

Preface

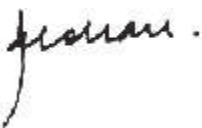
This is the twelfth issue of our Annual Publication 'Accounts at a Glance'.

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

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

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

Srinagar
Dated:


(VENKATESH MOHAN)
PRINCIPAL ACCOUNTANT GENERAL

CHAPTER I

OVERVIEW

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

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

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

There are two main divisions under the Consolidated Fund:

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

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

In the Contingency Fund, the transactions connected with the Contingency Fund established under Section 116 of the Constitution of Jammu and Kashmir are recorded.

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

Annual Accounts of the Government of Jammu and Kashmir for the year 2009-2010 have recently been presented to the State Legislature. Audit Report of the Comptroller and Auditor General of India for the year 2009-2010 is being presented separately.

Finance Accounts

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

During 2009-2010 total receipts amounted to ₹ 21607 crore, comprising Revenue Receipts of ₹ 17588 crore (Rs.4942 crore Tax revenue, ₹ 955 crore Non-Tax revenue and ₹ 11691 crore Grants-in-aid and Contributions), and Capital Receipts of ₹ 4019# crore.

Total disbursements during the year amounted to ₹ 21607 crore out of which ₹ 15324 crore (71 %) were disbursed on revenue account and the balance ₹ 6283 crore (29 %) on capital account.

Appropriation Accounts

Appropriation Accounts bring out the expenditure of the State Government against amounts voted and charged by the State Legislature and supplement the Finance Accounts. These comprise accounts of 7 Charged Appropriations and 29 Voted Grants.

Appropriation Acts, 2009-2010 had projected a Gross Expenditure of ₹ 24824 crore, including Supplementary Grants totaling ₹ 1117 crore, voted by State Legislature during the year. An amount of ₹ 2320 crore was projected as recovery in reduction of expenditure.

Appropriation Accounts 2009-2010 show disbursements aggregating ₹ 26214* crore against the aggregate budget provision of ₹ 24824* crore, resulting in net Excess of ₹ 1390 crore against Grants and Appropriations. The net excess from budget was mainly under the grants controlled by:-

Sl.No.	Department	Grant No	Net Excess over Budget (₹ in crore)
1.	Finance Department	08	2284
2.	Public Works	16	240
3.	Public Health Engineering	23	134
4.	Power Development Department	06	112
5.	Higher Education Department	27	111
6.	Tourism Department	20	53
7.	Social Welfare Department	18	20

Recoveries in reduction of expenditure amounted to ₹ 1033 crore reflecting decrease of ₹ 1287 crore vis-à-vis budget estimates.

* Comprises gross Revenue expenditure, Capital outlay, Repayment of Public Debt and Payment of Loans and Advances both Voted & Charged and Original & Supplementary.

Comprises Recovery of Loans and Advances (₹ 2 Crore), Capital Receipts (₹ 28 crore), net receipts from Public Debt (₹ 2121 Crore), Contingency Fund (₹ (-) 1.00 Crore), Public Account (₹ 1874 Crore) minus increase in Cash Balance (₹ 5 Crore)

CHAPTER-II

HIGHLIGHTS OF ACCOUNTS

(₹ in crore)

S. No.		Budget Estimates 2009-2010		Actuals		Percentage of Actuals to B.E	Percentage of Actuals to GDP
1.	Tax Revenue	(A)	4891	(A)	4942	101	13
2.	Non-Tax Revenue		1219		955	78	2
3.	Grants-in-aid & Contributions		13252		11691	88	31
4.	Revenue Receipts (1+2+3)		19362		17588	91	46
5.	Recovery of Loans & Advances		3		2	67	**
6.	Other Receipts		-		28	100	**
7.	Borrowings and other liabilities	(B) @	2205	(B)	3989	181	10
8.	Capital Receipts (5+6+7)		2208		4019	182	10
9.	Total Receipts (4+8)		21570		21607	100	56
10.	Non-Plan Expenditure (NPE)		14209		14919	105	39
11.	NPE on Revenue Account		14023		14771	105	39
12.	NPE on Interest Payments out of 11		1726		2138	124	6
13.	NPE on Capital Account	#	186	#	148	80	**
14.	Plan Expenditure (PE)		7361		6688	91	17
15.	PE on Revenue Account		703		553	79	1
16.	PE on Capital Account		6658		6135	92	16
17.	Total Expenditure (10+14)	(C)	21570	(C)	21607	100	56
18.	Revenue Expenditure (11+15)		14726		15324	104	40
19.	Capital Expenditure (13+16)	(D)	6844	(D)	6283	92	17
20.	Revenue surplus (4-18)		4636		2264	49	6
21.	Fiscal Deficit (4+5+6-17)		2205		3989	181	10

(A) Estimates / Actuals include share of net proceeds of the Divisible Union Taxes assigned to State (Estimates : ₹ 1880 crore; Actuals: ₹ 1915 crore)

(B) Estimates / Actuals comprise net receipts from Public Debt (including temporary loans from the Jammu and Kashmir Bank Limited); Contingency Fund, Public Account minus increase in cash balances.

(C) Estimates / Actuals comprise Revenue Expenditure, Capital outlay and Loans and Advances given by the State Government.

(D) Estimates/Actuals comprises Capital outlay and Loans and Advances disbursed (Estimates : ₹ 6779 crore and ₹ 65 crore respectively) (Actuals: ₹ 6234 Crore and ₹ 49 Crore respectively).

