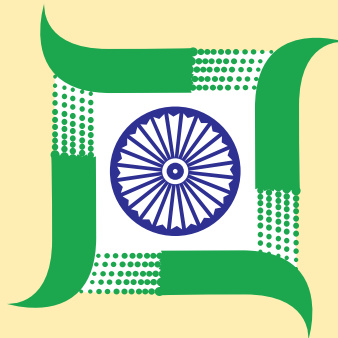


सत्यमेव जयते

Accounts at a Glance for the year 2015-16



झारखण्ड सरकार

Government of Jharkhand

ACCOUNTS AT A GLANCE

for the year 2015-16

GOVERNMENT OF JHARKHAND

PREFACE

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

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

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

PLACE : RANCHI
DATE : 23.12.2016



(Mausumi Ray Bhattacharyya)
Principal Accountant General (A&E)

Our Vision, Mission and Core Values

The vision of the institution of the Comptroller and Auditor General of India represents what we aspire to become

We strive to be a global leader and initiator of national and international best practices in public sector auditing and accounting and recognized for independent, credible, balanced and timely reporting on public finance and governance.

Our mission enunciates our current role and describes what we are doing today

Mandated by the Constitution of India, we promote accountability, transparency and good governance through high quality auditing and accounting and provide independent assurance to our stakeholders – the Legislature, the Executive and the Public – that public funds are being used efficiently and for the intended purposes.

Our core values are the guiding beacons for all that we do and give us the benchmarks for assessing our performance

Independence

Objectivity

Integrity

Reliability

Professional Excellence

Transparency

Positive Approach

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OVERVIEW

1.1 Introduction

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

1.2 Structure of Accounts

1.2.1 Government Accounts are kept in three parts :

Part I CONSOLIDATED FUND	Receipts and Expenditure on Revenue and Capital Account, Public Debt and Loans and Advances.
Part II CONTINGENCY FUND	Intended to meet unforeseen expenditure not provided for in the budget. Expenditure from this Fund is recouped subsequently from the Consolidated Fund.
Part III PUBLIC ACCOUNT	Comprises of Debt, Deposits, Advances, Remittances and Suspense transactions. Debt and Deposits represent repayable liabilities of the Government. Advances are receivables of the Government. Remittances and Suspense transactions are adjusting entries that are to be cleared eventually by booking to the final heads of account.

1.3 Finance Accounts and Appropriation Accounts

1.3.1 Finance Accounts

The Finance Accounts depict the receipts and disbursements of the Government for the year, together with the financial results disclosed by the Revenue and Capital accounts, Public Debt and Public account balances recorded in the accounts. The Finance Accounts have been prepared in two volumes to make them more comprehensive and informative. Volume I of the Finance Accounts contains the Certificate of the Comptroller and Auditor General of India, Summarized Statements of overall receipts and disbursements and 'Notes to Accounts' containing Summary of significant accounting policies, quality of accounts and other items; Volume II contains Detailed Statements (Part-I) and Appendices (Part-II).

Receipts and Disbursements of the Government of Jharkhand as depicted in the Finance Accounts, 2015-2016 are given below.

(₹ in crore)

Receipts (Total : ₹ 52,192)	Revenue (Total : ₹ 40,638)	Tax Revenue	27,448
		Non Tax Revenue	5,853
		Grants-in-Aid	7,337
	Capital (Total : ₹ 11,554)	Recovery of Loans and Advances	31
		Borrowings and other Liabilities ^(*)	11,523
Disbursements (Total : ₹ 52,192)	Revenue	36,553	
	Capital	8,159	
	Loans and Advance	7,480	

(*) Borrowings and other Liabilities: Net (Receipts-Disbursements) of Public Debt + Inter State Settlement+ Net of Contingency Fund + Net (Receipts – Disbursements) of Public Account + Net of Opening and Closing Cash Balance

The Union Government transfers substantial funds directly to State Implementing Agencies / NGOs for implementation of various schemes and programmes. This year, the Government of India directly released ₹ 258 crore (₹ 131 crore last year). **This exclude an amount of ₹ 153 crore and ₹ 463 crore respectively for the financial year 2014-15 & 2015-16 released to the Central Bodies located in the State as well as various other organizations outside the purview of the Government of Jharkhand.** Since these funds are not routed through the State Budget, they are not reflected in the accounts of the State Government. These transfers are now exhibited in Appendix VI of Volume II of the Finance Accounts.

1.3.2 Appropriation Accounts

The Appropriation Accounts supplement the Finance Accounts. They depict the expenditure of the State Government against amounts ‘Charged’ on the Consolidated Fund or ‘Voted’ by the State Legislature. There are 05 Charged Appropriations, 54 Voted Grants and 01 Voted and Charged mixed Grant.

The Appropriation Act, 2015-2016, had provided for gross expenditure of ₹ 72,474 crore and provision of ₹ 15 crore was made under reduction of expenditure (recoveries). Against this, the actual gross expenditure was ₹ 54,949 crore and reduction of expenditure was ₹ 512 crore, resulting in savings of ₹ 17,525 crore (24 per cent) and an over-estimation of ₹ 497 crore (3313 per cent) on reduction of expenditure. The gross expenditure included ₹ 1,225 crore drawn on Abstract Contingent (AC) Bills, out of which ₹ 1,166 crore is still outstanding at the end of the year for want of supporting Detailed Contingent (DC) bills.

During 2015-16, ₹ 12,054 crore was transferred from the Consolidated Fund to Deposits of Local Funds accounts under the Public Account, which are maintained by designated Administrators for specific purposes. The balances at credit of each local fund shall be verified at the end of the year by the Treasury Officer in communication with the Accountant General on one side and the authority administering the fund on the other. The balance on the Accountant General’s books is the balance acknowledged by the Government, and the Treasury Officer is required to follow it and not the local accounts as his standard.

1.4 Sources and Application of Funds.

1.4.1 Ways and Means Advances

The Reserve Bank of India (RBI) extends the facility of Ways and Means Advances (WMA) to enable State Governments to maintain their liquidity. Overdraft (OD) facilities are provided when there is a shortfall

in the agreed minimum cash balance (₹ 0.45 crore w.e.f. 15 November, 2000), maintained minimum cash balance with the RBI. During 2015-16, the Government of Jharkhand obtained no Normal WMA and also did not resort to OD facilities.

1.4.2 Fund flow statement

The State had a Revenue Surplus of ₹ 4,085 crore and a Fiscal Deficit of ₹ 11,523 crore representing 1.69 per cent and 4.76 per cent respectively, of the Gross State Domestic Product (GSDP). The Fiscal Deficit constituted 22 per cent of total expenditure. This deficit was met from the Public debt (₹ 13,245 crore), increase in Public Account (₹ 543 crore) and net of opening and closing cash balance (₹ 20 crore). Around 34 per cent of the Revenue Receipts (₹ 40,638 crore) of the State Government was spent on Committed Expenditure like Salaries (₹ 8,218 crore), Interest Payments (₹ 3,320 crore) and Pensions (₹ 3,990 crore).

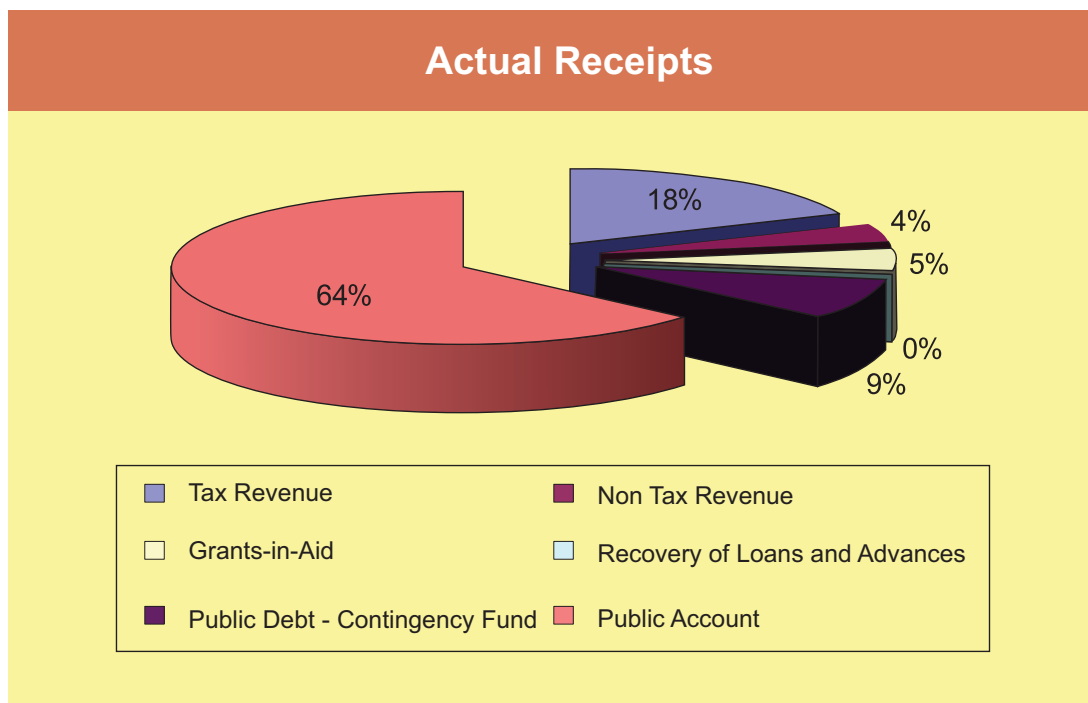
Note : For details please see footnotes (\$) and (B) at page 11.

