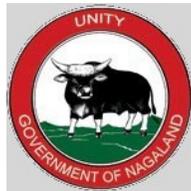


**Report of the
Comptroller and Auditor General of India
on
State Finances
for the year ended 31 March 2012**



GOVERNMENT OF NAGALAND

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Preface

1. This Report has been prepared for submission to the Governor under Article 151 of the Constitution.
2. Chapters I and II of this Report contain audit findings on matters arising from examination of Finance Accounts and Appropriation Accounts respectively of the State Government for the year ended 31 March 2012.
3. Chapter III on 'Financial Reporting' provides an overview and status of the State Government's compliance with various financial rules, procedures and directives issued during the current year.
4. Audit observations on matters arising from performance audit and audit of transactions in various departments, audit of revenue receipts and Statutory Corporations, Boards and Government Companies for the year ended 31 March 2012 are included in a separate Report.
5. The Audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.

EXECUTIVE SUMMARY

Background

This Report on the Finances of the Government of Nagaland is being presented to the State Legislature, along with the Finance and Appropriation Accounts, with a view to assess objectively the financial performance of the State during the year 2011-12. The aim of this Report is to provide the State Government with timely inputs based on actual data so that there is a better insight into both well performing as well as ill performing schemes/programmes of the Government. In order to give a perspective to the analysis, an effort has been made to compare the normative assessment made by the Finance Commission (XIII-FC) and achievements with the targets envisaged by the State Government in Fiscal Responsibility and Budget Management Act, 2005 as well as in the Budget Estimates of 2011-12. A comparison has been made to see whether the State has given adequate fiscal priority to developmental, social sector and capital expenditure and whether the expenditure has been effectively absorbed by the intended beneficiaries.

The Report

Based on the audited accounts of the Government of Nagaland for the year ending March 2012, this Report provides an analytical review of the Annual Accounts of the State Government. The Report is structured in three Chapters.

Chapter 1 is based on the audit of Finance Accounts and makes an assessment of the Government of Nagaland's fiscal position as on 31 March 2012. It provides an insight into trends in committed expenditure, borrowing pattern besides a brief account of Central funds transferred directly to the State implementing agencies through off-budget route.

Chapter 2 is based on audit of Appropriation Accounts and gives the grant-by-grant description of appropriations and the manner in which the allocated resources were managed by the service delivery departments.

Chapter 3 is an inventory of Nagaland Government's compliance with various reporting requirements and financial rules. This chapter also provides details on non-submission of annual accounts and delays in placement of Separate Audit Reports in the Legislature by the Autonomous Bodies. Besides, the cases of misappropriation and loss that indicate inadequacy of controls in the Government departments are also detailed in this chapter.

This report also has an appendage of additional data collated from several sources in support of the findings.

Audit findings and recommendations

During the current year, the fiscal deficit increased due to the combined effect of increase in capital expenditure and decrease in revenue surplus. As a result, the primary surplus turned into primary deficit. Besides, during the last five years the fiscal deficit continued with a fluctuating trend.

Revenue Receipts: During 2011-12, 90 *per cent* of the total revenue came from the Government of India as Central transfers (14 *per cent*) and grants-in-aid (76 *per cent*). The State however, achieved the total revenue collection target fixed by the XIII-FC during 2011-12.

Revenue Expenditure: The overall revenue expenditure of the State increased by ₹ 687.59 crore (16.42 *per cent*) over the previous year. The revenue

expenditure constituted 79.56 per cent of total expenditure while the expenditure incurred under capital head constituted 20.39 per cent.

There were 138 incomplete projects as on 31 March 2012 pertaining to 18 departments. Out of 138 incomplete projects, 57 projects were due to be completed by March 2012 in which ₹ 326.31 crore were blocked. The date of completion in respect of the remaining 81 projects could not be furnished by the departments.

Development expenditure of ₹ 2246.10 crore in 2008-09 increased to ₹ 3573.45 crore in 2011-12. However, its share in aggregate expenditure decreased from 60.82 per cent to 58.33 per cent during the period. The ratio of development expenditure as a proportion to aggregate expenditure had come down by 1.68 per cent in 2011-12 as compared to the year 2008-09 which indicates that the State had given lower priority to this category of expenditure during the year 2011-12 as compared to 2008-09.

The share of committed expenditure in the non-plan Revenue Expenditure was 58.87 per cent of the revenue receipts.

The State needs to accord higher priority to its developmental expenditure considering the reduction in this category of expenditure during the year 2011-12 as compared to its aggregate expenditure in 2008-09 and reduce its committed expenditure in the overall non-plan revenue expenditure. The State also needs to ensure timely and effective implementation of incomplete projects.

Oversight of funds transferred directly from the GOI to the State implementing agencies: During 2011-

12, an approximate amount of ₹ 1284.05 crore was directly transferred by GOI to the State Implementing Agencies. As long as these funds remain outside the State budget, there is no single agency monitoring its use and there is no readily available data on how much is actually spent in any particular year on major flagship schemes and other important schemes which are being implemented by State implementing agencies but are funded directly by the GOI.

Government investment: The Government had invested ₹ 228.01 crore in Statutory Corporations, Rural Banks, Joint Stock Companies and Co-operatives at the end of March 2012. The average returns on this investment was nil during the last five years.

The Government should ensure better value for money in investment by identifying the Companies/Corporation which are endowed with low financial but high socio-economic returns and justify if high cost borrowings are worth being channelised there. Initiatives may be taken to revive or close down or sell out the huge loss making Corporations/Companies.