** Less than 0.5 percent.

@ Includes provision for Additional Resources Mobilization of ₹ 100 Crore. However, the Budget for 2009-10 does not specifically indicate the source through which it was proposed to be mobilized.

Includes Estimates (₹ 65 crore) and Actuals (₹ 49 Crore) of loans and Advances disbursed by the Govt.

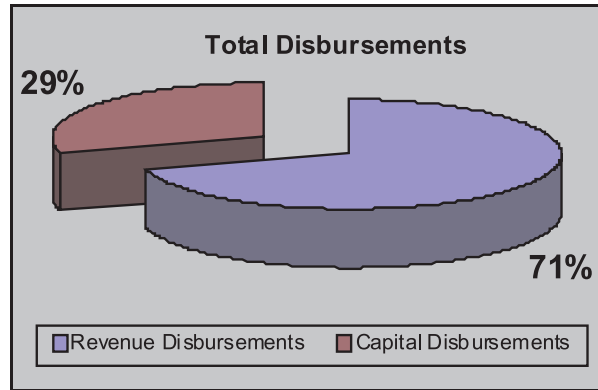
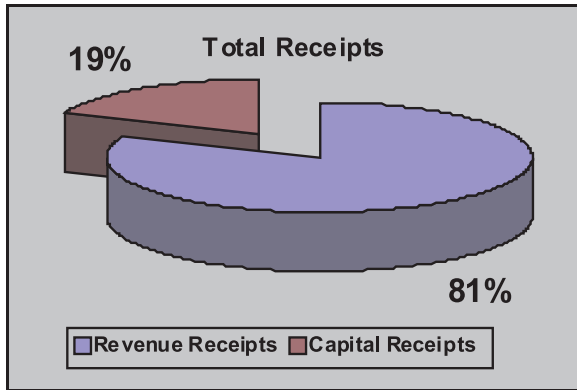
Receipts and Disbursements

Total receipts during the year were ₹ 21607 crore, against which total disbursements were ₹ 21607 crore.

The following table summarizes the State Accounts for 2009-2010:-

(₹ in crore)

Total Receipts	21607	Total Disbursements	21607
Revenue Receipts	17588	Revenue Disbursements	15324
Capital Receipts	4019	Capital Disbursements	6283



RECEIPTS

Revenue Receipts

Net Tax Revenue of ₹ 4942 crore and Non-Tax Revenue of ₹ 955 crore during 2009-2010 formed 13 per cent and 2 per cent respectively of the GSDP. Major contributors to Revenue were Grants-in-aid and Contributions.

Net Tax Receipts (including divisible taxes transfers) during the year were more than the budget estimates by ₹ 51 crore and non-tax receipts were less than the budget estimates by ₹ 264 crore during 2009-2010.

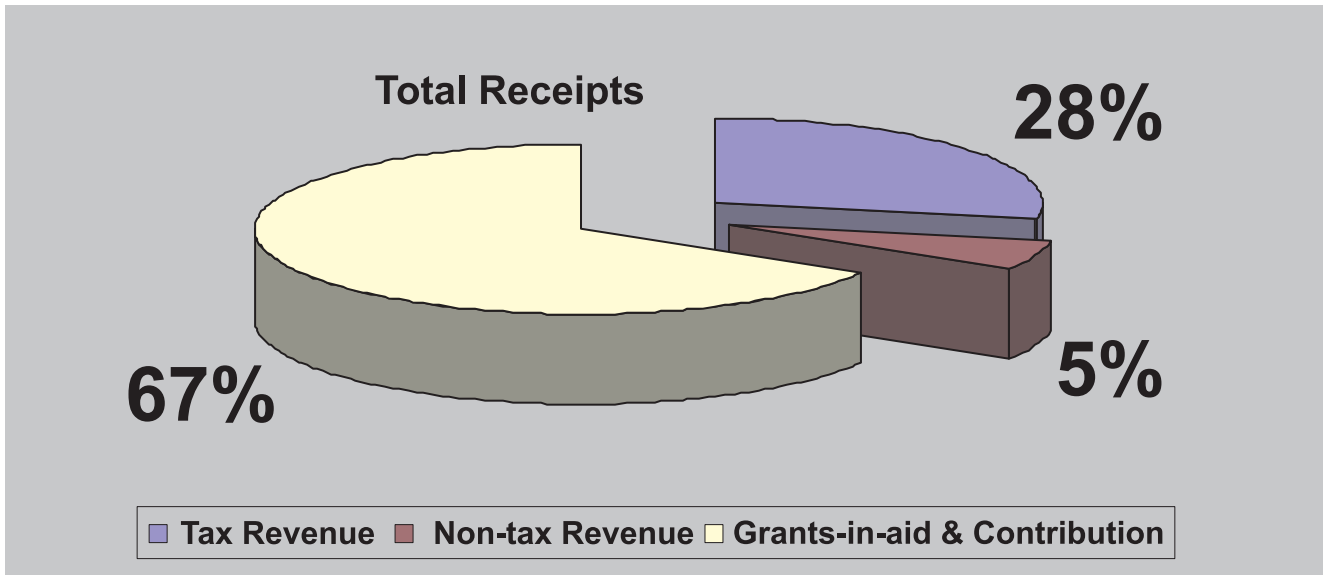
Share of various Tax, Non-Tax Revenue and Grants-in-Aid and Contributions to Total Revenue Receipts is given below: -

