

FINANCE ACCOUNTS
(VOLUME-I)
2016-17



GOVERNMENT OF NAGALAND

FINANCE ACCOUNTS
(VOLUME – I)

FOR THE YEAR 2016-2017

GOVERNMENT OF NAGALAND

Table of Contents

<i>Subject</i>	<i>Page(s)</i>
Volume I	
▪ Certificate of the Comptroller and Auditor General of India	(iv)-(v)
▪ Guide to Finance Accounts	1-6
1. Statement of Financial Position	7-8
2. Statement of Receipts and Disbursements	9-11
Annexure A . Cash Balances and Investments of Cash Balances	12-13
3. Statement of Receipts (Consolidated Fund)	14-16
4. Statement of Expenditure (Consolidated Fund)	17-20
5. Statement of Progressive Capital Expenditure	21-25
6. Statement of Borrowings and Other Liabilities	26-29
7. Statement of Loans and Advances given by the Government	30-32
8. Statement of Investments of the Government	33
9. Statement of Guarantees given by the Government	34-36
10. Statement of Grants-in-aid given by the Government	37-38
11. Statement of Voted and Charged Expenditure	39
12. Statement on Sources and Application of Funds for Expenditure other than Revenue Account	40-42
13. Summary of Balances under Consolidated Fund, Contingency Fund and Public Account	43-44
▪ Notes to Accounts	45-62

<i>Subject</i>	<i>Page(s)</i>
Volume II	
Part I : Detailed Statements	
14. Detailed Statement of Revenue and Capital Receipts by Minor Heads	65-86
15. Detailed Statement of Revenue Expenditure by Minor Heads	87-141
16. Detailed Statement of Capital Expenditure by Minor Heads and Sub Heads	142-190
17. Detailed Statement of Borrowings and Other Liabilities	191-204
18. Detailed Statement of Loans and Advances given by the Government	205-208
19. Detailed Statement of Investments of the Government	209-218
20. Detailed Statement of Guarantees given by the Government	219-222
21. Detailed Statement on Contingency Fund and Other Public Account Transactions	223-230
22. Detailed Statement on Investments of Earmarked Balances	231-233
Part II: Appendices	
I Comparative Expenditure on Salary	237-239
II Comparative Expenditure on Subsidy	240
III Grants-in-aid given by the State Government (Institution-Wise and Scheme-Wise)	241-249
IV Details of Externally Aided Projects	250
V Plan Scheme Expenditure	
A. Central Schemes (Centrally Sponsored Schemes and Central Plan Schemes)	251-257
B. State Plan Schemes	258-264

	<i>Subject</i>	<i>Page(s)</i>
VI	Direct Transfer of Central Scheme Funds to Implementing Agencies in the State (Funds routed outside State Budgets) (Unaudited Figures)	265-275
VII	Acceptance and Reconciliation of Balances	276-277
VIII	(i) Financial Results of Irrigation Schemes	278
	(ii) Financial Results of Electricity Schemes	279
IX	Commitments of the Government-List of Incomplete Capital Works	280-301
X	Maintenance Expenditure with segregation of Salary and Non-Salary portion	302-306
XI	Major Policy Decisions during the year or new Schemes proposed in the Budget	307
XII	Committed Liabilities of the Government	308
XIII	Re-organisation of the States – Items for which allocation of balances between/among the States has not been finalized.	309

Certificate of the Comptroller and Auditor General of India

This compilation containing the Finance Accounts of the Government of Nagaland for the year ending 31 March 2017 presents the financial position along with accounts of the receipts and disbursements of the Government for the year. These accounts are presented in two volumes, Volume-I contains the consolidated position of the state of finances and Volume-II depicts the accounts in detail. The Appropriation Accounts of the Government for the year for Grants and Charged Appropriations are presented in a separate compilation.

The Finance Accounts have been prepared under my supervision in accordance with the requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 and have been compiled from the vouchers, challans and initial and subsidiary accounts rendered by the treasuries, offices, and departments responsible for the keeping of such accounts functioning under the control of the Government of Nagaland and the statements received from the Reserve Bank of India. Statement (No. 9 and 20) and Appendices (IV, part of V, IX and XII) in this compilation have been prepared directly from the information received from the Government of Nagaland/Corporations/ Companies/Societies who are responsible to ensure the correctness of such information.

The treasuries, offices, and/or departments functioning under the control of the Government of Nagaland are primarily responsible for preparation and correctness of the initial and subsidiary accounts as well as ensuring the regularity of transactions in accordance with the applicable laws, standards, rules and regulations relating to such accounts and transactions. I am responsible for preparation and submission of Annual Accounts to the State Legislature. My responsibility for the preparation of accounts is discharged through the office of the Accountant General (A&E). The audit of these accounts is independently conducted through the office of the Accountant General (Audit) in accordance with the requirements of Articles 149 and 151 of the Constitution of India and the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, for expressing an opinion on these Accounts based on the results of such audit. These offices are independent organizations with distinct cadres, separate reporting lines and management structure.

The audit was conducted in accordance with the Auditing Standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance that the accounts are free from material misstatement. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements.

On the basis of the information and explanations that my officers required and have obtained, and according to the best of my information as a result of test audit of the accounts and on consideration of explanations given, I certify that, to the best of my knowledge and belief, the Finance Accounts read with the explanatory 'Notes to Accounts' give a true and fair view of the financial position, and the receipts and disbursements of the Government of Nagaland for the year 2016-2017.

Points of interest arising from study of these accounts as well as test audit conducted during the year or earlier years are contained in my Reports on the Government of Nagaland being presented separately for the year ended 31 March 2017.

Date: 21 November 2017
Place: New Delhi


(RAJIV MEHRISHI)
Comptroller and Auditor General of India

Guide to Finance Accounts

A. Broad overview of the structure of Government accounts

1. The Finance Accounts of the State of Nagaland present the accounts of receipts and outgoings of the Government for the year, together with the financial results disclosed by the Revenue and Capital accounts, the accounts of the Public Debt and the liabilities and assets of the State Government as worked out from the balances recorded in the accounts.

2. The Accounts of the Government are kept in three parts:

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

The Consolidated Fund comprises two sections: Revenue and Capital (including Public Debt, Loans and Advances). These are further categorised under 'Receipts' and 'Expenditure'. The Revenue Receipts section is divided into three sectors, viz., 'Tax Revenue', 'Non Tax Revenue' and 'Grants in Aid and Contributions'. These three sectors are further divided into sub-sectors like 'Taxes on Income and Expenditure', 'Fiscal Services', etc. The Capital Receipts section does not contain any sectors or sub-sectors. The Revenue Expenditure section is divided into four sectors, viz., 'General Services', 'Social Services', 'Economic Services' and 'Grants in Aid and Contributions'. These sectors in the Revenue Expenditure section are further divided into sub-sectors like, 'Organs of State', 'Education, Sports, Art and Culture' etc. The Capital Expenditure section is sub-divided into seven sectors, viz., 'General Services', 'Social Services', 'Economic Services', 'Public Debt', 'Loans and Advances', 'Inter-State Settlement' and 'Transfer to Contingency Fund'.

Part II: Contingency Fund: This Fund is in the nature of an imprest which is established by the State Legislature by law, and is placed at the disposal of the Governor to enable advances to be made for meeting unforeseen expenditure pending authorisation of such expenditure by the State Legislature. The fund is recouped by debiting the expenditure to the concerned functional major head relating to the Consolidated Fund of the State. The Contingency Fund of the Government of Nagaland for 2016-2017 is ₹ 0.35 crore.

Part III: Public Account: All other public moneys received by or on behalf of the Government, where the Government acts as a banker or trustee, are credited to the Public Account. The Public Account includes repayables like Small Savings and Provident Funds, Deposits (bearing interest and not bearing interest), Advances, Reserve Funds (bearing interest and not bearing interest), Remittances and Suspense heads (both of which are transitory heads, pending final booking). The net cash balance available with the Government is also included under the Public Account. The Public Account comprises six sectors, viz., 'Small Savings, Provident Funds etc.', 'Reserve Funds', 'Deposit and Advances', 'Suspense and Miscellaneous', 'Remittances', and 'Cash Balance'. These sectors are further sub-divided into sub-sectors. The Public Account is not subject to the vote of the Legislature.

Guide to Finance Accounts – Contd.

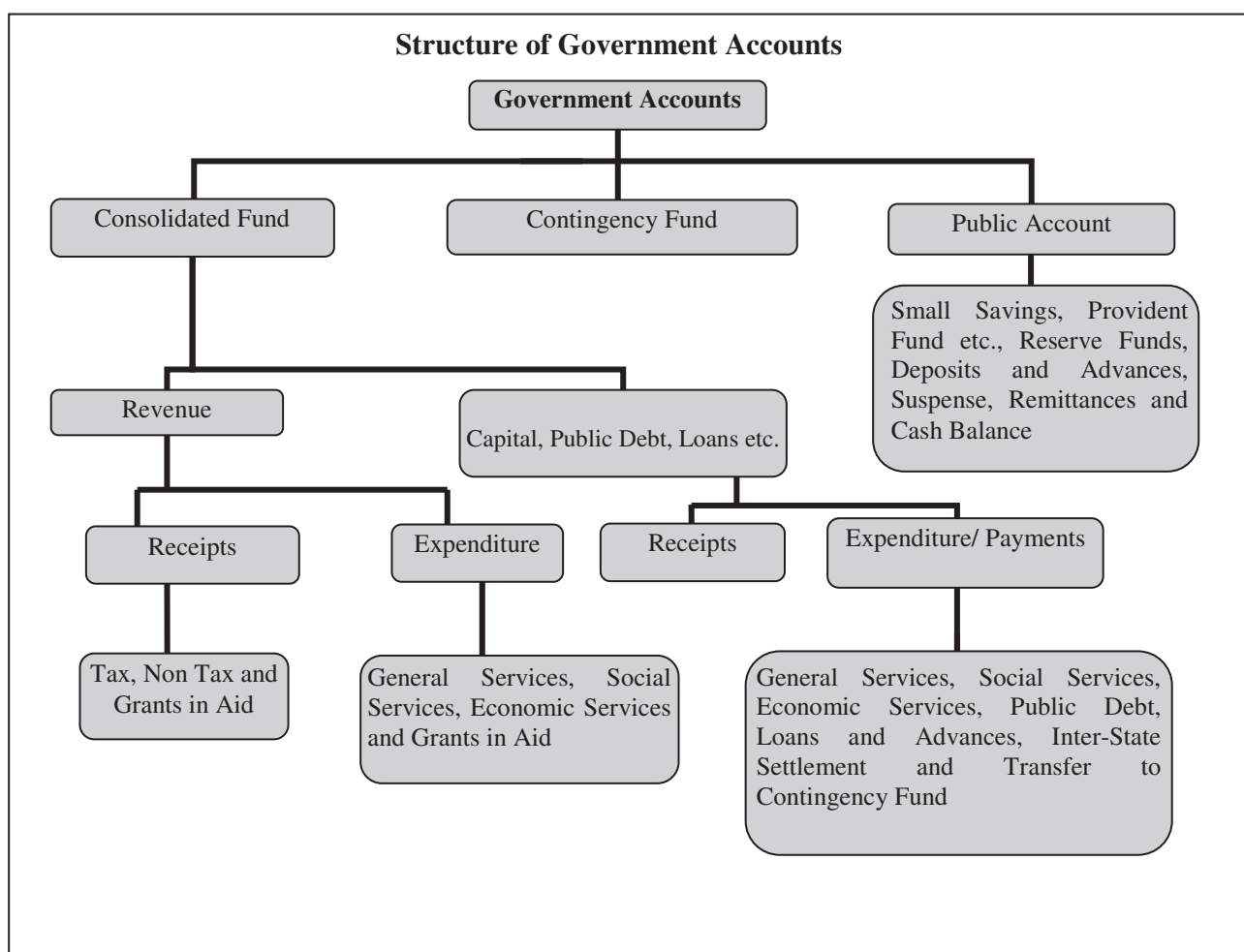
3. Government accounts are presented under a six tier classification, viz., Major Heads (four digits), Sub-Major Heads (two digits), Minor Heads (three digits), Sub-Heads (two characters), Detailed Heads (two to three digits), and Object Heads (two or three digits). Major Heads represent functions of Government, Sub-Major Heads represent sub-functions, Minor Heads represent programmes/ activities, Sub-Heads represent schemes, Detailed Heads represent sub-schemes, and Object Heads represent purpose/ object of expenditure.

4. The main unit of classification in accounts is the Major Head which contains the following coding pattern (according to the List of Major and Minor Heads corrected upto March 2017)

0020 to 1606	Revenue Receipts
2011 to 3606	Revenue Expenditure
4000	Capital Receipts
4046 to 7810	Capital Expenditure (including Public Debt, Loans and Advances)
7999	Appropriation to the Contingency Fund
8000	Contingency Fund
8001 to 8999	Public Account

5. The Finance Accounts, generally (with some exceptions), depict transactions upto the Minor Head. The figures in the Finance Accounts are depicted at net level, i.e., after accounting for recoveries as reduction of expenditure. This treatment is different from the depiction in the Demands for Grants presented to the Legislature and in the Appropriation Accounts, where, expenditure is depicted at the gross level.

6. A pictorial representation of the structure of accounts is given below:



Guide to Finance Accounts – Contd.

B. What the Finance Accounts contain

The Finance Accounts are presented in two volumes.

Volume I contains the Certificate of the Comptroller and Auditor General of India, the Guide to the Finance Accounts, 13 statements which give summarised information on the financial position and transactions of the State Government for the current financial year, Notes to Accounts and annexure to the Notes to Accounts. Details of the **13 Statements in Volume I** are given below:

1. **Statement of Financial Position:** This statement depicts the cumulative figures of assets and liabilities of the State Government, as they stand at the end of the year, and as compared to the position at the end of the previous year.
2. **Statement of Receipts and Disbursements:** This statement depicts all receipts and disbursements of the State Government during the year in all the three parts in which Government accounts are kept, viz., the Consolidated Fund, Contingency Fund and Public Account. In addition, it contains an annexure, showing alternative depiction of Cash Balances (including investments) of the Government. The Annexure also depicts the Ways and Means position of the Government in detail.
3. **Statement of Receipts (Consolidated Fund):** This statement comprises revenue and capital receipts and borrowings and repayments of the loans given by the State Government. This statement corresponds to detailed Statements 14, 17 and 18 in Volume II of the Finance Accounts.
4. **Statement of Expenditure (Consolidated Fund):** In departure from the general depiction of the Finance Accounts up to the Minor Head level, this statement gives details of expenditure by nature of activity (objects of expenditure) also. This statement corresponds to detailed Statement 15, 16, 17 and 18 in Volume II.
5. **Statement of Progressive Capital Expenditure.** This statement corresponds to the detailed Statement 16 in Volume II.
6. **Statement of Borrowings and Other Liabilities:** Borrowings of the Government comprise market loans raised by it (Internal Debt) and Loans and Advances received from the Government of India. 'Other Liabilities' comprise 'Small Savings, Provident Funds etc.', 'Reserve Funds' and 'Deposits'. The statement also contains a note on service of debt, and corresponds to the detailed Statement 17 in Volume II.
7. **Statement of Loans and Advances given by the Government:** This statement depicts all loans and advances given by the State Government to various categories of loanees like Statutory Corporations, Government Companies, Autonomous and Other Bodies/ Authorities and recipient individuals (including Government servants). This statement corresponds to the detailed Statement 18 in Volume II.
8. **Statement of Investments of the Government:** This statement depicts investments of the State Government in the equity capital of Statutory Corporations, Government Companies, other Joint Stock Companies, Co-operative institutions and Local Bodies. This statement corresponds to the detailed Statement 19 in Volume II.
9. **Statement of Guarantees given by the Government:** This statement summarises the guarantees given by the State Government on repayment of principal and interest on loans raised by Statutory Corporations, Government Companies, Local Bodies and Other institutions. This statement corresponds to the detailed Statement 20 in Part II
10. **Statement of Grants in Aid given by the Government:** This statement depicts all Grants in Aid given by the State Government to various categories of grantees like Statutory Corporations, Government Companies, Autonomous and Other Bodies/ Authorities and individuals. Appendix III provides details of the recipient institutions.
11. **Statement of Voted and Charged Expenditure:** This statement assists in the agreement of the net figures appearing in the Finance Accounts with the gross figures appearing in the Appropriation Accounts.

