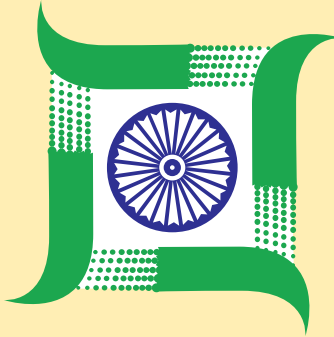


Accounts at a Glance for the year 2017-18

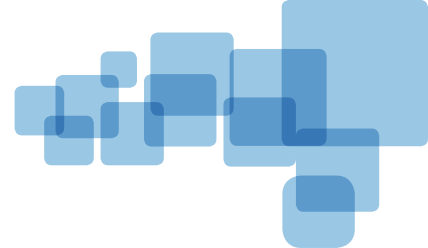


लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest



झारखण्ड सरकार

Government of Jharkhand



Accounts at a Glance for the year **2017-18**

**Principal Accountant General
Jharkhand,
(Accounts and Entitlement)**



झारखण्ड सरकार

GOVERNMENT OF JHARKHAND

Preface

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

Place : Ranchi
Date : 09 August, 2019



(Chandra Mauli Singh)
Pr. Accountant General (A&E)



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

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Chapter I Overview

1.1 Introduction

The Principal Accountant General (Accounts and Entitlements), Jharkhand collates, classifies, compiles the accounts data rendered by multiple agencies, and prepares the accounts of the Government of Jharkhand. The compilation is done from the initial accounts rendered by the District Treasuries, Public Works Divisions, Irrigation & Public Health Divisions, Forest Divisions, accounts rendered by the other states/ accounting offices and advices of Reserve Bank of India. Every month a Monthly Civil Accounts is presented by the office of the Principal Accountant General (A&E) to the Government of Jharkhand. The office of the Principal Accountant General (A&E) also submits a quarterly Appreciation Note on the important financial indicators and quality of expenditure of the Government. The Annual Finance Accounts and the Appropriation Accounts are placed before the State Legislature after audit by the Accountant General (Audit), Jharkhand and certification by the Comptroller and Auditor General of India.



1.2 Structure of Government Accounts

1.2.1 Government Accounts are kept in three parts:

Structure of Government Accounts

Part 1 ● **CONSOLIDATED FUND**

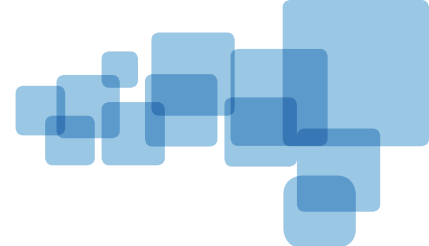
All revenue received by the Government including tax and non-tax revenues, loans raised and repayment of loans given (including interest thereon) form the Consolidated Fund. All expenditure and disbursements of the Government, including release of loans and repayments of loans taken (and interest thereon),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

The Contingency Fund is in nature of an imprest, intended to meet unforeseen expenditure, pending authorization by the Legislature. Such expenditure is recouped subsequently from the Consolidated Fund. The corpus of this fund for the Government of Jharkhand is ₹ 500.00 crore.

Part 2 **CONTINGENCY** ● **FUND**

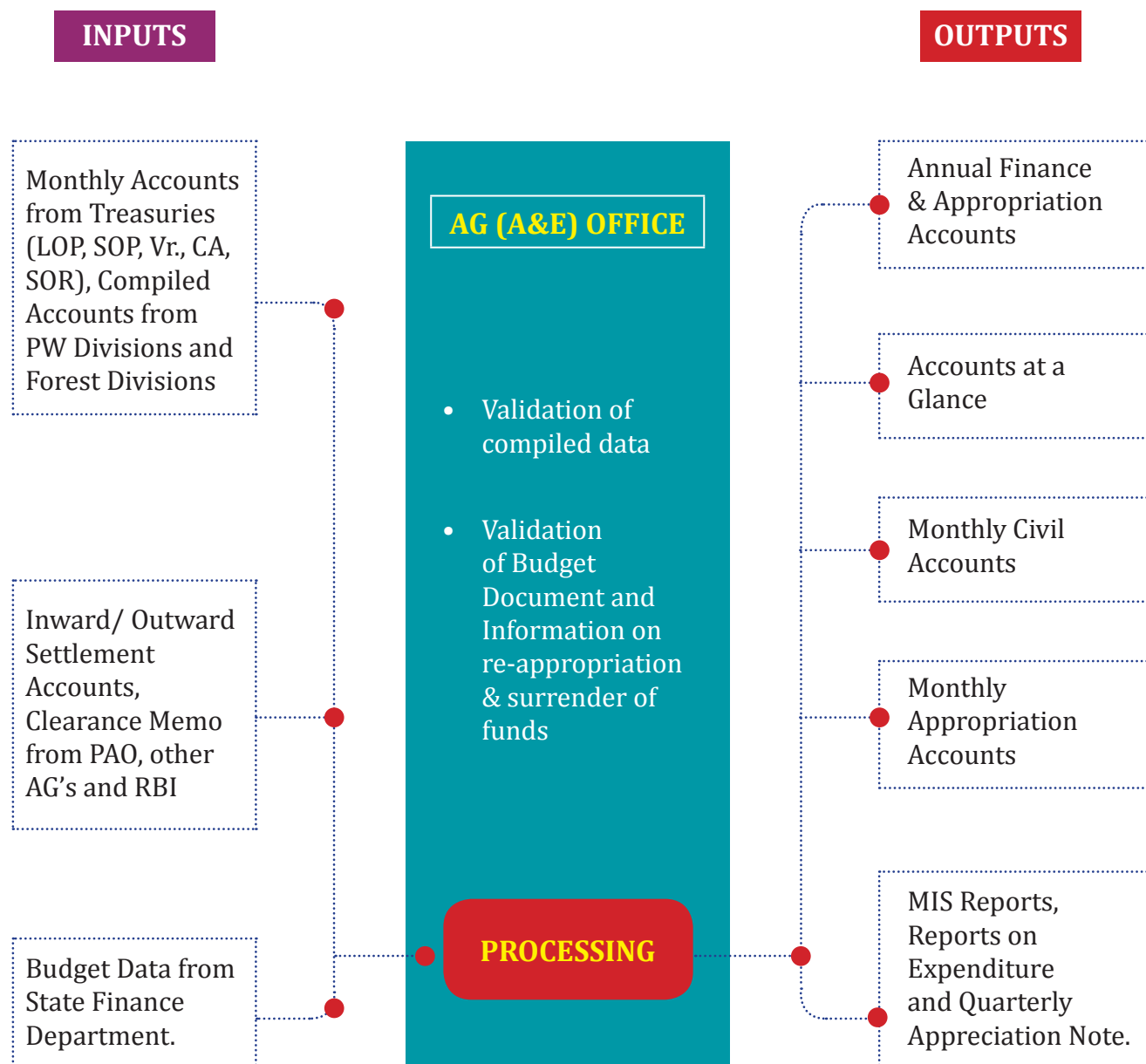
● **Part 3** **PUBLIC ACCOUNT**

All public moneys received, other than those created 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 are prepared in two volumes to make them more comprehensive and informative. Volume I of the Finance Accounts contains the certificate of the Comptroller and Auditor General of India, summarized statements of overall receipts and disbursements and 'Notes to Accounts' containing summary of significant accounting policies, comments on quality of accounts and other items. Volume II contains detailed Statements (Part-I) and Appendices (Part-II).

Receipts and Disbursements of the Government of Jharkhand as depicted in the Finance Accounts 2017-18 are given below.

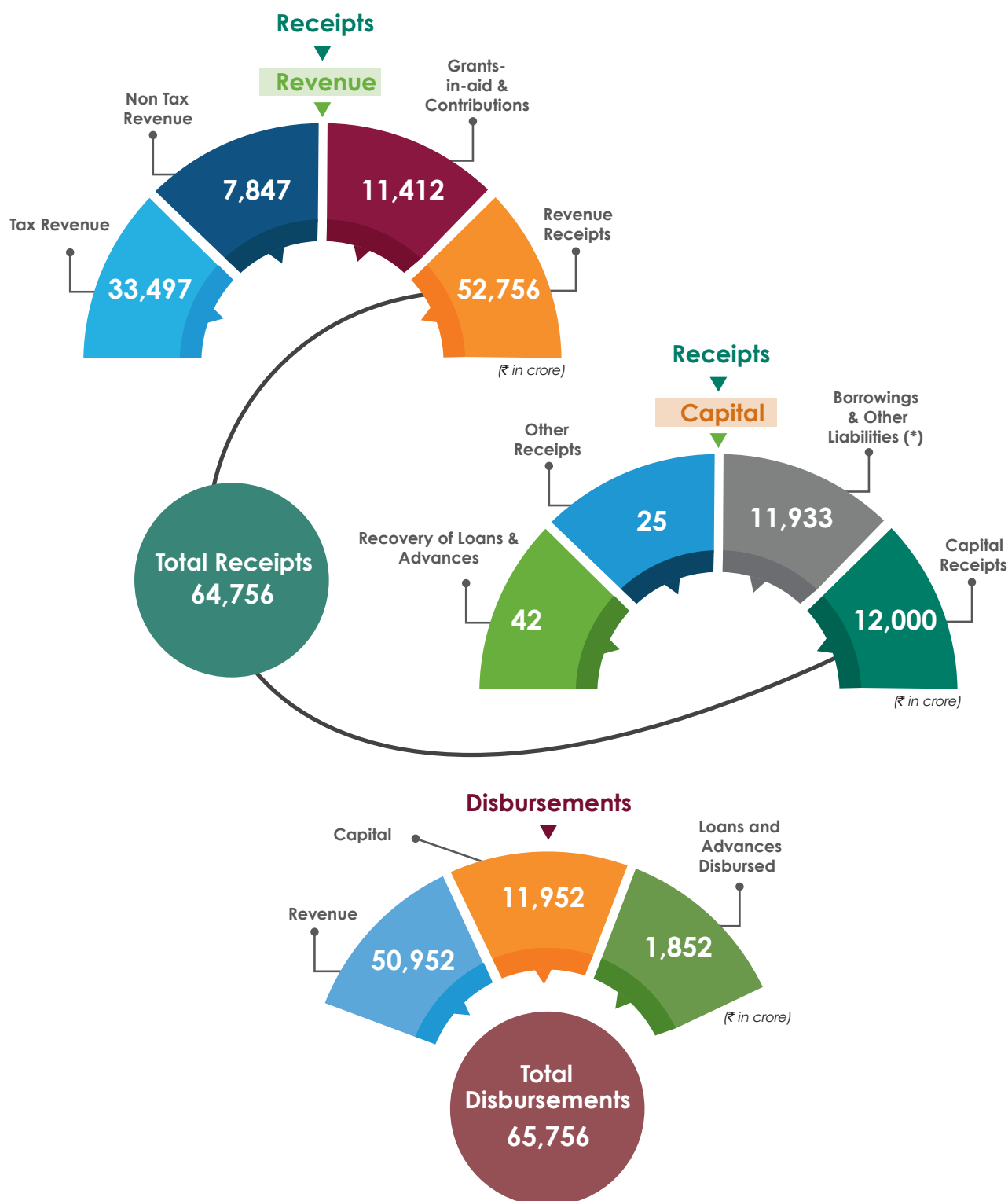
Receipts and Disbursements in year 2017-18

(₹ in Crore)


Receipts	Total Receipts		64,756
	Revenue	Tax Revenue	33,497
		Non Tax Revenue	7,847
		Grants-in-aid & Contributions	11,412
		Revenue Receipts	52,756
	Capital	Recovery of Loans and Advances	42
		Borrowings and other Liabilities (*)	11,933
		Miscellaneous Capital Receipts	25
		Capital Receipts	12,000
Disbursements	Total Disbursements		64,756
	Revenue		50,952
	Capital		11,952
	Loans and Advance		1,852

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

Receipts and Disbursements in year 2017-18



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



In addition to the expenditure approved for the year by the Jharkhand Legislature, Government of India transfers substantial funds directly to State Implementing Agencies / Non-Government Organization (NGOs) in the State for various schemes and programmes. Such transfers (amounting to ₹ 322 crore in this year) are not reflected in the accounts of the State Government, but have been shown at Appendix VI of Volume II of the Finance Accounts.

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 Jharkhand has 05 Charged Appropriations, 54 Voted Grants and 01 Voted and Charged mixed Grant. The purpose of the Appropriation Accounts is to indicate the extent to which the actual expenditure compiled 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 actual expenditure of the government of Jharkhand against the budget approved by the Legislature, showed a net saving of ₹ 14,346 crore (21 *per cent* of estimates) and over-estimation of ₹ 486 crore (82 *per cent* of estimates) on reduction of expenditure. Certain grants, like those relating to showed substantial savings.

1.4 Sources and Application of Funds

1.4.1 Ways and Means Advances

Ways and Means Advances (WMA) are taken from the Reserve Bank of India (RBI) to make good the deficiency in the minimum cash balance which the State Government is required to maintain with the RBI. During 2017-18, the Government of Jharkhand has taken ordinary Ways and Means Advances for 7 days.

