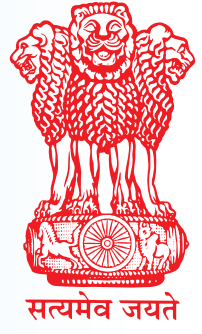




लोकहितार्थं सत्यनिष्ठा
Dedicated to Truth in Public Interest



Accounts at a Glance

2017-18

GOVERNMENT OF ASSAM

**ACCOUNTS AT A GLANCE
2017- 2018**

GOVERNMENT OF ASSAM

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Preface

This is the 20th issue of our annual publication '**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 (Vol. I & II) and (b) Appropriation Accounts. Finance Accounts are summary statements of accounts under the Consolidated Fund, Contingency Fund and the Public Account. The Appropriation Accounts record the Grant-wise expenditures against provisions approved by State Legislature and offer explanations for variations between the actual expenditure and the funds provided. The Accountant General (Accounts and Entitlements) prepares the State Finance Accounts and the Appropriation Accounts.

'**Accounts at a Glance**' provides a broad overview of Governmental activities, as reflected in the Finance Accounts and the Appropriation Accounts. The information is presented through brief explanations, statements and graphs.

We look forward to suggestions that would help us in improving the publication.



(**Abdul Rauf**)
ACCOUNTANT GENERAL (A&E)
ASSAM

GUWAHATI
Dated:

CHAPTER 1

OVERVIEW

1.1 Introduction

The monthly accounts of the State Government are compiled and consolidated from the accounts submitted by the District Treasuries, Public Works and Forest Divisions, etc. to the Accountant General (Accounts and Entitlement). Besides, the Finance Accounts (Vol. I & II) 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.

1.2 Structure of Accounts

1.2.1 The Government accounts are kept in three parts:

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

Part - I : 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 met usually from borrowed funds with the object of increasing concrete assets of a material and permanent character. 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 loans raised and their repayments by Government such as 'Internal Debt' and 'Loans and Advances' made (and their recoveries) by Government.

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

Part - III : In part III, namely Public Account , of the accounts, the transactions relating to Debt(Other than those included in Part-I), ‘Deposits’, ‘Advances’, ‘Remittances’ and ‘Suspense’ shall be recorded. The transactions under Debt, Deposit and Advances in this part are such in respect of which Government incurs a liability to repay the moneys received or has a claim to recover the amounts paid, together with the repayments of the former (Debt and Deposits) and the recoveries of the latter (Advances).The transactions relating to ‘Remittances’ and ‘Suspense’ in this Part shall embrace all merely adjusting heads under which shall appear such transactions as remittances of cash between treasuries and currency chests and transfer between different accounting circles. The initial debits or credits to these heads will be cleared eventually by corresponding receipts or payments either within the same circle of accounts or in another account circle.

1.3 Finance Accounts and Appropriation Accounts

1.3.1 FINANCE ACCOUNTS

The Finance Accounts depict the receipts and disbursements of the Government for the year, together with the financial results disclosed by the revenue and capital accounts, public debt and public account balances recorded in the accounts. Finance Accounts have been issued in two volumes, in a new format, to make them more comprehensive and informative. Volume - I of the Finance Accounts contains the certificate of the Comptroller and Auditor General of India, summarized statements of overall receipts and disbursements and ‘Notes to accounts’ containing summary of significant accounting policies, quality of accounts and other items ; Volume - II contains detailed statements (Part-I) and appendices (Part-II).

Receipts and disbursements of the Government of Assam, as depicted in the Finance Accounts 2017-2018, are given below :

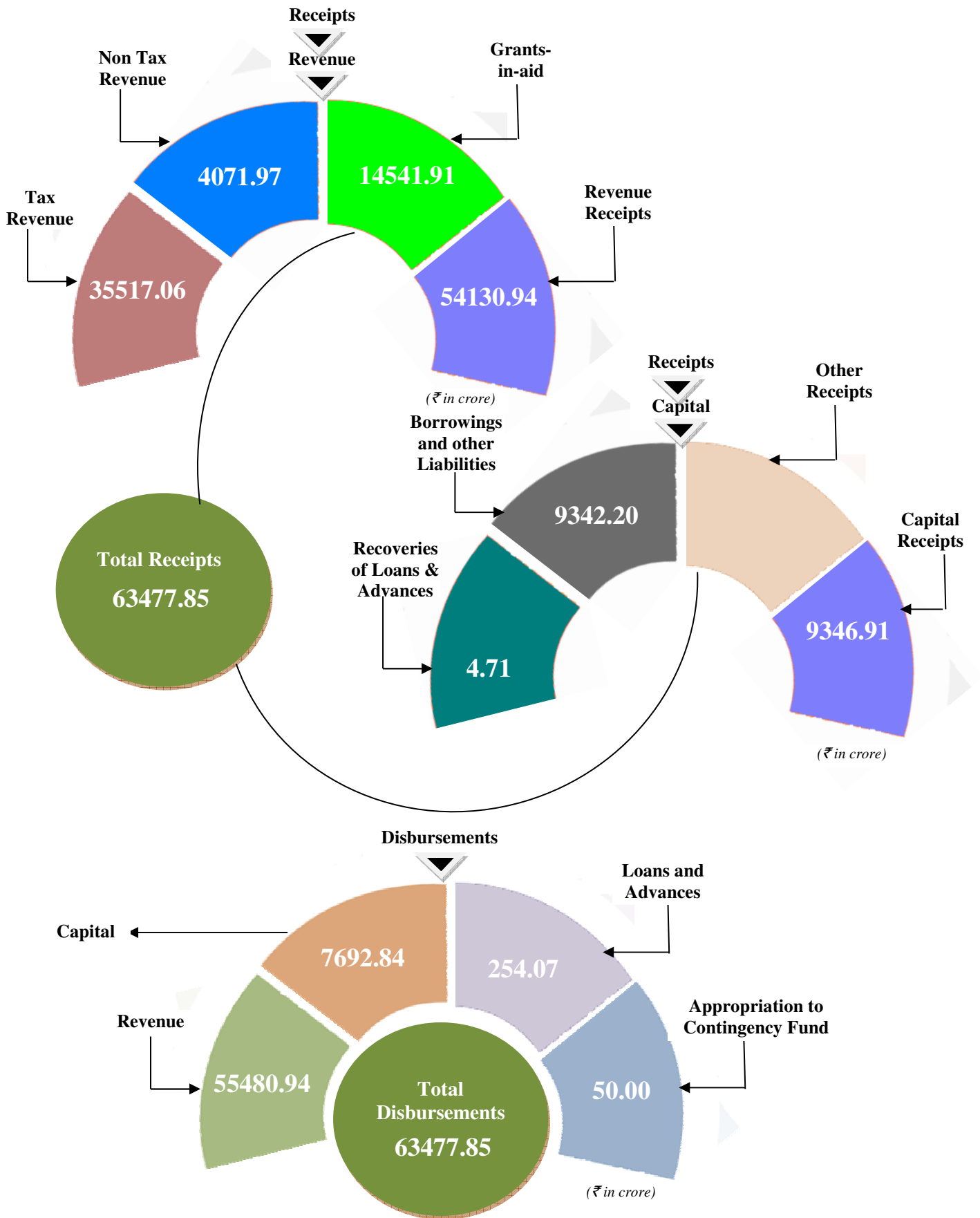
Receipts (Total: 63477.85)	Revenue (Total: 54130.94)	Tax Revenue	35517.06
		Non-Tax Revenue	4071.97
		Grants-in-Aid	14541.91
	Capital (Total: 9346.91)	Recovery of Loans and Advances	4.71
		Borrowing and other liabilities*	9342.20
Disbursements (Total: 63477.85)	Revenue		55480.94
	Capital		7692.84
	Loans and Advances		254.07
	Appropriation to Contingency Fund		50.00

* Borrowing and other Liabilities: Net (Receipts-Disbursements) of Public Debt + Net of Contingency Fund + Net (Receipts- Disbursements) of Public Account + Net of Opening and Closing Cash Balance.

Despite the Union Government's decision that from 1st April, 2014, transfers under Centrally Sponsored Schemes would be through the Consolidated Fund of the States and not directly to the implementing agencies by the Union Government, the Government of India continued to transfer substantial funds directly to State Implementing Agencies / Non-Government Organisations for implementation of various schemes / programmes, as emerged from the data from PFMS portal of Controller General of Accounts. During 2017-18, the Union Government transferred ₹ 4702.21 crore (₹2846.20 crore last year) directly to the Implementing Agencies / Organisations etc. for implementation of various schemes.

Since these funds are not routed through the State Budget, they are not reflected in the accounts of the State Government. These transfers are now exhibited in Appendix VI of Volume II of the Finance Accounts.

Receipts and disbursement in the year 2017-18



1.3.2 APPROPRIATION ACCOUNTS

Under the Constitution, no expenditure can be incurred by the Government except with authorization of the Legislature. Barring certain expenditure specified in the Constitution as “charged” on the Consolidated Fund, which can be incurred without vote of the Legislature, all other expenditure requires to be “voted”. The budget of the Assam has 3 charged Appropriation and 78 voted Grants. The purpose of the Appropriation Accounts is to indicate the extent to which the actual expenditure compiled with the appropriation authorized by the Legislature through the Appropriation Act of each year.

1.3.3 Efficiency on Budget Preparation

At the end of the year, the gross expenditure (₹68587.00 crore) of the Government of Assam against the gross budget (₹99453.08 crore) approved by the Legislature, showed a net saving of ₹30866.08 crore (31.04 per cent of estimates). Against a recovery budget estimates of ₹2801.54 crore, ₹3150.54 crore was recovered as reduction of expenditure resulting in excess of recoveries of ₹349.00 crore over the budget estimates. Certain grants like those relating to Water Resources, North Eastern Council Schemes and Urban Development (GDD) showed substantial savings over the last five years. The gross expenditure includes ₹ 127.07 crore drawn on Abstract Contingent (AC) Bills, of which ₹ 126.37 crore is outstanding at the end of the year for want of supporting Detailed Contingent (DC) Bills.

1.4 Sources and Application of Funds

1.4.1 Ways and Means Advances

The Reserve Bank of India (RBI) extends the facility of Ways and Means Advances (WMA) to enable State Governments to maintain their liquidity. Overdraft (OD) facilities are provided when there is a shortfall in the agreed minimum cash balance (₹ 1.08 crore) maintained with the RBI. The Government maintained the minimum cash balance with the RBI during 2017-18 and no Ways and Means Advances or Overdraft was taken during the year.