Guide to Finance Accounts – Contd.

- 12. Statement on Sources and Application of Funds for Expenditure other than Revenue Account:** This statement is based on the principle that revenue expenditure is expected to be defrayed from revenue receipts, while capital expenditure of the year is met from revenue surplus, net credit balances in the public account, cash balance at the beginning of the year, and borrowings.
- 13. Summary of balances under Consolidated Fund, Contingency Fund and Public Account:** This statement assists in proving the accuracy of the accounts. The statement corresponds to the detailed Statement 14, 15, 16, 17, 18 and 21 in Volume II

Volume II of the Finance Accounts contains two parts-nine detailed statement in Part I and thirteen Appendices in Part II.

Part I of Volume II

- 14. Detailed Statement of Revenue and Capital Receipts by Minor Heads:** This statement corresponds to the summary Statement 3 in Volume 1 of the Finance Accounts.
- 15. Detailed Statement of Revenue Expenditure by Minor Heads:** This statement, which corresponds to the summary statement 4 in Volume 1, depicts the revenue expenditure of the State Government under Plan (State Plan, Central Assistance to State Plan, Centrally Sponsored Schemes and Central Plan Schemes) and Non Plan. Charged and Voted expenditure are exhibited distinctly.
- 16. Detailed Statement of Capital Expenditure by Minor Heads and Subheads:** This statement, which corresponds to the summary statement 5 in Volume I, depicts the capital expenditure (during the year and cumulatively) of the State Government under Plan (State Plan, Central Assistance to State Plan, Centrally Sponsored Schemes and Central Plan Schemes) and Non Plan. Charged and Voted expenditure are exhibited distinctly. In addition to representing details of capital expenditure at Minor Head level, in respect of significant schemes, this statement depicts details at Sub head levels also.
- 17. Detailed Statement of Borrowings and Other Liabilities:** This statement, which corresponds to the summary Statement 6 in Volume-I, contains details of all loans raised by the State Government (market loans, bonds, loans from the Central Government, loans from Financial Institutions, Special Securities issued to National Small Savings Fund, etc.), and Ways and Means advances extended by the Reserve Bank of India. This statement presents the information on loans under three categories: (a) details of individual loans; (b) maturity profile, i.e., amounts payable in respect of each category of loans in different years; and (c) interest rate profile of outstanding loans and annexure depicting Market Loans.
- 18. Detailed Statement on Loans and Advances given by the Government:** This statement corresponds to the Summary Statement 7 in Volume I.
- 19. Detailed Statement of Investments of the Government:** This statement depicts details of investments entity wise and Major and Minor Head wise details of discrepancies, if any, between Statements 16 and 19. This statement corresponds to Statement 8 in Volume I.
- 20. Detailed Statement of Guarantees given by the Government:** This statement depicts entity wise details of government guarantees. This statement corresponds to Statement 9 in Volume I.
- 21. Detailed Statement on Contingency Fund and Other Public Account transactions:** This statement depicts at Minor Head level the details of unrecouped amounts under Contingency Fund, consolidated position of Public Accounts transactions during the year, and outstanding balances at the end of the year.
- 22. Detailed Statement on Investment of Earmarked Balances:** This statement depicts details of investments from the Reserve Funds and Deposits (Public Account).

Guide to Finance Accounts – Contd.

Part II of Volume II

Part II contains thirteen appendices on various items including salaries, subsidies, grants-in-aid, externally aided projects, scheme wise expenditure in respect of major Central schemes and State Plan schemes, etc. These details are presented in the accounts at Sub head level or below (i.e. below Minor Head levels) and so are not generally depicted in the Finance accounts. A detailed list of appendices appears at the ‘Table of Contents’ in Volume I or II. The statements read with the appendices give a complete picture of the state of finances of the State Government.

C. Ready Reckoner

The section below links the summary statements appearing in Volume I with the detailed statements and appendices in Volume II. (Appendices which do not have a direct link with the Summary Statements are not shown below).

Parameter	Summary Statements (Volume I)	Detailed Statements (Volume II)	Appendices
Revenue Receipts (including Grants received), Capital Receipts	2, 3	14	
Revenue Expenditure	2, 4	15	I (Salary), II (Subsidy)
Grants-in-Aid given by the Government	2,10	---	III (Grants-in-Aid)
Capital Expenditure	1, 2, 4,5,12	16	I (Salary)
Loans and Advances given by the Government	1, 2, 7	18	
Debt Position/Borrowings	1, 2, 6	17	
Investments of the Government in Companies, Corporations etc	8	19	
Cash	1, 2, 12,13		
Balances in Public Account and Investments thereof	1, 2, 12, 13	21, 22	
Guarantees	9	20	
Schemes			IV (Externally Aided Projects), V (Plan Scheme Expenditure)

Guide to Finance Accounts – Concl'd.

D. Periodical adjustments and Book adjustments:

Certain transactions that appear in the accounts do not involve actual movement of cash at the time of booking. Some of these transactions take place at the level of the account rendering units (e.g. treasuries, divisions etc.) themselves. For instance, transactions involving adjustment of all deductions (GPF, recoveries of advances given etc.) from salaries are recorded by debiting functional major heads (pertaining to the concerned department) by book adjustment to revenue receipt/loans/public account. Similarly 'nil' bills where moneys transferred between the Consolidated Fund and Public Account represent non-cash transactions occurring at the level of the accounts rendering units.

In addition of the above the Principal Accountant General/Accountant General (A&E) carries out periodical adjustments and book adjustments of the following nature in the accounts of the State Government, details of which appear in Annexure to Notes to Accounts (Volume 1) and footnotes to the relevant statements.

Examples of periodical adjustments and book adjustments are given below:

(1) Creation of funds/ adjustment of contribution to Funds in Public Account by debit to Consolidated Fund e.g., State Disaster Response Fund, Central Road Fund, Reserve Funds, Sinking Fund, etc.

(2) Crediting of deposit heads of accounts in Public Account by debit to Consolidated Fund.

(3) Annual adjustment of interest on General Provident Fund (GPF) and State Government Group Insurance Scheme where interest is adjusted by debiting Major Head 2049-Interest and crediting Major Head 8009-State Provident Fund and Major Head 8011-Insurance and Pension Fund.

(4) Adjustment of Debt waiver under the scheme of Government of India based on the recommendations of the Central Finance Commissions. These adjustments (where Central loans are written off by crediting Major Head 0075-Misc. General Services by contra entry in the Major Head 6004-Loans and Advances from the Central Government) impact both Revenue Receipts and Public Debt heads.

E. Rounding:

Difference of ₹ 0.01 lakh/crore, wherever occurring, is due to rounding.



1. STATEMENT OF FINANCIAL POSITION

(₹ in crore)

Asset ¹	Reference (Sl.No.)		As at 31 March 2017	As at 31 March 2016
	Notes to Accounts	Statement		
Cash				
(i) Cash in Treasuries and Local Remittance	0.00	0.00
(ii) Departmental Balances	...	21	343.86	307.81
iii) Permanent Imprest	0.00	0.00
(iv) Cash Balance Investments	...	21	35.41	0.00
(v) Deposits with Reserve Bank of India (If credit balance include here with minus sign)	...	2,13	226.92	156.34
(vi) Investments from Earmarked Funds	...	21,22	654.20	429.20
Capital Expenditure				
(i) Investments in shares of Companies, Corporations, etc.	...	16,19	291.75	290.60
(ii) Other Capital Expenditure	...	5,16	14,933.54	13,858.58
Contingency Fund (unrecouped)	0.00	0.00
Loans and Advances	...	7,18	25.60	26.51
Advances with departmental officers	...	21	0.32	0.33
Suspense and Miscellaneous Balances ²	...	21	97.19	91.36
Remittance Balances	...	21	696.20	728.20
Cumulative excess of Expenditure over Receipts	0.00	0.00
Total -	17,304.99	15,888.93

1. The figures of assets and liabilities are cumulative figures. Please also see note 1 (ii) in the section 'Notes to Accounts'.
2. In this statement the line item 'Suspense and Miscellaneous Balances' does not include 'Cash Balance Investment Account', 'Departmental Balances' & 'Permanent Imprest' which are included separately above, though the later form part of this sector elsewhere in these Accounts.

1. STATEMENT OF FINANCIAL POSITION – Concl'd.

(₹ in crore)

Liabilities	Reference (Sl. No.)		As at 31 March 2017	As at 31 March 2016
	Notes to Accounts	Statement		
Borrowings (Public Debt)				
(i) Internal Debt	...	6, 17	6,930.07	6,529.46
(ii) Loans and Advances from Central Government				
Non Plan Loans	...	6, 17	13.74	14.48
Loans for State Plan Schemes	...	6, 17	134.19	154.22
Loans for Central Plan Schemes	...	6, 17	0.18	0.18
Loans for Centrally Sponsored Plan Schemes	...	6, 17	28.87	29.13
Other loans	...	6, 17	8.52	8.77
Contingency Fund (corpus)	0.35	0.35
Liabilities on Public Account				
(i) Small Savings, Provident Funds, etc	...	17, 21	891.18	862.08
(ii) Deposits	...	17, 21	927.09	934.80
(iii) Reserve Funds	...	17, 21	623.52	398.52
(iv) Remittance Balances	0.00	0.00
(v) Suspense and Miscellaneous Balances	0.00	0.00
Cumulative excess of Receipts over Expenditure ³	...	12{footnote (1)}	7,747.28	6,956.94
Total -	17,304.99	15,888.93

3. The cumulative excess of receipts over expenditure or expenditure over receipts is different from and not the fiscal/revenue deficit for the current year.

2. STATEMENT OF RECEIPTS AND DISBURSEMENTS

(₹ in crore)

Receipts			Disbursements		
	2016-2017	2015-2016		2016-2017	2015-2016
Part-I Consolidated Fund					
Section-A: Revenue					
Revenue Receipts (Ref. Statement 3 & 14)	9,442.28	8,043.57	Revenue Expenditure (Ref. Statement 4 & 15)	8,651.94	7,581.92
Tax Revenue (raised by the State) (Ref. Statement 3 & 14)	510.75	427.10	Salaries ¹ (Ref. Statement 4-B & Appendix-I)	3,750.05	3,688.50
Non-Tax Revenue (Ref. Statement 3 & 14)			Subsidies (Ref. Appendix-II)	0.00	0.00
			Grants-in-aid ² (Ref. Statement 4-B, 10 & Appendix-III)	160.87	115.52
Interest Receipts (Ref. Statement 3 & 14)	6.73	5.19	General Services (Ref. Statement 4 & 15)		
Others (Ref. Statement 3)	338.79	251.20	Interest Payment and Servicing of Debt (Ref. Statement 4-A, 4-B & 15)	860.50	787.12
Total (Ref. Statement 3 & 14)	345.52	256.39	Pension (Ref. Statement 4-A, 4-B & 15)	1,093.47	1,028.80
Share of Union Taxes/Duties (Ref. Statement 3 & 14)	3,032.63	2,540.72	Others (Ref. Statement 4-B)	558.24	460.34
			Total (Ref. Statement 4-A & 15)	2,512.21	2,276.26
			Social Services (Ref. Statement 4-A & 15)	647.87	433.21
			Economic Services (Ref. Statement 4-A & 15)	1,580.94	1,068.43
Grants from Central Government (Ref. Statement 3 & 14)	5,553.38	4,819.36	Compensation and Assignment to Local Bodies and PRIs (Ref. Statement 4-A & 15)	0.00	0.00
Revenue Deficit	0.00	0.00	Revenue Surplus	790.34	461.65

1. Salary, Subsidy and Grants in Aid figures have been summed up across all sectors to present a consolidated figure. The expenditure in this statement under the sectors 'Social', 'General' and 'Economic' services does not include expenditure on salaries, subsidies and grants in aid (explained in footnote 2) under Revenue expenditure and salaries under capital expenditure. Salaries, sometimes, also figure under capital expenditure.
2. Grants in Aid given to statutory corporations, companies, autonomous bodies, local bodies etc. by the Government which is included as a line item above. These grants are distinct from compensation and assignment of taxes, duties to the Local Bodies which is depicted as a separate line item 'Compensation and assignment to Local Bodies and PRIs'.