1.4.2 Overdraft from the Reserve Bank of India

Overdraft is taken from the Reserve Bank of India (RBI) while the limit of minimum cash balances falls below i.e. ₹ 0.45 crore, even after taking Ways and Means Advances which is required to be maintained with the RBI. During the year 2017-18 there was no overdraft of the State.

1.4.3 Fund flow statement

The State had a Revenue Surplus of ₹ 1,804 crore and a Fiscal Deficit of ₹ 11,933 crore as on 31 March 2018. The Fiscal deficit was met from Public debt (₹ 8,137 crore), increase in Public Account (₹ 6,001 crore) and net of opening and closing cash balance (₹ 744 crore). Around 41 *per cent* of the Revenue Receipts (₹ 52,756 crore) of the State Government was spent on Committed Expenditure like Salaries (₹ 11,221 crore), Interest Payments (₹ 4,662 crore) and Pensions (₹ 5,913 crore).

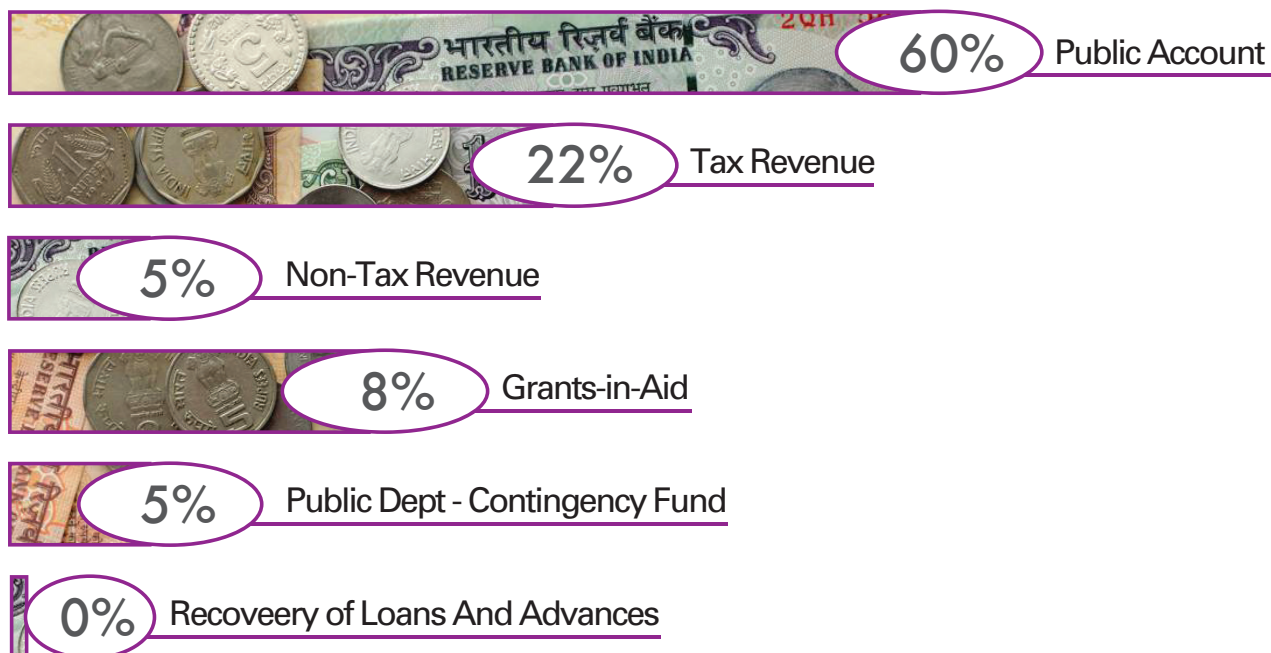
Sources and Application of Funds

(₹ in Crore)

	PARTICULAR	AMOUNT
SOURCES	Opening Cash Balance as on 01.04.2017	502
	Revenue Receipts	52,756
	Miscellaneous Capital Receipts	25
	Recovery of Loans & Advances	42
	Public Debt	8,137
	Small Savings Provident Fund etc.	1,017
	Reserves Fund & Sinking Funds	401
	Deposits Received	15,651
	Civil Advances Repaid	369
	Suspense Account	61,210
	Remittances	10,559
	TOTAL	1,50,669
APPLICATION	Revenue Expenditure	50,952
	Capital Expenditure	11,953
	Loans Given	1,852
	Repayment of Public Debt	2,949
	Small Savings Provident Fund etc.	950
	Reserves Fund & Sinking Funds	109
	Deposits Repaid	10,929
	Civil Advances Given	370
	Suspense Account	60,381
	Remittances	10,466
	Closing Cash Balance as on 31.03.2018	(-)242
	TOTAL	1,50,669

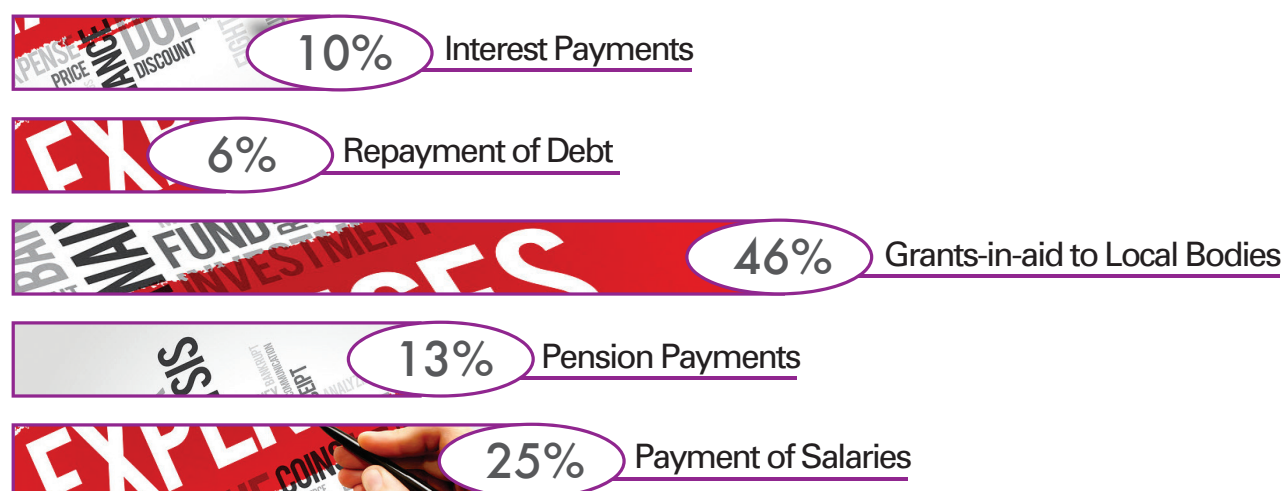
1.4.4 Where the Rupee came from

Actual Receipts



1.4.5 Where the Rupee went

Actual Expenditure



1.5 Financial highlights of year 2017-18

(₹ in Crore)

Sl. No.	Description	Budget Estimate 2017-18	Actuals 2017-18	Percentage of Actuals to B.E	Percentage of Actuals to GSDP(#)
1.	Tax Revenue ^(@)	40,935	33,497	82	13
2.	Non-Tax Revenue	11,258	7,847	70	3
3.	Grants-in-aid and Contributions	13,414	11,412	85	4
4.	Revenue Receipts (1+2+3)	65,607	52,756	80	21
5.	Miscellaneous Capital Receipt	..	25	..	..
6.	Recovery of Loans and Advances	66	42	64	0
7.	Borrowings and other Liabilities ^(A)	10,000	11,933	119	5
8.	Capital Receipts (5+6+7)	10,066	12,000	119	5
9.	Total Receipts (4+8)	75,673	64,756	86	25
10.	Establishment Expenditure ^(*)	27,981	28,111	100	11
11.	EST. Exp. on Revenue Account	27,930	27,953	100	11
12.	EST. Exp. on interest payments out of 10	4,697	4,662	99	2
13.	EST. Exp. on Capital Account	51	158	310	0
14.	Scheme Expenditure ^(*)	42,618	36,645	86	14
15.	Scheme Expenditure on Revenue Account	29,931	22,999	77	9
16.	Scheme Expenditure on Capital Account	12,687	13,646	108	5
17.	Total Expenditure (10+14)	70,599	64,756	92	25
18.	Revenue Expenditure (11+15)	57,861	50,952	88	20
19.	Capital Expenditure (13+16) ^(S)	12,738	13,804	108	5
20.	Revenue Surplus (4-18)	7,746	1,804	23	1
21.	Fiscal Deficit (4+5+6-17)	4,926	11,933	243	5

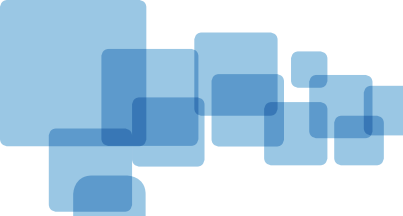
^(@) Includes State's share of Union Taxes of ₹ 17,886 crore and ₹ 21,144 crore respectively in BE and Actuals.

^(#) GSDP figure of ₹ 2,55,271 crore for the year 2017-18 adopted as per figure of Ministry of Statistics and Programme Implementation.

^(S) Expenditure on Capital Account includes Capital Expenditure (₹ 11,952 crore) and Loans and Advances disbursed (₹ 1,852 crore).

^(*) Under the Capital Section, expenditure includes ₹ 89 crore under Establishment and ₹ 1,762 crore under State Scheme which pertains to Loans and Advances.

^(A) Borrowings and other Liabilities: Net (Receipts-Disbursements) of Public Debt + Inter-State Settlement + Net of Contingency fund + Net (Receipts-Disbursements) of Public Account + Net (Opening and Closing cash Balance).



During the year 2017-18 revenue surplus of ₹ 1,804 crore (₹ 1,965 crore Surplus in 2016-17) and fiscal deficit of ₹ 11,933 crore (₹ 10,192 crore deficit in 2016-17) represent 1 *per cent* and 5 *per cent* of the Gross State Domestic Product (GSDP) respectively. The fiscal deficit constituted 18 *per cent* of total expenditure.

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 Receipts 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**

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.

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

The Government of Jharkhand has enacted the Fiscal Responsibility and Budget Management (FRBM) Act, 2007. As per this Act, the State Government was required to achieve certain fiscal targets by specified periods. Achievements during the year 2017-18 against fiscal targets laid down in the Act and rules framed there under, were as follows: -

Sl. No.	Financial Parameter	Actual (₹ in crore)	Ratio to GSDP*	
			Target	Achievement
1	Revenue Deficit	1,804 (surplus)	\$	Achieved during the year
2	Fiscal Deficit	11,933	3 per cent or loss	4.67 (not achieved)
3	Debt and other obligation	77,095		
4	Outstanding Guarantees	157		

* Source: GSDP figures (₹ 2,55,270.72 crore) is taken from Directorate of Economics and Statistics, Planning-cum-Finance Department, Government of Jharkhand for 2017-18.

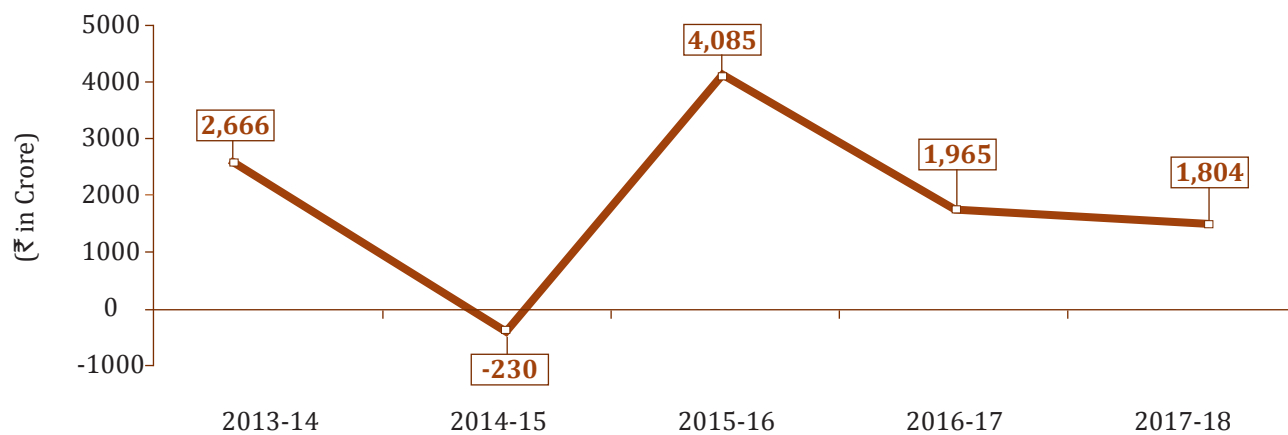
\$ Reducing the Revenue Deficit to zero w.e.f. 2011-12.

The State Government had made disclosures to the Legislature required under the Jharkhand Fiscal Responsibility and Budget management Rules, 2005.

