



लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest



Accounts at a Glance

2020-21

GOVERNMENT OF ASSAM

ACCOUNTS AT A GLANCE
2020- 2021

Principal Accountant General
(Accounts and Entitlement), Assam

Preface

This is the 23rd issue of our annual publication '**Accounts at a Glance**'.

The Annual Accounts of the State Government are prepared and examined under the directions of Comptroller and Auditor General of India (C&AG), in accordance with the requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, for being laid before the Legislature of the State. The Annual Accounts consist of (a) Finance Accounts (Vol. I & II) 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 Principal Accountant General (Accounts and Entitlements) prepares the State Finance Accounts and the Appropriation Accounts.

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

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



GUWAHATI
Dated:

(Guljari Lal)
Principal Accountant General (A&E)
Assam

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Our Vision, Mission and Core Values

VISION

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

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

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

MISSION

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

CORE VALUES

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

- Independence
- Objectivity
- Integrity
- Reliability
- Professional
- Excellence
- Transparency
- Positive Approach

Chapter-I

Overview

1.1 Introduction

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

1.2 Structure of Government Accounts

1.2.1 Government accounts are kept in three parts:

Structure of Government Accounts

● **Part 1 CONSOLIDATED FUND**

- All revenue received by the Government including tax and non-tax revenues, loans raised and repayment of loan given (including interest thereon) form the Consolidated Fund.
- All expenditure and disbursements of the Government, including release of loans and repayments of loans taken (and interest thereon), are met from this fund.

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.

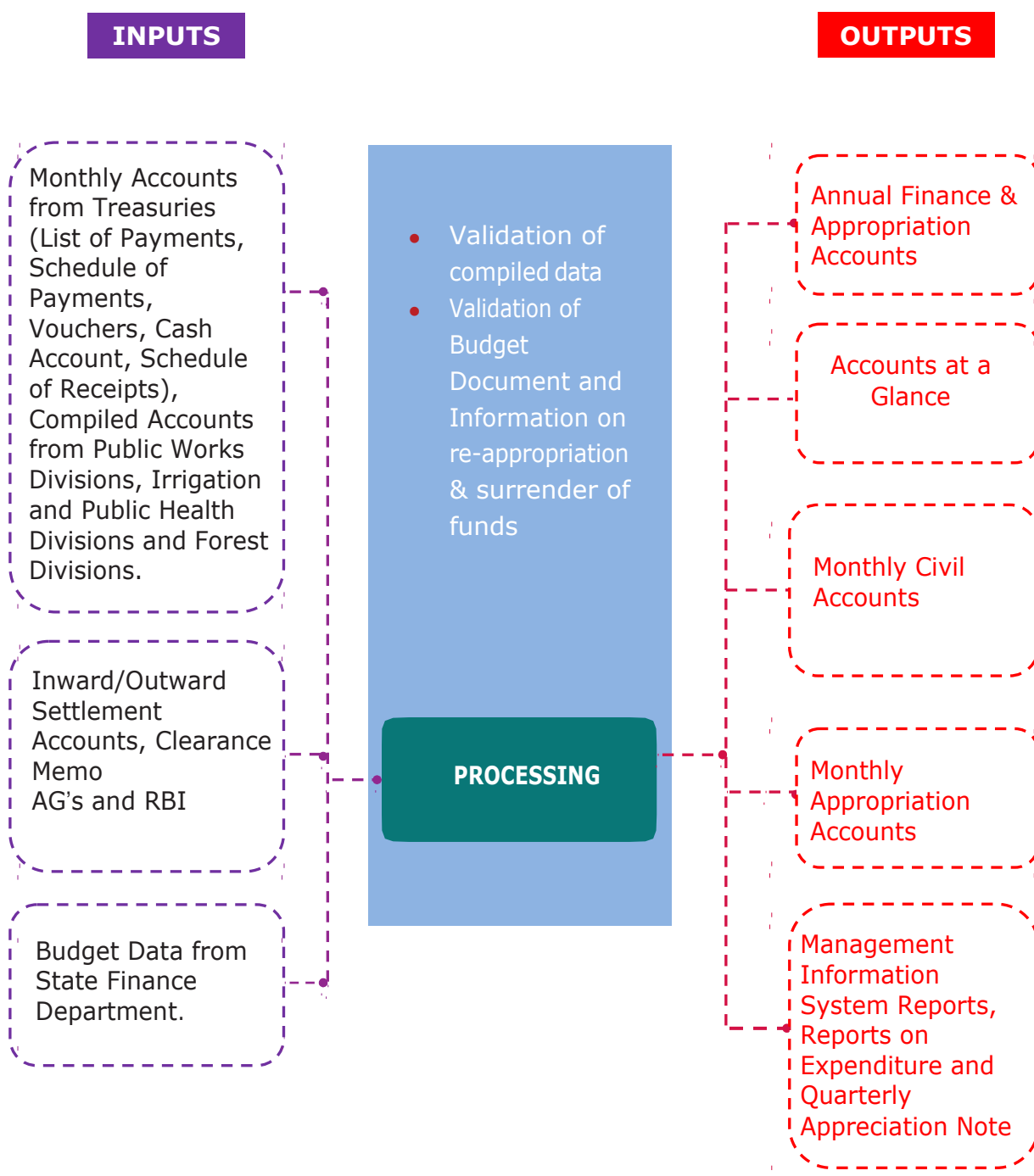
Part 2 CONTINGENCY FUND ●

● **Part 3 Public Account**

- 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. The Public Account comprises: repayable like Small Savings and Provident Funds, Reserve Fund, Deposits and Advances, Suspense and Miscellaneous transaction (adjusting entries pending booking to final heads of account), Remittances between accounting entities, and Cash Balance.

1.2.2 Compilation of Accounts

Flow diagram for Accounts Compilation



1.3 Finance Accounts and Appropriation Accounts

1.3.1 Finance Accounts

The Finance Accounts depict the receipts and disbursements of the Government for the year, together with the financial results disclosed by the revenue and capital accounts, public debt and public account balances recorded in the accounts. Finance Accounts have been issued in two volumes, in a new format, to make them more comprehensive and informative. Volume - I of the Finance Accounts contains the certificate of the Comptroller and Auditor General of India, summarized statements of overall receipts and disbursements and 'Notes to accounts' containing summary of significant accounting policies, quality of accounts and other items; Volume - II contains detailed statements (Part-I) and appendices (Part-II).

Receipts and disbursements of the Government of Assam, as depicted in the Finance Accounts 2020-2021, are given below:

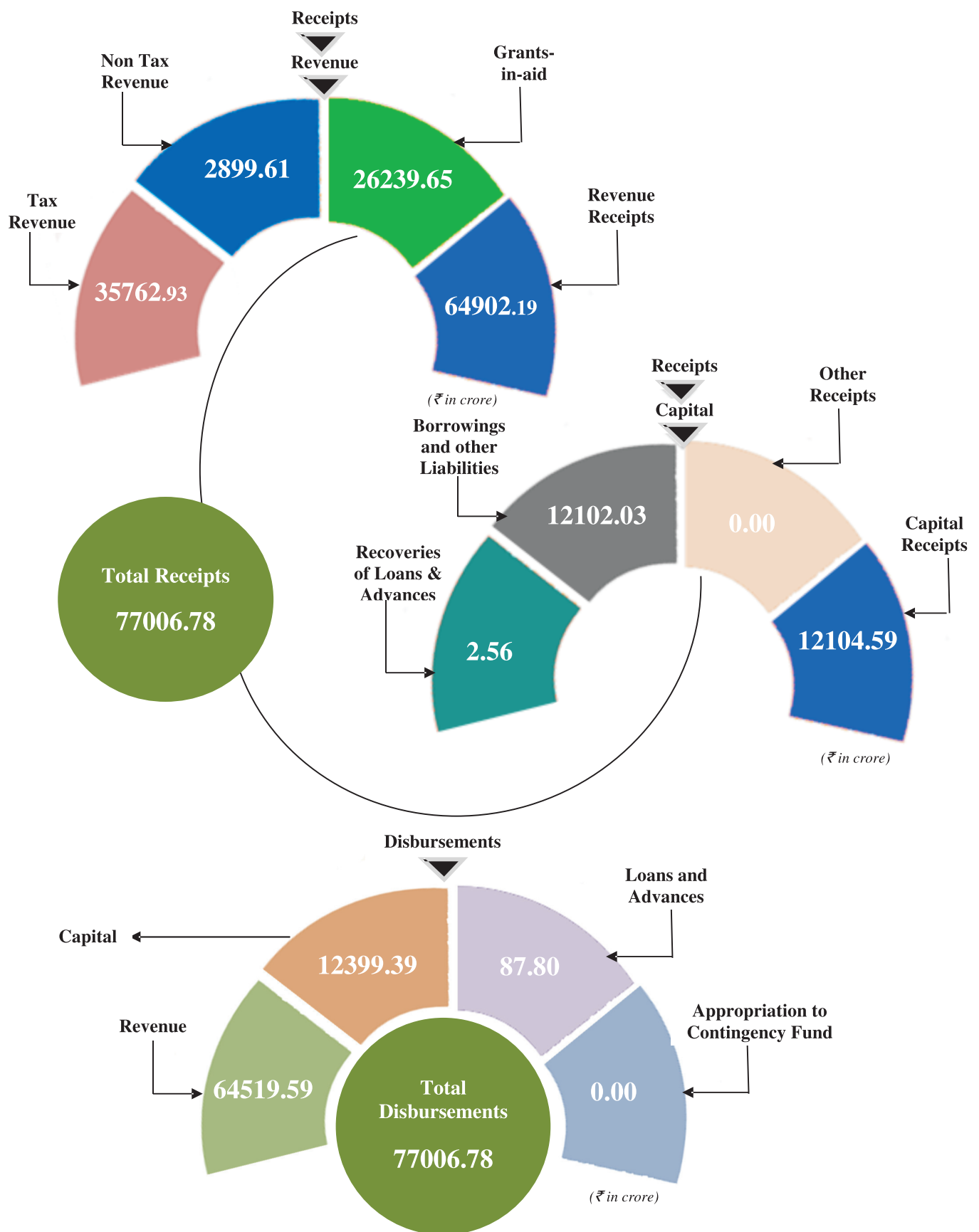
(₹ in crore)			
Receipts (Total: 77006.78)	Revenue (Total: 64902.19)	Tax Revenue	35762.93
		Non-Tax Revenue	2899.61
		Grants-in-Aid	26239.65
	Capital (Total: 12104.59)	Recovery of Loans and Advances	2.56
		Borrowing and other liabilities*	12102.03
Disbursements (Total: 77006.78)	Revenue		64519.59
	Capital		12399.39
	Loans and Advances		87.80
	Appropriation to Contingency Fund		---

* Borrowing 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.

Government of India transferred substantial funds to State Implementing Agencies/ Non-Government Organizations (NGOs) for implementation of various Schemes/ Programmes. As per PFMS portal of the Controller General of Accounts (CGA), Government of India released ₹ 7733.54 crore to the Implementing Agencies in Assam during 2020-21.

Since these funds are not routed through the State Budget, they are not reflected in the accounts of the State Government. These transfers are now exhibited in Appendix VI of Volume II of the Finance Accounts.

Receipts and disbursement in the year 2020-21



1.3.2. Appropriation Accounts

Under the Constitution, no expenditure can be incurred by the Government except with authorization of the Legislature. Barring certain expenditure specified in the Constitution as “charged” on the Consolidated Fund, which can be incurred without vote of the Legislature, all other expenditure requires to be “voted”. The budget of the Assam has 3 charged Appropriation and 78 voted Grants. The purpose of the Appropriation Accounts is to indicate the extent to which the actual expenditure complied with the appropriation authorized by the Legislature through the Appropriation Act of each year.

1.3.3 Efficiency on Budget Preparation

At the end of the year, the gross expenditure (₹ 82888.63 crore) of the Government of Assam against the gross budget (₹ 122341.66 crore) approved by the Legislature, showed a net saving of ₹ 39453.03 crore (32.25 *per cent* of estimates). Against a recovery budget estimates of ₹ 1052.60 crore, ₹ 3733.87 crore was recovered as reduction of expenditure resulting in excess of recoveries of ₹ 2681.27 crore over the budget estimates. Certain grants like those relating to Industries, North Eastern Council Schemes and Urban Development (GDD) etc. showed substantial savings over the last five years. The gross expenditure includes ₹ 174.89 crore drawn on Abstract Contingent (AC) Bills, of which the entire amount is outstanding at the end of the year for want of supporting Detailed Contingent (DC) Bills.

1.4 Sources and Application of Funds

1.4.1 Ways and Means Advances

The Reserve Bank of India (RBI) extends the facility of Ways and Means Advances (WMA) to enable State Governments to maintain their liquidity. Overdraft (OD) facilities are provided when there is a shortfall in the agreed minimum cash balance (₹ 1.08 crore) maintained with the RBI. The Government maintained the minimum cash balance with the RBI during 2020-21 and no Ways and Means Advances or Overdraft was taken during the year.

1.4.2 Overdraft from the Reserve Bank of India

Overdraft is taken from the Reserve Bank of India while the limit of minimum cash balance falls below ₹ 1.08 crore, even after taking Ways and Means Advances which is required to be maintained with the Reserve Bank of India. The Government maintained the minimum cash balance with the RBI during 2020-21 and no Overdraft was taken during the year.