1.4.2 Fund flow statement

The State had a Revenue Deficit of ₹ 1350.00 crore and a Fiscal Deficit of ₹ 9342.20 crore representing 0.48 per cent and 3.29 per cent respectively of the Gross State Domestic Product (GSDP). The Fiscal Deficit constituted 14.72 per cent of total expenditure. This deficit was met from excess of receipts under public debt (₹ 6488.47) and also partly met (₹ 2853.73) from

excess of receipts under Public Account (₹ 3205.63). Around 68.80 per cent of the revenue receipts (₹ 54130.94 crore) of the State Government was spent on committed expenditure like salaries (₹ 25751.67 crore), interest payments (₹ 3205.32 crore) and pensions (₹ 8287.34 crore).

N.B. Gross State Domestic Product (GSDP) for 2017-2018 as per Directorate of Economics and Statistics, GOA at current prices was ₹ 283821.22 crore.(quick)

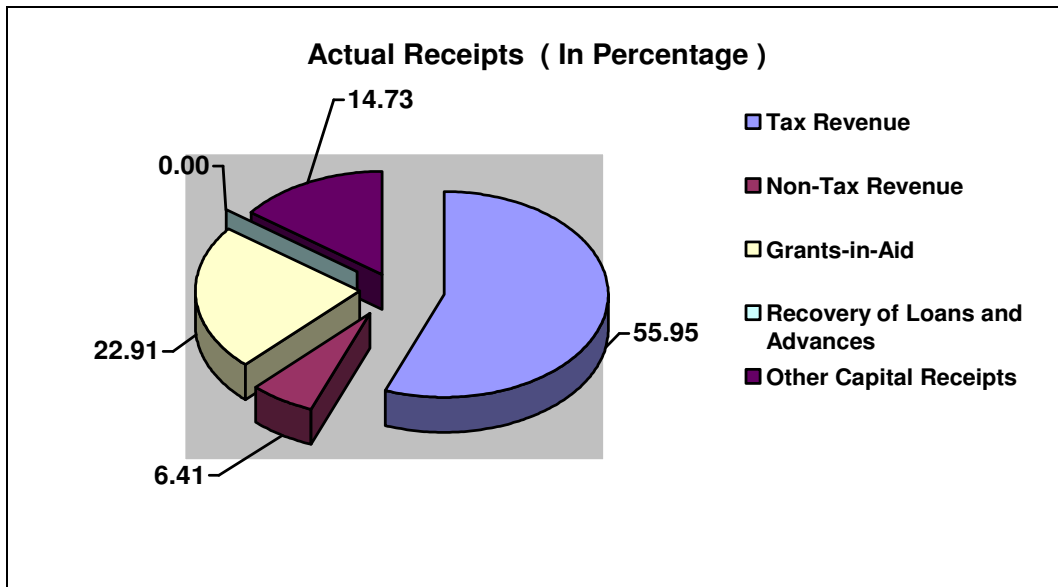
Sources and Application of Funds

(₹ in crore)

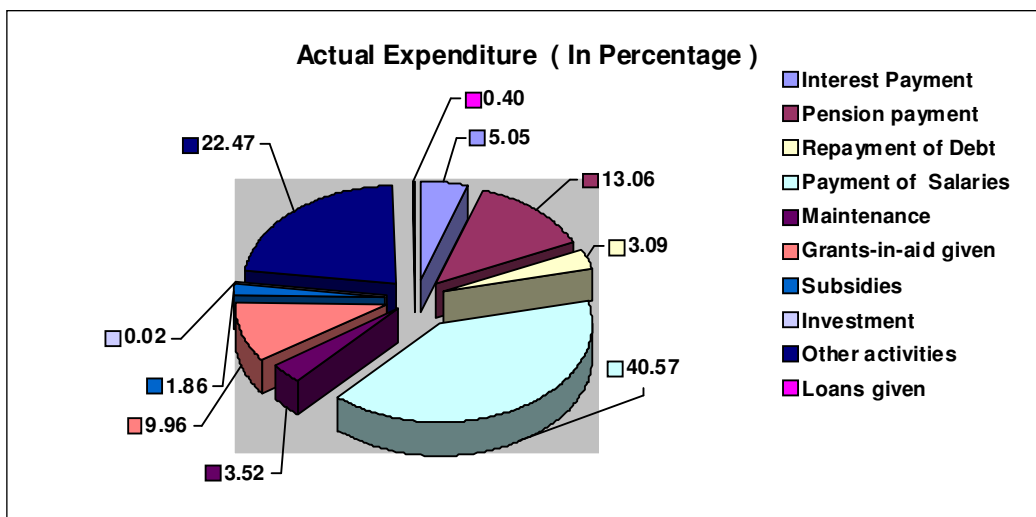
SOURCES	PARTICULARS	AMOUNT
	Opening Cash Balances, as on 1 April, 2017	(-) 220.92
	Revenue Receipts	54130.94
	Recovery of Loans & Advances	4.71
	Public Debt	8447.07
	Small Savings, Provident Fund & Others	2029.13
	Reserves & Sinking Funds	962.60
	Deposits Received	7409.39
	Civil Advances Repaid	4228.67
	Suspense Account	155402.31
	Remittances	5464.41
	TOTAL	237858.31

APPLICATION	Revenue Expenditure	55480.94
	Capital Expenditure	7692.84
	Loans Given	254.07
	Repayment of Public Debt	1958.60
	Small Savings, Provident Fund & Others	1001.47
	Reserves & Sinking Funds	3257.14
	Deposits Spent	7336.68
	Civil Advances Given	4744.99
	Suspense Account	150506.69
	Remittances	5443.91
	Closing Cash Balance, as on 31 March, 2018	180.98
	TOTAL	237858.31

1.4.3 Where the Rupee came from



1.4.4 Where the Rupee went



1.5 Highlights of Accounts

(₹ in crore)

Particulars		B.E. 2017-18	Actuals 2017-18	Percentage of Actuals to B.E.	Percentage of Actuals to GSDP #
1.	Tax Revenue	42085.58	35517.06	84.39	12.51
2.	Non-Tax Revenue	7463.90	4071.97	54.56	1.43
3.	Grants-in-aid & Contributions	21170.06	14541.91	68.69	5.12
4.	Revenue Receipts (1+2+3)	70719.54	54130.94	76.54	19.07
5.	Recovery of Loans & Advances	2779.96	4.71	0.17	...
6.	Other Receipts	...	...	...	...
7.	Borrowings and Other Liabilities	18448.62	9342.20	50.64	3.29
8.	Capital Receipts (5+6+7)	21228.58	9346.91	44.03	3.29
9.	Total Receipts (4+8)	91948.12	63477.85	69.04	22.37
10.	Revenue Expenditure	76462.99	55480.94	72.56	19.55
11.	Interest Payments out of 10	3746.75	3205.32	85.55	1.13
12.	Capital Expenditure*	15485.13	7996.91	51.64	2.82
13.	Total Expenditure (10+12)	91948.12	63477.85	69.04	22.37
14.	Revenue Surplus (+) Deficit (-) (4-10)	(-) 5743.45	(-) 1350.00	23.51	0.48
15.	Fiscal Surplus (+) Deficit (-) {(4+5)-13}	(-)18448.62	(-) 9342.20	50.64	3.29

* Expenditure on Capital Account consists of Capital Expenditure (₹ 7692.84 crore), Loans and Advances disbursed (₹ 254.07 crore) and Appropriation to Contingency Fund (₹ 50.00 crore).

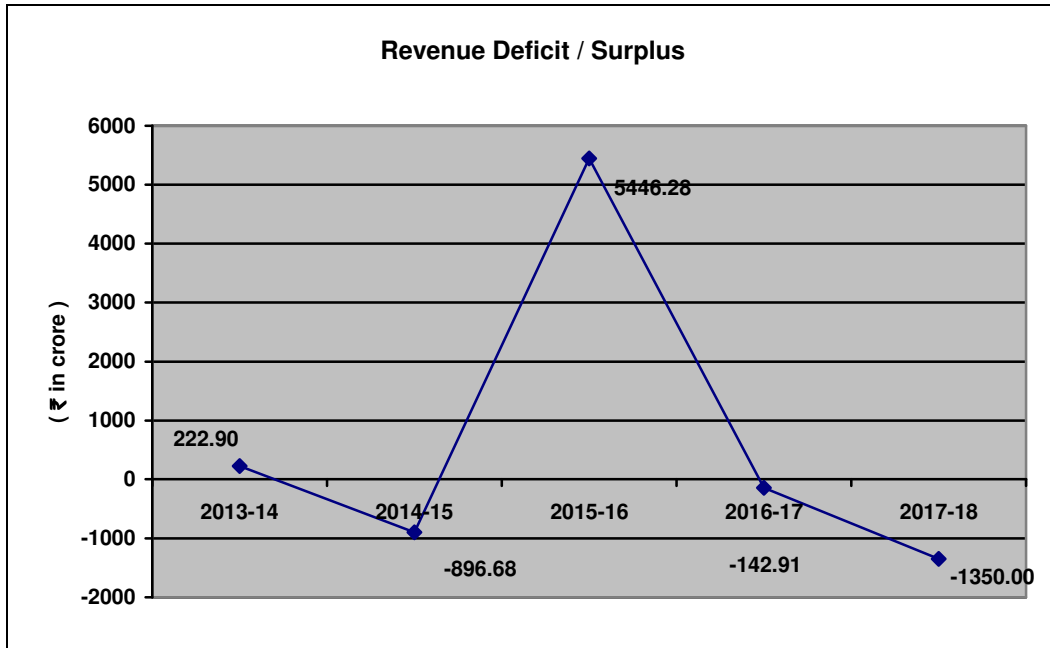
GSDP ₹ 283821.22 Crore (quick).

1.6 What do the Deficits and Surpluses indicate?

Deficit	Refers to the gap between Revenue and Expenditure. The kind of deficit, how the deficit is financed, and application of funds are important indicators of prudence in Financial Management.
Revenue Deficit / Surplus	Refers to the gap between Revenue Receipts and Revenue Expenditure. Revenue Expenditure is required to maintain the existing establishment of Government and ideally, should be fully met from Revenue Receipts.
Fiscal Deficit / Surplus	Refers to the gap between Total Receipts (excluding borrowings) and Total Expenditure. This gap, therefore, indicates the extent to which expenditure is financed by borrowings. Ideally, the Borrowings should be invested in capital projects.