Financial management and budgetary control: There was a saving of ₹ 864.74 crore and excess expenditure of ₹ 54.95 crore under 82 grants during 2011-12. This excess expenditure together with an excess expenditure of ₹ 447.10 crore pertaining to 2000-01 and 2005-06 to 2010-11 require regularisation by the Legislature under Article 205 of the Constitution of India. A rush of expenditure was noticed in 50 grants in which expenditure exceeding ₹ 10 crore or more than 50 per cent of the total expenditure was incurred in the last

quarter of 2011-12 and in some cases in the month of March 2012. There were 118 AC Bills involving ₹ 81.24 crore awaiting adjustment due to non-submission of DCC Bills for long periods and therefore was fraught with the risk of misappropriation.

Budgetary controls should be strengthened in all the Government departments, particularly in the departments where savings/excess persisted for last five years. A close and rigorous monitoring mechanism should be put in place by the DDOs to adjust the Abstract Contingent Bills within sixty days from the date the amounts are drawn.

Financial Reporting: Timely submission of utilisation certificates is a major area of concern. At the end of March 2012, 75 UCs involving an aggregate amount of ₹ 73.54 crore were pending for submission even after a lapse of one to five years from various departments. Though the accounts of the State

Autonomous Bodies and Departmental Commercial Undertakings were over due, these accounts were not submitted. Non-submission of accounts in time amounted to non-compliance with the financial rules. As on 31 March 2012, 11 cases of misappropriation, defalcation etc. involving ₹ 45.34 crore and three theft cases involving ₹ 0.12 crore in eight Departments were pending for finalisation. Cases of misappropriation, defalcation, and theft indicated inadequacy of controls in the departments.

The accounts of Autonomous Bodies/Authorities and Departmental Commercial Undertakings need to be finalised at the earliest. Departmental inquiries in all fraud and misappropriation cases should be expedited to bring the defaulters to book. Internal controls in all the Organisations should be strengthened to prevent such cases.

Chapter I

Finances of the State Government

Profile of Nagaland

Nagaland was formed on 1 December 1963 as a Special Category State and is situated in the North-Eastern region of India bordering three States viz. Assam in North and West, Arunachal Pradesh in East and Manipur in the South. It has an international border with Myanmar in the East. Topographically, the State is mountainous and the altitude varies approximately between 194 metres and 3048 metres above the sea level. With a geographical area of 16579 sq. kms i.e. about 0.51 *per cent* of country's total geographical area, Nagaland provides shelter to 0.16 *per cent* population of the country. Nagaland has a lower density of population, higher proportion of rural population, higher literacy rate and lower infant mortality rate as compared to the All India Average figures (**Appendix 1.1 D**). The compound annual growth rate of GSDP in respect of Nagaland for the period 2001-02 to 2011-12 was 10.99 *per cent*.

The accounts of the State Government are kept in three parts (i) Consolidated Fund, (ii) Contingency Fund and (iii) Public Account (**Appendix 1.1 A**). The annual accounts of the State Government consist of Finance Accounts and Appropriation Accounts.

This chapter provides a broad perspective of the finances of the Government of Nagaland during the current year (2011-12) and analyses critical changes in the major fiscal aggregates relative to the previous year keeping in view the overall trends during the last five years. The layout of the Finance Accounts is depicted in **Appendix 1.1 B**. **Appendix 1.1 C** of the chapter briefly outlines the methodology and selected terms adopted for the assessment of the fiscal position of the State and **Appendix 1.3** presents the time series data on key fiscal variables/parameters and fiscal ratios relating to the State Government finances for the period 2007-12.

1.1 Summary of Current Year's Fiscal Transactions

Table 1.1 presents the summary of the State Government's fiscal transactions during the current year (2011-12) vis-à-vis the previous year while **Appendix 1.4 A** provides details of receipts and disbursements as well as overall fiscal position during the same period.

Table 1.1 Summary of Current Year's Fiscal Operations

(Rupees in crore)

2010-11	Receipts	2011-12	2010-11	Disbursements	2011-12		
Section-A: Revenue					Non Plan	Plan	Total
4999.99	Revenue receipts ¹	5586.38	4187.84	Revenue expenditure ²	4054.08	821.58	4875.66
227.32	Tax revenue	303.88	1843.17	General services	2295.97	22.30	2318.27
183.14	Non-tax revenue	232.95	1125.72	Social services	923.34	230.78	1154.12
689.46	Share of Union Taxes/ Duties	803.20	1218.95	Economic services	834.77	568.50	1403.27
3900.07	Grants from Government of India	4246.35	0.00	Grants-in-aid and Contributions	0.00	0.00	0.00
Section-B: Capital							
0.00	Misc. Capital Receipts	0.00	1122.94	Capital Outlay	0.04	1249.35	1249.39
2.31	Recoveries of Loans and Advances	2.44	4.12	Loans and Advances disbursed	0.33	2.42	2.75
463.35	Public Debt receipts	1318.85	261.16	Repayment of Public Debt			798.57
0.00	Contingency Fund	0.00	0.00	Contingency Fund			0.00
2267.53	Public Account receipts	2611.38	2159.59	Public Account disbursements			2364.57
102.55	Opening Cash Balance	100.08	100.08	Closing Cash Balance	...	...	328.19
7835.73	Total	9619.13	7835.73	Total			9619.13

The following are the significant changes during 2010-11 over the previous year:

- Revenue receipts increased by ₹ 586.39 crore (11.73 per cent) from ₹ 4999.99 crore in 2010-11 to ₹ 5586.38 crore in 2011-12 due to increase in grants from Government of India (GOI) (₹ 346.28 crore), State's Own Tax revenue (₹ 76.56 crore), State's Non-Tax revenue (₹ 49.81 crore) and State's share of Union taxes and duties (₹ 113.74 crore). The revenue receipts at ₹ 5586.38 crore was however, lower than the assessment made by the State Government in its Fiscal Consolidation Roadmap (FCR) (₹ 5777.64 crore) for the year 2011-12 by ₹ 191.26 crore.
- Revenue expenditure of the State, on the other hand increased by ₹ 687.82 crore (16.42 per cent) from ₹ 4187.84 crore in 2010-11 to ₹ 4875.66 crore in 2011-12, mainly under the heads Administrative services (₹.171.81 crore), Interest payment and Servicing of Debt (₹ 26.06 crore), Pension and Miscellaneous General Services (₹ 251.63 crore), Education, Sports and Art & Culture (₹ 16.95 crore), Health and Family Welfare (₹ 35.32 crore), Agriculture and Allied Activities (₹ 37.31 crore), Energy (₹ 71.94 crore) and Transport (₹ 70.29 crore) offset by

¹ Revenue receipts and Non-tax revenue are inclusive of gross receipt (₹13.11 crore) from State Lotteries.

² Revenue expenditure and General Services (Non-Plan) are inclusive of expenditure (₹1.76 crore) on State Lotteries

decrease in Rural Development (₹ 36.36 crore) and Social Welfare & Nutrition (₹29.53 crore). The revenue expenditure (₹ 4875.66 crore) was higher than the assessment made by the State Government in its FCR (₹ 4787.18 crore) for the year 2011-12 by ₹ 88.48 crore.

- Capital Expenditure increased by ₹ 126.45 crore (11.26 per cent) from ₹ 1122.94 crore in 2010-11 to ₹ 1249.39 crore in 2011-12, mainly under the head General Service (₹ 18.58 crore), Education, Sports, Art & Culture (₹ 18.45 crore), Water Supply, Sanitation, Housing & Urban Development (₹ 14.69 crore), Agriculture & Allied Activities (₹ 32.60 crore), Transport (₹ 26.30 crore) and Energy (₹ 23.53 crore) offset by decrease in Industry (₹ 4.91 crore), Social Welfare and Nutrition (₹ 2.32 crore) and Irrigation and Flood Control (₹ 1.15 crore).
- Recoveries of Loans and Advances increased by ₹ 0.13 crore and disbursement decreased by ₹ 1.37 crore in 2011-12 over the previous year.
- During the year 2011-12 public debt receipts³ increased by ₹ 855.50 crore from ₹ 463.35 crore in 2010-11 to ₹ 1318.85 crore in 2011-12 and repayment also increased by ₹ 537.41 crore from ₹ 261.16 crore in 2010-11 to ₹ 798.57 crore in 2011-12 over the previous year.
- Public Account Receipts increased by ₹ 343.85 crore and disbursement also increased by ₹ 204.98 crore during 2011-12 over the previous year.

The total inflow increased by ₹ 1785.87 crore (23.09 per cent) from ₹ 7733.18 crore in 2010-11 to ₹ 9519.05 crore in 2011-12. The total outflow also increased by ₹ 1555.29 crore (20.11 per cent) from ₹ 7735.65 crore in 2010-11 to ₹ 9290.94 crore in 2011-12. The cash balance of the State at the end of 2011-12 increased by ₹ 228.11 crore (227.93 per cent) from ₹ 100.08 crore in 2010-11 to ₹ 328.19 crore in 2011-12.

1.2 Nagaland Fiscal Responsibility and Budget Management Act, 2005 and Thirteenth Finance Commission Recommendations

With the enactment of a Fiscal Responsibility and Budget Management Act (FRBM) Act, 2005 at the centre, Twelfth Finance Commission (TFC) recommended that each State enact a fiscal responsibility legislation prescribing specific annual targets with a view to eliminate the revenue deficit by 2008-09 and reduce fiscal deficit based on a path for reduction of borrowings and guarantees. The targets prescribed in NFRBM Act and projections made by State Government in its Medium Term Fiscal Policy Statement (MTFPS) vis-à-vis achievements during the year 2010-11 is detailed in the table below:

³ Public Debt Receipts includes market loans, special securities issued by RBI and loans and advances from GOI.

Table 1.2: Trends in major Fiscal Variables vis-à-vis Projections for 2011-12

Fiscal Parameters	Targets as prescribed in NFRBM Act.	Projections made by State Government in MTFPS*	Actual
Revenue deficit	Zero per cent of GSDP	No revenue deficit	Revenue surplus – 12.73 per cent of RR
Fiscal deficit	3.50 per cent of GSDP	3.50 per cent of GSDP	4.47 per cent of GSDP
Consolidated debt	55.80 per cent of GSDP	43.59 per cent of GSDP	55.03 per cent of GSDP

* *Medium Term Fiscal Policy Statement.*

The State Government could achieve two out of the three targets set in NFRBM Act and one projection out of the three projections made in the MTFPS.

1.2.1 The Thirteenth Finance Commission Recommendations

The Thirteenth Finance Commission had recommended growth of Tax and Non-Tax Revenue during 2011-12. The targets fixed by XIII-FC vis-à-vis the actuals are given below:

Table 1.3: XIII-FC recommendations vis-à-vis the actuals

(Rupees in crore)

Year	XIII-FC recommendations			Actuals		
	Tax revenue	Non-Tax revenue	Total	Tax revenue	Non-Tax revenue	Total
2010-11	203.78	31.56	235.34	227.32	181.61	408.93
2011-12	226.52	48.34	274.86	303.88	231.19	535.07

Source: Thirteenth Finance Commission Report and Finance Account

The State achieved the target fixed by the XIII-FC in collection of revenue from own sources under Tax Revenue as well as Non-tax Revenue. The total tax collection was higher by ₹ 260.21 crore (94.67 per cent) as compared to XIII-FC recommendation.