Sources and Application of Funds

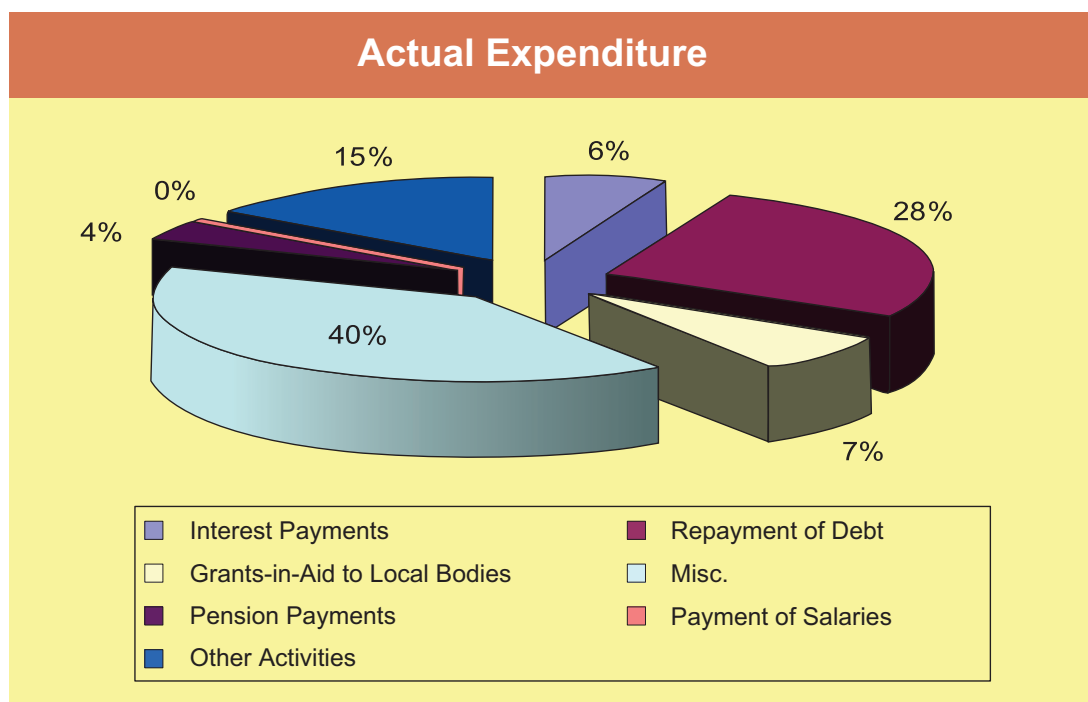
(₹ in crore)

PARTICULARS		AMOUNT
SOURCES	Opening Cash Balance as on 01.04.2015	(-)224
	Revenue Receipts	40,638
	Recovery of Loans & Advances	31
	Public Debt	13,245
	Inter State Settlement	....
	Small Savings Provident Fund & Others	830
	Reserves & Sinking Funds	521
	Deposits Received	19,247
	Civil Advances Repaid	252
	Suspense Account	65,270
	Remittances	8,025
	Contingency Fund	....
	TOTAL	1,47,835
APPLICATION	Revenue Expenditure	36,553
	Capital Expenditure	8,159
	Loans Given	7,480
	Repayment of Public Debt	2,246
	Inter State Settlement	....
	Small Savings Provident Fund & Others	989
	Reserves & Sinking Funds	512
	Deposits Spent	17,135
	Civil Advances Given	252
	Suspense Account	66,689
	Remittances	8,024
	Closing Cash Balance as on 31.03.2016	(-)204
TOTAL	1,47,835	

1.4.3 Where the Rupee came from



1.4.4 Where the Rupee went



1.5 Highlights of Accounts

(₹ in crore)

Sl. No.	Sources	B.E 2015-16	Actuals	Percentage of Actuals to B.E	Percentage of Actuals to GSDP ^(§) 2,41,955 crore
1.	Tax Revenue ^(@)	26,701	27,448	103	11
2.	Non-Tax Revenue	6,304	5,853	93	2
3.	Grants-in-Aid & Contributions	15,022	7,337	49	3
4.	Revenue Receipts(1+2+3)	48,027	40,638	85	17
5.	Recovery of Loans and Advances	50	31	62	0
6.	Borrowings & other Liabilities ^(A)	7,416	11,523	155	5
7.	Capital Receipts(5+6)	7,466	11,554	155	5
8.	Total Receipts(4+7)	55,493	52,192	94	22
9.	Non-Plan Expenditure ^(*)	21,098	20,904	99	9
10.	NPE on Revenue Account	20,987	20,760	99	9
11.	NPE on interest Payments out of 10	3,427	3,320	97	1
12.	NPE on Capital Account	110	144	131	0
13.	Plan Expenditure ^(*)	31,007	31,288	101	13
14.	PE on Revenue Account	22,356	15,793	71	7
15.	PE on Capital Account	8,651	15,495	179	6
16.	Total Expenditure (9+13)	52,104	52,192	100	22
17.	Revenue Expenditure (10+14)	43,343	36,553	84	15
18.	Capital Expenditure (12+15) ^(#)	8,761	15,639	178	6
19.	Revenue Surplus (4-17)	4,684	4,085	87	2
20.	Fiscal Deficit (4+5-16) ^(B)	4,027	11,523	286	5

(@) Includes State's share of Union Taxes of ₹ 15,969 crore.

(§) GSDP figure of ₹ 2,41,955 crore adopted as per figure of Ministry of Statistics and Programme Implementation.

(#) Expenditure on Capital Account includes Capital Expenditure (₹ 8,159 crore) and Loans and Advances disbursed (₹ 7,480 crore).

(*) Expenditure includes ₹ 72 crore under Non-Plan and ₹ 7,408 crore under Plan which pertains to Loans and Advances.

(A) Borrowings and other Liabilities: Net (Receipts-Disbursements) of Public Debt + Inter State Settlement + Net of Contingency fund + Net (Receipts-Disbursements of Public Account + Net of Opening and Closing cash Balance).

(B) Amount of Fiscal Deficit will be decreased to ₹ 5,970 crore, if the amount of Loan ₹ 5,553 crore granted to Bijli companies from the borrowing on UDAY Bond is not considered for calculation of the Fiscal Deficit as informed by the State Government in the light of Tripartite Agreement and then the Fiscal Deficit - GSDP ratio will be decreased from 4.76 per cent to 2.47 per cent.

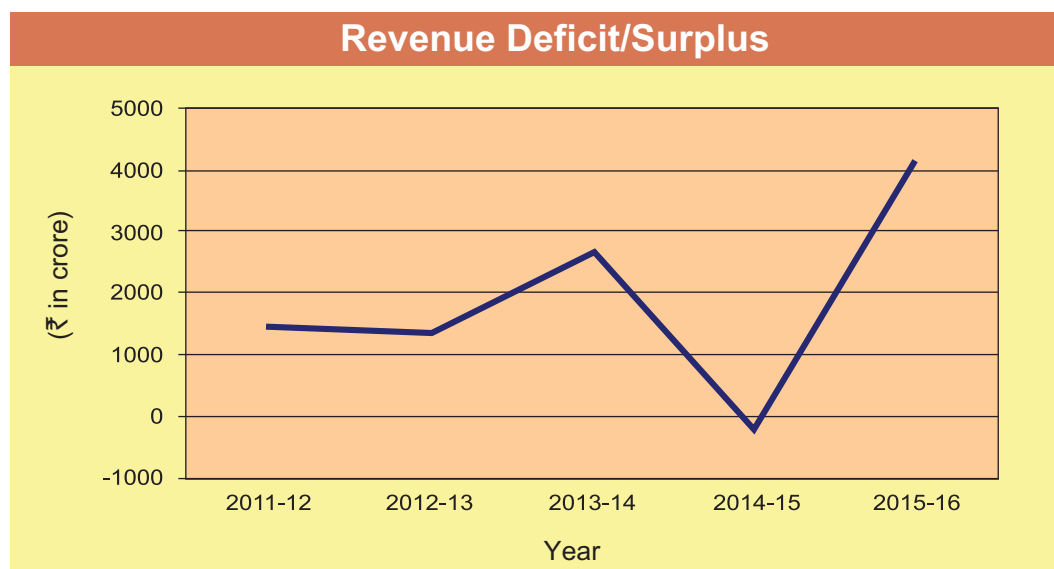
1.6 What do the Deficits and Surpluses indicate?