1.4.3 Fund flow statement

The State had a Revenue Surplus of ₹ 382.60 crore and a Fiscal Deficit of ₹ 12102.03 crore representing 0.11 per cent and 3.47 per cent respectively of the Gross State Domestic Product (GSDP). The Fiscal Deficit constituted 15.72 per cent of total expenditure. The Fiscal Deficit of ₹ 12,102.03 crore was financed by way of (i) Internal debt (Market borrowing, Loans from financial Institution etc.) ₹ 14,383.81 crore, (ii) Loans and Advances from the Central Government ₹ 1,408.39 crore, (iii) Small Savings, Provident Fund etc. ₹ 888.85 crore, (iv) Deposit and Advances ₹ (-)272.86 crore, (v) Sinking Funds and Reserve Funds ₹ (-) 229.72 crore, (vi) Suspense & Miscellaneous ₹ (-) 456.88 crore, (vii) Remittances ₹ (-) 46.39 crore (viii) Cash Balance ₹ (-) 716.56 crore (ix) Investments ₹ (-) 3656.61 crore (x) Amount closed to Government Account during 2020-21 ₹ 800.00 crore.

N.B. Gross State Domestic Product (GSDP) for 2020-2021 as per Directorate of Economics and Statistics, GOA at current prices was ₹ 348277.17 crore.(current price)

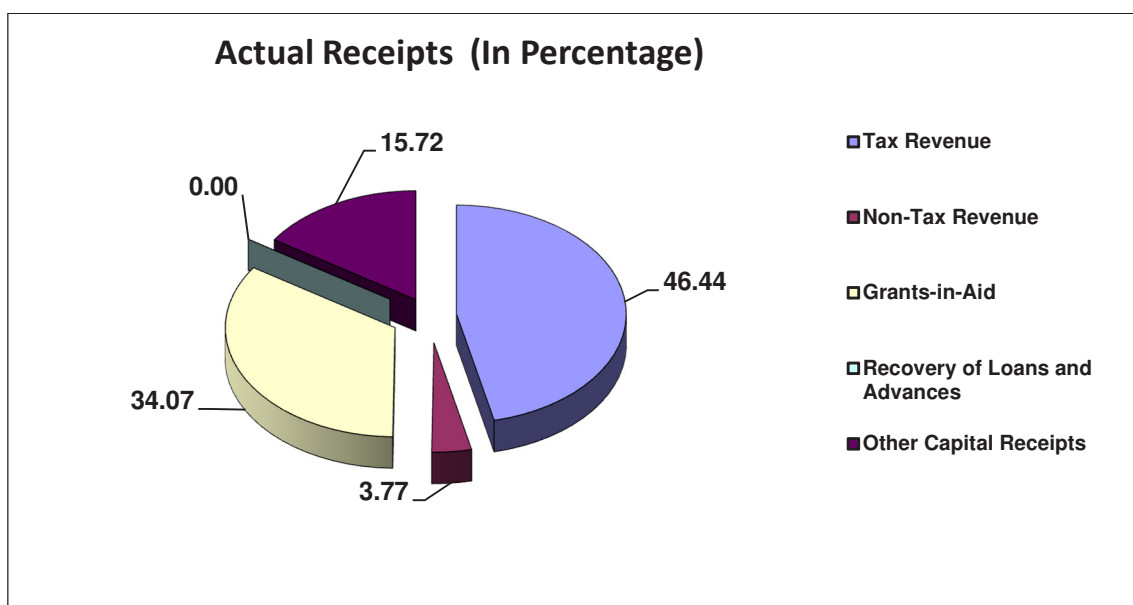
Sources and Application of Funds

		(₹ in crore)
SOURCES	Opening Cash Balance as on 1 April 2020	2980.20
	Revenue Receipts	64902.19
	Capital Receipts	0.00
	Recovery of Loans & Advances	2.56
	Public Debt	17940.18
	Small Savings, Provident Funds etc.	2310.41
	Reserve Funds & Sinking Funds	1859.50
	Deposits Received	5451.84
	Civil Advances Repaid	2086.75
	Suspense and Miscellaneous Account	129610.79*
	Remittances	7737.39
	TOTAL	234881.81
APPLICATION	Revenue Expenditure	64519.59
	Capital Expenditure	12399.39
	Loans Given	87.80
	Repayment of Public Debt	2147.98
	Small Savings, Provident Funds etc.	1421.56
	Reserve Funds & Sinking Funds	1816.29
	Deposits Repaid	6030.82
	Civil Advances Given	1737.50
	Suspense and Miscellaneous Account	133240.33 **
	Remittances	7783.79
	Closing Cash Balance as on 31 March 2021	3696.76
	TOTAL	234881.81

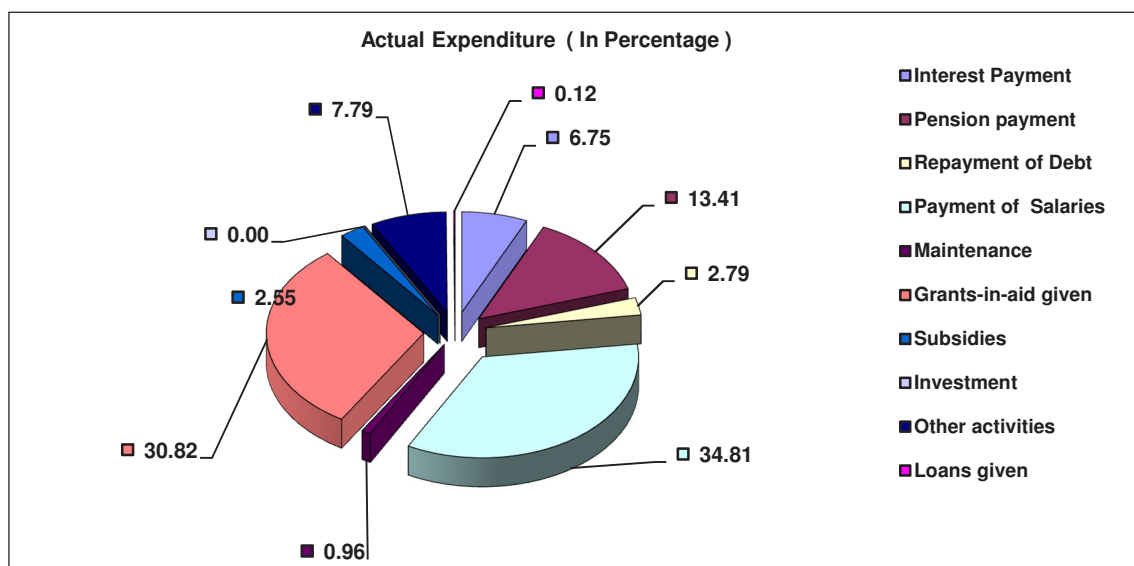
* Includes ₹ 129687.93 crore on account of cash balances investment account.

** Includes ₹ 133660.61 crore on accounts of cash balances investment accounts.

1.4.4 Where the Rupee came from



1.4.5 Where the Rupee went



1.5 Highlights of Accounts

(₹ in crore)

Particulars		B.E. 2020-21	Actuals 2020-21	Percentage of Actuals to B.E.	Percentage of Actuals to GSDP #
1.	Tax Revenue	49985.30	35762.93	71.55	10.27
2.	Non-Tax Revenue	7303.79	2899.61	39.70	0.83
3.	Grants-in-aid & Contributions	34641.72	26239.65	75.75	7.53
4.	Revenue Receipts (1+2+3)	91930.81	64902.19	70.60	18.64
5.	Recovery of Loans & Advances	300.32	2.56	0.85	---
6.	Other Receipts	---	---	---	---
7.	Borrowings and Other Liabilities	27962.55	12102.03	43.28	3.47
8.	Capital Receipts (5+6+7)	28262.87	12104.59	42.83	3.48
9.	Total Receipts (4+8)	120193.68	77006.78	64.07	22.11
10.	Revenue Expenditure	96011.59	64519.59	67.20	18.53
11.	Interest Payments out of 10	5802.41	5199.18	89.60	1.49
12.	Capital Expenditure*	24182.08	12487.19	51.64	3.59
13.	Total Expenditure (10+12)	120193.67	77006.78	64.07	22.11
14.	Revenue Surplus (+) Deficit (-) (4-10)	(-) 4080.78	382.60	9.38	0.11
15.	Fiscal Surplus (+) Deficit (-) {(4+5)-13}	(-) 27962.54	12102.03	43.28	3.47

* Expenditure on Capital Account consists of Capital Expenditure (₹ 12399.39 crore), Loans and Advances disbursed (₹ 87.80 crore) .

GSDP ₹ 3,48,277.17 Crore (current price).

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.

Refers to the gap between revenue receipt and revenue expenditure. Revenue expenditure is required to maintain the existing establishment of government and ideally, should be fully met from revenue receipts.

REVENUE/ DEFICIT SURPLUS

● **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 and ideally should be invested in capital projects.

Deficit indicators, revenue augmentation and expenditure management are major yardsticks for judging the fiscal performance of the Government.

1.6 Fiscal Responsibility and Budget Management (FRBM) Act, 2005

As per the recommendations of the XIV Finance Commission, Government of Assam had laid the fiscal strategy under Assam FRBM Act before the Legislature, along with the Budget documents for 2020-21, State Government's performance, against the targets prescribed in the Act, as reflected in the accounts for 2020-21, is given below:-

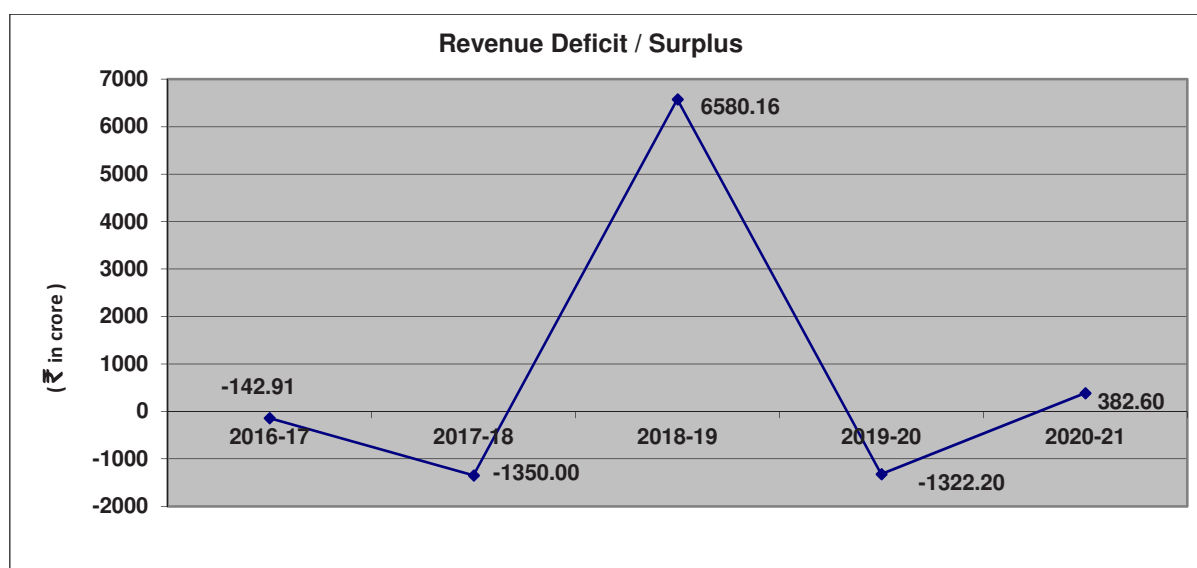
Sl. No.	Targets	Achievements during the year as per the accounts and GSDP*
1	Maintain Revenue Surplus	The State Government could maintain Revenue Surplus during 2020-21. There were Revenue Surplus of ₹ 382.60 crore during the year (0.11 <i>per cent</i> of Gross State Domestic Product)
2	Fiscal deficit shall not exceed 5.50 per cent of Gross State Domestic Product**.	The Fiscal Deficit for 2020-21, was ₹ 12,102.03 crore as per the accounts (3.47 <i>per cent</i> of Gross State Domestic Product).
3	Outstanding debt expressed as percentage of GSDP shall be less than 28.50 per cent of GSDP.	The Outstanding Debt of ₹ 87,407.78 # crore for 2020-21 as per accounts, was 25.10 <i>per cent</i> of GSDP.

*Gross State Domestic Product for 2020-21 as per Directorate of Economic and Statistics, Government of Assam, at current prices was ₹ 3,48,277.17 crore.

** In view of COVID-19 Pandemic leading to highly stressed fiscal situation, the State Government, shall be eligible for additional borrowing upto 2.50% of GSDP for the year 2020-21 (Amendment of Section – 4 of FRBM Act 2003 vide Notification No. IGL.59/2005/85 dated 19-10-2020).