The tax and non-tax revenue receipts vis-à-vis the normative assessment made by the Thirteenth Finance Commission and the assessment made by the State Government in 2011-12 were as under:

Table 1.4: Revenue receipts relative to XIII-FC and State's projections for 2011-12

(Rupees in crore)

	Assessment by the XIII-FC	Assessment made by the State Government in its FCR	Actual Receipts
Own Tax Revenue	226.52	221.55	303.88
Non-Tax Revenue	48.34	158.16	231.19

FCR: Fiscal Consolidation Roadmap

Though the assessment of Tax Revenue and Non-tax Revenue of the State together in 2011-12 made by the State Government in its Fiscal Consolidation Roadmap (FCR) (**Appendix 1.2**) was higher than the assessment made by XIII-FC, the actual achievement of OTR and NTR remained at 34.15 per cent and 378.26 per cent respectively higher

than the assessment made by the XIII-FC and 37.16 *per cent* and 46.17 *per cent* respectively higher than the assessment made by the State Government in its FCR during 2011-12.

The Thirteenth Finance Commission had also fixed the sector-wise target for non-plan revenue expenditure for the period 2010-15. The targets fixed by XIII FC vis-à-vis the actuals are given below:

**Table 1.5: XIII-FC recommendations vis-à-vis actuals during 2011-12
(Non-plan Revenue Expenditure)**

Sector	Recommendations of XIII-FC	Actuals
Salary	1474.85	2246.96
Interest Payment	358.72	417.39
Pension	432.24	586.68
Other General Service	241.61	454.10
Other Social Service	51.54	72.88
Other Economic Service	34.88	274.31
Total	2593.84	4052.32

Source: Thirteenth Finance Commission Report and Finance Account

The table indicates that the State failed to contain its non-plan revenue expenditure to the level recommended by the XIII-FC. During 2011-12 non-plan revenue expenditure was ₹ 1458.48 crore (56.23 *per cent*) more than the XIII-FC recommendation.

1.3 Budget Analysis

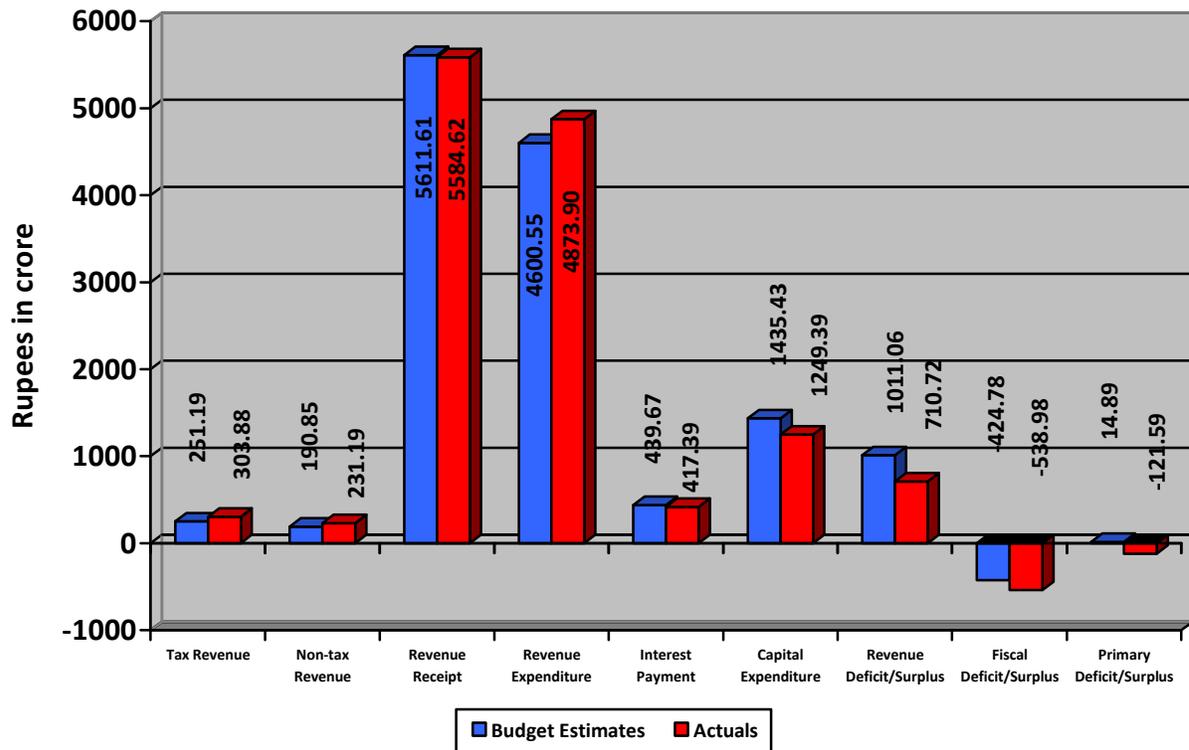
The budget papers presented by the State Government provide description of projections or estimations of revenue and expenditure for a particular fiscal year. The importance of accuracy in the estimation of revenue and expenditure is widely accepted in the context of effective implementation of fiscal policies for overall economic management. Several reasons may account for the deviation of the actual realisation/expenditure from the budget estimates. It may be because of unanticipated and unforeseen events or under or over estimation of expenditure or revenue at the budget stage etc. Actual realisation of revenue and its disbursement however, depends on a variety of factors, some internal and others external. **Table 1.6** presents the consolidated picture of State Finances during 2010-11 Actuals, 2011-12 Budget Estimates (BEs), 2011-12 Revised Estimates (REs) and 2011-12 Actuals.

