

CHAPTER I: FINANCES OF THE STATE GOVERNMENT

In Summary

Large revenue and fiscal deficits year after year indicate continued macro imbalances in a State. In Tripura fiscal deficit increased from Rs. 290.51 crore in 1999-2000 to Rs. 341.39 crore in 2003-04.

Revenue of the State consists mainly of its own tax and non-tax revenue, Central tax transfers and grants-in-aid from Government of India. Overall revenue receipts increased from Rs. 1438.26 crore in 1999-2000 to Rs. 2167.66 crore in 2003-04 at an average trend rate of 11 per cent. There were, however, significant inter-year variations in the growth rates. During the current year the revenue receipts grew by 15.30 per cent. On an average 82 per cent of the revenue came from State's share and grants-in-aid during the year. While Central tax transfers had increased by 28.36 per cent, the grants-in-aid from Government of India increased by 8.11 per cent over the last year. Only 18 per cent of the revenue receipts came from State's own resources.

Total expenditure of the State increased from Rs. 1731.14 crore in 1999-2000 to Rs. 2512.74 crore in 2003-04 at an average trend rate of 13 per cent. The rate of growth of expenditure in 2003-04 was 3.84 per cent which was lower than the average trend rate (13 per cent) for five years.

There was a decrease of one per cent in capital expenditure and 5.21 per cent in non-developmental expenditure during 2003-04 over the last year. The interest payment during 2003-04 was Rs. 332.71 crore and the same grew by 14.44 per cent over the last year. The average growth rate of interest payment during the period 1999-2004 was 11.46 per cent. Debt burden (fiscal liabilities) of the State at the end of 2003-04 was Rs. 3577.93 crore, up by 14.41 per cent over the previous year. The average rate of interest paid on the borrowings of the State during 1999-2004 (10.53 per cent) was more than the average rate of growth of GSDP (9.45 per cent), violating the cardinal rule of debt sustainability. The finances of the State continued to be dependent on the ways and means advance from Reserve Bank of India.

State Government has not yet passed any Fiscal Responsibility Act but entered into a Memorandum of Understanding with Government of India in March 2003.

Though it is not uncommon for a State to borrow for widening its infrastructure and for creating income generating assets, an ever increasing ratio of fiscal liabilities to GSDP together with a large revenue deficit could lead the State finances into a debt trap. State Government proposes to achieve fiscal sustainability in the medium term in accordance with the Tripura Medium Term Fiscal Reforms Programme in the coming years.

1.1 Introduction

The Finance Accounts of the Government of Tripura are laid out in nineteen statements, presenting receipts and expenditure, revenue as well as capital, in the Consolidated Fund, Contingency Fund and the Public Account of the State Government. The layout of the Finance Accounts is depicted in the **Box 1.1**.

Box 1.1

Layout of Finance Accounts

Statement No. 1 presents the summary of transactions of the State Government – receipts and expenditure, revenue and capital, public debt receipts and disbursements etc in the Consolidated Fund, Contingency Fund and Public Account of the State.

Statement No. 2 contains the summarised statement of capital outlay showing progressive expenditure to the end of current year.

Statement No. 3 gives financial results of irrigation works, their revenue receipts, working expenses and maintenance charges, capital outlay, net profit or loss, etc. There is no commercial irrigation project in Tripura State.

Statement No. 4 indicates the summary of debt position of the State, which includes borrowings from internal debt, Government of India, other obligations and servicing of debt.

Statement No. 5 gives the summary of loans and advances given by the State Government during the year, repayments made, recoveries in arrears, etc.

Statement No. 6 gives the summary of guarantees given by the Government for repayment of loans etc. raised by the statutory corporations, local bodies and other institutions.

Statement No. 7 gives the summary of cash balances and investments made out of such balances.

Statement No. 8 depicts the summary of balances under Consolidated Fund, Contingency Fund and Public Account as on 31 March 2004.

Statement No. 9 shows the revenue and expenditure under different heads for the current year as a percentage of total revenue / expenditure.

Statement No. 10 indicates the distribution between the charged and voted expenditure incurred during the year.

Statement No. 11 indicates the detailed account of revenue receipts by minor heads.

Statement No. 12 provides accounts of revenue expenditure by minor heads under non-plan, State plan and centrally sponsored schemes separately and capital expenditure major head-wise.

Statement No. 13 depicts the detailed capital expenditure incurred during and to the end of the current year.

Statement No. 14 shows the details of investment of the State Government in statutory corporations, Government companies, other joint stock companies, cooperative banks and societies etc, up to the end of the current year.

Statement No. 15 depicts the capital and other expenditure to the end of the current year and the principal sources from which the funds were provided for that expenditure.

Statement No. 16 gives the detailed account of receipts, disbursements and balances under heads of account relating to debt, Contingency Fund and Public Account.

Statement No. 17 presents the detailed account of debt and other interest bearing obligations of the Government.

Statement No. 18 provides the detailed account of loans and advances given by the Government of Tripura, the amount of loans repaid during the year, the balances at the end of the year and the amount of interest received during the year.

Statement No. 19 gives the details of balances of earmarked funds. No earmarking of funds have been made in Tripura as shown in the statement.

1.2 Trend of Finances with reference to previous year

Finances of the State Government during the current year compared to previous year were as under:

(Rupees in crore)

2002-03	Sl. No.	Major Aggregates	2003-04
1880.07	1.	Revenue Receipts (2+3+4)	2167.66
183.09	2.	Tax Revenue	221.47
98.73	3.	Non-tax Revenue	167.78
1598.25	4.	Other Receipts	1778.41
3.10	5.	Non-Debt Capital Receipts	3.69
1883.17	6.	Total Receipts (1+5)	2171.35
1643.62	7.	Non-Plan Expenditure (8+10)	1761.77
1621.10	8.	On Revenue Account	1731.88
290.73	9.	Of which, Interest Payments	332.71
22.52	10.	On Capital Account	29.89
776.55	11.	Plan Expenditure (12 + 13 +14)	750.97
339.62	12.	On Revenue Account	331.05
428.69	13.	On Capital Account	413.89
8.24	14.	On Loans disbursed	6.03
2420.17	15.	Total Expenditure (7 + 11)	2512.74
(-) 537.00	16.	Fiscal Deficit (15-1-5)	(-) 341.39
(-) 80.65	17.	Revenue Deficit (-)/ Surplus (+) (8 + 12 - 1)	(+) 104.73
(-) 246.27	18.	Primary Deficit (-)/Surplus (+) (16-9)	(-) 8.68

1.3 Summary of Receipts and Disbursements for the year

Table 1 summarises the finances of the Government of Tripura for the year 2003-04 covering revenue receipts and expenditure, capital receipts and expenditure, public debt receipts and disbursements and public accounts

receipts and disbursements made during the year as emerging from Statement 1 of the Finance Accounts and other detailed statements.

Table 1: Summary of Receipts and Disbursements for the year 2003-04

(Rupees in crore)

2002-03	Receipts	2003-04	2002-03	Disbursement	2003-04		
Section A: Revenue							
					Non-Plan	Plan	Total
1880.07	I. Revenue Receipts	2167.66	1960.72	I. Revenue Expenditure	1731.88	331.05	2062.93
183.09	Tax Revenue	221.47	826.73	General Service	874.45	1.63	876.08
98.73	Non-tax Revenue	167.78	716.56	Social Service	521.21	211.44	732.65
249.71	Share of Union taxes / duties	320.53	375.35	Economic Service	336.22	80.22	416.44
1348.54	Grants from Government of India	1457.88	42.08	Grants-in-aid / contribution	-	37.76	37.76
Section B: Capital							
-	II. Miscellaneous Capital Receipts	-	451.21	II. Capital outlay	29.89	413.89	443.78
3.10	III. Recoveries of Loans and Advances	3.69	8.24	III. Loans and Advances disbursed	-	6.03	6.03
211.48	IV. Public Debt receipts*	405.32	114.80	IV. Repayment of Public Debt	-	-	250.87#
-	V. Contingency Fund	-	-	V. Contingency Fund	-	-	-
1575.97	VI. Public Account receipts	1699.00	1246.12	VI. Public Account disbursements	-	-	1615.86#
110.41	Opening balance	(-) 0.06	(-) 0.06	Closing balance			(-) 103.86
3781.03	Total	4275.61	3781.03	Total			4275.61

* Includes net ways and means advance also.

Bifurcation of Plan and Non-Plan not available.

1.4 Audit Methodology

Audit observations on the Finance Accounts bring out the trends in the major fiscal aggregates of receipts and expenditure and from the statements of the Finance Accounts for the year 2003-04 and wherever necessary, show these in the light of time series data and periodic comparisons. The key indicators adopted for the purpose are (i) Resources by volumes and sources, (ii) Application of resources, (iii) Assets and Liabilities, and (iv) Management of deficits. Audit observations have also taken into account the cumulative impact of resource mobilisation efforts, debt servicing and corrective fiscal measures. Overall financial performance of the State Government as a body corporate has been presented by the application of a set of ratios commonly adopted for the relational interpretation of fiscal aggregates.

The reporting parameters are depicted in the Box 1.2.

Box 1.2**Reporting Parameters**

Fiscal aggregates like tax and non-tax revenue, revenue and capital expenditure, internal debt and revenue and fiscal deficits have been presented as percentage to the GSDP at current market prices.

For tax revenues, non-tax revenues, revenue expenditure etc, buoyancy projections have also been provided for a further estimation of the range of fluctuations with reference to the base represented by GSDP.

For most series a trend growth during 1999-2004 has been indicated. The ratios with respect to GSDP have also been depicted. Some of the terms used here are explained in Annexure.

The accounts of the State Government are kept in three parts (i) Consolidated Fund, (ii) Contingency Fund and (iii) Public Account as defined in Box 1.3.

