

सत्यमेव जयते

Accounts At A Glance for the year 2016-17



Government of Tripura

Accounts At A Glance

for the year 2016-17

Government of Tripura

PREFACE

This is the Nineteenth 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 are final and will prevail.

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



(Manish Kumar)

Accountant General (A&E), Tripura

Place: Agartala

Date : 26 December 2017

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OVERVIEW

1.1 Introduction

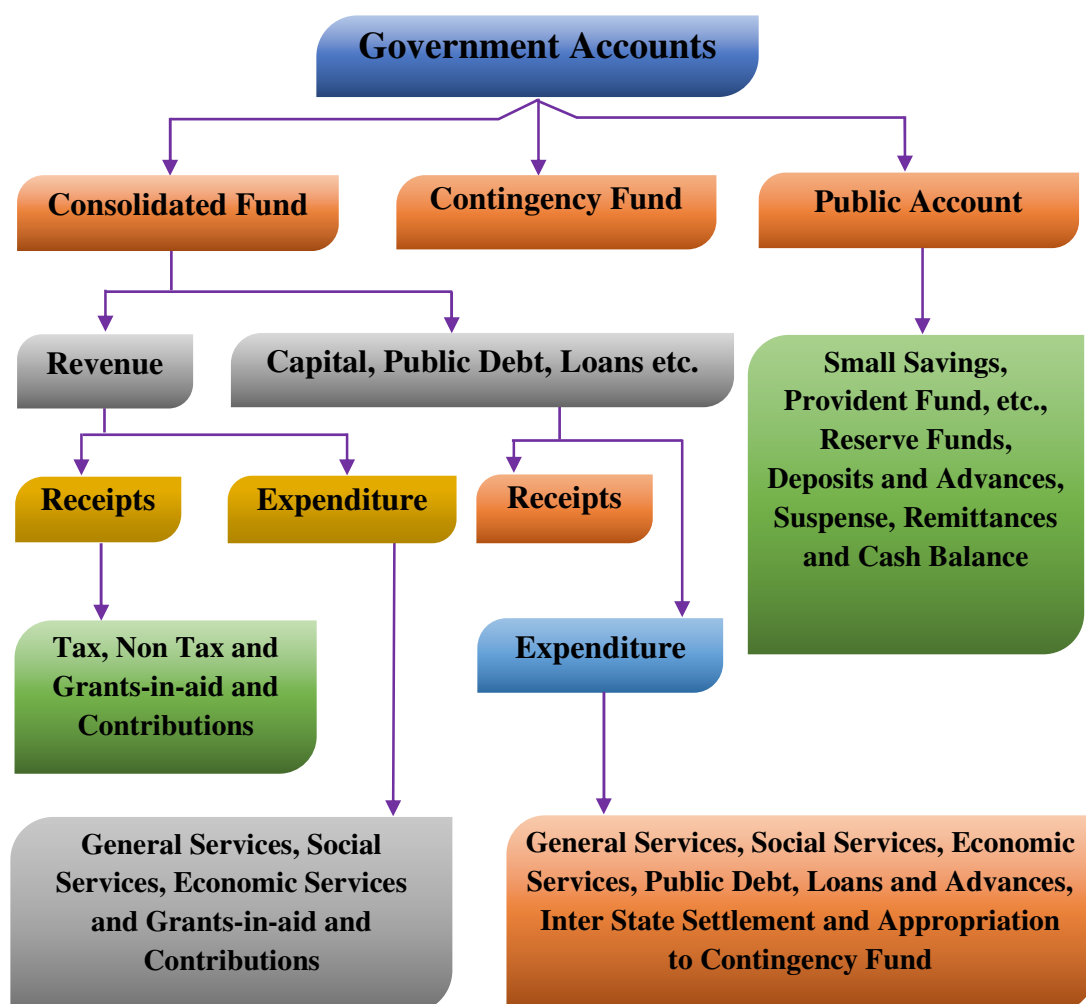
The Accountant General (Accounts and Entitlements), Tripura compiles the accounts of receipts and expenditure of the Government of Tripura. This compilation is based on the initial accounts rendered by the District Treasuries, Public Works and Forest Divisions and advices of the Reserve Bank of India. 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:

Part I CONSOLIDATED FUND	<p>Comprises all receipts of the Government including tax and non-tax revenues, loans raised and repayment of loans given (including interest thereon).</p> <p>All expenditure and disbursements of the Government, including release of loans and repayments of loans taken (and interest thereon), is met from this Fund.</p>
Part II CONTINGENCY FUND	<p>The Contingency Fund is in the nature of an imprest, intended to meet unforeseen expenditure, pending authorization by the Legislature. Such expenditure is recouped subsequently from the Consolidated Fund.</p> <p>The corpus of this fund for the Government of Tripura is ₹ 10 crore.</p>
Part III PUBLIC ACCOUNT	<p>All public moneys received, other than those credited to the Consolidated Fund, are accounted for under the Public Account. In respect of such receipts, Government acts as a banker or trustee.</p> <p>The Public Account comprises: repayables like Small Savings and Provident Funds; Reserve Funds; Deposits and Advances; Suspense and Miscellaneous transactions (adjusting entries pending booking to final heads of account); Remittances between accounting entities; and Cash Balance.</p>

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. 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 Tripura as depicted in the Finance Accounts 2016-17 are given below.

(₹ in Crore)

Receipts	Revenue	Tax Revenue	5,331
		Non Tax Revenue	219
		Grants-in-Aid	4,095
		Total	9,645
	Capital	Recovery of Loans and Advances	1
		Borrowings and other Liabilities*	2,530
		Total	2,531
	Total Receipts		12,176
Disbursements	Revenue		8,855
	Capital		3,294
	Loans and Advances		27
	Total Disbursements		12,176

* 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.

This year, the Government of India released ₹ 830.68 crore directly to State Implementing Agencies/ NGOs for implementation of various schemes and programmes. Since these funds are not routed through the State Budget, they are not reflected in the accounts of the State Government. Though Government of India's decision is to release/transfer funds through the consolidated fund of the state and not direct to the implementing agencies, but

still it seems that there is increase in direct release/transfer of funds to the implementing agencies as compared to 2015-16 (₹ 121.12 crore in 2015-16). These transfers are now exhibited in Appendix VI of Volume II (Part-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), 13 Grants (both voted and charged) and 47 Grants (voted). The Appropriation Act, 2016-17 had provided for gross expenditure of ₹ 17,910 crore and reduction of expenditure (recoveries) of ₹ 247 crore. Against this, the actual gross expenditure was ₹ 12,861 crore and reduction of expenditure was ₹ 172* crore, resulting in net savings of ₹ 5,049 crore (28.19 *per cent*) and an over estimation of ₹ 75 crore (30.36 *per cent*) on reduction of expenditure.

* Out of this, ₹ 11.85 crore was transferred from M.H. 3054 to M.H. 8658-101 PAO Suspense (N.H), being the reimbursable amount.

No Personal Deposit (PD) Account 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) and Over Draft (OD) to enable State Governments to maintain their liquidity. WMA and 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 WMA and OD facility during the year 2016-17.

1.4.2 Fund flow statement (Source and Application of Funds)

The State had a Revenue Surplus of ₹ 790 crore and a Fiscal deficit of ₹ 2,530 crore representing 2.14 *per cent* and 6.86 *per cent* of the Gross State Domestic Product (GSDP). The Fiscal deficit constituted 20.78 *per cent* of total expenditure. Around 61 *per cent* of the revenue receipts (₹ 9,645 crore) of the State Government was spent on committed expenditure like salaries (₹ 3,912 crore), interest payments (₹ 794 crore) and pension (₹ 1,209 crore).

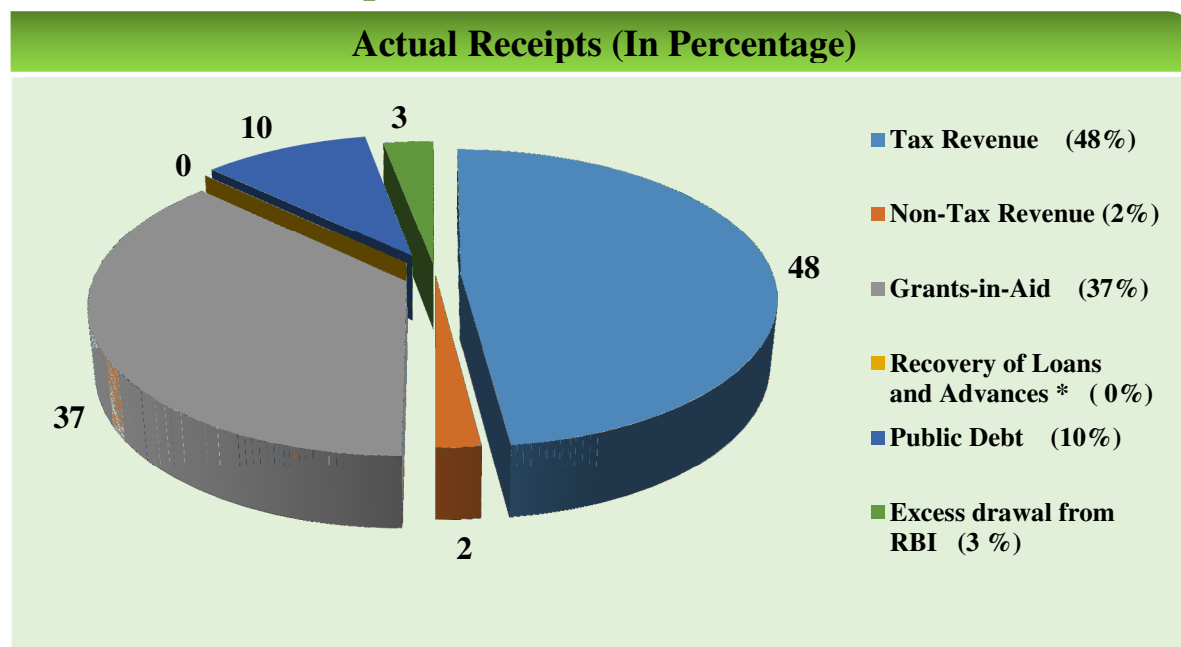
Sources and Application of Funds

(₹ in Crore)

