



**GOVERNMENT OF TRIPURA**



# **ACCOUNTS AT A GLANCE 2010-2011**

**ACCOUNTANT GENERAL  
(ACCOUNTS AND ENTITLEMENTS)  
TRIPURA, AGARTALA**



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**Tripura Legislative Assembly**

# PREFACE

This is the thirteenth issue of our annual publication '**Accounts At A Glance**'.

The Annual Accounts of the State Government are prepared and examined under the direction 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 consist of (a) Finance Accounts and (b) Appropriation Accounts. The Finance Accounts are summary statements of accounts under the Consolidated Fund, Contingency Fund and the Public Account. The Appropriation Accounts record the Grant-wise expenditures against provisions approved by the State Legislature and offer explanations for variations between the actual expenditure and the funds provided. The office of the Accountant General (Accounts and Entitlements) prepares the State Finance Accounts and the Appropriation Accounts.

The '**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. In case of any difference, the figures in Finance Accounts is final and will prevail.

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



(K. SRINIVASAN)  
Accountant General

Place : Agartala

Date : 4<sup>th</sup> January 2012

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## CHAPTER I

### OVERVIEW

#### 1.1 Introduction

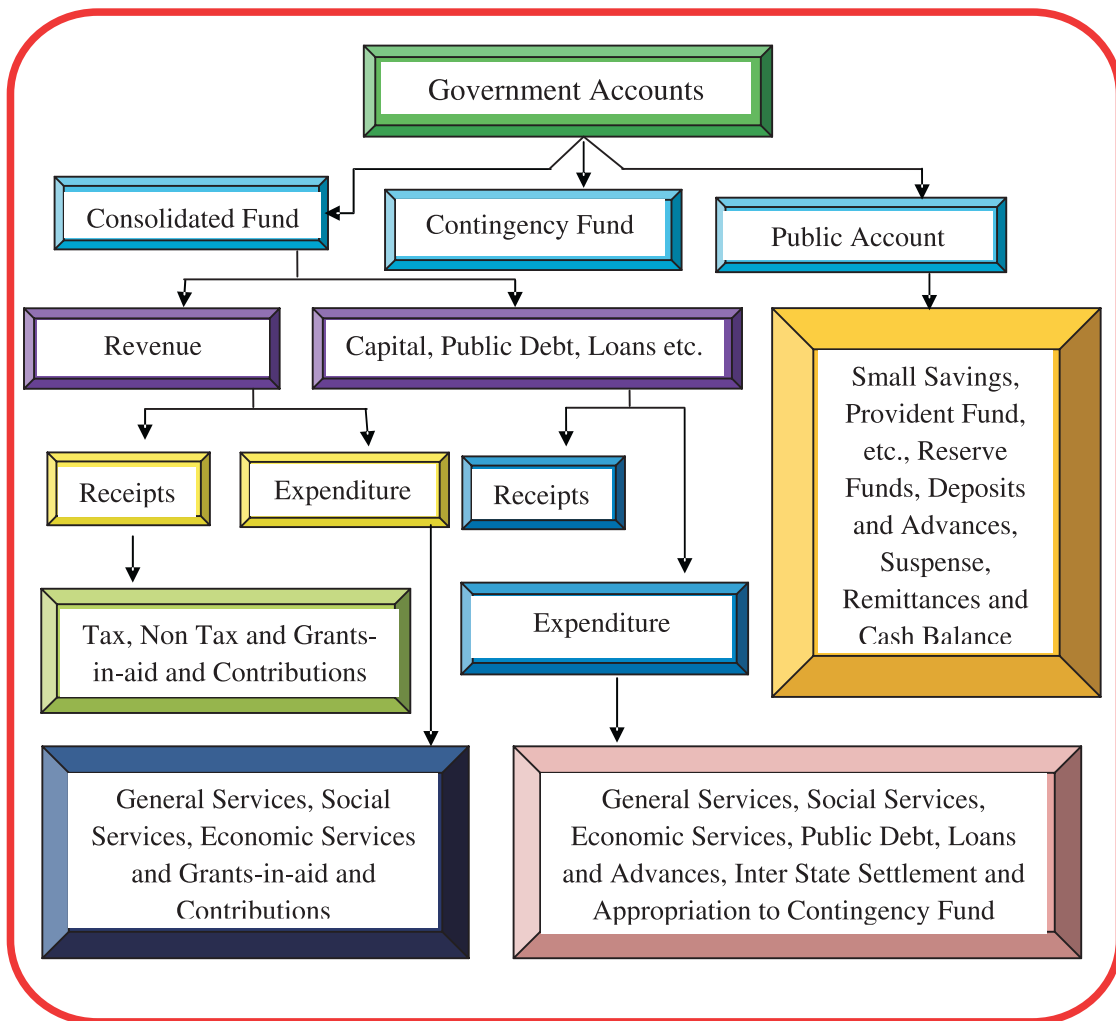
The Accountant General (Accounts and Entitlements), Tripura compiles the accounts of receipts and expenditure of the Government of Tripura. This compilation is based on the initial accounts rendered by the District Treasuries, Public Works and Forest Divisions and advices of the Reserve Bank of India. Following such compilation, the Accountant General (A&E) prepares, annually, the Finance Accounts and the Appropriation Accounts, which are placed before the State Legislature after audit by the Accountant General (Audit), Tripura and certification by the Comptroller and Auditor General of India.

#### 1.2 Structure of Accounts

##### *1.2.1 Government Accounts are kept in three parts*

<b>Part I</b> <b>CONSOLIDATED FUND</b>	Receipts and Expenditure on Revenue and Capital Account, Public Debt and Loans and Advances.
<b>Part II</b> <b>CONTINGENCY FUND</b>	Intended to meet unforeseen expenditure not provided for in the budget. Expenditure from this Fund is recouped subsequently from the Consolidated Fund.
<b>Part III</b> <b>PUBLIC ACCOUNT</b>	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.

**PICTORIAL REPRESENTATION OF STRUCTURE OF  
GOVERNMENT ACCOUNTS:**



## 1.3 Finance 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. From 2009-10, the Finance Accounts have been issued in a new format with 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 other summarized statements (Part-I), detailed statements (Part-II) and appendices (Part-III).

Receipts and disbursements of the Government of Tripura as depicted in the Finance Accounts 2010-11 are given below.

(₹ in Crore)			
<b>Receipts (Total: 5419)</b>	<b>Revenue (Total: 5169)</b>	Tax Revenue	1745
		Non Tax Revenue	132
		Grants-in-Aid	3292
	<b>Capital (Total: 250)</b>	Recovery of Loans and Advances	3
		Borrowings and other Liabilities*	247
<b>Disbursements (Total: 5419)</b>	Revenue		4360
	Capital		1058
	Loans and Advances		1

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

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 ₹1240 crore (₹1113 crore last year). 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 VII 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. These comprise accounts of 2 Appropriations (charged), 9 Grants (both voted and charged) and 45 Grants (voted). The Appropriation Act, 2010-11 had provided for gross expenditure of ₹7576 crore and reduction of expenditure (recoveries) of ₹238 crore. Against this, the actual gross expenditure was ₹5817 crore and reduction of expenditure was ₹193 crore, resulting in net savings of ₹1759 crore (23.22%) and an over estimation of ₹45 crore (18.90%) on reduction of expenditure. The gross expenditure includes ₹85 crore drawn on Abstract Contingent (AC) Bills, which is still outstanding at the end of the year for want of supporting Detailed Contingent (DC) Bills.

No Personal Deposit (PD) Accounts is being operated by the State Government since 2009-10.

## **1.4 Source and Application of Funds**

### **1.4.1 Ways and Means Advance**

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 (₹29.00 lakh) maintained with the RBI. The Government of Tripura did not avail OD and WMA facility during the year 2010-11.