2. STATEMENT OF RECEIPTS AND DISBURSEMENTS – Contd.

(₹ in crore)

Receipts			Disbursements		
	2016-2017	2015-2016		2016-2017	2015-2016
Section – B: Capital					
Capital Receipts (Ref. Statement 3 & 14)	0.00	0.00	Capital Expenditure (Ref. Statement 4-A, 4-B & 16)	1,076.10	1,059.23
			General Services (Ref. Statement 4-A & 16)	132.55	105.77
			Social Services (Ref. Statement 4-A & 16)	431.73	287.50
			Economic Services (Ref. Statement 4-A & 16)	511.82	665.96
Recoveries of Loans and Advances (Ref. Statement 3, 7 & 18)	1.09	0.50	Loans and Advances disbursed (Ref. Statement 4-A, 7 & 18)	0.19	0.19
			General Services (Ref. Statement 4-A, 7 & 18)	0.00	0.00
			Social Services (Ref. Statement 4-A, 7 & 18)	0.00	0.00
			Economic Services (Ref. Statement 4-A, 7 & 18)	0.00	0.00
			Others (Ref. Statement 7)	0.19	0.19
Public debt receipts (Ref. Statement 3, 6 & 17)	5,444.35	3,545.94	Repayment of Public Debt (Ref. Statement 4-A, 6 & 17)	5,065.03	2,705.35
Internal Debt (market loans, NSSF, etc.) (Ref. Statement 3, 6 & 17)	5,444.09	3,545.94	Internal Debt (market loans, NSSF, etc.) (Ref. Statement 4-A, 6 & 17)	5,043.49	2,683.80
Loans from GOI (Ref. Statement 3, 6 & 17)	0.26	0.00	Loans from GOI (Ref. Statement 4-A, 6 & 17)	21.54	21.55
Inter-State Settlement Account (Net)	0.00	0.00	Inter-State Settlement Account (Net)	0.00	0.00
Total Receipts Consolidated Fund (Ref. Statement 3)	14,887.72	11,590.01	Total Expenditure Consolidated Fund (Ref. Statement 4)	14,793.26	11,346.69
Deficit in Consolidated Fund	0.00	0.00	Surplus in Consolidated Fund	94.46	243.32
Part II Contingency Fund					
Contingency Fund (Ref. Statement 21)	0.00	0.00	Contingency Fund (Ref. Statement 21)	0.00	0.00
Part III Public Account³					
Small Savings (Ref. Statement 21)	309.65	279.68	Small Savings (Ref. Statement 21)	280.55	267.92
Reserve & Sinking Funds (Ref. Statement 21)	251.08	210.67	Reserve & Sinking Funds (Ref. Statement 21)	251.08	210.67

2. STATEMENT OF RECEIPTS AND DISBURSEMENTS – Concl'd.

(₹ in crore)

Receipts			Disbursements		
	2016-2017	2015-2016		2016-2017	2015-2016
Section – B: Capital					
Deposits (Ref. Statement 21)	509.20	669.08	Deposits (Ref. Statement 21)	516.91	744.18
Advances (Ref. Statement 21)	14.53	15.94	Advances (Ref. Statement 21)	14.51	15.92
Suspense and Misc.⁴ (Ref. Statement 21)	4,802.31	5,289.81	Suspense and Misc.⁴ (Ref. Statement 21)	4,879.60	5,137.07
Remittance (Ref. Statement 21)	1,799.23	1,987.76	Remittance (Ref. Statement 21)	1,767.23	1,913.80
Total Receipts Public Account (Ref. Statement 21)	7,686.00	8,452.94	Total Disbursements Public Account (Ref. Statement 21)	7,709.88	8,289.56
Deficit in Public Account	23.88	0.00	Surplus in Public Account	0.00	163.38
Opening Cash Balance	156.34	(-) 250.36	Closing Cash Balance	226.92	156.34
Increase in Cash Balance	70.58	406.70	Decrease in Cash Balance	0.00	0.00

3. For details please refer to statement 21.

4. 'Suspense and Miscellaneous' includes 'other accounts' such as Cash Balance Investment account (Major Head 8673) etc. The figures may appear huge on account of these other accounts. Details may please be seen in Statement 21.

ANNEXURE A. CASH BALANCES AND INVESTMENTS OF CASH BALANCES

	On 31 March 2017	On 1 April 2016
	(₹ in crore)	
(a) General Cash Balance –		
1. Cash in Treasuries	0.00	0.00
2. Deposits with Reserve Bank	226.92	156.34
Total	226.92	156.34
3. Investment held in Cash Balance Investment Account	35.41	0.00
Total – (a)	262.33	156.34
(b) Other Cash Balances and Investment –		
1. Cash with Departmental Officers, viz. Officers of Forest and Public Works Department	343.86	307.81
2. Permanent Advances for Contingent Expenditure	0.00	0.00
3. Investment of Earmarked Funds	654.20	429.20
Total – (b)	998.06	737.01
Total – (a) and (b)	1,260.39	893.35

Explanatory Notes

(1) **Cash and Cash Equivalents:** Cash and cash equivalents consist of cash in treasuries and deposit with Reserve Bank of India and other Banks and Remittances in Transit, as stated below. The balance under the head 'Deposits with Reserve Bank' as detailed above, depicts the combined balance of the Consolidated Fund, Contingency Fund and the Public Account at the end of the year. To arrive at the overall cash position, the cash balances with treasuries, departments and investments out of the cash balances/reserve funds etc are added to the balance in 'Deposits with RBI'.

ANNEXURE A. CASH BALANCES AND INVESTMENTS OF CASH BALANCES – Conclld.

(b) **Daily Cash Balance:** Under an agreement with the Reserve Bank of India, the State Government has to maintain a minimum cash balance of ₹ 0.25 crore with the Bank. If the balance falls below the agreed minimum on any day, the deficiency is made good by taking ordinary and special ways and means advances/overdrafts from time to time.

For arriving at the daily cash balance⁵ for the purpose of grant of Ways and Means advances/Overdraft, the RBI evaluates the holdings of the 14 days Treasury Bills along with the transactions reported (at RBI counters, Inter-Government transactions and Treasury transactions reported by the agency banks) for the day. To the cash balance so arrived, the maturity of 14 days Treasury Bills if any, is added and excess balance, if any, after maintaining the minimum cash balance is reinvested in Treasury Bills. If the net cash balance arrived at results in less than the minimum cash balance or a credit balance and if there are no 14 days Treasury Bills maturing on that day, RBI rediscounts the holdings of the 14 days Treasury Bills and makes good the shortfall. If there is no holding of 14 days Treasury Bills on that day the State Government applies for Ways and Means Advances/Special Ways and Means Advances/ Over Draft.

(c) The limit for ordinary ways and means advances to the State Government was ₹ 80.00 crore with effect from 1 April 2016. The Bank has also agreed to give special ways and means advances against the pledge of Government Securities. The limit of special ways and means advances is revised by the Bank from time to time. The extent to which the Government maintained the minimum cash balance with the Reserve Bank during 2016-2017 is given below:-

(i) Number of days on which the minimum balance was maintained without taking any advance	220 days
(ii) Number of days on which the minimum balance was maintained by taking ordinary ways and means advance	46 days
(iii) Number of days on which the minimum balance was maintained by taking special ways and means advances	92 days
(iv) Number of days on which there was shortfall in minimum balance even after taking the above advances, but no overdraft was taken	0 days
(v) Number of days on which overdrafts were taken	7 days

(d) During the year investments from out of the Cash balance were made in Government of India securities. Interest of ₹ 3.01 crore (net) was realized and ₹ 35.41 crore lying outstanding on such investment at the end of the year.

5. The cash balance ('Deposits with RBI') above is the closing cash balance of the year as on 31 March but worked out by 16 April and not simply the daily balance on 31 March.

3. STATEMENT OF RECEIPTS (CONSOLIDATED FUND)

I – CONSOLIDATED FUND

(₹ in crore)

Description	Actual	
	2016-17	2015-2016
A. Tax Revenue		
A.1 Other Tax Revenue		
Other Taxes on Income and Expenditure	30.28	29.65
Land Revenue	0.82	0.75
Stamps and Registration Fees	2.05	2.04
State Excise	4.63	5.12
Taxes on Sales, Trade etc.	400.12	328.58
Taxes on Vehicles	57.39	53.09
Taxes on Goods and Passengers	14.76	5.88
Taxes on Duties and Electricity	0.06	0.06
Other Taxes and Duties on Commodities and Services	0.64	1.93
A.2 Share of Net Proceeds of Taxes		
Corporation Tax	973.28	804.56
Taxes on Income Other than Corporation Tax	676.44	564.00
Other Taxes on Income and Expenditure	0.00	0.00
Taxes on Wealth	2.22	0.13
Customs	418.66	405.10
Union Excise Duties	478.09	332.50
Service Tax	483.93	433.27
Other Taxes and Duties on Commodities and Services	0.01	1.16
TOTAL - A.	3,543.38	2,967.82
B. Non-Tax Revenue		
Interest Receipts	6.73	5.19
Miscellaneous General Services	13.64	13.43
Power	114.58	111.10
Road Transport	9.00	10.81
Forestry and Wild Life	10.03	8.80
Housing	5.20	5.36
Co-operation	0.42	0.18
Roads and Bridges	1.23	1.12
Other Administrative Services	2.48	2.55
Others	182.21	97.85
TOTAL - B.	345.52	256.39

3. STATEMENT OF RECEIPTS (CONSOLIDATED FUND) – Contd.

II – GRANTS FROM GOVERNMENT OF INDIA

(₹ in crore)

Description	Actual	
	2016-2017	2015-2016
C. Grants		
Grants-in-Aid from Central Government		
Non Plan – Grants		
Grants towards contribution to State Disaster Response Fund	9.00	9.00
Grants from National Disaster Response Fund	0.97	15.11
Other Grants	3,535.76	3,286.32
Grants for State/Union Territory Plan Schemes		
Block Grants (of which EAP)	2.31	1.44
Grants under the proviso to Article 275 (1) of the Constitution	63.68	54.69
Grants for Central Road Fund	0.00	0.00
Other Grants	148.72	136.92
Grants for Central Plan Schemes		
Other Grants	26.84	18.41
Grants for Centrally Sponsored Plan Schemes		
Other Grants	1,660.65	1,203.85
Grants for Special Plan Schemes		
Other Grants	105.45	93.62
TOTAL - C.	5,553.38	4,819.36
TOTAL REVENUE RECEIPTS (A+B+C)	9,442.28	8,043.57

3. STATEMENT OF RECEIPTS (CONSOLIDATED FUND) – Concl'd.

III – CAPITAL, PUBLIC DEBT AND OTHER RECEIPTS

(₹ in crore)

Description	Actual	
	2016-2017	2015-2016
D. Capital Receipts		
Disinvestment proceeds	0.00	0.00
Others	0.00	0.00
TOTAL - D.	0.00	0.00
E. Public Debt		
Internal Debt		
Market Loans	1,069.63	950.00
Ways & Means Advances from the RBI	4,261.64	2,477.54
Loans from Financial Institution	112.82	84.09
Special Securities issued to National Small Savings Fund	0.00	34.31
Loans and Advances from Central Government		
Loans for State/ Union Territory Plan Schemes	0.26	0.00
TOTAL - E.	5,444.35	3,545.94
F. Loans and Advances by State Government (Recoveries)¹	1.09	0.50
G. Inter-State Settlements	0.00	0.00
TOTAL RECEIPTS IN CONSOLIDATED FUND² (A+B+C+D+E+F+G)	14,887.72	11,590.01

1. Details are in Statement 7 in Volume I and Statement 18 in Volume II.

2. Details are in Statement 7 in Volume I and Statement 14, 17 & 18 in Volume II.

4. STATEMENT OF EXPENDITURE (CONSOLIDATED FUND)

A. EXPENDITURE BY FUNCTION

(₹ in crore)

	Description	Revenue	Capital	L & A	Total
A.	GENERAL SERVICES				
A.1	Organs of State				
	Parliament/State/Union Territory Legislature.	21.05	0.00	0.00	21.05
	President, Vice-President/Governor/Administrator of Union Territories	6.07	0.00	0.00	6.07
	Council of Ministers	16.69	0.00	0.00	16.69
	Administration of Justice	30.26	0.00	0.00	30.26
	Elections	19.24	0.00	0.00	19.24
A.2	Fiscal Services				
	Land Revenue	18.78	0.00	0.00	18.78
	Stamps and Registration	0.59	0.00	0.00	0.59
	State Excise	19.29	0.00	0.00	19.29
	Taxes on Sales, Trade etc	14.60	0.00	0.00	14.60
	Taxes on Vehicles	10.01	0.00	0.00	10.01
	Other Taxes and Duties on Commodities and Services	1.65	0.00	0.00	1.65
	Other Fiscal Services	0.05	0.00	0.00	0.05
A.3	Interest payment and servicing of Debt				
	Appropriation for reduction or avoidance of Debt	225.00	0.00	0.00	225.00
	Interest Payment	635.50	0.00	0.00	635.50
A.4	Administrative Services				
	Public Service Commission	5.41	0.00	0.00	5.41
	Secretariat General Services	98.67	0.00	0.00	98.67
	District Administration	125.32	0.00	0.00	125.32
	Treasury and Accounts Administration	31.93	0.00	0.00	31.93
	Police	1,259.13	17.88	0.00	1,277.01
	Jails	38.21	0.00	0.00	38.21
	Stationery and Printing	18.40	1.00	0.00	19.40
	Public Works	133.54	113.67	0.00	247.21
	Other Administrative Services	68.82	0.00	0.00	68.82
A.5	Pensions and Miscellaneous General Services				
	Pensions and Other Retirement benefits	1,093.47	0.00	0.00	1,093.47
	Miscellaneous General Services	4.77	0.00	0.00	4.77
	Total GENERAL SERVICES :	3,896.45	132.55	0.00	4,029.00
B.	SOCIAL SERVICES				
B.1	Education, Sports, Art and Culture				
	General Education	1,232.63	19.38	0.00	1,252.01
	Technical Education	14.42	1.00	0.00	15.42
	Sports and Youth Services	28.52	5.03	0.00	33.55
	Art and Culture	16.39	1.73	0.00	18.12
B.2	Health and Family Welfare				
	Medical and Public Health	456.59	13.20	0.00	469.79
	Family Welfare	25.82	0.00	0.00	25.82

4. STATEMENT OF EXPENDITURE - Contd.
(CONSOLIDATED FUND)

(₹ in crore)

Description		Revenue	Capital	L & A	Total
B.3	Water Supply, Sanitation, Housing and Urban Development				
	Water Supply and Sanitation	81.08	158.91	0.00	239.99
	Housing	57.18	51.77	0.00	108.95
	Urban Development	16.66	174.74	0.00	191.40
B.4	Information and Broadcasting				
	Information and Publicity	27.31	2.00	0.00	29.31
B.5	Welfare of Schedule Castes, Schedule Tribes and Other Backward Classes				
	Welfare of Scheduled Castes,Scheduled Tribes and Other Backward Classes	27.32	0.00	0.00	27.32
B.6	Labour and Labour Welfare				
	Labour and Employment	31.65	0.00	0.00	31.65
B.7	Social Welfare and Nutrition				
	Social Security and Welfare	114.07	3.09	0.00	117.16
	Nutrition	124.87	0.00	0.00	124.87
	Relief on Account of Natural Calamities	26.79	0.00	0.00	26.79
B.8	Others				
	Other Social Services	13.91	0.88	0.00	14.79
Total SOCIAL SERVICES :		2,295.21	431.73	0.00	2,726.94
C.	ECONOMIC SERVICES				
C.1	Agriculture and Allied Activities				
	Crop Husbandry	186.09	4.60	0.00	190.69
	Soil and Water Conservation	50.99	0.18	0.00	51.17
	Animal Husbandry	76.07	5.90	0.00	81.97
	Dairy Development	0.31	0.00	0.00	0.31
	Fisheries	28.07	1.50	0.00	29.57
	Forestry and Wild Life	77.10	0.26	0.00	77.36
	Food Storage and Warehousing	32.71	2.45	0.00	35.16
	Agricultural Research and Education	11.46	0.00	0.00	11.46
	Co-operation	16.89	0.00	0.00	16.89
C.2	Rural Development				
	Special Programmes for Rural Development	91.33	0.00	0.00	91.33
	Rural Employment	632.06	0.00	0.00	632.06
	Other Rural Development Programmes	87.67	0.00	0.00	87.67
C.3	Special Areas Programmes				
	North Eastern Areas	23.70	79.54	0.00	103.24
	Other Special Areas Programmes	3.66	149.36	0.00	153.02
C.4	Irrigation and Flood Control				
	Major and Medium Irrigation	0.00	0.25	0.00	0.25
	Minor Irrigation	26.70	39.37	0.00	66.07
C.5	Energy				
	Power	428.42	30.47	0.00	458.89
	Non-Conventional Sources of Energy	3.54	2.84	0.00	6.38

