



GOVERNMENT OF ARUNACHAL PRADESH

ACCOUNTS AT A GLANCE

2005-2006

5
**ACCOUNTANT GENERAL
(ACCOUNTS AND ENTITLEMENTS)
MEGHALAYA, ARUNACHAL PRADESH & MIZORAM
SHILLONG 793 001**



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PREFACE

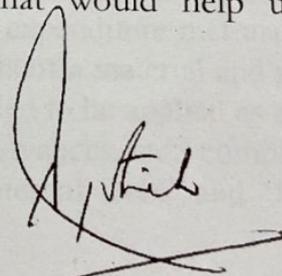
This is the seventh issue of our annual publication 'Accounts at a Glance'.

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 consists 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 expenditures against provisions approved by State Legislature and offer explanations for variations between the actual expenditure and the funds provided. The Accountant General (Accounts and Entitlements) prepares the State Finance Accounts and the Appropriation Accounts.

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

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

Dated : Shillong, 793001
The 16th March 2007



(A. W. K. LANGSTIEH)
ACCOUNTANT GENERAL (A&E)

CHAPTER I

OVERVIEW

The monthly accounts of the State Government are compiled and consolidated from the accounts submitted by the District Treasuries, Public Works and Forest Divisions, etc to the Accountant General (Accounts and Entitlements). Besides, the Finance Accounts and the Appropriation Accounts are prepared annually by the Accountant General under the directions of the Comptroller and Auditor General of India in accordance 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 therefrom, 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 Contingency Fund established under Article 267 of the Constitution of India 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 Arunachal Pradesh for the year 2005-2006 is yet to be presented to the State Legislature. The Audit Report of the Comptroller and Auditor General of India for the year 2005-2006 is being presented to the Legislature separately.

Finance Accounts

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

During 2005-2006 total receipts amounted to Rs. 2108.95 crore comprising Revenue receipts of Rs. 1849.41 crore (Rs. 334.24 crore Tax revenue, Rs. 202.36 crore Non-Tax revenue and Rs. 1312.81 crore Grants-in-aid and Contributions), and Capital receipts of Rs. 259.54 crore.

Disbursements during the year were Rs. 2108.95 crore of which Rs. 1667.65 crore (79.07%) was on Revenue Account and Rs. 441.30 crore (20.93%) 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 6 charged Appropriations and 64 voted Grants.

Appropriation Acts, 2005-2006 had projected for a gross expenditure of Rs. 2765.30 crore, including the Supplementary Grants of Rs.684.35 crore, voted by State Legislature during the year. An amount of Rs. 2.30 crore was projected as recoveries in reduction of expenditure.

Appropriation Accounts 2005-2006 show disbursements aggregating Rs. 2441.89 crore against the aggregate budget provision of Rs. 2765.30 crore, resulting in savings of Rs.323.41 crore against Grants and Appropriations. Of this, Rs. 341.38 crore (105.56%) was under the Grants controlled by the Department of Secretarial Economic Services.

Recoveries in reduction of expenditure amounted to Rs. 4.06 crore reflecting an increase of Rs. 1.76 crore vis-à-vis budget estimates.

CHAPTER II

HIGHLIGHTS OF ACCOUNTS

(Rupees in crore)

Sl. No		B.E 2005-2006	Actuals	Percentage of Actuals to B.E	Percentage of Actuals to G.S.D.P.
1.	Tax Revenue	356.99	334.24	93.63	12.54
2.	Non-Tax Revenue	224.86	202.36	89.99	7.59
3.	Grants-in-aid & Contributions	927.67	1312.81	141.52	49.25
4.	Revenue Receipts (1+2+3)	1509.52	1849.41	122.52	69.38
5.	Recovery of Loans & Advances	1.70	2.82	165.88	0.11
6.	Other Receipts	Nil	Nil	Nil	Nil
7.	Borrowings & Other liabilities	1115.87	256.72	23.01	9.63
8.	Capital Receipts (5+6+7)	1117.57	259.54	23.22	9.74
9.	Total Receipts (4+8)	2627.09	2108.95	80.28	79.12
10.	Non-Plan Expenditure (NPE)	1054.85	946.60	89.74	35.51
11.	NPE on Revenue Account	1047.02	943.98	90.16	35.41
12.	NPE on Interest Payments out of 11	180.07	156.45	86.88	5.87
13.	NPE on Capital Account	7.83	2.62	33.46	0.10
14.	Plan Expenditure (PE)	1572.24	1162.35	73.93	43.60
15.	PE on Revenue Account	1003.66	723.67	72.10	27.15
16.	PE on Capital Account	568.58	438.68	77.15	16.46
17.	Total Expenditure (10+14)	2627.09	2108.95	80.28	79.12
18.	Revenue Expenditure (11+15)	2050.68	1667.65	81.32	62.56
19.	Capital Expenditure (13+16)	576.41	441.30*	76.56	16.55
20.	Revenue Surplus (+)/ Deficit (-) (4-18)	(-) 541.16	181.76	(-) 33.59	6.82
21.	Fiscal Deficit {17 - (4+5+6) = 7}	1115.87	256.72	23.01	9.63