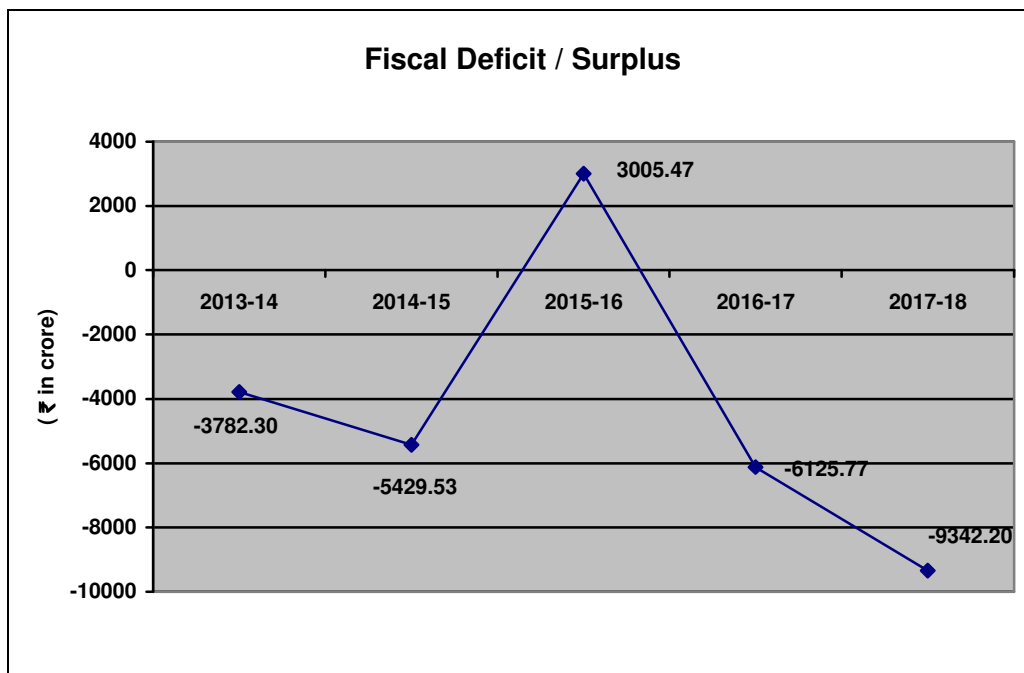
Deficit indicators, revenue augmentation and expenditure management are major yardsticks for judging the fiscal performance of the Government.

1.6.1 Trend of Revenue Deficit / Surplus



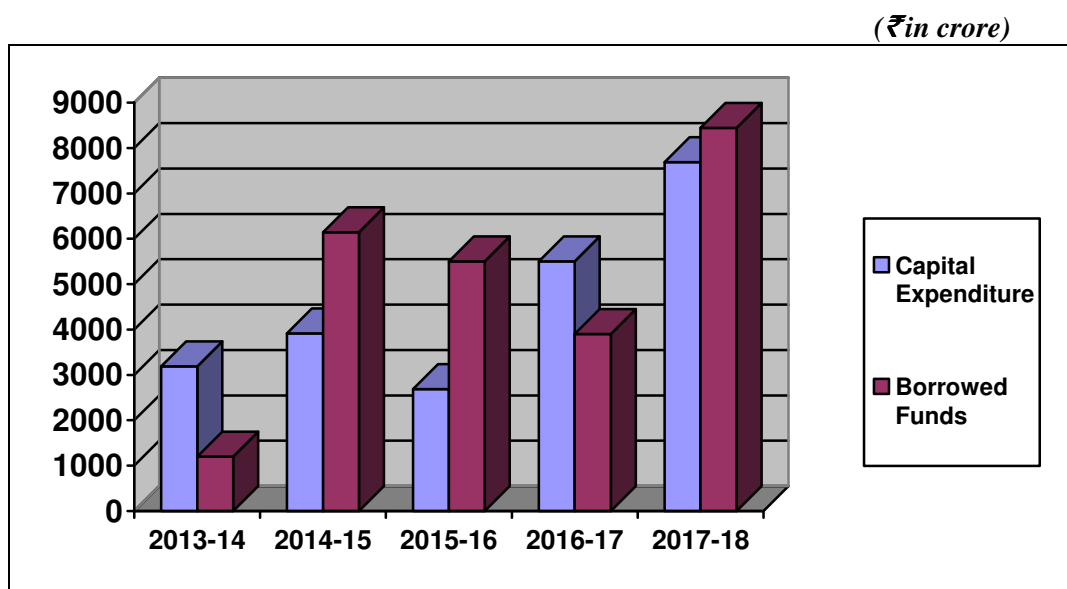
It appears from the above, the State Government maintained revenue surplus during 2013-2014 and 2015-2016 indicating that the State was within its means to meet its revenue expenditure and the resultant balance was utilized for capital account. However, the State could not continue with the surpluses on revenue account and registered revenue deficit in 2014-2015, 2016-2017 and 2017-18. These deficits led to diversion of part of the capital receipts towards current expenditure.

1.6.2 Trend of Fiscal Deficit / Surplus



The above graph shows that the State's fiscal deficit was on an increasing trend, excepting 2015-2016 which registered a fiscal surplus. It increased from ₹ 3782.30 in 2013-2014 to ₹ 9342.20 crore in 2017- 2018. The fiscal deficit of ₹ 9342.20 crore was 3.29 per cent of GSDP (₹ 283821.22 crore) .

1.6.3 Proportion of borrowed funds spent on Capital Expenditure.



It is desirable to fully utilize borrowed funds for the creation of capital assets, and to use revenue receipts for the repayment of principal and interest. The State Government, however, spent 91.07 per cent of the borrowings (Public Debt) of the current year (₹ 8447.08 crore) on capital expenditure (₹ 7692.84). It would, therefore, appear that 8.93 per cent of the public debt (₹ 754.24 crore) was utilized either for meeting a part of consumption expenditure or debt servicing.

CHAPTER II

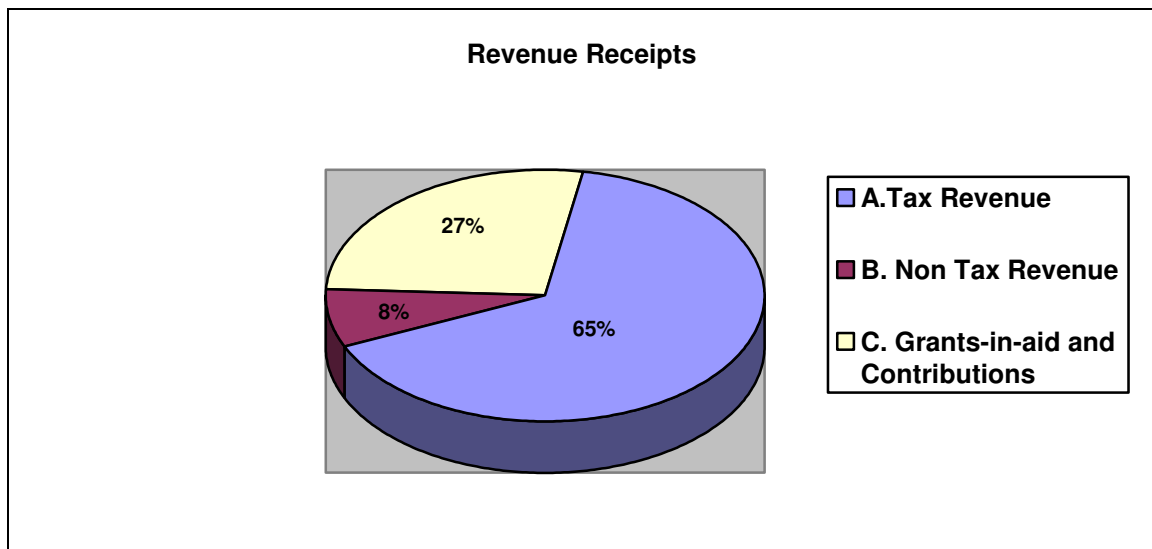
RECEIPTS

2.1 Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total Revenue Receipts for 2017-18 were ₹ 54130.94 crore.

2.2 Revenue Receipts

Tax Revenue	Comprises taxes collected and retained by the State and State's share of Union taxes under Article 280(3) of the Constitution.
Non-Tax Revenue	Includes interest receipts, dividends, profits etc.
Grants-in-Aid	Essentially, a form of Central Assistance to the State Government from the Union Government. Includes 'External Grant Assistance' and 'Aid Material and Equipment' received from foreign governments and channelised through the Union Government. In turn, the State Governments also give Grants-in-aid to institutions like Panchayati Raj Institutions, Autonomous Bodies etc.



Revenue Receipt Components (2017-18)

Components	Actuals (₹ in crore)
A. Tax Revenue*	35517.06
Goods and Service Tax	6644.87
Taxes on Income & Expenditure	12803.35
Taxes on Property & Capital Transactions	458.36
Taxes on Commodities & Services	15610.48
B. Non-Tax Revenue	4071.97
Interest Receipts, Dividends and Profits	530.94
General Services	169.24
Social Services	74.02
Economic Services	3297.77
C. Grants-in-aid & Contributions	14541.91
Total – Revenue Receipts	54130.94

* Includes Share of Income Tax etc. received from Union Government.