SOURCES	PARTICULARS	AMOUNT
	Opening Cash Balance as on 01-04-2016	6
	Revenue Receipts	9,645
	Recovery of Loans & Advances	1
	Public Debt*	1,140
	Small Savings Provident Fund & Others*	1,122
	Reserves & Sinking Funds*	62
	Deposits Received*	685
	Civil Advances Repaid*	14
	Suspense Account*	30,147
	Remittances*	1,969
	Contingency Fund	---
	TOTAL	44,791
APPLICATION	Revenue Expenditure	8,855
	Capital Expenditure	3,294
	Loans Given	27
	Repayment of Public Debt*	513
	Small Savings Provident Fund & Others*	726
	Reserves & Sinking Funds*	44
	Deposits Spent*	332
	Civil Advances Given*	13
	Suspense Account*	29,325
	Remittances*	1,963
	Closing Cash Balance as on 31-03-2017	(-) 301
	TOTAL	44,791

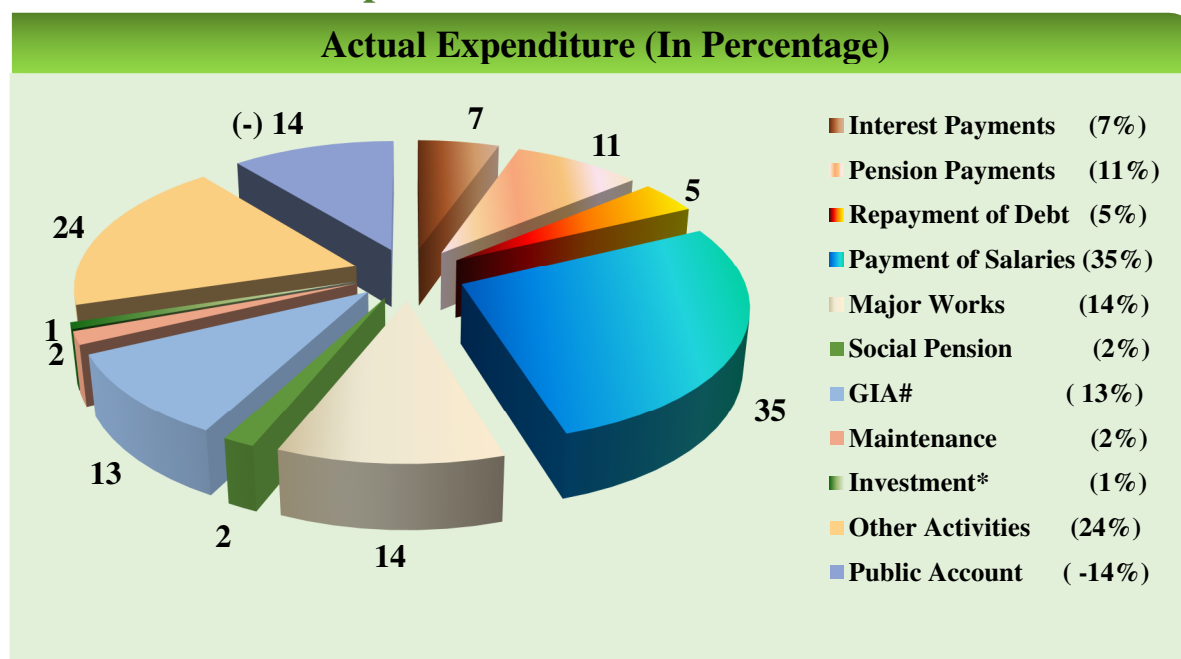
- Note:
- Items indicated with * are gross figures, and are eventually to be netted off, reducing the total.
 - The Suspense Accounts include ₹ 29,204 crore invested in treasury bills, which is shown on the Application side and ₹ 30,056 crore worth of treasury bills sold through the RBI (a process known as re-discounting), which is shown on the Sources side.

1.4.3 Where the Rupee came from



* Negligible amount of ₹ 1 crore, hence shown as 0 (zero) per cent.

1.4.4 Where the Rupee went



includes Grants-in-Aid to Local Bodies of ₹ 688 crore.

*Investment in (i) Statutory Corporation, (ii) Government Companies and (iii) Co-operative Banks, Societies etc.

1.5 Highlights of Accounts

(₹ in Crore)

		B.E. 2016-17	Actuals	Percentage of actuals to B.E.	Percentage of actuals to GSDP(\$)
1.	Tax Revenue (@)	5,510	5,331	96.75	14.45
2.	Non-Tax Revenue	251	219	87.25	0.59
3.	Grants-in-aid & Contributions	7,007	4,095	58.44	11.10
4.	Revenue Receipts (1+2+3)	12,768	9,645	75.54	26.15
5.	Recovery of Loans and Advances	2	1	50.00	0.003
6.	Borrowings & other Liabilities (A)	2,171	2,530	116.54	6.86
7.	Capital Receipts (5+6)	2,173	2,531	116.47	6.86
8.	Total Receipts (4+7)	14,941	12,176	81.49	33.02
9.	Non-Plan Expenditure	8,000	8,488	106.10	23.02
10.	NPE on Revenue Account	7,218	6,596	91.38	17.89
11.	NPE on Interest Payments out of 10	1,003	794	79.16	2.15
12.	NPE on Capital Account	782	19	2.43	0.05
13.	Plan Expenditure (*)	6,941	3,688	53.13	10.00
14.	PE on Revenue Account	2,786	2,259	81.08	6.13
15.	PE on Capital Account(*)	4,155	3,302	79.47	8.95
16.	Total Expenditure (9+13)	14,941	12,176	81.49	33.02
17.	Revenue Expenditure (10+14)	10,004	8,855	88.51	24.01
18.	Capital Expenditure (12+15) (#)	4,937	3,321	67.27	9.00
19.	Revenue Surplus(4-17)	2,764	790	28.58	2.14
20.	Fiscal Deficit { 16-(4+5) }	2,171	2,530	116.54	6.86

(@) Includes State's share of Union Taxes of ₹ 3,909 crore.

(\$) GSDP figure (quick estimate) of ₹ 36,880 crore at current market prices adopted from Directorate of Statistics, Government of Tripura.

(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 ₹ 27 crore pertaining to Loans and Advances.

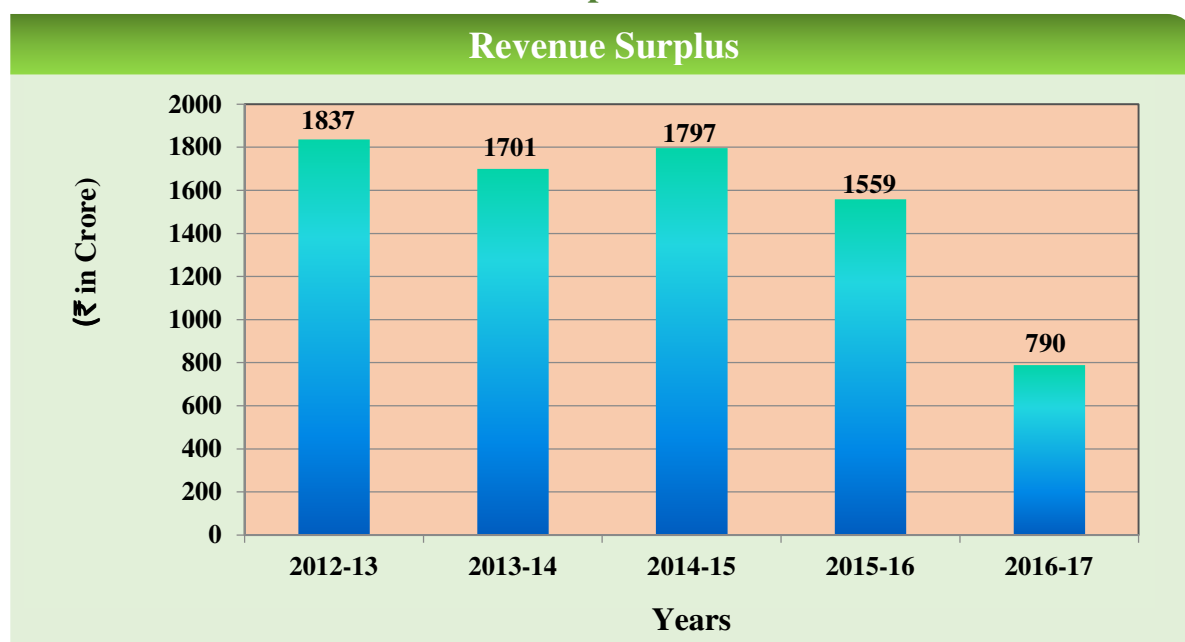
(#) Expenditure on Capital Account includes Capital Expenditure (₹ 3,294 crore) and Loans and Advances disbursed (₹ 27 crore)

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.