Revenue Receipts and Grants-in-aid and Contributions

Components	Actuals (₹ in crore)	Percentage to total Revenue Receipts
A. Tax Revenue	4942	28
Taxes on Income and Expenditure *	1372	8
Taxes on Property and Capital Transactions	87	**
Taxes on Commodities and Services	3483	20
B. Non-tax Revenue	955	5
Fiscal Services	-	-
Interest Receipts, Dividends and Profits	55	**
General Services	54	**
Social Services	32	**
Economic Services	814	5
C. Grants-in-aid and Contributions	11691	67
TOTAL-REVENUE RECEIPTS	17588	100

* (Share of Net proceeds of Corporation Tax and Taxes on Income other than Corporation Tax assigned to State)

** Less than 0.5percent



Capital Receipts

Compared to the Budget Estimates, there was an overall increase of ₹ 1811 crore in Capital Receipts. This was mainly under Public Debt and Deposits and Advances.

DISBURSEMENTS**Revenue Disbursements**

Revenue Disbursement (net) was 40 percent of GSDP. It exceeded the budget estimates by ₹ 598 crore ₹ 748 crore excess under Non-Plan and ₹ 150 crore less under Plan.

Capital Disbursements

Capital Disbursements were 16 percent of the GSDP. It fell short of the budget estimates by ₹ 561 crore. Under the Non-Plan, Capital disbursements fell short by ₹ 38 crore and by ₹ 523 crore under Plan.

Plan Disbursements

During the year 2009-2010, Plan disbursements amounted to ₹ 6688 crore under State and Central Plans.

Non-Plan Disbursements

Non-plan Disbursements during 2009-2010 were ₹ 14919 crore, consisting of ₹ 14771 crore under Revenue and ₹ 148 crore under Capital.

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

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

Components	Amount (₹ in crore)	Percentage to Total Revenue Expenditure
A. Fiscal Services	141	1
(i) Collection of Taxes on Income and Expenditure	-	-
(ii) Collection of Taxes on Property and Capital transactions	49	*
(iii) Collection of Taxes on Commodities and Services	91	1
(iv) Other Fiscal Services	1	*
B. Organs of State	108	1
C. Interest Payments and Servicing of debt	2139	14
D Administrative Services	2489	16
E. Pensions and Miscellaneous General Services	1568	10
F. Social Services	4258	28
G. Economic Services	4621	30
H. Grants-in-aid and Contributions	-	-
TOTAL EXPENDITURE (REVENUE ACCOUNT)	15324	100

* less than 0.5 percent.

DEBT AND LIABILITIES

Outstanding Debt at the end of 2009-2010 stood at ₹ 28724 crore, comprising Internal Debt of ₹ 15449 crore, Loans and Advances from Central Government ₹ 3144 crore and other liabilities accounted under Public Account ₹ 10131♥ 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 ₹ 2237 crore in respect of such liabilities of State Government during 2009-2010.

Interest payments on debt and other liabilities totaling ₹ 2138 crore constituted 14 percent of revenue expenditure of ₹ 15324 crore. Interest payments on public debts were ₹ 1667 crore (Internal debt

₹ 1584 crore and loans and advances from Central Government ₹ 83 crore) and ₹ 471 crore on other liabilities. Expenditure on account of interest payments increased by ₹ 561 crore during 2009-2010.

Internal debt of ₹ 5663 crore raised during 2009-2010 was mainly used for (i) discharge of debt obligations (₹ 3574 crore) and (ii) payments of interest (₹ 2138 crore).

INVESTMENTS AND RETURNS

Total investment as share capital in Statutory Corporations, Rural Banks, Government Companies, Joint Stock Companies and Partnerships and Co-operative Institutions and Local Bodies stood at ₹ 181.91 crore, ₹ 6.46 crore, ₹ 211.50 crore, ₹ 0.34 crore and ₹ 22.62 crore respectively aggregating to ₹ 422.83 crore at the end of 2009-2010. A dividend of ₹ 44.16 crore# was received during 2009-2010. While investments during 2009-2010 increased by ₹ 58.22 crore, as compared to 2008-2009, increase in dividend has been ₹ 3.31 crore.

LOANS AND ADVANCES BY THE STATE GOVERNMENT

Total loans and advances made by the State Government at the end of 2009-2010 are ₹ 1066 crore. Recovery of principal amount aggregating ₹ 6 crore* and interest on loan amounting to ₹ 11* crore is in arrears at the end of 31st March, 2010.

Total loans and advances to Government Corporations/Companies, non-Government Institutes, Local bodies, etc. at the end of 2009-2010 are ₹ 741 crore.

FINANCIAL ASSISTANCE TO LOCAL BODIES AND OTHERS

Assistance to Local Bodies etc. during 2009-2010 was ₹ 552 crore. It increased from ₹ 274 crore in 2005-2006 to ₹ 552 crore in 2009-2010 showing 101 per cent increase in the last five years. Institutions receiving financial assistance from the Education, Housing and Urban Development Department, Agriculture Department and Tourism Department consumed the major portion of the total grant during the five years from 2005-2006 to 2009-2010.

The Jammu & Kashmir Bank Limited have credited ₹ 43.56 crore and Jammu and Kashmir Cements Limited ₹ 0.60 crore into Government Account during 2009-2010 representing dividends relating to profits for the years 2008-2009 and 2005-2006 respectively.