2.3 Trend of Revenue Receipt and GSDP

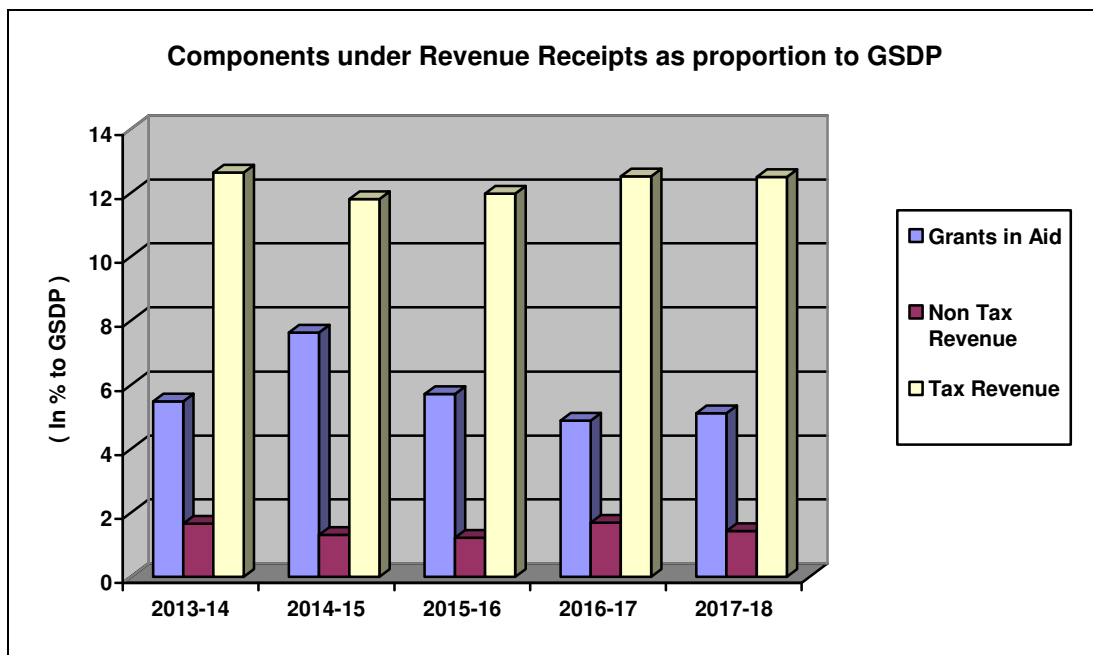
	(₹ in crore)				
	2013-14	2014-15	2015-16	2016-17	2017-18
Tax Revenues	20569.44 (11.57)	21733.52 (11.10)	26891.38 (11.80)	32268.20 (12.69)	35517.06 (12.51)
Non-Tax Revenues	2705.04 (1.52)	2412.89 (1.23)	2741.57 (1.20)	4353.13 (1.71)	4071.97 (1.43)
Grants-in-Aid	8938.31 (5.03)	14035.08 (7.17)	12824.75 (5.63)	12598.48 (4.95)	14541.91 (5.12)
Total Revenue Receipts	32212.79 (18.12)	38181.49 (19.51)	42457.70 (18.63)	49219.81 (19.35)	54130.94 (19.07)
GSDP	177745.22	195723.15	227958.83	254340.86*	283821.22#

Note : Figures in parentheses represent percentage to GSDP and it varies from last year figure due to revised GSDP.
Source of GSDP data : Director of Economics and Statistics, Government of Assam.

* - Provisional

- Quick Estimates

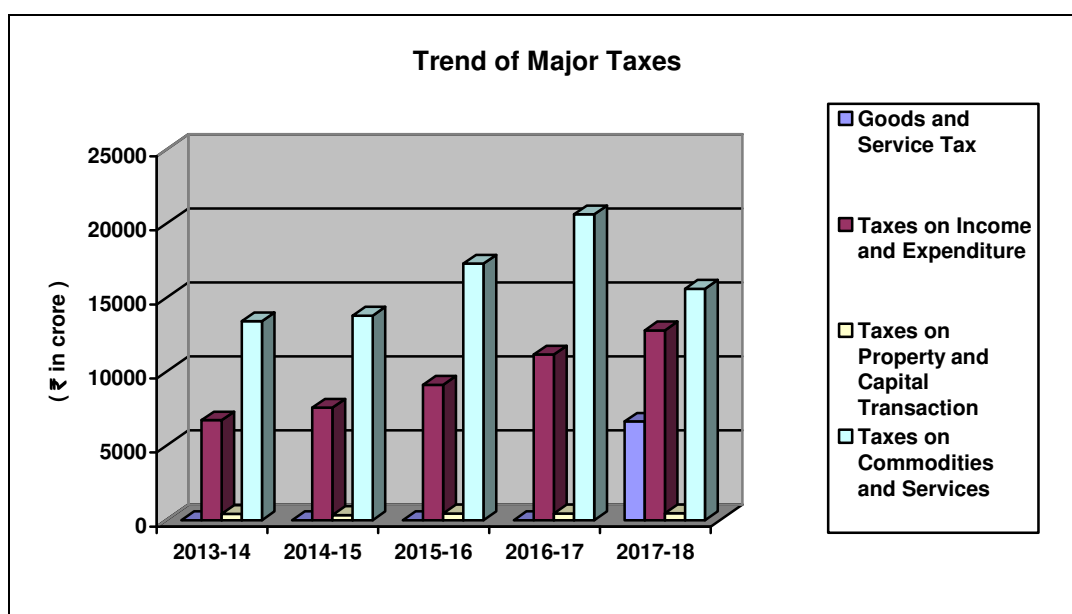
Industry and service sector mainly led the current year GSDP growth by 11.59 per cent over 2016-17. Against this, growth in revenue receipts was 9.98 per cent. Tax Revenues increased by 10.07 per cent and Non-Tax Revenue decreased by 6.46 per cent. Significant decrease in collections under Non-Tax Revenues were under ‘Petroleum’ (₹ 2533.20) crore and ‘Tourism’ (₹ 0.59) crore. The State’s Own Revenue under certain tax components, like ‘0039-State Excise’(₹1095.16) crore, ‘0041-Taxes on Vehicles’(₹646.95) crore and ‘0043-Taxes and Duties on Electricity’ (₹ 60.19) crore showed a higher trend.



Sector-wise Tax Revenue

(₹ in crore)

	2013-14	2014-15	2015-16	2016-17	2017-18
Goods and Service Tax	-----	----	----	----	6644.87
Taxes on Income and Expenditure	6732.25	7595.17	9141.58	11175.84	12803.35
Taxes on Property and Capital Transactions	417.85	342.42	455.72	451.62	458.36
Taxes on Commodities and Services	13419.34	13795.93	17294.08	20640.74	15610.48
Total Tax Revenue	20569.44	21733.52	26891.38	32268.20	35517.06



2.4 Performance of State's own tax revenue collection

(₹ in crore)

Year	Tax Revenue	State share of Union Taxes	State's Own Tax Revenue	
			Amount	Percentage to GSDP
(1)	(2)	(3)	(4)	(5)
2013-14	20569.44	11574.52	8994.92	5.06
2014-15	21733.52	12283.71	9449.81	4.83
2015-16	26891.38	16784.88	10106.50	4.43 *
2016-17	32268.20	20188.64	12079.56	4.75 *
2017-18	35517.06	22301.54	13215.52	4.66

* - Varies from last year figure due to revised GSDP.

2.5 Efficiency of Tax Collection

A. Taxes on Property and Capital Transaction

(₹ in crore)

	2013-14	2014-15	2015-16	2016-17	2017-18
Revenue Collection	417.85	342.42	455.72	451.62	458.36
Expenditure on Collection	169.67	248.56	258.01	276.69	307.50
Efficiency of Tax Collection (In Per cent)	40.61	72.59	56.62	61.27	67.09

B. Taxes on Commodities and Services

(₹ in crore)

	2013-14	2014-15	2015-16	2016-17	2017-18
Revenue Collection	13419.34	13795.93	17294.08	20640.73	15610.48
Expenditure on Collection	138.39	147.91	161.44	187.76	260.00
Efficiency of Tax Collection (In Per cent)	1.03	1.07	0.93	0.91	1.67

Taxes on commodities and services form a major chunk of tax revenue. Tax collection efficiency is excellent. However, the collection efficiency of taxes on property and capital transactions can be improved.

2.6 Tax Buoyancy

If tax revenue increases with the growth of its base, but without an extension of the tax coverage or upward revision of the tax rates, the tax is said to be buoyant. It has an inherent tendency to yield more tax revenue with the growth of the base. Numerically, the buoyancy of a tax is measured as a ratio of the proportionate increase in tax revenue to a proportionate increase in the tax base (in other word GDP/SGDP growth). Table below explains tax buoyancy relative to GSDP growth:

	Parameters	2016-2017	2017-2018
(I)	Tax Revenue (TR) (₹ in crore)	32268.20	35517.06
(II)	Rate of growth of TR (per cent)	19.99	10.07
(III)	State's own taxes (₹ in crore)	12079.56	13215.52
(IV)	Rate of growth of own taxes (per cent)	19.52	9.40
(V)	Gross State Domestic Product (GSDP) (₹ in crore)	254340.86#	283821.22*
(VI)	Rate of growth of GSDP (Per cent)	11.57#	11.59
(VII)	TR buoyancy w.r.t. GSDP (II / VI) ¹	1.73#	0.87
(VIII)	State's own taxes buoyancy w.r.t. GSDP (IV/VI) ¹	1.69#	0.81

* Quick

- Varies from last year figure due to revised GSDP.

1 Tax buoyancy with respect to GSDP at 0.87 (2017-2018) implies that tax revenue tends to increase by 0.87 percentage points and State's own taxes by 0.81 percentage points, if the GSDP increases by one per cent.