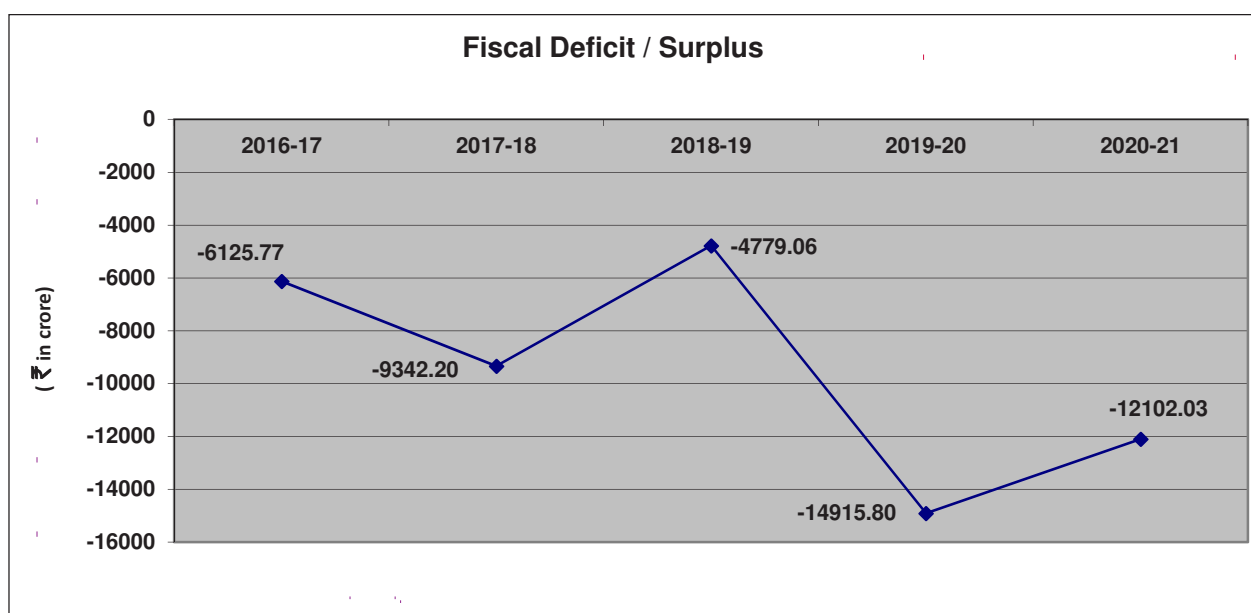
This debt does not include ₹ 994.00 crore, which was passed on as back to back loans by GOI, in lieu of shortfall in GST Compensation vide GOI's letter No. F. No. 40(1)PF-S/2021-22 dated 10-12-2021.

1.6.1 Trend of Revenue Deficit / Surplus



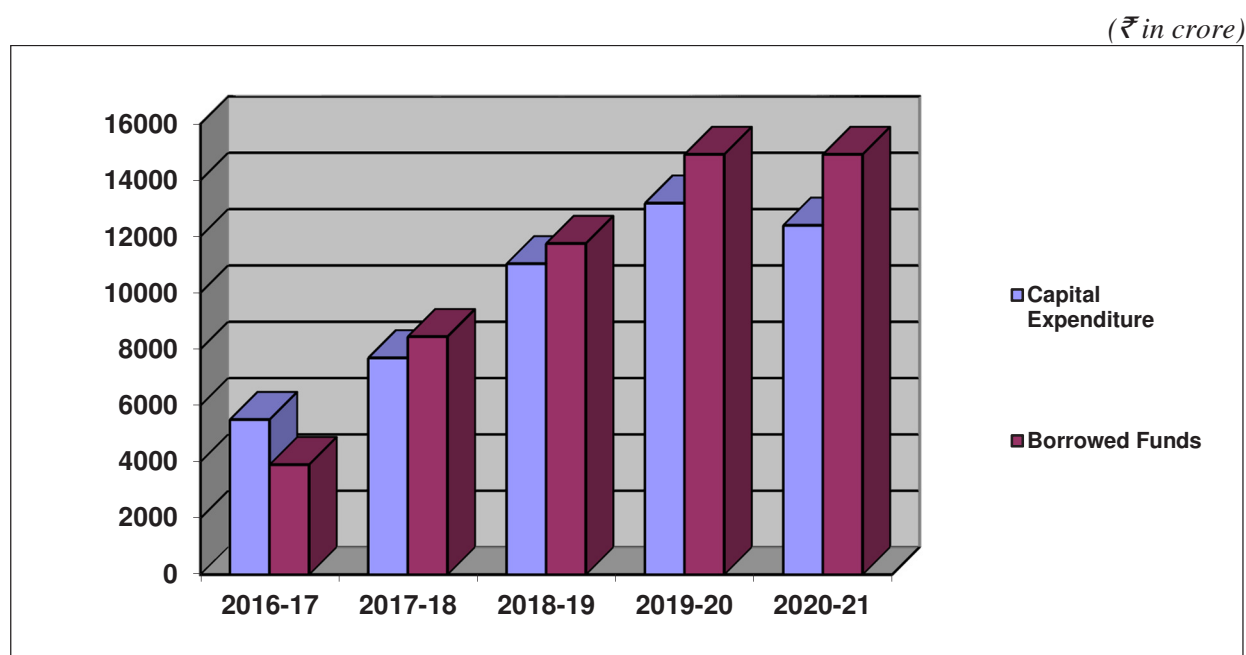
It appears from the above, the State Government could not maintained Revenue Surplus during 2020-21 indicating that the State was not within its means to meet its revenue expenditure

Trend of Fiscal Deficit / Surplus



The above graph shows that the State Government registered a fiscal deficit of ₹ 12102.03 crore (3.47 per cent of GSDP) in 2020-21 and thus could not managed to restrict it below FRBM target, which is 3 per cent of GSDP. It decreased from fiscal Deficit ₹ 6125.77 crore in 2016-17 to fiscal deficit ₹ 12102.03 crore in 2020-2021.

1.6.3 Proportion of borrowed funds spent on Capital Expenditure.



The Government usually run fiscal deficits and borrow funds for capital/assets formation or for creation of economic and social infrastructure, so that assets created through borrowings could pay for themselves by generating an income stream. 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, however, spent 69.12 *per cent* (₹ 12,399.39 crore) of the borrowings (Public Debt) of the current year (₹ 17,940.18 crore) to meet entire capital expenditure (₹ 12,399.39 crore). It would, therefore, appear that the remaining 30.88 *per cent* of the Public Debt (₹ 5,540.79 crore) was presumably utilized for payment of Loans and Advances (₹ 87.80 crore) and repayment of Public Debt (₹ 2,147.98 crore) and remaining (₹3305.01 crore) was presumably utilized for repayment of Other Public Account liabilities.

Chapter-II Receipts

2.1 Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total Revenue Receipts for 2020-21 were ₹ 64902.19 crore.

2.2 Revenue Receipts

● TAX REVENUE

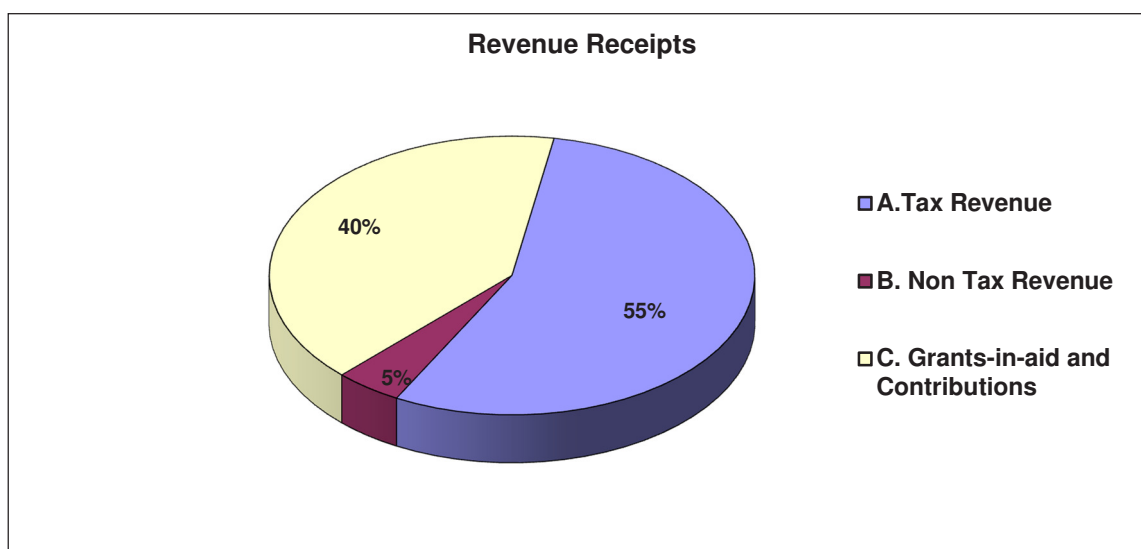
- Comprises taxes collected and retained by the state and State's share of Union Taxes under Article 280(3) of the Constitution.

Includes interest receipts, dividend, profits, departmental receipts etc.

● NON-TAX REVENUE

● GRANTS-IN-AID

- Essentially, a form of Central Assistance to the State Government from the Union Government. Includes 'External Grant Assistance' and 'Aid Material and Equipment' received from foreign governments and channelised through the Union Government. In turn, the State Governments also give Grants-in-aid to institutions like Panchayati Raj Institutions, Autonomous Bodies etc.



Revenue Receipt Components (2020-21)

(₹ in crore)

Components	Actuals	Per cent to Revenue Receipt
A. Tax Revenue*	35762.93	55.10
Goods and Service Tax	14046.78	21.64
Taxes on Income & Expenditure	11593.96	17.87
Taxes on Property & Capital Transactions	397.57	0.61
Taxes on Commodities & Services	9724.62	14.98
B. Non-Tax Revenue	2899.61	4.47
Interest Receipts, Dividends and Profits	717.75	1.11
General Services	200.75	0.31
Social Services	37.66	0.06
Economic Services	1943.45	2.99
C. Grants-in-aid & Contributions	26239.65	40.43
Total – Revenue Receipts	64902.19	100.00

* Includes Share of net proceeds of taxes assigned to States received from Union Government.

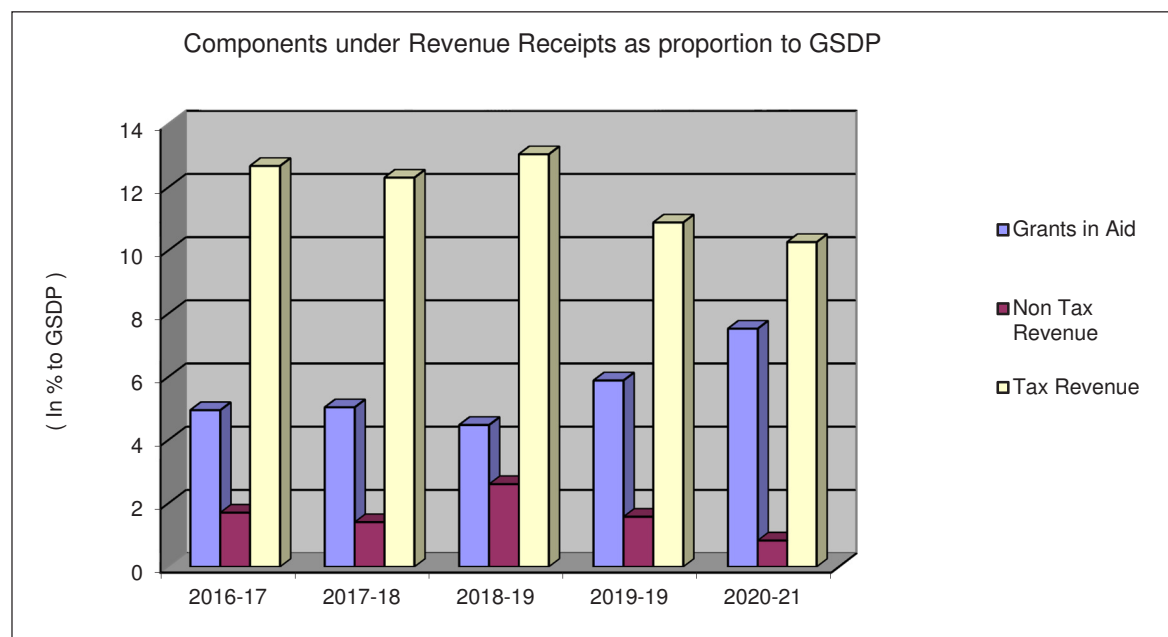
2.2.1 Trend of Revenue Receipt and GSDP

(₹ in crore)

	2016-17	2017-18	2018-19	2019-20	2020-21
Tax Revenues	32268.20 (12.68)	35517.06 (12.54)	41140.70 (13.29)	38250.13 (11.40)	35762.93 (10.27)
Non-Tax Revenues	4353.13 (1.71)	4071.97 (1.44)	8221.29 (2.66)	5539.34 (1.65)	2899.61 (0.83)
Grants-in-Aid	12598.48 (4.95)	14541.91 (5.14)	14117.17 (4.56)	20705.61 (6.18)	26239.65 (7.53)
Total Revenue Receipts	49219.81 (19.34)	54130.94 (19.12)	63479.16 (20.52)	64495.08 (19.24)	64902.19 (18.64)
GSDP	254478.25 [@]	283164.90 [@]	309336.32 [@]	335238.11 [@]	348277.17 [@]

*Note : Figures in parentheses represent percentage to GSDP and it varies from last year figure due to revised GSDP.
Source of GSDP data : Director of Economics and Statistics, Government of Assam.
@ Current price*

Industry and service sector mainly led the current year GSDP growth by 3.89 *per cent* over 2019-20. Against this, growth in revenue receipts was 0.63 *per cent*. Tax Revenues decreased by 6.50 *per cent* and Non-Tax Revenue by 47.65 *per cent*. Significant decrease in collections under Non-Tax Revenues were under 'Petroleum (₹ 1468.55) crore, 'Other Administrative Services' (₹ 95.72) crore and 'Forestry and Wild Life' (₹ 352.89) crore. The State's Own Revenue under certain tax components, like '0039'-State Excise' (₹ 2039.94) crore, '0040-Taxes on Sales, Trade etc.' (₹ 5070.97) crore and '0029- Land Revenue' (₹ 116.81) crore showed a higher trend.