The State Government had Revenue Surplus of ₹ 1,965 crore in 2016-17 and ₹ 1,804 crore during 2017-18. There is however, a difference of opinion between the State Government and Government of India on the calculation of the percentage of Fiscal Deficit to Gross Domestic Product (GDP). However, according to the State Government estimation, the ratio of Fiscal Deficit to GSDP ranged between 4.67 per cent and 1.31 per cent during 2013-18.

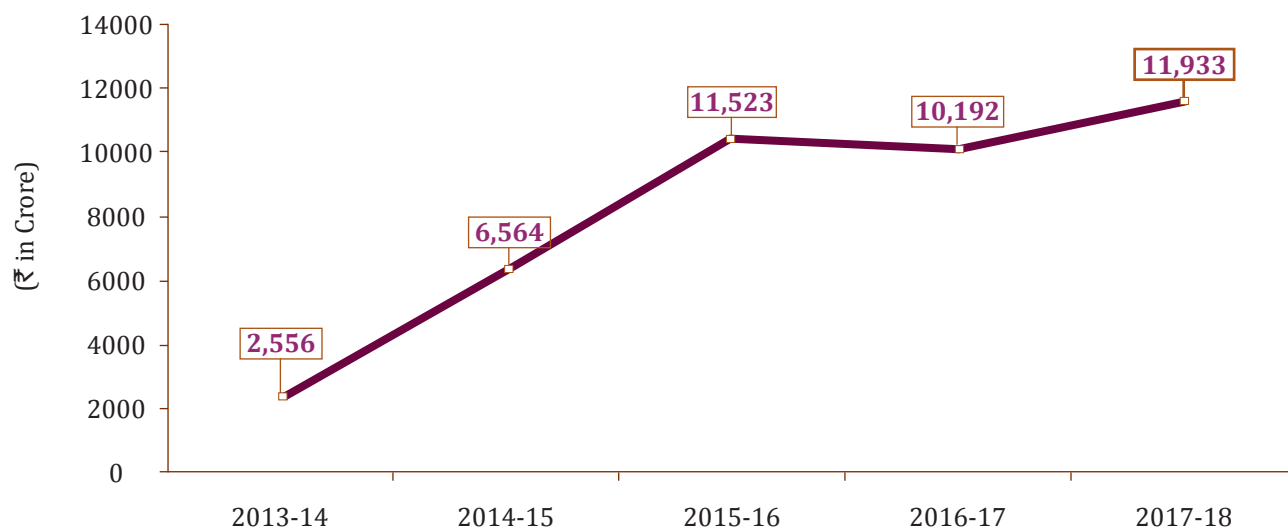
1.6.1 Trend of Revenue Deficit / Surplus

Trend of Revenue Deficit/Surplus



1.6.2 Trend of Fiscal Deficit

Trends of Fiscal Deficit

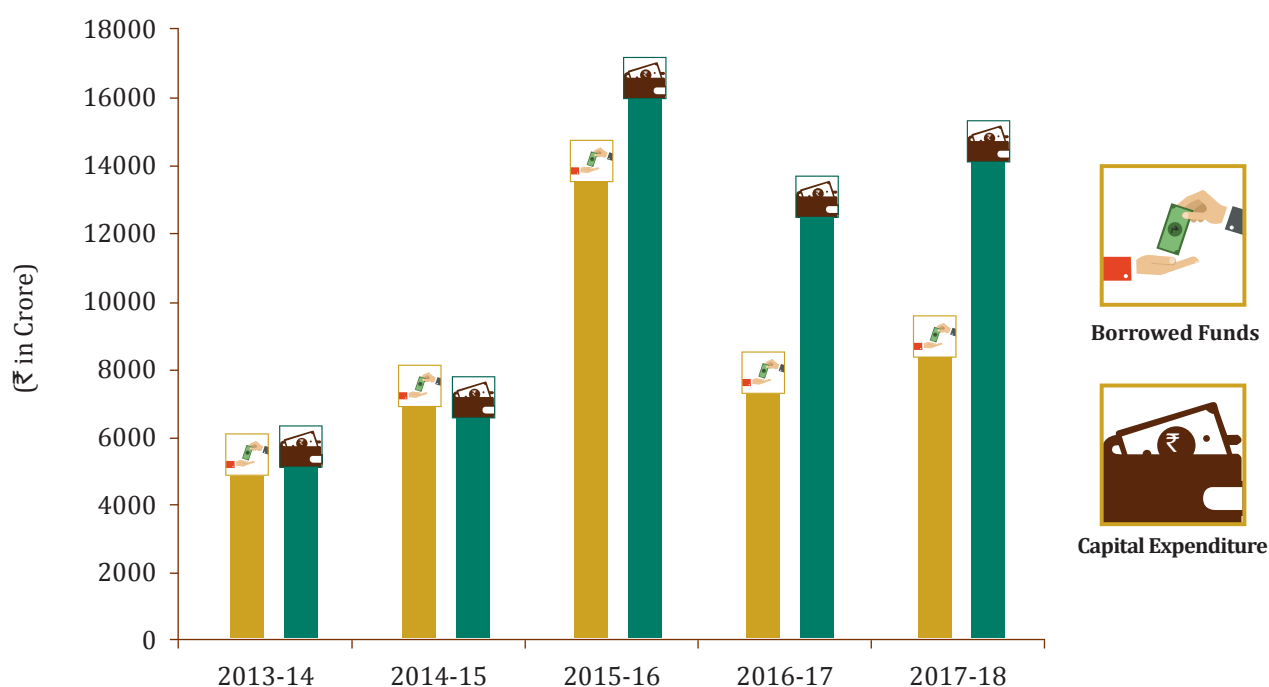


1.6.3 Proportion of Borrowed funds spent on Capital expenditure

(₹ in Crore)

Year	Borrowed Funds	Capital Expenditure
2013-14	4,703	4,945
2014-15	6,690	6,367
2015-16	13,245	15,639
2016-17	7,081	12,196
2017-18	8,137	13,805

Borrowed funds and Capital Expenditure



The governments usually run on 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. Thus 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 only 59 per cent of the borrowings of the current year (₹ 8,137 crore) on capital expenditure (₹ 13,804 crore).

Chapter II

Receipts

2.1 Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total Receipts for 2017-18 was ₹ 64,756 crore.

2.2 Revenue Receipts

The Revenue Receipts of the government comprise three components viz. Tax Revenue, Non-tax Revenue and Grants-in-aid received from the Union Government.

TAX REVENUE

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

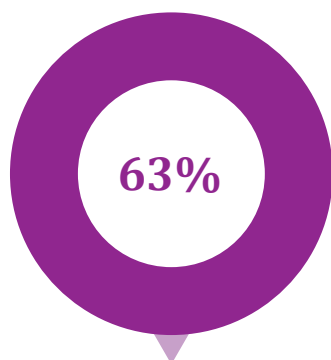
Includes Interest receipts, dividends, profits, departmental receipts etc.

NON-TAX REVENUE

GRANTS -IN-AID

Grants-in-aid represent central assistance to the State Government from the Union Government. It also includes "External Grant Assistance" received from Foreign Government and channelized through the Union Government. In turn, the State Governments also give Grants-in-aid to institutions like Panchayati Raj Institutions, Autonomous Bodies etc.

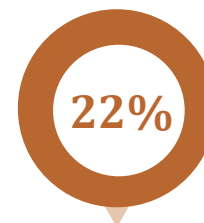
Revenue Receipts



Tax Revenue



Non-Tax Revenue



Grants-in-aid and Contributions

2.2.1 Revenue Receipts Components (2017-18)

(₹ in Crore)

Components		Actuals	Per cent to Revenue Receipt
A.	Tax Revenue	33,497	63
	Goods & Service Tax	6,558	12
	Taxes on Income & Expenditure	12,016	23
	Taxes on Property & Capital Transactions	625	1
	Taxes on Commodities & Services	14,298	27
B.	Non-Tax Revenue	7,847	15
	Interest Receipts, Dividends and Profits	169	0
	General Services	385	1
	Social Services	673	1
	Economic Services	6,620	13
C.	Grants-in-aid & Contribution	11,412	22
Total – Revenue Receipts		52,756	100

2.2.2 Trend of Revenue Receipts

(₹ in Crore)

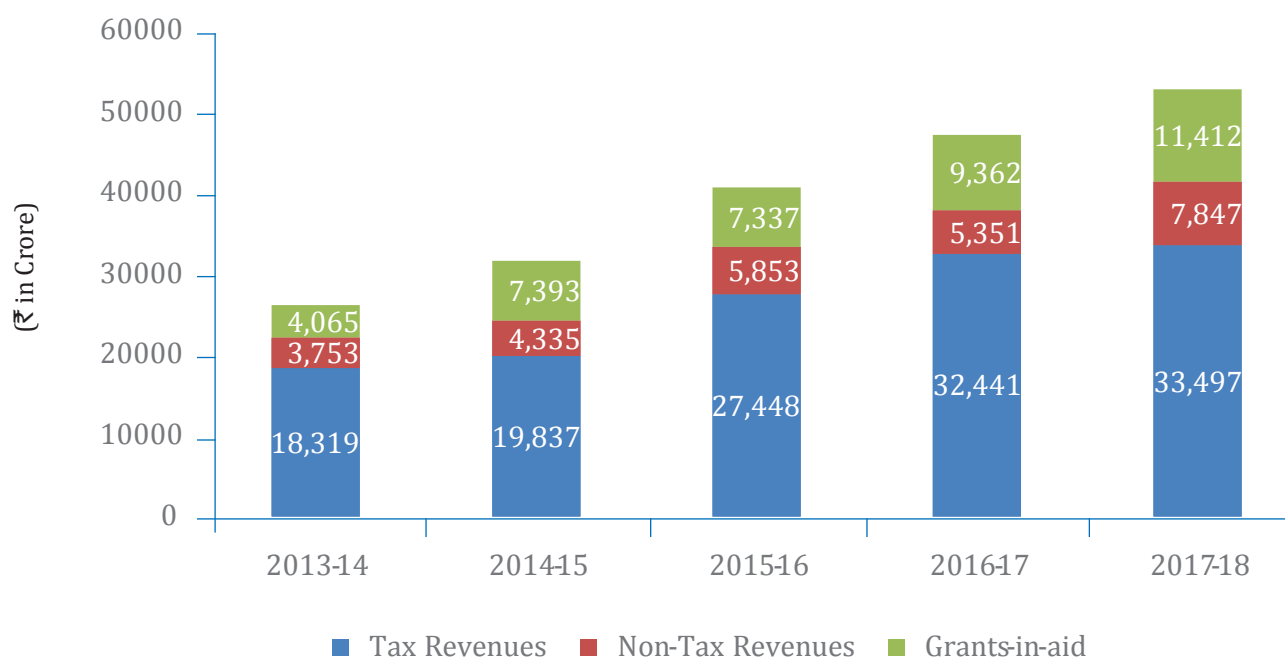
	2013-14	2014-15	2015-16	2016-17	2017-18
Tax Revenue	18,319 (10)	19,837 (9)	27,448 (11)	32,441 (13)	33,497 (13)
Non-Tax Revenue	3,753 (2)	4,335 (2)	5,853 (2)	5,351 (2)	7,847 (3)
Grants-in-aid	4,065 (2)	7,393 (3)	7,337 (3)	9,262 (4)	11,412 (4)
Total Revenue Receipts	26,137 (14)	31,565 (15)	40,638 (16)	47,054 (19)	52,756 (21)
GSDP	1,88,567	2,17,107	2,41,955	2,53,536	2,55,271*

Note: Figures in parentheses represent percentage to GSDP (Gross State Domestic Product)

* GSDP figure of ₹ 2,55,271 crore adopted as the figure was provided from Ministry of Statistics and Programme Implementation.

During 2017-18, growth in revenue collection was 12 *per cent* in respect of 2016-17, while GSDP growth was 1 *per cent* between 2016-17 and 2017-18. Tax Revenues increased by 3 *per cent* and Non-tax Revenue was increased by 47 *per cent*. Significant collection was made under Corporation Tax (₹ 6,475 crore), Non-ferrous Mining and Metallurgical Industries (₹ 5,941 crore), Taxes on Sales, Trade etc (₹ 5,715 crore), Taxes on Income other than Corporation Tax (₹ 5,467 crore), State Goods and Service Tax (₹ 4,124 crore), Service Tax (₹ 2,404 crore), Union Excise Duty (₹ 2,230 crore), Integrated Goods and Service Tax (₹ 2,134 crore) and State Excise (₹ 841 crore) showed a high trend.