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

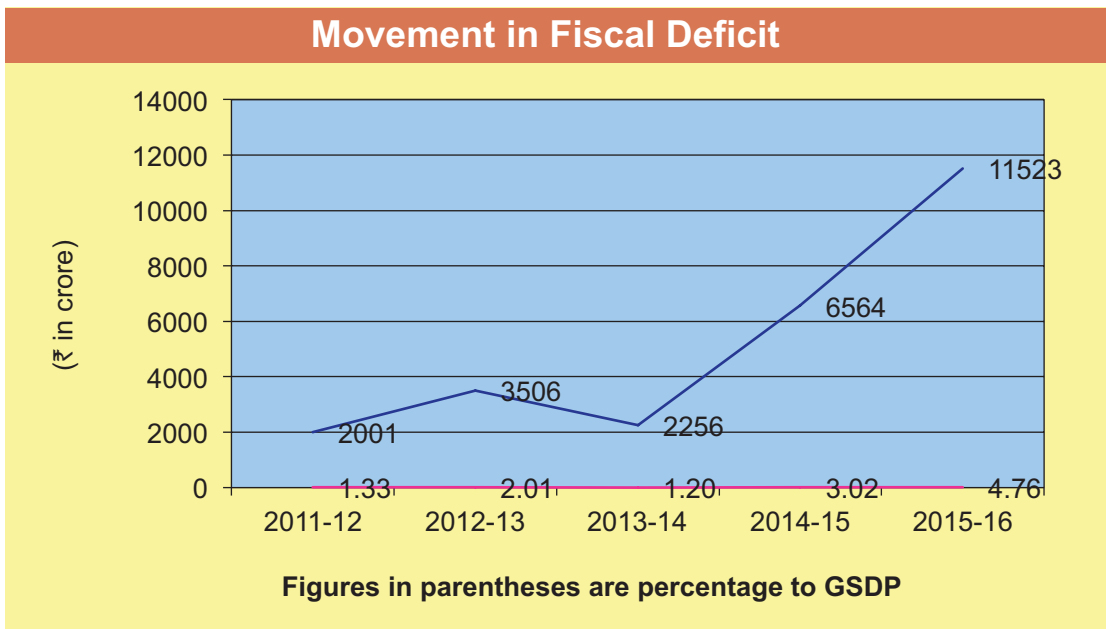
Deficit indicators, revenue augmentation and expenditure management are major yardsticks for judging the fiscal performance of the Government. To encourage the State Governments to achieve this goal, Government of India extended Debt Consolidation and Relief Facility (DCRF) to States, under which, successful State Governments would receive relief on repayment of principal and/or interest.

The State Government has achieved the Revenue Surplus target as early as in 2006-2007 and maintaining it thereafter upto 2013-14. But there is revenue deficit of ₹ 230 crore in the year 2014-15. There is Revenue surplus of ₹ 4,086 crore during 2015-16. There is however, a difference of opinion between the State Government and Government of India on the calculation of the percentage of Fiscal Deficit to GSP. While according to the State Government estimation, the ratio of Fiscal Deficit to GSDP ranged between 4.76 per cent (provisional figures) and 1.66 per cent (budget estimate) in 2015-16.

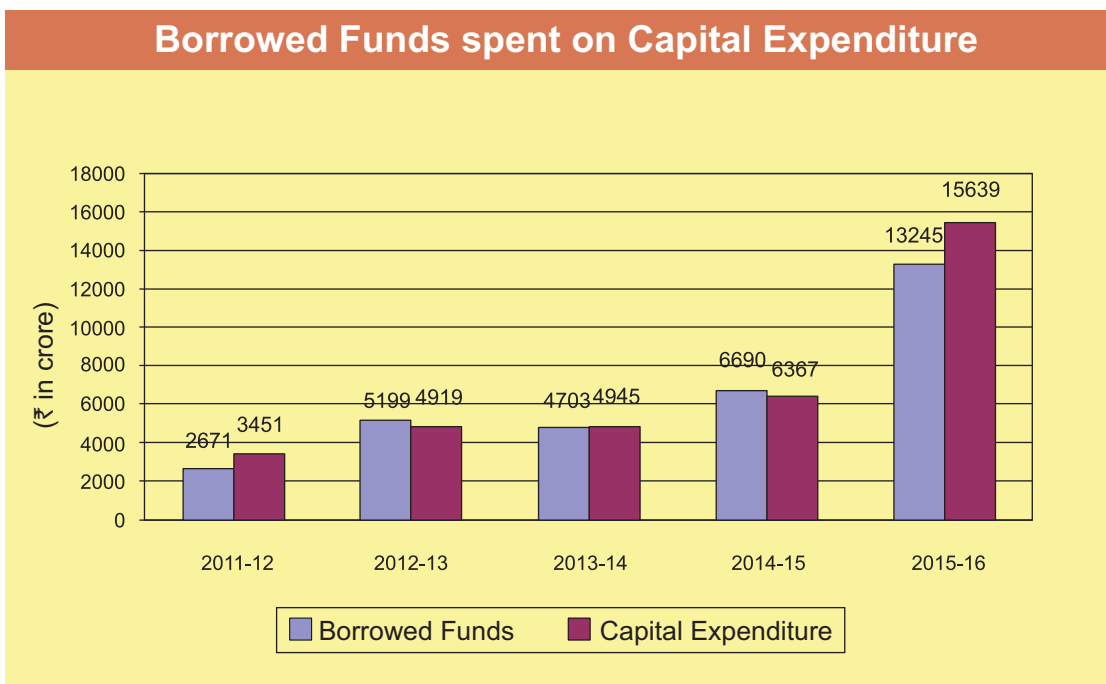
1.6.1 Trend of Revenue Deficit / Surplus



1.6.2 Trend of Fiscal Deficit



1.6.3 Proportion of Borrowed funds spent on Capital expenditure



It is desirable to fully utilize borrowed funds for the creation of capital assets, and to use Revenue receipts for the repayment of principal and interest. The State Government has financed its Capital expenditure from borrowings of the current year (₹ 4,703 crore) and Revenue Surplus (₹ 4,085 crore) on Capital expenditure during the year 2015-2016.

RECEIPTS

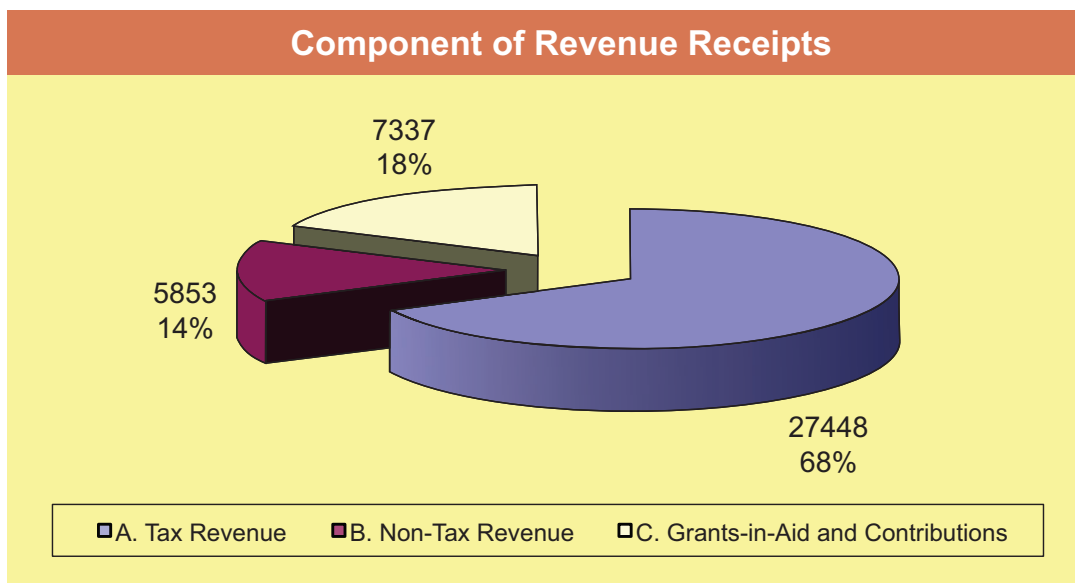
2.1 Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total Receipts for 2015-2016 were ₹ 53,914 crore.