G.S.D.P. Gross State Domestic Product for the year 2005-06 is 2665.67 crore.

* Expenditure on Capital Account consists of Capital Expenditure (Rs.437.61 crore) and Loans and Advances Disbursed (Rs.3.69 crore.)

Receipts and Disbursements

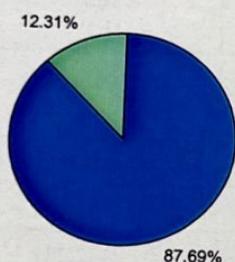
Total receipts during the year were Rs. 2108.95 crore, against which total disbursements were Rs. 2108.95 crore.

The following table summarises the Accounts for 2005-2006 :

(Rupees in crore)

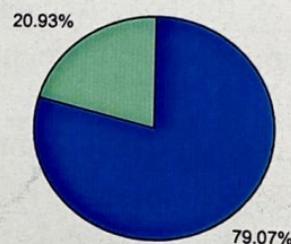
Total Receipts	2108.95	Total Disbursements	2108.95
Revenue Receipts	1849.41 (87.69%)	Revenue Disbursements	1667.65 (79.07%)
Capital Receipts	259.54 (12.31%)	Capital Disbursements	441.30 (20.93%)

Total Receipts



■ Revenue Receipt ■ Capital Receipt

Total Disbursements



■ Revenue Disbursement ■ Capital Disbursement

RECEIPTS

Revenue Receipts

The gross Tax and Non-Tax Revenue were Rs.334.24 crore and Rs. 202.36 crore respectively. The major contributor to revenue were Taxes on Commodities and Services.

Net tax receipts during the year were lower than the budget estimates by Rs. 22.75 crore; mainly on account of less collections under Taxes on Property and Capital Transactions. The decrease was partly off set by more collections under Taxes on Commodities and Services.

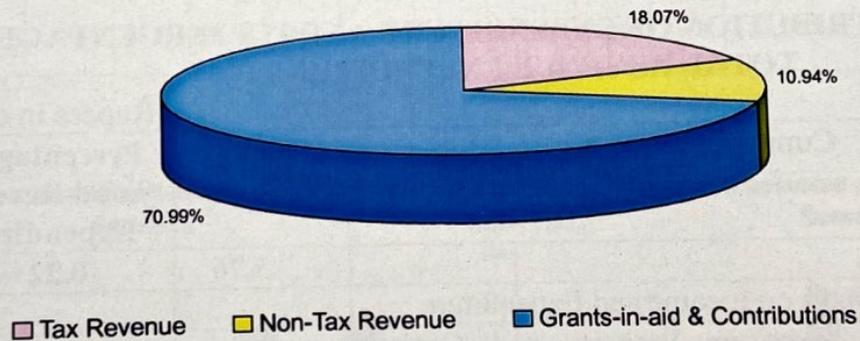
Share of various tax, non-tax revenue and grants-in-aid and contributions to total revenue receipts is given below :

Revenue Receipts and Grants in Aid and Contributions

(Rupees in crore)

Components	Actuals	Percentage to total Revenue Receipts
A. Tax Revenue	334.24	18.07
Taxes on Income and Expenditure	128.09	6.92
Taxes on Property and Capital Transactions	1.67	0.09
Taxes on Commodities and Services	204.48	11.06
B. Non-Tax Revenue	202.36	10.94
Fiscal Services	...	...
Interest Receipts, Dividends and Profits	6.98	0.38
General Services	40.77	2.20
Social Services	4.35	0.24
Economic Services	150.26	8.12
C. Grants-in-aid and Contributions	1312.81	70.99
TOTAL-REVENUE RECEIPTS	1849.41	100.00

Total Revenue Receipts



Capital Receipts

Compared to the Revised estimates, there was an overall increase of Rs. 18.18 crore in Capital Receipts. This increase was mainly because of more borrowings by the Govt.