Table 1.6: Variation in Actual Fiscal parameters over estimates

(Rupees in crore)

Parameters	2010-11	2011-12		
	Actuals	Budget Estimates	Revised Estimates	Actual
Tax Revenue	227.32	251.19	265.56	303.88
Non-Tax Revenue	181.61	190.85	169.64	231.19
Revenue Receipts	4998.46	5611.61	5846.32	5584.62
Non-debt Capital Receipts	2.31	3.50	3.75	2.44
Revenue Expenditure	4186.31	4600.55	5119.45	4873.90
Interest Payments	394.33	439.67	434.69	417.39
Capital Expenditure	1122.94	1435.43	1424.55	1249.39
Disbursement of Loans & Advances	4.12	3.91	6.28	2.75
Revenue Deficit/Surplus	812.15	1011.06	726.87	710.72
Fiscal deficit/Surplus	-312.60	-424.78	-700.21	-538.98
Primary Deficit/surplus	81.73	14.89	-265.52	-121.59

Chart 1.1: Selected fiscal Parameters: Estimates vis-a-vis Actual during 2011-12



- During 2011-12, the actual revenue receipts was less than the budget estimates by ₹ 26.99 crore (0.48 *per cent*) while actual revenue expenditure was higher by ₹ 273.35 crore (5.94 *per cent*) over budget estimates resulting in attaining a lower revenue surplus of ₹ 300.34 crore as compared to the projections made in the budget estimates.
- During the current year the tax revenue of the State increased by ₹ 76.56 crore (33.68 *per cent*) over the previous year. The actual collection of tax revenue during the year also increased by ₹ 52.69 crore (20.98 *per cent*) over the budget estimates for the year mainly due to higher collection of Sales Tax, Trade etc. (₹ 45.62 crore) and Taxes on vehicle (₹ 6.72 crore). The revenue from Sales Tax, Trade etc. contributed the major share of Tax Revenue (76.06 *per cent*) during the current year and it increased by 38.21 *per cent* over the previous year.
- The increase in Non-Tax Revenue by ₹ 40.34 crore as compared to the budget estimates for 2011-12 was due to increase in receipts mainly under Police (₹ 27.33 crore), Miscellaneous General Services (₹ 16.45 crore), Education, Sports, Arts & Culture (₹ 11.81 crore) offset mainly by decrease in Power (₹ 15.72 crore).
- The increase in Revenue Expenditure by ₹ 273.35 crore (5.94 *per cent*) over the budget provision for 2011-12 was due to increase in General Services ₹ 204.80 crore (74.92 *per cent*), Social Services by ₹ 14.25 crore (5.21 *per cent*) and Economic Services by ₹ 54.30 crore (19.87 *per cent*).
- During the year 2011-12, the actual Capital expenditure was less than the budget provision by ₹ 186.04 crore (12.96 *per cent*) which is attributable to decrease in General Services ₹ 250.49 crore (134.64 *per cent*) and Social Services ₹ 25.04 crore (13.46 *per cent*) offset by increase in Economic Services ₹ 89.49 crore (48.10 *per cent*).
- Actual fiscal deficit was increased over the assessment made in the budget estimates by ₹ 114.20 crore (26.88 *per cent*) mainly due to increase in Revenue Expenditure. The primary surplus of ₹ 81.73 crore in 2010-11 turned to primary deficit of ₹ 121.59 crore in 2011-12.

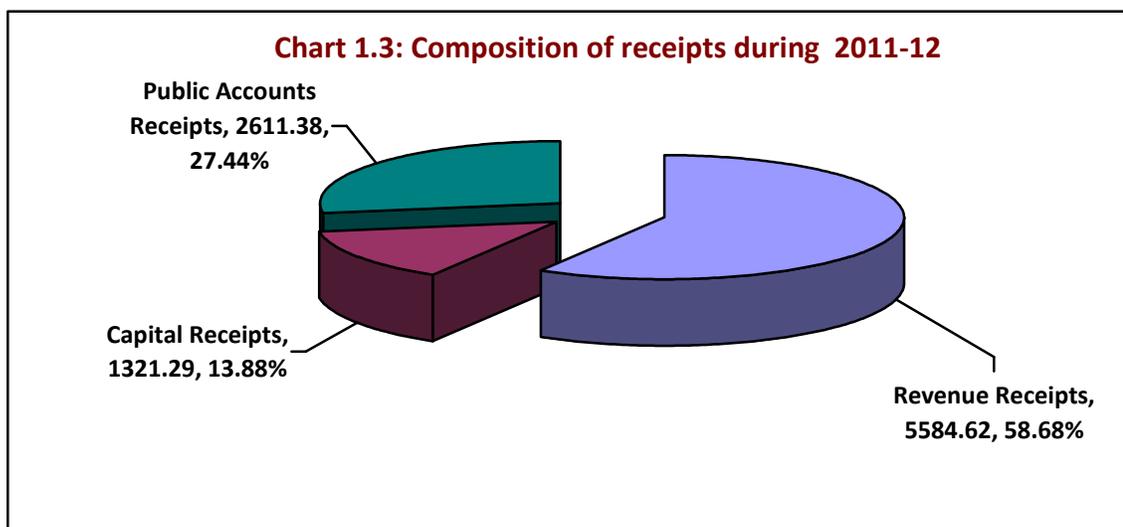
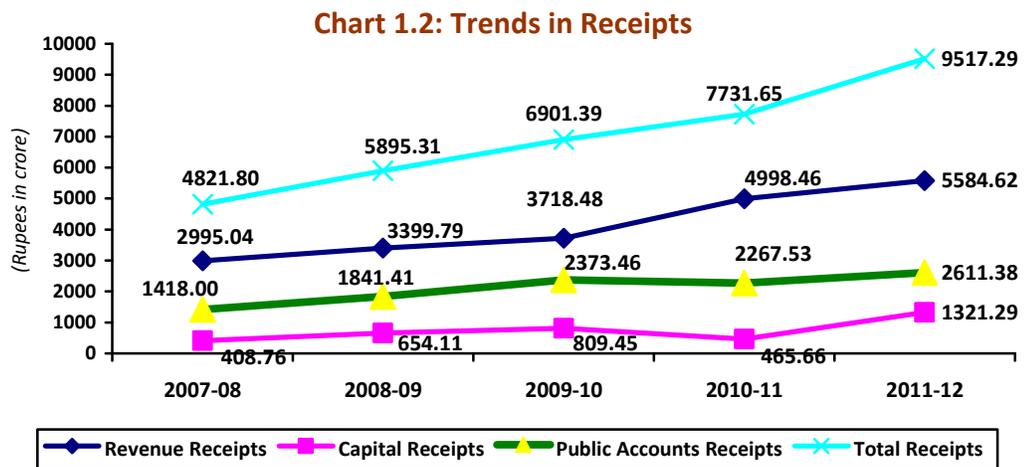
1.4 Resources of the State