4. STATEMENT OF EXPENDITURE - Contd.
(CONSOLIDATED FUND)

(₹ in crore)

Description		Revenue	Capital	L & A	Total
C.6	Industry and Minerals				
	Village and Small Industries	75.82	1.22	0.00	77.04
	Non-ferrous Mining and Metallurgical Industries	27.03	12.20	0.00	39.23
	Capital Outlay on Consumer Industries	0.00	0.00	0.00	0.00
C.7	Transport				
	Civil Aviation	13.38	1.00	0.00	14.38
	Roads and Bridges	327.31	165.50	0.00	492.81
	Road Transport	58.09	8.69	0.00	66.78
C.9	Science, Technology and Environment				
	Other Scientific Research	9.43	1.00	0.00	10.43
C.10	General Economic Services				
	Secretariat Economic Services	121.36	0.00	0.00	121.36
	Tourism	14.01	3.18	0.00	17.19
	Census, Surveys and Statistics	29.05	0.00	0.00	29.05
	Other General Economic Services	8.03	2.31	0.00	10.34
Total ECONOMIC SERVICES :		2,460.28	511.82	0.00	2,972.10
D.	GRANTS-IN-AID AND CONTRIBUTIONS				
	Total GRANTS-IN-AID AND CONTRIBUTIONS :	0.00	0.00	0.00	0.00
E.	PUBLIC DEBT				
	Internal Debt of the State Government	0.00	0.00	5,043.49	5,043.49
	Loans and Advances from the Central Government	0.00	0.00	21.54	21.54
	Total PUBLIC DEBT :	0.00	0.00	5,065.03	5,065.03
F.	LOANS AND ADVANCES				
	Loans to Government Servants, etc	0.00	0.00	0.19	0.19
	Total LOANS AND ADVANCES :	0.00	0.00	0.19	0.19
Total CFS Expenditure :		8,651.94	1,076.10	5,065.22	14,793.26

4. STATEMENT OF EXPENDITURE – Concl'd.
(CONSOLIDATED FUND)

B. EXPENDITURE BY NATURE

(₹ in crore)

Object of Expenditure	2016-17			2015-16			2014-15		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
Salaries	3,750.05	0.00	3,750.05	3,688.50	0.00	3,688.50	3,274.16	0.00	3,274.16
Office Expenses	37.14	0.00	37.14	36.52	0.00	36.52	48.48	0.00	48.48
Motor Vehicles	41.09	0.00	41.09	41.72	0.00	41.72	27.50	0.00	27.50
Maintenance & Repairs/ Tools & Plants	342.34	0.60	342.94	305.24	0.65	305.89	129.48	1.59	131.07
Other Charges	1,290.70	100.19	1,390.89	564.44	18.33	582.77	13.36	0.00	13.36
Material & Supply	190.71	0.00	190.71	91.58	0.02	91.60	20.13	0.00	20.13
Grants-in-Aid/Contributions	160.87	10.00	170.87	115.52	5.11	120.63	237.16	13.44	250.60
Wages	65.05	0.00	65.05	79.50	0.00	79.50	75.00	0.00	75.00
Scholarships	48.17	0.00	48.17	50.84	0.00	50.84	60.98	0.00	60.98
Machinery & Equipments	29.22	4.61	33.83	36.17	2.32	38.49	39.40	0.00	39.40
Travel Expenses	34.26	0.00	34.26	34.92	0.00	34.92	29.64	0.00	29.64
POL	33.30	0.00	33.30	32.48	0.00	32.48	35.30	0.00	35.30
Rent, Rates & Taxes	14.17	0.00	14.17	15.85	0.00	15.85	12.53	0.00	12.53
Minor Works	71.89	26.01	97.90	74.46	36.11	110.57	1.87	0.00	1.87
Major Works	9.00	863.84	872.84	0.00	866.00	866.00	0.00	0.00	0.00
Interest Payment	635.50	0.00	635.50	586.45	0.00	586.45	0.00	0.00	0.00
Other District Roads	0.00	0.00	0.00	0.00	0.00	0.00	0.00	84.81	84.81
Ration	49.27	0.00	49.27	46.77	0.00	46.77	35.13	0.00	35.13
Accommodation of Security Forces	0.00	0.00	0.00	0.00	0.00	0.00	1.52	0.00	1.52
Pensions and Other Retirement Benefits	1,093.47	0.00	1,093.47	1,028.80	0.00	1,028.80	0.00	0.00	0.00
Rashtriya Krishi Vikas Yojna (RKVY)	38.35	0.00	38.35	4.43	0.00	4.43	0.00	0.00	0.00
Others	734.99	70.85	805.84	786.76	130.69	917.45	2,752.35	923.33	3,675.68
Total :	8,669.53	1,076.10	9,745.63	7,620.95	1,059.23	8,680.18	6,793.99	1,023.17	7,817.16
Deduct Recoveries	17.59	0.00	17.59	39.03	0.00	39.03	31.58	0.00	31.58
GRAND TOTAL :	8,651.94	1,076.10	9,728.04	7,581.92	1,059.23	8,641.05	6,762.41	1,023.17	7,785.58

5. STATEMENT OF PROGRESSIVE CAPITAL EXPENDITURE

(₹ in crore)

Major Head	Description	1 Expenditure during 2015-2016	2 Progressive Expenditure ending 2015-2016	3 Expenditure during 2016-2017	4 Progressive Expenditure ending 2016-2017	5 Per cent of Increase(+)/ Decrease(-)
	A. General Services					
4055	Police	17.45	477.76	17.88	495.64	(+) 2.46
4058	Stationery and Printing	1.50	1.73	1.00	2.73	(-) 33.33
4059	Public Works	86.82	1,565.99	113.67	1,679.66	(+) 30.93
TOTAL	A. General Services	105.77	2,045.48	132.55	2,178.03	(+) 25.32
	B. Social Services					
	<i>(a) Education, Sports, Art & Culture</i>					
4202	Education, Sports, Art and Culture	48.78	755.87	27.14	783.01	(-) 44.36
TOTAL	<i>(a) Education, Sports, Art and Culture</i>	48.78	755.87	27.14	783.01	(-) 44.36
	<i>(b) Health and Family Welfare</i>					
4210	Medical and Public Health	7.92	410.50	13.20	423.70	(+) 66.67
4211	Family Welfare	0.00	1.77	0.00	1.77	0.00
TOTAL	<i>(b) Health and Family Welfare</i>	7.92	412.27	13.20	425.47	(+) 66.67
	<i>(c) Water Supply, Sanitation, Housing and Urban Development</i>					
4215	Water Supply and Sanitation	103.23	1,162.58	158.91	1,321.49	(+) 53.94
4216	Housing	55.79	965.96	51.77	1,107.73	(-) 7.21
4217	Urban Development	55.49	897.28	174.74	1,072.02	(+) 214.90
TOTAL	<i>(c) Water Supply, Sanitation, Housing and Urban Development</i>	214.51	3,025.82	385.42	3,411.24	(+) 79.67
	<i>(d) Capital Account of Information and Broadcasting</i>					
4220	Information and Publicity	1.11	12.74	2.00	14.74	(+) 80.18
TOTAL	<i>(d) Information and Broadcasting</i>	1.11	12.74	2.00	14.74	(+) 80.18

5. STATEMENT OF PROGRESSIVE CAPITAL EXPENDITURE - Contd.

(₹ in crore)

Major Head	Description	1 Expenditure during 2015-2016	2 Progressive Expenditure ending 2015-2016	3 Expenditure during 2016-2017	4 Progressive Expenditure ending 2016-2017	5 Per cent of Increase(+)/ Decrease(-)
	B. Social Services					
	<i>(g) Social Welfare and Nutrition</i>					
4235	Social Security and Welfare	14.30	163.25	3.09	166.34	(-) 78.39
TOTAL	<i>(g) Social Welfare and Nutrition</i>	14.30	163.25	3.09	166.34	(-) 78.39
	<i>(h) Other Social Services</i>					
4250	Other Social Services	0.88	46.13	0.88	47.01	0.00
TOTAL	<i>(h) Other Social Services</i>	0.88	46.13	0.88	47.01	0.00
TOTAL	B. Social Services	287.50	4,416.08	431.73	4,847.81	(+) 50.17
	C. Economic Services					
	<i>(a) Agriculture and Allied Services</i>					
4401	Crop Husbandry	5.58	184.77	4.60	189.37	(-) 17.56
4402	Soil and Water Conservation	0.20	3.74	0.18	3.92	(-) 10.00
4403	Animal Husbandry	8.67	83.11	5.90	89.01	(-) 31.95
4404	Dairy Development	0.00	0.59	0.00	0.59	0.00
4405	Fisheries	1.50	20.54	1.50	22.04	0.00
4406	Forestry and Wild Life	0.50	173.81	0.26	174.07	(-) 48.00
4408	Food, Storage and Warehousing	1.70	125.39	2.45	127.84	(+) 44.12
4415	Agricultural Research and Education	0.00	2.07	0.00	2.07	0.00

5. STATEMENT OF PROGRESSIVE CAPITAL EXPENDITURE - Contd.

						(₹ in crore)
Major Head	Description	1 Expenditure during 2015-2016	2 Progressive Expenditure ending 2015-2016	3 Expenditure during 2016-2017	4 Progressive Expenditure ending 2016-2017	5 Per cent of Increase(+)/ Decrease(-)
	C. Economic Services					
4425	Co- operation	0.04	99.50	0.00	99.50	0.00
TOTAL	(a) Agriculture and Allied Services	18.19	693.52	14.89	708.41	(-) 18.14
	(b) Rural Development					
4515	Other Rural Development Programmes	0.00	5.72	0.00	5.72	0.00
TOTAL	(b) Rural Development	0.00	5.72	0.00	5.72	0.00
	(c) Special Area Development					
4552	North Eastern Areas	94.02	686.51	79.54	766.05	(-) 15.40
4575	Other Special Areas Programmes	115.54	692.44	149.36	841.80	(+) 29.27
TOTAL	(c) Special Area Development	209.56	1,378.95	228.90	1,607.85	(+) 9.23
	(d) Irrigation and Flood Control					
4701	Major and Medium Irrigation	2.92	2.92	0.25	3.17	(-) 91.44
4702	Minor Irrigation	95.26	137.38	39.37	176.75	(-) 58.67
TOTAL	(d) Irrigation and Flood Control	98.18	140.30	39.62	179.92	(-) 59.65
	(e) Energy					
4801	Power Projects	62.40	1,415.87	30.47	1,446.34	(-) 51.17
4810	New and Renewable Energy	0.80	18.18	2.84	21.02	(+) 255.00
TOTAL	(e) Energy	63.20	1,434.05	33.31	1,467.36	(-) 47.29
	(f) Industry and Minerals					
4851	Village and Small Industries	1.10	10.02	1.22	11.24	(+) 10.91
4853	Non-Ferrous Mining and Mechanical Industries	3.07	157.26	12.20	169.46	(+) 297.39
4859	Telecommunication and Electronic Industries	0.00	2.40	0.00	2.40	0.00
4860	Consumer Industries	11.00	389.05	0.00	389.05	0.00
TOTAL	(f) Industry and Minerals	15.17	558.73	13.42	572.15	(-) 11.54

5. STATEMENT OF PROGRESSIVE CAPITAL EXPENDITURE - Contd.

(₹ in crore)

Major Head	Description	1 Expenditure during 2015-2016	2 Progressive Expenditure ending 2015-2016	3 Expenditure during 2016-2017	4 Progressive Expenditure ending 2016-2017	5 Per cent of Increase(+)/ Decrease(-)
C. Economic Services						
	<i>(g) Transport</i>					
5053	Civil Aviation	2.00	8.05	1.00	9.05	(-) 50.00
5054	Roads and Bridges	249.82	3,184.65	165.50	3,350.15	(-) 33.75
5055	Road Transport	2.50	141.42	8.69	150.11	(+) 247.60
TOTAL	(g) Transport	254.32	3,334.12	175.19	3,509.31	(-) 31.11
	<i>(i) Technology and Environment</i>					
5425	Other Scientific and Environmental Research	1.88	12.65	1.00	13.65	(-) 46.81
TOTAL	(i) Technology and Environment	1.88	12.65	1.00	13.65	(-) 46.81
	<i>(j) General Economic Services</i>					
5452	Tourism	2.81	95.83	3.18	99.01	(+) 13.17
5465	Investment in General Financial Trading Institutions	0.00	0.04	0.00	0.04	0.00
5475	Other General Economic Services	2.65	33.77	2.31	36.08	(-) 12.83
TOTAL	(j) General Economic Services	5.46	129.64	5.49	135.13	(+) 0.55
TOTAL	C. Economic Services	665.96	7,687.67	511.82	8,199.49	(-) 23.15
GRAND TOTAL :		1,059.23	14,149.23	1,076.10	15,225.33	(+) 1.59

5. STATEMENT OF PROGRESSIVE CAPITAL EXPENDITURE - Concl'd.

EXPLANATORY NOTE

1. Further details of capital expenditure are given in Statement No. 16. Details of investment of Government in the shares of Statutory Corporation, Government Companies , Other Joint Stock Companies and Co-operative Banks and Societies etc. booked under 4425 – Capital Outlay on Co-operation, 4853 – Capital Outlay on Non-Ferrous Mining and Metallurgical Industries and 4860 – Capital Outlay on Consumers Industries are given in Statement No. 19.
2. During the year, the Government invested ₹ 1.15 crore in Government Companies. No dividend was declared/received during the year.
3. Proforma Accounts of trading activities relating to various departmentally managed Government Commercial and Quasi-Commercial undertakings received and due are given in Chapter–III of the Report of the Comptroller and Auditor General of India, for the year 2016-2017.

6. STATEMENT OF BORROWINGS AND OTHER LIABILITIES

(I) Statement of Public Debt & Other Liabilities¹

(₹ in crore)

Nature of Borrowings	Balance on 1 April 2016	Receipts during the year	Repayment during the year	Balance on 31 March 2017	Net Increase(+)/ Decrease (-)		As per cent of total liabilities
					Amount	Percentage	
A. Public Debt							
6003 - Internal Debt of the State Government							
Market Loans ¹	5,362.38	1,069.63	337.23	6,094.78	(+) 732.40	(+) 13.66	7.66
Loans from Life Insurance Corporation of India	20.76	0.00	5.09	15.67	(-) 5.09	(-) 24.52	0.05
Loans from General Insurance Corporation of India	21.88	0.00	0.67	21.21	(-) 0.67	(-) 3.06	0.01
Loans from the National Bank for Agricultural and Rural Development	208.30	18.11	50.40	176.01	(-) 32.29	(-) 15.50	0.34
Loans from National Co-operative Development Corporation	8.78	0.00	5.00	3.78	(-) 5.00	(-) 56.94	0.05
Loans from other Institutions	459.67	94.70	81.13	473.24	(+) 13.57	(+) 2.95	0.14
Ways and Means Advances from the Reserve Bank of India	290.03	4,261.65	4,551.68	0.00	0.00	0.00	0.00
Special Securities issued to National Small Savings Fund of the Central Govt.	157.66	0.00	12.29	145.37	(-) 12.28	(+) 7.79	0.13
TOTAL - 6003	6,529.46	5,444.09	5,043.49	6,930.06	(+) 400.61	(+) 6.14	4.19

1. Detailed Account is in Statement 17 and 21. For details on amortization arrangements, servicing of debt etc. explanatory notes to this statement at page 28 and 29 respectively may please be seen.