DISBURSEMENTS**Revenue Disbursements**

Revenue Disbursement (net) was less than the budget estimates by Rs. 383.03 crore (Rs. 103.04 crore less under Non-Plan, Rs. 279.99 crore less under Plan).

Capital Disbursements

Capital Disbursements were less than the budget estimates by Rs. 135.11 crore due to less disbursement under Non-Plan, (Rs. 5.21 crore) and less under Plan (Rs.129.90 crore).

Plan Disbursements

During the year 2005-2006, Plan Disbursements were Rs. 385.91 crore under State Plan, Rs. 303.40 crore under Centrally Sponsored Plan and Rs.34.36 under Central Sector Schemes.

Non-Plan Disbursements

Non-plan Disbursements during 2005-2006 were Rs.946.60 crore, consisting of Rs.943.98 crore under Revenue and Rs. 2.62 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

(Rupees in crore)

Components	Amount	Percentage to Total Revenue Expenditure
A. Fiscal Services	3.76	0.22
(i) Collection of Taxes on Income and Expenditure	...	...
(ii) Collection of Taxes on Property and Capital transactions	1.35	0.08
(iii) Collection of Taxes on Commodities and Services	2.13	0.13
(iv) Other Fiscal Services	0.28	0.01
B. Organs of State	22.00	1.32
C. Interest Payments and Servicing of debt	167.53	10.05
D. Administrative Services	224.26	13.45
E. Pensions and Miscellaneous General Services	71.18	4.27
F. Social Services	571.05	34.24
G. Economic Services	607.87	36.45
H. Grants-in-aid and Contributions	...	...
TOTAL EXPENDITURE : (REVENUE ACCOUNT)	1667.65	100

TREND OF EXPENDITURE

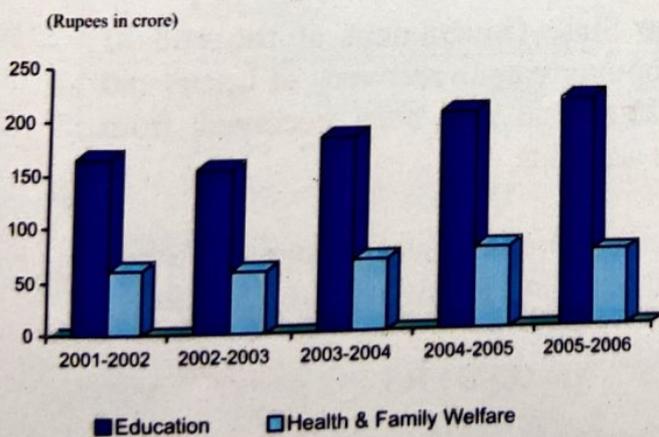
Trend of expenditure in some important sectors between the period 2001-2002 to 2005-2006 (5 years) is brought out below.

STATEMENT OF EXPENDITURE IN SELECTED SECTORS COMPARED TO BUDGET ESTIMATE AND REVISED ESTIMATE

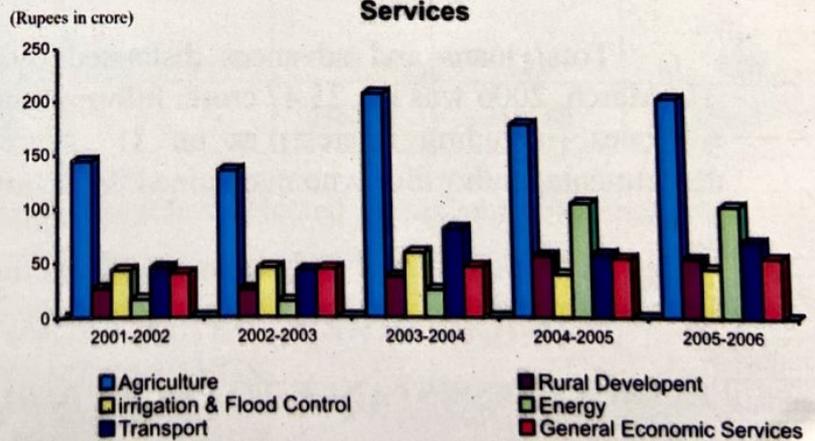
(Rupees in Crore)