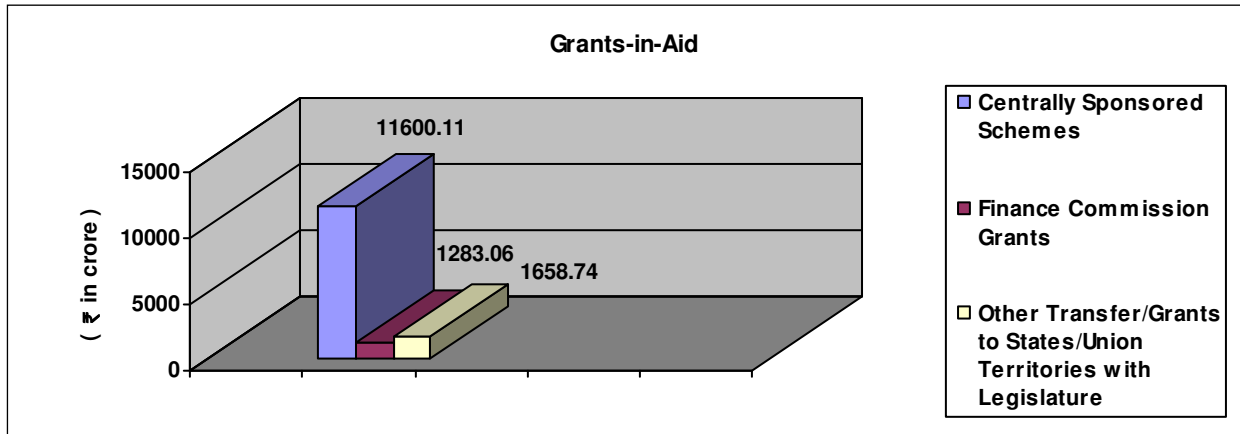
2.7 Trend in State's Share of Union Taxes over the past five years

(₹ in crore)

Major Head Description	2013-14	2014-15	2015-16	2016-17	2017-18
Central Goods and Service Tax (CGST)	...	...	...	...	315.80
Integrated Goods and Service Tax (IGST)	...	...	...	...	2251.40
Corporation Tax	3892.68	4289.56	5273.44	6470.99	6829.45
Taxes on Income other than Corporation Tax	2563.21	3063.16	3653.08	4497.36	5767.00
Other Taxes on Income and Expenditure	...	0.10	0.12	...	...
Taxes on Wealth	10.68	11.59	1.42	14.82	(-) 0.20
Customs	1888.52	1986.64	2689.32	2783.57	2250.70
Union Excise Duties	1333.81	1121.80	2250.26	3178.60	2352.60
Service Tax	1885.61	1810.86	2903.71	3154.60	2534.80
Other Taxes and Duties on Commodities and Services	0.01	...	13.53	88.70	(-) 0.01
State Share of Union Taxes	11574.52	12283.71	16784.88	20188.64	22301.54
Total Tax Revenue	20569.44	21733.52	26891.38	32268.20	35517.06
Percentage of Union Taxes to Total Tax Revenue	56.27	56.52	62.42	62.57	62.79

2.8 Grants-in-Aid

Grants in Aid represent assistance from the Government of India, and comprise Grants, for Centrally Sponsored Schemes, Finance Commission Grants and Other Transfer/Grants to States/Union Territories with Legislature. Total receipts during 2017-2018 under Grants- in Aid were ₹ 14541.91 crore, as shown below:



2.9 Public Debt

Trend of Public Debt over past years

Description	(₹ in crore)				
	2013-14	2014-15	2015-16	2016-17	2017-18
Internal Debt	132.14	3307.12	3612.58	1937.46	6557.07
Central Loans	(-) 113.31	(-) 351.89	(-) 83.49	(-) 78.38	(-) 68.60
Total Public Debt	18.83	2955.23	3529.09	1859.08	6488.47

Note : Negative figures indicate that repayment is in excess of receipts.

Against the total internal debt of ₹ 8377.51 crore of the State Government in 2017-2018, plus the central loan component of ₹ 69.57 crore received during this period, capital expenditure was ₹ 7692.84 crore, indicating that the capital expenditure was fully met from borrowed fund.

CHAPTER III

EXPENDITURE

3.1 Introduction

Expenditure is classified as Revenue Expenditure and Capital Expenditure. Revenue expenditure is used to meet the day-to-day running of the organization, Capital expenditure is used to create permanent assets, or to enhance the utility of such assets, or to reduce permanent liabilities.

General Services	Includes Justice, Police, Jail, PWD, Pension etc.
Social Services	Includes Education, Health & Family Welfare. Water Supply, Welfare of SC-ST etc.
Economic Services	Includes Agriculture, Rural Development, Irrigation, Cooperation, Energy, Industries, Transport etc.

3.2 Revenue Expenditure

Revenue Expenditure was 19.55 per cent of GSDP. It was less than the Budget Estimates by ₹ 20982.05 crore.

The shortfall / excess of expenditure against budget estimates under the Revenue section, during the past five years, is as below:

(₹ in crore)

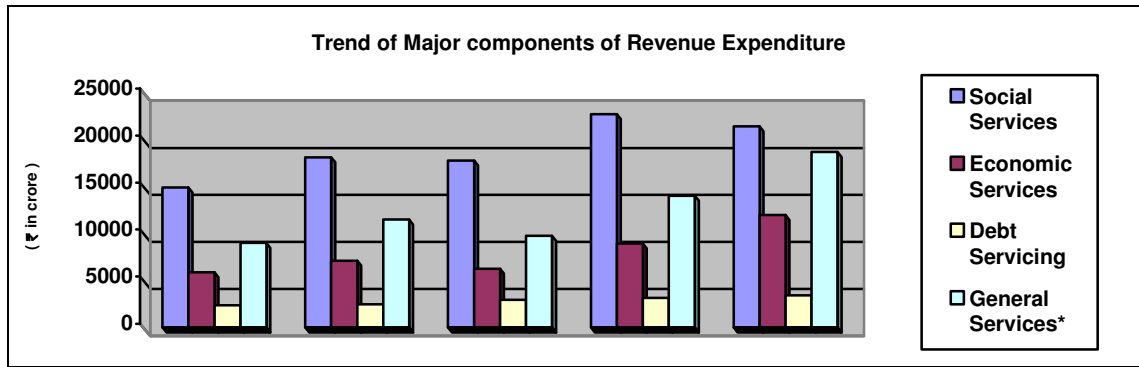
	2013-14	2014-15	2015-16	2016-17	2017-18
Budget Estimates	32167.03	38814.42	58087.05	65787.66	76462.99
Actual	31989.89	39078.17	37011.42	49362.72	55480.94
Gap	177.14	(-) 263.75	21075.63	16424.94	20982.05
Percentage of gap over BE	0.55	0.68	36.28	24.97	27.44

3.2.1 Sectoral distribution of Revenue Expenditure (2017-18)

(₹ in crore)

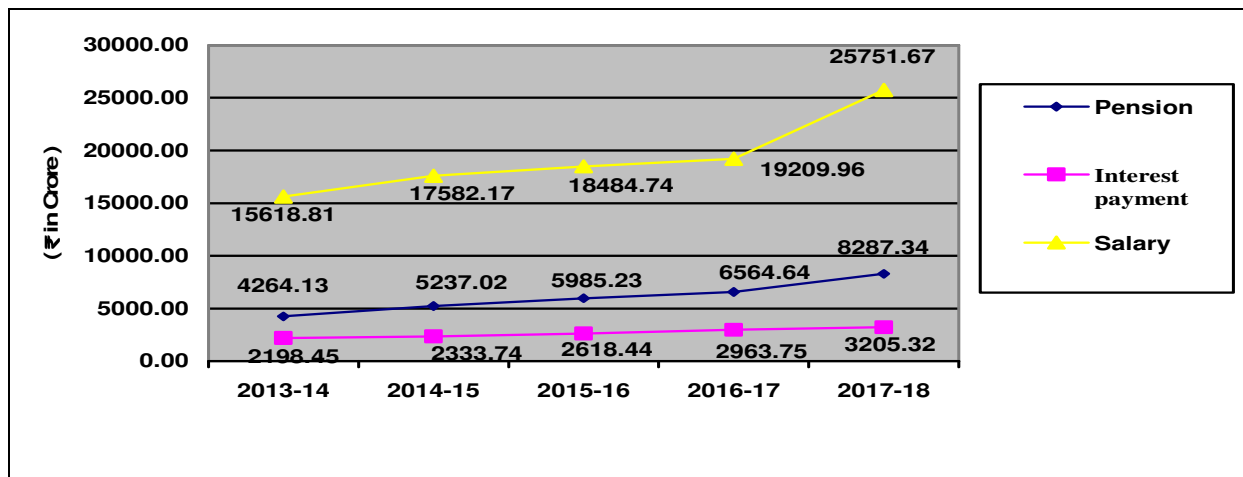
Components	Amount	Percentage
A. Fiscal Services	569.73	1.03
i) Collection of Taxes on Property and Capital transactions	307.50	0.56
ii) Collection of Taxes on Commodities and Services	260.01	0.47
iii) Other Fiscal Services	2.22	0.00
B. Organs of State	385.26	0.69
C. Interest Payments and Servicing of Debt	3415.29	6.16
D. Administrative Services	5819.22	10.49
E. Pensions and Miscellaneous General Services	11868.30	21.39
F. Social Services	21373.17	38.52
G. Economic Services	11924.92	21.49
H. Grants-in-aid and Contributions	125.05	0.23
TOTAL EXPENDITURE (REVENUE ACCOUNT)	55480.94	100.00

3.2.2 Major components of Revenue Expenditure (2013-14 to 2017-2018)



* General Services excludes MH 2048 (Appropriation for reduction or avoidance of debt), MH 2049 (Interest payments) and includes MH 3604 (Compensation and assignment to Local Bodies and Panchayati Raj Institutions). Debt Servicing includes MH 2048 & 2049.

3.2.3 Committed Expenditure



	(₹ in crore)				
Component	2013-14	2014-15	2015-16	2016-17	2017-18
Committed Expenditure	22081.39	25152.93	27088.41	28738.35	37244.33
Revenue Expenditure	31989.89	39078.17	37011.42	49362.72	55480.94
Percentage of Committed Expenditure to Revenue Receipts	69	66	63.80	58.39	68.80
Percentage of Committed Expenditure to Revenue Expenditure	69	64	73.19	58.22	67.13

The steep upward trend on committed expenditure leaves the government with lesser flexibility for developmental spending. It appears from the above table that almost 69 per cent of the Revenue Receipts was spent for committed expenditure.

3.3 Capital Expenditure

Capital disbursements for 2017-2018, at 2.82 per cent of GSDP, were less than the Budget Estimates by ₹ 7488.22 crore.