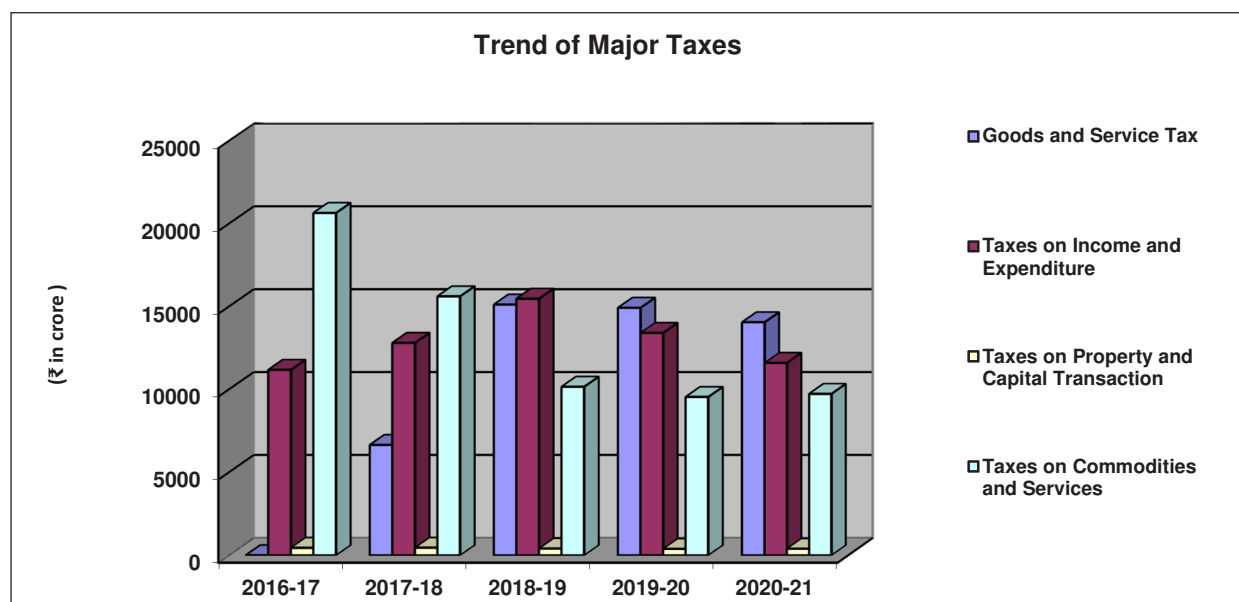


2.3 Tax Revenue

Sector-wise Tax Revenue

	(₹ in crore)				
	2016-17	2017-18	2018-19	2019-20	2020-21
Goods and Service Tax	----	6644.87	15113.23	14919.19	14046.78
Taxes on Income and Expenditure	11175.84	12803.35	15466.62	13406.13	11593.96
Taxes on Property and Capital Transactions	451.62	458.36	407.15	387.14	397.57
Taxes on Commodities and Services	20640.74	15610.48	10153.70	9537.67	9724.62
Total Tax Revenue	32268.20	35517.06	41140.70	38250.13	35762.93
GSDP	254478.25[@]	283164.90[@]	309336.32[@]	335238.11[@]	348277.17[@]

[@] Current Price



2.3.1 State's own tax and State's share of Union Taxes

(₹ in crore)

Year	Tax Revenue	Devolution of Union Taxes	State's Own Tax Collection	
			Amount	Percentage to GSDP
(1)	(2)	(3)	(4)	(5)
2016-17	32268.20	20188.64	12079.56	4.75
2017-18	35517.06	22301.54	13215.52	4.67
2018-19	41140.70	25215.85	15924.85	5.14
2019-20	38250.13	21721.44	16528.69	4.93
2020-21	35762.93	18629.32	17133.61	4.92

2.4 Cost of Tax Collection

Taxes	2016-17	2017-18	2018-19	2019-20	2020-21
Taxes on Sales, Trade etc.					
Revenue Collection	8751.63	646.95	4698.74	4480.96	5070.97
Expenditure on Collection	51.96	30.11	60.48	61.99	62.24
Cost of Tax Collection	0.59%	4.65%	1.29%	1.38%	1.23%
Land Revenue					
Revenue Collection	210.02	219.39	163.22	94.16	116.81
Expenditure on Collection	10.93	18.35	19.98	25.08	21.25
Cost of Tax Collection	5.20%	8.36%	12.24%	26.64%	18.19%
Taxes on Vehicles					
Revenue Collection	521.59	646.95	765.01	815.82	723.98
Expenditure on Collection	24.29	30.11	32.95	36.50	36.89
Cost of Tax Collection	4.66%	4.65%	4.31%	4.47%	5.10%

Taxes on Sales, Trade etc. form a major chunk of tax revenue. Tax collection efficiency is excellent. However, the expenditure on collection of Taxes on Land Revenue was very high as compared to other taxes.

2.5 Tax Buoyancy

If tax revenue increases with the growth of its base, but without an extension of the tax coverage or upward revision of the tax rates, the tax is said to be buoyant. It has an inherent tendency to yield more tax revenue with the growth of the base. Numerically, the buoyancy of a tax is measured as a ratio of the proportionate increase in tax revenue to a proportionate increase in the tax base (in other word GDP/SGDP growth). Table below explains tax buoyancy relative to GSDP growth:

	Parameters	2019-2020	2020-2021
(I)	Tax Revenue (TR) (₹ in crore)	38250.13	35762.93
(II)	Rate of growth of TR (per cent)	(-)7.03	(-) 6.50
(III)	State's own taxes (₹ in crore)	16528.69	17133.61
(IV)	Rate of growth of own taxes (per cent)	3.79	3.66
(V)	Gross State Domestic Product (GSDP) (₹ in crore)	335238.11 [@]	348277.17 [@]
(VI)	Rate of growth of GSDP (Per cent)	8.37	3.89
(VII)	TR buoyancy w.r.t. GSDP (II / VI) ¹	(-)0.84	(-)1.67
(VIII)	State's own taxes buoyancy w.r.t. GSDP (IV/VI) ¹	0.45	0.94

* Quick # Current price

¹ Tax buoyancy with respect to GSDP at (-)1.67 (2020-21) implies that tax revenue tends to decrease by 1.67 percentage points and State's own taxes by 0.94 percentage points, if the GSDP increase by one *per cent*.

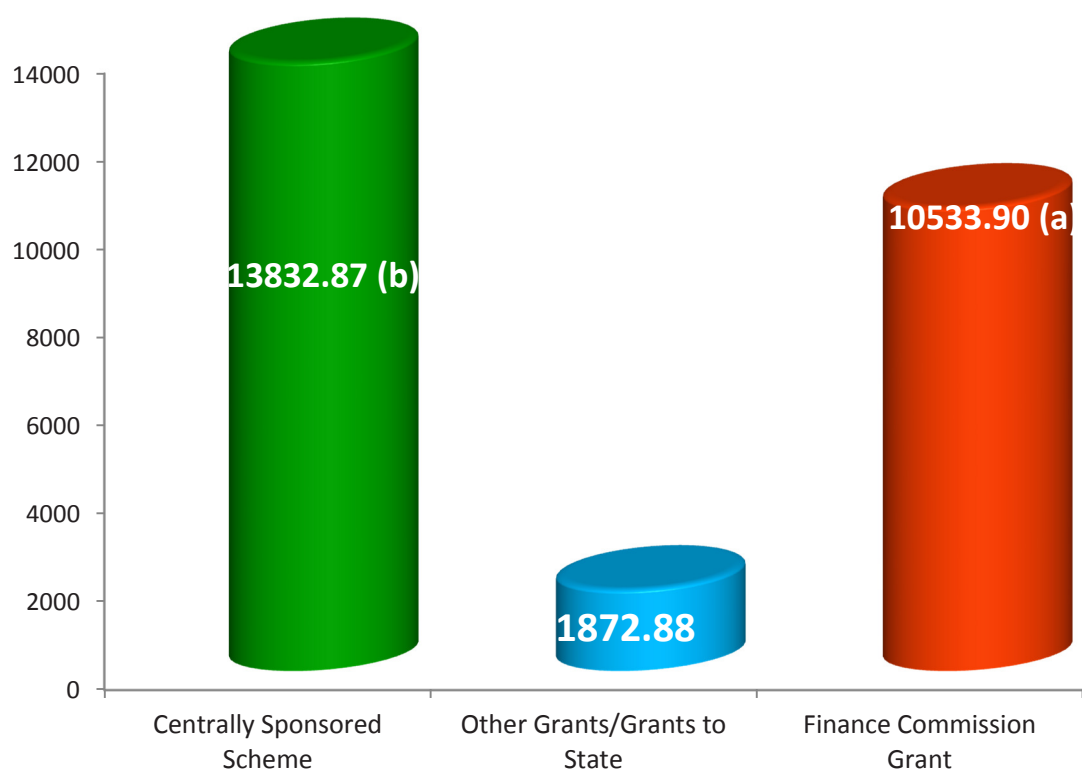
2.6 Trend in State's share of Union Taxes over the past five years

(₹ in crore)					
Major Head Description	2016-17	2017-18	2018-19	2019-20	2020-21
Central Goods and Service Tax (CGST)	....	315.80	6223.49	6163.89	5497.76
Integrated Goods and Service Tax (IGST)	....	2251.40	496.70	---	---
Corporation Tax	6470.99	6829.45	8768.87	7406.13	5648.64
Taxes on Income other than Corporation Tax	4497.36	5767.00	6457.89	5803.21	5794.53
Other Taxes on Income and Expenditure	...	...	45.67	---	---
Taxes on Wealth	14.82	(-) 0.20	3.21	0.33	---
Customs	2783.57	2250.70	1787.36	1376.85	964.41
Union Excise Duties	3178.60	2352.60	1187.80	957.27	622.41
Service Tax	3154.60	2534.80	231.85	---	86.82
Other Taxes and Duties on Commodities and Services	88.70	(-) 0.01	13.01	13.76	14.75
State Share of Union Taxes	20188.64	22301.54	25215.85	21721.44	18629.32
Total Tax Revenue	32268.20	35517.06	41140.70	38250.13	35762.93
Percentage of Union Taxes to Total Tax Revenue	62.57	62.79	61.29	56.79	52.09

2.7 Grants-in aid

Grants-in-aid represent assistance from the Government of India, and comprise Grants, for Centrally Sponsored Schemes, Finance Commission Grants and Other Transfer/Grants to States/Union Territories with Legislature. Total receipts during 2020-21 under Grants-in-aid were ₹ 26239.65 crore, as shown below:-

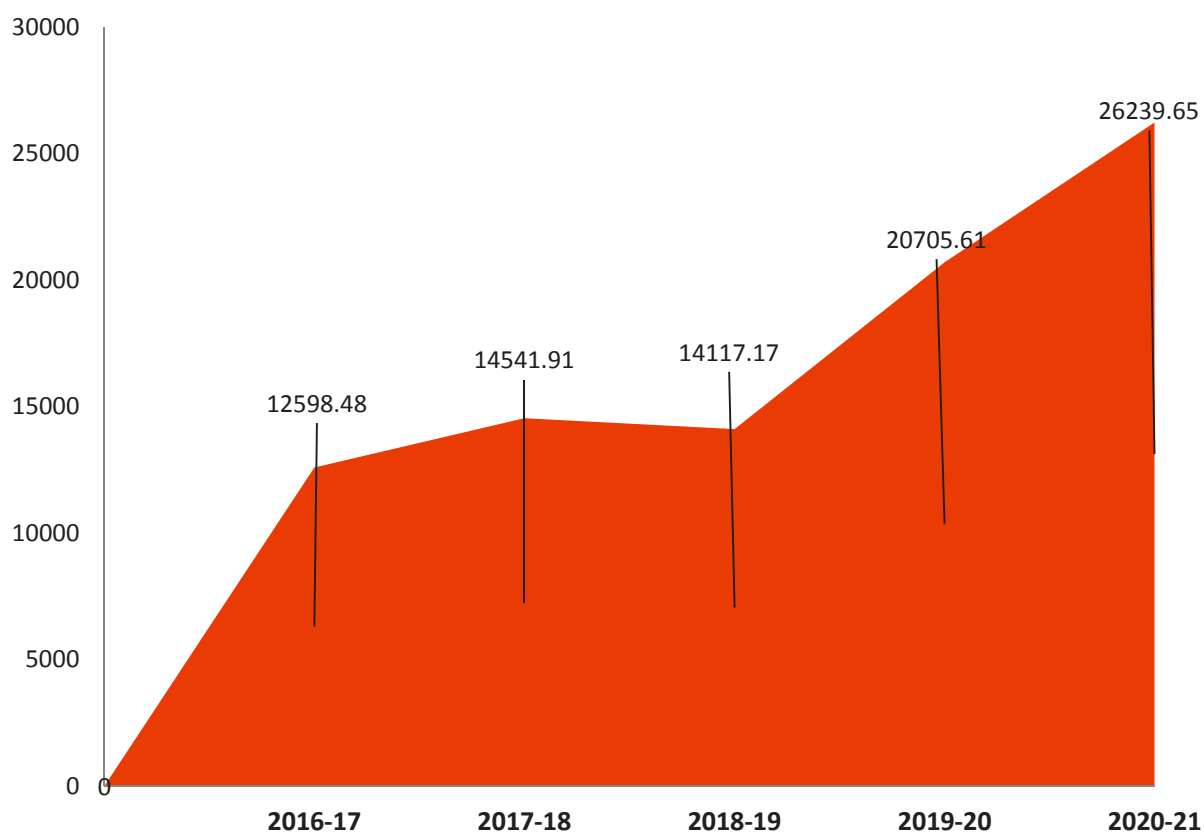
Grants-in-aid



(a) It includes ₹ 772.00 crore being the Grants-in-aid for State Disaster Response Fund.