Box 1.3**State Government Funds and the Public Account**

Consolidated Fund	Contingency Fund	Public Account
All revenues received by the State Government, all loans raised by issue of treasury bills, internal and external loans and all moneys received by the Government in repayment of loans shall form one consolidated fund entitled 'The Consolidated Fund of State' established under Article 266(1) of the Constitution of India.	Contingency Fund of State established under Article 267(2) of the Constitution is in the nature of an imprest placed at the disposal of the Governor to enable him to make advances to meet urgent unforeseen expenditure, pending authorisation by Legislature. Approval of the Legislature for such expenditure and for withdrawal of an equivalent amount from the Consolidated Fund is subsequently obtained, whereupon the advances from the Contingency Fund are recouped to the Fund.	Besides the normal receipts and expenditure of Government which relate to the Consolidated Fund, certain other transactions enter Government Accounts, in respect of which Government acts more as a banker. Transactions relating to provident funds, small savings, other deposits, etc are a few examples. The public moneys thus received are kept in the Public Account set up under Article 266(2) of the Constitution and the related disbursements are made from it.

1.5 State finances by key indicators

1.5.1 Resources by volumes and sources: Resources of the State Government consist of revenue receipts and capital receipts. Revenue receipts consist of tax revenues, non-tax revenue, State's share of union taxes and duties and grants-in-aid from the Central Government. Capital receipts comprise miscellaneous

capital receipts like proceeds from disinvestments, recoveries of loans and advances, debt receipts from internal sources *viz.*, market loans, borrowings from financial institutions / commercial banks etc, and loans and advances from Government of India as well as accruals from Public Account.

Table 2 shows that the total receipts of the State Government for the year 2003-04 were Rs. 4275.67 crore. Of these, the revenue receipts of the State Government were Rs. 2167.66 crore only, constituting 51 *per cent* of the total receipts. The balance of receipts came from borrowings and public account receipts.

Table 2: Resources of Tripura

			<i>(Rupees in crore)</i>
I.	Revenue Receipts		2167.66
II.	Capital Receipts		409.01
	(a) Miscellaneous Receipts	-	-
	(b) Recovery of Loans and Advances	3.69	
	(c) Public Debt Receipts	405.32	
III.	Contingency Fund Receipts		Nil
IV.	Public Account Receipts		1699.00
	(a) Small Savings, Provident Fund etc	526.46	
	(b) Reserve Fund	20.74	
	(c) Deposits and Advances	225.07	
	(d) Suspense and Miscellaneous	112.58	
	(e) Remittances	814.15	
Total Receipts			4275.67

1.5.2 Revenue Receipts: Statement 11 of the Finance Accounts details the Revenue Receipts of the Government. The Revenue Receipts of the State consist mainly of its own tax and non-tax revenues, Central tax transfers and grants-in-aid from Government of India. Overall revenue receipts, its annual rate of growth, ratio of these receipts to the State's Gross Domestic Product (GSDP) and its buoyancy is indicated in Table 3.

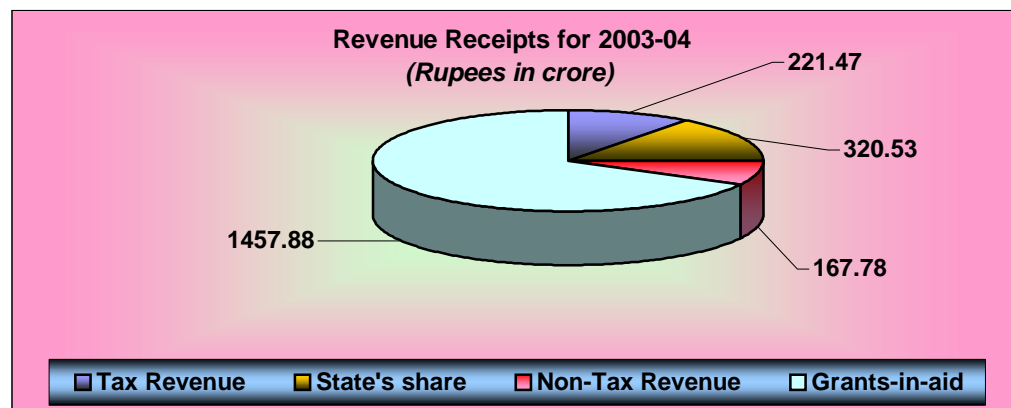
Table 3: Revenue Receipts – Basic Parameters (Values in Rupees in crore and other in *per cent*)

	1999-2000	2000-01	2001-02	2002-03	2003-04	Average
Revenue Receipts	1438.26	1638.06	1867.38	1880.07	2167.66	1798.29
Own Taxes	7.07	7.67	8.49	9.74	10.22	8.64
Non-Tax Revenue	5.30	5.77	5.22	5.25	7.74	5.86
Central Tax transfer	36.82	14.42	42.46	13.28	14.79	24.35
Grants-in-aid	50.81	72.14	73.83	71.73	67.26	67.15
Rate of Growth	13.40	13.89	14.00	0.68	15.30	11.45
Revenue Receipt/GSDP	34.63	36.20	37.76	34.35	36.18	35.82
Revenue Buoyancy	1.505	1.556	1.507	0.064	1.619	1.250
GSDP Growth	8.90	8.93	9.29	10.69	9.45	9.45

The revenue receipts of the State increased from Rs. 1438.26 crore in 1999-2000 to Rs. 2167.66 crore in 2003-04 at an average trend rate of 11.45 *per cent*. There were, however, significant inter-year variations in the growth rates. During the five-year period 1999-2004, the State had a buoyant economy with its GSDP growth averaging 9.45 *per cent*. Revenue growth

exceeded GSDP growth rates during all the years from 1999 to 2004 except 2002-03 and buoyancy of revenue receipt during this period was greater than one. There was sharp increase in revenue buoyancy to 1.619 due to a moderate growth in revenue receipt during 2003-04 relative to GSDP.

While 18 per cent of the revenue receipts during 2003-04 have come from State's own resources comprising tax and non-tax revenues, Central tax transfers and grants-in-aid together contributed 82 per cent of the total revenue. Sales Tax was the major contributor (67 per cent) of State's own tax revenue followed by State Excise (14 per cent), Stamps and Registration fees (5 per cent), and Taxes on Vehicles (4 per cent). Of non-tax revenue sources interest receipts (2 per cent), receipts from Economic Services (87 per cent) were principal contributors. However, 84 per cent of the interest receipts (Rs. 3.67 crore) was only from investment of cash balances.



The arrears of revenue increased by 37 per cent from Rs. 9.64 crore in 1999-2000 to Rs. 13.23 crore at the end of 2003-04. Of these, Rs. 0.71 crore (5.37 per cent) were more than 5 years old.

The current levels of cost recovery (revenue receipts as a percentage of revenue expenditure) in supply of merit goods and services by Government are 11.59 per cent for Secondary Education, 1.01 per cent for University and Higher Education, 0.18 per cent for Technical Education, 3.99 per cent for Health and Family Welfare, and 9.53 per cent in Water Supply and Sanitation etc.

The source of total receipts under different heads and GSDP during 1999-2004 is indicated in Table 4.

Table 4: Sources of Receipts: Trends

(Rupees in crore)

Year	Revenue receipts	Capital Receipts			Total receipts	Gross State Domestic product
		Non-debt receipts	Debt receipts	Accruals in Public Account		
1999-2000	1438.26	2.37	304.05	875.18	2619.86	4153.70
2000-01	1638.06	1.87	165.48	1284.28	3089.69	4524.42
2001-02	1867.38	2.32	311.93	1389.48	3571.11	4944.73
2002-03	1880.07	3.10	211.48	1575.97	3670.62	5473.32
2003-04	2167.66	3.69	405.32	1699.00	4275.67	5990.55

1.6 Application of resources

1.6.1 Trend of growth: Statement 12 of the Finance Accounts depicts the detailed revenue expenditure by minor heads and capital expenditure by major heads. The total expenditure of the State increased from Rs. 1731.14 crore in 1999-2000 to Rs. 2512.74 crore in 2003-04 at an average trend rate of 13 *per cent* per annum. The average rate of growth of total expenditure was higher than the rate of growth of revenue receipts during this period.

Total expenditure of the State, its trend and annual growth, ratio of expenditure to the State's GSDP and revenue receipts and its buoyancy with regard to GSDP and revenue receipts are indicated in Table 5 below:

Table 5: Total expenditure – Basic Parameters (value in Rupees in crore and other in *per cent*)

	1999-2000	2000-01	2001-02	2002-03	2003-04	Average / trend
Total expenditure*	1731	2085	2408	2420	2513	2231
Rate of growth	24.73	20.45	15.48	0.51	3.84	13.00
TE/GSDP Ratio	41.68	46.09	48.70	44.22	41.95	44.53
Revenue Receipts/TE Ratio	83.08	78.56	77.55	77.68	86.26	80.63
Buoyancy of total expenditure with						
GSDP	2.778	2.291	1.666	0.048	0.406	1.438
Revenue Receipts	1.846	1.472	1.106	0.752	0.251	1.085

*Total expenditure includes Revenue Expenditure, Capital Expenditure and Loans and Advances.

Consistent increase of total expenditure over a five-year period 1999-2004 was also reflected in gradual increase in percentage of total expenditure to GSDP (from 41.68 to 41.95 *per cent*) and also revenue receipts to total expenditure (from 83.08 to 86.26 *per cent*). Though in monetary terms, total expenditure in 2003-04 has increased by Rs. 92.57 crore over previous year, its ratio as a percentage to GSDP has shown a declining trend. The increase in total expenditure in 2003-04 was due to increase in interest payment by Rs. 41.98 crore which was nearly 45 *per cent* of net increase of total expenditure over previous year.

In terms of the activities, total expenditure could be considered as being composed of expenditure on General Services, Interest Payments, Social and Economic Services, grants-in-aid and other contributions to institutions and loans and advances. Relative share of these components in total expenditure is indicated in Table 6.