6. STATEMENT OF BORROWINGS AND OTHER LIABILITIES – Contd.

(II) Statement of Public Debt & Other Liabilities²

(₹ in crore)

Nature of Borrowings	Balance on 1 April 2016	Receipts during the year	Repayment during the year	Balance on 31 March 2017	Net Increase(+)/ Decrease (-)		As per cent of total liabilities
					Amount	Percentage	
6004 - Loans and Advances from the Central Government							
Non-Plan Loans	14.49	0.00	0.75	13.74	(-) 0.75	(-) 5.18	0.01
Loans for State/Union Territory Plan Schemes	154.22	0.26	20.29	134.19	(-) 20.03	(-) 12.99	0.21
Loans for Central Plan Schemes	0.18	0.00	0.00	0.18	0.00	0.00	0.00
Loans for Centrally Sponsored Plan Schemes	29.12	0.00	0.26	28.86	(-) 0.26	(-) 0.89	0.00
Loans for Special Schemes	8.42	0.00	0.24	8.18	(-) 0.24	(-) 2.85	0.00
Pre-1984-85 Loans	0.35	0.00	0.00	0.35	0.00	0.00	0.00
Total - 6004	206.78	0.26	21.54	185.50	(-) 21.28	(-) 10.29	0.22
Total - Public Debt	6,736.24	5,444.35	5,065.03	7,115.56	(+) 379.33	(+) 5.63	3.97
B. Other Liabilities							
Public Accounts							
Small Savings, Provident Funds, etc.	862.09	309.65	280.56	891.18	(+) 29.09	(+) 3.37	0.30
Reserve Funds Bearing Interest	0.86	10.00	10.00	0.86	0.00	0.00	0.00
Reserve Funds Not Bearing Interest	397.66	241.07	16.07	622.66	(+) 225.00	(+) 56.58	2.35
Deposits Bearing Interest	79.66	47.28	31.57	95.37	(+) 15.71	(+) 19.72	0.16
Deposits Not Bearing Interest	855.14	461.92	485.34	831.72	(-) 23.42	(+) 2.74	0.25
Total - Other Liabilities	2,195.41	1,069.92	823.54	2,441.79	(+) 246.38	(+) 11.22	2.58
Total - Public Debt & Other Liabilities²	8,931.65	6,514.27	5,888.57	9,557.35	(+) 625.71	(+) 7.01	6.55

2. Detailed Account is in Statement 17 and 21. For details on amortization arrangements, servicing of debt etc. explanatory notes to this statement at pages 28 and 29 respectively may please be seen. OB is differ from Last year's CB due to rectification of earlier year's error.

6. STATEMENT OF BORROWINGS AND OTHER LIABILITIES – Contd.

Explanatory Notes

1. **Amortization arrangements** - Arrangements for amortization of loans raised from the open market are made in accordance with the announcements made at the time of floating the loans. The following arrangements have been made for amortization of loans raised from the open market.

1.1. Sinking Fund- In respect of loans raised up to 1973-74 an annual contribution from revenue at such rates as the Government may decide from time to time is to be made to the Sinking Fund for amortization of loans. During the year 2016-2017 an amount of ₹ 224.00 crore was transferred to Sinking Fund for redemption of open market loans maturing from the year 2016-2017.

1.2. No contribution to the Depreciation Fund is being made from 1974-75 as per Government decision to arrange for repayment of loans from that year by raising of new loans. The balances in these Funds, so far as they relate to market loans at the commencement and end of 2016-2017 are given below:-

(₹ in crore)

Funds	Balance on 1 April 2016	Addition during the year	Withdrawal during the year	Balance on 31 March 2017
Sinking Fund	389.25	224.00	0.00	613.25
Total	389.25	224.00	0.00	613.25

1.3. Against the total accumulation in the Funds, ₹ 629.42 crore were invested in the Government of India securities.

2. **Loans from Small Saving Fund** - Loans out of the collection in the 'Small Savings Schemes' and 'Public Provident Fund' in the Post offices are being shared between the State Government and the Central Government in the ratio of 3:1. A separate fund viz. 'National Small Savings Fund' was created in 1999-2000 for the purpose of release of loans out of Small Savings collections. The loans received during 2016-2017 amounted to ₹ 0.00 crore and ₹ 12.28 crore was repaid during the year. The balance outstanding at the end of the year was ₹ 145.37 crore which was 2.04 per cent of the total Public Debt of the State Government on 31 March 2017.

3. **Loans from the Government of India, Market Loans etc.** - During 2016-2017, the State Government received ₹ 0.26 crore from Government of India. Market loans bearing interest - This covers long-terms loans raised from the open market. During 2016-2017 nine loans of ₹ 1,070.00 crore, i.e. ₹ 60.00 crore, ₹ 75.00 crore, ₹ 75.00 crore, ₹ 75.00 crore, ₹ 150.00 crore, ₹ 150.00 crore, ₹ 100.00 crore, ₹ 235.00 crore and ₹ 150.00 crore bearing interest 7.98 per cent, 7.57 percent, 7.49 per cent, 7.22 per cent, 6.89 per cent, 71.0 per cent, 7.27 per cent, 7.60 per cent, and 7.74 per cent respectively per annum were raised. These are redeemable at par in 2026 and 2027 respectively.

6. STATEMENT OF BORROWINGS AND OTHER LIABILITIES – Concl'd.

Explanatory Notes

4. Service of Debts

Interest on debt and other obligations: - The outstanding gross debt and other obligations and the total net amount of interest charges met from revenue during 2016-2017 and 2015-2016 were as shown below: -

	(₹ in crore)		
	2016-17	2015-16	Net Increase (+) /Decrease (-) during the year
(i) Gross Debt and Other obligations outstanding at the end of the year			
(a) Public Debt and Small Savings, Provident Fund etc.	8,006.75	7,598.33	(+ 408.42
(b) Other obligations	1,550.61	1,333.32	(+ 217.29
Total (i)	9,557.36	8,931.65	(+) 625.71
(ii) Interest paid by Government			
(a) Public Debt and Small Savings, Provident Fund etc.	633.25	585.33	(+ 47.92
(b) Other obligations	0.00	0.00	0.00
Total (ii)	633.25	585.33	(+) 47.92
(iii) Deduct			
(a) Interest received on loans and advances given by Government	3.11	2.00	(+ 1.11
(b) Interest realized on investment of cash balance	3.01	3.19	(-) 0.18
Total (iii)	6.12	5.19	(+) 0.93
(iv) Net Interest charges	627.13	580.14	(+) 46.99
(v) Percentage of gross Interest {item (ii)} to total Revenue Receipts	6.71	7.28	(-) 0.57
(vi) Percentage of net Interest {item (iv)} to total Revenue Receipts	6.64	7.21	(-) 0.57
5. Appropriation for reduction or avoidance of Debt.			
(i) Contribution to Sinking Fund	224.00	199.67	(+ 24.33
(ii) Other Appropriation	1.00	1.00	0.00
TOTAL -	225.00	200.67	(+) 24.33

7. STATEMENT OF LOANS AND ADVANCES GIVEN BY THE GOVERNMENT

(I) Sector/Loanee Group-wise Loans and Advances

(₹ in crore)

Sectors/Loanee Groups ¹	Balance on 1 April 2016	Disbursements during the year	Recoveries during the year	Loans and Advances written off	Balance on 31 March 2017	Per cent of Increase/Decrease during the year
General Services						
Statutory Corporation	0.00	0.00	0.00	0.00	0.00	0.00
Government Companies	0.00	0.00	0.00	0.00	0.00	0.00
Total – General Services	0.00	0.00	0.00	0.00	0.00	0.00
Loans for Social Services						
Housing Board	0.01	0.00	0.00	0.00	0.01	0.00
Others	0.00	0.00	0.00	0.00	0.00	0.00
Total – Loans for Social Services	0.01	0.00	0.00	0.00	0.01	0.00
Loans for Economic Services						
Co-operative Societies/Co-operative Corporations/Bank	22.78	0.00	0.63	0.00	22.15	(-) 2.77
Others	2.59	0.00	0.00	0.00	2.59	0.00
Total – Loans for Economic Services	25.37	0.00	0.63	0.00	24.74	(-) 2.48
Loans to Government Servants etc.						
Government Servant	1.13	0.19	0.46	0.00	0.86	(-) 23.89
Total – Loans to Government Servants etc	1.13	0.19	0.46	0.00	0.86	(-) 23.89
TOTAL – LOANS AND ADVANCES	26.51	0.19	1.09	0.00	25.61	(-) 3.39

1. For details please refer to Statement No 18 from page 178 to 181 in Volume II.

7. STATEMENT OF LOANS AND ADVANCES GIVEN BY THE GOVERNMENT – Contd.

(II) Repayment of Loans by Statutory Bodies, etc.

Detailed Accounts of loans to Municipalities and Municipal Corporations, Panchayati Raj Institution, Universities, Statutory Bodies, Government Companies and some Joint Stock Companies are maintained by the Accounts Office.

The terms and conditions of repayment of ₹ 24.73 crore in respect of loans paid to Statutory Bodies, Government Companies, Municipalities and Municipal Corporations etc. have not been settled. Details for Loans are given below:

Class of Loans and Advances	Terms and conditions not settled		Earlier year from which settlement is awaited ²
	No. of Loans ²	Amount	
		(₹ in crore)	
Social Services			
6216 Loans for Housing		0.01	
Economic Services			
6401 Loans for Crop Husbandry		0.29	
6403 Loans for Animal Husbandry		0.12	
6425 Loans for Co-operation		22.15	
6851 Loans for Village and Small Industries		0.29	
6860 Loans for Consumer Industries		1.87	
Total		24.73	

2. Information awaited from the State Government.(August 2017).

7. STATEMENT OF LOANS AND ADVANCES GIVEN BY THE GOVERNMENT –Concl'd.

(III) Recoveries in Arrears on account of Loans paid to Statutory Bodies, etc.³

(₹ in crore)

Class of Loans and Advances and names of borrowers	Balance for which terms and conditions have been settled	Number of Loans	Amount Overdue			Earlier year to which the arrears relate
			Principal	Interest	Total	

- NIL -

3. In the case of loans, detailed accounts of which are maintained by Departmental Officers, the information about recoveries in arrears has not been received (August 2017).

8. STATEMENT OF INVESTMENTS OF THE GOVERNMENT

Section-1: Comparative summary of Government Investment in the share capital and debentures of different concerns for 2015-16 and 2016-17.

(₹ in crore)

Name of the concern	2016-17			2015-16		
	Number of concerns	Investment at the end of the year	Dividend/interest ¹ received during the year	Number of concerns	Investment at the end of the year	Dividend/interest received during the year
1. Statutory Corporations	1	0.04	...	1	0.04	0.00
2. Government Companies	7	192.75	...	7	191.60	0.00
3. Other Joint Stock Companies and Partnerships	2	43.10	...	2	43.10	0.00
4. Co-operative Institutions and Local Bodies	7	55.86	...	7	55.86	0.00
Total	17	291.75	0.00	17	290.60	0.00

1. No dividend was declared/received during the year.

9. STATEMENT OF GUARANTEES GIVEN BY THE GOVERNMENT

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 the 31 March 2017 in various sectors are shown below:-

(₹ in crore)

Sector	Maximum amount guaranteed during the year	Outstanding at the beginning of the year	Additions during the year	Deletions (other than invoked) during the year	Invoked during the year		Outstanding at the end of the year	Guarantee Commission or fee		Other materials details ²
					Discharged	Not Discharged		Receivable	Received	
1	2	3	4	5	6	7	8	9	10	11
Power (5)										
Co-operative (NSCB) (7)	26.50	¹ 15.24	5.00	7.47	0.00	0.00	12.77	0.00	0.00	
Roads and Transport (1)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
State Financial Corporation (1)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Urban Development and Housing (2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Municipalities/Universities/Local Bodies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Industrial Finance Corporation	0.00	8.78	0.00	0.00	0.00	0.00	8.78	0.00	0.00	
Other Institutions										
1. Hornbill Finance Ltd	0.00	1.44	0.00	0.00	0.00	0.00	1.44	0.00	0.00	
2. Nagaland State Social Welfare Board.	0.00	2.00	0.00	0.00	0.00	0.00	2.00	0.00	0.00	
3. Development Authority of Nagaland	0.00	0.33	0.00	0.00	0.00	0.00	0.33	0.00	0.00	
4. Nagaland Handloom and Handicraft Development Corporation	0.00	15.04	0.00	0.00	0.00	0.00	15.04	0.00	0.00	

9. STATEMENT OF GUARANTEES GIVEN BY THE GOVERNMENT – Contd.

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 the 31 March 2017 in various sectors are shown below:-

(₹ in crore)

Sector	Maximum amount guaranteed during the year	Outstanding at the beginning of the year	Additions during the year	Deletions (other than invoked) during the year	Invoked during the year		Outstanding at the end of the year	Guarantee Commission or fee		Other materials details ²
					Discharged	Not Discharged		Receivable	Received	
1	2	3	4	5	6	7	8	9	10	11
5. Nagaland Industrial Development Corporation	0.00	33.91	0.00	0.00	0.00	0.00	33.91	0.00	0.00	
6. Nagaland Forest Product Limited	0.00	3.21	0.00	0.00	0.00	0.00	3.21	0.00	0.00	
7. Agri Finance Coffee Plantation	0.00	0.16	0.00	0.00	0.00	0.00	0.16	0.00	0.00	
8. Nagaland Tea and Industrial Pvt. Ltd.	0.00	3.55	0.00	0.00	0.00	0.00	3.55	0.00	0.00	
Total : Other Institutions	0.00	59.64	0.00	0.00	0.00	0.00	59.64	0.00	0.00	
GRAND TOTAL:	26.50	83.66	5.00	7.47	0.00	0.00	81.19	0.00	0.00	

9- STATEMENT OF GUARANTEES GIVEN BY THE GOVERNMENT – Concl'd.

EXPLANATORY NOTES

Limits - No law has been passed by the State Legislature under Article 293 of the Constitution laying down the limit within which the Government may give guarantee on the security of the Consolidated Fund of the State. During the year the State Government has given details of maximum guarantees amounting to ₹ 26.50 crore. The manner by which the above maximum guarantees limit was set was however not explained by the State Government.

Guarantee Redemption Fund: - State Government setup Guarantee Redemption Fund in the year 2006-07. The detailed account of Fund is given below: -

(₹ in crore)		
i)	Opening Balance	8.34
ii)	Add: Amount transferred to the Fund during the year	1.00
iii)	Total	9.34
iv)	Deduct : Amount met from the Fund for discharge of invoked guarantees	0.00
v)	Closing Balance	9.34
vi)	Amount of investment made out of the Guarantee Redemption Fund	9.34

-
1. The CB of 2015-16 was ₹ 15.04 crore whereas OB during 2016-17 has been shown as ₹ 15.24 crore. The difference of ₹ 0.20 crore is due to updation of figures as intimated by the Department.
 2. No information furnished by the State Government (August 2017).