* Relate to Loans, the detailed accounts for which are maintained by the AG's Office. Information regarding recoveries in arrears (both principal and interest) in respect of Loans the detailed Accounts of which are maintained by the Departmental Officers has not been furnished by the concerned departments.

♥ Comprises Credit balances under Small Savings, Provident Funds, Reserve Funds(excluding investment of ₹ 11 Crore out of Reserve Funds) and Deposits.

COMMITMENTS ON ACCOUNT OF INCOMPLETE CAPITAL WORKS

Upto the end of the year 2009-2010, a total expenditure of ₹ 495 crore was incurred by the State on various projects, estimated to cost ₹ one crore and above, taken up by Engineering Departments*.

APPROPRIATION ACCOUNTS

The Appropriation Accounts of the Government of Jammu and Kashmir for the year 2009-2010 present the accounts of sums expended in the year ended 31st March, 2010 compared with the sums specified in the Schedules appended to the Appropriation Acts passed under Section 81 and 82 of the Constitution of Jammu and Kashmir.

The Appropriation Accounts show that in the year 2009-2010, there was actual expenditure of ₹ 26214 crore, comprising ₹ 15587 crore of Revenue Expenditure, ₹ 7004 crore of Capital Expenditure, ₹ 3574 crore of Repayment of Debt, and ₹ 49 crore of Loans and Advances by the State Government. There were savings/excesses under Revenue / Capital / Public Debt / Loans and Advances with reference to total grants allocated by the State Legislature.

(₹ in crore)

S. No.	Nature of expenditure	Original grant	Supplementary grant	Re-appropriation	Total	Actual expenditure	Savings (-) Excesses (+)
1.	Revenue						
	Voted	13405	296	-	13701	13427	(-) 274
	Charged	1754	226	-	1980	2160	(+) 180
2.	Capital						
	Voted	7675	595	-	8270	7004	(-) 1266
	Charged	-	-	-	-	-	-
3.	Public Debt						
	Charged	808	-	-	808	3574	(+) 2766
4.	Loans and Advances						
	Voted	65	-	-	65	49	(-) 16
	Total	23707	1117	-	24824	26214	(+)1390

* Information in respect of Roads and Bridges (Public Works) and Irrigation and Flood Control Departments of Kashmir Division is awaited (Sept, 2010)

Details of persistent savings / excesses on a few selected grants / appropriations are given below:

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

Revenue Section			
Year	Grant No./Department	Total allocation (₹ in crore)	Percentage of Savings to total grant
Savings:-			
2005-2006	1/General Administration Department	133	13
2006-2007		89	2
2007-2008	-do-	97	19
2008-2009	-do-	106	14
2009-2010	-do-	141	20
2005-2006	2/Home Department	1174	10
2006-2007	-do-	1302	8
2007-2008	-do-	1475	14
2008-2009	-do-	1722	5
2009-2010	-do-	2033	7
2005-2006	7/Education Department	1015	9
2006-2007	-do-	1087	5
2007-2008	-do-	1235	10
2008-2009	-do-	1399	15
2009-2010	-do-	1937	13
2005-2006	11/Industries and Commerce Department	88	6
2006-2007	-do-	93	9
2007-2008	-do-	95	6
2008-2009	-do-	105	9
2009-2010	-do-	134	14
2005-2006	17/Health and Medical Department	532	8
2006-2007	-do-	579	4
2007-2008	-do-	625	4
2008-2009	-do-	722	10
2009-2010	-do-	873	5
2005-2006	22/Irrigation and Flood Control Department	184	5
2006-2007	-do-	199	5
2007-2008	-do-	230	9
2008-2009	-do-	228	5
2009-2010	-do-	287	13

Capital Section

Year	Grant No. Department	Total allocation (₹ in crore)	Percentage of Savings to total grant
2005-2006	1/General Administration Department	25	68
2006-2007	-do-	36	38
2007-2008	-do-	50	40
2008-2009	-do-	35	27
2009-2010	-do-	29	28*
2005-2006	13/Animal Husbandry Department	10	40
2006-2007	-do-	13	52
2007-2008	-do-	12	42
2008-2009	-do-	18	47
2009-2010	-do-	25	36

Persistent excess of expenditure over allocation for the years 2005-2006 to 2009-2010 has also been registered as detailed below:-

Revenue Section

Year	Grant No. Department	Total allocation (₹ in crore)	Percentage of Excess to total grant
2005-2006	25/Labour, Stationery and Printing	24	46
2006-2007	-do-	25	44
2007-2008	-do-	28	42
2008-2009	-do-	32	31
2009-2010	-do-	36	132

* As against persistent Saving from 2005-2006 to 2008-2009 an excess of 28 percent over total allocation for 2009-2010 was recorded.

DEFICIENCY IN BUDGET DOCUMENTS

In a significant departure from the budgetary practice envisaged in Jammu and Kashmir Budget Manual, the State Government placed lumpsum Budgetary Grants with the Controlling Officers against some specific schemes having various primary units and the Drawing and Disbursing Officers continued to incur expenditure on various schemes, not contemplated in the approved Demand for Grants.

Besides, Plan provision has invariably been indicated in lumpsum below each Major head of Account. Although, a Plan Budget document has been issued separately, this publication also proved inadequate as lump sum provision could not be distributed among proper schemes for preparation of Appropriation Accounts. Further, the supplementary grants in most of the cases have been obtained in lumpsum against the respective Major heads without giving schematic breakup there under.