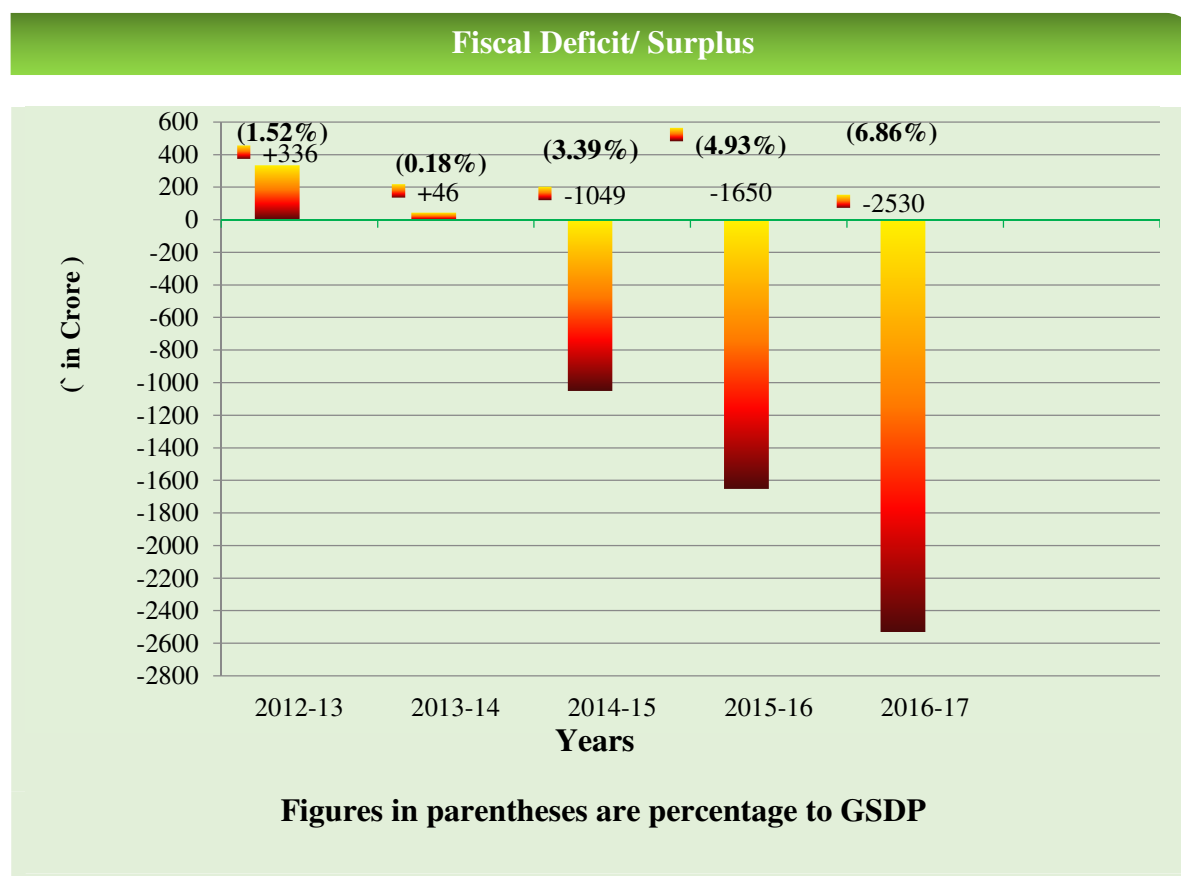
The 13th Finance Commission recommended to eliminate Revenue Deficit and limiting Fiscal Deficit to 3 *per cent* of Gross State Domestic Product (GSDP). The Government of Tripura enacted the Tripura Fiscal Responsibility and Budget Management (FRBM) Act, 2005. The Government is maintaining Revenue Surplus since 2003-04. During the year 2016-17, the Fiscal Deficit of the State is 6.86 *per cent* of GSDP which has crossed 3 *per cent* limit.

1.6.1 Trend of Revenue Deficit/ Surplus



Revenue Surplus of ₹ 790 crore during 2016-17 is overstated by ₹ 17.93 crore mainly due to non-utilisation of grant towards CRF received from Government of India.

1.6.2 Trend of Fiscal Deficit



The State Government has borrowed funds amounting to ₹ 1,140 crore, from open market (₹ 990 crore), Financial Institutions (₹ 146 crore) and Government of India (₹ 4 crore) during the year. During 2015-16, the State had borrowed funds of ₹ 1,120 crore.

CHAPTER - II

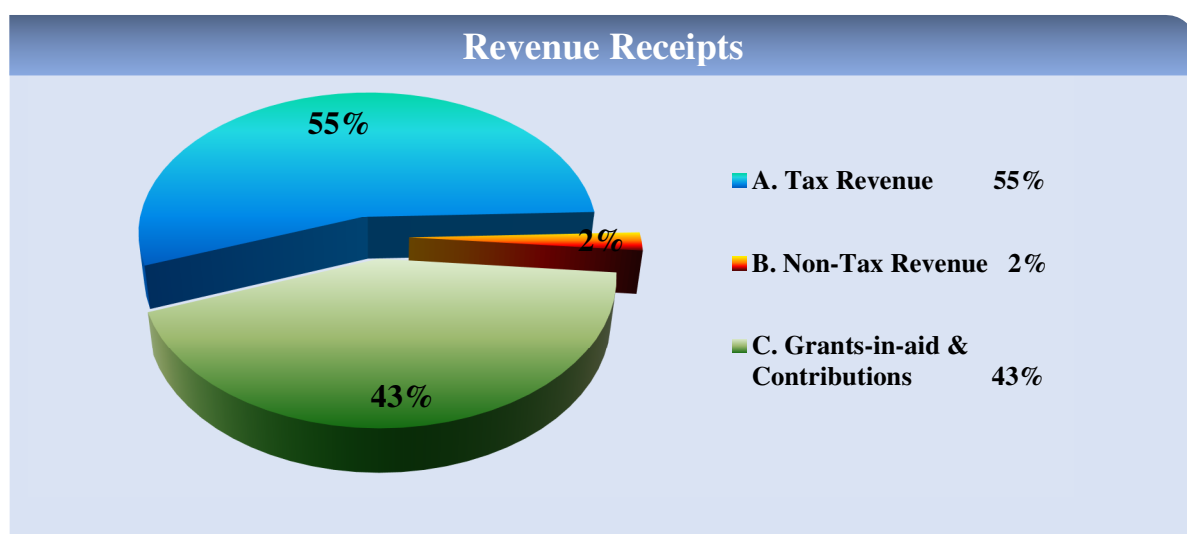
RECEIPTS

2.1 Introduction

The total Revenue Receipts of the Government during the year 2016-17 was ₹ 9,645 crore. In addition, there was a net Public Debt of ₹ 627 crore, net of Public Account ₹ 1,596 crore, ₹ 307 crore being net of opening and closing cash balance (decrease in cash balance) and ₹ 1 crore being recovery of loans and advances.

2.2 Revenue Receipts (Revenue Receipts Components)

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 channelized through the Union Government. In turn, the State Government also gives Grants-in-aid to institutions like Panchayati Raj Institutions, Autonomous bodies etc.