Table 6: Components of Expenditure – Relative share (in *per cent*)

	1999-2000	2000-01	2001-02	2002-03	2003-04	Average / trend
General Services	20.92	20.56	22.13	23.94	23.36	22.18
Interest Payments	10.70	10.84	10.52	12.01	13.24	11.46
Social Services	39.22	37.61	35.78	36.52	35.40	36.91
Economic Services	27.93	29.85	30.17	25.45	26.26	27.93
Grants-in-aid and contributions	1.06	0.93	1.06	1.74	1.50	1.26
Loans and Advances	0.17	0.21	0.34	0.34	0.24	0.26

The movement of relative share of these components of expenditure indicated that all components of expenditure had inter-year variations. But expenditure on General Services and interest payments which were considered as non-developmental, together accounted for 36.60 *per cent* in 2003-04 as against 31.62 *per cent* in 1999-2000. On the other hand, development expenditure i.e., on Social and Economic Services together accounted for only 61.66 *per cent* in 2003-04 as against 67.15 *per cent* in 1999-2000. This indicated declining priority for developmental expenditure.

1.6.2 Incidence of Revenue expenditure: In the total expenditure, revenue expenditure had the predominant share. Revenue expenditure is incurred to maintain the current level of services and payment for the past obligations and as such does not result in any addition to the State's infrastructure and service network. The overall revenue expenditure, its rate of growth, ratio of revenue expenditure to GSDP and revenue receipts and its buoyancy are indicated in Table 7.

Table 7: Revenue Expenditure: Basic Parameters

	1999-2000	2000-01	2001-02	2002-03	2003-04	Average / trend
Revenue Expenditure (Rupees in crore)	1461.07	1734.04	1812.91	1960.72	2062.93	1806.33
Rate of Growth (<i>per cent</i>)	24.28	18.68	4.55	8.15	5.21	12.17
RE/GSDP	35.18	38.33	36.66	35.82	34.44	36.09
RE as percentage of TE	84.40	83.16	75.29	81.02	82.10	81.19
RE as percentage of RR	101.59	105.86	97.08	104.29	95.17	100.80
Buoyancy of Revenue expenditure with (<i>per cent</i>)						
GSDP	2.728	2.093	0.490	0.763	0.551	1.325
Revenue Receipts	1.813	1.345	0.325	11.998	0.340	3.164

Overall revenue expenditure of the State increased at an average trend rate of 12.17 *per cent*. Rate of growth of revenue expenditure reached a level of 24.28 *per cent* in 1999-2000 but had decelerated since then. As a result, revenue expenditure–GSDP ratio declined from 38.33 *per cent* in 2000-01 to 34.44 *per cent* in 2003-04. On an average 81.19 *per cent* of the total expenditure was on current consumption.

i) High salary expenditure: Expenditure towards salaries accounted for 51.25 *per cent* of the revenue receipts and 53.85 *per cent* of the revenue expenditure of the State during 2003-04. The expenditure on salaries increased by 58.78 *per cent* from Rs. 699.71 crore in 1999-2000 to Rs. 1110.98 crore in 2003-04 at an average annual rate of 19.37 *per cent* as indicated in the Table 8.

Table 8: Salary Expenditure

Head	1999-2000	2000-01	2001-02	2002-03	2003-04
Salary expenditure (Rupees in crore)	699.71	830.49	853.27	989.57	1110.98
As a percentage of GSDP	16.85	18.36	17.26	18.08	18.55
As a percentage of Revenue Receipts	48.65	90.60	45.69	52.63	51.25
As a percentage of Revenue Expenditure	47.89	47.89	47.07	50.47	53.85

ii) Huge expenditure on pension payments: Pension payments have increased by 81.19 per cent from Rs. 110.96 crore in 1999-2000 to Rs. 201.85 crore in 2003-04 (average annual rate of 13.76 per cent). Year-wise break-up of expenditure incurred on pension payments during the years 1999-2000 to 2003-04 was as under:

Table 9: Expenditure of pension payments

Year	Expenditure (Rupees in crore)	Percentage to total revenue expenditure
1999-2000	110.96	7.59
2000-2001	147.99	8.53
2001-2002	175.03	9.65
2002-2003	226.53	11.55
2003-2004	201.85	9.78

With the increase in number of retirees, the pension liabilities are likely to increase further in future. The State Government has not constituted any fund to meet the fast rising pension liabilities of the retired State employees.

iii) Interest payments: The table 10 given below shows that the interest payments by the State Government increased steadily by 80 per cent from Rs. 185.21 crore in 1999-2000 to Rs. 332.71 crore in 2003-04 primarily due to ever increasing borrowings. The interest payment was on Internal Debt (Rs. 162.51 crore), loans received from Central Government (Rs. 90.32 crore) and Small Savings, Provident Funds, etc (Rs. 79.88 crore).

Table 10: Interest payments

Year	Interest payments	Percentage of interest payment with reference to	
	(Rupees in crore)	Revenue receipts	Revenue Expenditure
1999-2000	185.21	12.88	12.68
2000-01	226.03	13.80	13.03
2001-02	253.22	13.56	13.97
2002-03	290.73	15.46	14.83
2003-04	332.71	15.35	16.13

1.7 Expenditure by Allocative priorities

The expenditure of the State in the nature of plan expenditure, capital expenditure and development expenditure reflects its quality. Higher the ratio of these components to total expenditure, better is the quality of expenditure. Table 11 gives these ratios during 1999-2004 as follows:

Table 11: Quality of Expenditure (per cent to total expenditure)

	1999-2000	2000-01	2001-02	2002-03	2003-04	Average
Plan expenditure	34.77	33.59	33.88	31.85	29.72	32.76
Capital expenditure	15.46	16.66	24.45	18.71	17.70	18.60
Development expenditure	67.26	67.59	66.18	62.18	61.81	65.00

(Total expenditure does not include Loans and Advances).

All the three components of the quality of expenditure indicated inter-year variations. In the year 2003-04, the plan as well as the development expenditure (expenditure on Economic and Social Services) declined steeply compared to the year 1999-2000.

Out of the developmental expenditure of Rs. 1549.36 crore, during the year, Social Services accounted for 57 per cent (Rs. 889.61 crore). Expenditure on General Education, Health and Family Welfare, Water Supply and Sanitation constituted 77 per cent (Rs. 681.07 crore) of the expenditure on Social sector.

Table 12: Social Sector Expenditure

	<i>(Rupees in crore)</i>				
	1999-2000	2000-01	2001-02	2002-03	2003-04
General Education	342.06	387.97	434.97	460.24	504.47
Health and Family Welfare	78.39	86.28	92.40	96.08	92.75
Water Supply and Sanitation	51.19	73.46	63.47	60.71	83.85
Total	471.64	547.71	590.84	617.03	681.07
As a percentage of expenditure on Social sector	69.47	69.85	68.58	69.82	76.56

Similarly, the expenditure on Economic Services (Rs. 659.75 crore) accounted for 43 per cent of the development expenditure, of which, Irrigation and Flood Control, Energy and Transport accounted for 23 per cent.

Table 13: Economic Sector Expenditure

	<i>(Rupees in crore)</i>				
	1999-2000	2000-01	2001-02	2002-03	2003-04
Irrigation and Flood Control	36.50	47.15	56.28	59.06	53.47
Energy	119.85	187.06	177.97	141.50	174.39
Transport	66.89	78.98	121.44	95.66	133.20
Total	223.24	313.19	355.69	296.22	361.06
As a percentage of expenditure of Economic sector	46.17	50.32	49.09	48.08	54.73

1.7.1 Financial Assistance to Local Bodies and other Institutions

i) Extent of assistance: The quantum of assistance amounting to Rs. 594.55 crore provided by way of grants to different local bodies etc, during the period of five years ending 2003-04 was as follows:

Table 14: Financial Assistance to Local Bodies and other Institutions

	<i>(Rupees in crore)</i>				
	1999-2000	2000-01	2001-02	2002-03	2003-04
Zilla Parishads and Panchayati Raj Institutions	20.15	36.31	40.25	48.86	57.93
Municipal Corporation and Municipalities	3.73	10.24	11.07	13.84	12.72
Universities and Educational Institutions	34.07	24.27	29.21	36.51	26.34
Development Agencies	1.60	1.65	2.30	2.99	-
Hospital and other Charitable Institutions	1.45	-	-	-	-
Other Institutions	12.37	28.05	46.05	56.83	35.96
Total	73.37	100.52	128.68	159.03	132.95
Percentage of increase (+)/ decrease (-) over previous year	3.24	37.00	28.01	23.59	(-) 19.62
Assistance as a percentage of revenue expenditure	5.02	5.80	7.10	8.11	6.44

The total assistance at the end of 2003-04 had grown by 81.20 *per cent* over the level of 1999-2000, but decreased by 19.62 *per cent* compared to previous year. The assistance to local bodies as a percentage of total revenue expenditure was 6.44 *per cent*.

ii) Delay in furnishing Utilisation Certificates: Out of the 641 utilisation certificates pending receipt in respect of grants aggregating Rs. 291.98 crore paid during the period 2002-03 to 2003-04, only 409 utilisation certificates relating to Rs. 159.03 crore were furnished by the department as of 31 August 2004. Department-wise break-up of outstanding utilisation certificates along with the amount involved are shown below:

Table: 15

Sl. No.	Department	Number of UCs outstanding	Amount (Rupees in crore)	Earliest year of pendency
1.	Panchayati Raj	72	57.93	2003-04
2.	Urban Development	65	12.72	2003-04
3.	Education	33	26.34	2003-04
4.	Health and Family Welfare	8	0.54	2003-04
5.	Social Security and Welfare	36	2.43	2003-04
6.	Welfare of Scheduled Castes and Other Backward Communities	18	32.99	2003-04
	Total	232	132.95	

iii) Delay in submission of accounts / information: In order to identify the institutions which attract audit under Section 14 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, Government/Heads of Departments are required to furnish to Audit every year detailed information about the financial assistance given to various institutions, the purpose for which assistance was sanctioned and the total expenditure of the institutions. Information for the year 2002-03 was called for from the Finance Department in July 2004. No reply has been received (August 2004).