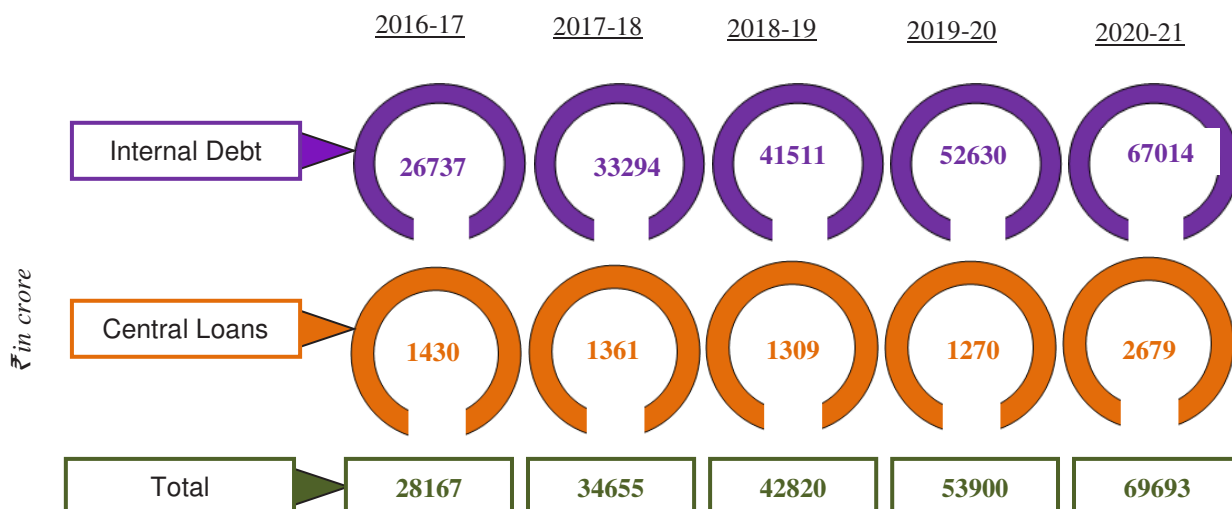
(b) It includes ₹ 220.81 crore and ₹ 1132.28 crore of Grants-in-aid for Central Road Fund and block grants (Grants for Externally Aided Project) respectively.

Trends of Grants-in-aid

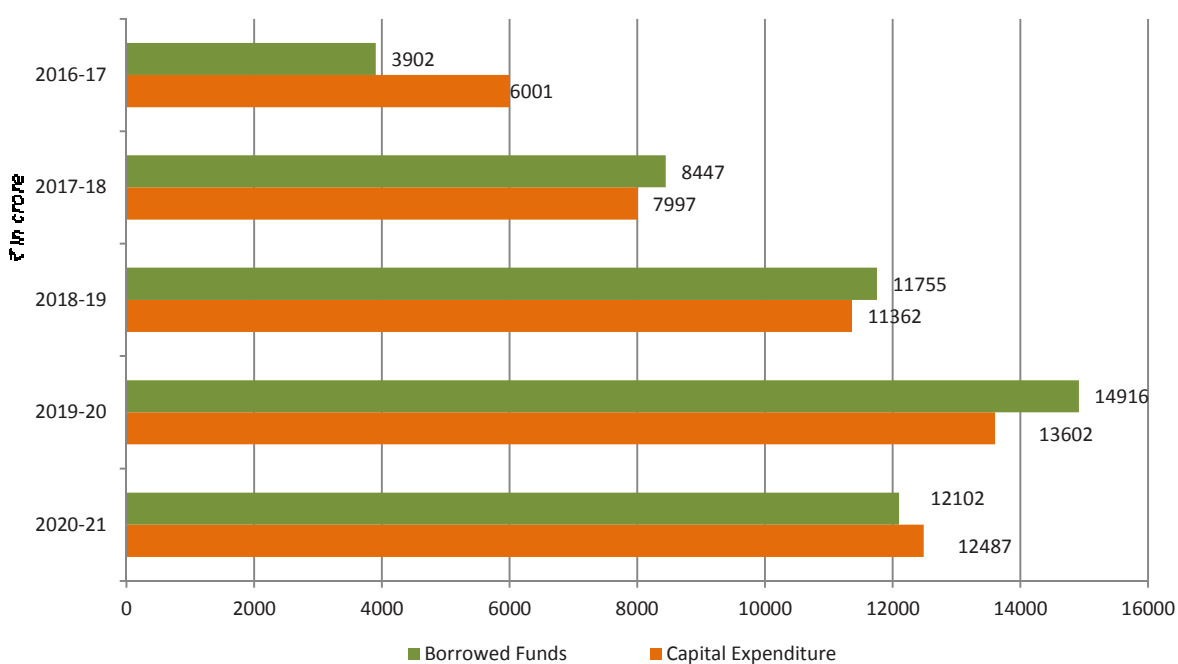


2.8 Public Debt

Trends of position of Public Debt over the past five year



During the year 2020-21, 28 (Twenty eight) loans totaling ₹ 15030.00 crore were raised from the open market at interest rates varying from 5.32 *per cent* to 8.00 *per cent* and the same are redeemable during the period between 2023-2031. In addition, the State Government raised loan of ₹ 1352.36 crore from the financial institutions. Thus, the total Internal Debt raised by the Government during the year 2020-21 aggregated to ₹ 16382.36 crore. The Government also received ₹ 1557.82 crore (including ₹ 994.00 crore of back to back loan) from Government of India as loans and advances.



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.

GENERAL SERVICES

Includes Justice, Police, Jail, PWD Interest, Pension etc.

Includes Education, Health & Family Welfare, Water Supply, Welfare of SC-ST etc.

SOCIAL SERVICES

ECONOMIC SERVICES

Includes Agriculture, Rural Development, Irrigation, Cooperation, Energy, Industries, and Transport etc.

3.2 Revenue Expenditure

Revenue Expenditure was 18.53 per cent of GSDP. It was less than the Budget Estimates by ₹ 31492.00 crore.

The shortfall / excess of expenditure against budget estimates under the Revenue section, during the past five years, is as below:

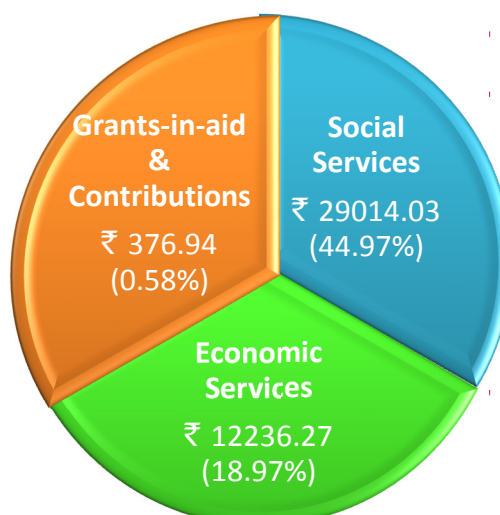
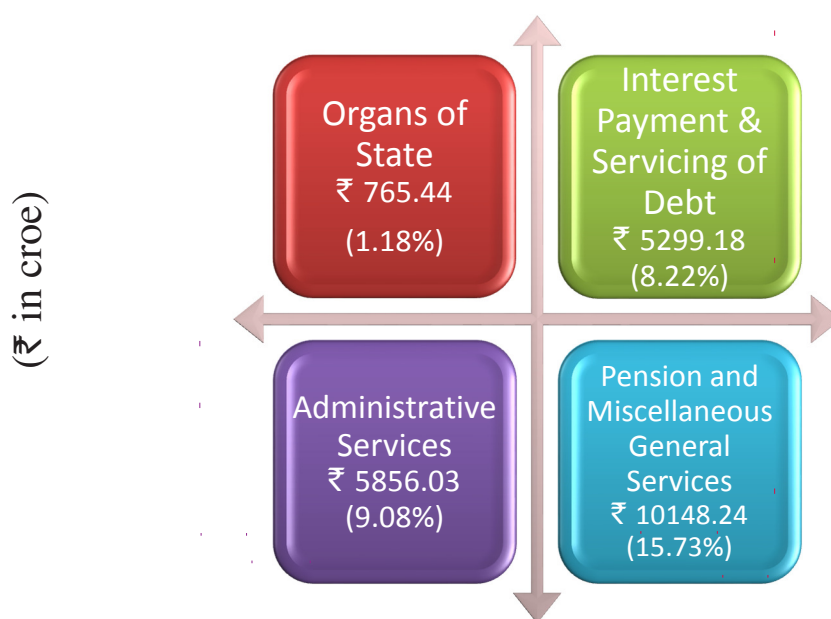
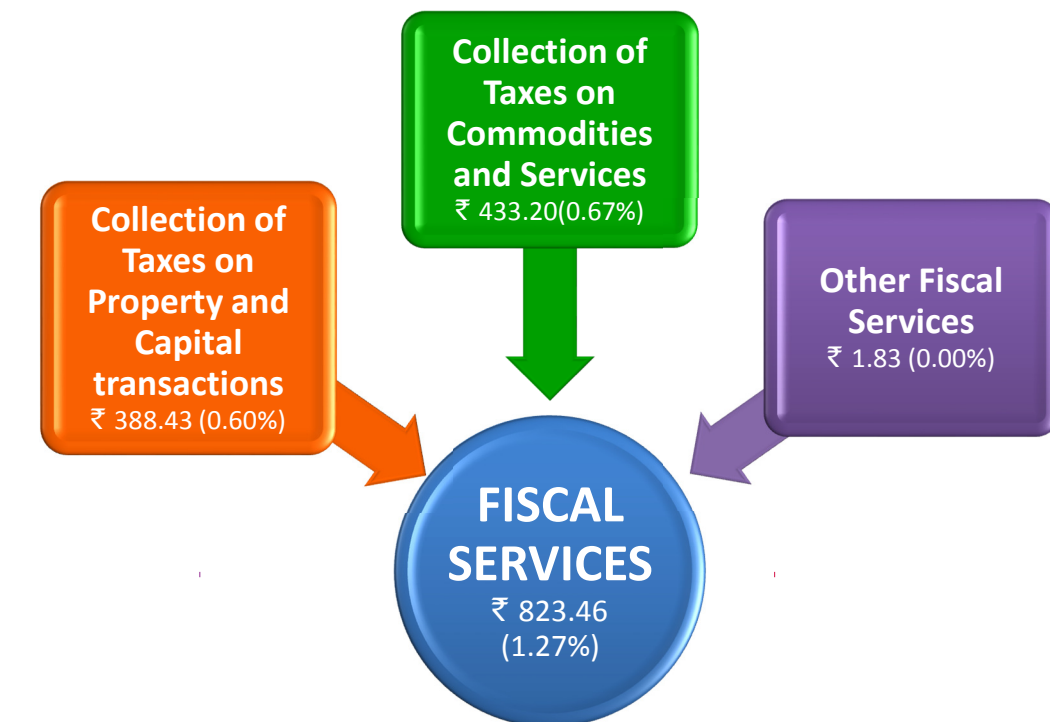
(₹ in crore)

	2016-17	2017-18	2018-19	2019-20	2020-21
Budget Estimates	65787.66	76462.99	82004.81	92213.76	96011.59
Actual	49362.72	55480.94	56899.00	65817.28	64519.59
Gap	16424.94	20982.05	25105.81	26396.48	31492.00
Percentage of gap over BE	24.97	27.44	30.62	28.63	32.80