Trend of components of Revenue Receipts



2.3 Tax Revenue

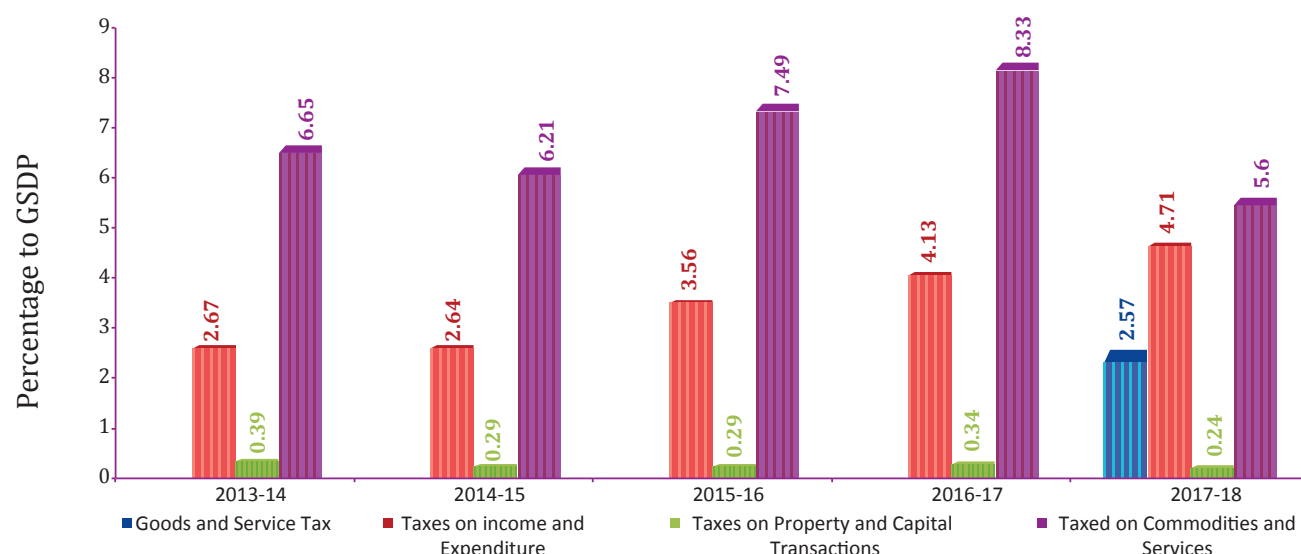
(₹ in Crore)

Sector-wise Tax Revenue					
	2013-14	2014-15	2015-16	2016-17	2017-18
Goods and Service Tax	..	..	..	..	6,558
Taxes on Income and Expenditure	5,036	5,736	8,617	10,466	12,016
Taxes on Property and Capital Transactions	741	623	697	861	625
Taxes on Commodities and Services	12,542	13,478	18,134	21,114	14,298
Total Tax Revenues	18,319	19,837	27,448	32,441	33,497



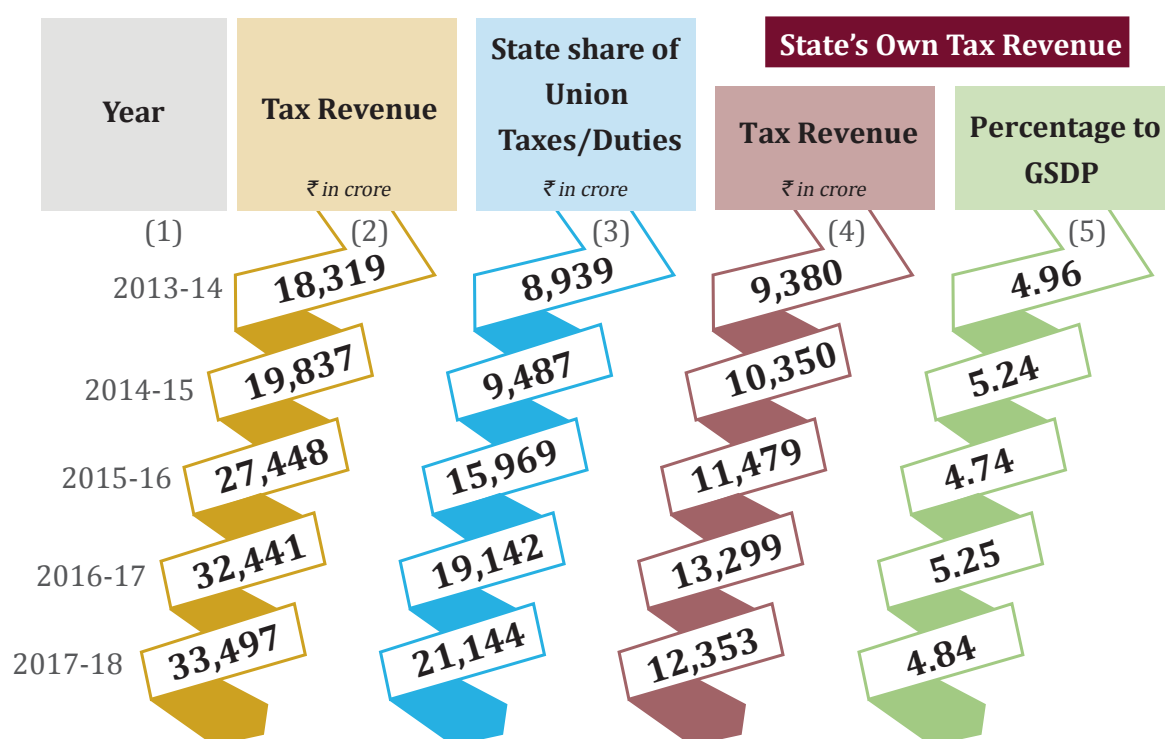
The increase in total tax revenue during 2017-18 was mainly attributable to allocation of State share from Government of India and higher collection under Corporation Tax (₹ 6,475 crore), Taxes on Sales, Trade etc. (₹ 5,715 crore) Taxes on Income other than Corporation Tax (₹ 5,467 crore), State Goods and Service Tax (₹ 4,124 crore), Service Tax (₹ 2,404 crore), Union Excise Duties (₹ 2,230 crore), Customs (₹ 2,134 crore), Integrated Goods and Service Tax (₹ 2,134 crore).

Trend of Major Taxes in Proportion to GSDP



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

Tax Revenue of the State Government comes from two sources viz. State's own tax collections and devolution of Union taxes.



Following table depicts the comparative position amount tax revenue received from the two sources over a period of five years:

(₹ in Crore)

Description	2013-14	2014-15	2015-16	2016-17	2017-18
State's own Tax collection	9,380	10,350	11,479	13,299	12,353
Devolution of Union Taxes	8,939	9,487	15,969	19,142	21,144
Total Tax Revenue	18,319	19,837	27,448	32,441	33,497
Percentage of State's own tax to total tax revenue	51	52	42	41	37

The proportion of State's own tax collection in overall tax revenue has shown a decreasing trend since 2013-14. The share of tax revenue decreased to 14 *per cent* as compared to 2013-14.

2.3.2 Trend in state's own Tax collection over the past five years

(₹ in Crore)

Description	2013-14	2014-15	2015-16	2016-17	2017-18
Taxes on Sales, Trade etc.	7,305	8,070	8,999	10,549	5,715
State Goods and Service Tax	-	-	-	-	4,124
State Excise	628	740	912	962	841
Taxes on Vehicles	495	660	633	682	778
Stamp and Registration fees	503	531	532	607	469
Taxes and Duties on electricity	146	175	126	152	184
Land Revenue	230	84	164	240	156
Taxes on Goods and Passengers	1.08	0.28	0.17	0.01	0.00
Other Taxes	71.92	89.72	112.83	106.99	86
Total State's own Taxes	9,380	10,350	11,479	13,299	12,353

2.4 Efficiency of Tax Collection

(₹ in Crore)

Taxes	2013-14	2014-15	2015-16	2016-17	2017-18
1. Taxes on Sales, Trade etc.					
Revenue Collection	7,305	8,070	8,999	10,549	5,715
Expenditure on Collection	51	47	48	49	63
Efficiency of tax collection (in <i>per cent</i>)	0.70	0.58	0.53	0.46	1.10
2. State Excise					
Revenue Collection	628	740	912	962	841
Expenditure on Collection	15	14	19	17	20
Efficiency of tax collection (in <i>per cent</i>)	2.39	1.89	2.08	1.77	2.38
3. Taxes on Vehicles, Goods and Passengers					
Revenue Collection	496	661	633	682	778
Expenditure on Collection	6	7	7	7	7
Efficiency of tax collection (in <i>per cent</i>)	1.21	1.06	1.11	1.03	0.90
4. Stamp and Registration Fee					
Revenue Collection	503	531	532	607	469
Expenditure on Collection	19	17	17	20	17
Efficiency of tax collection (in <i>per cent</i>)	3.78	3.20	3.20	3.29	3.63

The expenditure on collection of Stamps & Registration Fee was very high as compared to other taxes.

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

(₹ in Crore)

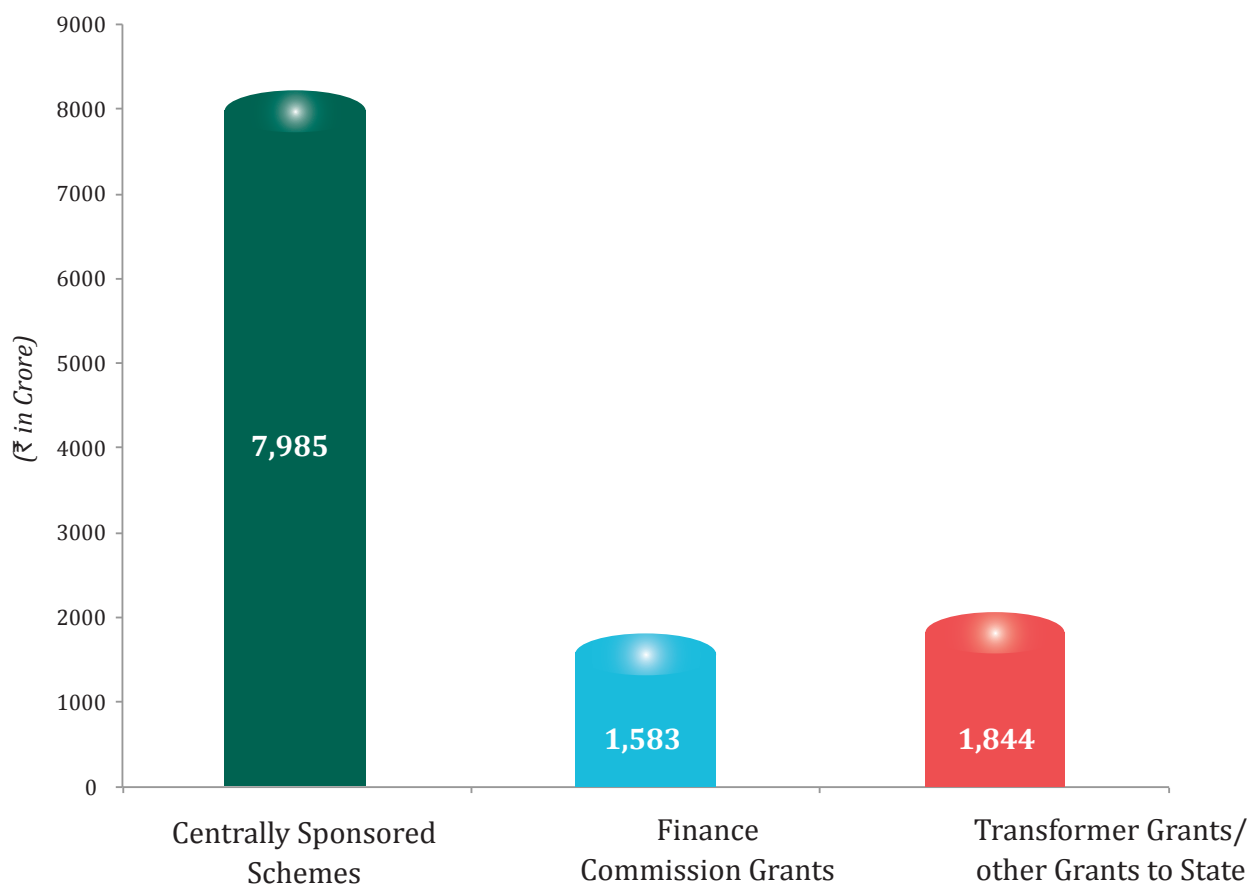
Description	2013-14	2014-15	2015-16	2016-17	2017-18
Corporation Tax	3,006	3,313	5,031	6,135	6,475
Taxes on Income other than Corporation Tax	1,980	2,366	3,503	4,264	5,467
Taxes on Wealth	8	9	1	14	(-)0.19
Customs	1,459	1,534	2,551	2,639	2,134
Union Excise Duties	1,030	866	2,117	3,013	2,230
Service Tax	1,456	1,399	2,755	3,077	2,404
Integrated Goods and Service Tax	...	...	...	...	2,134
Central Goods and Service Tax	...	...	...	...	299
Other Taxes and Duties on Commodities and Services	....	...	10	(*)	(-)0.01
State Share of Union Taxes	8,939	9,487	15,968	19,142	21,143
Total Tax Revenue	18,319	19,837	27,448	32,441	33,497
Percentage of Union Taxes to Total Tax Revenue	49	48	58	59	63

(*) There is an amount of ₹ 7,000 only.