3.3.1 Sectoral distribution of Capital Expenditure

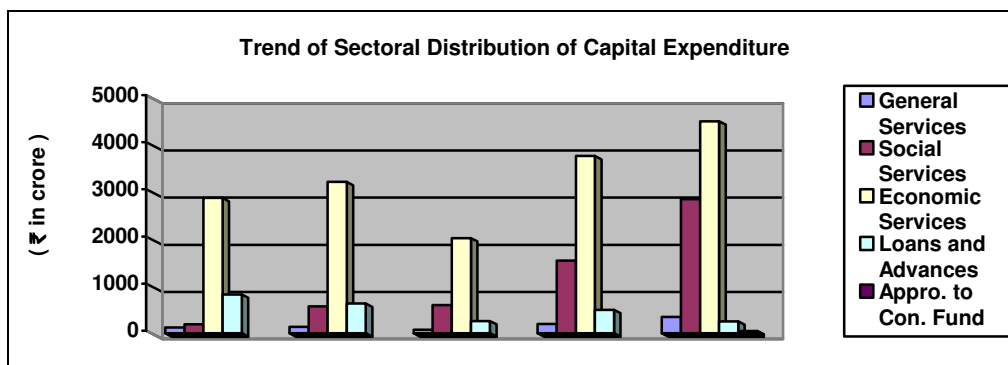
(₹ in crore)

Sl. No.	Sector	Amount	Percentage
1.	General Services - Police, Public Works etc.	350.63	4.38
2.	Social Services - Education, Health & Family Welfare, Water Supply, Welfare of SC/ST etc.	2845.87	35.59
3.	Economic Services - Agriculture, Rural Development, Irrigation, Cooperation, Energy, Industries, Transport etc.	4496.34	56.23
4.	Loans and Advances Disbursed	254.07	3.18
5.	Appropriation to Contingency Fund	50.00	0.62
Total		7996.91	100.00

3.3.2 Sectoral distribution of Capital Expenditure over the past 5 years

(₹ in crore)

Sl. No.	Sector	2013-14	2014-15	2015-16	2015-16	2017-18
1.	General Services	125.74	134.57	75.56	199.60	350.63
2.	Social Services	194.65	568.81	596.09	1542.60	2845.87
3.	Economic Services	2868.84	3208.89	2019.26	3759.88	4496.34
4.	Loans and Advances	822.04	630.71	260.09	499.38	254.07
5.	Appropriation to Contingency Fund	....	....	....	....	50.00
Total		4011.27	4542.98	2951.00	6001.46	7996.91



CHAPTER IV

DEVELOPMENT AND NON-DEVELOPMENT EXPENDITURE

4.1 Development and Non-development Expenditure:

Public Expenditure whether Capital or Revenue can also be classified into development and non-development expenditure. Development expenditure is broadly defined to include all items of expenditure that are designed directly to promote economic development and social welfare. Non-development expenditure refers to government expenditure incurred on essential services required for normal running of the government. Such expenditure is essential from administrative point of view.

Trend of development and non-development expenditure relative to aggregate disbursements for 2013-14 to 2017-18, as emerged from the Annual Accounts, is given below:

(₹ in crore)

	Items	2013-14	2014-15	2015-16	2016-17	2017-18
I.	Developmental*	24724.72	29639.41	26786.25	37347.15	40893.35
(a)	Revenue	20713.86	25096.73	23835.31	31350.76	32951.37
(b)	Capital	3189.23	3912.27	2690.91	5502.08	7692.84
(c)	Loans & Advances	821.63	630.41	260.03	494.31	249.14
II.	Non-developmental #	8559.57	10518.26	10025.10	14225.72	18994.16
(a)	Revenue	8559.17	10517.95	10025.04	14220.65	18989.23
(b)	Capital	Nil	Nil	Nil	Nil	Nil
(c)	Loans & Advances	0.40	0.31	0.06	5.07	4.93
III.	Others	3894.10	6653.71	5119.97	5833.94	5548.94
(a)	Revenue (MH –2048,2049 & 3604)	2716.86	3463.48	3151.07	3791.31	3540.34
(b)	Capital (MH-6003 & 6004)	1177.24	3190.23	1968.90	2042.63	1958.60
(c)	Appropriation to Contingency Fund (MH-7999)	---	---	---	---	50.00
IV.	Aggregate Disbursements (I+II+III)	37178.39	46811.38	41931.32	57406.81	65436.45
V.	I as Percentage of IV	66.50	63.32	63.88	65.06	62.49
VI.	II as Percentage of IV	23.02	22.47	23.91	24.78	29.03
VII.	III as Percentage of IV	10.48	14.21	12.21	10.16	8.48

* It includes Social & Economic Services (excluding MH 2251, 3451, 3452, 3454, 3456 & 3475) and Public Works under General Services under Revenue Expenditure and all expenditure under Capital expenditure and also Loans and Advances (excluding loans to government servant other than HBA)

It includes General Services (excluding Public Works) and also includes (MH 2251, 3451, 3452, 3454, 3456 & 3475) and Loans to Government Servants (other than HBA) and Miscellaneous Loans under Loans & Advances and excludes (MH 2048, 2049 & 3604)

CHAPTER V**APPROPRIATION ACCOUNTS****5.1 Summary of Appropriation Accounts for 2017-18***(₹ in crore)*

Sl. No	Nature of Expenditure	Original Grant	Supplementary Grant	Re-appropriation	Total	Actual Expenditure	Savings (-) / Excesses (+)
1.	Revenue Voted Charged	64258.65 4060.80	10940.77 4.31	2270.90 0.13	75199.42 4065.11	55139.21 3492.28	(-) 20060.21 (-) 572.83
2.	Capital Voted Charged	12389.43 ...	2462.68 ...	55.17 ...	14852.11 ...	7692.84 ...	(-) 7159.27 ...
3.	Public Debt Charged	4703.41	...	1.00	4703.41	1958.60	(-) 2744.81
4.	Loans and Advances Voted Charged	510.40	72.63	21.15	583.03	254.07	(-) 328.96 ...
5.	Appropriation to Contingency Fund (Charged)	----	50.00	----	50.00	50.00	----
	Total	85922.69	13530.39	2348.35	99453.08	68587.00	(-) 30866.08

5.2 Trend of Savings / Excess during the past five years*(₹ in crore)*

Year	Saving (-) / Excess (+)				Total
	Revenue	Capital	Public Debt	Loans & Advances	
2013-2014	(-) 9247.94	(-) 4582.31	(-) 17.59	(-) 1961.59	(-) 15809.43
2014-2015	(-) 13786.90	(-) 6351.30	(+) 1769.69	(-) 146.71	(-) 18515.22
2015-2016	(-) 21163.54	(-) 8605.84	(-) 2421.50	(-) 596.15	(-) 32787.03
2016-2017	(-) 15653.43	(-) 6375.17	(-) 2786.52	(-) 75.72	(-) 24890.84
2017-2018	(-) 20633.04	(-) 7159.27	(-) 2744.81	(-) 328.96	(-) 30866.08

5.3 Significant Savings

Substantial savings under a grant indicates either non-implementation or slow implementation of certain schemes / programmes.

Some grants with persistent and significant savings are given below:

(₹ in crore)

Year	Grant No. Major Head	Total Allocation	Percentage of Savings (-) / Excess (+) to Total Grant
	31- Urban Development (Revenue) (Town & Country Planning) 2215-Water Supply and Sanitation 2217- Urban Development		
2013-14	DO	237.89	(-) 71.65
2014-15	DO	140.53	(-) 72.79
2015-16	DO	283.05	(-) 91.46
2016-17	DO	246.70	(-) 45.58
2017-18	DO	551.19	(-) 54.38
	34- Urban Development (Revenue) (Municipal Administration Deptt.) 2215-Water Supply and Sanitation 2217-Urban Development 3054-Roads and Bridges		
2013-14	DO	76.97	(-) 73.99
2014-15	DO	159.44	(-) 83.13
2015-16	DO	128.64	(-) 92.74
2016-17	DO	273.65	(-) 81.62
2017-18	DO	911.44	(-) 78.69
	42-Social Services (Revenue) 2070-Other Administrative Services 2250-Other Social Services 2575-Other Special Areas Programmes		
2013-14	DO	551.96	(-) 44.91
2014-15	DO	663.80	(-) 80.11
2015-16	DO	361.22	(-) 57.04
2016-17	DO	309.67	(-) 9.72
2017-18	DO	530.57	(-) 16.36
	44-North Eastern Council Schemes (Capital) 4552- Capital Outlay on North Eastern Areas		
2013-14	DO	1876.88	(-) 83.77
2014-15	DO	1560.79	(-) 81.64
2015-16	DO	962.89	(-) 77.10
2016-17	DO	1109.49	(-) 67.47
2017-18	DO	1122.74	(-) 75.71
	63- Water Resources (Capital) 4711-Capital Outlay on Flood Control Projects.		
2013-14	DO	1231.48	(-) 87.01
2014-15	DO	1809.38	(-) 73.46
2015-16	DO	1718.22	(-) 89.34
2016-17	DO	2002.78	(-) 76.40
2017-18	DO	2402.23	(-) 88.72

During 2017-18, Supplementary Grants totaling ₹ 13530.39 crore (19.73 per cent of Total Expenditure) proved to be unnecessary in some cases, where there were significant savings at the end of the year even against original allocations. A few instances are given below:-

(₹ in crore)

Grant	Nomenclature	Section	Original	Supple- mentary	Actual Expenditure
3	Administration of Justice	Revenue	429.00	18.46	284.50
4	Election	Revenue	70.97	1.33	57.07
6	Land Revenue and Land Ceiling	Revenue	354.40	13.62	234.15
9	Transport Services	Revenue	253.99	18.88	242.15
14	Police	Revenue	4449.79	506.87	3653.90
		Capital	181.95	0.38	157.19
16	Stationary & Printing	Revenue	40.72	0.15	27.21
17	Administrative and Functional Building	Revenue	414.76	171.81	246.85
26	Education (Higher Education)	Revenue	2165.02	182.03	1865.91
27	Art and Culture	Revenue	72.66	12.29	66.10
29	Medical and Public Health	Revenue	4188.52	777.35	3966.82
		Capital	446.11	40.25	220.66
30	Water Supply and Sanitation	Revenue	475.96	58.56	417.65
31	Urban Development (Town & Country Planning)	Revenue	537.47	13.72	251.47
34	Urban Development (Municipal Administration)	Revenue	742.41	169.03	194.23
		Capital	5.59	32.68	1.35
36	Labour and Employment	Revenue	171.05	56.69	121.17
		Capital	71.86	14.53	3.32
38	Welfare of SC/ ST / OBC	Revenue	1158.91	42.12	456.50
		Capital	163.48	33.50	7.07
39	Social Security, Welfare and Nutrition	Revenue	1750.49	112.21	955.05
44	North Eastern Council Schemes	Capital	1106.68	16.06	272.75
45	Census and Surveys	Revenue	82.67	0.65	32.55
49	Irrigation	Revenue	545.09	24.04	432.42
		Capital	402.66	64.36	78.57
51	Soil and Water Conservation	Revenue	44.59	14.79	38.44
52	Animal Husbandry	Revenue	400.43	22.77	239.02
54	Fisheries	Revenue	77.00	3.07	50.68
55	Forestry and Wild Life	Revenue	850.16	77.70	473.60
56	Rural Development (Panchayat)	Revenue	3110.78	56.78	1618.52
57	Rural Development	Revenue	4007.97	197.41	3175.03
58	Industries	Revenue	183.68	310.06	82.50
		Capital	163.19	56.09	115.18
60	Cottage Industries	Revenue	51.64	2.02	44.61
63	Water Resources	Revenue	321.16	15.87	282.74
64	Roads and Bridges	Revenue	1639.47	55.65	1561.27
		Capital	2209.99	353.76	1965.41
65	Tourism	Revenue	58.34	1.22	55.96
66	Compensation and Assignment to Local Bodies and Panchayati Raj Institutions	Revenue	318.80	206.68	125.05
67	Horticulture	Revenue	49.69	4.33	28.85
71	Education (Elementary, Secondary Etc.)	Revenue	10846.05	886.73	10448.56
73	Urban Development (GDD)	Revenue	607.07	301.24	136.36
75	Information Technology	Revenue	68.00	10.38	41.70
76	Hill Areas Department (Karbi Anglong Autonomous Council)	Revenue	925.01	56.42	775.28
		Capital	283.48	150.44	143.79
77	Hill Areas Department (North Cachar Hills)	Revenue	391.08	53.32	389.06