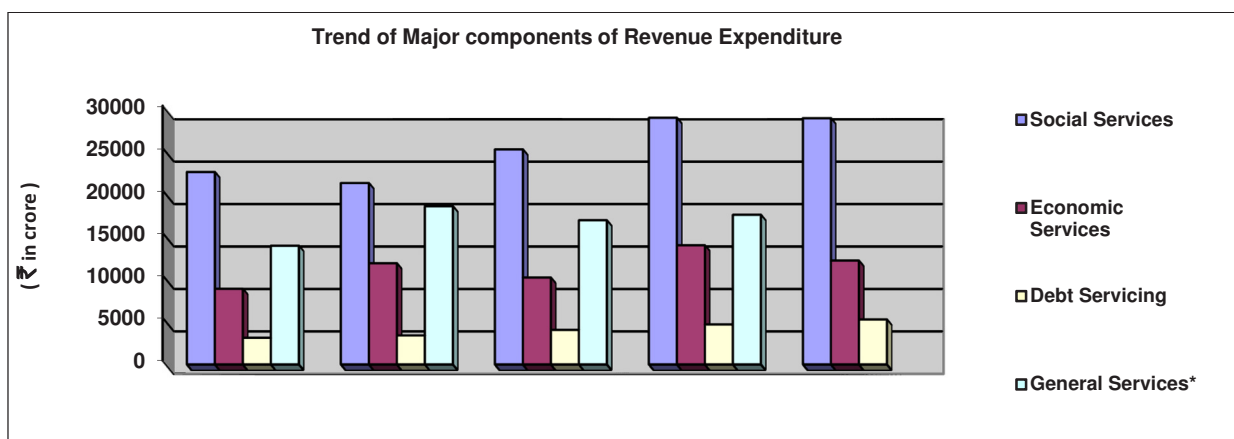
3.2.1 Sectoral distribution of Revenue Expenditure (2020-21)

(₹ in crore)

Components	Amount	Percentage
A. Fiscal Services	823.46	1.27
i) Collection of Taxes on Property and Capital transactions	388.44	0.60
ii) Collection of Taxes on Commodities and Services	433.19	0.67
iii) Other Fiscal Services	1.83	---
B. Organs of State	765.44	1.18
C. Interest Payments and Servicing of Debt	5299.18	8.22
D. Administrative Services	5856.03	9.08
E. Pensions and Miscellaneous General Services	10148.24	15.73
F. Social Services	29014.03	44.97
G. Economic Services	12236.27	18.97
H. Grants-in-aid and Contributions	376.94	0.58
TOTAL EXPENDITURE (REVENUE ACCOUNT)	64519.59	100.00

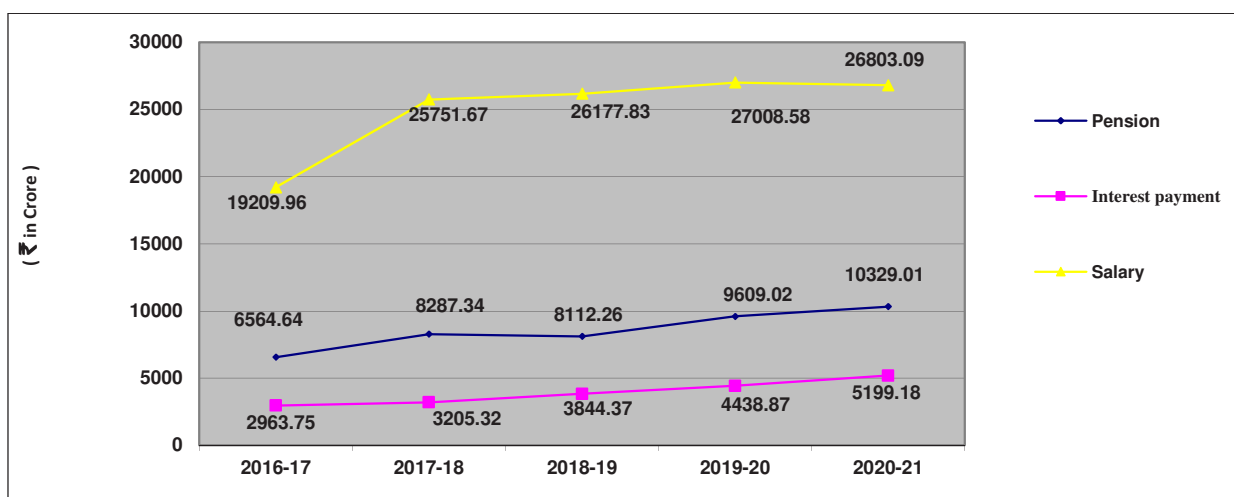


3.2.2 Major components of Revenue Expenditure (2016-17 to 2020-2021)



* 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). Debt Servicing includes MH 2048 & 2049.

3.2.3 Committed Expenditure



(₹ in crore)					
Component	2016-17	2017-18	2018-19	2019-20	2020-21
Committed Expenditure	28738.35	37244.33	38134.46	41056.47	42331.28
Revenue Expenditure	49362.72	55480.94	56899.00	65817.28	64519.59
Percentage of Committed Expenditure to Revenue Receipts	58.39	68.80	60.07	63.66	65.22
Percentage of Committed Expenditure to Revenue Expenditure	58.22	67.13	67.02	62.38	65.61

The steep upward trend on committed expenditure leaves the government with lesser flexibility for developmental spending. It appears from the above table that almost 65.22 per cent of the Revenue Receipts was spent for committed expenditure.

3.3 Capital Expenditure

Capital disbursements for 2020-2021, at 3.56 *per cent* of GSDP, were less than the Budget Estimates by ₹ 11694.89 crore.

3.3.1 Sectoral distribution of Capital Expenditure

(₹ in crore)

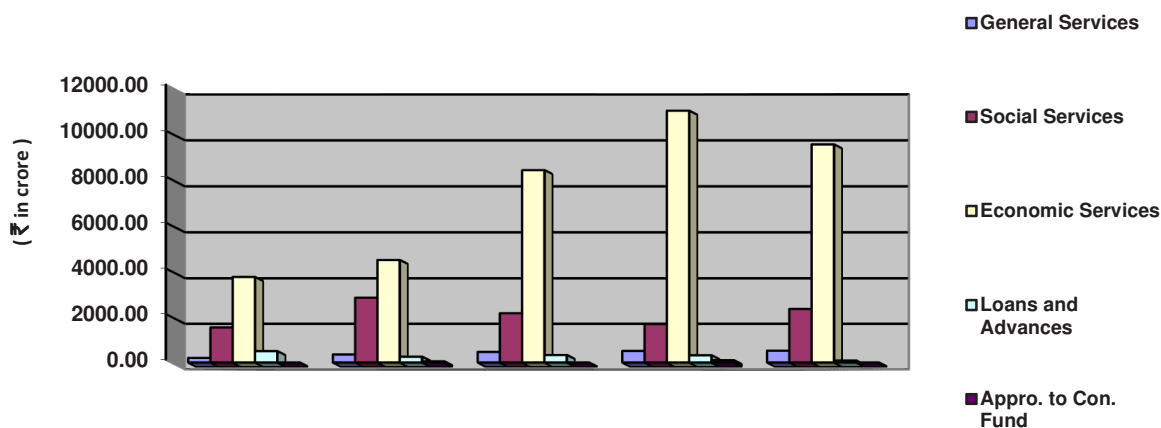
Sl. No.	Sector	Amount	Percentage
1	General Services - Police, Public Works etc.	518.45	4.15
2	Social Services - Education, Health & Family Welfare, Water Supply, Welfare of SC/ST etc.	2354.34	18.86
3	Economic Services - Agriculture, Rural Development, Irrigation, Cooperation, Energy, Industries, Transport etc.	9526.60	76.29
4	Loans and Advances Disbursed	87.80	0.70
Total		12487.19	100.00

3.3.2 Sectoral distribution of Capital Expenditure over the past 5 years

(₹ in crore)

Sl. No	Sector	2016-17	2017-18	2018-19	2019-20	2020-21
1.	General Services	199.60	350.63	464.28	506.74	518.45
2.	Social Services	1542.60	2845.87	2164.07	1683.64	2354.34
3.	Economic Services	3759.88	4496.34	8405.73	10995.04	9526.60
4.	Loans and Advances	499.38	254.07	328.07	316.16	87.80
5.	Appropriation to Contingency Fund	....	50.00	....	100.00	....
Total		6001.46	7996.91	11362.15	13601.58	12487.19

Trend of Sectoral Distribution of Capital Expenditure



3.4 Development and Non-development Expenditure

Public Expenditure whether Capital or Revenue can also be classified into development and non-development expenditure. Development expenditure is broadly defined to include all items of expenditure that are designed directly to promote economic development and social welfare. Non-development expenditure refers to government expenditure incurred on essential services required for normal running of the government. Such expenditure is essential from administrative point of view.

Trend of development and non-development expenditure relative to aggregate disbursements for 2016-17 to 2020-21, as emerged from the Annual Accounts, is given below:

(₹ in crore)

	Items	2016-17	2017-18	2018-19	2019-20	2020-21
I.	Developmental*	37347.15	40893.35	46464.26	56273.05	53220.00
(a)	Revenue	31350.76	32951.37	35102.86	42771.94	40732.81
(b)	Capital	5502.08	7692.84	11034.08	13185.42	12399.39
(c)	Loans & Advances	494.31	249.14	327.32	315.69	87.80
II.	Non-developmental #	14225.72	18994.16	17449.57	17960.67	18110.65
(a)	Revenue	14220.65	18989.23	17448.82	17960.20	18110.65
(b)	Capital	Nil	Nil	Nil	Nil	Nil
(c)	Loans & Advances	5.07	4.93	0.75	0.47	Nil
III.	Others	5833.94	5548.94	7936.68	8354.40	7824.11
(a)	Revenue (MH –2048,2049 & 3604)	3791.31	3540.34	4347.32	5085.14	5676.13
(b)	Capital (MH-6003 & 6004)	2042.63	1958.60	3589.36	3169.26	2147.98
(c)	Appropriation to Contingency Fund (MH-7999)	----	50.00	...	100.00	
IV.	Aggregate Disbursements (I+II+III)	57406.81	65436.45	71850.51	82588.12	79154.76
V.	I as Percentage of IV	65.06	62.49	64.67	68.13	67.24
VI.	II as Percentage of IV	24.78	29.03	24.29	21.75	22.88
VII.	III as Percentage of IV	10.16	8.48	11.05	10.12	9.88

* It includes Social & Economic Services (excluding MH 2251, 3451, 3452, 3454, 3456 & 3475) and Public Works under General Services under Revenue Expenditure and all expenditure under Capital expenditure and also Loans and Advances (excluding loans to government servant other than HBA)

It includes General Services (excluding Public Works) and also includes (MH 2251, 3451, 3452, 3454, 3456 & 3475) and Loans to Government Servants (other than HBA) and Miscellaneous Loans under Loans & Advances and excludes (MH 2048, 2049 & 3604)

Chapter –IV

Appropriation Accounts

4.1 Summary of Appropriation Accounts for 2020-21

(₹ in crore)

Sl. No	Nature of Expenditure	Original Grant	Supplementary Grant	Re-appropriation	Total	Actual Expenditure	Savings (-) / Excesses (+)
1.	Revenue Voted Charged	76493.47 6283.51	13232.90 1.71	892.68	89726.37 6285.22	62772.79 5390.36	(-) 26953.58 (-) 894.86
2.	Capital Voted Charged	18520.54 ...	5317.85 0.04	18.50 ...	23838.39 0.04	12489.70 ...	(-) 11348.69 (-) 0.04
3.	Public Debt Charged	2147.83	0.16	...	2147.99	2147.98	(-) 0.01
4.	Loans and Advances Voted Charged	316.28 ...	27.37 ...	... ...	343.65 ...	87.80 ...	(-) 255.85 ...
	Total	103761.63	18580.03	911.18	122341.66	82888.63	(-) 39453.03

4.2 Trend of Saving / Excess during the past five years

(₹ in crore)

Year	Saving (-) / Excess (+)				Total
	Revenue	Capital	Public Debt	Loans & Advances	
2016-2017	(-) 15653.43	(-) 6375.17	(-) 2786.52	(-) 75.72	(-) 24890.84
2017-2018	(-) 20633.04	(-) 7159.27	(-) 2744.81	(-) 328.96	(-) 30866.08
2018-2019	(-) 24624.97	(-) 8570.57	(-) 2740.95	(-) 222.51	(-) 36159.00
2019-2020	(-) 25953.54	(-) 9539.03	(-) 940.31	(-) 251.73	(-) 36684.61
2020-2021	(-) 27848.44	(-) 11348.73	(-) 0.01	(-) 255.85	(-) 39453.03

The overall savings under Consolidated Fund of the State have increased from ₹ 24890.84 crore in 2016-17 to ₹ 39453.03 crore in 2020-21. The savings under Revenue Expenditure during the last five years indicate that the fund was not utilized for the purpose for which it was voted by the Legislature and capital expenditure for development purposes.