2.6 Grants-in-aid

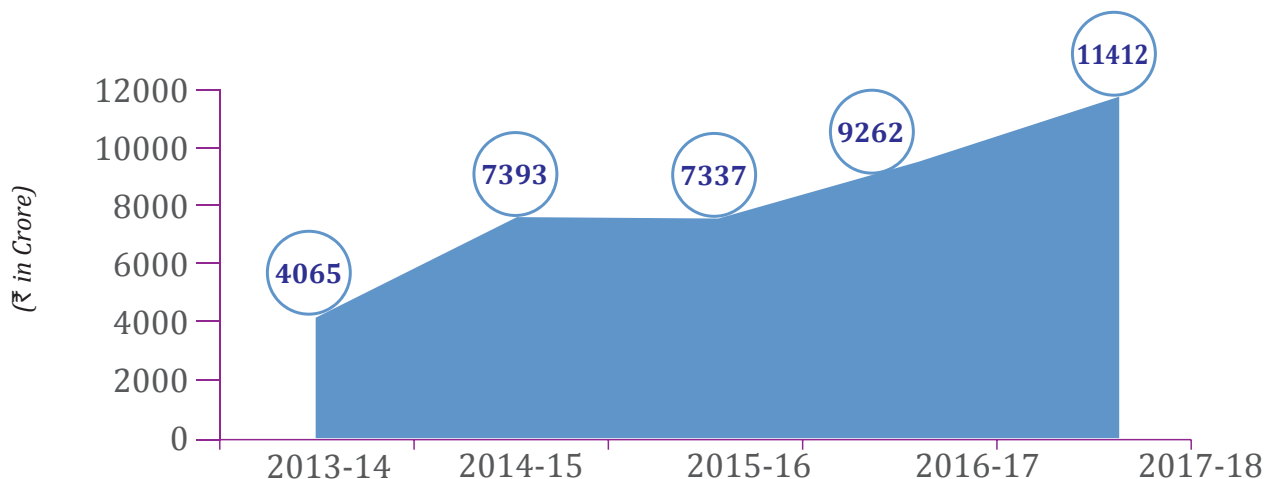
Grants-in-aid represent assistance from the Government of India and comprise, grants for State Plan Schemes, Central Plan Schemes and Centrally Sponsored Schemes approved by the planning commission and Non-Plan Grants recommended by the Finance Commission. Total Receipts during 2017-18 under Grants-in-aid were ₹ 11,412 crore as shown below:

Grants-in-aid



The share of Non-Plan Grants in total Grants-in-aid decreased from 23 *per cent* during 2015-16 to 20 *per cent* in 2016-17 and further decreased to 20 *per cent* in 2017-18, while the share of Grants for Plan Schemes increased from 77 *per cent* in 2015-16 to 80 *per cent* in 2016-17 and further increased to 80 *per cent* in 2017-18. As against a Budget Estimate of ₹ 13,414 crore of Grants-in-aid, the State Government has actually received ₹ 11,412 crore of Grants-in-aid (85 *per cent* of Budget Estimate).

Trend of Grants-in-aid

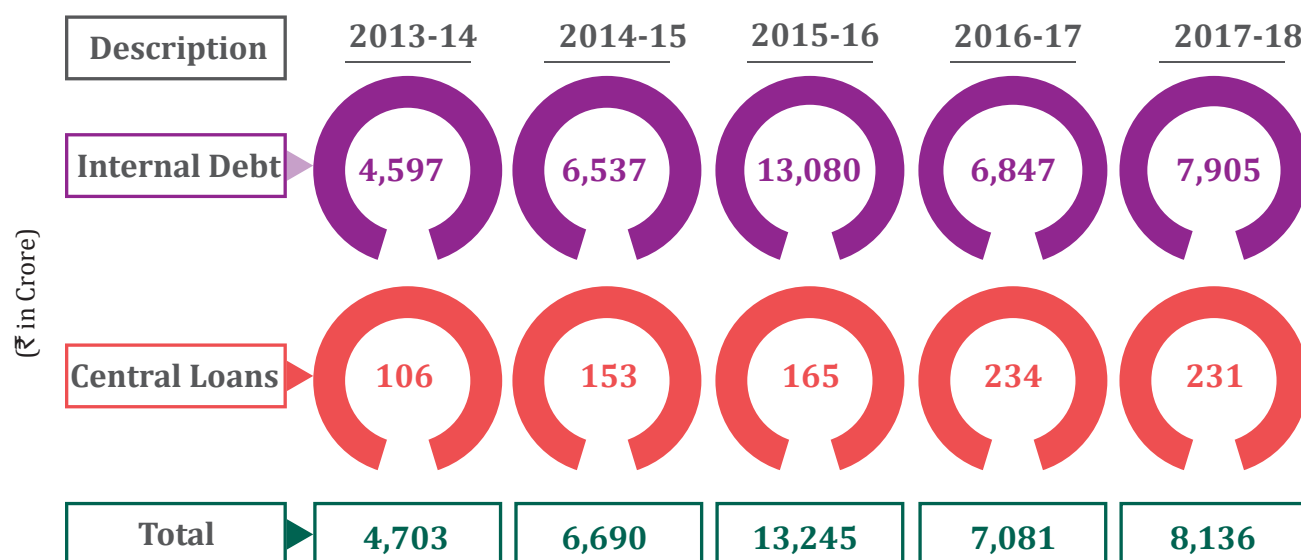


2.7 Public Debt

Trend of position of Public Debt over the past five years

(₹ in Crore)

Description	2013-14	2014-15	2015-16	2016-17	2017-18
Internal Debt	4,597	6,537	13,080	6,847	7,905
Central Loans	106	153	165	234	232
Total	4,703	6,690	13,245	7,081	8,137



During the year 2017-18, nine loans totaling ₹ 6,000 crore were raised from the open market at interest rates varying from 7.27 *per cent* to 8.08 *per cent* and the same are redeemable during the period between 2027-33. In addition, the State Government raised loan of ₹ 1,906 crore from the financial institutions. Thus the total Internal Debt raised by the Government during the year 2017-18 aggregated to ₹ 7,905 crore. The Government also received ₹ 232 crore 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. Expenditure is further classified as Establishment Expenditure & State Scheme.

In Government accounts, the expenditure is classified at top level into three sectors: General Services, Social Services and Economic Services. The significant areas of expenditure covered under these sectors are mentioned in the table given below:

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, Co-operation, Energy, Industries, Transport etc.

3.2 Revenue Expenditure

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

(₹ in Crore)

Year	2013-14	2014-15	2015-16	2016-17	2017-18
Budget Estimates	30,435	39,488	43,343	48,762	57,861
Actuals	23,472	31,795	36,553	45,089	50,952
Gap (-) Saving/ (+) Excess	(-) 6,964	(-) 7,693	(-) 6,790	(-)3,673	(-)6,909
Percentage of variation of Actuals against BE	(-) 23	(-) 19	(-) 16	(-)8	(-)12

Around 46 *per cent* of the total revenue expenditure was incurred on committed expenses viz. on Salaries (₹ 11,221 crore), Interest payment (₹ 4,662 crore), Pensions (₹ 5,913 crore) and Subsidies (₹ 1,440 crore) which is the committed liability of the State Government.

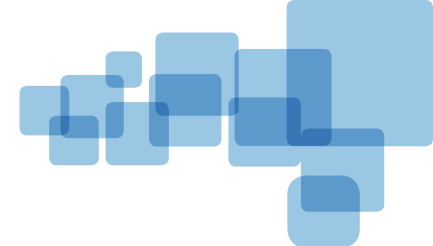
The position of committed and uncommitted revenue expenditure over the last five years is given below:

(₹ in Crore)

Component	2013-14	2014-15	2015-16	2016-17	2017-18
Total Revenue Expenditure	23,471	31,795	36,553	45,089	50,952
Committed Revenue Expenditure #	13,033	13,809	16,050	19,093	23,236
Percentage of committed Revenue Expenditure to total Revenue Expenditure	56	43	44	42	46
Uncommitted Revenue Expenditure	10,438	17,986	20,503	25,996	27,716

Committed revenue expenditure includes expenditure on Salaries, Interest Payments, Pensions and Subsidies.

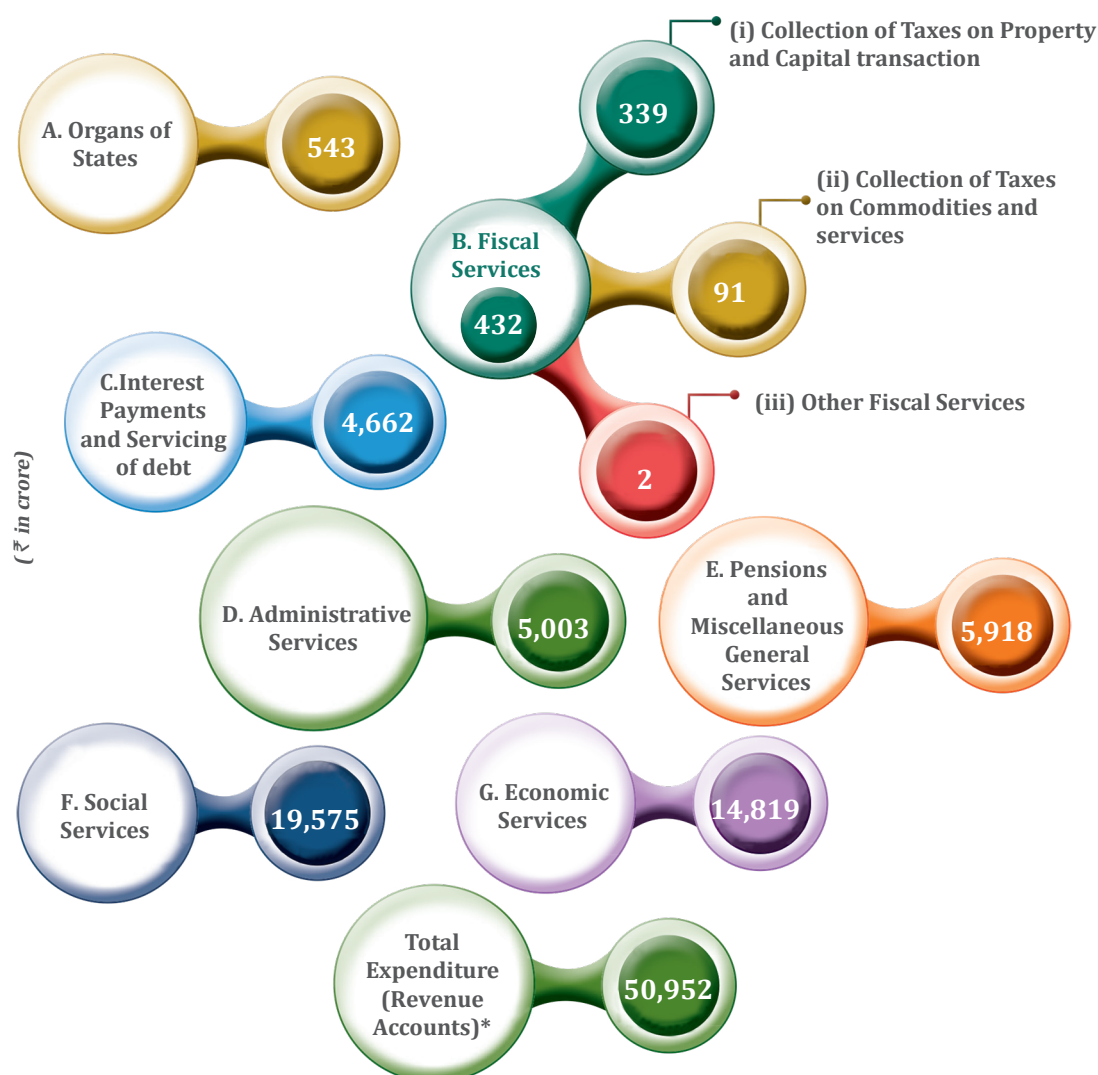
It may be seen that the uncommitted revenue expenditure available for implementation of various schemes has increase drastically during the year 2017-18. The total revenue expenditure increased by 117 *per cent* for ₹ 23,471 crore in 2013-14 to ₹ 50,952 crore in 2017-18 and committed revenue expenditure increased by 78 *per cent* over the same period.