Accounts of 16 autonomous bodies covered under Sections 19(3) and 20(1) of the Act, up to 2003-04 were due for the periods ranging from 12 to 26 years as detailed in **Exhibit V**.

1.8 Assets and liabilities

In the Government accounting system, comprehensive accounting of the fixed assets like land and buildings etc, owned by Government is not done. However, the Government accounts do capture the financial liabilities of the Government and the assets created out of the expenditure incurred by the Government. **Exhibit I** gives an abstract of such liabilities and the assets as on 31 March 2004, compared with the corresponding position on 31 March 2003. While the liabilities in this statement consist mainly of internal borrowings, loans and advances from the Government of India, receipts from the Public Account and Reserve Funds, the assets comprise mainly the capital outlay, loans and advances given by the State Government and the cash balances. **Exhibit I** shows that while the liabilities grew by 13.25 *per cent*, the assets

increased by 13.81 *per cent* narrowing the gap between assets and liabilities. The liabilities of Government of Tripura depicted in the Finance Accounts, however, do not include the pension, other retirement benefits payable to serving / retired State employees, guarantees/ letters of comforts issued by the State Government. **Exhibit IV** depicts the Time Series Data on State Government Finances for the period 1999-2004.

1.8.1 Incomplete projects: As per the information furnished by the Public Works Department, there were 18 incomplete Minor (15) and Medium (3) Irrigation projects as of March 2004 involving Rs. 30.62 crore whose benefits have not accrued. Details are given in **Exhibit VI**. Besides, there were 124 incomplete projects, costing Rs. 25 lakh and above each, involving Rs. 12.02 crore as of March 2004.

1.8.2 Investments and returns: As on 31 March 2004, Government had invested Rs. 313.13 crore in its Statutory Corporations, Government Companies and Co-operative Societies. Government's return on this investment was nil in the last five years. With an average interest rate of 10.53 *per cent* being paid by Government on its borrowings, the total implicit subsidy during the period 1999-2004 was Rs. 133.80 crore.

Table 16: Return on investment

	1999-2000	2000-01	2001-02	2002-03	2003-04	Average
Investment (<i>Rupees in crore</i>)	198.85	222.85	260.14	286.27	313.13	256.25
Returns (<i>Rupees in crore</i>)	Nil	Nil	Nil	Nil	Nil	Nil
Percentage of returns	Nil	Nil	Nil	Nil	Nil	Nil
Average interest rate paid by Government	11.26	11.09	10.34	10.04	9.92	10.53
Difference between interest rate and return	11.26	11.09	10.34	10.04	9.92	10.53
Implicit subsidy (<i>Rupees in crore</i>)	22.39	24.71	26.90	28.74	31.06	26.76

1.8.3 Loans and advances by State Government: In addition to investments in Co-operatives, Corporations and Companies, Government has also been providing support in terms of loans and advances to many of these organisations. Total outstanding balance as on 31 March 2004 was Rs. 64.98 crore. Interest received on such loans had varied from 5.75 *per cent* to 36.66 *per cent* during 1999-2004 (Table 17). Total implicit subsidy during 1999-2004, on such loans was Rs. 4.57 crore.

Table 17: Average interest received on loans advanced by the State Government
(Rupees in crore)

	1999-2000	2000-01	2001-02	2002-03	2003-04
Opening balance	48.68	49.19	51.68	57.50	62.64
Amount advanced during the year	2.88	4.36	8.14	8.24	6.03
Amount repaid during the year	2.37	1.87	2.32	3.10	3.69
Closing balance	49.19	51.68	57.50	62.64	64.98
Net Addition	0.51	2.49	5.82	5.14	2.34
Amount of interest received	11.62	18.49	3.58	5.83	3.67
Interest received as <i>per cent</i> to loans advanced	23.74*	36.66*	6.55	9.72	5.75
Average interest paid by the State (in <i>per cent</i>)	12.25	10.82	10.35	7.08	9.92
Difference (percentage) between extent paid and received.	11.49	25.84	(-) 3.80	2.63	(-) 4.17
Implicit subsidy	-	-	1.96	-	2.61

1.8.4 Management of cash balances

It is generally desirable that State's flow of resources should match its expenditure obligations. However, to take care of any temporary mismatches in the flow of resources and the expenditure obligations, a mechanism of Ways and Means Advances (WMA) and overdraft from Reserve Bank of India has been put in place. State has shown improvement in management of cash balance as WMA facilities were used for 24 days during 2003-04 as against 27 days in previous year. During the year 2003-04, the State Government has taken Rs. 62.80 crore as ways and means advances and repaid the same during the year.

Table 18: Ways and Means Advances and overdrafts of the State and Interest paid thereon

	1999-2000	2000-01	2001-02	2002-03	2003-04	Average
Ways and Means Advance						
Taken in the year	Nil	43.28	336.75	128.82	62.80	114.33
Outstanding	Nil	Nil	76.29	Nil	Nil	15.25
Interest paid	Nil	0.89	15.37	33.68	0.06	10.00
Number of days	Nil	1	51	27	24	21
Overdraft						
Taken in the year	Nil	Nil	Nil	Nil	Nil	Nil
Outstanding	Nil	Nil	Nil	Nil	Nil	-
Interest paid	Nil	Nil	Nil	Nil	Nil	Nil
Number of days	Nil	Nil	Nil	Nil	Nil	Nil

1.8.5 Undischarged liabilities

i) Fiscal liabilities – public debt and guarantees: Constitution of India provides that a State may borrow, within the territory of India, upon the security of its Consolidated Fund, within such limits as may from time to time be fixed by the Act of its Legislature. However, no such law has been passed

* High percentage was due to more receipt of interest on Cash Balance Investment.

by the State, to lay down any such limit. Table 19 below gives the fiscal liabilities of the State, its rate of growth, ratio of these liabilities to GSDP, revenue receipts and own resources and the buoyancy of these liabilities with respect to these parameters.

Table 19: Fiscal Liabilities – Basic Parameters

(value in Rupees in crore and ratios in per cent)

	1999-2000	2000-01	2001-02	2002-03	2003-04	Average
Fiscal liabilities*	1842	2234	2666	3127	3578	2689
Rate of Growth	27.29	21.24	19.35	17.31	14.40	19.91
Ratio of Fiscal Liabilities						
GSDP	44.40	49.40	53.90	57.10	59.73	52.90
Revenue Receipt	128.10	136.40	142.80	166.30	165.06	147.73
Own Resources	1035.40	1014.90	1040.80	1109.70	9.192	8.585
Buoyancy of Fiscal Liabilities						
GSDP	3.066	2.380	2.083	1.619	1.524	2.134
Revenue Receipt	2.037	1.529	1.382	25.474	0.941	6.273
Own Resources	0.719	0.896	1.182	1.727	0.378	0.980

* Includes internal debt, loans and advances from GOI and other obligations.

Overall fiscal liabilities of the State increased from Rs. 1842 crore in 1999-2000 to Rs. 3578 crore in 2003-04 on an average rate of 19.91 *per cent* during 1999-2004. The ratio of these liabilities to GSDP also increased from 44.40 *per cent* in 1999-2000 to 59.73 *per cent* in 2003-04. These liabilities stood at 1.65 times of its revenue receipts and 9.19 times of its own resources.

In addition to these liabilities, Government has guaranteed loans raised by various Corporations and others which stood at Rs. 31.82 crore at the end of 2003-04. The guarantees are in the nature of contingent liabilities. No law under Article 293 of the Constitution had been passed by the State Legislature laying down the maximum limit within which Government may give guarantees on the security of the Consolidated Fund of the State.

Fiscal liabilities had grown faster than the revenue receipts and own resources of the State. Average buoyancy of these liabilities with respect to GSDP was 2.134.

Fiscal liabilities are considered sustainable if the average interest paid on these liabilities is lower than the rate of growth of GSDP. However, in the case of Tripura, interest rate was higher than the GSDP growth resulting in negative interest spread in four out of five years (Table 20). This negative spread of interest may endanger debt sustainability.

Table 20: Debt sustainability – Interest Rate and GSDP Growth (in per cent)

	1999-2000	2000-01	2001-02	2002-03	2003-04	Average
Weighted Interest Rate	11.26	11.09	10.34	10.04	9.92	10.53
GSDP Growth	8.90	8.93	9.29	10.69	9.45	9.45
Interest spread	(-) 2.36	(-) 2.17	(-) 1.05	0.65	(-) 0.47	(-) 1.08

Another important indicator of the debt sustainability is the net availability of the borrowed funds after payment of principal and interest. Table 21 below

gives the position of receipt and repayment of internal debt and other fiscal liabilities of the State over the last five years. The net funds available from the total receipts on account of public debt, loans and advances from Government of India and other debt receipts (including public account) declined from 23.43 per cent in 2002-03 to 10.17 per cent in 2003-04. This is due to increased interest payments and repayment of loans from borrowed funds.