Sector	2001-2002			2002-2003			2003-2004			2004-2005			2005-2006		
	Expenditure	% to B.E	% to R.E	Expenditure	% to B.E	% to R.E	Expenditure	% to B.E	% to R.E	Expenditure	% to B.E	% to R.E	Expenditure	% to B.E	% to R.E
A. Social Services															
i) Education	164.87	104.10	104.89	154.15	98.64	95.39	182.88	109.94	93.73	204.34	114.85	106.91	216.07	129.73	96.36
ii) Health & Family Welfare	61.77	95.22	97.02	58.72	104.26	91.02	67.51	114.04	100.97	77.07	127.85	108.84	70.83	116.52	96.78
B. Economic Services															
i) Agriculture	144.50	77.99	84.96	135.83	103.12	91.51	208.40	166.33	95.87	179.55	130.45	101.29	204.44	144.09	94.89
ii) Rural Development	26.57	67.76	69.48	25.38	67.07	64.20	37.40	99.00	86.61	56.72	145.59	85.58	54.47	186.67	74.35
iii) Irrigation & Flood Control	43.18	64.74	64.89	45.49	167.98	86.66	59.57	198.37	85.21	39.43	140.17	77.19	45.26	108.33	96.03
iv) Energy	16.37	105.27	99.63	14.33	104.29	99.44	25.00	155.47	99.92	105.55	457.52	100.96	103.24	96.57	90.97
v) Transport	45.43	61.34	84.49	43.01	73.75	73.52	81.76	118.46	96.88	58.58	110.20	98.50	70.30	89.29	71.59
vi) General Economic Services	39.99	46.56	97.32	44.40	63.94	56.37	46.48	66.87	61.55	54.33	76.14	54.62	55.41	14.72	14.60

Expenditure in selected sector under Social Services



Expenditure in selected sector under Economic Services



DEBTS AND LIABILITIES

Outstanding Public Debt and Other Liabilities at the end of 2005-2006 was Rs. 2337.20 crore, comprising internal debt of Rs. 1231.89 crore, loans and advances from Central Government of Rs. 492.62 crore and other liabilities accounted under Public Account of Rs. 612.69 crore.

The State also acts as a banker and trustee in respect of deposits like Small Savings collections and Provident Funds. There was an overall decrease of Rs. 61.06 crore in respect of such liabilities of the State Government during 2005-2006.

Interest payments on debt and other liabilities totalling Rs. 156.45 crore constituted 9.38 percent of the total revenue expenditure of Rs. 1667.65 crore. Interest payments on public debts were Rs. 156.45 crore (Internal debt Rs. 45.75 crore, loans and advances from Central Government Rs. 71.67 crore and Rs. 39.03 crore on other liabilities). Expenditure on account of interest payments increased by Rs. 9.55 crore during 2005-2006 as compared to 2004-2005.

Internal debt of Rs. 589.17 crore raised during 2005-2006 was mainly used for discharge of debt obligations Rs. 114.22 crore and the rest amount of Rs. 474.95 crore used for the development of the State.

INVESTMENTS AND RETURNS

Total investments as share capital in Co-operative Societies and Government Companies stood at Rs. 27.77 crore at the end of 2005-2006. No Dividend was received on investment during the year.

LOANS AND ADVANCES BY THE STATE GOVERNMENT

Total loans and advances disbursed by the State Government at the end of 31st March, 2006 was Rs. 25.47 crore. Information about arrears in recovery of Loans and advances (including interest) as on 31st March, 2006 had not been received from departmental authorities who maintained the detailed accounts.

Total loans and advances to Government Corporations/Companies, Non-Government Institutions, Local bodies, etc. at the end of 2005-2006 was Rs. 6.25 crore.

FINANCIAL ASSISTANCE TO LOCAL BODIES AND OTHERS

Assistance to local bodies etc during 2005-2006 was Rs 66.94 crore. It increased from Rs. 12.52 crore in 2001-2002 to Rs. 66.94 crore in 2005-2006 which was 434.66 percent increase in the last five years. Education (including University) institutions consumed the major portion ranging from 66.13 % to 58.74 % of the total grant during four years from 2001-2002 to 2004-2005 whereas other Rural Development Programme consumed the major portion (36.39%) of the total grant during 2005-2006.

COMMITMENTS ON ACCOUNT OF INCOMPLETE CAPITAL WORKS

During the year 2005-2006, a total expenditure of Rs. 129.95 crore was incurred by the State on various projects taken up by Engineering Departments.