2.2 Revenue Receipts

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

(₹ in crore)



Revenue Receipt Components (2015-2016)

(₹ in crore)

Components		Actuals
A.	Tax Revenue	27,448
	Taxes on Income & Expenditure	8,617
	Taxes on Property & Capital Transactions	697
	Taxes on Commodities & Services	18,134

Components		Actuals
B.	Non-Tax Revenue	5,853
	Interest Receipts, Dividends and Profits	123
	General Services	623
	Social Services	406
	Economic Services	4701
C.	Grants-in-Aid & Contributions	7,337
	Total - Revenue Receipts	40,638

2.3 Trend of Receipts

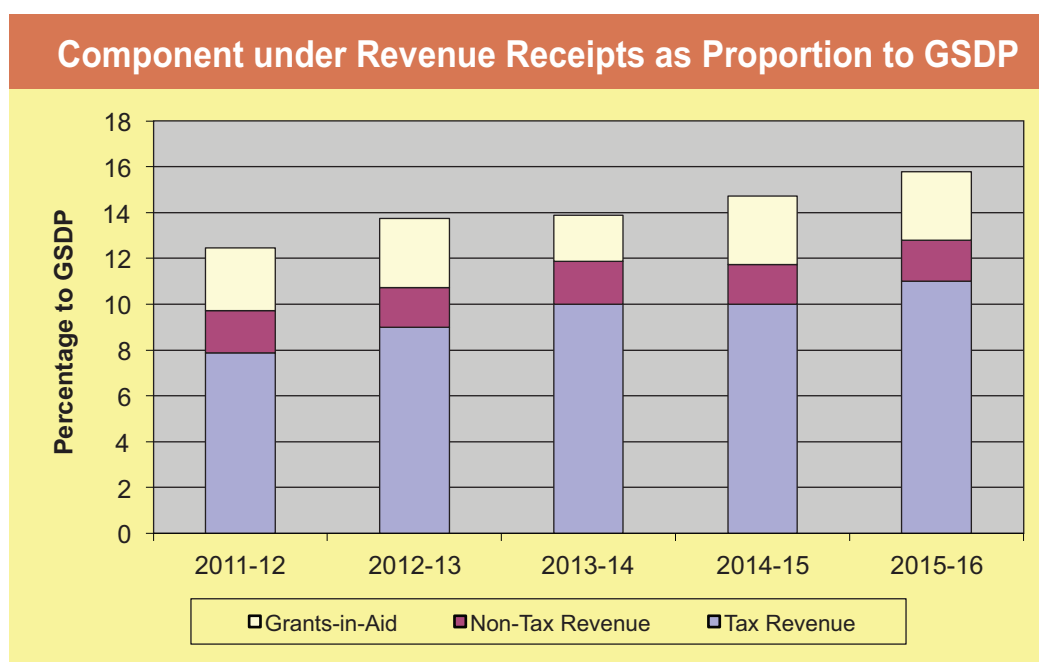
(₹ in crore)

	2011-12	2012-13	2013-14	2014-15	2015-16
Tax Revenues	14,124 (9)	16,412 (9)	18,319 (10)	19,837 (9)	27,448 (11)
Non-Tax Revenues	3,038 (2)	3,536 (2)	3,753 (2)	4,335 (2)	5,853 (2)
Grants-in-Aid	5,257 (3)	4,822 (3)	4,065 (2)	7,393 (3)	7,337 (3)
Total Revenue Receipts	22,419 (15)	24,770 (14)	26,137 (14)	31,565 (15)	40,638 (16)
GSDP ^(*)	1,50,918	1,74,724	1,88,567	2,17,107	2,41,955

(*) Revised GSDP figures adopted as the figures were provided from Ministry of Statistics and Programme Implementation.

Note : Figures in parentheses represent per centage to GSDP in approaching round figure.

During 2015-16, growth in revenue collection was 29 per cent in respect of 2014-15, while GSDP growth was 11 per cent between 2014-2015 and 2015-2016. Tax Revenues increased by 38 per cent and Non-tax Revenue was also increased by 35 per cent. Significant collection was made under Non-ferrous Mining and Metallurgical Industries (₹ 4,384 crore), Taxes on Sales, Trade etc (₹ 8,999 crore) and Taxes on Income other than Corporation Tax (₹ 3,503 crore). The State's Own Revenue under certain Tax components like Taxes on Sales, Trade etc. (₹ 8,999 crore), State Excise (₹ 912 crore), Corporation Tax (₹ 5,031 crore) and Service Tax (₹ 2,755 crore) showed a high trend.

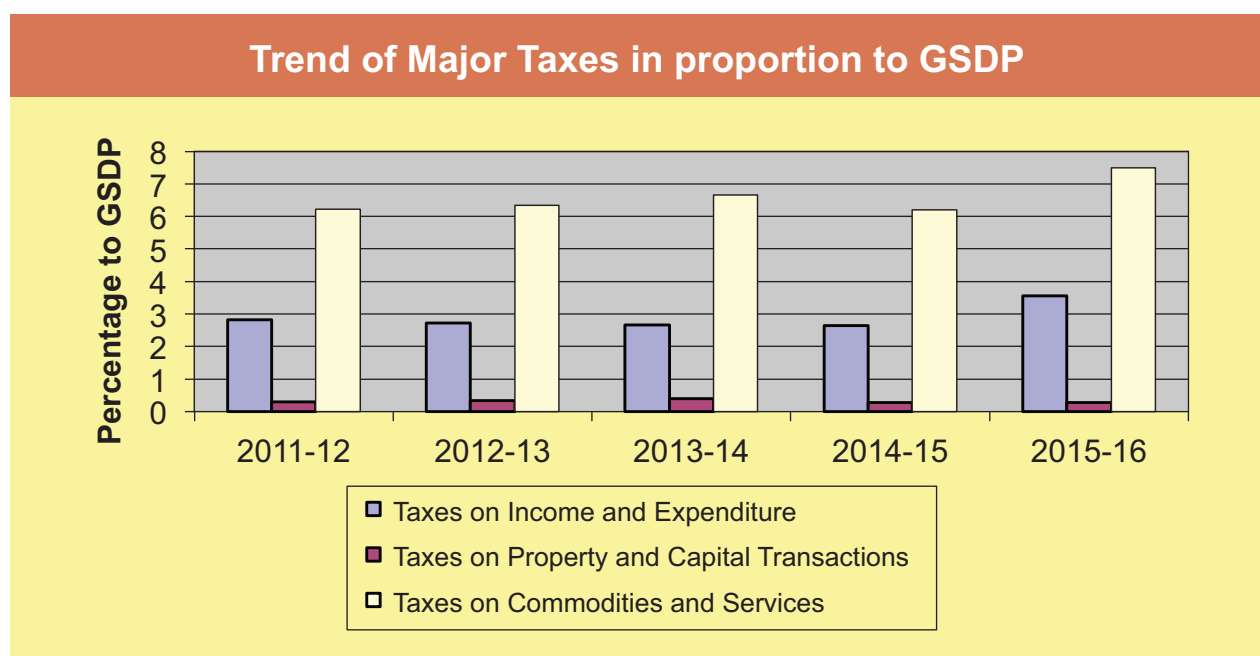


Sector-wise Tax Revenue

(₹ in crore)

	2011-12	2012-13	2013-14	2014-15	2015-16
Taxes on Income and Expenditure	4,256	4,745	5,036	5,736	8,617
Taxes on Property and Capital Transactions	465	594	741	623	697
Taxes on Commodities and Services	9,403	11,073	12,542	13,478	18,134
Total Tax Revenues	14,124	16,412	18,319	19,837	27,448

Primarily net proceeds of Central Share to the State



2.4 Performance of State's own Tax Revenue Collection

(₹ in crore)

Year	Tax Revenue	State share of Union taxes	State's Own Tax Revenue	
			Amount	Percentage to GSDP
(1)	(2)	(3)	(4)	(5)
2011-2012	14,124	7,170	6,954	5.52
2012-2013	16,412	8,188	8,224	5.25
2013-2014	18,319	8,939	9,380	4.96
2014-2015	19,837	9,487	10,350	5.24
2015-2016	27,448	15,969	11,479	4.74

The proportion of the State's Own Tax Revenue to GSDP (5 per cent).

2.5 Efficiency of Tax Collection

A. Taxes on Property and Capital Transactions

(₹ in crore)

	2011-12	2012-13	2013-14	2014-15	2015-16
Revenue Collection	465	594	741	623	697
Expenditure on Collection	171	182	190	196	219
Efficiency of Tax Collection (In per cent)	37	31	26	31	31

B. Taxes on Commodities and Services

(₹ in crore)

	2011-12	2012-13	2013-14	2014-15	2015-16
Revenue Collection	9,403	11,073	12,542	13,478	18,133
Expenditure on Collection	72	63	72	69	75
Efficiency of Tax Collection (In per cent)	0.8	0.6	0.6	0.5	0.4

Taxes on Commodities and Services form a major chunk of Tax Revenue. Tax collection marginally needs to be improved.