10. STATEMENT OF GRANTS-IN-AID GIVEN BY THE GOVERNMENT

(I) Grants-in-aid paid in cash

(₹ in crore)

Grantee Institution	Grants released				Grants for creation of Capital Assets ²	
	2016-2017			2015-2016	2016-2017	2015-2016
	Non Plan	Plan including CSS and CP	Total			
1. Panchayati Raj						
(i) Gram Panchayats	0.00	0.00	0.00	0.00		
(ii) Zilla Parishads	0.00	0.00	0.00	0.00		
(iii) Panchayat Samities	0.00	0.00	0.00	0.00		
2. Urban Local Bodies						
(i) Municipal Corporations	1.82	0.00	1.82	1.62		
(ii) Municipalities/Municipal Councils	0.00	0.00	0.00	0.00		
(iii) Others	0.00	0.00	0.00	0.00		
3. Public Sector Undertakings						
(i) Statutory Corporations	0.00	0.00	0.00	0.00		
(ii) Government Companies	0.00	0.00	0.00	0.00		
4. Autonomous Bodies						
(i) Co-operative Institutions	0.00	0.00	0.00	1.50		
(ii) Development Authorities	2.50	10.00	12.50	5.11		
(iii) Universities	0.00	0.00	0.00	0.00		
(iv) Others	0.00	0.00	0.00	0.00		
5. Non Government Organizations	4.16	0.00	4.16	3.87		
6. Others¹	67.32	85.07	152.39	108.53		
TOTAL	75.80	95.07	170.87	120.63		

1. This includes Grants for “National Old Age Pension Scheme (State/Central Share)”, Implementation of Annapurna Scheme for Welfare of Aged, Infirm and Destitute.

2. Information is in respect of grants for creation of capital assets are awaited from the State Government (August 2017).

10. STATEMENT OF GRANTS-IN-AID GIVEN BY THE GOVERNMENT – Concl'd.
(II) Grants-in-aid given in kind³

(₹ in crore)

Grantee Institution	Grants released			Grants for creation of Capital Assets	
	2016-2017		2015-2016	2016-2017	2015-2016
	Non Plan	Plan including CSS and CP			
1. Panchayati Raj (i) Gram Panchayats (ii) Zilla Parishads (iii) Panchayat Samities 2. Urban Local Bodies (i) Municipal Corporations (ii) Municipalities/Municipal Councils (iii) Others 3. Public Sector Undertakings (i) Statutory Corporations (ii) Government Companies 4. Autonomous Bodies (i) Co-operative Institutions (ii) Development Authorities (iii) Universities (iv) Others 5. Non Government Organizations 6. Others	NA				
TOTAL					

3. Grants-in-aid given in kind: No information has been received from the State Government in this regard (August 2017).

NA : Not available.

11. STATEMENT OF VOTED AND CHARGED EXPENDITURE

(₹ in crore)

Particulars	Actuals					
	2016-2017			2015-2016		
	Charged	Voted	Total	Charged	Voted	Total
¹ Expenditure Heads (Revenue Account)	881.11	7,770.83	8,651.94	806.88	6,775.04	7,581.92
¹ Expenditure Heads (Capital Account)	0.00	1,076.10	1,076.10	0.00	1,059.23	1,059.23
¹ Disbursement under Public Debt, Loans and Advances, Inter State Settlement Account and Transfer to Contingency Fund	5,065.03	0.19	5,065.22	2,705.35	0.19	2,705.54
Total	5,946.14	8,847.12	14,793.26	3,512.23	7,834.46	11,346.69
(A) The figures have been arrived at as follows :-						
E – PUBLIC DEBT						
Internal Debt of the State Government	5,043.49	0.00	5,043.49	2,683.80	0.00	2,683.80
Loans and Advances from the Central Government	21.54	0.00	21.54	21.55	0.00	21.55
F – LOANS AND ADVANCES						
Agriculture and Allied Activities	0.00	0.00	0.00	0.00	0.00	0.00
Industries and Minerals	0.00	0.00	0.00	0.00	0.00	0.00
Loans to Government Servants	0.00	0.19	0.19	0.00	0.19	0.19
Social Services	0.00	0.00	0.00	0.00	0.00	0.00
G – INTER STATE SETTLEMENT						
Inter State Settlement	0.00	0.00	0.00	0.00	0.00	0.00
H – TRANSFER TO CONTINGENCY FUND						
Appropriation to the Contingency Fund	0.00	0.00	0.00	0.00	0.00	0.00
Total	5,065.03	0.19	5,065.22	2,705.35	0.19	2,705.54

1. A more detailed account is given in Statement No. 15, 16 and 17 at Page 87 to 141, 142 to 190 and 191 to 204 respectively.

The percentage of charged expenditure and voted expenditure to total expenditure during 2015-2016 and 2016-2017 was as under :-

Year	Percentage of total expenditure	
	Charged	Voted
2015-2016	30.95	69.05
2016-2017	40.19	59.81

12. STATEMENT ON SOURCES AND APPLICATION OF FUNDS FOR EXPENDITURE OTHER THAN REVENUE ACCOUNT

	(₹ in crore)		
	On 1 April 2016	During the year 2016-2017	On 31 March 2017
Capital and Other Expenditure			
<i>Capital Expenditure (Sub-sector wise)</i>			
General Services	2,045.49	132.55	2,178.04
Education, Sports, Art and Culture	755.86	27.14	783.00
Health and Family Welfare	412.28	13.19	425.47
Water Supply, Sanitation, Housing and Urban Development	3,025.82	385.42	3,411.24
Information and Broadcasting	12.74	2.00	14.74
Social Welfare and Nutrition	163.25	3.09	166.34
Other Social Services	46.13	0.88	47.01
Agriculture and Allied Activities	693.53	14.89	708.42
Rural Development	5.71	0.00	5.71
Special Areas Programmes	1,378.94	228.90	1,607.84
Irrigation and Flood Control	140.31	39.62	179.93
Energy	1,434.06	33.32	1,467.38
Industry and Minerals	558.72	13.42	572.14
Transport	3,334.12	175.19	3,509.31
Science, Technology and Environment	12.65	1.00	13.65
General Economic Services	129.62	5.49	135.11
TOTAL – CAPITAL EXPENDITURE	14,149.23	1,076.10	15,225.33

12. STATEMENT ON SOURCES AND APPLICATION OF FUNDS FOR EXPENDITURE OTHER THAN REVENUE ACCOUNT – Contd.

	(₹ in crore)		
	On 1 April 2016	During the year 2016-2017	On 31 March 2017
Loans and Advances			
Loans and Advances for various Services -			
Water Supply, Sanitation, Housing and Urban Development	0.01	0.00	0.01
Agriculture and Allied Activities	23.21	(-) 0.64	22.57
Industry and Minerals	2.17	0.00	2.17
Loans to Government Servants	1.12	(-) 0.27	0.85
TOTAL – Loans and Advances	26.51	(-) 0.91	25.60
TOTAL – Capital and other Expenditure	14,175.74	1,075.19	15,250.93
<i>Deduct</i>			
Contribution from Contingency Fund	0.00	0.00	0.00
Contribution from Miscellaneous Capital Receipts	0.00	0.00	0.00
Contributions from Development funds, Reserve funds etc.	0.05	0.00	0.05
Capital and Other Expenditure	0.00	0.00	0.00
Loans and Advances	0.00	0.00	0.00
Loans and Advances for various Services	0.00	0.00	0.00
Net – Capital and other Expenditure	14,175.69	1,075.19	15,250.88
PRINCIPAL SOURCES OF FUNDS			
Revenue Surplus (+)/Deficit (-)	0.00	0.00	0.00
Add – Adjustment on Account of retirement/Disinvestment	0.00	0.00	0.00
Debt -			
Internal Debt of the State Government	6,529.46	400.61	6,930.07
Loans and Advances from the Central Government	206.78	(-) 21.28	185.50
Small Savings, Provident Fund etc.	862.09	29.09	891.18
TOTAL – Debt	7,598.33	408.42	8,006.75

**12. STATEMENT ON SOURCES AND APPLICATION OF FUNDS FOR EXPENDITURE OTHER THAN REVENUE
ACCOUNT – Concl'd.**

	(₹ in crore)		
	On 1 April 2016	During the year 2016-2017	On 31 March 2017
Contingency Fund	0.35	0.00	0.35
Reserve Fund	398.52	225.00	623.52
Deposits and Advances	934.47	(-) 7.69	926.78
Suspense and Miscellaneous (Other than amount closed to Government Account and Cash Balance Investment Account)	(-)399.19	(-) 41.88	(-) 441.07
Remittances	(-)728.20	32.00	(-) 696.20
TOTAL – Other Obligations	205.95	207.43	413.38
TOTAL – Debt and other Obligations	7,804.28	615.85	8,420.13
Deduct – Cash Balance	156.34	70.58	226.92
Deduct – Investments	429.19	260.42	689.61
Total	7,218.75	284.85	7,503.60
Add : Revenue Surplus		790.34	
Add – Amount closed to Government Account during 2016-2017		0.00	
Net Provision of Funds during 2016-2017		1,075.19	

(I)	Progressive Net Capital and Other Expenditure: -	15,250.88
	Progressive Principal Source of Funds : -	7,503.60
	Difference : -	7,747.28

The difference of ₹ 7,747.28 crore between the “Net Provision of Funds” and the “Net Capital and Other Expenditure” upto the end of the year which represents cumulative Revenue Surplus and amount closed to Government Account is explained below :-

1. Cumulative Revenue Surplus (+)/ deficit(-) as on 1-4-2016	:-	6,956.94
2. Revenue Surplus as on 31-3-2017	:-	790.34
TOTAL	:-	7,747.28

13. SUMMARY OF BALANCES UNDER CONSOLIDATED FUND, CONTINGENCY FUND AND PUBLIC ACCOUNT

A. The following is a summary of balances as on 31 March 2017

Debit Balances (₹ in crore)	Sector of the General Account	Name of Account	Credit Balances (₹ in crore)
7,477.99	A to D and G, H and part of L (Major Head 8680 only)	Consolidated Fund	
		Government Account	0.00
	E	Public Debt	7,115.56
25.60	F	Loans and Advances	
		Contingency Fund	0.35
0.00	I	Public Account	
		Small Savings, Provident Funds, etc.	891.18
15.43	J	Reserve Fund	
		(i) Reserve Funds Bearing Interest	0.86
638.76		(ii) Reserve Funds not Bearing Interest Gross Balance Investment	622.66
	K	Deposits and Advances	95.37
		(i) Deposits Bearing Interest	831.72
		(ii) Deposits not Bearing Interest	
0.32		(iii) Advances	
	L	Suspense and Miscellaneous	
476.48		Investments	
		Other Items (Net)	
696.20	M	Remittances	
226.92	N	Cash Balance (Closing)¹	
9,557.70		Total	9,557.70

1. As regards Reserve Bank Deposit which is a component of the cash balance of the Government, there was a difference between the figures reflected in the accounts and that intimated by the Reserve Bank of India.

Footnote (1) under Annexure to Statement 2 at Page 12 may please be referred to for details.

13. SUMMARY OF BALANCES UNDER CONSOLIDATED FUND, CONTINGENCY FUND AND PUBLIC ACCOUNT – Concl'd.

B. Government Account: Under the system of book-keeping followed in Government accounts, the amount booked under revenue, capital and other transactions of Government the balances of which are not carried forward from year to year in the accounts, are closed to a single head called "Government Account". The balance under this head represents the cumulative result of all such transactions.

To this the balances under Public Debt, Loans and Advances, Small Savings, Provident Funds, Reserve Funds, Deposits and Advances, Suspense and Miscellaneous (Other than Miscellaneous Government Account), Remittances and Contingency Fund etc. are added and the closing cash balance at the end of the year is to be worked out and proved.

The other headings in the summary take into account the balances under all accounts heads in Government books in regard to which Government has a liability to repay the money received or has a claim to recover the amounts paid and also heads of account opened in the books for adjustment of remittance transactions.

It must be understood that these balances can not be regarded as a complete record of the financial position of the Government as it does not take into account all the physical assets of the State, such as lands, buildings, communication, etc. nor any accrued dues or outstanding liabilities which are not brought to account under the cash basis of accounting followed by Government.

The net amount¹ at the debit of Government Account at the end of the year has been arrived at as under:

Debit (₹ in crore)	Details	Credit (₹ in crore)
7,192.23	A- Amount at the debit of Government Account on 1 April 2016	
	B-Receipt Heads (Revenue Account)	9,442.28
	C-Receipt Heads (Capital Account)	
8,651.94	D-Expenditure Heads (Revenue Account)	
1,076.10	E-Expenditure Heads (Capital Account)	
	F-Suspense and Miscellaneous (Miscellaneous Government Accounts)	
	G-Amount at the debit of Government Account on 31 March 2017	7,477.99
16,920.27	TOTAL	16,920.27

1. In a number of cases, there are unreconciled differences in the closing balance as reported in the Statement of 'Receipts, Disbursements and Contingency fund and Public Account' (Statement No 18 & 21) and that shown in separate Registers or other record maintained in the Accounts office/Departmental offices for the purpose. Steps are being taken to settle the discrepancies.

NOTES TO ACCOUNTS

1. Summary of Significant Accounting Policies:

(i) Entity and Accounting Period: These accounts present the transactions of the Government of Nagaland for the period 1 April 2016 to 31 March 2017 and are based on the initial accounts rendered by the 11 District Treasuries, 86 Public Works Divisions, 24 Forest Divisions and advices of the Reserve Bank of India. None of the District Treasuries/Public Works Divisions/Forest Divisions have been excluded from the accounts.

(ii) Basis of Accounting: With the exception of some book adjustments (Annexure-A), the accounts represent the actual cash receipts and disbursements during the accounting period. Physical Assets and Financial Assets such as investments, etc., are valued and shown at historical cost. Depreciation or amortization of physical assets is not recognised. The losses of physical assets at the end of their life are also neither expensed nor recognised.

The future pension liability of the Government towards payment of retirement benefits for the past and present service of its employees recruited before 31 December 2009 is not included in the accounts. The retirement benefits disbursed during the accounting period are reflected in the accounts in Statement No.15.

(iii) Currency in which Accounts are kept: The accounts of the Government of Nagaland are maintained in Indian Rupees.

(iv) Form of Accounts: As per Article 150 of the Constitution of India, the accounts of the State are to be kept in the form as prescribed by the President, on the advice of the Comptroller and Auditor General of India. The word "form" used in Article 150 has a comprehensive meaning so as to include the prescription not only of the broad form in which the accounts are to be kept but also the basis for selecting appropriate heads under which the transactions are to be classified.