Due to these deviations from the basic Government Accounting Principles, Audit has been deprived of:

- (a) Making comparison of excess/ saving sub head-wise to the extent of 23% of total provision of ₹ 24824 crore.
- (b) Comment as to whether the expenditure incurred on the schemes was legally available and not utilized on any “New Instrument of Service/ New Service” not provided for in the approved Demand for Grants.
- (c) Comment as to whether there was the need for obtaining additional funds for a particular scheme or and whether the supplementary grants obtained were fully utilized on the schemes for which these funds were obtained.

RECONCILIATION OF ACCOUNTS

Accuracy and reliability of accounts depend, among other things, on timely reconciliation of the departmental figures with the accounts figures. Before annual accounts are finalized, the Heads of the Departments / Controlling Officers reconcile the departmental accounts figures with those booked in accounts compiled by the Accountant General. The reconciliation of accounts figures is to be done monthly but in the year 2009-2010 there was delay in reconciliation of the accounts by the departmental authorities. Out of a total number of 311 Controlling Officers, 104 Controlling Officers had not completed the reconciliation in respect of the expenditure of ₹ 12731 Crore which constituted 59% of the total revenue and Capital expenditure during the year 2009-2010.

SUBMISSION OF ACCOUNTS BY TREASURIES

During 2009-2010 a total of 77 Treasury, 100 Public Works and Power Development and 112 Forest Accounts had to be adjusted in monthly accounts compiled after their respective due months of compilation, owing to their belated receipt. However, no initial account was excluded from Government Accounts for 2009-2010.

Vouchers amounting to ₹ 3.99 crore were found missing from the monthly treasury accounts relating to the year 2009-2010.

CHAPTER-III

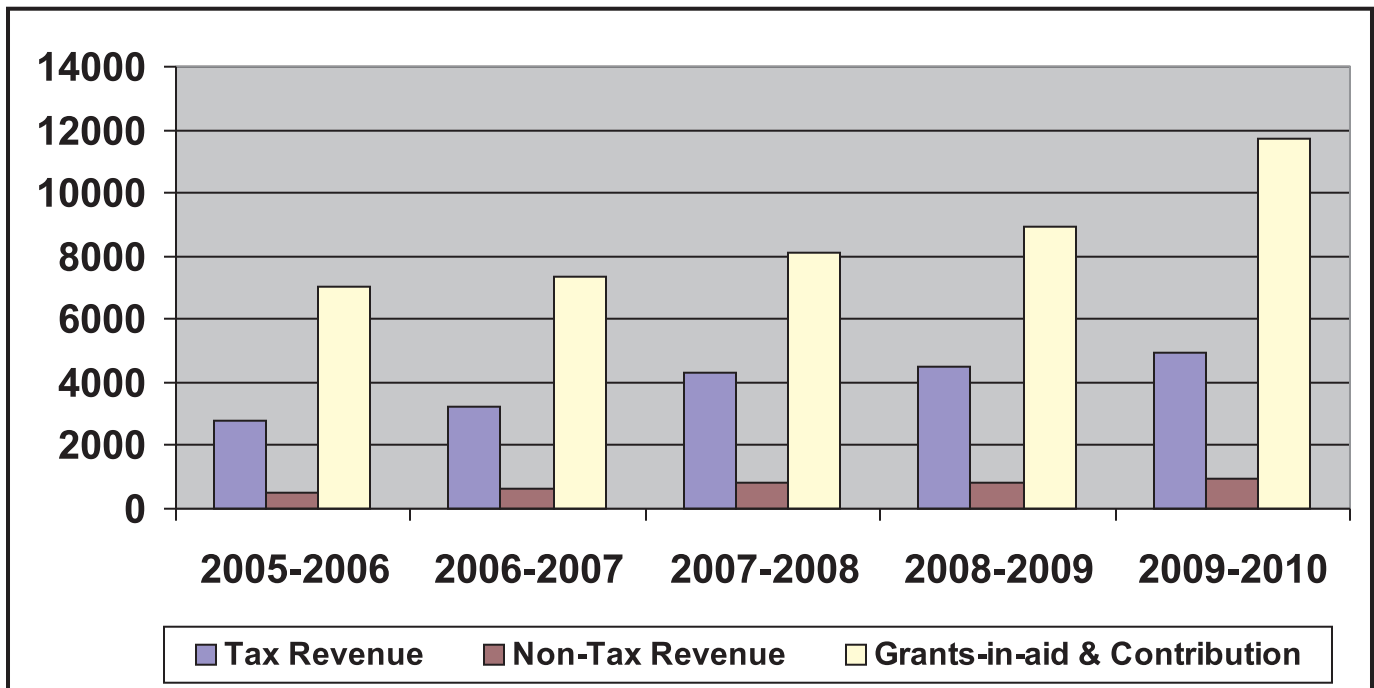
TRENDS IN GOVERNMENT REVENUE AND EXPENDITURE

Trends in Government Revenue Receipts and Revenue Expenditure from 2003-2004 to 2007-2008 is given below: -

Revenue Receipts

(₹ in crore)