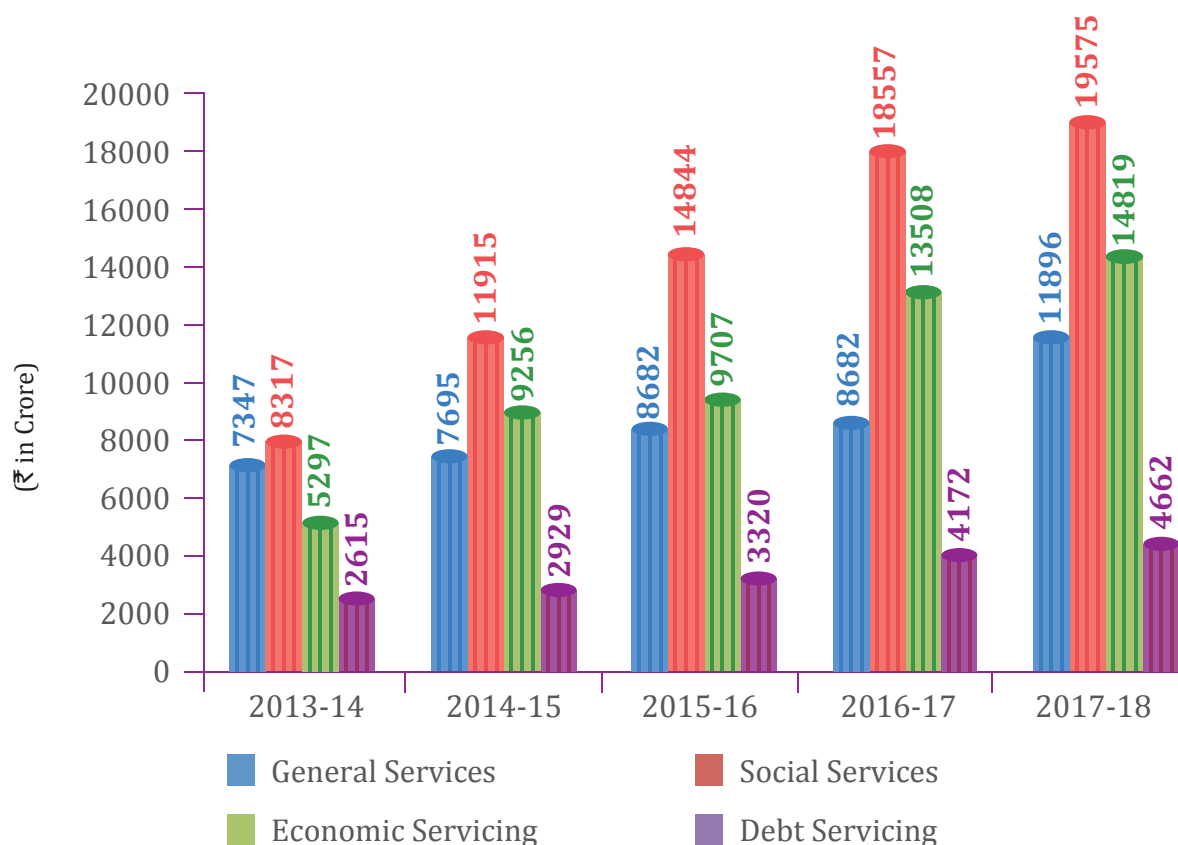
3.2.1 Sectoral distribution of Revenue Expenditure (2017-18)

(₹ in Crore)

Components	Amount	Percentage
A. Organs of State	543	1.07
B. Fiscal Services		
(i) Collection of Taxes on Property and Capital Transaction	339	0.67
(ii) Collection of Taxes on Commodities and Services	91	0.18
(iii) Other Fiscal Services	2	0.00
C. Interest Payments and Servicing of debt	4,662	9.15
D. Administrative Services	5,003	9.82
E. Pensions and Miscellaneous General Services	5,918	11.61
F. Social Services	19,575	38.42
G. Economic Services	14,819	29.09
H. Grants-in-aid (Compensation and Assignments to Local Bodies and Panchayati Raj Institutions)	...	...
Total Expenditure (Revenue Account)	50,952	100.00



3.2.2 Major components of Revenue Expenditure 2013-14 to 2017-18



3.3 Capital Expenditure

Capital expenditure is essential if the growth process is to be sustained. Capital disbursements during 2017-18 amounting for ₹ 13,804 crore (5 per cent of GSDP) were excess than Budget Estimates by ₹ 1,066 crore (excess disbursement of ₹ 107 crore under establishment expenditure and excess expenditure of ₹ 959 crore under state scheme). The growth in capital expenditure has not kept pace with the steady growth of GSDP since 2013-14 onwards. This can be seen from the table below:

S.No.	Components	2013-14	2014-15	2015-16	2016-17	2017-18
1	Budget (B.E.)	6,521	8,862	8,761	6,995	12,738
2	Actual Expenditure (#)	4,944	6,367	15,639	12,196	13,804
3	Percentage of Actual Exp. to B.E.	76	72	179	174	108
4	Yearly growth in Capital Expenditure	1	29	146	(-)22	13
5	GSDP	1,72,773	1,97,514	2,41,955	2,53,536	2,55,271
6	Yearly growth in GSDP	10	14	23	5	1

(#) Include expenditure on Loans and Advances



3.3.1 Sectoral distribution of Capital Expenditure

During 2017-18, the Government spent ₹ 309 crore under Medical and Public Health, ₹ 265 crore on Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes, ₹ 2,093 crore under Other Rural Development Program and ₹ 5,037 crore on Roads and Bridges.

3.3.2 Sectoral distribution of Capital and Revenue Expenditure

The comparative sectoral distribution of capital and revenue expenditure over the past five years is illustrated below:

(₹ in Crore)

Sector		2013-14	2014-15	2015-16	2016-17	2017-18
General Services	Capital	168	326	571	590	807
	Revenue	9,959	10,623	12,002	13,024	16,558
Social Services	Capital	924	910	1,023	1,532	1,528
	Revenue	8,215	11,915	14,844	18,557	19,575
Economic Services	Capital	3,630	4,307	6,564	8,739	9,618
	Revenue	5,297	9,256	9,707	13,508	14,819
Grants- in- aid	Capital	249	5	8	105	--
	Revenue	6,173	12,399	14,883	20,227	20,714

3.4 Compliance with Accounting Standards

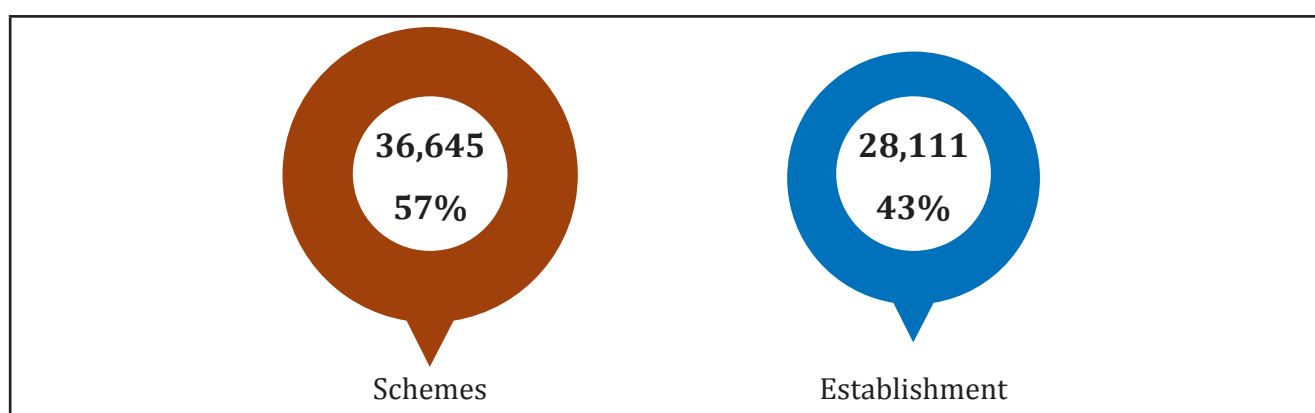
- (i) **Guarantees given by Governments (IGAS-1):** Guarantee given to any of the State Government undertakings, Government companies etc has not been communicated by the State government. However, Government of Jharkhand conveys State Guarantee of ₹ 157.15 crore for opening additional letter of credit for Jharkhand State Electricity Board for payment of monthly bill against the electricity being purchased from DVC.
- (ii) **Accounting Classification of Grants-in-aid (IGAS-2):** During the year 2017-18 State Government has not given any Grants-in-aid from Capital Outlay.
- (iii) **Loans and Advances made by the Governments (IGAS-3):** Information required under the Indian Government Accounting Standards (IGAS) 3 for Loans and Advances is incomplete, since it has not been confirmed by the State Government. Detailed information of overdue principal and interest as on 31 March 2018 in respect of Loans and Advances, the accounts of which are maintained by the State Government, is also awaited. The information on the balances of repayment of loans of individual loanees for which details accounts are to be maintained by the Accountant General (A&E), is also awaited from the State Government.

Moreover, the standard format disclosing the information on IGAS-1,2&3 as prescribed by headquarters office have been adopted in the relevant statements of the Finance Accounts, Vol-I & Vol-II.

Chapter IV

State Scheme (Including CASC and CSS) & Establishment Expenditure

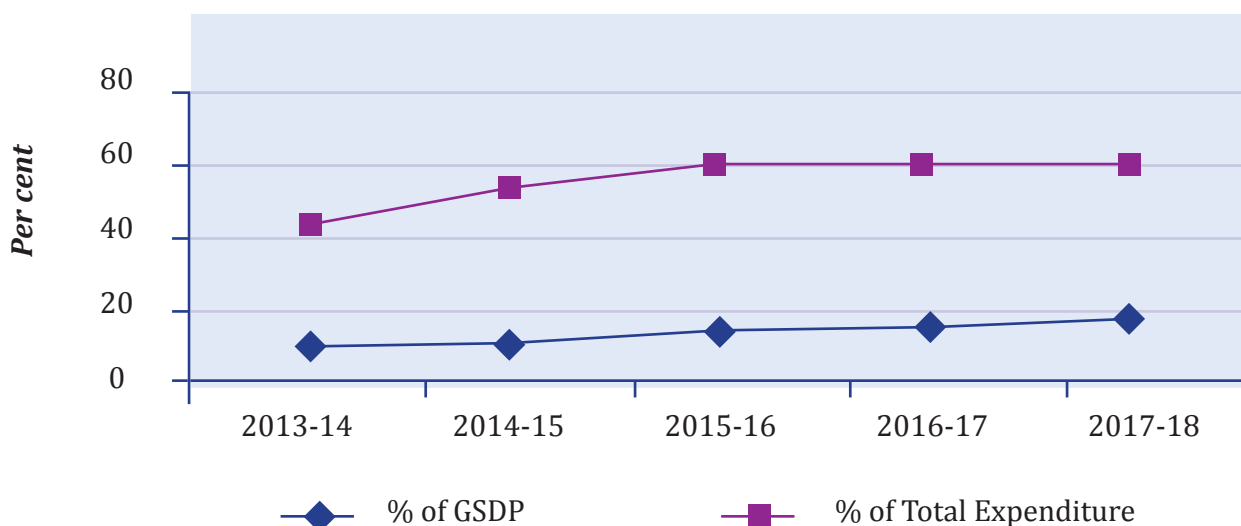
4.1 Distribution of Expenditure (2017-18)



4.2 Scheme Expenditure

Scheme expenditure (both revenue and capital) during 2017-18 was ₹ 36,645 crore constituting 57 per cent of total expenditure of ₹ 64,756 crore. This comprised ₹ 26,306 crore under state plan, ₹ 8,577 crore under centrally sponsored/ central plans scheme and ₹ 1,762 crore on Loans and Advances.

Scheme Expenditure as proportion of Total Expenditure and Gross State Domestic Product





Scheme expenditure under the revenue sector increased by 3.6 *per cent* from ₹ 22,194 crore in 2016-17 to ₹ 22,999 crore in 2017-18. In capital sector it witnessed increase of 13 *per cent* from ₹ 12,072 crore in 2016-17 to ₹ 13,646 crore in 2017-18. The share of Central Assistance Schemes (Central)/ Central Sector Scheme (Revenue ₹ 8,032 crore and Capital ₹ 545 crore) in Scheme expenditure increased from ₹ 6,419 crore in 2016-17 to ₹ 8,577 crore in 2017-18.

4.2.1 Scheme Expenditure under Capital Account

(₹ in Crore)

	2013-14	2014-15	2015-16	2016-17	2017-18
Total Capital Expenditure	4,945	6,367	15,639	12,196	13,804
Total Capital Expenditure (Scheme)	4,899	6,309	15,494	12,072	13,646
Percentage of Capital Expenditure (Scheme) to Total Capital Expenditure	99	99	99	99	99

4.2.2 Scheme expenditure on Loans and Advances

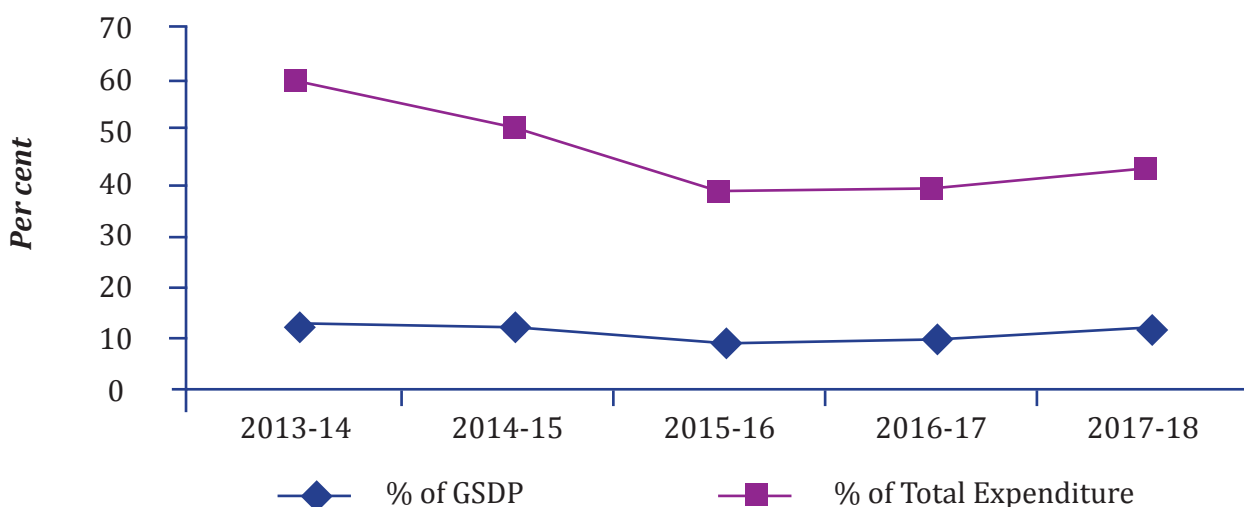
Significant disbursements of Loans and Advances were as under:

Major Heads	Amount (₹ in crore)	Purpose
6801 Loans for Power Projects	1,761	Loans given to various Power Projects
7610 Loans to Government Servant etc.	56	Loans given to Government servant for HBA & MCA
Total	1,817	

4.3 Establishment Expenditure

Establishment Expenditure as proportion of Total Expenditure and Gross State Domestic Product

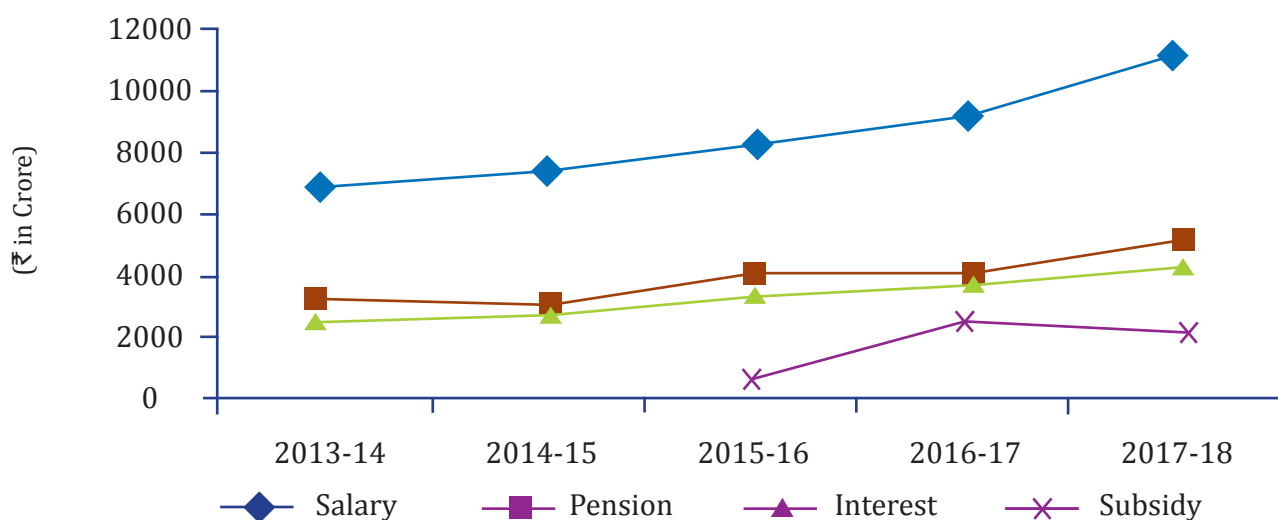
Establishment Expenditure (both revenue and capital) during 2017-18 representing was ₹ 28,111 crore constituting 43 *per cent* of total expenditure of ₹ 64,756 crore. This comprised ₹ 27,953 crore under Revenue and ₹ 158 crore under Capital.

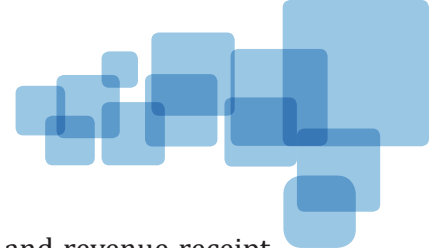


4.4 Committed Expenditure

Expenditure on salaries, pensions and interest payments showed increase in 2017-18 over the previous year, mainly on account of revision of pay and pension.

Trend of Committed Expenditure





The trend of committed expenditure to in comparison to revenue expenditure and revenue receipt over the past five years is depicted below:

(₹ in Crore)

Component	2013-14	2014-15	2015-16	2016-17	2017-18
Committed Expenditure	13,033	13,809	16,050	19,093	23,236
Revenue Expenditure	23,471	31,795	36,553	45,089	50,952
Revenue Receipt	26,137	31,565	40,638	47,054	52,756
Percentage of Committed Expenditure to Revenue Receipts	50	44	39	41	44
Percentage of Committed Expenditure to Revenue Expenditure	56	43	44	42	46

The committed expenditure increased by 78 *per cent* from 2013-14 to 2017-18 while revenue expenditure registered the growth of 117 *per cent* during the same period, leaving the Government with lesser flexibility in developmental spending.

Chapter V

Appropriation Accounts

5.1 Summary of Appropriation Accounts for 2017-18

(₹ in Crore)

Sl. No.	Nature of expenditure	Original Grant	Supplementary Grant	Surrender (way of re-appropriation)	Total Budget	Actual Expenditure (Net)	Savings(-) Excess(+)
1.	Revenue						
	Voted	53,076	5,008	0	58,084	46,192	(-) 11,892
	Charged	4,785	22	0	4,807	4,760	(-) 47
2.	Capital						
	Voted	12,738	1,452	0	14,190	11,952	(-) 2,238
3.	Public Debt						
	Charged	3,052	5	0	3,057	2,949	(-) 108
4.	Loans and Advances						
	Voted	2,022	1	0	2,023	1,852	(-) 171
	Total						
	Voted	67,836	6,461	0	74,297	59,996	(-)14,301
	Charged	7,837	27	0	7,864	7,709	(-)155

5.2 Trend of Savings / Excess during the past five years

(₹ in Crore)

Year	Savings (-) / Excess (+)				Total
	Revenue	Capital	Public Debt	Loans & Advances	
2013-14	(-) 9,060	(-) 2,990	(+) 182	(-) 568	(-) 12,436
2014-15	(-) 13,104	(-) 3,265	(-) 115	(-) 421	(-) 16,905
2015-16	(-) 14,275	(-) 2,673	(-) 28	(-) 549	(-) 17,525
2016-17	(-) 11,378	(-) 1,818	(+) 11	(-) 347	(-) 13,532
2017-18	(-) 11,939	(-) 2,238	(-) 108	(-) 171	(-) 14,456

5.3 Significant Savings

Substantial savings under a grant indicates either non-implementation or slow implementation of certain schemes / programmes.

Some grants with persistent and significant savings are given below:

Grant	Nomenclature	2013-14	2014-15	2015-16	2016-17	2017-18
<i>(in per cent)</i>						
1	Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	58	56	54	32	38
20	Health, Medical Education and Family Welfare Department	22	41	38	27	30
29	Industries, Mines and Geology Department	33	38	43	49	69
43	Higher, Technical Education and Skill Development Department (Science and Technology Division)	56	40	31	17	26

The persistent huge savings under Industries, Mines & geology Department and Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division) is on account of schemes which though approved by the legislature might have been given lesser priority during implementation. This can be attributed either to increase budget estimation or the Government's desire to keep its fiscal deficit below the ceiling.

During 2017-18, Supplementary Grants/Appropriations of ₹ 6,488 crore (10 per cent of total expenditure) proved to be unnecessary in some cases. A few instances where there were savings at the end of the year even against original allocations are given below:

(₹ in Crore)

Grant	Nomenclature	Section	Original	Supplementary	Actual Expenditure
1	Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	Revenue	1,476.37	74.03	838.92
2	Agriculture, Animal Husbandry and Co-operative Department (Animal Husbandry Division)	Revenue	351.91	23.51	215.49
20	Health, Medical Education and Family Welfare Department	Revenue	2,652.62	866.54	2,537.70

(₹ in Crore)

Grant	Nomenclature	Section	Original	Supplementary	Actual Expenditure
23	Mines and Geology Department (Industries Division)	Revenue	425.71	41.25	233.28
26	Labour Employment and Training Department	Revenue	229.41	12.28	133.60
36	Drinking Water and Sanitation Department	Revenue	1,581.37	306.30	1,723.66
40	Revenue, Land Reforms and Registration Department (Revenue and Land Reforms Division)	Revenue	509.42	26.38	461.61
41	Road Construction Department	Capital	5,000.00	93.00	5,036.91
42	Rural Development Department (Rural Development Division)	Revenue	5,522.58	53.12	3,342.12
48	Urban Development and Housing Department (Urban Development Division)	Revenue	2,463.52	918.94	2,952.04
51	Welfare Department (Welfare Division)	Revenue	1,639.06	230.67	1,089.71
54	Agriculture, Animal Husbandry and Co operative Department (Dairy Division)	Revenue	307.74	1.24	175.47
56	Rural Development Department (Panchayati Raj Division)	Revenue	1,647.22	154.65	1,574.95
58	School Education and Literacy Department (Secondary Education Division)	Revenue	1,731.01	16.33	1,156.72
60	Women, Child Development and Social Security Department	Revenue	3,310.33	32.13	2,523.16

Chapter VI

Assets And Liabilities

6.1 Assets

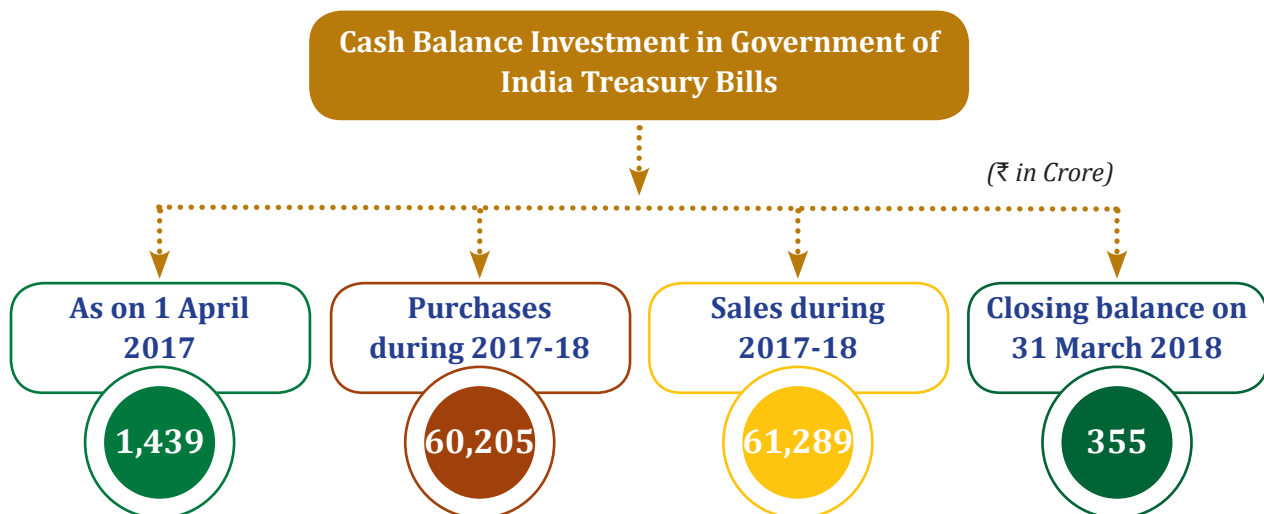
The existing form of accounts do not depict valuation of Government assets like land, buildings etc., Except in the year of acquisition / purchase. Similarly, while the accounts present the impact of liabilities arising in the current year, they do not depict the overall impact of the liabilities to future generations.

Total investment as share capital in non-financial public sector undertakings (PSUs) stood at ₹ 376.87 crore at the end of the year of 2017-18. However, dividends received during the year were Nil on total investment. During 2017-18, investments increased by ₹ 56.04 crore but dividend income was Nil.

Cash Balance with RBI stood at ₹ 502 crore on 31 March 2017 and decreased to ₹ (-)242 crore at the end of March, 2018. In addition, Government had invested at amount of ₹ 60,205 crore on 123 occasions in 14 days Treasury Bills and ₹ 61,289 crore rediscounted on 211 occasion during 2017-18. The position of investment during the year 2017-18 is depicted in the table given below:

(₹ in Crore)

Cash Balance Investment in Government of India Treasury Bills			
As on 1 April 2017	Purchases during 2017-18	Sales during 2017-18	Closing balance on 31 March 2018
1,439	60,205	61,289	355



6.2 Debt and Liabilities

Article 293 of the Constitution of India empowers the State Government to borrow on the security of the Consolidated Fund. Government of India determines, from time to time, the limit up to which State Government can borrow from the market. The limit for 2017-18 was ₹ 6,000 crore. Against this Government of Jharkhand has availed open market borrowing for ₹ 5,999.65 crore.