(v) Classification between Capital and Revenue Accounts: Capital Expenditure is broadly the expenditure incurred with the objective of creating/ acquiring/ increasing concrete assets of a material and permanent character or reducing permanent liabilities. All other recurring expenditure incurred for running of the entity including establishment and administrative expenditure and for maintenance of its assets is classified as Revenue expenditure. In terms of the Indian Government Accounting Standards (IGAS) 2, notified by the Government of India, Grants-in-aid are to be classified as Revenue expenditure in the books of the grantor and as Revenue receipts in the books of the recipient.

(vi) Accounting of recovery of overpayments and refunds: Recoveries of overpayments pertaining to previous years are distinctly shown under Minor Head “911-Deduct Recoveries of overpayments” below the relevant major/sub-major head so as to arrive at gross expenditure for the purpose of Appropriation Accounts and net expenditure during the year, by treating them as reduction of expenditure, for the Finance Accounts.

Refunds of revenues irrespective of their year of collection are taken as reduction in current revenue and shown under minor head “900-Deduct-refunds” below the major head concerned in respect of non-tax revenues and below the relevant subhead in the case of tax revenue so that net collection of tax can be ascertained.

(vii) Cash balance: The cash balance of the government comprises the cash balances of all its three parts viz. Consolidated fund, Contingency fund and Public Account. Further information including the minimum cash balance to be maintained and investment of cash balances is given as Explanatory Notes under Annexure to Statement No. 2.

2. Completeness of Accounts:

(i) Amount released by the Government of India for Umbrella Schemes:

Clearance memos from RBI, CAS, Nagpur and supporting sanction orders from the respective Ministries were received fully in respect of ₹ 2007.65 crore, the amount depicted in the Public Financial Management System (PFMS) portal of Controller General of Accounts, as Central assistance to the plan of the Government of Nagaland in 2016-17.

(ii) Direct transfer of Central Scheme Funds to implementing Agencies in the State (Funds routed outside State Budget):

In spite of the Government of India’s decision to release all assistance under CSSs/ACA to the State Government and not to implementing agencies w.e.f. 1 April 2014, ₹ 366.77 crore was released directly to implementing agencies in Nagaland during 2016-17 as per PFMS portal of the Controller General of Accounts (CGA) as against ₹ 110.62 crore in 2015-16 which is an increase of 231.56 per cent. Details are given in **Appendix–VI**.

3. Quality of Accounts:

(i) Incorrect booking of Revenue expenditure under Capital:

During 2016-17, Government of Nagaland incorrectly budgeted and booked ₹ 10.00 crore towards Grants-in-aid under the Capital section instead of the Revenue section, resulting in understatement of Revenue expenditure and overstatement of Revenue Surplus by ₹ 10.00 crore. Details are at Annexure -B.

(ii) Booking under Minor Head 800 – Other Receipts/Other Expenditure:

Minor Heads 800- Other Expenditure/Other Receipts is intended to be operated only when the appropriate minor head has not been provided in the accounts. Routine operation of Minor Head-800 is to be discouraged, since it renders the accounts opaque. Instances of substantial booking (exceed 10 per cent) of the total receipts and expenditure respectively Minor Head 800-Other Receipts/Other Expenditure are listed in ANNEXURE- C and D.

(iii) Unadjusted Abstract Contingent (AC) Bills:

The Drawing and Disbursing Officers (DDOs) are authorised to draw money through Abstract Contingent (AC) bills by booking the expenditure under concerned service heads. The Detailed Countersigned Contingent (DC) bills containing vouchers in support of final expenditure towards the amount so drawn are to be submitted to the Office of the Accountant General (A&E). As on 31 March 2017, DCC bills for 276 AC bills amounting to ₹ 288.67 crore were not received as given below.

Year	Number of pending DC bills	Amount (in crore)
Upto 2014-15	153	105.12
2015-16	40	52.69
2016-17	83	130.86
Total	276	288.67

Prolonged non-submission of supporting DC bills render 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.

Table shows below the department wise significant number of pending DCC Bills.

Name of the Department	Year from which outstanding	Number of outstanding Bills	Amount (in Crore)
Civil Police	2013-14	42	140.77
Social Security & Welfare	2014-15	19	28.78
Home	2011-12	61	30.56
State Council of Educational Research and Training	2011-12	36	16.90

(iv) Non-receipt of Utilisation Certificates (UCs) for Grants-in-aid:

The General Financial Rules applicable to the Government of Nagaland prescribe that Utilization Certificates (UCs) in respect of grants provided for specific purposes should be obtained by the departmental officers from grantees, which, after verification, should be forwarded to the Accountant General within twelve months from closure of the financial year unless specified otherwise. UCs outstanding beyond the specified period indicates absence of assurance on utilization of grants for intended purposes. At the close of March 2017, 286 UCs for an amount of ₹ 909.61 crore remained outstanding in the books of Accountant General (A&E). Details of awaited UCs as on 31 March 2017 are given below:

Year*	Number of Utilization Certificate awaited	Amount (in crore)
Up to 2013-14	202	570.41
2014-15	35	222.73
2015-16	49	116.47
Total	286	909.61

* The year mentioned above relates to 'Due Year' i.e. after 12 months of actual drawal.

Whether the grant-in-aid was utilised for the purpose for which it was sanctioned can be confirmed only on receipt of UCs. Further, to the extent of non-receipts of UCs, the expenditure shown in accounts cannot be treated as final nor can it be confirmed that the amount has been expended for the purpose sanctioned.

(v) Operation of Personal Deposit (PD) Accounts: Personal Deposit (PD) Accounts kept in the Public Account are like banking accounts, facilitating the designated government officer to keep the receipts therein and spend them for specific purpose. The State Government is also authorised to keep funds required for specific purpose in PD Accounts by booking them as expenditure in the Consolidated Fund and such transfers from the Consolidated Fund to PD accounts shall normally be effected through “Nil Bill” procedure (non-cash transaction).

The status of PD Accounts during 2016-17 is as under:

(₹ in crore)							
Opening Balance		Addition during the year		Closed during the year		Closing Balance	
Number	Amount	Number	Amount	Number	Amount	Number	Amount
1	0.02 (Cr)	0	0.00	0	0.00	1	0.02 (Cr)

(vi) Reconciliation of Receipts and Expenditure:

All Chief Controlling Officers (CCOs) are required to reconcile the Receipts and Expenditure of the Government with the figures accounted for by the Accountant General (A&E). During the year, the entire Receipts (₹ 22,573.72 crore) and Expenditure (₹ 22,503.14 crore) were reconciled by all 82 CCOs.

(vii) Differences in Cash Balance:

There was a net difference of ₹ 159.10 crore (Credit) between the Cash Balance as determined by the Accountant General (A&E) and the figures reported by the Reserve Bank of India as on 31 March 2017. After reconciliation, the difference is reduced and stands at ₹ 152.49 crore (Credit). This is mainly due to incorrect reporting by Agency Banks to the RBI and misclassification by Banks/Treasuries.

(viii) Cash Balance Investment Account:

As on 31 March 2016, nil balance was lying under the Cash Balance Investment Account of the State Government. There was ₹ 35.41 crore lying under the cash Balance Investment Account as invested by the Reserve Bank of India as on 31 March 2017.

4. Other Items:

(i) Liabilities on Retirement Benefits:

The expenditure during the year on “Pension and other Retirement Benefits” to State Government employees recruited on or before 31 December 2009 was ₹ 1,057.59 crore (12.22 per cent of total revenue expenditure ₹ 8,651.94 crore). State Government employees appointed on or after 1 January 2010 are covered under the New Pension Scheme (NPS), which is a defined contributory pension scheme. AIS officers are covered under the scheme w.e.f. 1.1.2004. In terms of the Scheme, employees contribute 10 per cent of their basic pay plus dearness allowances which the State Government is required to match. Contributions are transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/Trustee Bank.

The actual amount payable by the employees and the matching Government contribution over the year has not been estimated. The subscription received from employees is credited to MH-8342-117 Defined Contributory Pension Scheme for Government servants. The State Government follows the accounting procedure while providing the employer’s matching contribution towards the fund (MH- MH-8342-117 employer contribution) by debiting to MH-2071 Pensions and Other Retirement Benefits. Accordingly, the State Government in 2016-17 credited ₹ 47.28 crore (Employees’ and Government contribution) to MH-8342-117. But, instead of transferring the total of ₹ 47.28 crore (Employees’ and Government contribution) from the Fund, the State Government transferred only ₹ 31.57 crore to NSDL/Trustee Bank, leaving a short fall of ₹ 15.71 crore. As on 31 March 2017, ₹ 95.37 crore had not been transferred to NSDL/Trustee Bank. Accruing interest on these un-transferred balances is estimated at ₹ 6.45 crore (at the rate of interest of 8.10 per cent, per annum applicable to GPF, on balances on 1 April 2016). Uncollected, unmatched and un-transferred amounts, with accrued interest, represent outstanding liabilities under the Scheme.

(ii) Guarantees:

Guarantees, which constitute contingent liabilities of the State Government, are reported in Statements 9 and 20 on the basis of the information received from the State Government which is the authority for issuing such guarantees. The State Government had not made any provision either in the rules or in the budget for collection of guarantee commission. During 2016-17, the State Government issued guarantees for an amount of ₹. 5.00 crore in respect of Nagaland State Co-operative Bank Ltd. (Institution regarding Short Term-Seasonal Agriculture Operation). The outstanding guarantees as on 31 March 2017 was ₹ 81.19 crore.

(iii) Loans and Advances:

The detailed accounts of Loans and Advances are maintained by the State Government departments, who are required to confirm the loan balances to the Accountant General (A&E) and also to furnish complete information regarding recoveries in arrears. During the year 2016-17, Loans and Advances given by the State Government amounted to ₹ 0.19 crore. Further information like arrears in repayments and loans in perpetuity were not furnished by Government. Consequently, the information on loans and advances given by the State Government contained in Statements 7 (Volume-I) and 18 (Volume-II) of the Finance Accounts in accordance with the Indian Government Accounting Standards (IGAS) 3 is incomplete.

(iv) Write off of Central Loans:

In furtherance to the recommendations of the Thirteenth Finance Commission, Ministry of Finance, Government of India, in a series of orders, all dated 29 February 2012, wrote off loans advanced to the State Government by various Ministries (except those advanced by the Ministry of Finance itself) as on 31 March 2010 towards Central Plan and Centrally Sponsored Schemes. Ministry of Finance permitted the State Governments to adjust the excess repayments of principal and interest made from the effective date of the order (31 March 2010) to the date of its implementation against future repayments to the Ministry of Finance. In respect of the Government of Nagaland, this excess payment amounted to ₹ 7.07 crore (Principal ₹ 2.16 crore and Interest ₹ 4.91 crore), of which, Ministry of Finance has so far adjusted ₹ 0.40 crore (Principal ₹ 0.22 crore and Interest ₹ 0.18 crore) vide letter dated 30 May 2012. The balance amount pending for adjustment was ₹ 6.67 crore (Principal ₹ 1.95 crore and Interest ₹ 4.72 crore) of which, pending Principal of ₹ 1.95 crore has resulted in adverse balance (net debit) against the loans of the Ministries other than the Ministry of Finance in the books of the State Government.

(v) Reserve Funds:

Reserve Funds are created for specific purposes out of contribution from the Consolidated Fund. Information on Reserve funds (both ‘interest bearing’ and “not interest bearing”) and their investments is available in Statements 21 and 22 respectively.

Details of significant Reserve Funds are given below:

(a) Consolidated Sinking Fund (CSF):

In terms of the recommendations of the Tenth Finance Commission, the State Government created (2006-2007) Consolidated Sinking Fund to be administered by the Reserve Bank of India for the amortization of all loans. As per the constitution of Consolidated Sinking Fund of Nagaland, the State Government has to contribute 1 to 3 *per cent* of the outstanding open market loans as at the end of the previous years to the Fund. In terms of the revised guidelines of the Reserve Bank of India, States are required to contribute to the Fund a minimum of 0.5 *per cent* of their outstanding liabilities (Internal Debt + Public Account liabilities) as at the end of the previous year.

During the year the State Government transferred ₹ 224.00 crore to the Fund from Revenue Account which works out to 4.18 *per cent* of total outstanding (Open Market Loans) of ₹ 5,362.39 crore as on 31 March 2016 and to 2.51 *per cent* of total outstanding liability of ₹ 8,931.65 crore (Internal debt + Public Account liabilities) as on 31 March 2016. The balance in the Consolidated Sinking Fund as on 31 March 2017 was ₹ 16.17 crore.

(b) State Disaster Response Fund:

The State Government replaced the Calamity Relief Fund, with the “State Disaster Response Fund” (SDRF) as recommended by the Thirteenth Finance Commission. In terms of the guidelines, the Central and State Governments are required to contribute to the Fund in the ratio of 90:10. Further, if the State does not have adequate balance under SDRF, the Government of India provides additional assistance from the National Disaster Response Fund (NDRF).

During the year, the State Government transferred ₹ 10.00 crore to the SDRF (Central share: ₹ 9.00 crore and State share: ₹ 1.00 crore). During the year ₹ 9.00 crore was received by the State Government as a contribution from the Government of India. The entire amount of ₹ 10.00 crore had been expended on natural calamities, leaving a balance of ₹ 0.86 crore in the Fund as on 31 March 2017 (which was opening balance as on 1 April, 2016).

Government of India may Provide fund from the National Disaster Response Fund (NDRF) to meet shortfall in the SDRF to meet expenditure on natural calamities in the State during the year. Following Government of India’s release of ₹ 0.96 crore, the State Government transferred ₹ 16.07 crore [₹ 0.96 crore for during the year and ₹ 15.11 crore Previous years release] to NDRF and the same was adjusted as expenditure without leaving any balance at the end of the year.

(c) Inoperative Reserve Funds:

As on 31 March 2017 there were four Reserve Funds of which three were active with accumulated balance of ₹ 30.68 crore and one was inactive with balance of ₹ 0.07 crore.

(d) Guarantee Redemption Fund (GRF):

The State Government constituted a Guarantee Redemption Fund in 2006-2007 with an initial corpus of ₹4.00 crore determined on the basis of guarantees invoked during the preceding five years. In terms of the Guarantee Redemption Fund Scheme of the Government of Nagaland, contributions shall be made to the Fund annually or at lesser intervals so as to reach the levels deemed sufficient to meet the amount of anticipated guarantees devolving on the Government as a result of the likely invocation of outstanding guarantees in the succeeding five years. No guarantees of the State Government were invoked since inception of the Scheme. During 2016-17, ₹ 1.00 crore was transferred by the State Government and the entire corpus of ₹ 9.34 crore as on 31 March 2017 was invested by the Reserve Bank of India in Government of India Securities.

(vi) Interest on Deposit Accounts:

Information on Deposit Accounts (both “interest bearing” and “not interest bearing”) and the investment of deposits is available in Statements 21 and 22 respectively. The State Government is required to pay interest on the balances lying under the head “Deposit Accounts bearing interest” that are not transferred to NSDL/Trustee Bank. During 2016-17, the entire balance of ₹ 79.66 crore lying in interest bearing Deposit Accounts as on 31 March 2016 was not transferred to NSDL/Trustee Bank (Defined Contributory Pension Scheme). The interest liability on this untransferred amount works out to ₹ 6.45 crore, at the rates of interest applicable to the deposit account concerned. The amount of interest outstanding against these interest bearing Deposit Accounts over the years has not been estimated. This will impact the overall liability of the State Government.