APPROPRIATION ACCOUNTS

The Appropriation Accounts of the Government of Arunachal Pradesh for the year 2005-2006 present the accounts of sums expended in the year ended 31st March 2006, compared with the sums specified in the Schedules appended to the Appropriation Acts passed under Article 204 and 205 of the Constitution of India.

The Appropriation Accounts show that in the year 2005-2006, there was actual expenditure of Rs. 2441.89 crore, comprising Revenue Expenditure of Rs. 1667.82 crore, Capital expenditure of Rs. 441.51 crore, Repayment of Debt of Rs. 328.88 crore and Loans and advances by the State Government of Rs. 3.68 crore. There was savings under Revenue/Capital and Loans and Advances whereas excess under Public Debt with reference to total grants allocated by the State Legislature.

(Rupees in Crores)							
Sl. No.	Nature of expenditure	Original grant	Supplemen- tary grant	Re- appropriation	Total	Actual Expenditure	Savings(-) Excess(+)
1	Revenue						
	Voted	1440.45	415.55	...	1856.00	1496.67	(-) 359.33
	Charged	191.88	3.10	...	194.98	171.15	(-) 23.83
2	Capital						
	Voted	308.54	262.52	...	571.06	441.51	(-) 129.55
	Charged	...	...	...	...	...	...
3	Public Debt						
	Charged	135.90	...	...	135.90	328.88	(+) 192.98
4	Loans and Advances						
	Voted	4.18	3.18	...	7.36	3.68	(-) 3.68
	Total	2080.95	684.35	...	2765.30	2441.89	(-)323.41

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

TREND OF EXPENDITURE ON SELECTED GRANTS SHOWING PERSISTENT SAVINGS.

Year	Grant No. Major Head	Total allocation (Rupees in Crore)	Percentage of Savings to total grant
2001-2002	14-Education	203.04	13.26%
2002-2003	14-Education	177.00	12.66%
2003-2004	14-Education	206.38	8.44%
2004-2005	34-Power	269.60	19.55%
2005-2006	50-Secretariat Admn Services	363.48	93.92%

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 finalised, the Heads of the Departments 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 2003-2004, 2004-2005 and 2005-2006 the persistent and chronic Departments /Controlling Officers who defaulted in reconciliation are :-

1. Director of Audit and Pension.

SUBMISSION OF ACCOUNTS BY TREASURIES

During the year 2005-2006 the average extent of delay on the part of the Treasuries in submission of the monthly Accounts to this Office ranged from 2 day to 144 days.

The chronic and persistent delay in submission of Accounts to this office were noticed in respect of :-

- | | |
|-----------------------|----------------------------|
| 1. Roing Treasury | 6. Anini Treasury |
| 2. Daparijo Treasury | 7. Pasighat Treasury |
| 3. Along Treasury | 8. Khonsa Treasury |
| 4. Changlang Treasury | 9. Ziro Treasury |
| 5. Yingkiong Treasury | 10. Shillong (AP) Treasury |

Due to non receipt of vouchers from the Treasuries an amount of Rs. 0.42 crore in the receipt and Rs. 6.04 crore in payment side of Accounts were kept under Treasury Suspense during the period from 2004-2005 to 2005-2006. The details are as follows :-

Name of Treasury	Year	Amount kept under Treasury Suspense(Rupees in crore)	
		Receipt	Payment
Along Treasury	2004-2005	--	0.10
Tezu Treasury	2004-2005	--	0.08
Naharlagun Sub-Treasury	2004-2005	0.30	0.05
Itanagar Treasury	2004-2005	--	1.75
Tawang Treasury	2004-2005	--	0.13
Tawang Treasury	2005-2006	--	0.57
Bomdila Treasury	2005-2006	0.03	0.05
Tezu Treasury	2005-2006	--	0.01
Naharlagun Sub-Treasury	2005-2006	0.06	3.29
Seppa Treasury	2005-2006	--	0.01
Yingkiong Treasury	2005-2006	0.03	--
	Total	0.42	6.04

CHAPTER-III

TRENDS IN GOVERNMENT REVENUE AND EXPENDITURE

The trends in Government Revenue Receipts and Revenue Expenditure from 2001-2002 to 2005-2006 (5 years period) is given below.