Revenue Receipts Components (2016-17)

(₹ in Crore)

Components	Actuals
A. Tax Revenue	5,331
Taxes on Income & Expenditure	2,169
Taxes on Property & Capital Transactions	58
Taxes on Commodities & Services	3,104
B. Non-Tax Revenue	219
Interest Receipts, Dividends and Profits	37
General Services	72
Social Services	10
Economic Services	100
C. Grants-in-Aid & Contributions	4,095
Total-Revenue Receipts	9,645

2.3 Trend of Receipts

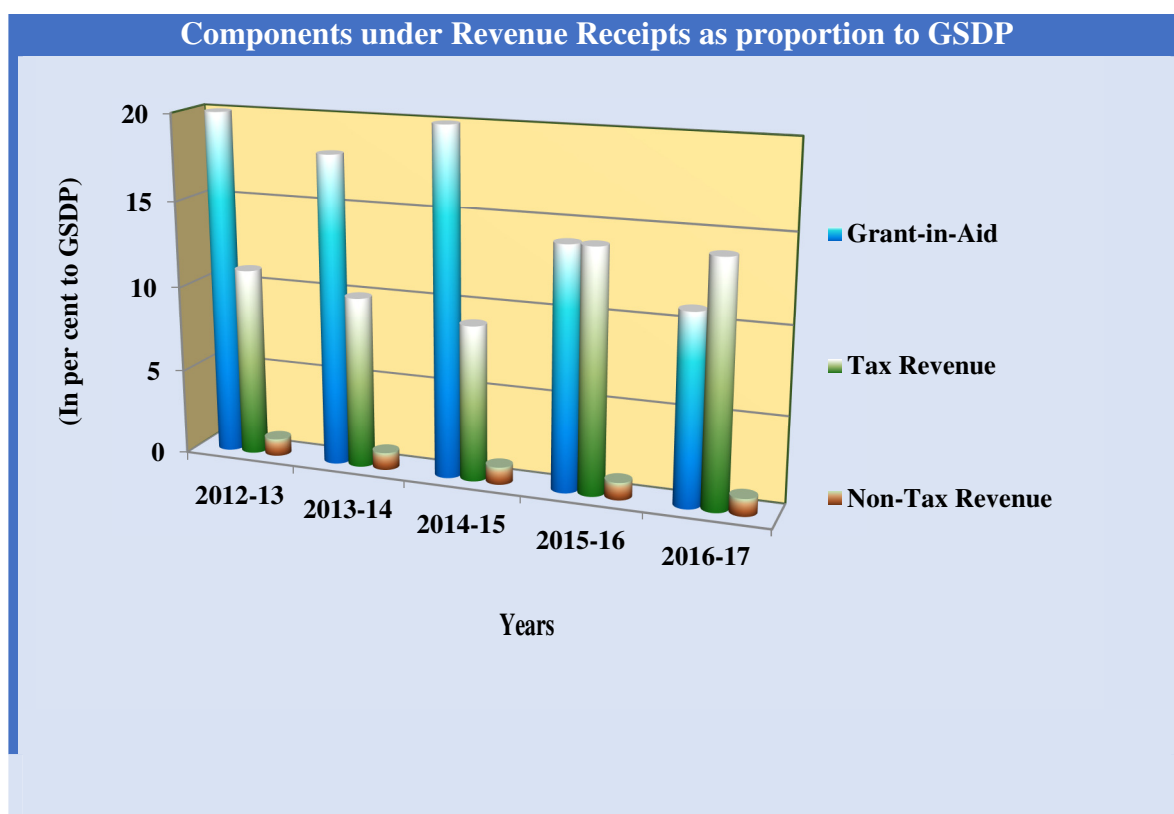
(₹ in Crore)

	2012-13	2013-14	2014-15	2015-16	2016-17
Tax Revenue	2,498 (11)	2,704 (10)	2,904 (9)	4,598 (14)	5,331 (14)
Non-Tax Revenue	178 (1)	247 (1)	196 (1)	263 (1)	219 (1)
Grants-in-Aid	4,374 (19)	4,699 (18)	6,140 (20)	4,566 (13)	4,095 (11)
Total Revenue Receipts	7,050 (31)	7,650 (29)	9,240 (30)	9,427 (28)	9,645 (26)
GSDP*	22,697	26,810	30,922	33,496	36,880

Note: Figures in parentheses represent percentage to GSDP.

* Based on information furnished by the Government of Tripura. 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.

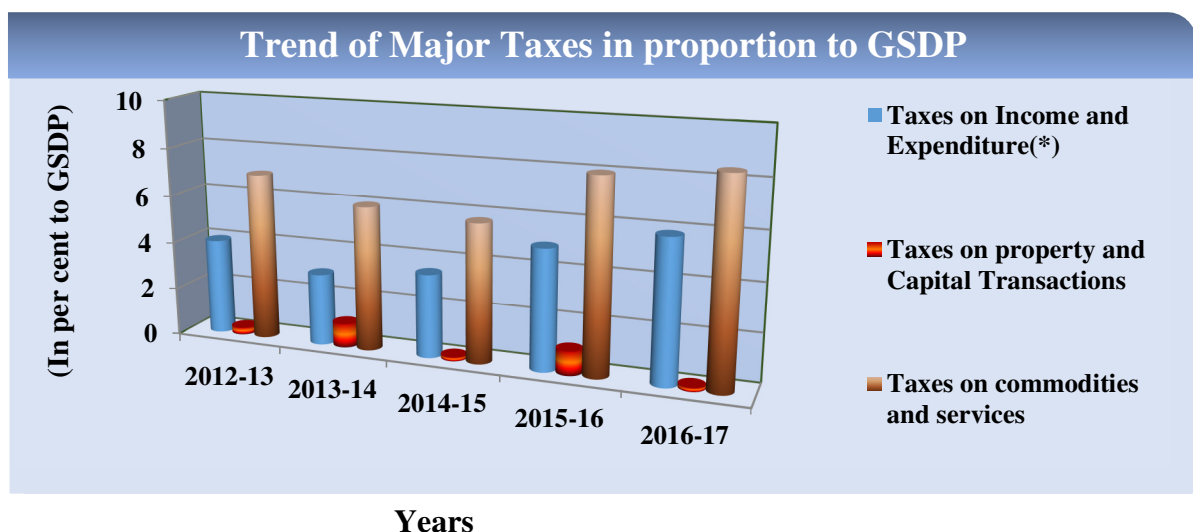
Though the GSDP increased by 10 *per cent* between 2015-16 and 2016-17, growth in revenue collection was 2 *per cent*. Tax Revenue increased by 16 *per cent* and Non-Tax Revenue decreased by 17 *per cent*, Grants-in-Aid decreased by 10 *per cent* in 2016-17 over the last year (2015-16). The State's own revenue under certain tax components, like State Excise (₹ 163 crore), Sales Tax (₹ 1,113 crore) showed a higher trend. Share of net proceeds of Taxes (₹ 3,909 crore) increased by 20 *per cent* in 2016-17 over last year (₹ 3,266 crore).



Sector-wise Tax Revenue

(₹ in Crore)

	2012-13	2013-14	2014-15	2015-16	2016-17
Taxes on Income and Expenditure	890	945	1,075	1,792	2,169
Taxes on Property and Capital Transactions	64	49	50	49	58
Taxes on Commodities and Services	1,544	1,710	1,779	2,757	3,104
Total Tax Revenues	2,498	2,704	2,904	4,598	5331



(*) Out of these net proceeds of Central share to the State is ₹ 3,909 crore

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 of GSDP
(1)	(2)	(3)	(4)	(5)
2012-13	2,498	1,493	1,005	4.5 per cent
2013-14	2,704	1,630	1,074	4.1 per cent
2015-16	2,904	1,730	1,174	3.8 per cent
2015-16	4,598	3,266	1,332	3.9 per cent
2016-17	5,331	3,909	1,422	3.9 per cent

2.5 Efficiency of Tax Collection

The gross collection in respect of five major heads of revenue receipt, the expenditure incurred on their collection and the percentage of such expenditure to the gross collection during past 5 (five) years are given in the following table.

(₹ in Crore)

Sl. No.	Head of Revenue	Year	Gross Collection	Expenditure on Collection	Percentage of expenditure to Gross Collection
1	Taxes on Professions	2012-13	32	0.14	0.44
		2013-14	35	0.16	0.46
		2014-15	39	0.20	0.51
		2015-16	40	0.16	0.40
		2016-17	42	0.00	0.00
2	Stamps and Registration Fees	2012-13	37	2	5.41
		2013-14	39	2	5.13
		2014-15	38	2.68	7.05
		2015-16	42	1.38	3.29
		2016-17	42	1.60	3.81
3	State Excise	2012-13	114	1	0.88
		2013-14	115	2	1.74
		2014-15	139	1.91	1.37
		2015-16	144	2.60	1.80
		2016-17	163	5.21	3.20
4	Sales Tax/ VAT	2012-13	763	9	1.18
		2013-14	837	8	0.96
		2014-15	910	11.42	1.25
		2015-16	1,058	12.63	1.19
		2016-17	1,113	17.39	1.56
5	Taxes on vehicles	2012-13	31	1	3.23
		2013-14	37	2	5.41
		2014-15	36	2.33	6.47
		2015-16	38	2.84	7.47
		2016-17	44	3.14	7.14

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

(₹ in Crore)