Table 21: Net availability of borrowed funds

(Rupees in crore)

	1999-2000	2000-01	2001-02	2002-03	2003-04	Average
Internal debt						
Receipt	145.30	191.61	139.39	202.92	313.07	198.46
Repayment (Principal + Interest)	75.61	144.35	126.09	143.46	203.80	138.66
Net fund available	69.69	47.26	13.30	59.46	109.27	59.80
Net fund available (<i>per cent</i>)	47.96	24.66	9.54	29.30	34.90	29.27
Loans and advances from GOI						
Receipt	158.75	17.15	96.25	84.84	92.25	89.84
Repayment (Principal + Interest)	94.23	107.40	117.91	182.98	299.90	160.48
Net fund available	64.52	(-) 90.25	(-) 21.66	(-) 98.14	(-) 207.65	(-) 70.64
Net fund available (<i>per cent</i>)	40.64	-	-	-	-	-
Other obligations						
Receipt	383.46	616.47	546.01	766.58	752.48	613.00
Repayment (Principal + Interest)	250.48	340.66	367.92	480.84	536.30	395.24
Total liabilities						
Receipt	687.51	825.23	781.65	1054.34	1157.80	901.30
Payment	420.32	592.41	611.92	807.28	1040.00	694.39
Net receipts	267.19	232.82	169.73	247.06	117.80	206.92
Net fund available (<i>per cent</i>)	38.86	28.21	21.71	23.43	10.17	24.48

During 2003-04, Government resorted to adjustment of high cost borrowings of Rs. 127.65 crore under Debt Swap Scheme; the beneficial effect thereof would, however, be visible only in the future.

1.9 Management of deficits

1.9.1 Fiscal imbalances: The deficit in Government accounts represents the gap between its receipts and expenditure. The nature of the deficit is an indicator of the prudence of fiscal management of the Government. Further, the ways in which the deficit is financed and the resources so raised are applied are important pointers to its fiscal health.

The fiscal deficit, which represents the total borrowings of the Government and the total resource gap increased from Rs. 290.51 crore in 1999-2000 to Rs. 341.39 crore in 2003-04. The fiscal deficit of the Government of Tripura, however, does not include the off budget borrowings made by the Government in the form of bonds through different PSUs.

Table 22 given below shows the position of financial health of the State Government. The State had persistent fiscal deficit. The primary deficit of the State has decreased steeply from Rs. 105 crore in 1999-2000 to Rs. 9 crore in 2003-04. As proportion to the State's GSDP, the fiscal deficit had reached 22.39 per cent in 2003-04.

Table 22: Fiscal Imbalances – Basic Parameters (value in Rupees in crore and ratios in per cent)

	1999-2000	2000-01	2001-02	2002-03	2003-04	Average
Revenue deficit	(-) 23	(-) 96	*	(-) 81	*	(-) 40
Fiscal deficit	(-) 291	(-) 445	(-) 538	(-) 537	(-) 341	(-) 430
Primary deficit	(-) 105	(-) 219	(-) 285	(-) 246	(-) 9	(-) 173
RD/GSDP	(-) 0.55	(-) 2.12	-	(-) 1.47	(+) 1.74	(-) 48
FD/GSDP	(-) 6.99	(-) 9.84	(-) 10.88	(-) 9.81	(-) 22.39	(-) 11.98
PD/GSDP	(-) 2.54	(-) 4.84	(-) 5.76	(-) 4.50	(-) 0.15	(-) 3.56
RD/FD	7.85	21.56	-	15.08	-	8.90

(Negative figures indicate deficit)

* The years 2001-02 and 2003-04 registered a Revenue Surplus.

1.10 Fiscal Reforms Programme

Under the Fiscal Reforms Programme initiated by Government of India (GOI), a Memorandum of Understanding (MOU) was signed (March 2003) by Government of India and Government of Tripura with the objective of restoration of State's financial Health, improved governance and service delivery, higher economic growth, reduced poverty and improved social indicators. According to the MOU, incentive to the tune of Rs. 11.53 crore would be provided by Government of India to the State during the year 2001-04 to overcome fiscal constraints subject to State's adherence to fiscal commitment consistent with Mid-Term Fiscal Reform Programme (MTFRP). As of June 2004, only Rs. 5.32 crore had been provided by Government of India to the Government of Tripura and no incentive was received for the years 2001-03.

A review (June 2004) of the progress of implementation of the fiscal reforms measures by the State Government revealed the following:

1.10.1 Tax Reforms

Though the uniform floor rates of sales tax on certain items were introduced in July 2000 and August 2001 and professional tax rate was revised upwards by 50 per cent from first April 2003, the number of assesseees other than Government employees increased only by 623 from 6100 to 6723. Approval of Government of India on the bill to introduce VAT system during 2003-04 has not been obtained as yet (June 2004).

1.10.2 Expenditure Reforms

VRS packages in the PSUs have not been introduced as yet (September 2004). Though the State Government agreed in principle for privatisation of Tripura Jute Mills Ltd, with a view to bring budgetary support to zero level by 2004-

05, no indication was made in the process indicators on Mid-Term Fiscal Reforms Programme (MTFRP) as of June 2004 for such privatisation.

Incorporation of separate schedule in the budget indicating the total number of employees as of March 2002 (98288) and expenditure on salaries and allowances was introduced in the budget of 2004-05. But the position of number of employees on regular scale, employees on contract services and fixed pay as on March 2004 was neither indicated in the schedule nor was intimated to audit (June 2004). Further, incorporation of another schedule, indicating scheme-wise and sector-wise subsidies (explicit) from the State budget, has not been introduced.

1.10.3 Power Sector Reforms

In the power sector reforms, another MOU was signed (August 2003) between the State Government and the Ministry of Power, Government of India. Accordingly, the State Government constituted a one member State Electricity Regulatory Commission in November 2003 and the Chairman of the Commission was appointed in May 2004. The Power Department of the State has been registered as Tripura State Electricity Corporation Limited in June 2004 under Company's Act, 1956. Further, to reduce the transmission and distribution loss, the following steps were to be taken as per the above MOU:

- Installation of meters on 11 KV feeders by 31st December 2003.
- 100 *per cent* metering on the LT side of distributive transformer.
- 100 *per cent* metering of all consumers by 31st December 2003.
- Development of Distribution Management Information System.

The department stated in August 2004 that except the work of 11 KV feeder metering, other works were in progress.

Further, the power tariff in the State was revised last in July 2003 with 35 *per cent* hike, thereafter no revision has been made as of September 2004.

1.10.4 Hike in bus fares in Road Transport Corporation

The Government of Tripura was committed to pass on the burden of any increase in the price of petrol and diesel to the passengers by appropriate enhancement of bus fares. Accordingly, the State Government has enhanced the bus fares by 14 *per cent* as on 1 May 2003. But further enhancement was not made thereafter though there was further increase in the price of petrol and diesel by 13.18 and 19.50 *per cent* respectively as of June 2004.

1.11 Fiscal ratios

The finances of a State should be sustainable, flexible and non-vulnerable. Table given below presents a summarised position of Government finances over 1999-2004 with reference to certain key indicators that help assess the adequacy and effectiveness of available resources and their applications, highlight areas of concern and capture its important facets.

Indicators of Fiscal Health (in per cent)

Fiscal Indicators	1999-2000	2000-01	2001-02	2002-03	2003-04
I. Resource Mobilisation					
Revenue Receipt/GSDP	34.63	36.20	37.77	34.35	36.18
Revenue Buoyancy	1.505	1.556	1.507	0.064	1.619
Own tax/GSDP	2.45	2.78	3.21	3.35	3.70
II. Expenditure Management					
Total expenditure/GSDP	41.68	46.09	48.70	44.22	41.95
Revenue Receipt/Total Expenditure	83.08	78.56	77.55	77.68	86.26
Revenue Expenditure / Total Expenditure	84.40	83.16	75.29	81.02	82.10
Plan expenditure / total expenditure	34.77	33.59	33.88	31.85	29.72
Capital Expenditure / Total expenditure	15.46	16.66	24.45	18.71	17.70
Development Expenditure / Total Expenditure	67.26	67.59	66.18	62.18	61.81
Buoyancy of TE with RR	1.846	1.472	1.106	0.752	0.251
Buoyancy of RE with RR	1.813	1.345	0.325	11.998	0.340
III. Management of Fiscal Imbalances					
Revenue deficit (Rs. in crore)	23	96	*	81	*
Fiscal deficit (Rs. in crore)	291	445	538	537	59.73
Primary deficit (Rs. in crore)	105	219	285	246	165.06
Revenue deficit/Fiscal deficit	7.90	21.57	*	15.08	0.941
IV. Management of Fiscal Liabilities (FL)					
Fiscal Liabilities/GSDP	44.40	49.40	53.90	57.10	59.73
Fiscal Liabilities / RR	128.10	136.40	142.80	166.30	165.06
Buoyancy of FL with RR	2.037	1.529	1.382	25.474	0.941
Buoyancy of FL with OR	0.719	0.896	1.182	1.727	0.378
Interest spread	-2.36	-2.17	-1.05	0.65	(-) 0.47
Net fund available	38.86	28.21	21.71	23.43	10.17
V. Other Fiscal Health Indicators					
Return on Investment	Nil	Nil	Nil	Nil	Nil
BCR (Rs. in crore)	(-) 354.60	(-) 448.41	(-) 607.83	(-) 529.15	(-) 406.56
Financial Assets / Liabilities	1.40	1.29	1.26	1.20	1.21

*Represents surplus

The ratio of own taxes to GSDP had shown continuous improvement during the period. The ratio of revenue receipts to GSDP and its buoyancy also was on a rising trend from 1999-2000 to 2001-02 but the revenue buoyancy sharply declined in 2002-03 and again rose in 2003-04. Various ratios relating to expenditure indicate quality of expenditure and sustainability in relation to resources. The total expenditure to GSDP was buoyant. The revenue expenditure is on the increasing trend over the five years 1999-2004 and comprises 82 per cent of total expenditure in 2003-04 leaving a very little for capital formation or asset creation. The development expenditure to total expenditure was on a declining trend and its ratio has fallen significantly in the year 2003-04 over the previous year(s). All these indicate State's increasing dependence on borrowings for meeting its revenue expenditure and inadequate expansion of its development activity. Revenue deficit increased from Rs. 23

crore (1999-2000) to Rs. 81 crore (2002-03) though there was surplus in 2001-02 and 2003-04. Fiscal deficit over last years indicates growing fiscal imbalances of the State. The primary deficit was on increasing trend upto 2001-02 and sharply declined in 2003-04 indicating increase in interest payment (from Rs. 185 crore to Rs. 332 crore) and lesser availability of borrowed funds for developmental purposes.