Revenue Receipts

(Rupees in crore)

Year	Tax Revenue	Non-Tax Revenue	Grants-in-aid and Contributions	Gross Revenue Receipts	*GSDP	Percentage of Gross Revenue Receipts to GSDP
1	2	3	4	5	6	7
				(2+3+4)		
2001-2002	121.82	70.91	892.57	1085.30	1941.78	55.89
2002-2003	158.94	76.30	873.05	1108.29	1962.65	56.47
2003-2004	204.33	120.57	1251.46	1576.36	2262.29	69.68
2004-2005	242.06	170.20	1089.58	1501.84	2458.20	61.10
2005-2006	334.24	202.36	1312.81	1849.41	2665.67	69.38

*GSDP – Gross State Domestic Product

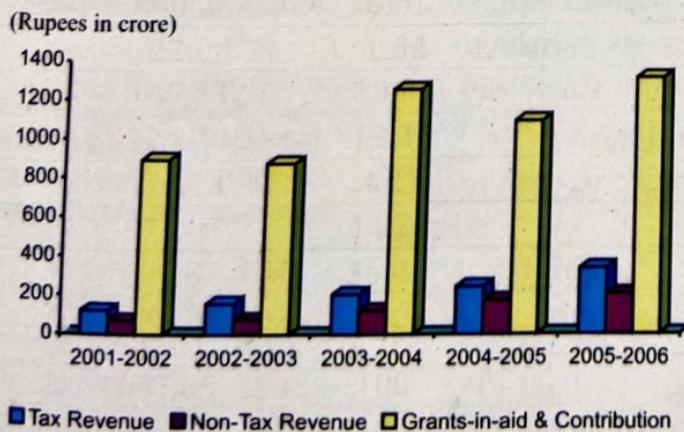
Revenue Expenditure

(Rupees in crore)

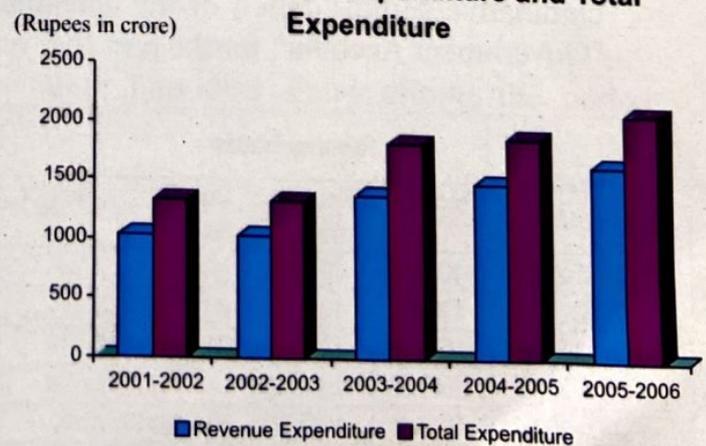
Year	Revenue Expenditure (Actuals)	Total Expenditure	*GSDP	Percentage increase compared to 2001-2002			Percentage of Government Expenditure to GSDP
				Revenue Expenditure	Total Expenditure	GSDP	
2001-2002	1029.55	1335.95	1941.78	...	...	...	68.80
2002-2003	1031.37	1324.42	1962.65	0.18	(-) 0.86	1.07	67.48
2003-2004	1391.90	1828.75	2262.29	35.19	36.89	16.51	80.84
2004-2005	1509.64	1890.68	2458.20	46.63	41.52	26.60	76.91
2005-2006	1667.65	2108.95	2665.67	61.98	57.86	37.28	79.12

*GSDP – Gross State Domestic Product

Trend in Revenue Receipts



Trends of Revenue Expenditure and Total Expenditure

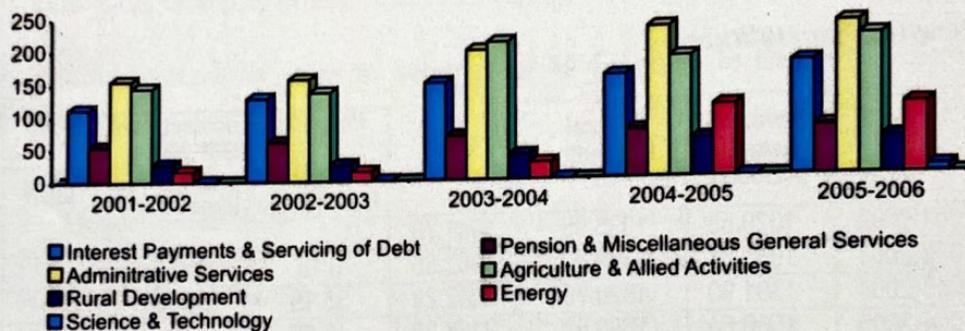


The overall increase in the Government's total expenditure during 2005-2006 when compared to 2001-2002 was Rs. 773.00. Growth in major areas of Revenue Expenditure is shown in the following table:

(Rupees in crore)

Areas of expenditure	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	Percentage decrease (-)/ increase(+) in 2005-2006 over last year
Interest Payments and Servicing of Debt	111.57	127.98	148.22	154.30	167.53	(+) 8.57
Pension and Miscellaneous General Services	54.38	60.47	66.53	70.65	71.18	(+) 0.75
Administrative Services	155.43	156.89	196.86	224.39	224.26	(-) 0.06
Agriculture and Allied Activities	144.50	135.83	208.40	179.55	204.44	(+) 13.86
Rural Development	26.57	25.38	37.40	56.72	54.47	(-) 3.97
Energy	16.37	14.33	25.00	105.55	103.24	(-) 2.19
Science & Technology	0.29	0.34	0.40	0.35	10.35	(+) 2857.14

Growth in Major Areas of Revenue Expenditure
(Rupees in crore)



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:

(Rupees in crore)

Years	Revenue Heads			Capital Heads			Other Heads	Deficit(-)/ Surplus(+) for the year	Cumulative deficit (-)/ Surplus(+) at the end of the year
	Receipt	Disbursement	Deficit(-)/ Surplus(+)	Receipt	Disbursement	Deficit (-)	Deficit(-)/ Surplus(+)		
2001-2002	1085.30	1029.55	(+) 55.75	-	301.51	(-)301.51	-	(-) 245.76	(-) 1167.54
2002-2003	1108.29	1031.37	(+) 76.92	-	290.07	(-)290.07	-	(-) 213.15	(-) 1380.69
2003-2004	1576.36	1391.90	(+) 184.46	-	433.35	(-)433.35	-	(-) 248.89	(-) 1629.58
2004-2005	1501.84	1509.64	(-) 7.80	-	375.07	(-)375.07	-	(-) 382.87	(-) 2012.45
2005-2006	1849.41	1667.65	(+) 181.76	-	437.61	(-) 437.61	-	(-)255.85	(-) 2268.30

LIABILITIES

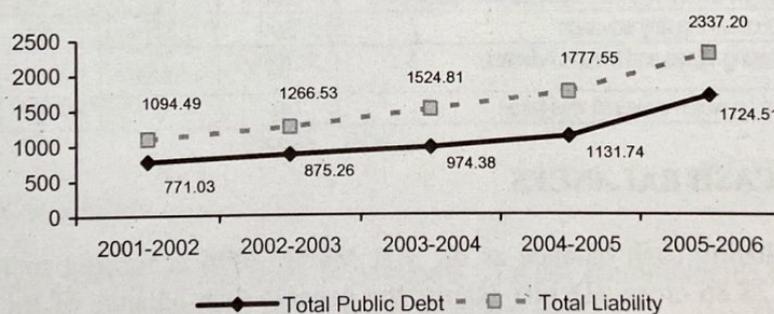
Liabilities of the State Government increased by Rs. 1242.71 crore from Rs. 1094.49 crore in 2001-2002 to Rs. 2337.20 crore during 2005-2006. Public debt comprising internal debt of the State Government and loans and advances from the Central Government increased by Rs. 953.48 crore from Rs. 771.03 crore in 2001-2002 to Rs. 1724.51 crore at the end of 2005-2006. 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 :

(Rupees in crore)

Year	Internal Debt	Loans & Advances from Central Govt.	Total Public Debt	Small Savings	Provident Funds	Other Obligations	Total Liabilities	GSDP	% of total liabilities to GSDP
(1)	(2)	(3)	(4) (2+3)	(5)	(6)	(7)	(8) [4+5+6+7]	(9)	(10)
2001-2002	280.17	490.86	771.03	49.36	253.87	20.23	1094.49	1941.78	56.37
2002-2003	344.82	530.44	875.26	70.59	280.58	40.10	1266.53	1962.65	64.53
2003-2004	514.86	459.52	974.38	126.56	316.96	106.91	1524.81	2262.29	67.40
2004-2005	627.69	504.05	1131.74	170.94	354.50	120.37	1777.55	2458.20	72.31
2005-2006	1231.89	492.62	1724.51	45.51	418.87	148.31	2337.20	2665.67	87.68