1.4.1 Resources of the State as per Annual Finance Accounts

Revenue and capital are the two streams of receipts that constitute the resources of the State Government. Revenue receipts consist of tax revenue, non-tax revenue, State's share of union taxes and duties and grants-in-aid from the Government of India (GOI). Capital receipts comprise miscellaneous capital receipts such as proceeds from

disinvestments, recoveries of loans and advances, debt receipts from internal sources (market loans, borrowings from financial institutions/commercial banks) and loans and advances from GOI as well as accruals from Public Account.

Table-1.1 presents the receipts and disbursements of the State during the last two years as recorded in its Annual Finance Accounts while **Chart 1.2⁴** depicts the trends in various components of the receipts of the State during 2007-12. **Chart 1.3⁴** depicts the composition of resources of the State during the current year and **Table 1.7** presents the trends in growth and composition of receipts for the years 2007-08 to 2011-12.



⁴ Revenue receipts is net of receipts and expenditure under State Lottery.

Table 1.7: Trends in growth and composition of receipts.*(Rupees in crore)*

	Sources of State receipts	2007-08	2008-09	2009-10	2010-11	2011-12
I	Revenue receipts	2995.04	3399.79	3718.48	4998.46	5584.62
II	Capital Receipts (CR)	408.76	654.11	809.45	465.66	1321.29
	Miscellaneous Capital Receipts	-	-	-	-	-
	Recovery of Loans and Advances	3.06	2.57	4.20	2.31	2.44
	Public Debt Receipts	405.70	651.54	805.25	463.35	1318.85
	Rate of growth of non-debt CR	(-)29.33	(-)16.01	63.42	(-)45.00	5.63
	Rate of growth of debt CR	(-)6.26	60.60	23.59	(-)42.46	184.63
	Rate of growth of Revenue Receipt	8.06	13.51	9.37	34.42	11.73
	Rate of growth of GSDP	11.27	16.85	8.87	8.26	8.48
	Rate of growth of CR	(-)6.49	60.02	23.75	(-)42.47	183.75
	Debt Capital buoyancy w.r.t GSDP	(-)0.56	3.60	2.66	(-)5.14	21.77
	Non Debt Capital Buoyancy w.r.t GSDP	(-)2.60	(-)0.95	7.15	(-)5.45	0.66
	Revenue Receipt Buoyancy w.r.t GSDP	0.72	0.80	1.06	4.16	1.38
III	Contingency Fund	-	-	-	-	-
IV	Public Account Receipts	1418.00	1841.41	2373.46	2267.53	2611.38
	Small Savings, Provident Fund etc	135.42	122.44	149.54	191.57	196.97
	Reserve Fund	6.85	5.37	26.49	36.96	29.00
	Deposits and Advances	209.02	134.09	786.40	545.72	718.11
	Suspense and Miscellaneous	51.07	27.29	52.94	21.17	24.79
	Remittances	1015.64	1057.59	1358.09	1472.11	1642.51
	Total Receipts	4821.80	5895.31	6901.39	7731.65	9517.29

Chart 1.3 shows that the total receipts of the State Government for the year 2011-12 was ₹ 9517.29 crore out of which, the revenue receipts was ₹ 5584.62 crore constituting 58.68 *per cent* of the total receipts. The balance came from capital receipts and Public Account receipts.

The revenue receipts of the State increased from ₹ 2995.04 crore in 2007-08 to ₹ 5584.62 crore in 2011-12 at a compound annual growth rate of 13.27 *per cent*. The buoyancy of Revenue receipts w.r.t GSDP during the year was 1.38 *per cent*.

The capital receipts (including Public Account receipts) constituted 41.32 *per cent* of the total receipts of the State during the year 2011-12, an increase of 115.28 *per cent* from ₹ 1826.76 crore in 2007-08 to ₹ 3932.67 crore in 2011-12.

Public Account receipts increased by ₹ 343.85 crore (15.16 *per cent*) in 2011-12 over the previous year due to increase in Deposit and Advances (₹ 172.39 crore), Remittances

(₹ 170.40 crore), Provident Fund (₹ 5.40 crore) and Suspense and Miscellaneous (₹ 3.62 crore) offset by decrease in Reserve Fund (₹ 7.96 crore).

1.4.2 Funds Transferred to State Implementing Agencies Outside the State Budget

The Central Government has been transferring a sizeable quantum of funds directly to the State Implementing Agencies⁵ for the implementation of various schemes/programmes in social and economic sectors recognised as critical. As these funds are not routed through the State Budget/State Treasury System, Annual Finance Accounts do not capture the flow of these funds and to that extent, State's receipts and expenditure as well as other fiscal variables/parameters derived from them are underestimated. To present a holistic picture on availability of aggregate resources, funds directly transferred to State Implementing Agencies are detailed in **Appendix 1.5**. An approximate amount of ₹ 1284.05 crore was directly transferred during the year. Significant amounts released for major programmes/schemes are presented in **Table 1.8**.