Increasing ratio of fiscal liabilities to GSDP on account of increasing interest payment indicate that the State is gradually getting into a debt trap. Similarly the higher buoyancy of the debt both with regard to its revenue receipts and own resources indicate its increasing unsustainability. The average interest paid by the State on its borrowing during 1999-2004 has also exceeded the rate of growth of its GSDP, violating the cardinal rule of debt sustainability. There has been a decline in net availability of funds from its borrowing due to larger portion of these funds being used for debt servicing. The States' return on investment was nil. The ratio of State's total financial assets to liabilities has also deteriorated indicating that increasingly greater part of liabilities are without any asset back up. The balance from current revenue of the State has also continued to be negative indicating continued dependence on borrowing for plan and development expenditure.

1.12 Impact of Government policies

Exhibit VII depicts the progress achieved during 2003-04 as compared to 2001-2002 in various sectors. It would be seen that no new colleges (General and Engineering) were opened in the education sector during the period. The number of Junior and Senior Basic Schools taken together decreased by 26 in 2002-03* as compared to number of schools in 2001-02, while these increased by 288 in 2003-04. No significant development was noticed in providing health care facilities in the State except establishment of one new primary health centre (PHC) and one Homoeopathy dispensary in 2003-04. Infant mortality of 38 per thousand remained static during 2002-04.

* The reasons for decrease of Junior and Senior Basic Schools in 2002-03 were mainly due to non-functioning of schools in remote tribal areas and amalgamation of some schools situated in the same school complex.

EXHIBIT I*(Rupees in crore)*

As on 31 March 2003		Liabilities		As on 31 March 2004	
942.21		Internal Debt			1213.99
	582.47	Market Loans bearing interest		855.32	
	0.23	Market Loans not bearing interest		0.23	
	218.22	Loans from LIC of India		283.73	
	141.29	Loans from other Institutions		74.71	
729.58		Loans and Advances from Central Government			612.26
	5.08	Pre- 1984-85 Loans		3.79	
	188.47	Non-Plan Loans		24.25	
	502.10	Loans for State Plan Schemes		548.37	
	1.10	Loans for Central Plan Schemes		1.05	
	12.73	Loans for Centrally Sponsored Plan Schemes		13.29	
	1.41	Ways and Means Advances		1.41	
	18.69	Loans for Special Schemes		20.10	
1406.43		Small Savings, Provident Funds, etc.			1661.58
-		Reserve Fund			-
74.17		Deposits not bearing interest			102.45
10.00		Contingency Fund			10.00
16.56		Remittance balances			-
-		Suspense and Miscellaneous balances			-
629.41		Accumulated surplus on Government Account:			734.14
	710.06	Revenue Surplus brought forward from previous year		629.41	
	(-) 80.65	Add revenue surplus (+) / deficit (-) for the current year		(+) 104.73	
3808.36					4334.42

(Rupees in crore)

As on 31 March 2003		Assets		As on 31 March 2004	
3704.02		Gross capital outlay on Fixed Assets			4147.80
	286.27	Investment in Government Companies and Statutory Corporations, etc.		313.13	
	3417.75	Other Capital Outlay on General, Social and Economic Services		3834.67	
62.64		Loans and Advances by the State Government			64.98
	35.13	Other Development Loans		35.33	
	27.51	Loans to Government Servants		29.65	
1.31		Other Advances			1.58
24.97		Reserve Fund			12.34
15.48		Suspense and Miscellaneous Balances			105.05
Nil		Remittance Balances			106.53
(-) 0.06		Cash Balance			(-) 103.86
	Nil*	Cash in Treasuries		Nil*	
	3.12	Departmental Cash Balance including permanent advances		(-) 3.62	
	92.19	Cash balance investment		(-) 2.60	
	(-) 95.37**	Deposits with Reserve Bank of India		(-) 97.64	
3808.36					4334.42

* Rs.1353 only.

** Minus balance was the net difference between receipts and disbursement of the State Government for the year 2002-03 after incorporating all adjustments made by RBI for the year 2003-04 upto 25 April 2003/2004.

EXHIBIT II

(Rupees in crore)

2002-03			2003-04	
Amount			Amount	
SOURCES				
1880.07		1.Revenue Receipts		2167.66
3.10		2.Recoveries of Loans and Advances		3.69
96.68		3.Increase in Public Debt		154.45
329.84		4.Net Receipts from Public Account		83.14
	(+) 342.25	Increase in Small Savings and Provident Funds	255.15	
	(+) 1.19	Decrease (-) / Increase (+) in Reserve Funds	12.63	
	(+) 21.37	Decrease (-) / Increase (+) in Deposits and Advances	28.01	
	(-) 17.97	Decrease (-)/Increase (+) in Suspense Balances *	(-) 89.56	
	(-) 17.00	Increase in Remittance Balances	(-) 123.09	
2309.69		Total		2408.94
APPLICATION				
1960.72		Revenue Expenditure		2062.93
451.21		Capital Expenditure		443.78
8.24		Lending for development and other purposes		6.03
(-) 110.48		Decrease in cash balance including permanent advances, departmental cash balance and cash balance investment		(-) 103.80
2309.69		Total		2408.94

* Suspense and Miscellaneous, excluding Departmental Balances, Permanent Cash Imprest, Cash Balance Investment Account and other accounts.

EXHIBIT III**ABSTRACT OF RECEIPTS AND DISBURSEMENTS FOR THE YEAR 2003-04***(Rupees in crore)*

Receipts			Disbursements					
2002-03		2003-04	2002-03		2003-04			
					Non-Plan	Plan	Total	
	Section-A : Revenue							
1880.07	I. Revenue Receipts	2167.66	1960.72	I. Revenue	1731.88	331.05	2062.93	2062.93
				Expenditure				
184.00	-Tax Revenue	221.47	826.73	General Services	874.45	1.63	876.08	
98.73	-Non-Tax Revenue	167.78	716.56	Social Services	521.21	211.44	732.65	
248.80	-State's Share of Union Taxes	320.53	460.65	-Education, Sports, Arts and Culture	414.83	65.26	480.09	
560.42	-Non-Plan Grants	615.47	84.13	-Health and Family Welfare	57.13	29.30	86.43	
631.39	-Grants for State/Union Territory Plan Schemes	742.16	17.66	-Water Supply, Sanitation, Housing and Urban Development	11.26	9.39	20.65	
10.58	-Grants for Central Plan Schemes	5.18	9.10	-Information and Broadcasting	5.14	3.48	8.62	
97.56	-Grants for Centrally sponsored Plan Schemes	91.29	67.70	-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	8.53	58.30	66.83	
48.59	-Grants for Special Plan Schemes (NEC)	3.78	5.28	-Labour and Labour Welfare	4.39	0.99	5.38	
			71.41	-Social Welfare and Nutrition	19.32	44.72	64.04	
			0.63	-Others	0.61	-	0.61	
			375.35	Economic Services	336.22	80.22	416.44	
			134.77	-Agriculture and Allied Activities	103.78	25.68	129.46	
			73.16	-Rural Development	27.83	37.70	65.53	
			0.03	-Special Areas Programme(NEC)	-	2.22	2.22	
			23.30	-Irrigation and Flood Control	20.76	0.57	21.33	
			80.89	-Energy	133.08	0.04	133.12	
			19.16	-Industry and Minerals	11.24	11.42	22.66	
			29.35	-Transport	26.79	0.12	26.91	
			7.12	-Communication	7.21	-	7.21	
			0.46	-Science, Technology and Environment	0.37	0.14	0.51	
			7.11	-General Economic Services	5.16	2.33	7.49	
			42.08	Grants-in-aid and contributions	-	37.76	37.76	
80.65	II. Revenue deficit carried over to Section-B	-	-	II. Revenue surplus carried over to Section-B				104.73
1960.72	Total : Section A	2167.66	1960.72					2167.66

(Rupees in crore)

Receipts			Disbursements					
2002-03		2003-04	2002-03		2003-04			
					Non-Plan	Plan	Total	
	Section-B : Others							
110.41	III. Opening cash balance including permanent advance and cash balance investment	(-) 0.06	-	III. Opening overdraft from Reserve Bank of India	-	-	-	-
Nil	IV. Miscellaneous capital receipts	NIL	451.21	IV. Capital Outlay-	29.89	413.89	443.78	443.78
			43.28	General Services	23.83	19.68	43.51	
			167.24	Social Services	0.36	156.60	156.96	
3.10	V. Recoveries of loans and advances	3.69	24.58	-Education, Sports, Arts and Culture	0.08	24.30	24.38	
2.80	From Government servants	3.34	11.96	-Health and Family Welfare	0.28	6.04	6.32	
0.30	From others	0.35	46.96	-Water Supply and Sanitation	-	63.20	63.20	
Nil	VI. Revenue surplus brought down	104.73	64.80	-Housing and Urban Development	-	42.26	42.26	
211.48	VII. Public debt receipts	405.32	0.10	-Information and Broadcasting	-	-	-	
202.93	Internal debt other than Ways and Means	313.07	18.79	-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	-	12.88	12.88	
-76.29	Net transactions under Ways and Means Advances including Overdraft	Nil						
84.84	Loans and advances from GOI	92.25	-	-Social Security and Nutrition	-	7.88	7.88	
1575.97	VIII. Public Account receipts	1699.00	0.05	-Others	-	0.04	0.04	
567.23	Small savings and provident funds etc.	526.46	20.08	Economic Services	5.70	237.61	243.31	
16.51	Reserve fund	20.74	7.64	-Agriculture and Allied Activities	(-) 3.80	17.59	13.79	
205.95	Deposits and Advances	225.07	33.02	-Rural Development	-	1.08	1.08	
41.39	Suspense and Miscellaneous	112.58	35.77	-Special Areas Programme	-	31.93	31.93	
744.89	Remittances	814.15	60.61	-Irrigation and Flood Control	-	32.14	32.14	
NIL	IX. Closing overdraft from RBI	Nil	11.47	-Energy	-	41.27	41.27	
			66.30	-Industry and Minerals	-	10.00	10.00	
			0.08	-Transport	9.50	96.79	106.29	
			5.71	-Science, Technology and Environment	-	0.07	0.07	
				-General Economic Services	-	6.72	6.72	
				-Communication	-	0.02	0.02	
1900.96		2212.68	451.21					443.78