### **1.4.2 Fund flow statement (Source and Application of Funds)**

The State had a Revenue Surplus of ₹809 crore and a Fiscal Deficit of ₹247 crore representing 4.95% and 1.51% of the Gross State Domestic Product (GSDP). The Fiscal Deficit constituted 4.56% of total expenditure. This deficit was met from Public Debt (₹350 crore), decrease in Public Account (₹201 crore), and net of opening and closing cash balance (₹98 crore). Around 62% of the revenue receipts (₹5169 crore) of the State Government was spent on committed expenditure like salaries (₹2106 crore), interest payments (₹447 crore) and pensions (₹655 crore).

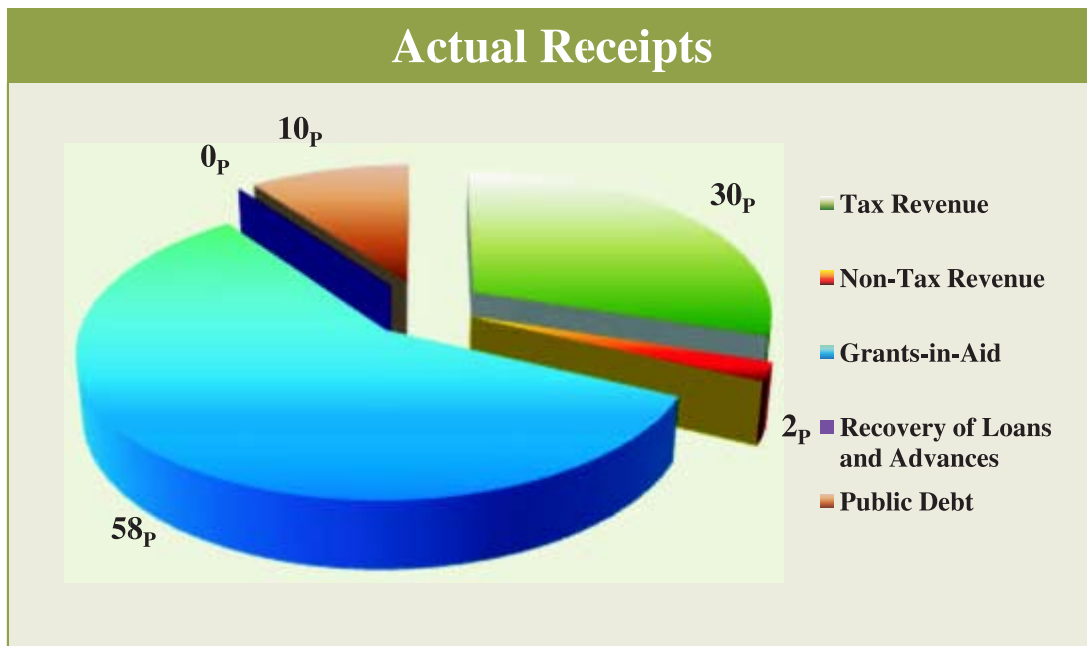
## Sources and Application of Funds

(₹ in Crore)

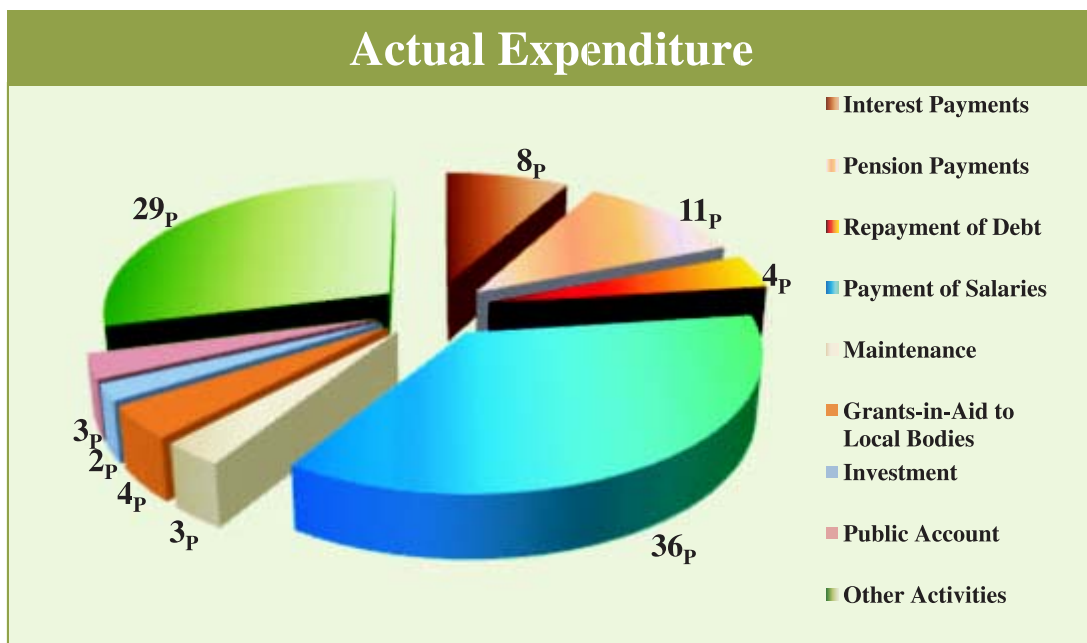
	PARTICULARS	AMOUNT
	Opening Cash Balance as on 01-04-2010	(-)89
	Revenue Receipts	5169
	Recovery of Loans & Advances	3
	Public Debt	556
	Small Savings Provident Fund & Others	609
<b>SOURCES</b>	Reserves & Sinking Funds	78
	Deposits Received	154
	Civil Advances Repaid	23
	Suspense Account	11486
	Remittances	932
	Contingency Fund	---
	<b>TOTAL</b>	<b>18921</b>

	Revenue Expenditure	4360
	Capital Expenditure	1058
	Loans Given	1
	Repayment of Public Debt	206
	Small Savings Provident Fund & Others	402
<b>APPLICATION</b>	Reserves & Sinking Funds	79
	Deposits Spent	96
	Civil Advances Given	24
	Suspense Account	11916
	Remittances	966
	Closing Cash Balance as on 31-03-2011	(-)187
	<b>TOTAL</b>	<b>18921</b>

### 1.4.3 Where the Rupee came from



### 1.4.4 Where the Rupee went





## 1.5 Highlights of Accounts

(₹ in Crore)

		B.E. 2010-11	Actuals	Percentage of actuals to B.E.	Percentage of actuals to GSDP(\$)
1.	Tax Revenue (@)	1695	1745	103	11
2.	Non-Tax Revenue	131	132	101	1
3.	Grants-in-aid & Contributions	3560	3292	92	20
4.	Revenue Receipts (1+2+3)	5386	5169	96	32
5.	Recovery of Loans and Advances	3	3	100	---
6.	Borrowings & other Liabilities (A)	698	247	35	1
7.	Capital Receipts (5+6)	701	250	36	1
8.	Total Receipts (4+7)	6087	5419	89	33
9.	Non-Plan Expenditure	3682	3532	96	22
10.	NPE on Revenue Account	3613	3480	96	21
11.	NPE on Interest Payments out of 10	508	447	88	3
12.	NPE on Capital Account	69	52	75	1
13.	Plan Expenditure (*)	2405	1887	78	11
14.	PE on Revenue Account	989	880	89	5
15.	PE on Capital Account	1416	1007	71	6
16.	Total Expenditure (9+13)	6087	5419	89	33
17.	Revenue Expenditure (10+14)	4602	4360	95	26
18.	Capital Expenditure (12+15) (#)	1485	1059	71	7
19.	Revenue Surplus (4-17)	784	809	103	5
20.	Fiscal Deficit (4+5-16)	698	247	35	1

(@) Includes State's share of Union Taxes of ₹1122 crore.

(\$)

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

(\*) Expenditure includes ₹1 crore pertains to Loans and Advances.