CHAPTER VI

ASSETS AND LIABILITIES

6.1 Assets

The existing form of accounts do not easily depict valuation of Government assets like land, buildings etc., except in the year of acquisition / purchase. Similarly, while the accounts present the impact of liabilities arising in the current year, they do not depict the overall impact of the liabilities to future generation, except to the limited extent shown by the rate of interest and period of existing loans.

6.2 Investment

Total investments, as share capital in Statutory Corporations, Government Companies, Joint Stock Companies, Rural Banks etc, stood at ₹ 2525.13 crore at the end of 2017-2018. However, dividend received on investment, during the year, was ₹ 225.55 crore (i.e. 8.93 per cent). During 2017-2018, investments in PSUs increased by ₹ 15.18 crore, while the corresponding increase in dividend income had been ₹ 101.11 crore.

6.3 Debt and Liabilities

Outstanding Public Debt, at the end of 2017-2018, was ₹ 34654.91 crore, comprising internal debt of ₹ 33293.73 crore and loans and advances of ₹ 1361.18 crore from the Central Government. In addition, Other Liabilities accounted under the Public Account amounted to ₹ 14619.97 crore.

The State also acts as a banker and trustee in respect of deposits like Small Savings Collections, Provident Funds and Deposits. There was an overall increase of ₹ 1100.38 crore in respect of such liabilities of State Government during 2017-2018.

Interest payments on debt and Other Liabilities, totaling ₹ 3205.32 crore, constituted 5.78 per cent of the Revenue Expenditure of ₹ 55480.94 crore. Interest payments on public debt amounted to ₹ 2476.59 crore (Internal debt ₹ 2376.43 crore and Loans and Advances from Central Governments ₹ 100.16 crore) and ₹ 724.13 crore on Other Liabilities. Expenditure on Account of Interest Payment increased by ₹ 241.57 crore during 2017-2018 over the previous year.

Details of the Public Debt and Total Liabilities of the State Government are as under :

(₹ in crore)

At the end of the year	Internal Debt	Loans & Advances from Central Government	Total Public Debt	Small Savings, Provident Funds, etc.	Other Obligations	Total Liabilities*	GSDP #	Percentage of total liability to GSDP
2013-2014	17879.48	1943.54	19823.02	7632.60	4309.73	31765.35	177745.22	17.87
2014-2015	21186.60	1591.65	22778.25	8522.73	4102.18	35403.16	195723.15	18.09
2015-2016	24799.19	1508.16	26307.35	9382.87	3364.36	39054.58	227958.83	17.13(a)
2016-2017	26736.65	1429.79	28166.44	10179.32	5634.80	43980.56	254340.86@	17.29(a)
2017-2018	33293.73	1361.18	34654.91	11206.99	3412.98	49274.88	283821.22#	17.36

(a) Varies from last year figure due to revised GSDP.

* Public Debt, Small Saving, Provident Funds, Non-interest bearing obligations such as deposits of Local Funds, other earmarked Funds.

GSDP-@ Provisional, #: Quick

6.4 Debt Service Ratio

It indicates percentage of expenditure (with reference to debt receipts) incurred for repayment of principal and payment of interest on Public Debt borrowings. The following table presents the position of debt servicing relative to debt receipts for 2013-14 to 2017-18.

Sl. No.	Particulars	2013-14	2014-15	2015-16	2016-17	2017-18
I	Debt Receipts * (₹ in crore)	1196.07	6145.46	5497.99	3901.71	8447.07
II	Debt Repayment * (₹ in crore)	1177.24	3190.23	1968.90	2042.63	1958.60
III	Payment of Interest # (₹ in crore)	1676.01	1715.08	1972.48	2277.93	2476.59
IV	Total Servicing of Debt (₹ in crore)	2853.25	4905.31	3941.38	4320.56	4435.19
V	Debt Service Ratio (in per cent) IV/I	238.55	79.82	71.69	110.74	52.51

* MH 6003 & 6004

MH 2049 (SMH 01 & 04)

It appears from the above table that there was fluctuation in Public debt management during the last five years. It declined from 2013-14 to 2015-16 but increased in 2016-17. However, in the Financial Year 2017-18, there was a decline over the previous year.

6.5 Indian Government Accounting Standards (IGAS) 1

The Indian Government Accounting Standards (IGAS) 1 specifies the disclosure requirements in the Financial Statements of the State governments of Guarantees given by Government. In compliance with the standards, guarantees given by the State Government for repayment of loans etc. raised by Statutory Corporations, Government Companies, Local Bodies and Other Institutions during the year and sums guaranteed outstanding on 31 March, 2018 are shown below in the prescribed format.

(₹ in crore)

Sector*	Maximum amount guaranteed	Outstanding at the beginning of 2017-18		Additions during the year (2017-18)	Deletions (other than invoked during the year (2017-18))	Invoked during the year (2017-18)	
		Principal	Interest			Discharge	Net Discharge
1	2	3	4	5	6	7	8
Power	3,72.84	39.63	---	---	8.34	---	---
Co-operative	74.79	20.28	3.63	---	18.14	---	---
Any Other	34.62	38.70	27.76	0.08	14.63	---	---
Grand Total	482.25	98.61	31.39	0.08	41.11	---	---

Outstanding at the end of (2017-18)		Guarantee Commission or Fee		Other Material Details
Principal	Interest	Receivable	Received	
9	10	11	12	13
31.29	---	---	---	---
2.14	3.79	---	---	---
24.15	28.87	---	---	---
57.58	32.66	---	---	---

*Number of guarantees issued not furnished by the State Government.

6.5.1 Indian Government Accounting Standards (IGAS) 2

“Accounting and classification of Grants-in-aid” prescribes the principles of accounting and classification of Grants-in-aid in the Financial Statements of Government both as Grantor as well as Grantee. Grants-in-aid are classified and accounted for as revenue expenditure in the Financial Statements of the grantor irrespective of its ultimate application by the grantee. The position holds true even in those cases where Grants-in-aid are utilized by the grantee for the purpose of creation of assets. Receipts of Grants-in-aid are also required to be treated as revenue receipts in the Financial Statements of grantee Government. It also specifies that expenditure on Grants-in-aid for the purpose of creating assets shall not, except in cases specifically authorized by the President on the advice of the Comptroller and Auditor general of India, be debited to a capital head of account in the Financial Statements of the Government. However, during the year, the State Government made budget provision and classified Grants-in-aid of ₹3,945.04 crore under capital major heads, instead of under the Revenue Section, in deviation of IGAS classification structure for Grants-in-aid.

[Statement of Grants-in-aid is given in Statement No. 10 of the Finance Accounts.]

6.5.2 Indian Government Accounting Standards (IGAS) 3

This standard applies to Loans and Advances given by the Government for incorporation and presentation in the Financial Statements of the Government. The Financial Statements shall not be described as complying with the standard unless they comply with all the requirements contained therein. This standard shall apply only to Government accounts being maintained on a cash basis. The detailed statement of Loans and Advances given by the State Government in the prescribed formats, as mandated in IGAS 3, is given in Statement No 18 of the Finance Accounts.

CHAPTER VII

OTHER ITEMS

7.1 Loans and Advances by the State Government

Total Loans and Advances made by the State Government at the end of 2017-2018 were ₹ 5423.67 crore. Total loans and advances to Government Corporations / Companies, Non - Government Institutes, Local bodies etc., at the end of 2017-2018, stood at ₹ 5409.25 crore. As regards recovery, principal amount aggregating to ₹ 5169.96 crore and interest on loan amounting to ₹ 1289.01 crore (as per records available with this office), were in arrears at the end of 31 March, 2018.

7.2 Financial Assistance to Local Bodies and Others

Assistance to local bodies etc. during 2017-2018 was ₹ 4461.21 crore. It increased from ₹ 2946.19 crore in 2013-2014 to ₹ 4461.21 crore in 2017-2018, indicating 51.42 per cent increase in the last five years. During 2017-2018, the major portion of assistance ₹ 4073.35 crore (91.31 per cent) of the total grant of ₹ 4461.21 crore was consumed by Educational Institutions.

7.3 Cash Balance and Investment of Cash Balance

The closing cash balance, according to the Reserve Bank of India, was ₹ 10.70 crore (Credit), against the general cash balance of ₹ 180.98 crore (Debit) reflected in the State Government Accounts. Thus, there is a difference of ₹ 170.28 crore (Debit) between the two figures. The difference is mainly because of erroneous reporting by the accredited banks to the RBI, Nagpur, which maintains the cash balance of the State Government. The difference of ₹ 170.28 crore (Net Debit) is under reconciliation with Reserve Bank of India.

Investments held in the Cash Balance Investment Account, * as on 31 March, 2018, were ₹ 936.95 crore.

Other cash balances and investment, comprising cash with departmental officers (₹ 18.43 crore), Permanent advances with departmental officers (₹ 0.46 crore) and investment of earmarked funds (₹ 4228.16 crore), as on 31 March, 2018, were ₹ 4247.05 crore.

* Short term investment in Government of India Treasury bills.