4.3 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:

(₹ in crore)

Year	Grant No. Major Head	Total Allocation	Percentage of Savings (-) / Excess (+) to Total Grant
	31- Urban Development (Revenue) (Town & Country Planning) 2215-Water Supply and Sanitation 2217- Urban Development		
2016-17	DO	246.70	(-) 45.58
2017-18	DO	551.19	(-) 54.38
2018-19	DO	692.47	(-) 82.05
2019-20	DO	747.26	(-) 57.16
2020-21	DO	780.19	(-) 37.65
	34- Urban Development (Revenue) (Municipal Administration Department.) 2215-Water Supply and Sanitation 2217-Urban Development 3054-Roads and Bridges		
2016-17	DO	273.65	(-) 81.62
2017-18	DO	911.44	(-) 78.69
2018-19	DO	1110.16	(-) 63.14
2019-20	DO	1631.56	(-) 68.38
2020-21	DO	1500.35	(-) 76.12
	42-Social Services (Revenue) 2070-Other Administrative Services 2250-Other Social Services 2575-Other Special Areas Programmes		
2016-17	DO	309.67	(-) 9.72
2017-18	DO	530.57	(-) 16.36
2018-19	DO	339.35	(-) 65.10
2019-20	DO	254.32	(-) 90.72
2020-21	DO	256.37	(-) 36.64
	50-Other Special Areas Programme 2575-Other Special Areas Programme		
2016-17	DO	125.06	(-) 80.63
2017-18	DO	6.85	(-) 84.23
2018-19	DO	6.12	(-) 74.84
2019-20	DO	6.73	(-) 49.63
2020-21	DO	5.83	(-) 86.79
	58- Industries 2852-Industries		
2016-17	DO	193.25	(-) 49.05
2017-18	DO	493.73	(-) 83.29
2018-19	DO	379.16	(-) 59.14
2019-20	DO	109.27	(-) 162.31
2020-21	DO	62.74	(-) 83.74

During 2020-21, Supplementary Grants totaling ₹ 14950.25 crore (18.04 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
3	Administration of Justice	Revenue	450.80	14.79	359.51
4	Election	Capital	26.51	9.25	23.76
6	Land Revenue and Land Ceiling	Revenue	337.66	32.53	291.17
9	Transport Services	Revenue	405.56	76.16	368.46
		Capital	134.56	28.70	45.72
14	Police	Revenue	4566.24	406.95	4102.59
16	Stationary & Printing	Revenue	32.57	11.47	29.43
17	Administrative and Functional Building	Revenue	233.14	13.77	165.39
25	Miscellaneous General Services and Others	Revenue	6791.66	116.27	2255.71
		Capital	347.50	30.00	210.39
26	Education (Higher Education)	Revenue	2805.82	300.73	2444.20
		Capital	95.10	12.00	31.87
27	Art and Culture	Revenue	101.32	32.24	83.88
		Capital	59.07	.60	5.94
29	Medical and Public Health	Capital	734.92	491.65	504.92
30	Water Supply and Sanitation	Revenue	646.91	15.95	474.93
		Capital	2034.18	233.53	1545.62
34	Urban Development (Municipal Administration)	Revenue	1045.49	454.86	358.32
36	Labour and Employment	Revenue	225.87	21.23	145.31
		Capital	28.51	1.76	11.97
38	Welfare of SC/ ST / OBC	Revenue	1623.20	297.45	398.18
		Capital	85.01	0.23	31.21
39	Social Security, Welfare and Nutrition	Revenue	2147.18	960.45	2133.80
44	North Eastern Council Schemes	Capital	1819.29	90.56	216.76
45	Census and Surveys	Revenue	52.41	2.39	33.53
49	Irrigation	Revenue	535.31	40.86	467.60
		Capital	1056.78	86.71	323.65
51	Soil and Water Conservation	Capital	90.15	15.70	51.58
52	Animal Husbandry	Revenue	325.99	54.34	262.56
		Capital	51.66	50.04	14.19
55	Forestry and Wild Life	Revenue	882.49	112.78	561.95
		Capital	24.81	2.00	6.64
57	Rural Development	Revenue	3639.65	2754.72	3543.21
58	Industries	Revenue	44.67	18.07	17.38
		Capital	114.76	4.06	62.03
60	Cottage Industries	Revenue	59.41	15.81	49.90
63	Water Resources	Revenue	371.27	16.61	277.54
		Capital	577.56	83.14	369.15
64	Roads and Bridges	Revenue	1309.91	290.66	1031.15
67	Horticulture	Revenue	109.42	140.14	93.28
70	Hill Areas	Revenue	16.68	7.86	1.71
71	Education (Elementary, Secondary Etc.)	Revenue	13522.59	1215.37	11850.05
73	Urban Development (GDD)	Revenue	326.72	115.33	50.46
76	Hill Areas Department (Karbi Anglong Autonomous Council)	Revenue	1357.93	44.13	1128.67
77	Hill Areas Department (North Cachar Hills)	Revenue	559.88	167.46	551.56



Chapter-V

Assets and Liabilities

5.1 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 generation, except to the limited extent shown by the rate of interest and period of existing loans.

5.2 Investment

Total investments, as share capital in Statutory Corporations, Government Companies, Joint Stock Companies, Rural Banks *etc.*, stood at ₹ 2640.44 crore at the end of 2020-2021. However, dividend received on investment, during the year, was ₹ 481.89 crore (*i.e.* 18.25 *per cent*). During 2020-2021, investments in PSUs decreased by ₹ 3.32 crore, while the corresponding increased in dividend income had been ₹ 451.25 crore.

5.3 Debt and Liabilities

Outstanding Public Debt, at the end of 2020-2021, was ₹ 69692.75 crore, comprising internal debt of ₹ 67014.07 crore and loans and advances of ₹ 2678.68 crore from the Central Government. In addition, Other Liabilities accounted under the Public Account amounted to ₹ 18709.04 crore.

The State also acts as a banker and trustee in respect of deposits like Small Savings Collections, Provident Funds and Deposits. There was an overall increase of ₹ 353.08 crore in respect of such liabilities of State Government during 2020-2021.

Interest payments on debt and Other Liabilities, totaling ₹ 5199.18 crore, constituted 8.06 per cent of the Revenue Expenditure of ₹ 64519.59 crore. Interest payments on public debt amounting to ₹ 4312.43 crore (Internal debt ₹ 4221.75 crore and Loans and Advances from Central Governments ₹ 90.68 crore) and ₹ 875.33 crore on Other Liabilities. Expenditure on Account of Interest Payment increased by ₹ 594.50 crore during 2020-2021 over the previous year.

Details of the Public Debt and Total Liabilities of the State Government are as under :

(₹ in crore)

At the end of the year	Internal Debt	Loans & Advances from Central Government	Total Public Debt	Small Savings, Provident Funds, etc.	Other Obligations	Total Liabilities*	GSDP #	Percentage of total liability to GSDP
2016-2017	26736.65	1429.79	28166.44	10179.32	5634.80	43980.56	254478.25@	17.28
2017-2018	33293.73	1361.18	34654.91	11206.99	3412.98	49274.88	283164.90@	17.40(a)
2018-2019	41511.13	1309.07	42820.20	12188.05	4417.36	59425.61	309336.32@	19.21(a)
2019-2020	52630.27	1270.29	53900.56	13156.52	5199.44	72256.52	335238.11@	21.55(a)
2020-2021	67014.07	2678.68	68698.75\$	14045.37	4663.67	88401.79	348277.17@	25.38(a)

(a) Varies from last year figure due to revised GSDP.

* Public Debt, Small Saving, Provident Funds, Non-interest bearing obligations such as deposits of Local Funds, other earmarked Funds.

GSDP-@Current Price , \$ It excludes back to back loan of ₹994.00.

5.4 Debt Service Ratio

It indicates percentage of expenditure (with reference to debt receipts) incurred for repayment of principal and payment of interest on Public Debt borrowings. The following table presents the position of debt servicing relative to debt receipts for 2016-17 to 2020-21.

Sl. No.	Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
I	Debt Receipts * (₹ in crore)	3901.71	8447.07	11754.65	14249.63	17940.18
II	Debt Repayment * (₹ in crore)	2042.63	1958.60	3589.36	3169.27	2147.98
III	Payment of Interest # (₹ in crore)	2277.93	2476.59	3052.11	3563.98	4312.43
IV	Total Servicing of Debt (₹ in crore)	4320.56	4435.19	6641.47	6733.25	6460.41
V	Debt Service Ratio (in per cent) IV/I	110.74	52.51	56.50	47.25	36.01

* MH 6003 & 6004

MH 2049 (SMH 01, except Minor Head-305 & SMH- 04,)

It appears from the above table that there was increasing trend in Public debt management during the last five years other than 2020-21.

5.5 Indian Government Accounting Standards (IGAS) I

The Indian Government Accounting Standards (IGAS) 1 specifies the disclosure requirements in the Financial Statements of the State governments of Guarantees given by Government. In compliance with the standards, guarantees given by the State Government for repayment of loans etc. raised by Statutory Corporations, Government Companies, Local Bodies and Other Institutions during the year and sums guaranteed outstanding on 31 March, 2021 are shown below in the prescribed format.

(₹ in crore)

Sector*	Maximum amount guaranteed	Outstanding at the beginning of 2020-21		Additions during the year (2020-21)	Deletions (other than invoked during the year (2020-21))	Invoked during the year (2020-21)	
		Principal	Interest			Discharge	Net Discharge
1	2	3	4	5	6	7	8
Power	3,72.84	14.60	---	---	8.32	---	---
Co-operative	74.79	2.14	4.12	---	---	---	---
Any Other	34.62	33.83	28.73	---	---	---	---
Grand Total	482.25	50.57	32.85	---	8.32	---	---

Outstanding at the end of (2020-21)		Guarantee Commission or Fee		Other Material Details
Principal	Interest	Receivable	Received	
9	10	11	12	13
6.28	---	---	---	---
2.14	4.13	---	---	---
33.83	31.34	---	---	---
42.25	35.47	---	---	---

*Number of guarantees issued not furnished by the State Government.

5.5.1 Indian Government Accounting Standards (IGAS) 2

“Accounting and classification of Grants-in-aid” prescribes the principles of accounting and classification of Grants-in-aid in the Financial Statements of Government both as Grantor as well as Grantee. Grants-in-aid are classified and accounted for as revenue expenditure in the Financial Statements of the grantor irrespective of its ultimate application by the grantee. The position holds true even in those cases where Grants-in-aid are utilized by the grantee for the purpose of creation of assets. Receipts of Grants-in-aid are also required to be treated as revenue receipts in the Financial Statements of grantee Government. It also specifies that expenditure on Grants-in-aid for the purpose of creating assets shall not, except in cases specifically authorized by the President on the advice of the Comptroller and Auditor general of India, be debited to a capital head of account in the Financial Statements of the Government. However, during the year, the State Government made budget provision and classified Grants-in-aid of ₹ 5640.47 crore under capital major heads, instead of under the Revenue Section, in deviation of IGAS classification structure for Grants-in-aid.

5.5.2 Indian Government Accounting Standards (IGAS) 3

This standard applies to Loans and Advances given by the Government for incorporation and presentation in the Financial Statements of the Government. The Financial Statements shall not be described as complying with the standard unless they comply with all the requirements contained therein. This standard shall apply only to Government accounts being maintained on a cash basis. The detailed statement of Loans and Advances given by the State Government in the prescribed formats, as mandated in IGAS 3, is given in Statement No 18 of the Finance Accounts.



Chapter-VI

Other Items

6.1 Loans and Advances by the State Government

Total Loans and Advances made by the State Government at the end of 2020-2021 were ₹ 6142.23 crore. Total loans and advances to Government Corporations / Companies, Non - Government Institutes, Local bodies etc., at the end of 2020-2021, stood at ₹ 6063.82 crore. As regards recovery, principal amount aggregating to ₹ 2.56 crore and interest on loan amounting to ₹ 167.20 crore (as per records available with this office), were in arrears at the end of 31 March, 2021.

6.2 Financial Assistance to Local Bodies and Others

Assistance to local bodies etc. during 2020-2021 was ₹ 5284.10 crore. It increased from ₹ 3322.21 crore in 2016-2017 to ₹ 5284.10 crore in 2020-2021, indicating 59.05 per cent increase in the last five years. During 2020-2021, the major portion of assistance ₹ 4648.20 crore (87.97 per cent) of the total assistance of ₹ 5284.10 crore was consumed by Educational Institutions.

6.3 Cash Balance and Investment of Cash Balance

The closing cash balance, according to the Reserve Bank of India, was ₹ 17.21 crore (Credit), against the general cash balance of ₹ 3696.76 crore (Debit) reflected in the State Government Accounts. Thus, there is a difference of ₹ 3679.55 crore (Debit) between the two figures. The difference is mainly because of erroneous reporting by the accredited banks to the RBI, Nagpur, which maintains the cash balance of the State Government. The difference of ₹ 3679.55 crore (Net Debit) is under reconciliation with Reserve Bank of India.

Investments held in the Cash Balance Investment Account, * as on 31 March, 2021, were ₹ 6905.27 crore.

Other cash balances and investment, comprising cash with departmental officers (₹ 8.91 crore), Permanent advances with departmental officers (₹ 0.47 crore) and investment of earmarked funds (₹ 4038.75 crore), as on 31 March, 2021, were ₹ 4048.13 crore.

* Short term investment in Government of India Treasury bills.