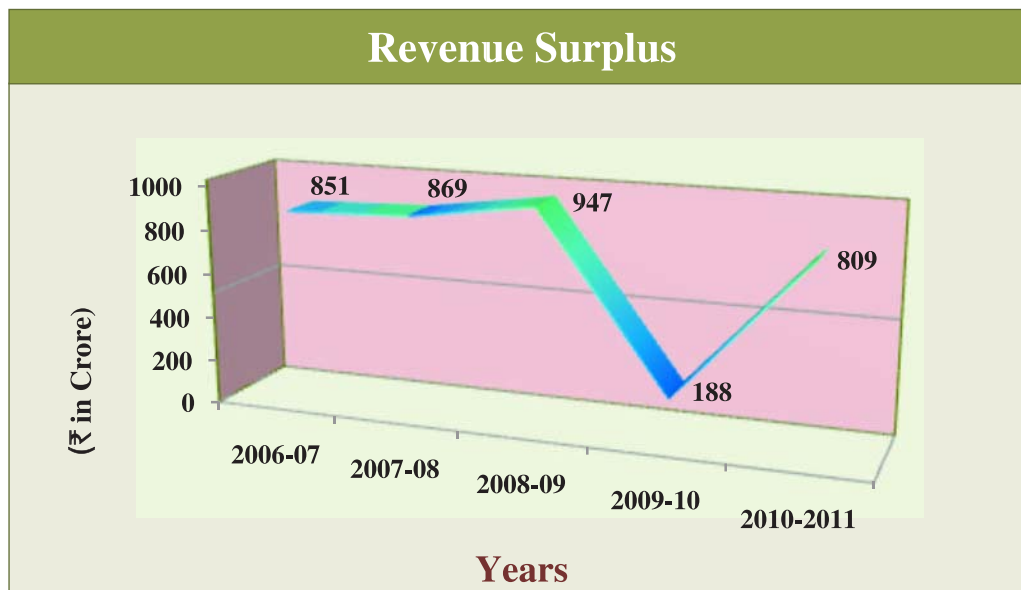
(#) Expenditure on Capital Account includes Capital Expenditure (₹1058 crore) and Loans and Advances disbursed (₹1 crore)

## 1.6 What do the Deficits and Surpluses indicate?

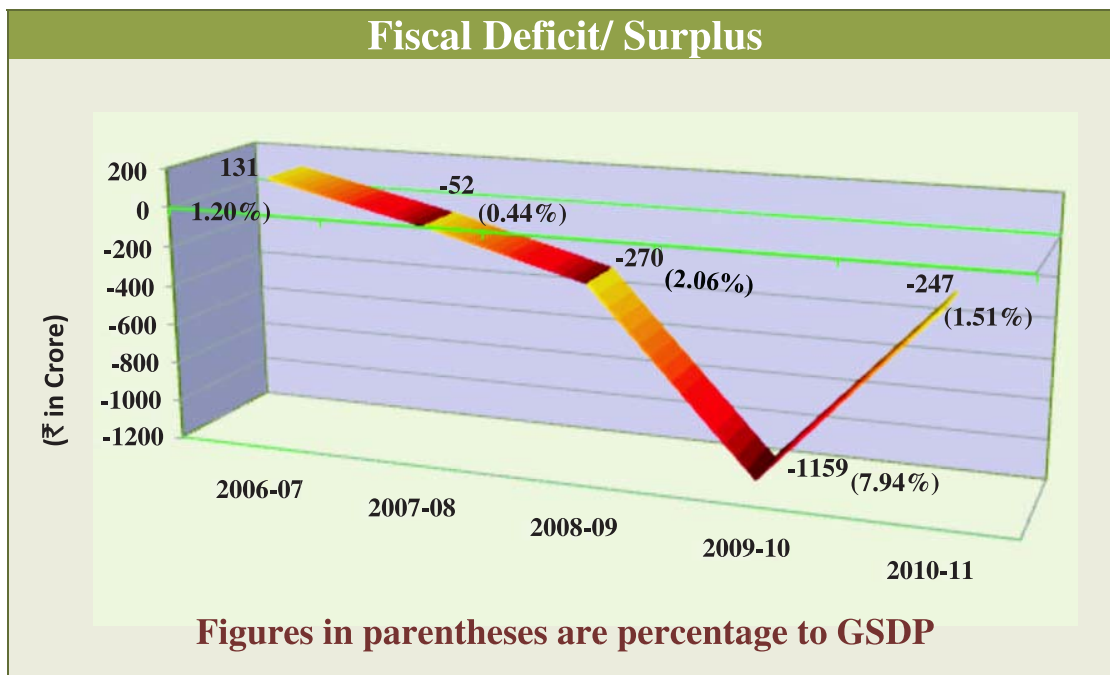
<b>Deficit</b>	Refers to the gap between Revenue and Expenditure. The kind of deficit, how the deficit is financed, and application of funds are important indicators of prudence in Financial Management.
<b>Revenue Deficit/ Surplus</b>	Refers to the gap between Revenue Receipts and Revenue Expenditure. Revenue Expenditure is required to maintain the existing establishment of Government and ideally, should be fully met from Revenue Receipts.
<b>Fiscal Deficit/ Surplus</b>	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.

Revenue augmentation and Expenditure management by the State Government:- The 13<sup>th</sup> Finance Commission recommended to eliminate Revenue Deficit and achieve Fiscal Deficit of 3% of Gross State Domestic Product (GSDP). The Government of Tripura enacted the Tripura Fiscal Responsibility and Budget Management (FRBM) Act, 2005. The Government is maintaining Revenue Surplus since 2003-04. During the year 2010-11, the Fiscal Deficit of the State is 1% of GSDP which is less than 3% recommended by the 13<sup>th</sup> Finance Commission.

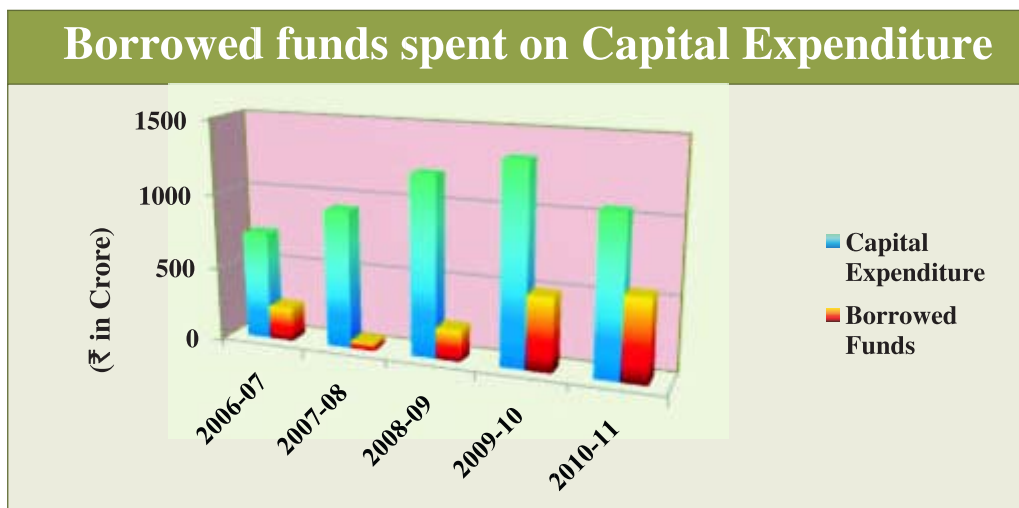
### 1.6.1 Trend of Revenue Deficit/ Surplus



### 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 fully utilized the borrowed funds for the creation of capital assets.