(Rupees in crore)

Receipts			Disbursements			
2002-03		2003-04	2002-03	2003-04		
	Section-B : Others					
			8.24	V. Loans and Advances Disbursed		6.03
			8.05	-To Government Servants	5.48	
			0.19	-To others	0.55	
			80.65	VI. Revenue deficit brought down	-	-
			114.80	VII. Repayment of Public Debt		250.87
			25.72	-Internal Debt other than Ways and Means Advances	41.29	
			NIL	-Net transactions under Ways and Means Advances including Overdraft	Nil	
			89.08	-Repayment of Loans and Advances to Central Government	209.58	
			1246.12	VIII. Public Accounts Disbursements		1615.86
			224.97	-Small Savings and Provident Funds	271.31	
			15.31	-Reserve Fund	8.11	
			184.58	-Deposits and Advances	197.06	
			59.37	-Suspense	202.14	
			761.89	-Remittances	937.24	
			-0.06	IX. Cash Balance at end		(-) 103.86
			Nil*	-Cash in Treasuries	Nil*	
			3.12	-Departmental Cash Balance including permanent advance	(-) 3.62	
			92.19	-Cash Balance investment	(-) 2.60	
			-95.37	-Deposit with Reserve Bank of India	(-) 97.64	
1900.96	Total : Section B :	2212.68	1900.96	Total : Section B :		2212.68

* Rs.1353 only.

Explanatory Notes for Exhibits I, II, III :

- 1.The abridged accounts in the statements have to be read with comments and explanations in the Finance Accounts.
- 2.Government accounts being mainly on cash basis, the surplus on Government account, as shown in Exhibit-I indicates the position on cash basis, as opposed to accrual basis in commercial accounting. Consequently, items payable or receivable or items like depreciation or variation in stock figures etc., do not figure in the accounts.
- 3.Suspense and Miscellaneous balances include cheques issued but not paid, payments made on behalf of the State and other pending settlement etc.
4. There was a difference of Rs. 1.22 crore between the figure reflected in the accounts (debit: Rs. 97.64 crore) and that intimated by the RBI (debit: Rs. 96.42 crore) under "Deposit with Reserve Bank". The difference of Rs. 1.22 crore is under reconciliation (September 2004).

EXHIBIT IV

Time Series Data on State Government Finances

(Rupees in crore)

	1999-2000	2000-01	2001-02	2002-03	2003-04
Part A. Receipts					
1. Revenue Receipts	1438.26	1638.06	1867.38	1880.07	2167.66
(i) Tax Revenue	101.74 (7)	125.58 (8)	158.50 (9)	183.09 (10)	221.47 (10)
Taxes on Agricultural Income	0.78 (1)	0.25 (#)	0.14 (#)	0.01 (#)	0.30 (#)
Taxes on Sales, Trade, etc.	57.78 (57)	81.08 (65)	105.80 (67)	126.97 (69)	149.25 (67)
State Excise	20.11 (20)	19.79 (16)	22.03 (14)	28.21 (15)	31.36 (14)
Taxes on Vehicles	3.60 (3)	4.26 (3)	5.28 (3)	5.29 (3)	8.01 (4)
Stamps and Registration Fees	5.10 (5)	5.94 (5)	9.61 (6)	7.81 (4)	11.17 (5)
Land Revenue	2.57 (2)	1.82 (1)	1.14 (1)	1.31 (1)	2.61 (1)
Other Taxes	11.80 (12)	12.44 (10)	14.50 (9)	14.40 (8)	18.84 (9)
(ii) Non-Tax revenue	76.19 (5)	94.51 (6)	97.64 (5)	98.73 (5)	167.78 (8)
(iii) State's share of Union taxes and duties	529.55 (37)	236.22 (14)	232.62 (12)	249.71 (13)	320.53 (15)
(iv) Grants-in-aid from Government of India	730.78 (51)	1181.75 (72)	1378.62 (74)	1348.54 (72)	1457.88 (67)
2. Misc. Capital Receipts	NIL	NIL	NIL	NIL	NIL
3. Total Revenue and Non-debt Capital Receipts (1+2)	1438.26	1638.06	1867.38	1880.07	2167.66
4. Recoveries of Loans and Advances	2.37	1.87	2.32	3.10	3.69
5. Public Debt Receipts	304.05	165.48	311.93	211.48	405.32
Internal Debt (excluding Ways and Means Advances and Overdrafts)	145.30	148.33	139.39	202.93	313.07
Net transactions under Ways and Means Advances and Overdrafts	NIL	NIL	76.29	(-) 76.29	Nil
Loans and Advances from Government of India*	158.75	17.15	96.25	84.84	92.25
6. Total Receipts in the Consolidated Fund (3+4+5)	1744.68	1805.41	2181.63	2094.65	2576.67
7. Contingency Fund Receipts	NIL	NIL	NIL	NIL	Nil
8. Public Account Receipts	875.18	1284.28	1389.48	1575.97	1699.00
9. Total Receipts of the State (6+7+8)	2619.86	3089.69	3571.11	3670.62	4275.67

(#) Negligible

*Includes Ways and Means Advances from GOI.

(Rupees in crore)

	1999-2000	2000-01	2001-02	2002-03	2003-04
Part B. Expenditure/Disbursement					
10. Revenue Expenditure	1461.07 (85)	1734.04 (83)	1812.91 (75)	1960.72 (81)	2062.93 (82)
Plan including CSS	343.04 (23)	366.88 (21)	276.17 (15)	339.62 (17)	331.05 (16)
Non-plan	1118.03 (77)	1367.16 (79)	1536.74 (85)	1621.10 (83)	1731.88 (84)
General Services (including Interests Payments)	540.99 (37)	646.44 (37)	717.40 (40)	826.73 (42)	876.08 (42)
Economic Services	328.09 (23)	404.47 (23)	397.08 (22)	375.35 (19)	416.44 (20)
Social Services	573.47 (39)	663.55 (38)	672.79 (37)	716.56 (37)	732.65 (36)
Grants-in-aid and Contributions	18.52 (1)	19.58 (1)	25.64 (1)	42.08 (2)	37.76 (2)
11. Capital Expenditure	267.20 (15)	346.69 (17)	586.82 (25)	451.21 (19)	443.78 (18)
Plan including CSS	257.94 (97)	332.14 (96)	536.97 (92)	428.69 (95)	413.89 (93)
Non-Plan	9.26 (3)	14.55 (4)	49.85 (8)	22.52 (5)	29.89 (7)
General Services	6.32 (2)	8.25 (2)	68.62 (12)	43.28 (10)	43.51 (10)
Economic Services	155.41 (58)	217.88 (63)	329.49 (56)	240.69 (53)	243.31 (55)
Social Services	105.47 (40)	120.56 (35)	188.71 (32)	167.24 (37)	156.96 (35)
12. Disbursement of Loans and Advances	2.87	4.36	8.14	8.24	6.03
13. Total (10+11+12)	1731.14	2085.09	2407.87	2420.17	2512.74
14. Repayments of Public Debt	42.01	49.95	57.74	114.80	250.87
Internal Debt (excluding Ways and Means Advances and Overdrafts)	17.04	21.16	25.01	25.72	41.29
Net transactions under Ways and Means Advances and Overdrafts	NIL	NIL	NIL	NIL	Nil
Loans and Advances from Government of India ^Ξ	24.97	28.79	32.73	89.08	209.58
15. Appropriation to Contingency Fund	NIL	NIL	NIL	NIL	Nil
16. Total Disbursement out of Consolidated Fund (13+14+15)	1773.15	2135.04	2465.61	2534.97	2763.61
17. Contingency Fund Disbursements	NIL	NIL	NIL	NIL	Nil
18. Public Account Disbursements	717.70	1007.28	1192.40	1246.12	1615.86
19. Total disbursement by the State (16+17+18)	2490.85	3142.32	3658.01	3781.09	4379.47

^Ξ Includes Ways and Means Advances from GOI.

(Rupees in crore)

	1999-2000	2000-01	2001-02	2002-03	2003-04
Part C. Deficits					
20. Revenue Deficit (-)/ Surplus (+) (1-10)	(-) 22.81	(-) 95.98	(+) 54.47	(-) 80.65	(+) 104.73
21. Fiscal Deficit (-) / Surplus (+) (3+4 - 13)	(-) 290.51	(-) 445.16	(-) 538.17	(-) 537.00	(-) 341.39
22. Primary Deficit (-) / Surplus (+) (21-23)	(-) 105.30	(-) 219.13	(-) 284.95	(-) 246.31	(-) 8.68
Part D. Other data					
23. Interest payments (percentage of Revenue expenditure)	185.21 (13)	226.03 (13)	253.22 (14)	290.73 (15)	332.71 (16)
24. Arrears of Revenue ** (percentage of Tax and Non-Tax revenue receipts)	9.64 (5)	14.35 (7)	14.20 (6)	2.46 (0.86)	13.23 (3.40)
25. Financial Assistance to local bodies etc.	73.37	100.52	128.68	112.48	132.95
26. Ways and Means Advances/Overdraft availed (days)	Nil	1	51	27	24
27. Interest on Ways and Means Advances/Overdraft (Rs. in crore)	Nil	0.01*	0.16	0.34	0.06
28. Gross State Domestic Product (GSDP) ¹	4153.70	4524.42	4944.73	5473.32	5990.55
29. Outstanding Fiscal Liabilities @ (year-end)	1842.30	2233.62	2665.92	3127.42	3577.93
30. Outstanding guarantees (year-end)	93.89	83.64	107.82	25.00	41.42 †
31. Maximum amount guaranteed (year- end)	79.82	157.22	218.24	66.30	64.83
32. Number of incomplete projects	14	21	59	125	124
33. Capital blocked in incomplete projects	25.40	20.20	41.28	58.73	12.02
** The information on arrears of revenue as furnished by the taxation authorities included only Sales Tax and Agricultural Income Tax (and only Sales Tax for the year 2002-03).					
* Rs. 0.89 lakh only.					
@ Apart from public debt, includes other liabilities (i.e., Small savings etc., Reserve fund and Deposit).					
† Outstanding guarantees include interest of Rs. 0.02 crore.					
Note :					
1. GSDP for current year being not available has been taken based on annual average growth during 1999-2004.					
2. Figures in brackets represent rounded off percentage to total of each sub-heading.					