(vii) Suspense and Remittances balance:

The Suspense and Remittance Heads in the Finance Accounts reflect the net balances in these accounts. The outstanding balances under these heads are worked out by aggregating the outstanding debit and credit balances under the heads concerned. The position of gross figures under some of the Major Suspense Heads (below MH-8658) and Remittance Heads (MH-8782) to the end of last three years is indicated in Annexure-E.

(viii) Contingency Fund:

The Contingency Fund of the State is created under Article 267(2) of the Constitution of India and is intended to meet expenditure that is unanticipated in the Budget. Advances from the Contingency Fund are to be recouped by the end of the year. During the year no expenditure was incurred under this fund. However, a previous outstanding balance of ₹ 0.35 crore, continued to remain unrecouped at the end of the year.

(ix) Impact of cheques issued but not encashed:

Major Head 8670 Cheques and Bills is an intermediary accounting head for initial record of transactions which are eventually to be cleared. There would normally be a credit balance outstanding under this head, representing unencashed cheques. The accounts of the Government of Nagaland, however, show an outstanding debit balance of ₹ 0.02 crore as on 31 March 2017, which needs to be settled in consultation with the State Government.

(x) Disclosures under the Nagaland Fiscal Responsibility and Budget Management (FRBM) Act 2005:

In terms of the FRBM Act, the State Government has laid the Medium Term Fiscal Policy Statement and Fiscal Policy Strategy Statement before the Legislative Assembly along with the annual Budget for 2016-17. The targets in terms of the Policy and achievements as per the accounts are given below:

Sl No	Targets	Achievements
a.	Maintain Revenue Surplus	The Revenue Surplus for 2016-17 was ₹ 790.34 crore.(3.74 per cent of Gross State Domestic Product)
b.	Maintain Fiscal deficit at 1.71 per cent of Gross State Domestic Product for the year 2016-17 and thereafter at 1.85 per cent of Gross State Domestic Product.	The Fiscal Deficit for 2016-17 was ₹ 284.86 crore (1.35 per cent of Gross State Domestic Product)
c.	Reduce outstanding debt to a maximum of 32.15 per cent of Gross State Domestic Product by the end of 2016-17	The outstanding debt for the year 2016-17 (₹ 7,115.56 crore) was 33.69 per cent of Gross State Domestic Product.

* Gross State Domestic Product for 2016-2017 was ₹ 21,119 crore as per information by Department of Economics and Statistics, Government of Nagaland.

(xi) Impact of incorrect/inadequate accounting on Revenue Surplus and Fiscal Deficit:

The impact on the Revenue Surplus and Fiscal Deficit of the State Government consequent to the incorrect/inadequate budgeting and booking under incorrect expenditure/receipt and revenue heads (details in preceding paragraphs) is given below:

(₹ in crore)

Paragraph No.	Item	Impact on Revenue Surplus		Impact on Fiscal Deficit	
		Oversta- -tement	Understa- -tement	Oversta- -tement	Understa- -tement
3 (i)	Grants-in-Aid booked under Capital Section instead of Revenue.	10.00	0.00	0.00	0.00
4 (i)	Non-credit of interest on Fund Balance	6.45	0.00	0.00	6.45
Total :		16.45	0.00	0.00	6.45

ANNEXURE-A

(Referred to in Note 1(ii))

Statement of Periodical/Other Adjustments

I – Periodical Adjustments

(₹ in crore)

Sl No	Book Adjustment	Head of Account		Amount	Remarks
		From	To		
1	Transfer to Sinking Fund	2048 – Appropriation for reduction or avoidance of debt	8222 – Sinking Funds	224.00	Sinking Funds are constituted by the Government for liquidation of its debt or loans. Regular contributions are made to the funds for investment and accretion to the funds account is eventually utilized for the redemption of open market loans.
2.	Transfer to General and other reserve Fund	2048 – Appropriation for reduction or avoidance of debt	8235-General and Other Reserve Funds	1.00	Transfer of Fund to Guarantee Redemption Fund.
3	State Disaster Response Fund	2245 – Relief on account of Natural Calamities	8121 – General and other Reserve Funds	10.00	Transfer of both Central and State share to SDRF.
4.	National Disaster Response Fund	2245 – Relief on account of Natural Calamities	8235 – General and Other Reserve Funds	16.07	Transfer of National Disaster Response Fund(NDRF).
5.	Annual GPF interest Adjustment	2049 – Interest Payment	8009 – State Provident Fund	57.76	Annual interest is credited to the GPF head of account.
6	Annual Group Insurance interest adjustment	2049 – Interest Payment	8011 – Insurance and Pension Funds	0.95	Annual interest is credited to the Group Insurance head of account.

ANNEXURE- A
(Referred to in Note 1(ii))

Statement of Periodical/Other Adjustments

II - Other Adjustment

(₹ in crore)

Sl No.	Book Adjustment	Head of Account		Amount	Remarks
		From	To		
1	Transfer of fund to Public Account	2401-Crop Husbandry	8443-Civil Deposits 108- Public Works Deposits	4.94	The department could not utilize budgetary allocation and transferred the fund to Public Works Deposits. There is no provision under the rules for such transfer.
2	Transfer of fund to Public Account	4552-Capital Outlay on North Eastern Areas	8443-Civil Deposits 108- Public Works Deposits	3.65	
3	Transfer of fund to Public Account	5452-Capital outlay on Tourism	8443-Civil Deposits 108- Public Works Deposits	0.89	
4	Transfer of fund to Public Account	5425-Capital Outlay on Scientific & Environmental Research	8443-Civil Deposits 108- Public Works Deposits	0.88	
5	Transfer of fund to Public Account	4059-Capital Outlay on Public Works Department	8443-Civil Deposits 108- Public Works Deposits	51.89	
6	Transfer of fund to Public Account	4851-Capital outlay on Village and Small Industries	8443-Civil Deposits 108- Public Works Deposits	0.55	
7	Transfer of fund to Public Account	2029-Land Revenue	8443-Civil Deposits 108- Public Works Deposits	0.44	
8	Transfer of fund to Public Account	4202-Capital Outlay on Education, Arts, and Culture	8443-Civil Deposits 108- Public Works Deposits	14.83	
9	Transfer of fund to Public Account	2205-Art & Culture	8443-Civil Deposits 108- Public Works Deposits	1.76	
10	Transfer of fund to Public Account	2210- Medical & Public Health.	8443-Civil Deposits 108- Public Works Deposits	1.86	
11	Transfer of fund to Public Account	2202- General Education	8443-Civil Deposits 108- Public Works Deposits	4.46	
12	Transfer of fund to Public Account	5054- Capital Outlay on Roads and Bridges	8443-Civil Deposits 108- Public Works Deposits	19.13	
13	Transfer of fund to Public Account	2217- Urban Development	8443-Civil Deposits 108- Public Works Deposits	30.25	

ANNEXURE- A
(*Referred to in Note 1(ii))*

Statement of Periodical/Other Adjustments

II- Other Adjustments

(₹ in crore)

Sl No	Book Adjustment	Head of Account		Amount	Remarks
		From	To		
14	Transfer of fund to Public Account	4575-Capital outlay on Other Special Areas Programmes	8443-Civil Deposits 108- Public Works Deposits	3.27	The department could not utilize budgetary allocation and transferred the fund to Public Works Deposits. There is no provision under the rules for such transfer
15	Transfer of fund to Public Account	4810- Capital Outlay on Non-conventional Sources of Energy	8443-Civil Deposits 108- Public Works Deposits	1.85	
16	Transfer of fund to Public Account	2235- Social Security and Welfare	8443-Civil Deposits 108- Public Works Deposits	58.47	
17	Transfer of fund to Public Account	2230- Labour & Employment	8443-Civil Deposits 108- Public Works Deposits	0.88	

ANNEXURE-B
(*Referred to in Note 3(i)*)

In correct booking of Revenue Expenditure under Capital

(₹ in crore)

Grant No.	Classification	Description	Amount
61	4575-03-800(1)	Financial assistance to various individuals and organisations under Special Development Programmes (SDP)	10.00
Total			10.00

ANNEXURE- C
(*Referred to in Note 3(ii)*)

Statement of Major Head-wise receipt book under MH-800-'Other Receipts'.

(₹ in crore)

Sl No	Major Head	Receipt under Minor Head-800	Total Receipt under Major Head concerned	Percentage
1	0041- Taxes on Vehicles	57.30	57.39	99.84
2	0042- Taxes Goods and Passangers	14.69	14.76	99.53
3	0055- Police	31.53	31.54	99.97
4	0070- Other Administrative Services	2.46	2.48	99.19
5	0071- Contributions and Recoveries towards Pension and Other Retirement Benefits	0.48	0.56	85.71
6	0210- Medical and Public Health	0.49	0.49	100.00
7	0216- Housing	1.05	5.20	20.19
8	0217- Urban Development	0.06	0.06	100.00
9	0220- Information and Publicity	0.08	0.08	100.00
10	0230- Labour and Employment	0.16	0.16	100.00
11	0235- Social Security and Welfare	2.60	2.60	100.00
12	0401- Crop Husbandry	0.08	0.08	100.00
13	0403- Animal Husbandry	0.40	0.46	86.96
14	0405- Fisheries	0.03	0.03	100.00
15	0406- Forestry and Wildlife	9.69	10.03	96.61
16	0408- Food Storage and Warehousing	0.01	0.02	50.00
17	0425- Co-operation	0.42	0.42	100.00
18	0435- Other Agricultural Programmes	0.12	0.12	100.00
19	0515- Other Rural Development Programmes	0.58	0.58	100.00
20	0552- North Eastern Areas	0.02	0.02	100.00
21	0575- Other special Areas Programmes	0.01	0.01	100.00
22	0801- Power	114.58	114.58	100.00
23	0851- Village and Small Industries	0.23	0.24	95.83
24	0853- Non-Ferrous Mining and Metallurgical Industries	0.73	0.73	100.00
25	1053- Civil Aviation	20.78	20.78	100.00
26	1055- Road Transport	9.00	9.00	100.00
27	1452- Tourism	0.29	0.29	100.00
28	1475- Other General Economic Services	0.27	0.27	100.00
29	1601- Grants-in-aid from Central Government	5,289.61	5,553.38	95.25
TOTAL		5,557.75	5,826.36	95.39

ANNEXURE- D
(Referred to in Note 3(ii))

Statement of Major Head-wise Expenditure booked under MH-800-'Other Expenditure'.

(₹ in crore)

Sl No	Major Head	Expenditure under Minor Head-800	Total Expenditure under Major Head concerned	Percentage
1	2013- Council of Ministers	6.97	16.69	41.76
2	2204- Sports and Youth Services	5.45	28.52	19.11
3	2210- Medical and Public Health	94.01	455.41	20.64
4	2217- Urban Development	4.01	16.66	24.07
5	2501- Special Programmes for Rural Development	14.82	91.33	16.23
6	2515- Other Rural Development Programmes	32.00	87.67	36.50
7	2552- North Eastern Areas	13.51	24.01	56.27
8	2702- Minor Irrigation	9.16	26.73	34.27
9	2851- Village and Small Industries	25.55	75.83	33.69
10	3055- Road Transport	48.37	58.09	83.27
11	3425- Other Scientific Research	2.25	9.43	23.86
12	4202- Capital Outlay on Education Sports, Art and Culture	11.83	27.14	43.59
13	4215- Capital Outlay on Water Supply and Sanitation.	85.71	158.91	53.94
14	4220- Capital Outlay on Information and Publicity	2.00	2.00	100.00
15	4401- Capital Outlay on Crop Husbandry	4.60	4.60	100.00
16	4402- Capital Outlay on Soil and Water Conservation	0.18	0.18	100.00
17	4406- Capital Outlay on Forestry and Wild Life	0.27	0.27	100.00
18	4408- Capital Outlay on Food, Storage and Warehousing	1.45	2.45	59.18
19	4552- Capital Outlay on North Eastern Areas	79.54	79.54	100.00
20	4575- Capital Outlay on Other Special Areas Programmes	161.15	161.15	100.00
21	4702- Capital Outlay on Minor Irrigation	39.37	39.37	100.00
22	4801- Capital Outlay on Power Projects	26.87	30.47	88.19
23	4853- Capital Outlay on Non-Ferrous Mining and Metallurgical Industries	11.05	12.20	90.57
24	5054- Capital Outlay on Road and Bridges	39.01	144.71	26.96
25	5055- Capital Outlay on Road Transport	1.35	8.69	15.54
26	5425- Capital Outlay on Other Scientific and Environmental Research	1.00	1.00	100.00
27	5475- Capital Outlay on Other General Economic Services	0.89	2.31	38.53
TOTAL		722.37	1,565.36	46.15

ANNEXURE- E
(Referred to in Note 4 (vii))

Statement of Suspense and Remittance Balances for the last three years

Suspense Heads:

(₹ in crore)

Name of Minor Head	2014-15		2015-16		2016-17	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
101- Pay and Accounts Office-Suspense	66.06	42.44	77.81	57.14	98.20	71.67
Net	23.63	0.00	20.67	0.00	26.53	0.00
102- Suspense Account (Civil)	18.92	1.47	18.92	1.52	18.92	1.55
Net	17.45	0.00	17.40	0.00	17.37	0.00
107- Cash Settlement Suspense Account	34.87	0.00	34.87	0.00	34.87	0.00
Net	34.87	0.00	34.87	0.00	34.87	0.00
109- Reserve Bank Suspense -Headquarters	11.63	14.16	11.63	14.16	11.63	14.16
Net	0.00	2.53	0.00	2.53	0.00	2.53
110- Reserve Bank Suspense-Central Accounts Office	50.94	9.89	50.94	9.89	50.94	9.89
Net	41.05	0.00	41.05	0.00	41.05	0.00
129- Material Purchase Settlement Suspense Account	122.26	138.56	143.89	160.19	179.54	195.84
Net	0.00	16.30	0.00	16.30	0.00	16.30

Remittance Heads:

Name of Minor Head	2014-15		2015-16		2016-17	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
102- PW Remittances	7,705.29	7,469.23	9,285.19	9,138.10	10,782.23	10,666.69
Net	246.06	0.00	147.09	0.00	115.54	0.00
103- Forest Remittances	1,289.84	913.01	1,472.66	1,095.97	1,593.61	1,217.18
Net	376.83	0.00	376.69	0.00	376.43	0.00
105- R.B.I Remittances	6.26	0.00	6.26	0.00	6.26	0.00
Net	6.26	0.00	6.26	0.00	6.26	0.00
112- Nagaland and Manipur Remittances	0.00	0.70	0.00	0.70	0.00	0.70
Net	0.00	0.70	0.00	0.70	0.00	0.70

8793-Inter State Suspense Account

Name of Minor Head	2014-15		2015-16		2016-17	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
Inter State Suspense Account	2.11	1.18	2.96	2.07	3.50	2.71
Net	0.93	0.00	0.89	0.00	0.79	0.00

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