# C

## CHAPTER II

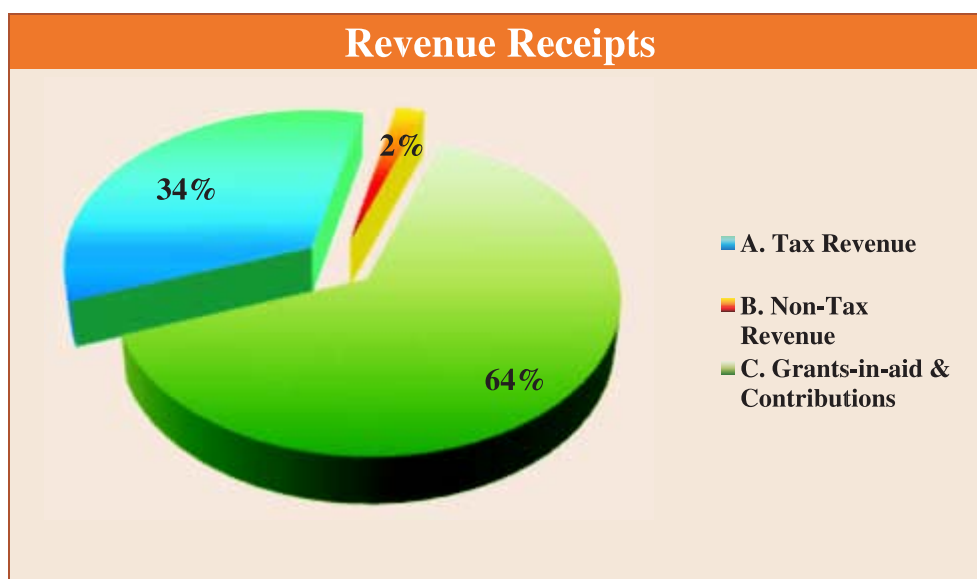
### RECEIPTS

#### 2.1 Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total Receipts for 2010-11 were ₹5419 crore.

#### 2.2 Revenue Receipts (Revenue Receipts Components)

<b>Tax Revenue</b>	Comprises taxes collected and retained by the State and State's share of Union taxes under Article 280(3) of the Constitution.
<b>Non-Tax Revenue</b>	Includes interest receipts, dividends, profits etc.
<b>Grants-in-Aid</b>	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 channelized through the Union Government. In turn, the State Governments also give Grants-in-aid to institutions like Panchayati Raj Institutions, Autonomous bodies etc.



## Revenue Receipt Components (2010-11)

(₹ in Crore)

Components	Actuals
<b>A. Tax Revenue</b>	<b>1745</b>
Taxes on Income & Expenditure	700
Taxes on Property & Capital Transactions	40
Taxes on Commodities & Services	1,005
<b>B. Non-Tax Revenue</b>	<b>132</b>
Interest Receipts, Dividends and Profits	23
General Services	51
Social Services	9
Economic Services	49
<b>C. Grants-in-Aid &amp; Contributions</b>	<b>3292</b>
<b>Total-Revenue Receipts</b>	<b>5169</b>

## 2.3 Trend of Receipts

(₹ in Crore)

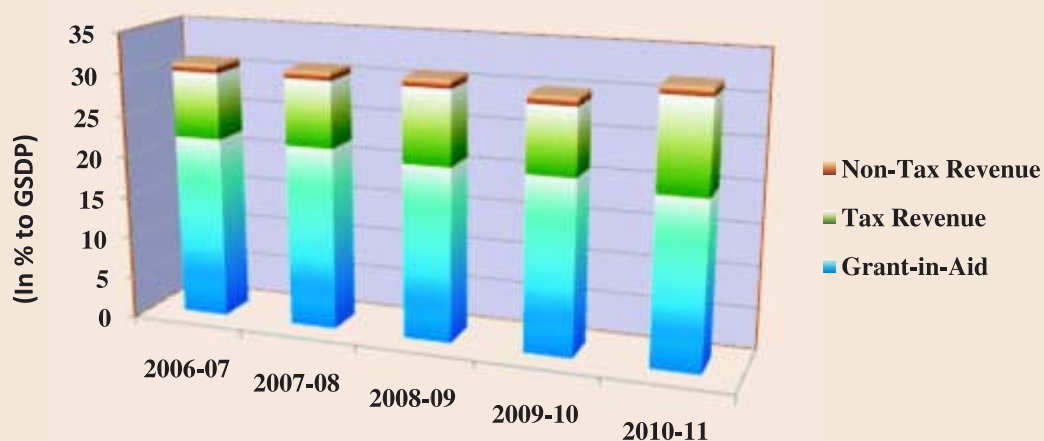
	2006-07	2007-08	2008-09	2009-10	2010-11
<b>Tax Revenue</b>	857 (8)	1021 (8)	1129 (9)	1233 (8)	1745 (11)
<b>Non-Tax Revenue</b>	95 (1)	79 (1)	149 (1)	125 (1)	132 (1)
<b>Grants-in-Aid</b>	2381 (22)	2562 (22)	2799 (21)	3043 (21)	3292 (20)
<b>Total Revenue Receipts</b>	3333 (31)	3662 (31)	4077 (31)	4401 (30)	5169 (32)
<b>GSDP*</b>	10914	11797	13104	14604	16328

Note: Figures in parentheses represent percentage to GSDP

Though the GSDP increased by 12% between 2009-10 and 2010-11, growth in revenue collection was 17%. Tax Revenue and Non-Tax Revenue increased by 42% and 6% respectively in 2010-11 over last year (2009-10). The State's own revenue under certain tax components, like Land Revenue (₹15 crore) and State Excise (₹86 crore) showed a higher trend.

\* Based on information furnished by the State Government. Since the previous Reports used projected GSDP, some of the aggregates ratios and conclusions in this Accounts-at-a-Glance may not agree with those in the previous Accounts-at-a-Glance.

## Components under Revenue Receipts as proportion to GSDP

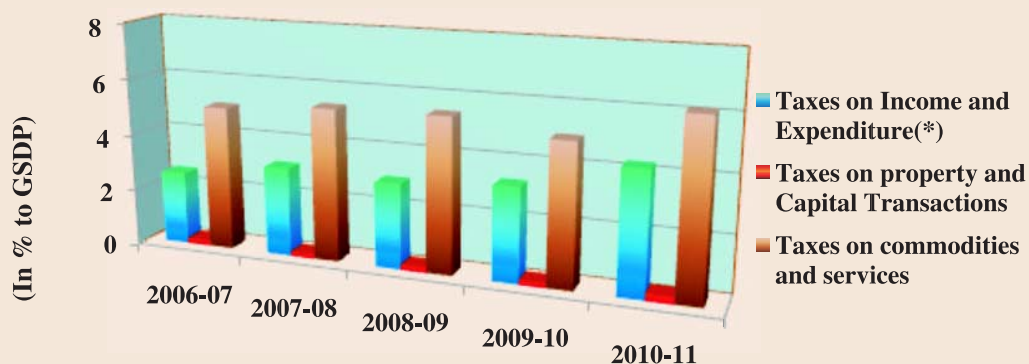


## Sector-wise Tax Revenue

(₹ in Crore)

	2006-07	2007-08	2008-09	2009-10	2010-11
Taxes on Income and Expenditure	281	369	393	482	700
Taxes on Property and Capital Transactions	20	18	23	24	40
Taxes on Commodities and Services	556	634	713	727	1005
<b>Total Tax Revenues</b>	<b>857</b>	<b>1021</b>	<b>1129</b>	<b>1233</b>	<b>1745</b>

## Trend of Major Taxes in proportion to GSDP



(\*) 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)
2006-07	857	516	341	3.1%
2007-08	1021	651	370	3.1%
2008-09	1129	687	442	3.4%
2009-10	1233	706	527	3.6%
2010-11	1745	1122	623	3.8%

The State's Own Tax Revenue (₹623 crore) in 2010-11 is higher than the target (₹601 crore) recommended by the Thirteenth Finance Commission.

## 2.5 Efficiency of Tax Collection

### A. Taxes on Property and Capital Transactions

(₹ in Crore)

	2006-07	2007-08	2008-09	2009-10	2010-11
Revenue Collection	20	18	23	24	40
Expenditure on Collection	12	14	14	21	20
Efficiency of Tax Collection	60%	78%	61%	87%	50%

### B. Taxes on Commodities and Services

(₹ in Crore)

	2006-07	2007-08	2008-09	2009-10	2010-11
Revenue Collection	556	634	713	727	1005
Expenditure on Collection	5	5	6	9	9
Efficiency of Tax Collection	1%	1%	1%	1%	1%

Taxes on Commodities and Services form a major chunk of tax revenue. Tax collection efficiency of taxes on Commodities and Services is satisfactory.