Table-1.8: Funds Transferred Directly to State Implementing Agencies

(Rupees in crore)

Name of the Programme/Scheme	Name of the Implementing Agency in the State	Total funds released by the GOI during 2011-12
Mahatma Gandhi National Rural Employment Guarantee Programme	Project Directors, DRDA, 11 Districts	673.47
Sarva Shiksha Abhiyan (SSA)	SSA State Mission Authority	97.98
National Rural Health Mission (NRHM)	State Health Society	87.21
National Rural Drinking Water Programme	SWSM	80.91
Integrated Watershed Management Programme	State Level Nodal Agency	60.68
Rural Housing (Indira Awas Yojana)	Project Directors, DRDA	34.48
Rashtriya Madhyamik Siksha Abhiyan	Nagaland Education Mission Society	28.26
Capacity Building for Service Providers/Infrastructure development	Civil Aviation & Tourism	27.36
National aids Control Programme	Nagaland State AIDS Control Society	17.04
National Bamboo Mission	Nagaland Bamboo Mission Development Agency	17.00
Total		1124.39

Source: 'Central Plan Scheme Monitoring System' portal in Controller General of Account's website

An approximate amount of ₹ 1284.05 crore was directly transferred by GOI to the State Implementing Agencies during 2011-12, an increase of ₹ 250.43 crore (24.23 per cent) over the previous year. Out of an approximate amount of ₹ 1284.05 crore directly transferred to implementing agencies during the year, ₹ 1124.39 crore (87.57 per cent) was transferred to 10 Central Schemes viz. Mahatma Gandhi National Rural Employment

⁵ State Implementing Agency includes any Organization/Institution including Non-Governmental Organization which is authorised by the State Government to receive the funds from the Government of India for implementing specific programmes in the State, e.g. State Implementation Society for SSA and State Health Mission for NRHM etc.

Guarantee Programme, ₹ 673.47 crores (52.45 per cent), Sarva Shiksha Abhiyan (SSA) ₹ 97.98 crore (7.63 per cent), National Rural Health Mission (NRHM) ₹ 87.21 crores (6.79 per cent), National Rural Drinking Water Programme ₹ 80.91 crore (6.30 per cent), Integrated Watershed Management Programme ₹ 60.68 (4.73 per cent) Rural Housing (Indira Awas Yojana) ₹ 34.48 crore (2.69 per cent), Rashtriya Madhyamik Siksha Abhiyan ₹ 28.26 crore (2.20 per cent), Capacity Building for Service Providers/Infrastructure development ₹ 27.36 crore (2.13 per cent), National Aids Control Programme ₹ 17.04 crore (1.33 per cent) and National Bamboo Mission ₹ 17.00 crore (1.32 per cent).

With the transfer of an approximate amount of ₹ 1284.05 crore directly by GOI to the state Implementing Agencies, the total availability of State resources during 2011-12 had increased from ₹ 9519.05 crore to ₹ 10803.10 crore.

As long as these funds remain outside the State budget, there is no single agency monitoring its use and there is no readily available data on how much is actually spent in any particular year on major flagship schemes and other important schemes which are being implemented by State implementing agencies but are funded directly by the GOI.

1.5 Revenue Receipts

Statement-11 of the Finance Accounts details the revenue receipts of the Government. The revenue receipts consist of its own tax and non-tax revenues, central tax transfers and grants-in-aid from GOI. The trends and composition of revenue receipts over the period 2007-12 are presented in **Appendix 1.3** and depicted in **Charts 1.4** and **1.5** respectively.