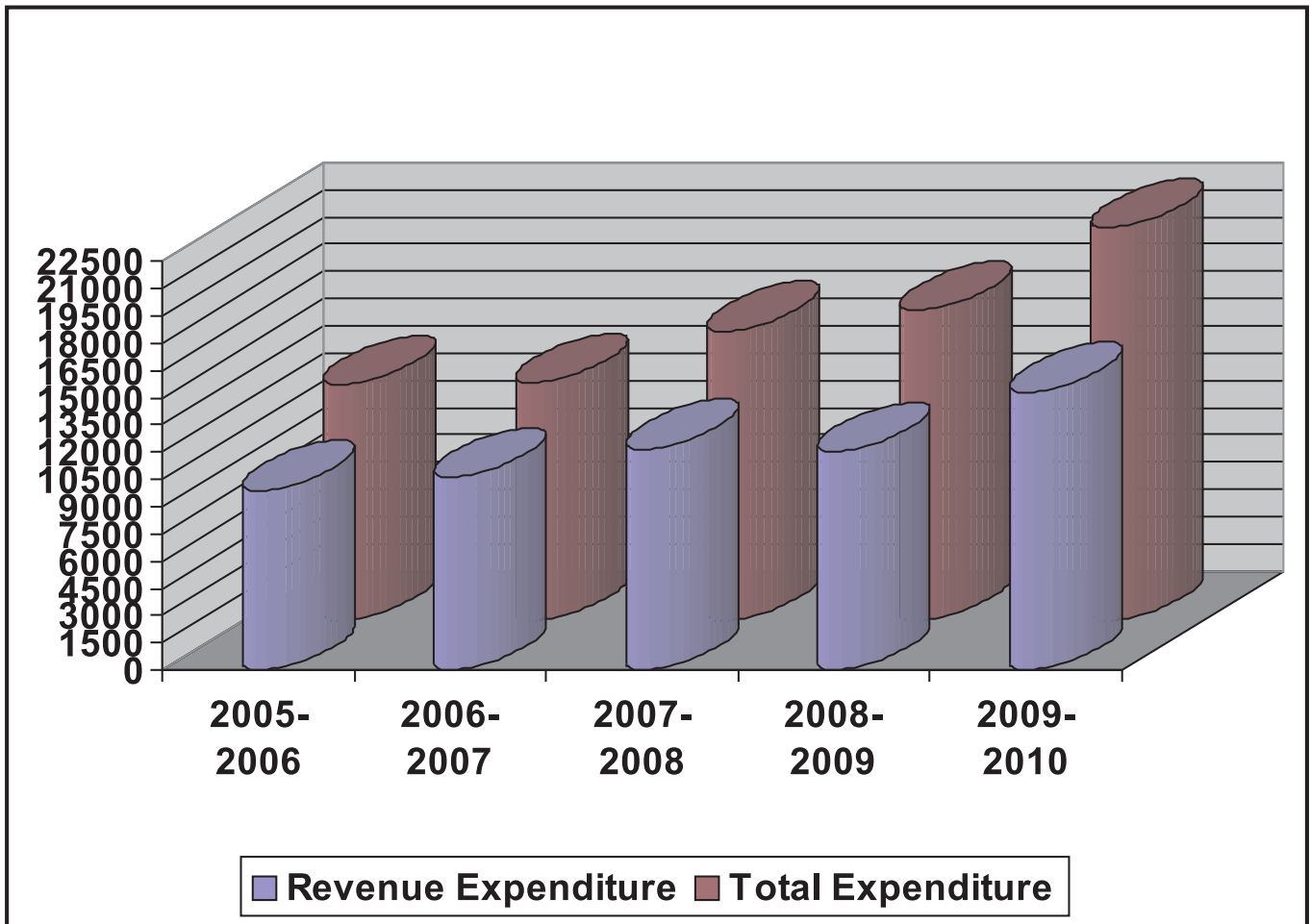
Year	Tax Revenue	Non-Tax Revenue	Grants-in-aid and Contributions	Gross Revenue Receipts	GSDP	Percentage of Gross Revenue Receipts to GSDP
2005-2006	2762	536	7017	10315	26537	39
2006-2007	3212	633	7337	11182	29029	39
2007-2008	4333	808	8136	13277	31793#	42
2008-2009	4510	837	8955	14302	34805#	41
2009-2010	4942	955	11691	17588	38298#	46



Preliminary figures.

Revenue Expenditure							
(₹ in crore)							
Year	Revenue Expenditure (Actuals)	Total Expenditure #	GSDP	Percentage increase Over preceding year			Percentage of Total Expenditure to GSDP
				Revenue Expenditure	Total Expenditure	GSDP	
2005-2006	9921	12994	26537	19	23	9	49
2006-2007	10614	13114	29029	7	1	9	45
2007-2008	12189	15945	31793	15	22	10	50
2008-2009	12047	17054	34805	(-)1	7	9	49
2009-2010	15324	21607	38298	27	27	10	56

Comprises Revenue Expenditure, Capital Outlay and Loans and Advances given by the State Government.