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

(₹ in Crore)

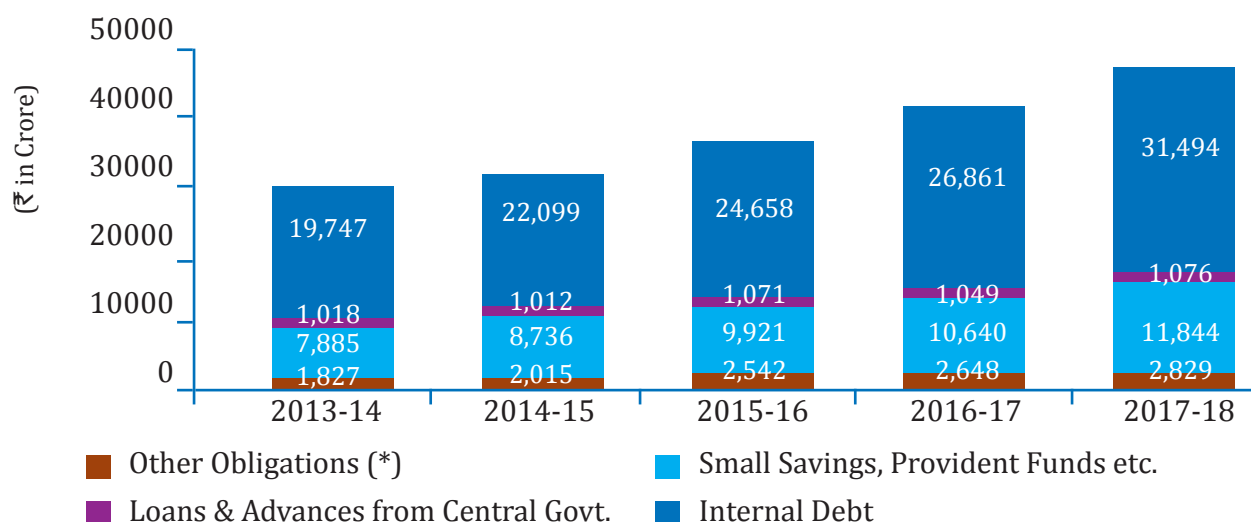
Year	Public Debt	Per cent of GSDP	Public Account *	Per cent of GSDP	Total Liabilities	Per cent of GSDP
2013-14	30,032	12	7,562	3	37,594	15
2014-15	34,842	14	8,727	3	43,569	17
2015-16	45,841	18	10,689	4	56,530	22
2016-17	50,845	20	15,982	6	66,827	26
2017-18	56,032	22	21,063	8	77,095	30

* Excludes suspense and remittance balance.

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

Public debt and other liabilities showed a net increase of ₹ 10,268 crore (15 per cent) over the previous year.

Trend in Government Liabilities



(*) Interest & Non-Interest bearing obligations such as deposits of Local Funds, other earmarked fund, etc.

6.3 Investments and Returns

Total investments as Share-Capital in Statutory Corporations, Rural Banks, Government Companies, Joint Stock Companies etc. stood at ₹ 377 crore at the end of 2017-18, while investments in Statutory Corporations, Rural Banks, Government Companies, Joint Stock Companies etc. Increased by ₹ 56 crore.

6.4 Loans and Advances by the State Government

Total loans and Advances made by the State Government at the end of 2017-18 was ₹ 19,292 crore. Of this, Loans and Advances to Government Corporations / Companies, Non-Government Institutes and Local Bodies amounted to ₹ 19,268 crore. Recovery of Principal aggregating to ₹ 1,330 crore and Interest amounting to ₹ 1,038 crore is in arrears at the end of 31 March 2018.

6.5 Guarantees

In addition to directly raising loans, State Governments also guarantee loans raised by Government companies and corporation from the market and financial institution for implementation of various plan schemes and programmes. These guarantees are projected outside the State Budget.

At the end of the year	Maximum Amount Guaranteed (Principal only)	Amount outstanding at the end of the year	
		Principal	Interest
2013-14	---	157	---
2014-15	---	157	---
2015-16	---	157	---
2016-17	---	157	---
2017-18	---	157	---

Chapter VII

Other Items

7.1 Balances under Internal Debt

Borrowings of the State Governments are governed by Article 293 of the Constitution of India. In addition to directly raising loans, State Governments also guarantee loans raised by Government Companies and Corporations from the market and financial institutions for implementation of various Plan schemes and programmes which are projected outside the State Budget. These loans are treated as receipts of the concerned Administrative Departments and do not appear in the books of the Government. The balances under Internal Debt is ₹ 53,799 crore as on March 2018.

7.2 Financial Assistance to Local Bodies and other

During the year, Grants-in-aid to Local Bodies etc., increased from ₹ 20,332 crore in 2016-17 to ₹ 20,714 crore in 2017-18. Grants to Zilla Parishads, Panchayat Samitees and Municipalities (₹ 2,425 crore) represented 12 *per cent* of total grants given during the year.

Details of Grants-in-aid for past 3 years are as under:

(₹ in Crore)

Year	Zilla Parishads	Municipalities	Panchayat Samitees	Others	Total
2015-16	3,407	1,646	0.00	9,838	14,891
2016-17	2,534	2,961	0.00	14,837	20,332
2017-18	1,270	1,155	0.00	18,289	20,714

7.3 Cash Balance and Investment of Cash Balance

(₹ in Crore)

Component	As on 1 April 2017	As on 31 March 2018	Net increase (+) / decrease (-)
Cash Balances	502	(-)242	(+) 744
Investments from cash balance (GOI Treasury Bills)	1,439	355	(-)1084
Interest realized	117	79	(-)38

7.4 Reconciliation of accounts

Accuracy and reliability of accounts depend, among other things, on timely reconciliation of the figures available with the departments and the figures appearing in the accounts compiled by the Accountant General (Accounts and Entitlements). This exercise is to be conducted by respective Heads of Departments. The reconciliation of accounts of many departments is in arrears. In 2017-18, only 43.83 *per cent* (₹ 29,675.67 crore) of the total expenditure of ₹ 67,705.95 crore of the State Government was reconciled. Similarly, out of total Receipts of ₹ 60,960.38 crore, only 75.76 *per cent* (₹ 46,182.49 crore) was reconciled. The status of reconciliation of accounts in respect of the Chief Controlling Officers (CCO) of different departments is given below :

Particulars	Total No. of CCOs	Fully Reconciled	Partially Reconciled	Not Reconciled
EXPENDITURE	180	25	90	65
RECEIPTS	100	23	07	70
TOTAL	280	48	97	135

Some chronic defaulters in reconciliation are listed below:

Sl. No.	Name of the Department / Chief Controlling Officer	Year / Years pending
1.	Secretary, Agriculture Deptt.	2015-16, 2016-17, 2017-18
2.	Secretary, deptt. P.H.E.D.	2015-16, 2016-17, 2017-18
3.	Dy. Secretary Primary & Adult Education Deptt. Ranchi. Dy. Secretary Higher Education Deptt. Jharkhand, Ranchi.	2015-16, 2016-17, 2017-18
4.	Secretary, Urban Development Jharkhand, Ranchi	2015-16, 2016-17, 2017-18
5.	Addl. Secretary, Home (Police) Deptt. Section IV Village Police, Jharkhand. Comissioner, North C.N. Division, Hazaribagh Commissioner, South C.N. Division, Ranchi	2015-16, 2016-17, 2017-18
6.	Under Secretary, Health and Family Welfare, Deptt. Jharkhand, Ranchi	2015-16, 2016-17, 2017-18
7.	Secretary, Welfare Department, Jharkhand, Ranchi	2015-16, 2016-17, 2017-18
8.	Secretary, Law Department, Jharkhand, Ranchi	2015-16, 2016-17, 2017-18
9.	Commissioner of Labour, Jharkhand, Ranchi	2015-16, 2016-17, 2017-18



Sl. No.	Name of the Department / Chief Controlling Officer	Year / Years pending
10.	Dy. Secretary, Rural Development Department, Jharkhand, Ranchi	2015-16, 2016-17, 2017-18
11.	Dy. Secretary, Art Culture and Youth Department, Jharkhand	2015-16, 2016-17, 2017-18
12.	Director, Employment and Training Department, Jharkhand	2015-16, 2016-17, 2017-18
13.	Commissioner of Commercial Tax, Jharkhand	2015-16, 2016-17, 2017-18
14.	Secretary, Board of Personal and Administrative reform, Jharkhand	2015-16, 2016-17, 2017-18
15.	Joint Secretary, Natural Calamity Department, Jharkhand	2015-16, 2016-17, 2017-18
16.	Director, Directorate of Social Security, Jharkhand	2015-16, 2016-17, 2017-18
17.	Director, Health Services, Jharkhand	2015-16, 2016-17, 2017-18
18.	I.G. (Prision), Home Department, Jharkhand	2015-16, 2016-17, 2017-18

7.5 Submission of Accounts by Treasuries

The rendition of initial accounts by the Treasuries and Public Works is satisfactory. However, submission of accounts by the Forest Departments should improve.

7.6 Outstanding Utilization Certificates against Grants-in-aid sanctioned by the State Government

In terms of rule 261 of the Jharkhand Treasury Code 2016, Grants-in-aid, contribution etc, sanctioned by the Government shall not be disbursed at the Treasury except under the authority of the competent sanctioning authority. Sanctioning authority should issue a sanction order only after taking the utilization certificate which was pending for the amount drawn in the year before the previous financial year from the Drawing and Disbursing Officer. For the UCs outstanding beyond the specified periods, assurance cannot be provided on utilization of the grants for intended purposes. The status of outstanding UCs is mentioned below:

Table for Utilization Certificates (UCs)

Year *	Number of Utilization Certificate awaited	Amount (₹ in Crore)
Upto 2015-16	7,318	10,678.82
2016-17	9,054	10,751.41
2017-18	5,019	17,481.36
Total	21,391	38,911.59

* The year mentioned above relates to "Due Year" i.e., after 12 months of actual drawal. This issue was repeatedly brought to the notice of the State Government.

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

The Drawing and Disbursing Officers are authorised to draw funds on Abstract Contingent Bill by debiting Service Heads and they are required to present Detailed Contingent Bill along with sub-vouchers in support of charges in all the cases within a specified period. Presently 18,568 DC bills amounting to ₹ 5,341 crore for the period 2000-01 to 2017-18 (position as on 31.03.2018) have not been received in A&E office. Drawal of money on AC Bill reflects disbursement and does not represent actual expenditure of the same. Details are given below:

Table for Abstract Contingent (AC) Bills

Year	Number of pending DC bills	Amount (₹ in Crore)
Up to 2015-16	17,887	4,191
2016-17	374	548
2017-18	307	602
Total	18,568	5,341

7.8 Commitments on Account of Incomplete Capital Works

A total expenditure of ₹ 2,778 crore was incurred during the year 2017-18 by the State Government on various incomplete projects.

7.9 Ujwal Discom Assurance Yojna (UDAY)

Pursuant to the revival package for electricity distribution companies, the State Government of Jharkhand was provided a total sum of ₹ 6,136.37 crore as assistance under UDAY to the distribution companies in the financial year 2015-16. ₹ 5,553.37 crore was raised by issuance of Non-SDL Bonds to the participating/lending bank, through the Reserve Bank of India while ₹ 583.00 crore was given from the Consolidated Fund of the State Government. The entire amount of ₹ 6,136.37 crore was provided to Jharkhand Bijli Vitran Nigam Limited as loan. The State Government has not provided any assistance under UDAY to the distribution companies in the financial year 2016-17 and 2017-18.

7.10 Rush of Expenditure

The financial rules stipulate that rush of expenditure particularly in the closing month of the financial year shall be regarded as a breach of financial regularity and should be avoided. However, the expenditure incurred under certain selected Heads of Account during March 2018 ranged between 51 per cent to 100 per cent of the total expenditure during the year indicating a tendency to utilize the budget at the close of the financial year. The flow of expenditure during the four quarters of 2017-18 in the below mentioned Heads was as under:

(₹ in Crore)

Head of Account	Description	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total	During March	Expenditure of 3/2018 as percentage of Total expenditure 2017-18
2205	Art and Culture	0.62	1.88	3.19	13.51	19.19	10.48	54.61
2402	Soil and Water Conservation	2.18	9.11	5.81	96.06	113.16	69.30	61.24
2810	New and Renewable Energy	57.51	32.00	6.02	143.36	238.89	122.00	51.07
2852	Industries	2.57	15.31	29.64	85.45	132.97	82.48	62.03
4055	Capital Outlay on Police	86.31	14.51	31.15	240.00	371.97	213.62	57.43
4235	Capital Outlay and Social Security and Welfare	0.00	0.00	0.18	16.35	16.53	16.35	98.91
4250	Capital Outlay on other Social Services	0.00	0.00	0.28	33.11	33.39	32.79	98.20
4401	Capital Outlay on Crop Husbandry	0.00	0.00	0.00	36.56	36.56	36.55	99.97
4402	Capital Outlay on Soil and Water Conservation	0.78	11.73	6.81	279.84	299.16	254.25	84.99
4404	Capital Outlay on Dairy Development	1.50	1.50	0.04	8.00	11.04	6.63	60.05
4425	Capital Outlay on Co-operation	0.00	2.04	3.00	176.08	181.12	169.10	93.36
4875	Capital Outlay on Other Industries	0.00	1.50	0.00	8.00	9.50	8.00	84.21
4885	Other Capital Outlay on Industries and Minerals	0.00	0.00	0.00	6.00	6.00	6.00	100.00
5452	Capital Outlay on Tourism	22.37	2.48	7.19	39.95	71.99	38.08	52.90

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