2.6 Trend in State's share of Union Taxes over the past five years

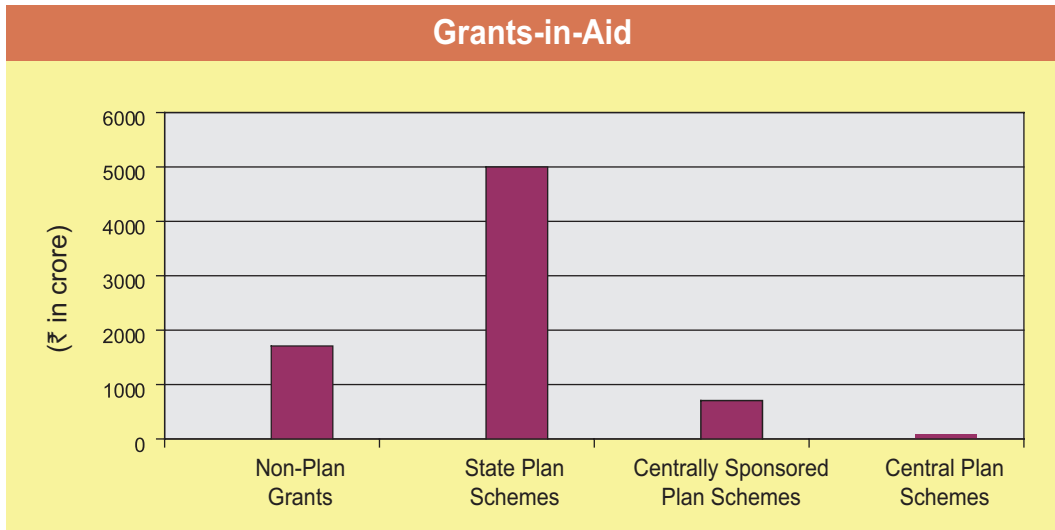
(₹ in crore)

Major Head description	2011-12	2012-13	2013-14	2014-15	2015-16
Corporation Tax	2,822	2,941	3,006	3,313	5,031
Taxes on Income other than Corporation Tax	1,434	1,761	1,980	2,366	3,503
Taxes on Wealth	11	5	8	9	1
Customs	1,343	1,361	1,459	1,534	2,551
Union Excise Duties	804	925	1,030	866	2,117
Service Tax	856	1,196	1,456	1,399	2,755
Other Taxes and Duties on Commodities and Services	...	...	....	...	10
State Share of Union Taxes	7,170	8,189	8,939	9,487	15,969
Total Tax Revenue	14,124	16,412	18,319	19,837	27,448
Percentage of Union Taxes to Total Tax Revenue	51	50	49	48	58

The decline in the State's share of Union excise duties is mainly due to lowering of tax rates on specific items by the Government of India from time to time.

2.7 Grants-in-Aid

Grants-in-Aid represent assistance from the Government of India, and comprise, Grants for State Plan Schemes, Central Plan Schemes and Centrally Sponsored Schemes approved by the Planning Commission and State Non-plan Grants recommended by the Finance Commission. Total Receipts during 2015-2016 under Grants-in-Aid were ₹ 7,338 crore as shown below ::



The share of Non-Plan Grants in total Grants-in-Aid decreased from 32 per cent during 2013-14 to 24 per cent in 2014-15 and further decreased to 23 per cent in 2015-16. The share of Grants for Plan Schemes increased from 68 per cent in 2013-14 to 76 per cent in 2014-15 and further increased to 77 per cent in 2015-16. As against a Budget Estimate of ₹ 15,022 crore of Union Share, the State Government has actually spent ₹ 7,337 crore of Grants-in-Aid (49 per cent of B.E.).

2.8 Public Debt

Trend of Public Debt over the past 5 years

(₹ in crore)

Description	2011-12	2012-13	2013-14	2014-15	2015-16
Internal Debt	2,639	4,960	4,597	6,537	13,080
Central Loans	32	239	106	153	165
Total Public Debt	2,671	5,199	4,703	6,690	13,245

In 2015-16, the State Government raised seven numbers of State Development Loans amounting to ₹ 5,350 crore. Details are given below :

(₹ in crore)

Sl. No.	Description	Amount	Rate of Interest	Redeemable in the Year
1.	JSDL	1,000	8.30	2025
2.	JSDL	500	7.98	2025
3.	JSDL	500	8.17	2025
4.	JSDL	500	8.17	2025
5.	JSDL	500	8.25	2025
6.	JSDL	500	8.42	2026
7.	JSDL	1,850	8.82	2026

Against the total Internal Debt of ₹ 13,080 crore of the State Government in 2015-16 plus the Central loan component of ₹ 165 crore received during this period, Capital expenditure was ₹ 15,639 crore.

JSDL - Jharkhand State Development Loans

EXPENDITURE

3.1 Introduction

Expenditure is classified as Revenue Expenditure and Capital Expenditure. Revenue expenditure is used to meet the day-to-day running of the organization. Capital expenditure is used to create permanent Assets, or to enhance the utility of such Assets, or to reduce permanent Liabilities. Expenditure is further classified under Plan and Non-Plan.

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

3.2 Revenue Expenditure

Revenue Expenditure of ₹ 36,553 crore for 2015-16, which is less than the Budget Estimates by ₹ 6,790 crore due to less disbursement of ₹ 227 crore under Non-Plan Expenditure and ₹ 6,563 crore under Plan Expenditure. The shortfall/excess of expenditure against budget estimates under Revenue Section during the past five years is given below:

(₹ in crore)

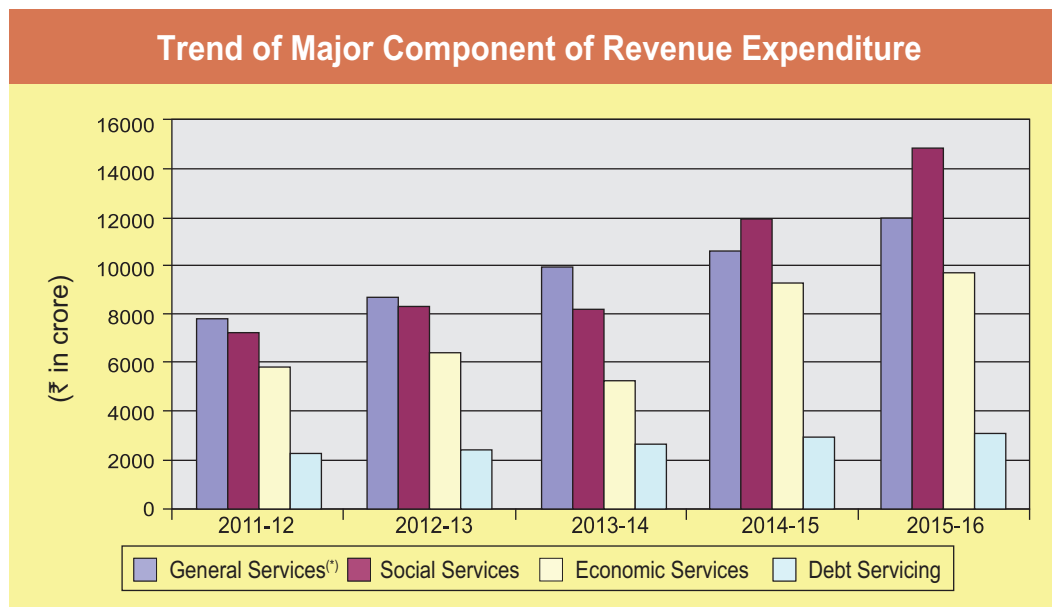
	2011-12	2012-13	2013-14	2014-15	2015-16
Budget Estimates	24,038	27,800	30,435	39,488	43,343
Actuals	20,991	23,400	23,472	31,795	36,553
Gap (-) Saving/(+) Excess	(-)3,047	(-) 4,400	(-) 6,964	(-) 7,693	(-) 6,790
Per centage of gap over BE	(-)13	(-) 16	(-) 23	(-) 19	(-) 16

3.2.1 Sectoral distribution of Revenue Expenditure (2015-16)

(₹ in crore)

Components		Amount	Percentage
A.	Fiscal Services		
	(i) Collection of Taxes on Property and Capital Transactions	219	0.60
	(ii) Collection of Taxes on Commodities and Services	75	0.21
	(iii) Other Fiscal Services	2	...
B.	Organs of State	419	1.15
C.	Interest Payments and Servicing of debt	3,320	9.08
D.	Administrative Services	3,975	10.87
E.	Pensions and Miscellaneous General Services	3,992	10.92
F.	Social Services	14,844	40.61
G.	Economic Services	9,707	26.56
H.	Grants-in-Aid and Contributions	...	...
	Total Expenditure (Revenue Account)	36,553	100.00

3.2.2 Major components of Revenue Expenditure (2011-2016)



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

3.3 Capital Expenditure

Capital disbursements for 2015-16 at 6 per cent of GSDP were more than Budget Estimates by ₹ 6,877 crore (more disbursement of ₹ 6,843 crore under Plan Expenditure and ₹ 34 crore under Non-Plan Expenditure).

3.3.1 Sectoral distribution of Capital Expenditure

During 2015-16, the Government spent ₹ 340 crore under Medical and Public Health, ₹ 234 crore on Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes and ₹ 3,374 crore on Roads and Bridges.