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

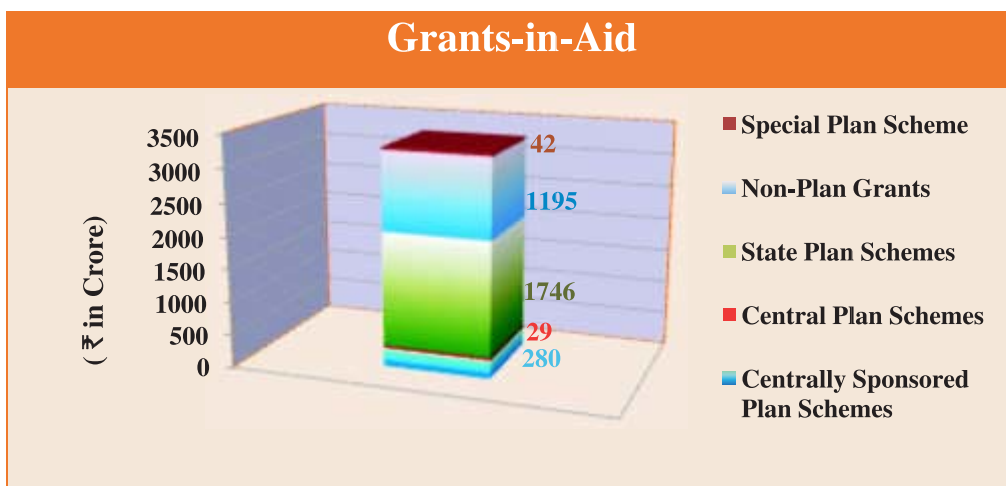
(₹ in Crore)

Major Head description	2006-07	2007-08	2008-09	2009-10	2010-11
Corporation Tax	161	207	225	291	439
Taxes on income other than Corporation Tax	98	139	142	162	232
Taxes on Wealth	---	---	---	1	1
Customs	101	123	131	99	196
Union Excise Duties	107	117	115	79	142
Service Tax	49	65	74	74	112
Other Taxes and Duties on Commodities and Services	---	---	---	---	---
<b>State Share of Union Taxes</b>	<b>516</b>	<b>651</b>	<b>687</b>	<b>706</b>	<b>1122</b>
<b>Total Tax Revenue</b>	<b>857</b>	<b>1021</b>	<b>1129</b>	<b>1233</b>	<b>1745</b>
<b>% of Union Taxes to Total Tax Revenue</b>	<b>60</b>	<b>64</b>	<b>61</b>	<b>57</b>	<b>64</b>

Share of net proceeds of all shareable Union Taxes has increased significantly during 2010-11. The amount of net proceeds of share is ₹1122 crore for 2010-11 which is increased by 59% over the last year. Significant increase has been noticed under Customs and Union Excise Duties to the extent of 98% and 80% respectively.

## 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 2010-11 under Grants-in-Aid were ₹3292 crore as shown below:



The share of grants for Plan Scheme in total grants-in-aid increased from 58% in 2009-10 to 64% in 2010-11, while the share of grants for Non-Plan grants declined from 42% during 2009-10 to 36% in 2010-11. As against a budget estimate of ₹3560 crore, the State Government has actually received ₹3292 crore of Grants-in-Aid (92% of Budget Estimate).

## 2.8 Public Debt

### Trend of Public Debt over the past 5 years

(₹ in Crore)

Description	2006-07	2007-08	2008-09	2009-10	2010-11
Internal Debt	1120	(-)22	74	325	379
Central Loans	(-)22	(-)24	(-)26	(-)26	(-)29
<b>Total Public Debt</b>	<b>1098</b>	<b>(-)46</b>	<b>48</b>	<b>299</b>	<b>350</b>

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

In 2010-11, three loans totalling of ₹285 crore by way of auctioning Government Stock was raised redeemable at per in 2021 carrying interest rate ranging from 8.10 percent to 8.40 percent.

Against the total internal debt of ₹553 crore of the State Government in 2010-11 plus the central loan component of ₹3 crore received during this period, capital expenditure was ₹1058 crore indicating that the public debt was fully used for developmental purposes.

The balance of Loans and Advances from the Central Government decreased during 2010-11 by ₹29 crore mainly due to less receipt of Loans from Central Government.



## CHAPTER III

### EXPENDITURE

#### 3.1 Introduction

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

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

#### 3.2 Revenue Expenditure

Revenue Expenditure of ₹4360 crore for 2010-11 fell short of budget estimates by ₹242 crore of which ₹109 crore under Plan Expenditure and ₹133 crore under Non-Plan Expenditure. The decrease in Revenue Expenditure against budget provision resulted in revenue surplus of the Government.

The shortfall of expenditure against budget estimates under Revenue section during the past five years is given below:

(₹ in Crore)

	2006-07	2007-08	2008-09	2009-10	2010-11
<b>Budget Estimates</b>	2634	2958	3455	4478	4602
<b>Actuals</b>	2483	2794	3129	4214	4360
<b>Gap</b>	151	164	326	264	242
<b>% of gap over BE</b>	6	6	9	6	5

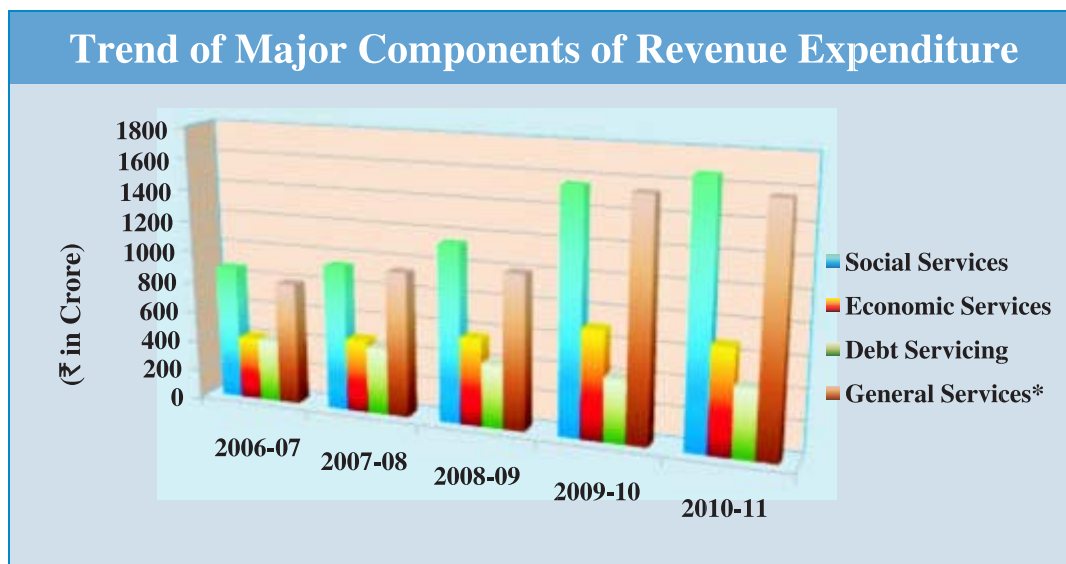
During the year, nearly 80% of total revenue expenditure was committed on Non-Plan expenditure (Salaries, Pensions etc.).

### 3.2.1 Sectoral distribution of Revenue Expenditure

(₹ in Crore)

	Components	Amount	Percentage
A.	Fiscal Services	31	1
	(i) Collection of Taxes on Income and Expenditure	---	--
	(ii) Collection of Taxes on Property and Capital transactions	20	--
	(iii) Collection of Taxes on Commodities and Services	9	--
	(iv) Other Fiscal Services	2	--
B.	Organs of State	52	1
C.	Interest Payments and Servicing of debt	447	10
D.	Administrative Services	727	17
E.	Pensions and Miscellaneous General Services	655	15
F.	Social Services	1667	38
G.	Economic Services	679	16
H.	Grants-in-aid and Contributions	102	2
	Total Expenditure (Revenue Account)	4360	100

### 3.2.2 Major Components of Revenue Expenditure (2006-2011)



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

The expenditure on Economic Services (which includes important sectors like Rural Development, Agriculture and Irrigation) has gone down, as against a steady increase in other services.