* GSDP - Gross State Domestic Product

Growth of Public Debt & Total Liability



STATE PROVIDENT FUND

The details of transactions from the State Provident Fund during the period 2001-2002 to 2005-2006 are shown in the following table :

(Rupees in crore)

Year	Opening Balance	Receipts	Payments	Net accretion for the year	Closing Balance	Interest charged on balance of P.F
2001-2002	228.82	69.90	44.85	25.05	253.87	23.57
2002-2003	253.87	73.00	46.28	26.72	280.58	24.13
2003-2004	280.58	83.44	47.06	36.38	316.96	26.50
2004-2005	316.96	87.64	50.10	37.54*	354.50	30.82
2005-2006	354.50	123.89	59.52	64.37	418.87	33.40

* Difference of 0.01 crore with last year's Account is due to rounding.

GUARANTEES

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

(Rupees in Crore)

At the end of the year	Amount Guaranteed (Principal only)	Amount outstanding	
		Principal	Interest
2001-2002	(a)	(a)	(a)
2002-2003	(a)	(a)	2.40
2003-2004	27.34	7.96	0.90
2004-2005	14.00	5.56	0.13
2005-2006	24.00		

(a) Information not furnished by State Government.

WAYS AND MEANS ADVANCES

The State Government, in order to maintain and sustain its liquidity position, takes Ways and Means Advances from the Reserve Bank of India and thereafter, draws upon overdraft whenever there is shortfall in the agreed minimum cash balance in its account with the Reserve Bank of India. The State Government is required to maintain the minimum cash balance of Rs.26 lakh with Reserve Bank of India. The larger the amount and greater the number of times such ways and means advances are taken or drawals made, the more it reflects on the adverse position of the cash balance of the State Government.

	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
(i) Number of days on which minimum balance was maintained	365	365	366	365	365
a) Without obtaining any advance	360	337	366	285	271
b) By obtaining Ways and Means Advance	05	28	...	74	59
(ii) Number of days on which overdraft was taken	0	0	0	6	35

GENERAL CASH BALANCES

The closing cash balance as on 31st March 2006 according to the Reserve Bank of India was Rs.23.86 crore, (Debit) against the general cash balance of Rs 45.24 crore (Credit) reflected in State Government accounts. The difference of Rs. 69.10 crore was under reconciliation.

No Investments were held in the *Cash Balance Investment Account as on 31st March 2006.

Other cash balances and investment comprising cash with departmental officers (Rs. 1.25 crore) Permanent advances with departmental officers (Rs.0.01 crore) and investment of earmarked funds (Rs.24.90 crore) as on 31st March 2006 were Rs. 26.16 crore.

*Cash Balance Investment Account is intended for the record of transactions connected with temporary investments of Cash Balance in short terms loans or other Government securities.

The cash balance with Reserve Bank of India decreased from Rs. (-) 247.37 crore at the beginning of the year 2005-2006 to Rs. (-) 11.77 crore at its end, the details of sources and application of funds being as follows :-

SOURCES			APPLICATION				
Sl.No.	Items	Amount	Sl. No.	Items	Amount		
1.	Opening cash balance	(-) 247.37	1.	Revenue expenditure	Non-plan 943.98	Plan 723.67	Total 1667.65
2.	State's share of Union Taxes	272.15	2.	Capital expenditure	Non-plan (-) 1.07	Plan 438.68	Total 437.61
3.	State's own revenue collection	264.45	3.	Loans and advances repaid	To Central Govt. 214.67	To Others 114.22	Total 328.89
4.	Central grants/ assistance other than loans	1312.81	4.	Loans and advances given	3.69		
5.	Miscellaneous receipts	-	5.	Net effect of adjustment of suspense and remittance balances and increase/decrease of reserve funds.	-		
6.	Receipts from public debt, small savings, deposits and advances (Other than Central loans)	677.26	6.	Closing cash balance	(-) 11.77		
7.	Receipts from Central loans	203.24					
8.	Recoveries from borrowers	2.82					
9.	Net contribution from Contingency Fund	-					
10.	Net effect of adjustment of suspense and remittances balances and increase/ decrease of reserve funds	(-) 59.29					
		2426.07	Total				2426.07

CONTINGENCY FUND

Contingency Fund of the State is designed to meet contingencies. During the last five years there was no transaction under Contingency Fund.