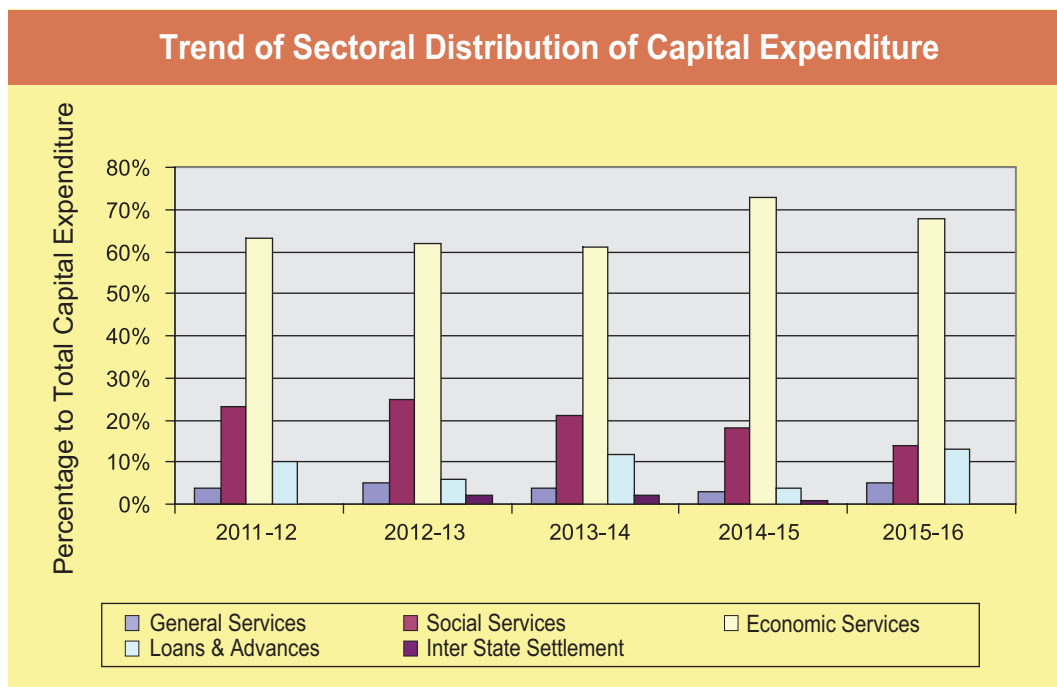
(₹ in crore)

Sl. No.	Sector	Amount	Percentage
1.	General Services – Police, Land Revenue etc.	571	4
2.	Social Services – Education, Health & Medical Education, Family Welfare, Water Supply, Welfare of SC/ST etc.	1,024	6
3.	Economic Services – Agriculture, Rural Development, Irrigation, Co-operation, Energy, Industries, Transport etc.,	6,564	42
4.	Loans and Advances Disbursed	7,480	48
5.	Inter State Settlement	...	...
Total		15,639	100

3.3.2 Sectoral distribution of Capital Expenditure over the past 5 years

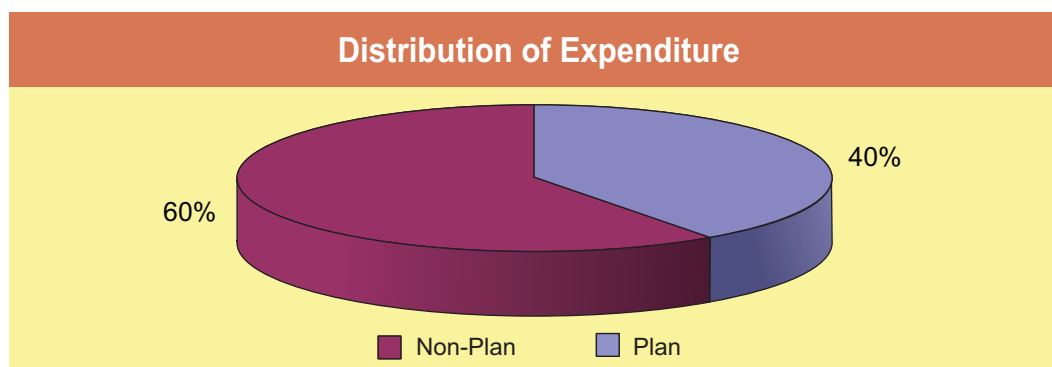
(₹ in crore)

Sl. No.	Sector	2011-12	2012-13	2013-14	2014-15	2015-16
1.	General Services	156	176	168	326	571
2.	Social Services	866	1,030	924	910	1,024
3.	Economic Services	2,137	3,012	3,631	4,307	6,564
4.	Loans and Advances	217	601	222	824	7,480
5.	Inter State Settlement	75	100	50	...	...
	Total	3,451	4,919	4,995	6,367	15,639



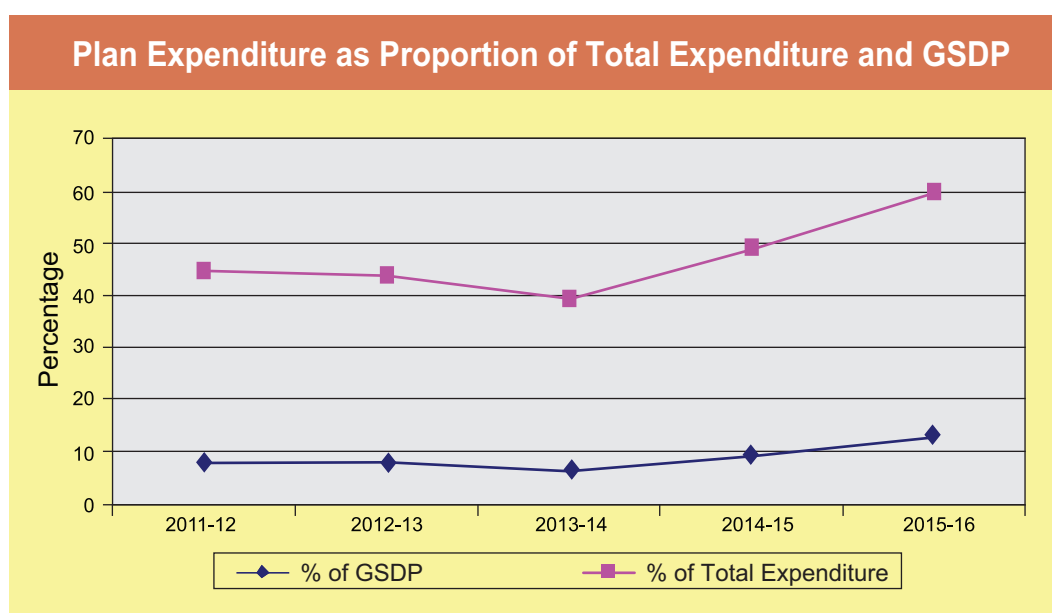
PLAN & NON-PLAN EXPENDITURE

4.1 Distribution of Expenditure (2015-2016)



4.2 Plan Expenditure

During 2015-2016, Plan Expenditure, representing 57 per cent of total disbursements, was ₹ 31,287 crore (₹ 1,901 crore under State Plan, ₹ 4,609 crore under Centrally Sponsored Plan Schemes, ₹ 254 crore under Central Plan Schemes and ₹ 7,408 crore under Loans and Advances).



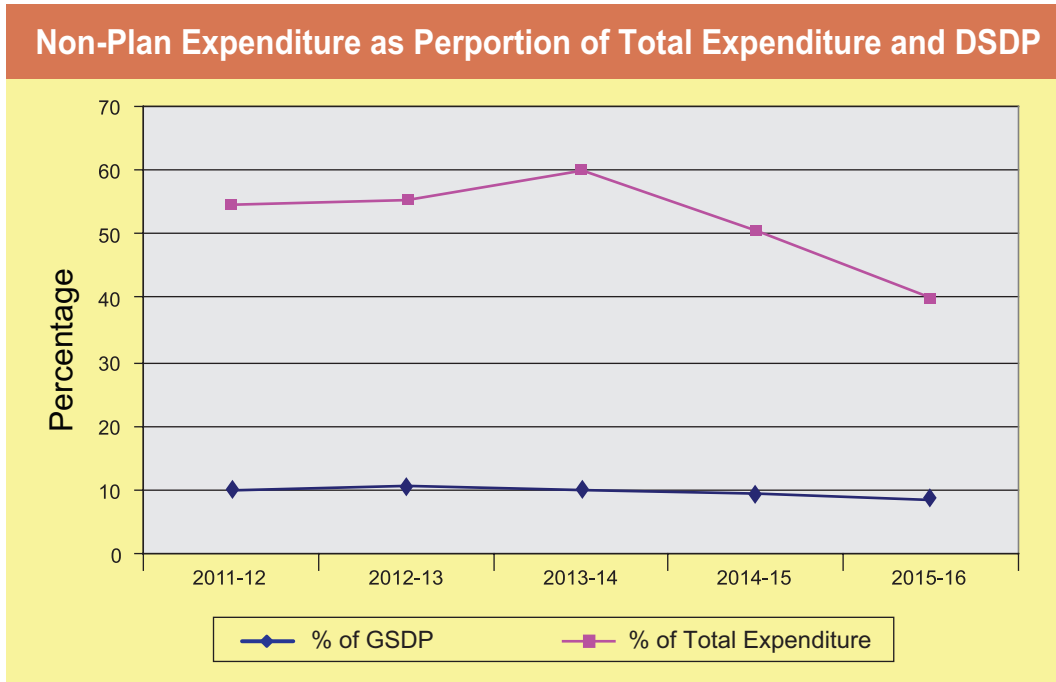
4.2.1 Plan Expenditure under Capital Account