The overall increase in the Government's Total Expenditure during 2009-2010 compared to 2005-2006 has been ₹ 8613 crore. Growth in major areas of Revenue Expenditure is shown in the following table:-

(₹ in crore)

Areas of expenditure	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	Percentage increase/decrease in 2007-2008 over last year
Interest Payments and Servicing of Debt	1115	1787	2436	1578	2139	(+) 36
Pension and Miscellaneous General Services	929	1021	1193	1269	1568	(+)24
Administrative Services	1512	1723	1845	2211	2489	(+) 13
Agriculture and Allied Activities	575	598	661	701	834	(+) 19

GOVERNMENT ACCOUNT

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

(₹ in crore)

Year	Revenue Heads			Capital Heads *			Other Heads#	Deficit for the year	Cumulative Deficit at the end of the year
	Receipts	Disbursements	Deficit/Surplus	Receipts	Disbursements	Deficit/Surplus			
2005-2006	10315	9921	(+)394	-	3020	(-)3020	(+)1	(-)2625	(-) 18257
2006-2007	11182	10614	(+) 568	-	2456	(-) 2456	(+) 1	(-) 1887	(-) 20144
2007-2008	13277	12189	(+) 1088	-	3718	(-) 3718	(+) 1	(-) 2629	(-) 22773
2008-2009	14302	12047	(+)2255	-	4964	(-)4964	(+)1	(-)2708	(-)25481
2009-2010	17588	15324	(+)2264	28	6234	(-)6206	(-)71	(-)4013	(-)29494

Note (-) represents deficit and (+) represents surplus

Miscellaneous Government Account

* Comprises Capital outlay only

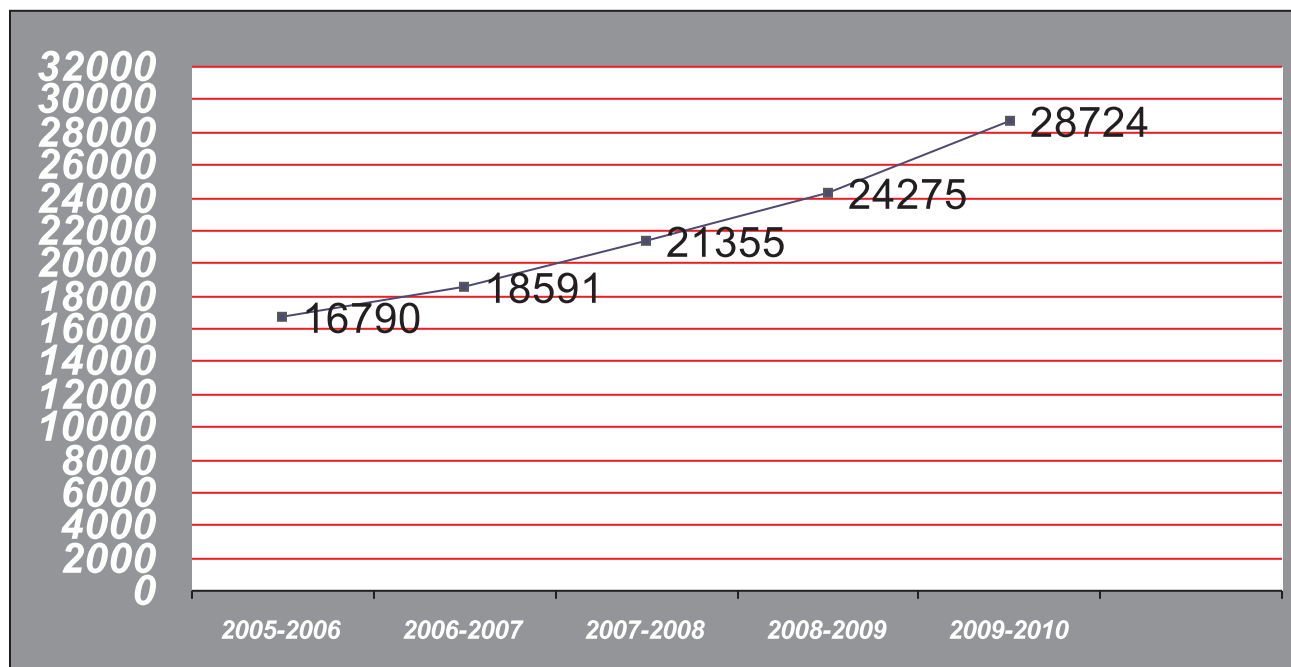
LIABILITIES

Liabilities of the State Government increased by ₹ 4449 crore from ₹ 24275 crore in 2008-2009 to ₹ 28724 crore during 2009-2010. Public debt comprising internal debt of the State Government and loans and advances from the Central Government increased by ₹ 2122 crore from ₹ 16471 crore in 2008-2009 to ₹ 18593 crore at the end of the current year. No law has been passed by the State Legislature under Article 293 of the Constitution laying down the limits within which Government may borrow on the security of the Consolidated Fund of the State. Details of the Public Debt and total liabilities of the State Government are as under:-

(₹ in crore)

Year	Internal Debt	Loans & Advances from Central Government	Total Public Debt	Small Savings	Provident Funds	Other Obligations*	Total Liabilities	GSDP	% of total liability to GSDP
2005-2006	7502	3508	11010	220	3307	2253	16790	26537	63
2006-2007	8766	3384	12150	233	3720	2488	18591	29029	64
2007-2008	10964	3262	14226	249	4046	2834	21355	31793	67
2008-2009	13336	3135	16471	268	4485	3051	24275	34805	70
2009-2010	15449	3144	18593	333	5113	4685	28724	38298	75

* Comprises Credit balance under Reserve Funds (excluding Investment of ₹ 11 crore out of Reserve Funds) and Deposits.