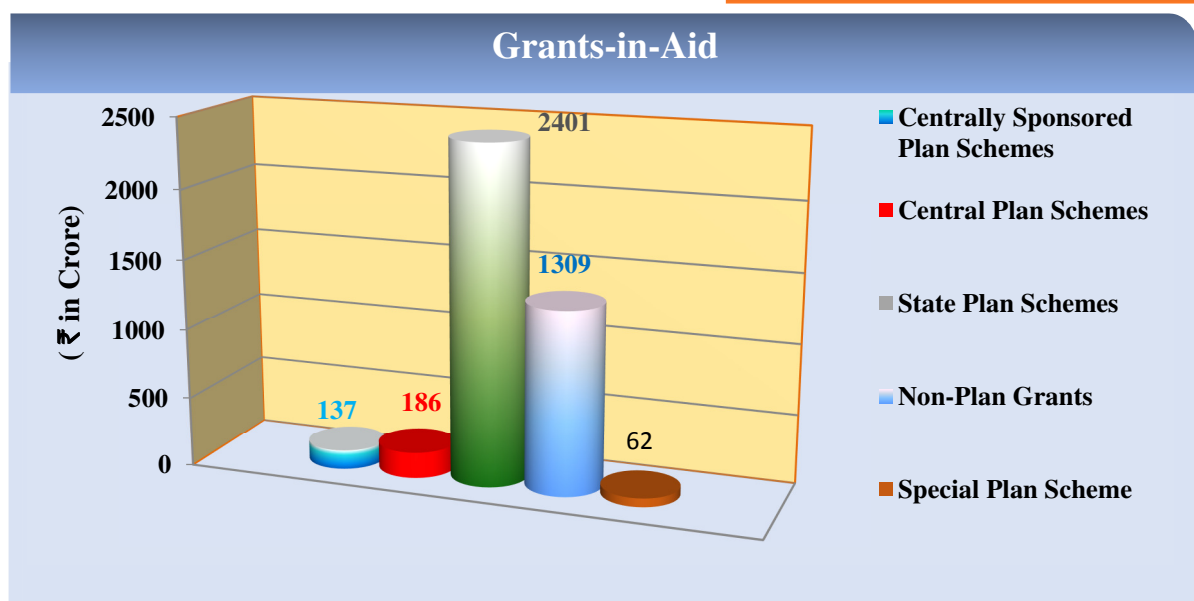
Major Head description	2012-13	2013-14	2014-15	2015-16	2016-17
Corporation Tax	536	548	604	1,032	1,255
Taxes on income other than Corporation Tax	321	361	431	721	872
Taxes on Wealth	1	1	1	0*	3
Customs	248	266	280	522	540
Union Excise Duties	169	188	158	431	616
Service Tax	218	265	255	558	623
Other Taxes and Duties on Commodities and Services	1	1	1	2	0**
State Share of Union Taxes	1,493	1,630	1,730	3,266	3,909
Total Tax Revenue	2,498	2,704	2,904	4,598	5,331
Per cent of Union Taxes to Total Tax Revenue	60	60	60	71	73

* ₹ 18 Lakh and ** ₹ 5.09 lakh hence shown as 0.

Share of net proceeds of all shareable Union Taxes has increased during 2016-17 except Other Taxes and Duties on Commodities and Services. The amount of net proceeds of share is ₹ 3,909 crore for 2016-17, which is an increase of 20 *per cent* over the last year. Significant increase has been noticed under Union Excise Duties to the extent of 43 *per cent*.

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 NITI Aayog and State Non-plan Grants recommended by the Finance Commission. Total receipts during 2016-17 under Grants-in-Aid were ₹ 4,095 crore as follows:



During the year receipts of Grants-in-Aid (₹ 4,095 crore) decreased by 10 *per cent* as compared to ₹ 4,566 crore received in 2015-16. The share of grants for Plan Scheme decreased by 3 *per cent* in 2016-17 (₹ 2,786 crore) as compared to 2015-16 (₹ 2,868), while the share of grants for Non-Plan grants increased by 5 *per cent* (₹ 1,309 crore) as compared to 2015-16 (₹ 1,249 crore). As against a budget estimate of ₹ 7,007 crore, the State Government has actually received ₹ 4,095 crore of Grants-in-Aid (58 *per cent* of Budget Estimate).

2.8 Public Debt

Trend of Public Debt over the past five years

(₹ in Crore)

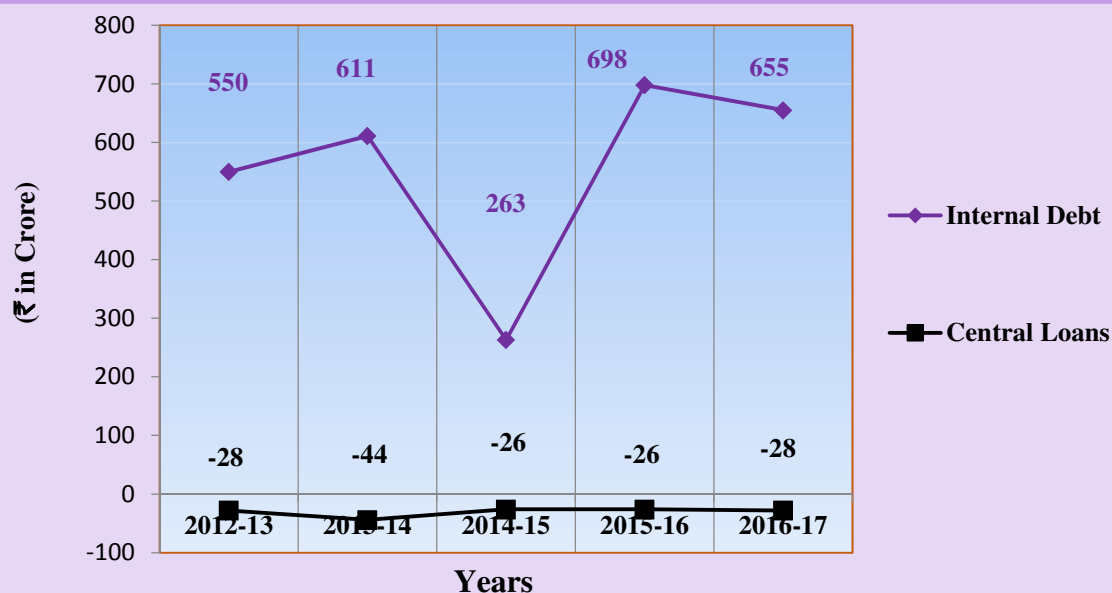
Description	2012-13	2013-14	2014-15	2015-16	2016-17
Internal Debt	550	611	263	698	655
Central Loans	(-)28	(-)44	(-)26	(-)26	(-)28
Total Public Debt	522	567	237	672	627

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

In 2016-17, three loans for ₹ 990 crore at interest rate varying from 7.22 *per cent* to 8.05 *per cent* and redeemable in the year 2026-27 were raised from the open market. In addition, the State Government raised ₹ 146 crore from financial institutions. The State Government also made repayment of ₹ 481 crore. Thus, internal debt during 2016-17 decreased by

₹ 43 crore from 2015-16. During the year 2016-17, loans from the Central Government was ₹ 4 crore and repayment to Central Government was ₹ 32 crore resulting in net repayment of ₹ 28 crore.

Trend of Public Debt over the past five years



2.9 Public Account

During 2016-17, there was surplus in Public Account to the tune of ₹ 1,596 crore (Receipt ₹ 34,000 crore and Disbursement ₹ 32,404 crore) against surplus of ₹ 1,528 crore during the year 2015-16.

Trend of Public Account over the past five years

(₹ in Crore)

Description	2012-13	2013-14	2014-15	2015-16	2016-17
Receipt	36,008	51,167	42,283	43,606	34,000
Payments	36,987	51,863	41,804	42,078	32,404
Surplus (+) / Deficit (-)	(-)979	(-)696	479	1,528	1,596

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. Expenditure incurred on plan activities is known as Plan Expenditure and recurring expenditure incurred for the purpose of interest payments, subsidies, wage and salary payments to government employees, payment of pension, etc. is known as Non-Plan Expenditure. The expenditure is also classified sector wise into following categories:

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

3.2 Revenue Expenditure

Revenue Expenditure of ₹ 8,855 crore for 2016-17 fell short of budget estimates by ₹ 1,149 crore of which ₹ 527 crore is under Plan Expenditure and ₹ 622 crore is under Non-Plan Expenditure. The shortfall of revenue expenditure against budget estimates during the past five years is given below: (₹ in Crore)

	2012-13	2013-14	2014-15	2015-16	2016-17
Budget Estimates	5,776	7,141	8,302	8,546	10,004
Actuals	5,213	5,949	7,443	7,868	8,855
Gap	563	1,192	859	678	1,149
Per cent of gap over BE	10	17	10	8	11

During the year, ₹ 6,596 crore (75 per cent) of revenue expenditure was incurred under Non-Plan.

Of the total revenue expenditure, committed expenditure on Salaries was ₹ 3,912[#] crore, Pensions ₹ 1,209 crore and Interest ₹ 794 crore.

[#]Excludes ₹ 195 crore being salary given as grants-in-aid & ₹ 27 crore for wages.