EXHIBIT V**Accounts due from autonomous bodies covered under Section 19 (3) and 20 (1) of the Act**

Sl. No.	Name of the body	Period of which accounts awaited
	Section 19 (3)	
1.	Tripura Khadi and Village Industries Board	1997-98 to 2003-04
	Section 20 (1)	
2.	Tripura Board of Secondary Education	1998-99 to 2000-01
3.	Tripura University	1998-99 to 2001-02
4.	Agartala Municipal Council	1977-78 to 2003-04
5.	Khowai Nagar Panchayat	1979-80 to 2003-04
6.	Sonamura Nagar Panchayat	1979-80 to 2001-03
7.	Belonia Nagar Panchayat	1977-78 to 2003-04
8.	Udaipur Nagar Panchayat	1977-78 to 2003-04
9.	Amarpur Nagar Panchayat	1979-80 to 2003-04
10.	Kailashahar Nagar Panchayat	1977-78 to 2003-04
11.	Dharmanagar Nagar Panchayat	1977-78 to 2003-04
12.	Sabroom Nagar Panchayat	1978-79 to 2003-04
13.	Kamalpur Nagar Panchayat	1978-79 to 2003-04
14.	Teliamura Nagar Panchayat	1987-88 to 2003-04
15.	Kumarghat Nagar Panchayat	1987-88 to 2003-04
16.	Ranirbazar Nagar Panchayat	1991-92 to 2003-04

EXHIBIT VI

Incomplete Minor and Medium Irrigation Projects

(Rupees in lakh)

Sl. No.	Name of the project	Month and Year of commencement	Expenditure to the end of March 2004
(a) No benefits accrued			
Minor Irrigation			
1	LI Scheme Project at Malayarmath near Ganganagar under Salema Block	November 2002	27.03
2.	LI Scheme Project at Halahali Math under Salema Block	March 2003	11.39
3.	MIP / Construction of left bank Manu Canal	May 1999	49.05
4.	Construction of Manu Barrage over river Manu at Nalkata	March 2000	1767.49
5.	Diversion scheme over Kachigang Cherra under Matabari Block head work and open canal	May 2001	84.66
6.	Construction of canal	February 2004	93.52
7.	GIP/ Construction of canal / construction of RBMC	August 2002	34.23
8.	GIP/Construction of Canal / Construction of RBMC at road 3200.00mm	August 2002	10.04
9.	GIP / Construction of canal / construction of right bank main canal / conduct canal	January 2004	14.91
10.	GIP/construction of canal / construction of LBMC canal and construction of cross drainage structure over Jamjuri Cherra.	May 2003	18.70
11.	Diversion scheme over Mahamayacherra at Krishnanagar under Rajnagar Block / construction of head works with canal and vertical steel gate.	April 2001	83.18
12.	Muhuri Irrigation Project at Kalashi	March 2001	389.63
13.	Diversion scheme over Baikoracherra under Bagafa Block	April 2001	78.87
14.	Diversion scheme over Chagalnaya cherra	June 2001	28.62
15.	LI scheme of Srinagar over Feni under Stachand Block	June 2001	155.01
	Total		2846.33
(b) No benefits accrued			
Medium Irrigation Project			
16.	KIP/Construction of Khowai right bank canal / providing closed duct 6.375 to 9 km.	August 2002	127.00
17.	KIP / construction of left bank canal earth work including brick lining from 846 to 3.3 km.	May 2002	21.00
18.	Diversion scheme over Mailakcherra in Amarpur Block / Headwork	September 1998	68.09
	Total		216.09
	Grand total		3062.42

N.B. LI – Lift Irrigation.

EXHIBIT VII**Statement showing impact of Government Policies in the State**

Serial No.	Description	Unit	Year		
			2001-02	2002-03	2003-04
1.	Education				
(a)	Schools				
(i)	Primary/Junior Basic	Number	2089	2054	1776
(ii)	Middle/Senior Basic	Number	426	435	1001
(iii)	High/Senior Secondary	Number	635	643	652
(b)	Enrollment in schools	In lakh	7.25	7.42	NA
(c)	Literacy	Percentage	73.66	NA	NA
(d)	General Colleges	Number	14	14	14
(e)	Universities	Number	01	01	01
2.	Technical education				
(a)	Engineering college	Number	01	01	01
(b)	Polytechnics	Number	01	01	02
(c)	Industrial Training Institutes	Number	04	04	04
(d)	Motor Driving and Heavy Earthy Moving Training Institutes	Number			
3.	Health				
(i)	Allopathic Dispensaries	Number	538	539	539
(ii)	Primary Health Centres	Number	72	72	73
(iii)	Allopathic Hospitals	Number	26	26	26
(iv)	Ayurvedic Dispensaries	Number	33	38	38
(v)	Ayurvedic Hospitals	Number	01	01	01
(vi)	Natural care Hospitals (Ayurvedic)	Number	Nil	Nil	Nil
(vii)	Ayurvedic Pharmacies	Number	01	01	01
(viii)	Research Institutes	Number	Nil	01	01
(ix)	Homeopathic Health Centres	Number	72	72	73
(x)	Unani Health Centres	Number	Nil	Nil	Nil
(xi)	Medical Colleges	Number	Nil	Nil	Nil
(xii)	Dental Colleges	Number	Nil	Nil	Nil
(xiii)	Ayurvedic Colleges	Number	Nil	Nil	Nil
(xiv)	Infant Mortality	Number per thousand	39	38	38
4.	Animal Health				
(i)	Veterinary dispensaries	Number	50	56	56
(ii)	Central Veterinary Dispensaries	Number	Nil	Nil	Nil
(iii)	Polyclinics	Number	01	01	01
(iv)	Veterinary Hospitals	Number	10	15	15
5.	Power				
(i)	Generation	Million kwh	285.74	336.38	501.48
(ii)	Purchased	Million kwh	332.80	344.28	178.08
(iii)	Consumption	Million kwh	348.00	363.00	414.26
(iv)	Sale	Million kwh	348.00	363.00	414.26
(v)	Rural Electrification	Percent	95.32	95.55	95.80
6.	Roads/Communications				
(i)	Villages connected with roads	Number	NA	NA	NA
(ii)	Motorable Roads	Km	3726	3762	3762
(iii)	Jeepable Roads	Km	2784	2857	2874
(iv)	Less than jeepable roads	Km	8940	8905	8957
(v)	Telephone sets	Number in lakh	0.72	0.79	0.82
(vi)	Vehicles	Number	62321	65588	75547
7.	Irrigation				
	Irrigation potential created	Lakh Hectares	0.07	0.05	0.05
8.	Railway Lines				
(i)	Narrow Gauge	Length in kms	45	65.66	65.66
(ii)	Broad Gauge	Length in kms	Nil	Nil	Nil
9.	Per Capita Income at current prices	Rupees in lakh	0.17	NA	NA
10.	Houses	Number	5488	9652	
11.	Agricultural Production	In lakh tonnes	597.13	611.55	671.66
12.	Fruit Production	In lakh tonnes	4.47	4.60	NA

Source: Economic Survey for the years 2003 and 2004 and information furnished by various departments.

ANNEXURE

List of terms used in the Chapter I and basis for their calculation

Term	Basis for calculation
Buoyancy of a parameter	Rate of Growth of the parameter ÷ GSDP Growth
Buoyancy of a parameter (X) with respect to another parameter	Rate of Growth of the parameter (X) ÷ Rate of Growth of the parameter (Y)
Rate of Growth (ROG)	{(Current year Amount ÷ Previous year Amount) <i>minus</i> 1} * 100
Trend/Average	Trend of growth over a period of 5 years (LOGEST (Amount of 1997-98: amount of 2002-03)-1)*100
Share shift/Shift rate of a parameter	Trend of percentage shares, over a period of 5 years, of the parameter in Revenue or Expenditure as the case may be
Development Expenditure	Social Services + Economic Services
Weighted Interest Rate (Average interest paid by the State)	Interest payment/ [(amount of previous year's Fiscal Liabilities – Current year's Fiscal Liabilities)/2]* 100
Interest spread	GSDP growth – Weighted Interest rates
Interest received as <i>per cent</i> to loans advanced	Interest received [(opening balance + closing balance of loans and advances)/2]* 100
Revenue deficit	Revenue receipt – revenue expenditure
Fiscal deficit	Revenue Expenditure + Capital Expenditure + Net Loans and Advances – Revenue Receipts – Miscellaneous Capital Receipts
Primary deficit	Fiscal deficit – Interest payments
Balance from current revenue (BCR)	Revenue receipts <i>minus</i> plan grants and non-plan revenue expenditure excluding debits under 2048 – Appropriation for reduction or avoidance of debt.