(₹ in crore)

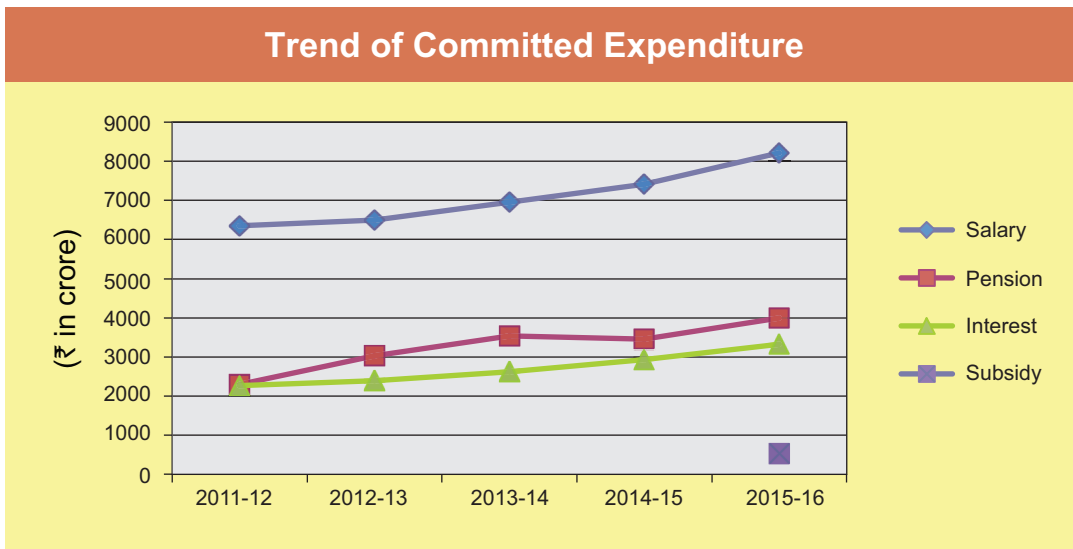
	2011-12	2012-13	2013-14	2014-15	2015-16
Total Capital Expenditure	3,451	4,919	4,945	6,367	15,639
Total Expenditure (Plan)	3,297	4,694	4,899	6,309	15,495
Percentage of Capital Expenditure (Plan) to Total Capital Expenditure	96	95	99	99	99

4.3 Non-Plan Expenditure

Non-Plan Expenditure during 2015-2016, representing 56 per cent of total disbursements, was ₹ 20,904 crore, (₹ 20,760 crore under Revenue and ₹ 144 crore under Capital).



4.4 Committed Expenditure



Expenditure on subsidy of ₹ 522 crore have been included in the committed expenditure during 2015-16.

(₹ in crore)

Component	2011-12	2012-13	2013-14	2014-15	2015-16
Committed Expenditure	10,916	11,912	13,033	13,809	16,050
Revenue Expenditure	20,991	23,400	23,471	31,795	36,553
Revenue Receipt	22,419	24,770	26,137	31,565	40,638
Percentage of Committed Expenditure to Revenue Receipts	49	48	50	44	39
Percentage of Committed Expenditure to Revenue Expenditure	52	51	56	43	44

The trend on Committed Expenditure leaves the Government with lesser flexibility for developmental spending.

APPROPRIATION ACCOUNTS

5.1 Summary of Appropriation Accounts for 2015-2016

(₹ in crore)

Sl. No.	Nature of expenditure	Original grant	Supplementary grant	Re-appropriation	Total	Actual expenditure	Savings (-) Excess (+)
1.	Revenue Voted	39,824	7,980	...	47,804	33,678	(-) 14,126
	Charged	3,519	16	...	3,535	3,386	(-) 149
2.	Capital Voted	8,675	2,157	...	10,832	8,159	(-)2,673
	Charged	...	...	...	...	...	...
3.	Public Debt Charged	2,259	15	...	2,274	2,246	(-) 28
4.	Loans and Advances Voted	1,216	6,813	...	8,029	7,480	(-) 549
Total		55,493	16,981	...	72,474	54,949	(-)17,525

5.2 Trend of Savings / Excess during the past five years

(₹ in crore)

Year	Savings (-) / Excess (+)				Total
	Revenue	Capital	Public Debt	Loans & Advances	
2011-12	(-) 5,178	(-) 4,838	(+) 220	(-) 242	(-) 10,038
2012-13	(-) 5,488	(-) 2,761	(+) 556	(-) 269	(-) 7,962
2013-14	(-) 9,060	(-) 2,990	(+) 182	(-) 568	(-) 12,436
2014-15	(-) 13,104	(-) 3,265	(-) 115	(-) 421	(-) 16,905
2015-16	(-) 14,275	(-) 2,673	(-) 28	(-) 549	(-) 17,525

5.3 Significant Savings

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

Some grants with persistent and significant savings are given below:

Grant	Nomenclature	2011-12	2012-13	2013-14	2014-15	2015-16
		(in per cent)				
1	Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division) *	34	37	58	56	54
20	Health, Medical Education and Family Welfare Department	32	38	22	41	38
29	Mines and Geology Department	32	25	33	38	43
43	Higher and Technical Education Department (Science and Technology Division) *	51	43	56	40	31

*The name of the grants has been changed from the Financial Year 2015-16.

During 2015-16, Supplementary Grants/Appropriations totaling ₹ 16,981 crore (31 per cent of Total Expenditure) proved to be unnecessary in some cases, where there were significant savings at the end of the year even against original allocations. A few instances are given below:-

(₹ in crore)

Grant	Nomenclature	Section	Original	Supplementary	Actual Expenditure
1	Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division) *	Revenue	896.69	448.06	594.28
2	Agriculture, Animal Husbandry and Co-operative Department (Animal Husbandry Division) *	Revenue	173.29	10.99	146.61
20	Health, Medical Education and Family Welfare Department	Revenue	2,490.45	275.45	1,818.63
23	Industries Department	Revenue	362.07	71.76	301.35
26	Labour, Employment and skill Development Department *	Revenue	1,456.87	35.26	403.04
36	Drinking Water and Sanitation Department	Revenue	1,173.24	179.34	799.01
40	Revenue and Land Reforms and Registration Department (Revenue and Land Reforms Division) *	Revenue	429.94	7.00	324.53
41	Road Construction Department	Capital	2,988.20	400.00	3,373.83
42	Rural Development Department (Rural Development Division) *	Revenue	3,138.98	618.34	2,476.21
48	Urban Development and Housing Department (Urban Development Division) *	Revenue	1,655.64	788.93	1,556.13
51	Welfare Department (Welfare Division) *	Revenue	1,135.53	199.49	1,172.04
54	Agriculture, Animal Husbandry and Co-operative Department (Dairy Division) *	Revenue	116.76	122.17	180.01
56	Rural Development Department (Panchayati Raj Division) *	Revenue	1,522.70	806.62	822.96
58	School Education and Literacy Department (Secondary Education Division) *	Revenue	1,283.10	152.74	1,052.63
60	Women, Child Development and Social Security Department *	Revenue	1,814.38	1,161.12	1,868.37

* The name of Grants have been changed from the Financial Year 2015-16

ASSETS AND LIABILITIES

6.1 Assets

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

During 2015-2016, Government invested ₹ 20 crore, and ₹ 0.47 crore as dividend/ interest received during the year.

Cash Balance with RBI stood at ₹ (-) 224.13 crore on 31 March 2015 and decreased to ₹ (-)203.93 crore at the end of March, 2016.

6.2 Debt and Liabilities

Outstanding Public Debt at the end of 2015-2016 was ₹ 45,841 crore comprising Internal Debt of ₹ 43,756 crore and Loans and Advances from Central Government of ₹ 2,085 crore. In addition, other Liabilities accounted under Public Account was ₹ 10,689 crore.

The State also acts as a banker and trustee in respect of deposits like Small Savings Collections, Provident Funds and Deposits. There was an overall increase of ₹ 12,961 crore in respect of such liabilities of the State Government during 2015-2016.

Interest payments on debt and other liabilities totaling ₹ 3,320 crore constituted 9 per cent of Revenue Expenditure of ₹ 36,553 crore. Interest payments on Internal Debts were ₹ 2,968 crore (₹ 367 crore on Other Internal Debt , ₹ 1,628 crore on Market Loans raised by State Government, ₹ 967 crore on Special Securities issued to National Small Savings Fund of Central Government by State Government and ₹ 7 crore on Other Liabilities). Expenditure on account of Interest Payments increased by ₹ 391 crore during 2015-2016.