3.2.1 Sectoral distribution of Revenue Expenditure

(₹ in Crore)

Components		Amount	Percentage
A.	Fiscal Services	63	1
	(i) Collection of Taxes on Income and Expenditure	---	--
	(ii) Collection of Taxes on Property and Capital transactions	32	--
	(iii) Collection of Taxes on Commodities and Services	28	--
	(iv) Other Fiscal Services	3	--
B.	Organs of State	95	1
C.	Interest Payments and Servicing of debt	794	9
D.	Administrative Services	1,342	15
E.	Pensions and Miscellaneous General Services	1,209	13
F.	Social Services	3,683	42
G.	Economic Services	1,471	17
H.	Grants-in-aid and Contributions	198	2
Total Expenditure (Revenue Account)		8,855	100

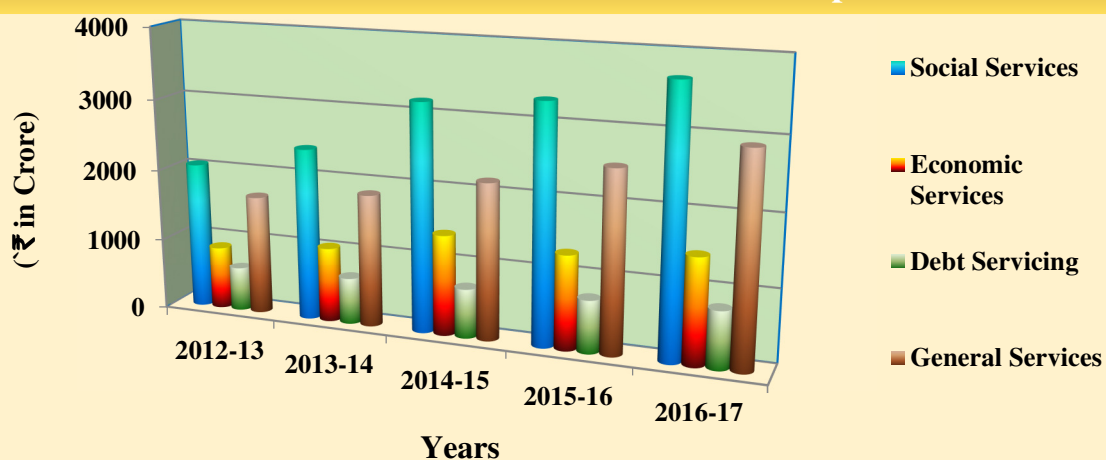
3.2.2 Sectoral Distribution of Revenue Expenditure over the past five years (2012-2017)

(₹ in Crore)

Sl. No.	Sector	2012-13	2013-14	2014-15	2015-16	2016-17
1	General Services*	1,668	1,852	2,174	2,514	2,907
2	Social Services	2,055	2,408	3,184	3,311	3,683
3	Economic Services	882	1,048	1,403	1,314	1,471
4	Debt Servicing	608	641	682	729	794
Total		5,213	5,949	7,443	7,868	8,855

* 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).

Trend of Sectoral Distribution of Revenue Expenditure



During the year 2016-17, the expenditure on Interest Payment and Servicing of Debt and Administrative Services under General Services has increased by 9 *per cent* and 17 *per cent* respectively as compared to 2015-16. Under Social Services, expenditure under sectors Education, Sports, Art and Culture has increased by 10 *per cent* and a reduction of 8 *per cent* under Health and Family Welfare as compared to 2015-16. Under Economic Services, expenditure under sectors Agriculture and Allied Activities has been increased by 8 *per cent* as compared to 2015-16.

3.3 Capital Expenditure

Capital disbursements of ₹ 3,321 crore for 2016-17 were less than Budget Estimates by ₹ 1,000 crore (less disbursement of ₹ 881 crore under Plan Expenditure). The Capital disbursements were about 9 *per cent* of GSDP.

3.3.1 Sectoral distribution of Capital Expenditure

During 2016-17, the Government spent ₹ 1,552 crore on various Major Works. The Government also invested ₹ 60 crore in various Corporations/ Companies/ Societies etc. An amount of ₹ 513 crore was incurred towards repayment of borrowings.

(₹ in Crore)

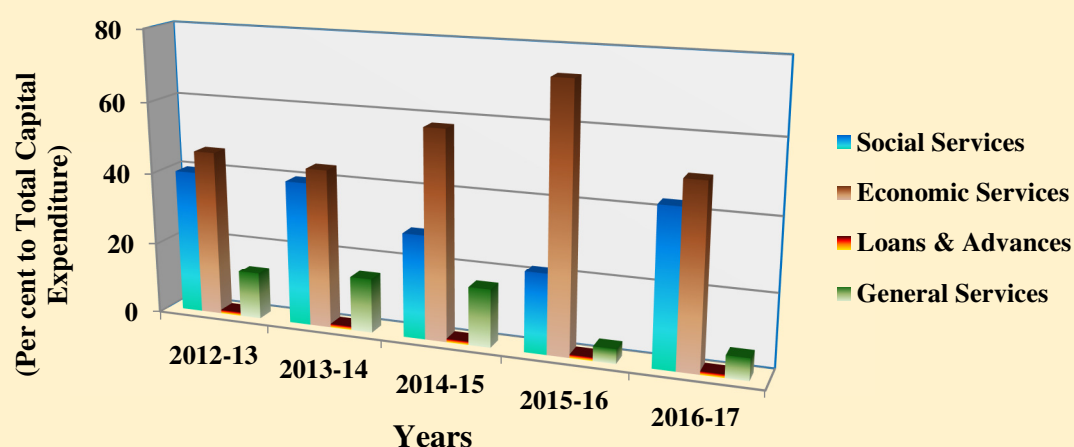
Sl. No.	Sector	Amount	Percentage
1	General Services - Police, Land Revenue etc.	205	6
2	Social Services – Education, Health & Family Welfare, Water Supply, Welfare of SC/ST etc.	1,421	43
3	Economic Services – Agriculture, Rural Development, Irrigation, Cooperation, Energy, Industries, Transport etc.	1,668	50
4	Loans and Advances Disbursed	27	1
Total		3,321	100

3.3.2 Sectoral distribution of Capital Expenditure over the past 5 years

(₹ in Crore)

Sl. No.	Sector	2012-13	2013-14	2014-15	2015-16	2016-17
1	General Services	188	246	335	148	205
2	Social Services	605	657	838	698	1,421
3	Economic Services	690	737	1,659	2,342	1,668
4	Loans and Advances	19	16	16	22	27
Total		1,502	1,656	2,848	3,210	3,321

Trend of Sectoral Distribution of Capital Expenditure

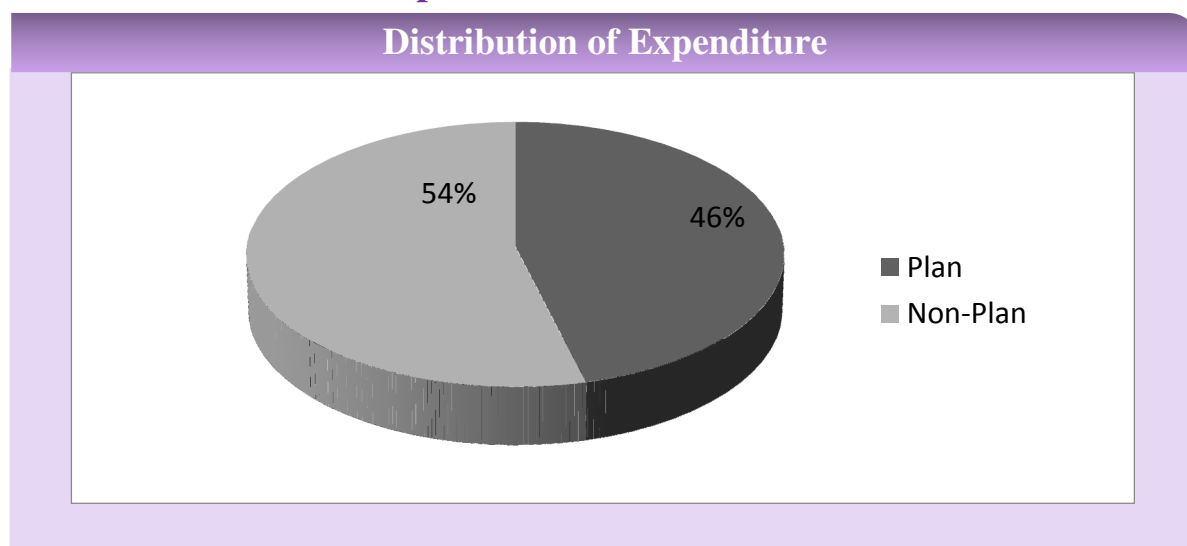


During the year 2016-17, the Capital Expenditure of the Government had increased by 3 per cent over the last year whereas it increased by 13 per cent in 2015-16.

CHAPTER - IV

PLAN & NON-PLAN EXPENDITURE

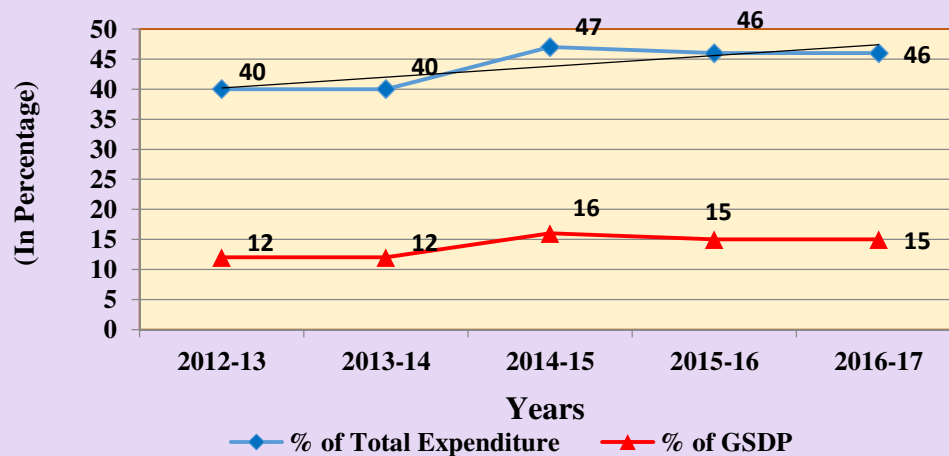
4.1 Distribution of Expenditure



4.2 Plan Expenditure

During 2016-17, Plan Expenditure representing 46 percent of total disbursements, was ₹ 5,560 crore (₹ 2,397 crore under State Plan, ₹ 3,136 crore under Centrally Sponsored Plan Schemes and ₹ 27 crore under Loans and Advances).