6.4 New Pension Scheme

The State Government employees recruited on or after 30 January 2005 are covered under the National Pension System (NPS) which is a Defined Contribution Pension Scheme. In terms of the Scheme, the employee contributes 10 per cent of his/her basic pay and dearness allowance and 14 per cent of basic pay and dearness allowance (w.e.f. 01 April 2019) is contributed by the State Government and the entire amount is to be transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/Trustee Bank.

During the year 2020-21, the total contribution to Defined Contribution Pension Scheme was ₹ 1795.77 crore (Employees contribution ₹ 753.43 crore and Government contribution ₹ 1060.34 crore). The State Government transferred ₹ 1795.77 crore to the Public Account. There was no short contribution of Government share during the year. Till 2019-20, the State Government used to part the DCPS accumulations in a Current Bank Account and transfer the amount to NSDL/Trustee Bank from the Current Bank Account. The Government has discontinued operation of Current Bank Account from the Financial Year 2020-21.

During the year 2020-21, ₹ 1820.25 crore was transferred to NSDL/Trustee Bank and ₹ 0.60 crore was paid to the nominees/ legal heirs of deceased/retired Government employees as PRANs could not be issued till their death/retirement. The balance amount of ₹ 332.12 crore (₹ 316.74 crore under MH: 8342-117 plus ₹ 15.38 crore in Current Bank Account prior to 2020-21) is yet to be transferred to NSDL. Uncollected unmatched and un-transferred amounts, with accrued interest, represent outstanding liabilities of the Government under the Scheme.

6.5 Status of Reserve Fund

Details of Reserve Funds are available in Statements 21 and 22 of the Finance Accounts. There are seven active Reserve Funds earmarked for specific purposes. The total accumulated balance at the end of 31 March 2021 in these funds was ₹ 5382.45 crore. Out of which ₹ 1329.24 crore was under Reserve Fund bearing interest and ₹ 4053.21 crore under Reserve Fund not bearing Interest.

6.5.1 Inoperative Reserve Fund

Out of 15 Reserve Funds earmarked for specific purposes, 7 funds were active, 8 funds have been inactive for decades together. The total accumulated balance in these funds, at the end of 31 March, 2021, was ₹ 5382.45 crore (₹ 5375.62 crore in active funds and ₹ 6.83 crore in inactive funds), out of which ₹ 4038.75 crore (75.04 per cent) was invested.

6.5.2 State Disaster Response Fund (SDRF)

In terms of guidelines on constitution and administration of the State Disaster Response Fund (under Major Head-‘8121 General & Other Reserve Funds’ which is under interest bearing section), the Central and State Governments are required to contribute to the fund in the proportion of 90:10. During the year 2020-21, the State Government received ₹ 772.00 crore as Central Government’s share. The State Government’s share due during the year is ₹ 85.77 crore. The State Government transferred ₹ 643.50 crore (Central share ₹ 579.00 crore plus State share ₹ 64.50 crore) to the Fund under Major Head 8121-122 SDRF. The State received ₹ 44.37 crore from the Central Government from NDRF during the year, but not transferred to the Fund under Major Head: 8121-122 SDRF.

Against the total fund receipt/due of ₹ 902.14 crore (Central Share ₹ 772.00 crore plus State Share ₹ 85.77 crore plus NDRF ₹ 44.37 crore) during the year, the State Government transferred only ₹ 643.50 crore to the fund account which resulted in short transfer of ₹ 258.64 crore has resulted in overstatement of revenue surplus to that extent.

The expenditure of ₹ 600.30 crore incurred on natural calamities was set off (MH 2245-901) against the Fund balance of ₹ 1368.73 crore during the year. The balance of ₹ 768.43 crore lying under the Fund at the end of 31 March 2021 remained un-invested.

6.5.3 Guarantee Redemption Fund (GRF)

The Government of Assam constituted the Guarantee Redemption Fund in September 2009 vide notification No. FEA.120/2001/94 that is administered by RBI. The latest amendment to the Fund notification issued by the State Government, effective from the year 2012-13, stipulates that the State Government shall contribute an amount equivalent to at least three per cent of the outstanding guarantees, at the end of the second financial year preceding the current financial year. The State Government did not contribute any amount to the Fund Account against ₹ 2.55 Crore due during the year. There was a closing balance of ₹ 53.07 crore as on 31 March 2020 in the Fund Account. As on 31 March 2021, an amount of ₹ 57.22 crore was lying the Fund (including accrued interest of ₹ 4.15 crore), of which entire fund was invested by RBI.

6.5.4 Consolidated Sinking Fund

In terms of the recommendations of the Twelfth Finance Commission, the Government of Assam constituted a revised Consolidated Sinking Fund (CSF) scheme in 2007-08 for redemption of outstanding liabilities. Under the revised scheme guidelines, state government is required to make annual contributions to the fund of at least 0.5 *per cent* of the outstanding liabilities at the end of the previous financial year. In terms of guidelines of the RBI, who is responsible for management to the Fund, outstanding liabilities are defined as comprising Internal Debt and Public Account liabilities of the State Government. Accordingly, the State Government was required to contribute ₹ 354.93 crore (0.5 *per cent*) of the outstanding liabilities as of 31 March, 2020 (₹ 70986.23 crore). Against this requirement, the State Government contributed ₹ 100.00 crore to the Fund during the year leading a short contribution of ₹ 254.93 crore. The State Government dis-invested ₹ 732.06 crore from the fund account during the year for redemption of Open Market Loan. As on 31 March, 2021, an amount of ₹ 3988.35 crore was lying in the Fund (including accrued interest of ₹ 311.85 crore), of which ₹ 3981.12 crore had been invested.

6.6 Personal Deposit Accounts

In specific circumstances, the Government may authorize the opening of Personal Deposit Accounts (PD) for operation by designated Administrators. Transfer of funds to PD accounts is booked under the service major heads, as expenditure under the Consolidated Fund of the State. Under the rules, the Administrators are required to close such accounts on the last working day of the year and transfer the unspent balances back to the Consolidated Fund, with the PD accounts being reopened in the next year, if necessary. The Government of Assam, however, did not follow this procedure. As on 31-03-2021, there were 22 PD Accounts and all these accounts have been inoperative for more than two years. The status of PD accounts during 2020-21, as per the records of Principal Accountant General (A&E), is as under:

(₹ in crore)		
Particulars	No. of PD Accounts	Amount
Opening Balance as 1 April 2020	22	0.57
Net addition during the year	Nil	Nil
Closed during the year	Nil	Nil
Closing Balance as on 31 March 2021	22	0.57

No departmental officers had verified/reconciled these balances with the records maintained by the Principal Accountant General (A&E), as required.

6.7 Reconciliation of Accounts

All Controlling Officers are required to reconcile receipts and expenditure of the Government with figures accounted for by the Pr. Accountant General (A&E) Assam. During the year, receipts amounting to ₹ 69546.70 crore (83.95 per cent of total receipts) and expenditure amounting to ₹ 56044.96 crore (70.80 per cent of total expenditure) were reconciled by the State Government.

6.8 Reconciliation of Deposits and Other Accounts in Public Account

In order to ensure correctness of balances recorded under Public Account, reconciliation with State Government authorities specially treasury officers in respect of deposit heads, departmental officers in respect of remittance and departmental balance heads and finance department in respect of Reserve Fund and cash balance investment account is required. Such a reconciliation was never carried out thus impacting the quality and transparency of accounts kept under Public Account. The position of balances under Public Account up to 2020-21 is given below :

(₹ in crore)

Public Account Balances	Opening balance as on 01-04-2020	Closing balance as on 31-03-2021
I. Small Savings, Provident Fund etc.	Cr. 13156.52	Cr. 14045.37
II. Reserve Fund	Cr. 1300.50 (Net)	Cr. 1343.70 (Net)
III. Deposits	Cr. 3898.94	Cr. 3319.96
IV. Advances	Dr. 3288.64	Dr. 2939.39
V. Suspense & Miscellaneous *	Dr. 3626.10	Dr. 8055.64
VI. Remittances	Dr. 742.45	Dr. 788.85
Total	Cr. 10698.77	Cr. 6925.15

* It includes cash balance Investment Account.

The surplus in Public Account is utilized for deficit financing, as was done in 2020-2021.

6.9 Submission of accounts by Accounts Rendering Units

The accounts of receipts and expenditure of the Government of Assam have been compiled, based on the initial accounts rendered by 33 District Treasuries, 50 Sub-Treasuries, Assam House (New Delhi), Cyber Treasury (Dispur), 146 Forest Divisions, 33 Public Works (Building) Divisions, 69 Irrigation Divisions, and 44 Public Health Engineering, 36 Water Resources Divisions, 83 Public Works (Road) Divisions, 50 Pay and Accounts offices and Advices of the Reserve Bank of India. No accounts was excluded at the end of the year.

6.10 Unadjusted Abstract Contingency (AC) bills

Rule 79(f) of Assam Treasury 2017 envisage that no moneys should be drawn from Government Treasury unless it is required for immediate disbursement. In emergent circumstances, Drawing and Disbursing Officers (DDOs) are authorised to draw sums of money through Abstract Contingent (AC) bills by debiting Service Heads. In terms of the Rule 21 of the Assam Contingency Manual, 1989 and Para 12.6 of Assam Budget Manual, DDOs are required to present Detailed Countersigned Contingent (DCC) bills to which they relate. Delayed submission or prolonged non-submission of supporting DCC bills renders expenditure through AC Bills opaque and the expenditure shown in the Finance Accounts cannot be vouched as correct or final.

Out of 249 AC bills amounting to ₹ 174.89 crore drawn during the year 2020-21, 123 AC bills amounting to ₹ 66.88 crore (38.24 *per cent*) were drawn in March, 2021. DCC Bills in respect of a total of 1648 bills amounting to ₹ 1,050.84 crore as on 31 March 2021 were not received. Details of unadjusted AC bills as on 31 March 2021 pending submission of DCC bills are given below:

Year	No. of unadjusted AC Bills	Amount (₹ in crore)
Up to 2018-19	1,183	851.56
2019-20	216	24.39
2020-21	249	174.89
Total	1,648	1,050.84

The major defaulting departments that had not submitted DCC bills are Transport Department (₹ 148.86 crore, 14.17 *per cent*) Election Department (₹ 125.89 crore, 11.98 *per cent*), Health Department (₹ 106.13 crore, 10.10 *per cent*), Panchayat and Rural Development Department (₹ 102.83 crore, 9.79 *per cent*) and Home Department (₹ 100.99 crore, 9.61 *per cent*).

6.11 Outstanding Utilization Certificates (UC)

In terms of Rules 517 (Appendix 16) of the Assam Financial Rules 1939, Utilization Certificates (UCs) in respect of Grants-in-Aid received by the grantee should be furnished by the grantee to the authority that sanctioned it, within one year from the date of receipt of grant or before applying for a further grant on the same object, whichever is earlier. To the extent of non-submission of UCs, there is no assurance that the amount shown in Finance Accounts had reached the beneficiaries and thus the expenditure cannot be vouched as correct or final.

During the year 2020-21, ₹ 3,606.64 crore pertaining to outstanding UCs for the period up to 2019-20 was cleared. The position of outstanding UCs as on 31-03-2021 is given below:

Year*	Number of UCs Outstanding	Amount (₹ in crore)
Up to 2018-19	8,009	13,089.70
2019-20	1,062	5,336.21
2020-21#	2,646	21,203.58
Total	11,717	39,629.49

*The year mentioned above relates to “Due year” i.e. after 12 months of actual drawal.

#excludes 2800 UCs involving amount of ₹ 21,065.58 crore added during the year 2020-21.

Major defaulting departments that had not submitted UCs are Health Department (₹ 5,867.63 crore, 14.81 *per cent*), Panchayat and Rural Development Department (₹ 4,572.61 crore, 11.54 *per cent*), Public Works Department (₹ 4,113.63 crore, 10.38 *per cent*), Department for the Welfare of Plain Tribes and Other Backward Classes (₹ 3,338.29 crore, 8.42 *per cent*), Education (General) Department (₹ 3,235.07 crore, 8.16 *per cent*).

6.12 Suspense Accounts

Under suspense heads are recorded all such transactions as are ultimately removed either by payment or recovery in cash or by book adjustments on receipt of supporting documents. The overall debit balance under Suspense Account indicates assets and credit balance indicates liabilities.

During 2020-21, the suspense balance was increased from ₹ 682.92 to ₹ 1142.38 crore (67.28 *per cent*). Net increase during the year was ₹ 459.46 crore. Main reasons for outstanding balance were (a) non-reimbursement of maintenance expenditure on National Highways by the Ministry of Shipping, Road Transport and Highways, Government of India and (b) Non-receipt of supporting documents / vouchers *etc.* from the state treasuries in respect of withdrawal from the Consolidated Fund of the State.

6.13 Commitments on account of Incomplete Works

A total expenditure of ₹ 1035.66 crore was incurred up to the year 2020-2021 by the State Government on various incomplete projects costing one crore and above, which have been taken up by the Public Works Department, Irrigation Department and Water Resources Department. However, incomplete projects / works under Public Works Department, Irrigation Department and Water Resources Department, involving costs amounting to ₹ 509.25 crore, is still pending for payments.

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