### 3.3 Capital Expenditure

Capital disbursements for 2010-11 at 7% of GSDP were less than Budget Estimates by ₹426 crore (less disbursement of ₹409 crore under Plan Expenditure and ₹17 crore under Non-plan Expenditure).

#### 3.3.1 Sectoral distribution of Capital Expenditure

During 2010-11, the Government spent ₹670 crore on various Major Works. The Government also invested ₹102 crore in various Corporations/ Companies/ Societies etc.

(₹ in Crore)

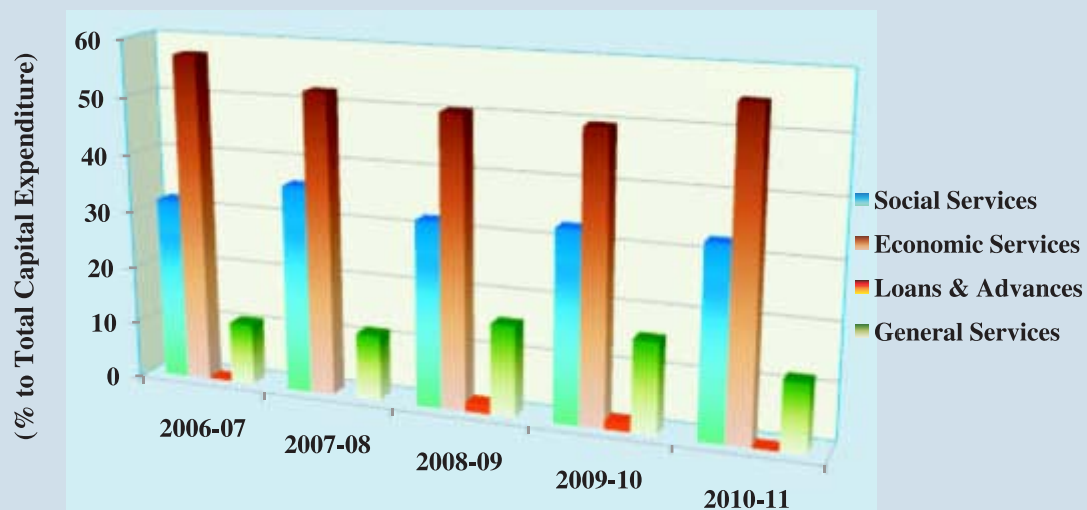
Sl. No.	Sector	Amount	Percentage
1	<b>General Services</b> - Police, Land Revenue etc.	126	12
2	<b>Social Services</b> – Education, Health & Family Welfare, Water Supply, Welfare of SC/ST etc.	348	33
3	<b>Economic Services</b> – Agriculture, Rural Development, Irrigation, Cooperation, Energy, Industries, Transport etc.	584	55
4	Loans and Advances Disbursed	1	---
<b>Total</b>		<b>1059</b>	<b>100</b>

#### 3.3.2 Sectoral distribution of Capital Expenditure over the past 5 years

(₹ in Crore)

Sl. No.	Sector	2006-07	2007-08	2008-09	2009-10	2010-11
1	General Services	78	106	193	214	126
2	Social Services	230	334	393	446	348
3	Economic Services	414	484	616	672	584
4	Loans and Advances	1	---	18	18	1
<b>Total</b>		<b>723</b>	<b>924</b>	<b>1220</b>	<b>1350</b>	<b>1059</b>

## Trend of Sectoral Distribution of Capital Expenditure

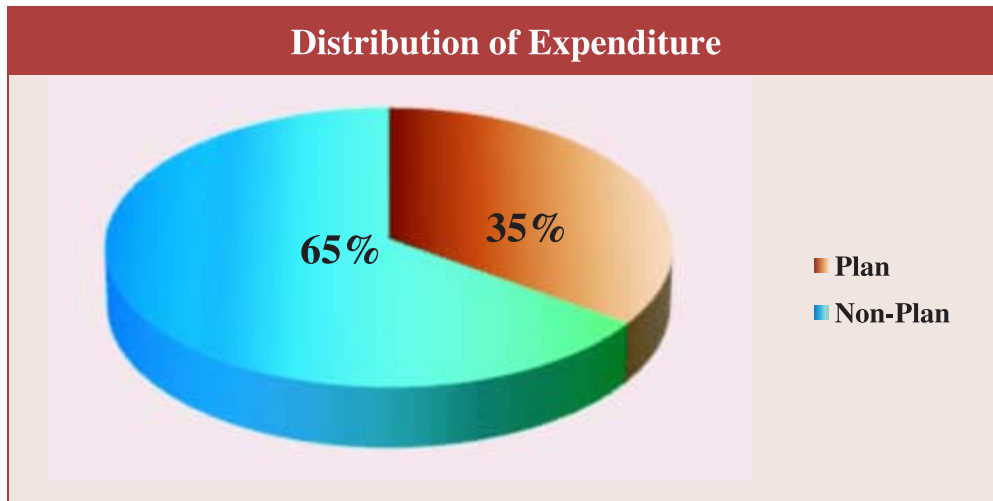




## CHAPTER IV

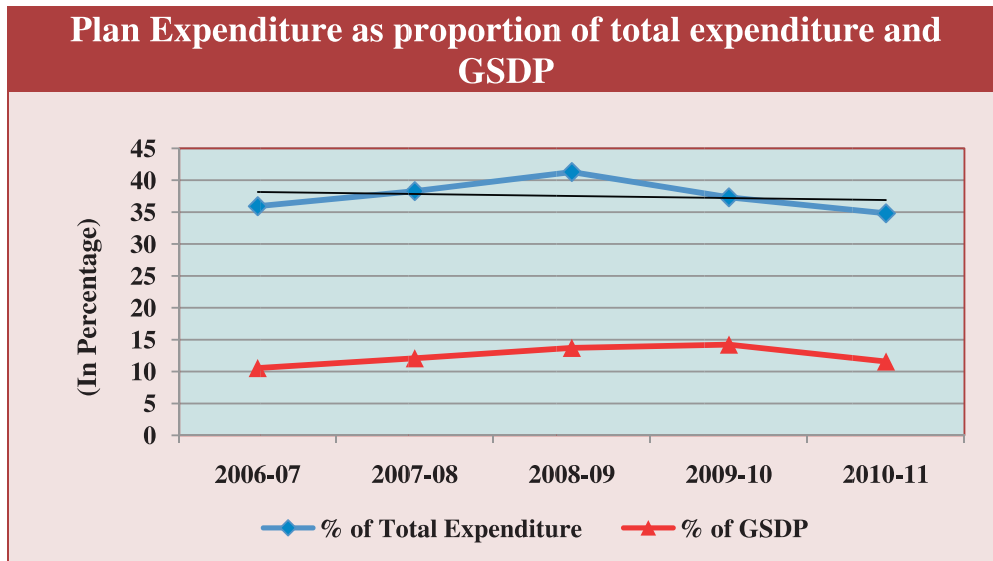
### PLAN & NON-PLAN EXPENDITURE

#### 4.1 Distribution of Expenditure



#### 4.2 Plan Expenditure

During 2010-11, Plan Expenditure representing 35 percent of total disbursements, was ₹1887 crore (₹1484 crore under State Plan, ₹402 crore under Centrally Sponsored Plan Schemes and ₹1 crore under Loans and Advances).