Plan Expenditure as proportion of total expenditure and GSDP



4.2.1 Plan Expenditure under Capital Account

(₹ in Crore)

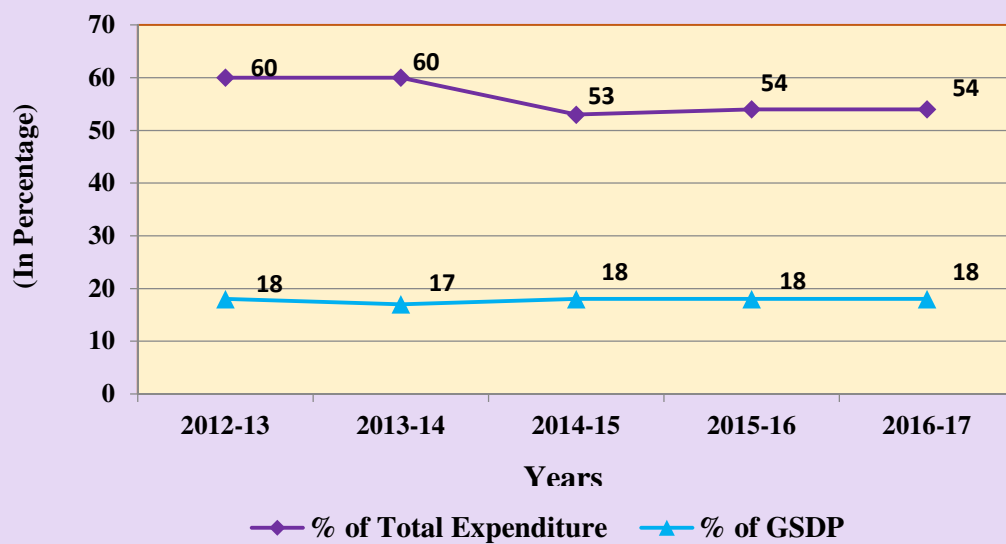
	2012-13	2013-14	2014-15	2015-16	2016-17
Total Capital Expenditure	1,502	1,656*	2,848	3,210	3,321
Capital Expenditure (Plan)	1,470	1,662	2,837	3,198	3,302
Per cent of Capital Expenditure (Plan) to Total Capital Expenditure	98	100	99.61	99.63	99.43

* Non Plan Expenditure on Capital Account was (-) ₹ 6 crore as the recovery was more than expenditure.

4.3 Non-Plan Expenditure

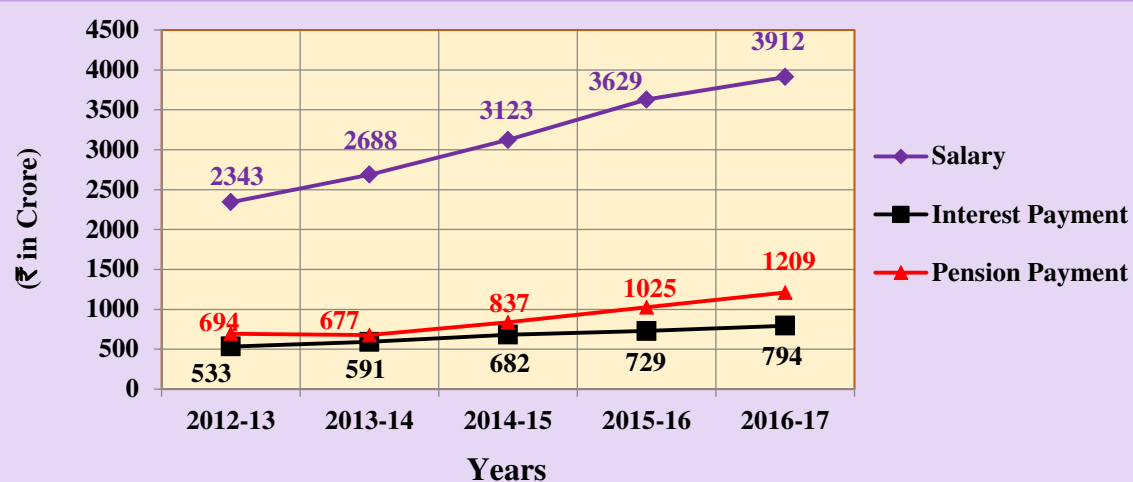
Non-Plan Expenditure during 2016-17, representing 54 *per cent* of total disbursements, was ₹ 6,615 crore, (₹ 6,596 crore under Revenue and ₹ 19 crore under Capital).

Non-Plan Expenditure as proportion of total expenditure and GSDP



4.4 Committed Expenditure

Trend of Committed Expenditure



Component	2012-13	2013-14	2014-15	2015-16	2016-17
Committed Expenditure	3,570	3,956	4,642	5,383	5,915
Revenue Expenditure	5,213	5,949	7,443	7,868	8,855
Per cent of Committed Expenditure to Revenue Expenditure	68	66	62	68	67
Revenue Receipt	7,050	7,650	9,240	9,427	9,645
Per cent of Committed Expenditure to Revenue Receipts	51	52	50	57	61

Committed expenditure as percentage of revenue expenditure as compared to 2015-16 has decreased. However, committed expenditure as percentage of revenue receipts as compared to 2015-16 has increased.

CHAPTER - V

APPROPRIATION ACCOUNTS

5.1 Summary of Appropriation Accounts

(₹ in Crore)

Sl. No.	Nature of Expenditure	Original Grant	Supplementary Grant	Reappropriation	Total	Actual Expenditure	Savings(-) Excesses(+)
1	Revenue						
	Voted	9,679	943	...	10,622	8,168	(-)2,454
	Charged	1,024	7	...	1,031	818	(-)213
2	Capital						
	Voted	4,152	1,460	...	5,612	3,335	(-)2,277
	Charged	...	...	...	...	...	...
3	Public Debt						
	Charged	606	11	...	617	513	(-) 104
4	Loans and Advances						
	Voted	23	5	...	28	27	(-) 1
Total		15,484	2,426	...	17,910	12,861	(-)5,049

5.2 Trend of Savings/ Excess during the past five years

(₹ in Crore)

Year	Savings (-)/ Excess(+)				Total
	Revenue	Capital	Public Debt	Loan & Advances	
2012-13	(-) 1,229	(-) 1,500	(-) 63	(-) 35	(-) 2,827
2013-14	(-) 1,558	(-) 1,485	(-) 209	(-) 4	(-) 3,256
2014-15	(-) 1,415	(-) 1,989	(-) 171	...	(-) 3,575
2015-16	(-) 2,023	(-) 2,791	(-) 76	...	(-) 4,890
2016-17	(-) 2,667	(-) 2,277	(-) 104	(-) 1	(-) 5,049

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:

(Per cent of savings to total allocation)

Grant	Nomenclature	2012-13	2013-14	2014-15	2015-16	2016-17
5	Law Department	41	46	44	56	55
6	Revenue Department	32	21	14	21	21
13	Public Works (R&B) Department	11	18	15	14	15
15	Public Works (WR) Department	44	42	49	52	40
19	Tribal Welfare Department	35	34	36	41	39
20	Welfare of Scheduled Castes Department	46	38	42	47	38
27	Agriculture Department	52	39	37	45	26
34	Planning and Co-ordination Department	96	96	96	98	89

During 2016-17, supplementary grants totaling ₹ 2,426 crore (19 per cent of total expenditure) proved to be unnecessary in some cases, where there were significant savings at the end of the year even against original allocations. A few instances are given below.

(₹ in Crore)

Grant	Nomenclature	Section	Original	Supple- mentary	Actual Expenditure
10	Home (Police) Department	Revenue Voted	1109	7	968
15	Public Works (Water Resource) Department	Revenue Voted	129	1	88
19	Tribal Welfare Department	Revenue Voted	926	278	858
		Capital Voted	1,885	556	1,352
20	Welfare of Scheduled Castes Department	Revenue Voted	412	110	342
		Capital Voted	727	183	539
27	Agriculture Department	Revenue Voted	206	16	170
39	Education (Higher) Department	Revenue Voted	145	1	106

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 PSU, Co-operative Societies and Local Bodies etc. stood at ₹ 1,446 crore at the end of 2016-17. During the year, an amount of ₹ 0.05 crore was received as dividend on investment from them. During 2016-17, investments increased by ₹ 60.37 crore.

