of Reserve Funds. |                           |                    |                  |
| 6.           | Receipts from Public Debt, Small Savings, Deposits and Advances (Other than Central Loans)         | 273.53         | 6.           | Closing Cash Balance  |                           |                    | (-) 83.04        |
| 7.           | Receipts from Central Loans  | ...            |              |   |                           |                    |                  |
| 8.           | Recoveries from borrowers  | 202.70         |              |   |                           |                    |                  |
| 9.           | Net contribution from Contingency Fund   | ...            |              |   |                           |                    |                  |
| 10.          | Net effect of adjustment of Suspense & Remittances Balances and Increase/Decrease of Reserve Funds | 327.48         |              |   |                           |                    |                  |
| <b>Total</b> |  | <b>4959.14</b> | <b>Total</b> |   |                           |                    | <b>4959.14</b>   |

## CONTINGENCY FUND

The Contingency Fund of the State is designed to meet contingencies. During the last five years, there were no transactions under Contingency Fund.

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