#### 4.2.1 Plan Expenditure under Capital Account

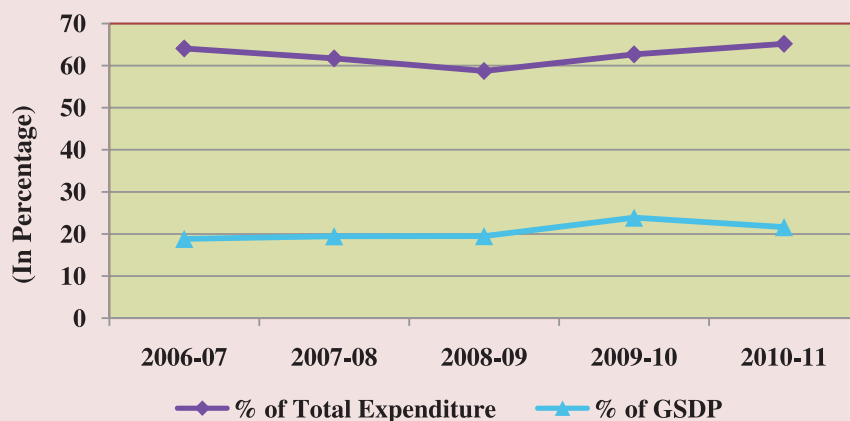
(₹ in Crore)

	2006-07	2007-08	2008-09	2009-10	2010-11
<b>Total Capital Expenditure</b>	723	924	1220	1350	1059
<b>Capital Expenditure (Plan)</b>	662	848	1141	1280	1007
<b>% of Capital Expenditure (Plan) to Total Capital Expenditure</b>	92	92	94	95	95

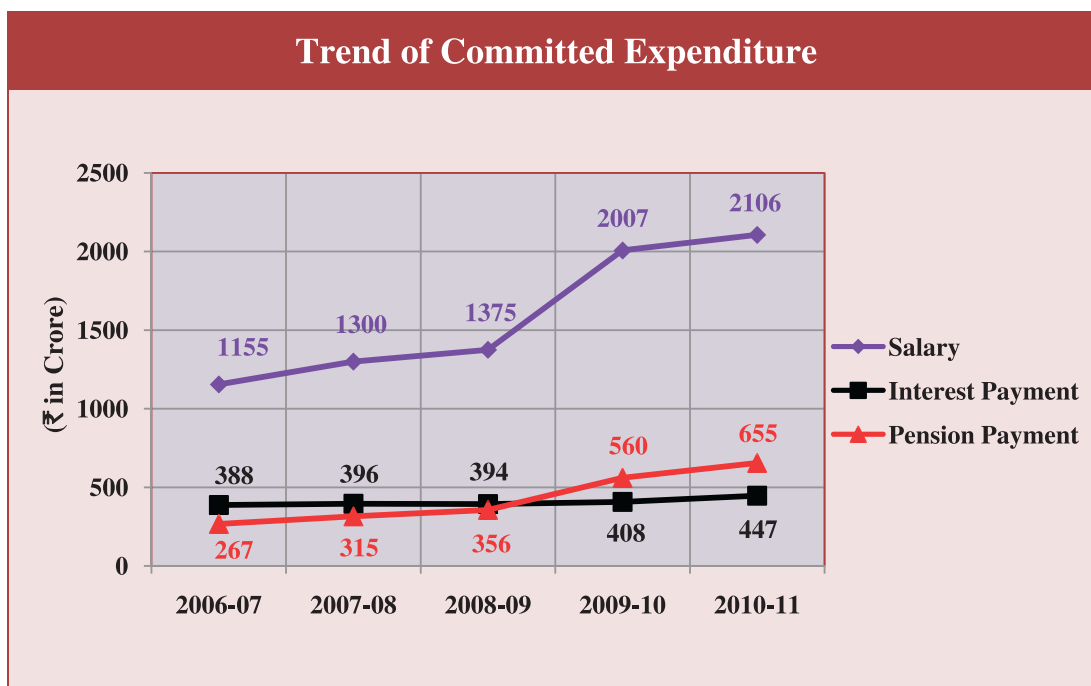
### 4.3 Non-Plan Expenditure

Non-Plan Expenditure during 2010-11, representing 65 percent of total disbursements, was ₹3532 crore, (₹3480 crore under Revenue and ₹52 crore under Capital).

#### Non-Plan Expenditure as proportion of total expenditure and GSDP



## 4.4 Committed Expenditure



Component	2006-07	2007-08	2008-09	2009-10	2010-11
Committed Expenditure	1810	2011	2125	2976	3208
Revenue Expenditure	2483	2794	3129	4214	4360
% of Committed Expenditure to Revenue Receipts	54	55	52	68	62
% of Committed Expenditure to Revenue Expenditure	73	72	68	71	74



## CHAPTER V

### APPROPRIATION ACCOUNTS

#### 5.1 Summary of Appropriation Accounts

(₹ in Crore)

Sl. No.	Nature of Expenditure	Original Grant	Supplementary Grant	Re-appropriation	Total	Actual Expenditure	Savings(-) Excesses(+)
1	<b>Revenue Voted Charged</b>	4390 523	249 1	... ...	4639 524	4083 459	(-)556 (-)65
2	<b>Capital Voted Charged</b>	1784 ...	398 ...	... ...	2182 ...	1068 ...	(-)1114 ...
3	<b>Public Debt Charged</b>	192	14	...	206	206	...
4	<b>Loans and Advances Voted</b>	25	...	...	25	1	(-)24
<b>Total</b>		<b>6914</b>	<b>662</b>	<b>...</b>	<b>7576</b>	<b>5817</b>	<b>(-)1759</b>

#### 5.2 Trend of Savings/ Excess during the past five years

(₹ in Crore)

Year	Savings(-)/ Excess(+)				Total
	Revenue	Capital	Public Debt	Loan & Advances	
<b>2006-07</b>	(-)490	(-)680	(+)13	(-)4	(-)1161
<b>2007-08</b>	(-)418	(-)754	...	(-)4	(-)1176
<b>2008-09</b>	(-)604	(-)717	(-)5	(-)4	(-)1330
<b>2009-10</b>	(-)495	(-)1026	(-)5	(-)7	(-)1533
<b>2010-11</b>	(-)621	(-)1114	...	(-)24	(-)1759

### 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	2006-07	2007-08	2008-09	2009-10	2010-11
5	Law Department	24%	27%	27%	8%	22%
6	Revenue Department	12%	28%	18%	15%	20%
13	Public Works (R&B) Department	10%	11%	13%	4%	12%
15	Public Works (WR) Department	12%	22%	35%	18%	49%
19	Tribal Welfare Department	34%	34%	29%	32%	36%
20	Welfare of Scheduled Castes Department	48%	38%	36%	43%	47%
21	Food and Civil Supplies Department	5%	6%	13%	6%	7%
34	Planning and Co-ordination Department	75%	88%	91%	95%	97%

During 2010-11, supplementary grants totaling ₹662 crore (11% of total expenditure) proved to be unnecessary in some cases, where there were significant savings at the end of the year even against original allocations. A few instances are given below.

(₹ in Crore)

Grant	Nomenclature	Section	Original	Supple- mentary	Actual Expenditure
13	Public Works (R&B) Department	Capital	177	11	123
15	Public Works (WR) Department	Revenue Capital	105 100	19 8	88 28
19	Tribal Welfare Department	Revenue Capital	399 554	69 68	344 358
20	Welfare of Scheduled Castes Department	Revenue Capital	147 306	30 32	106 168
30	Forest Department	Revenue	51	5	44
39	Education (Higher) Department	Capital	35	14	26
41	Education (Social) Department	Revenue	181	14	167
51	Public Works (DWS) Department	Capital	34	3	32
52	Family Welfare and Preventive Medicine	Revenue Capital	88 5	1 2	81 2



## CHAPTER VI

### ASSETS AND LIABILITIES

#### 6.1 Assets

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

Total investments as share capital in non-financial public sector undertakings (PSUs) stood at ₹913 crore at the end of 2010-11. However, dividends received during the year were ₹0.13 crore on investment. During 2010-11, investments increased by ₹ 102 crore.

Cash Balance with RBI stood at (-)₹88 crore on 31<sup>st</sup> March 2010 and increased to (-)₹186 crore at the end of March, 2011.

#### 6.2 Debt and Liabilities

Article 293 of the Constitution of India empowers the State Government to borrow on the security of the Consolidated Fund of the State within such limits, if any, as may be from time to time fixed by the State Legislature.