7.4 Personal Deposit Accounts

In specific circumstances, the Government may authorize the opening of Personal Deposit Accounts (PD) for operation by designated Administrators. Transfer of funds to PD accounts is booked under the service major heads, as expenditure under the Consolidated Fund of the State. Under the rules, the Administrators are required to close such accounts on the last working day of the year and transfer the unspent balances back to the Consolidated Fund, with the PD accounts being reopened in the next year, if necessary. The Government of Assam, however, did not follow this procedure. As on 31-03-2018, there were 26 PD Accounts and all these accounts have been inoperative for more than three years. The status of PD accounts during 2017-2018, as per the records of Accountant General (A&E), is as under:

(₹ in crore)

Particulars	No. of PD Accounts	Amount
Opening Balance as 1 April 2017	26	0.60
Net addition during the year	Nil	Nil
Closed during the year	Nil	Nil
Amount lying unspent for more than one year	26	0.60
Amount lying unspent for more than three years	26	0.60
Closing Balance as on 31 March 2018	26	0.60

No departmental officers had verified/reconciled these balances with the records maintained by the Accountant General (A&E), as required.

7.5 Reconciliation of Accounts

To exercise effective control of expenditure, to keep it within the budget grants and ensure accuracy of their accounts, all Chief Controlling Officers (CCOs / Controlling Officers (COs) are required to reconcile the figures of Receipts and Expenditure, recorded in their books, every month, with the figures accounted for by the Accountant General (A&E). During the year, out of 54 CCOs, 14 CCOs fully reconciled and 26 CCOs partially reconciled expenditure amounting ₹ 23253.57 crore (35.54 per cent of total expenditure amounting to ₹ 65436.45 crore). Further, 4 CCOs fully reconciled and 3 CCOs partially reconciled receipts of ₹ 30861.02 crore (49.31 per cent of the total receipts of ₹ 62582.72 crore).

7.6 Reconciliation of Deposits and Other accounts in Public Account

In order to ensure correctness of balances recorded under Public Account, reconciliation with State Government authorities specially treasury officers in respect of deposit heads, departmental officers in respect of remittance and departmental balance heads and finance department in respect of Reserve Fund and cash balance investment account is required. Such a reconciliation was never carried out thus impacting the quality and transparency of accounts kept under Public Account. The position of balances under Public Account up to 2017-18 is given below :

(₹in crore)

Public Account Balances	Opening balance as on 01-04-2017	Closing balance as on 31-03-2018
I. Small Savings, Provident Fund etc.	Cr. 10179.33	Cr. 11206.99
II. Reserve Fund	Cr. 2805.10 (Net)	Cr. 510.56 (Net)
III. Deposits	Cr. 2829.70	Cr. 2902.41
IV. Advances	Dr. 3781.97	Dr. 4298.30
V. Suspense & Miscellaneous	Dr. 6069.63 *	Dr. 1174.01 *
VI. Remittances	Dr. 564.41	Dr. 543.91
Total	Cr. 5398.12	Cr. 8603.74

* It includes cash balance Investment Account.

The surplus in Public Account is utilized for deficit financing, as was done in 2017-2018.

7.7 *Submission of accounts by Accounts Rendering Units:*

Accounts Rendering Units (ARUs) of the Government of Assam could not submit the initial accounts for 2017-18 to the Accountant General's (A&E) Office by the prescribed due date. Despite delay in rendition of monthly accounts ranging from 01 to 149 days by treasuries, 01 to 154 days by Public Works Divisions and 01 to 195 days by Forest Divisions, no accounts were excluded at the end of the year. Details of exclusions from Monthly Civil Accounts are shown below:-

Month of Account	Number of Accounts excluded		
	Treasury	Public Works	Forest
April 2017	Nil	06	02
May 2017	01	15	03
June 2017	04	23	11
July 2017	07	07	17
August 2017	08	13	05
September 2017	08	15	06
October 2017	11	36	16
November 2017	17	59	36
December 2017	22	107	58
January 2018	20	119	43
February 2018	25	110	59
March (Pre) 2018	Nil	Nil	Nil

Failure of the account rendering units in furnishing accounts on time, resulted in exclusion of accounts every month, except at the end of the year. Consequently, the monthly accounts rendered by the Accountant General (A&E) to the Finance Department were incomplete in all the months, except for the month of March.

7.8 *Unadjusted Abstract Contingency (AC) bills:*

Under Rule 21 of the Assam Contingency Manual 1989, Drawing and Disbursing Officers (DDOs) are authorized to draw sums of money for limited purposes by preparing Abstract Contingency (AC) bills by debiting Service Heads. Subsequently, Detailed Contingency (DC) bills (vouchers in support of final expenditure) are required to be sent so as to reach the Accountant General (A&E) not later than 25th of the month following the month to which they relate. Prolonged non-submission of DC bills renders the expenditure under AC bills opaque. Further, to the extent of non-receipt of DC bills, the expenditure shown in the Finance Accounts cannot be vouched as correct or final. Details of AC bills, outstanding as on 31 March, 2018, are given below :

Year	Number of pending DC bills	Amount (₹ in crore)
Up to 2015-2016	1044	550.03
2016-2017	13	2.45
2017-2018	9	126.37
Total	1066	678.85

A large number of DC Bills are pending with the Panchayat and Rural Development Department (134 AC bills amounting to ₹ 144.50 crore), followed by the Education (General) Department (33 AC bills amounting to ₹ 84.93 crore), the Health Department (16 AC bills amounting to ₹ 76.82 crore), Secretariat Administration Department (130 AC Bills amounting to ₹ 51.81 crore), Department for the Welfare of Plain Tribes and Other Backward Classes (26 AC bills amounting to ₹ 51.37 crore), Social Welfare Department (18 AC bills amounting to ₹ 37.53 crore), Revenue Department (300 AC bills amounting to ₹ 31.49 crore), Food and Civil Supplies (2 AC bills amounting to ₹ 26.03 crore) and Public Works Department (7 AC bills amounting to ₹ 25.56 crore).

Out of ₹ 127.07 crore, drawn against 10 AC bills in 2017-18, 9 AC bills, amounting to ₹ 127.05 crore (99.98 per cent) were drawn in March 2018. Expenditure against AC bills at the end of the year indicates that the drawal was primarily to exhaust the budget provisions.

7.9 Outstanding Utilization Certificates (UC):

State Government authorities who sanction conditional grants are required to furnish formal utilization certificates (UCs) about the proper utilization of the grants, to the Accountant General (A&E). Such UCs are normally due within one year from the date of sanction, unless otherwise specified. The status of outstanding UCs, as per the records of the Accountant General (A&E), is given below:

Year	Number of UCs awaited	Amount (₹ in crore)
Up to 2015-2016	8551	10537.08
2016-2017	819	7398.02
Total	9370	17935.10

During 2017-18, 2267 grants worth ₹ 15958.31 crore were given for which UCs will be due in 2018-19. A significant portion of wanting UCs pertain to Rural Development Department (120 UCs, amounting to ₹ 6296.71 crore), Education (General) Department (4695 UCs, amounting to ₹ 4278.09 crore), Health Department (220 UCs amounting to ₹ 3497.20 crore), Secretariat Administration Department (151 UCs. amounting to ₹ 3156.11 crore), Department for

the Welfare of Plain Tribes & Other Backward Classes (1071 UCs, amounting to ₹ 2691.71 crore), Panchayat and Rural Development Department (213 UCs, amounting to ₹ 2445.03 crore), Social Welfare Department (1027 UCs, amounting to ₹ 2178.06 crore), Mines, Minerals & Power Department (27 UCs, amounting to ₹ 1881.15 crore) and Agriculture Department (115 UCs, amounting to ₹ 956.02 crore).

UCs outstanding beyond the specified periods indicate absence of assurance on utilisation of the grants for intended purposes and the expenditure shown in the accounts cannot be treated as final to that extent.

7.10 Suspense Accounts

Under suspense heads are recorded all such transactions as are ultimately removed either by payment or recovery in cash or by book adjustments on receipt of supporting documents. The overall debit balance under Suspense Account indicates assets and credit balance indicates liabilities.

During 2017-18, the suspense balance was reduced by 74.80 per cent to ₹ 219.54 crore. Net clearance during the year was ₹ 651.55 crore. Main reasons for outstanding balance were – (a) non-reimbursement of maintenance expenditure on National Highways by the Ministry of Shipping, Road Transport and Highways, Government of India and (b) Non-receipt of supporting documents / vouchers etc from the state treasuries in respect of withdrawal from the Consolidated Fund of the State.

7.11 Commitments on account of Incomplete Works

A total expenditure of ₹ 359.03 crore was incurred up to the year 2017-2018 by the State Government on various incomplete projects costing one crore and above, which have been taken up by the Public Works (Road) Department and Irrigation Department. However, incomplete projects / works under PWD (Roads) Department, involving costs amounting to ₹ 4.73 crore, is still pending for payments.

7.12 Rush of Expenditure

The financial rules stipulate that rush of expenditure, particularly in the closing month of the financial year, shall be regarded as a breach of financial regularity and should be avoided. However, the expenditure incurred under certain selected Heads of Account, during March, 2018, ranged between 54.93 per cent and 85.86 per cent of the total expenditure during the year, indicating a tendency to utilize the budget at the close of the financial year. The flow of expenditure during the four quarters of 2017-18, in the above mentioned Heads, was as below:

Head of Ac/s	Description	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr	Total	During March	Per Cent of 3/2017 w.r.t Total Expenditure of 2017-18
		<i>(₹ in crore)</i>						
2052	Secretariat – General Services	23.69	34.15	200.52	435.79	694.15	381.27	54.93
2216	Housing	86.60	262.00	30.41	1453.37	1832.38	1446.90	78.96
2575	Other Special Areas Programmes	0.95	97.95	3.47	339.17	441.54	338.00	76.55
3451	Secretariat Economic Services	14.92	19.78	49.71	378.45	462.86	238.33	51.49
4055	Capital Outlay on Police	---	----	0.77	156.42	157.19	134.97	85.86
4217	Capital Outlay on Urban Development	13.46	18.07	38.00	326.98	396.51	293.36	73.98
4702	Capital Outlay on Minor Irrigation	25.02	12.93	7.82	247.41	293.18	226.49	77.25
4801	Capital Outlay on Power Projects	64.52	34.44	27.95	677.08	803.99	463.70	57.67
	Total	229.16	479.32	358.65	4014.67	5081.80	3523.02	69.33

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