Cash Balance with RBI stood at ₹ 6.00 crore on 31 March 2016 and ₹ (-)301 crore at the end of March 2017

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	Per cent to GSDP	Public Account (*)	Per cent to GSDP	Total Liabilities	Per cent to GSDP
2012-13	4,487	20	3,186	15	7,673	35
2013-14	5,054	19	3,673	14	8,727	33
2014-15	5,290	17	4,029	13	9,319	30
2015-16	5,976	18	3,890**	12	9,866**	29
2016-17	6,603	18	4,656	13	11,259	31

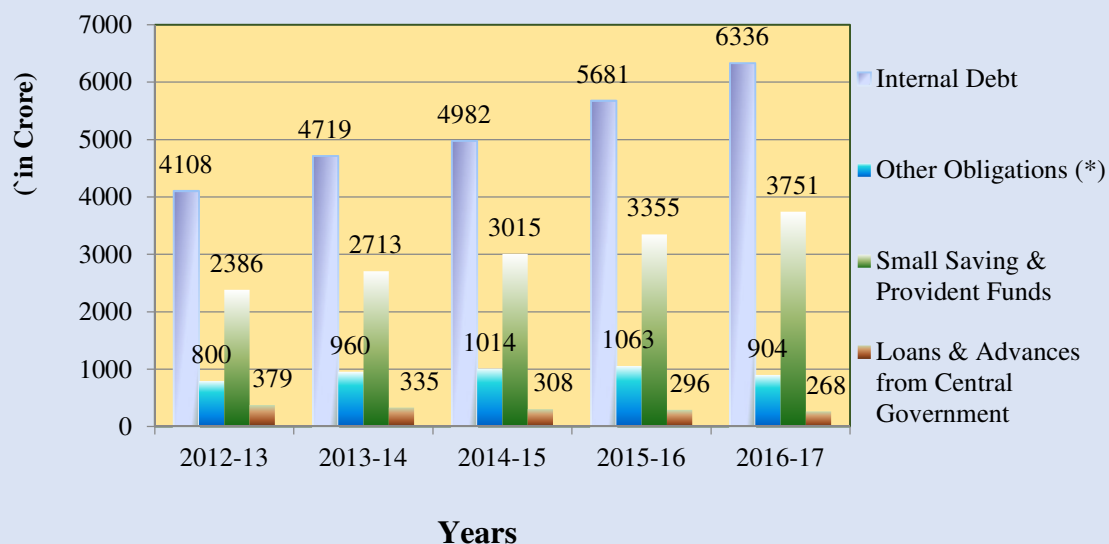
(*) Excludes suspense and remittance balances.

(**) Differs by ₹ 529 crore as gross amount was taken earlier into the account instead of net amount in respect of Reserve Fund not bearing interest.

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

There is a net increase of ₹ 1,393 crore (14 per cent) in Public Debt and Other liabilities during 2016-17 over the previous year.

Trends in Government Liabilities



(*) Other Obligations such as deposits of Local Funds, other earmarked funds, etc.

6.3 Guarantees

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

(₹ in Crore)

Year	Outstanding at the beginning of the year	Addition	Deletion	Outstanding at the end of the year
2012-13	116	121	44	193
2013-14	193	25	30	188
2014-15	188	79	25	242
2015-16	242	67	21	288
2016-17	288	64	39	313

CHAPTER - VII

OTHER ISSUES

7.1 Adverse Balances under Internal Debt

In addition to directly raising loans from the market, State Government also raises loans from financial institutions for implementation of various plan schemes and programmes. On occasion, the State Government does not treat loans raised from these institutions as receipts under internal debt. Where these loan receipts are classified as receipts of the concerned departments, there is scope for incorrectly depicting an increased revenue surplus and reduced debt liability as well as adverse balance under internal debt.

The repayment of these institutional loans appears in Government account under internal debt, resulting in irreconcilable adverse balance. As on 31 March 2017, 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 2016-17 amounting to ₹ 188 crore. During the year, the principal amount of ₹ 1 crore was recovered. The information regarding arrears in interest at the end of 31 March 2017 was not received from the State Government.

7.3 Financial Assistance to Local Bodies and Others

Grants-in-Aid to local bodies etc. increased by 55 *per cent* from ₹ 445 crore in 2015-16 to ₹ 688 crore in 2016-17. Grants to Panchayati Raj Institutions comprises Zilla Parishads (₹ 7 crore), Panchayat Samities (₹ 9 crore) and Gram Panchayats (₹ 75 crore). Grants to Urban Local Bodies (₹ 404 crore) represented 59 *per cent* of total grants given during the year.

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

(₹ in Crore)

Year	Panchayati Raj Institution	Urban Local Bodies	Autonomous Bodies	Total
2012-13	45	241	44	330
2013-14	37	171	35	243
2014-15	70	242	72	384
2015-16	71	186	188	445
2016-17	91	404	193	688

7.4 Cash Balance and Investment of Cash Balance

(₹ in Crore)

Component	As on 01 April 2016	As on 31 March 2017	Net increase (+) Decrease (-)
Cash Balances	6	(-) 301	(-) 307
Investments from cash balance (GOI Treasury Bills)	2,208	1,357	(-) 851
Investment from earmarked fund balances	602	632	30
(a) Sinking Fund	529	529	...
(b) Guarantee Redemption Fund	...	3	3
(c) SDRF	73*	100	27
(c) Other Funds	...	...	...
Interest realised	53	36	(-) 17

* Increased by ₹ 73 crore due to inclusion of investment of SDRF during the year 2015-16.

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 2016-17, all the 62 Controlling Officers carried out reconciliation with the figures (Receipt and Expenditure) booked in the Accountant General (A&E) office. Nearly cent percent receipts and expenditure were reconciled.

7.6 Submission of Accounts by Treasuries

Five (5) Treasuries, Fifty three (53) PW Divisions and Thirty nine (39) Forest Divisions/Sub-Divisions are rendering accounts to the Accountant General (A&E). In 2016-17, the maximum delays in rendition of accounts by the Treasuries were thirty four (34) days, P.W. Divisions were forty (40) days and Forest Divisions were twenty (20) days.

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

Drawing and Disbursing Officers (DDOs) are authorized to draw sums of money by preparing Abstract Contingency (AC) bills by debiting Service Heads to meet unforeseen expenditure. As per the Delegation of Financial Powers Rules, Tripura – 2011, DDOs are

required to present Detailed Contingency (DC) bills (Vouchers in support of final expenditure) within 60 (Sixty) days from the date of drawal of AC bills. During the year, expenditure of ₹ 33.71 crore was drawn on AC bills. DC bills for 289 numbers of AC bills amounting to ₹ 24.21 crore was yet to be submitted by the end of year. By the end of 31 March 2017, a total 7,632 numbers of AC bills of previous years (since 2010-11) amounting to ₹ 111 crore were pending submission of DC bills. Prolonged non-submission of DC bills renders the expenditure under AC bills opaque.

7.8 Commitments on account of Incomplete Works

A total expenditure of ₹ 1,439 crore was incurred upto 31 March 2017 by the State Government on 124 nos. of incomplete project/works costing ₹ 5 crore and above which have been taken up by the Public Works (R & B) Department, Public Works (Water Resource) Department and Public Works (Drinking Water and Sanitation) Department.

7.9 Balances in Current Deposit and Savings Bank Accounts

As per information received from the State Government, as on 31 March 2017, an amount of ₹ 236.28 crore was lying unspent in the Current Deposit/Savings Bank accounts of the various Drawing and Disbursing Officers. This is in contravention to Rule 290 of the Central Treasury Rules. The State Finance Department is yet to stop this practice and close the accounts. The Government expenditure as reflected in the Accounts is therefore, not final to that extent.

7.10 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 2017 ranged between 26.13 *per cent* and 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 pace of expenditure during the four quarters of 2016-17 was as follows:

ACCOUNTS AT A GLANCE 2016-17

Head of Account	Description	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	Total *	During March	Expenditure in March vis-a-vis total expenditure of 2016-17 (as %)
		(₹ in Crore)						
2015	Elections	1.74	1.87	2.78	4.15	10.54	3.36	31.88
2245	Relief on Account of Natural Calamities	1.55	14.87	1.74	14.26	34.94	16.73	47.88
3456	Civil Supplies	7.19	12.31	13.65	50.82	83.97	42.00	50.02
4055	Capital Outlay on Police	...	0.02	1.63	11.65	13.30	8.21	61.72
4070	Capital Outlay on Other Administrative Services	9.51	19.53	23.60	63.03	115.67	56.03	48.44
4202	Capital Outlay on Education, Sports, Art. and Culture	16.13	36.68	36.65	58.67	148.13	38.71	26.13
4210	Capital Outlay on Medical and Public Health	9.55	14.59	26.32	77.74	128.20	64.15	50.04
4211	Capital Outlay on Family Welfare	...	...	0.69	15.57	16.26	9.62	59.16
4220	Capital Outlay on Medical and Public Health	...	...	0.17	3.18	3.35	2.93	87.46
4225	Capital Outlay on Welfare of Scheduled Castes ,Schedule Tribes and Other Backward Classes	52.93	21.23	81.77	77.40	233.33	71.94	30.83
4408	Capital Outlay on Food Storage and Warehousing	...	6.03	0.52	6.47	13.02	6.00	46.08
4810	Capital Outlay on Non-Conventional sources of Energy	...	0.01	0.01	0.15	0.17	0.15	88.24
4875	Capital Outlay on Other Industries	...	...	...	5.65	5.65	5.65	100.00
5055	Capital Outlay on Road Transport	...	15.91	1.13	9.35	26.59	8.52	32.04

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

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