Details of the Public Debt and total liabilities of the State Government are as under:

(₹ in Crore)

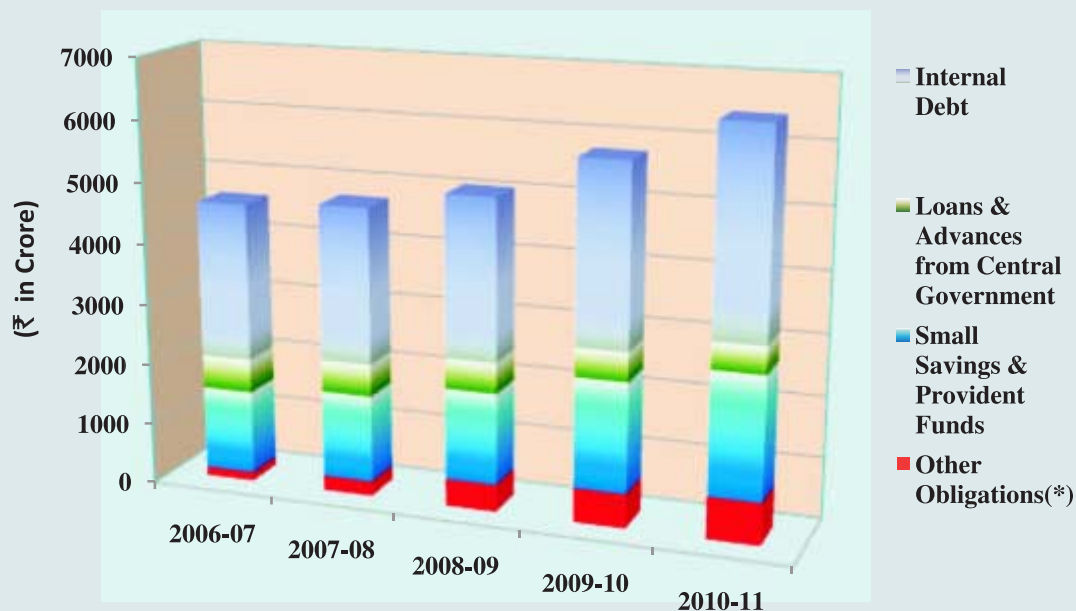
Year	Public Debt	% to GSDP	Public Account(*)	% to GSDP	Total Liabilities	% to GSDP
2006-07	3114	28	1512	14	4626	42
2007-08	3068	26	1667	14	4735	40
2008-09	3116	24	1941	15	5057	39
2009-10	3415	23	2353	16	5768	39
2010-11	3765	23	2688	16	6453	39

(\*) Excludes suspense and remittance balances.

Note: Figures are progressive balances to the end of the year.

There is a net increase of ₹685 crore (12%) in Public Debt and Other liabilities as compared to 2009-10.

## Trends in Government Liabilities



(\*) Non-interest bearing obligations such as deposits of Local Funds, other earmarked funds, etc.

### 6.3 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	Maximum Amount Guaranteed (Principal only)	Amount Outstanding	
		Principal	Interest
2006-07	68	38	3
2007-08	75	33	3
2008-09	77	24	5
2009-10	77	24	5
2010-11	83	31	5



### OTHER ISSUES

#### 7.1 Adverse Balances under Internal Debt

Borrowings of State Governments are governed by Article 293 of the Constitution of India. As on March 31<sup>st</sup> 2011, there is no adverse balance under Internal Debt.

#### 7.2 Loans and Advances by the State Government

Total Loans and Advances made by the State Government at the end of 2010-11 amounted to ₹83 crore. During the year the principal amount of ₹3 crore was recovered. The information regarding arrears in interest at the end of 31<sup>st</sup> March 2011 was not received from the State Government.

#### 7.3 Financial Assistance to Local Bodies and Others

During the past five years, Grants-in-Aid to local bodies etc. increased from ₹145 crore in 2006-07 to ₹260 crore in 2010-11, showing 79% increase. Grants to Autonomous Bodies (₹131 crore) represented 50 percent of total grants given during the year.

Details of Grants-in-Aid for the past 5 years are as under:

(₹ in Crore)

Year	Panchayati Raj Institution	Urban Local Bodies	Autonomous Bodies	Total
2006-07	52	37	56	145
2007-08	55	23	68	146
2008-09	60	59	78	197
2009-10	28	78	117	223
2010-11	30	99	131	260

## 7.4 Cash Balance and investment of Cash Balance

(₹ in Crore)

Component	As on 1 <sup>st</sup> April 2010	As on 31 <sup>st</sup> March 2011	Net increase (+) decrease(-)
Cash Balances	(-)89	(-)187	98
Investments from cash balance (GOI Treasury Bills)	260	657	397
Investment from earmarked fund balances	293	364	71
(a) Sinking Fund	293	364	71
(b) Guarantee Redemption Fund	...	...	...
(c) Other Funds	...	...	...
Interest realised	27	22	(-)5

Apart from interest received on investment of Cash Balance, the Government has earned ₹71 crore in 2010-11 as interest on Sinking Fund Investment Account.

## 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.

During 2010-11, all the 56 Controlling Officers fully carried out reconciliation with the figures (Receipt and Expenditure) booked in the Accountant General (A&E) office.

## **7.6 Submission of Accounts by Treasuries**

5 Treasuries, 49 PW Divisions and 21 Forest Divisions are rendering accounts to the Accountant General (A&E). In 2010-11, the maximum delays in rendition of accounts by the Treasuries, P.W. Divisions and Forest Divisions were 28 days, 44 days and 45 days respectively.

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

When money is required in advance or the Drawing and Disbursing Officers (DDOs) are not able to calculate the exact amounts required, they are permitted to draw money without supporting documents through AC bills. Such AC bills are required to be settled, within a maximum of 90 days, through submission of DC bills. The fact that to the end of 31<sup>st</sup> March 2011, DC bills for 22787 Nos. of AC bills amounting to ₹148 crore was outstanding indicates that these instructions have not been followed.

## **7.8 Commitments on account of Incomplete Works**

A total expenditure of ₹350 crore was incurred upto the year 2010-11 by the State Government on various incomplete projects costing ₹5 crore and above which have been taken up by the Public Works (R & B) Department, Water Resources Department and Public Works (Drinking Water and Sanitation) Department.

## **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 2011 ranged between 41.07% and 93.33% 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 2010-11 in the above mentioned Heads was as below:

Head of Account	Description	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter	Total *	During March	Percentage of 3/2011 w.r.t. total expenditure of 2010-11
		(₹ in Crore)						
2236	Nutrition	0.27	9.53	13.89	43.41	67.10	35.58	53.03
2415	Agricultural Research and Education	...	0.05	0.07	0.27	0.39	0.21	53.85
3452	Tourism	0.46	0.34	0.42	1.77	2.99	1.55	51.84
4055	Capital Outlay on Police	0.90	0.78	2.82	11.39	15.89	9.72	61.17
4070	Capital Outlay on other Administrative Services	11.13	8.98	6.95	60.36	87.42	39.51	45.20
4202	Capital Outlay on Education, Sports, Art and Culture	8.01	32.91	17.94	51.38	110.24	45.28	41.07
4402	Capital Outlay on Soil and Water Conservation	...	...	4.37	8.08	12.45	6.45	51.81
4403	Capital Outlay on Animal Husbandry	...	0.12	0.15	1.56	1.83	1.43	78.14
4408	Capital Outlay on Food Storage and Warehousing	0.03	0.66	0.22	1.40	2.31	1.30	56.28
4425	Capital Outlay on Co-operation	0.97	0.31	0.49	1.96	3.73	1.78	47.72
4702	Capital Outlay on Minor Irrigation	0.64	5.63	4.69	17.67	28.63	13.89	48.52
5425	Capital Outlay on other Scientific and Environmental Research	...	0.01	...	0.14	0.15	0.14	93.33
5452	Capital Outlay on Tourism	...	0.07	1.05	7.17	8.29	6.23	75.15

\* Differs with the Finance Accounts due to reduction in expenditure and adjustment in Supplementary Accounts.