The Internal Debt of ₹ 13,080 crore raised during 2015-2016 was mainly used for discharge of debt obligations ₹ 2,079 crore and payment of interest ₹ 2,968 crore.

6.3 Investments And Returns

Total Investments as Share-Capital in Statutory Corporations, Rural Banks, Government Companies, Joint Stock Companies etc. stood at ₹ 262 crore at the end of 2015-2016. ₹ 0.47 crore as Dividends received during the year, while investments in Statutory Corporations, Rural Banks, Government Companies, Joint Stock Companies etc. increased by ₹ 20 crore.

6.4 Guarantees

The Guarantees given by the composite State of Bihar upto 14.11.2000 has not been allocated between the successor States, Bihar and Jharkhand so far (October 2016). A sum of ₹ 157 crore was outstanding at the beginning of the year 2015-16. Therefore, the outstanding amount at the end of the year 2015-16 is ₹ 157 crore. Detailed information regarding outstanding guarantee of ₹ 157 crore has not been intimated by the State Government.

During the year 2015-16 no Guarantee has been given by the State Government However, a sum of ₹ 157 crore was outstanding at the end of the year 2015-16. The State Government has not created a Guarantee Redemption Fund. Under the guidelines, the State Government is required to make a minimum annual contribution of 0.5 per cent of outstanding Guarantee at the beginning of the year. Consequently, no contribution (estimated at ₹ 0.79 crore, which is 0.5 per cent of outstanding Guarantee of ₹ 157 crore as on 1 April 2015) was made. This has resulted in overstatement of Revenue Surplus to the extent of a minimum of ₹ 0.79 crore.

OTHER ITEMS

7.1 Balances under Internal Debt

Borrowings of State Governments are governed by Article 293 of the Constitution of India. In addition to directly raising loans, State Governments also guarantee loans raised by Government Companies and Corporations from the market and financial institutions for implementation of various Plan schemes and programmes which are projected outside the State Budget. These loans are treated as receipts of the concerned Administrative Departments and do not appear in the books of the Government. The balances under Internal Debt is ₹ 43,756 crore as on March 2016.

7.2 Loans and Advances by the State Government

Total Loans and Advances made by the State Government at the end of 2015-16 was ₹ 16,186 crore. Of this, Loans and Advances to Government Corporations / Companies, Non-Government Institutes and Local Bodies amounted to ₹ 16,076 crore. Recovery of Principal aggregating to ₹ 436 crore and Interest amounting to ₹ 904 crore is in arrears at the end of 31 March 2016.

7.3 Financial Assistance to Local Bodies and others

During the year, Grants-in-Aid to Local Bodies etc., increased from ₹ 12,404 crore in 2014-15 to ₹ 14,891 crore in 2015-16. Grants to Zilla Parishads, Panchayat Samitees and Municipalities (₹ 5,053 crore) represented 34 per cent of total grants given during the year.

Details of Grants-in-aid for past 3 years are as under :

(₹ in crore)

Year	Zilla Parishads	Municipalities	Panchayat Samitees	Others	Total
2013-14	421	88	484	5,429	6,422
2014-15	532	1,620	2,846	7,406	12,404
2015-16	3,407	1,646	0.00	9,838	14,891

7.4 Cash Balance and Investment of Cash Balance

(₹ in crore)

Component	As on 1 April 2015	As on 31 March 2016	Net increase (+) / decrease (-)
Cash Balances	(-) 224	(-)204	(-)428
Investments from cash balance (GOI Treasury Bills)	666	2,102	(+)1,436
Interest realized	127	117	(-)10

7.5 Reconciliation of accounts

Accuracy and reliability of accounts depend, among other things, on timely reconciliation of the figures available with the departments and the figures appearing in the accounts compiled by the Accountant General (Accounts and Entitlements). This exercise is to be conducted by respective Heads of Departments. The reconciliation of accounts of many departments is in arrears. In 2015-16, only 47.97 per cent (₹ 26,245.20 crore) of the total expenditure of ₹ 54,715.71 crore of the State Government was reconciled. Similarly, out of total Receipts of ₹ 48,511.29 crore, only 64.44 per cent (₹ 31,259.34 crore) was reconciled. The status of reconciliation of accounts in respect of the Chief Controlling Officers (CCO) of different departments is given below :

Particulars	Total No. of CCOs	Fully Reconciled	Partially Reconciled	Not Reconciled
Expenditure	180	36	71	73
Receipts	100	19	09	72
Total	280	55	80	145

Some chronic defaulters in reconciliation are listed below :

Sl. No.	Name of the Department / Chief Controlling Officer	Year / Years pending
1.	Secretary, Agriculture	2013-14, 2014-15, 2015-16
2.	Director, Panchayati Raj	2013-14, 2014-15, 2015-16
3.	Secretary, P.H.E.D.	2013-14, 2014-15, 2015-16
4.	Director, Health Service	2013-14, 2014-15, 2015-16
5.	Secretary, Urban Development	2013-14, 2014-15, 2015-16
6.	Addl. Secretary, Home Section IV Village Police Comissioner, North C.N. Division, Hazaribagh Commissioner, South C.N. Division, Ranchi	2013-14, 2014-15, 2015-16
7.	I.G.(Prison), Home Department	2013-14, 2014-15, 2015-16
8.	Dy. Secretary, Higher and Technical Education Department (Higher Education Division) Dy. Secretary, Primary and Adult Education	2013-14, 2014-15, 2015-16
9.	Secretary, Finance Department, Revenue & L.R.	2015-16
10.	Commissioner of Labour	2013-14, 2014-15, 2015-16
11.	Under Secretary, Health and Family Welfare	2013-14, 2014-15, 2015-16
12.	Dy. Secretary, Rural Development Department	2013-14, 2014-15, 2015-16
13.	Commissioner of Commercial Tax	2013-14, 2014-15, 2015-16

7.6 Submission of Accounts by Treasuries

The rendition of initial accounts by the Treasuries is satisfactory. However, submission of accounts by the Public Works and Forest Departments should improve.

7.7 Abstract Contingent (AC) Bills and Detailed Contingent (DC) Bills

The Drawing and Disbursing Officers are authorized to draw sums of money by preparing Abstract Contingency Bill by debiting Service Heads and they are required to present Detailed Contingency Bill along with sub-vouchers in support of charges in all cases within a specified period. Presently 10,983 DC bills amounting to ₹ 5,471 crore from the year 2000-01 to 2015-16 (position as on 31.03.2016) have not been received in this office. Drawal of money in AC Bill reflects disbursement and does not represent actual expenditure made.

7.8 Commitments on Account of Incomplete Capital Works

A total expenditure of ₹ 3,004 crore was incurred during the year 2015-2016 by the State Government on various incomplete projects.

7.9 Rush of Expenditure

The financial rules stipulate that rush of expenditure particularly in the closing month of the financial year shall be regarded as a breach of financial regularity and should be avoided. However, the expenditure incurred under certain selected Heads of Account during March 2016 ranged between 50 per cent to 100 per cent of the total expenditure during the year indicating a tendency to utilize the budget at the close of the financial year. The flow of expenditure during the four quarters of 2015-2016 in the below mentioned Heads was as under :

Head of Account	Description	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	Total	During March	Per centage of 3/2016 w.r.t. Total expenditure of 2015-2016
		(₹ in crore)						
2204	Sports & Youth Welfare	1.72	3.17	4.45	26.91	36.25	22.85	63.03
2205	Art and Culture	0.77	0.90	1.15	18.87	21.69	16.59	76.49
2216	Housing	1.50	4.86	5.96	27.65	38.47	23.41	60.85
2217	Urban Development	78.27	194.33	222.40	934.85	1351.58	746.81	55.25
2705	Command Area Development	0.00	0.00	0.00	0.58	0.58	0.58	100

Head of Account	Description	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	Total	During March	Per centage of 3/2016 w.r.t. Total expenditure of 2015-2016
		(₹ in crore)						
2810	New and Renewable Energy	0.00	0.00	32.00	48.00	80.00	48.00	60.00
4225	Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes	0.00	4.17	57.02	173.19	234.38	125.18	53.41
4235	Capital Outlay and Social Security and Welfare	0.00	0.00	3.21	85.59	88.81	83.73	94.28
4250	Capital Outlay on other Social Services	0.00	0.90	1.33	7.17	9.40	6.80	72.34
4403	Capital Outlay on Animal Husbandry	0.00	1.50	0.84	9.55	11.89	8.83	74.26
5053	Capital Outlay on Civil Aviation	0.00	0.00	0.00	100.00	100.00	69.18	69.18
5452	Capital Outlay on Tourism	0.50	0.06	13.62	47.24	61.42	33.89	55.18
5465	Investments in General Financial & Trading Institutions	0.00	0.00	0.00	2.00	2.00	2.00	100

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