STATE PROVIDENT FUND

The details of transactions from the State Provident Fund are shown in the following table:-

(₹ in crore)

Year	Opening Balance	Receipts	Payments	Net accretion for the year	Closing Balance	Interest charged on balance of P.F
2005-2006	2910	858	461	397	3307	110 *
2006-2007	3307	953	540	413	3720	232*
2007-2008	3720	959	633	326	4046	250*
2008-2009	4046	1080	641	439	4485	298*
2009-2010	4485	1373	745	628	5113	344*

* Figures have been communicated by the State Government and are on provisional basis.

GUARANTEES

The position of guarantees by the State Government for the payment of loans and capital and payment of interest thereon raised by Statutory Corporations, Government Companies, Corporations, Cooperative Societies, etc. is given below:-

(₹ in crore)

At the end of the year	Amount Guaranteed		Amount outstanding	
	(Principal)	(Interest)	Principal	Interest
2005-2006	4720	#	1866	94
2006-2007	3245	#	2482	82
2007-2008	3308	#	2780	27
2008-2009	3295	#	2496	41
2009-2010	4748	44	2995	42

WAYS AND MEANS ADVANCES

The Jammu and Kashmir Government obtained temporary loans (Overdraft) from Jammu and Kashmir Bank Ltd. for its requirements. The State Government had temporary loans from the Bank for 365 days during the year. The maximum temporary loan obtained was ₹ 2974.33 crore on 31-03-2010. The total temporary loans raised during the year amounted to ₹ 3517.55 crore. A balance of ₹ 2290.25 crore was also outstanding on 1st April, 2009. Government repaid ₹ 2842.74 crore during the year leaving a balance of ₹ 2965.06*crore on 31st March, 2010.

★ Figures are under reconciliation.

Not furnished by the State Government.

According to the agreement executed by the State Government with the Jammu and Kashmir Bank Limited interest was charged during 2009-10 as under:-

Amount (₹ in Crores)	OD-I		OD-II	
	Interest Rate w.e.f 1-04-2009 to 30-04-2009	Interest rate w.e.f 1-05-2009 to 31-03- 2010	Interest Rate w.e.f 1-04-2009 to 30-04-2009	Interest Rate w.e.f 1-05-2009 to 31-03-2010
Upto 9,50	11.25%	9.50%	13.25% (Uniform Rate)	11.75% (Uniform Rate)
9,50 to 15,00	14.00%	12.25%		
15,01 to 20,00	14.50%	12.75%		
20,00 onwards	18.00%	16.75%		

During the year 2009-20010, ₹ 2, 34.15 crore (₹ 2,12.68 crore OD-1 & ₹ 21.47 crore OD-11) were paid as interest.

GENERAL CASH BALANCES

The closing cash balance in banks according to the State Finance Department was ₹ 5.49 crore (debit) against the cash balance of ₹ 5.48 crore (debit) in banks reflected in State Government Accounts. The difference of ₹ 0.01 crore was under reconciliation.

Investment held in the Cash Balance Investment Account as on 31st March 2010 was ₹ 37 crore (A).

Other cash balances and investments of ₹ 12.21 crore as on 31st March 2010 comprises of cash with departmental officers (₹ 1.23 crore), permanent advances with departmental officers (₹ .0.12 crore) and investment of earmarked funds (₹ 10.86 crore).

(A) Details of investment not provided by the State Government.

CASH FLOW STATEMENT

The cash balance with the State Government increased from ₹ 13 crore at the beginning of the year 2009-2010 to ₹ 18 crore at its end, the details of sources and application of funds being as follows:-

(₹ in Crore)

SOURCES			APPLICATION				
S. No.	Items	Amount	S. No.	Items	Amount		
					Non-plan	Plan	Total
1.	Opening Cash Balance	13	1.	Revenue Expenditure	14771	553	15324
2.	State's share of Union Taxes	1915	2.	Capital Expenditure*	99	6135	6234
3.	State's own Revenue collection	3782	3.	Loans and Advances repaid	24	-	24
4.	Central Grants/ Assistance Other than Loans	11691	4.	Loans and Advances given	49	-	49
5.	Miscellaneous Receipts	28	5	Closing Cash Balance	-	-	18
6.	Receipts from Public Debt., Small Savings, Provident Funds etc. and Deposits and Advances (other than Central Loans)	4351					
7.	Receipts from Central Loans	32					
8.	Recoveries from borrowers	2					
9.	Net Contribution from Contingency Fund	(-1)					
10.	Net effect of adjustment of Suspense and Remittance Balances and increase/ decrease of Reserve Funds.	(-364)					
	Total	21649					21649

CONTINGENCY FUND

Contingency Fund of the State is designed to meet contingencies. The following details will indicate the extent of use of this Fund during the year

	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Number of withdrawals from Contingency Fund	23	35	34	30	49
Total withdrawals from Contingency Fund (₹ in Crore)	0.68	0.70	0.74	0.94	1.92
Withdrawals from Contingency Fund not recouped to the Fund till the end of the year (₹ in crore)	0.43	0.18	0.30	0.42	1.38

Note:- An amount of ₹ 1.93 crore was sanctioned to be drawn from the Contingency Fund during the year 2009-2010. However, actual drawals were made to the extent of ₹ 1.92 crore only. Out of which ₹ 0.93 crore were recouped to the Fund during the year 2009-2010. Progressive un-recouped sums, however, amounted to ₹ 1.38 crore at the end of 2009-2010.