Chart 1.4: Trends in Revenue Receipts

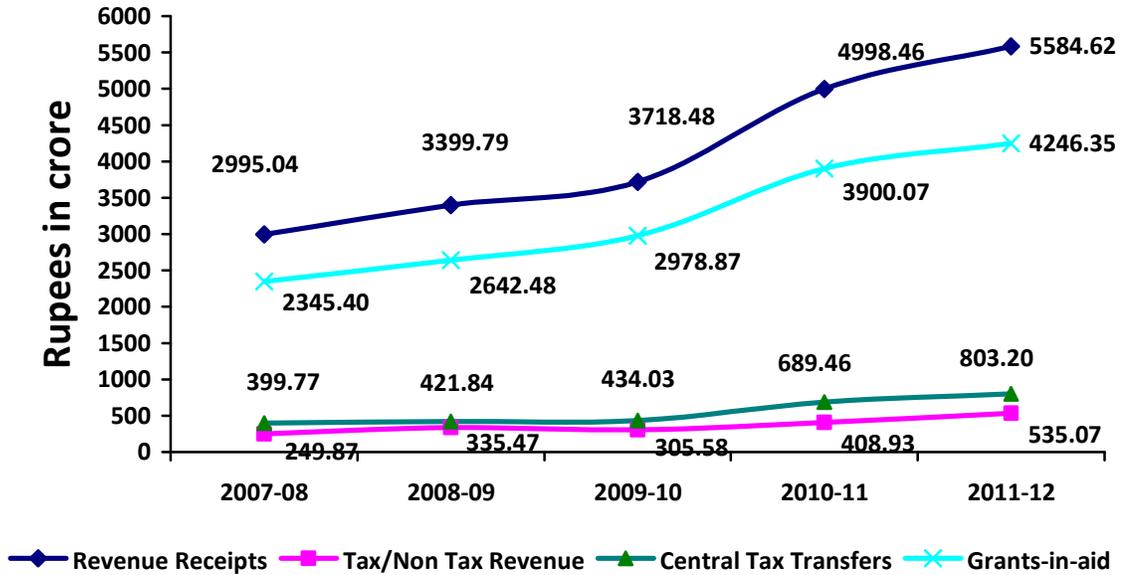
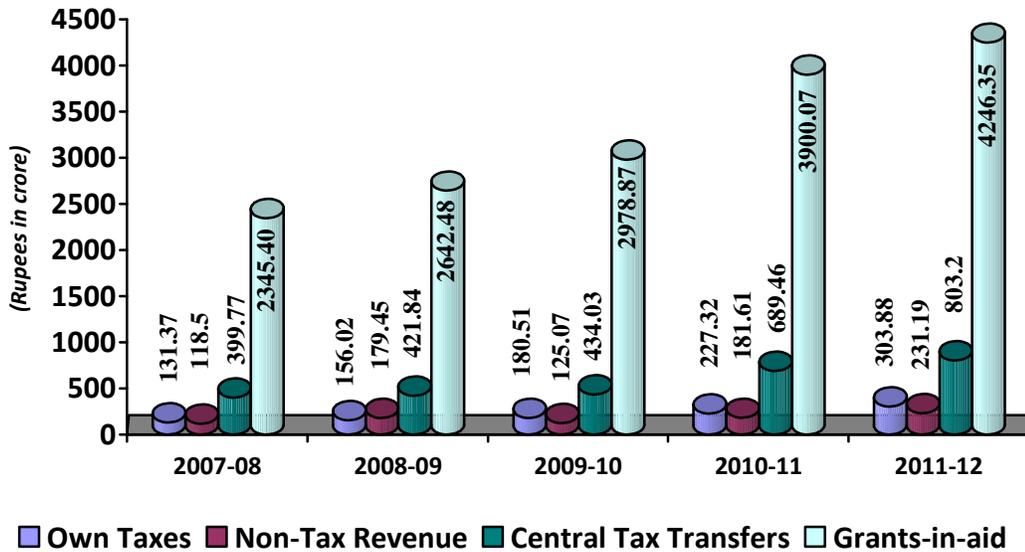


Chart 1.5: Composition of Revenue Receipts during 2007-12



The revenue receipts have shown a progressive increase with inter-year variations and changes in its composition i.e. the share of own taxes, non-tax revenue and Central transfers during the period 2007-12.

Tax and non-tax revenue receipts together increased by ₹ 285.20 crore from ₹249.87 in 2007-08 to ₹ 535.07 crore in 2011-12 at a compound annual growth rate of 16.45 per cent.

The Revenue Receipts of the State increased from ₹ 2995.04 crore in 2007-08 to ₹ 5584.62 crore in 2011-12 at a compound annual growth rate of 13.27 per cent. While 9.58 per cent of the revenue receipts during 2011-12 have come from the State's Own Resources comprising taxes and non-taxes, Central Tax Transfers and Grants-in-aid together contributed 90.42 per cent. The percentage share of State's Own Resources and the Central Transfers in Revenue receipts of the State exhibited relative stability during the last five years (2007-12).

Central tax transfers to the State increased by ₹ 113.74 crore (16.50 per cent) from ₹ 689.46 crore in 2010-11 to ₹ 803.20 crore in 2011-12. This was due to increase in Corporation Tax (₹ 46.70 crore), Tax on Income other than Corporation Tax (₹ 18.20 crore), Tax on Wealth (₹ 0.67 crore), Service Tax (₹ 27.06 crore), Customs (₹ 18.71 crore) and Union Excise Duties (₹ 2.40 crore).

The trends in revenue receipts relative to GSDP are presented in **Table 1.9** below:

Table 1.9: Trends in Revenue Receipts relative to GSDP

	2007-08	2008-09	2009-10	2010-11	2011-12
Revenue Receipts (RR) (Rupees in crore)	2995.04	3399.79	3718.48	4998.46	5584.62
Rate of growth of RR (<i>per cent</i>)	8.06	13.51	9.37	34.42	11.73
R R/GSDP (<i>per cent</i>)	37.09	36.03	36.20	44.95	46.29
Buoyancy Ratios					
Revenue receipts Buoyancy w.r.t GSDP	0.72	0.80	1.06	4.17	1.38
State's Own Tax Buoyancy w.r.t GSDP	0.92	1.11	1.77	3.14	3.97
Gross State Domestic Product (Rupees in crore)	8075.27	9436.07	10272.88	11121.00	12064.53
Rate of growth of GSDP	11.27	16.85	8.87	8.26	8.48

The Revenue Receipts buoyancy with respect to GSDP was 4.17 in 2010-11 which decreased to 1.38 in 2011-12. The growth rate of Revenue Receipts was however, less than the growth rate of GSDP in 2007-08 and 2008-09. The State's own tax buoyancy with respect to GSDP was 3.14 in 2010-11 which increased to 3.97 in 2011-12.

The break-up of Grants-in-aid received from GOI during 2007-12 is given in the table below:

Table 1.10. : Grants-in-aid from Government of India

(Rupees in crore)

	2007-08	2008-09	2009-10	2010-11	2011-12
Grants for State Plan Schemes	818.62	1003.27	1041.00	936.32	985.20
Non-Plan Grants	1246.03	1316.76	1460.86	2658.28	2841.16
Grants for Central Plan Schemes, Centrally Sponsored Plan Schemes and Special Plan Schemes	280.75	322.45	477.01	305.47	419.99
Total	2345.40	2642.48	2978.87	3900.07	4246.35
Percentage of increase/decrease over previous year	4.45	12.67	12.73	30.92	8.88

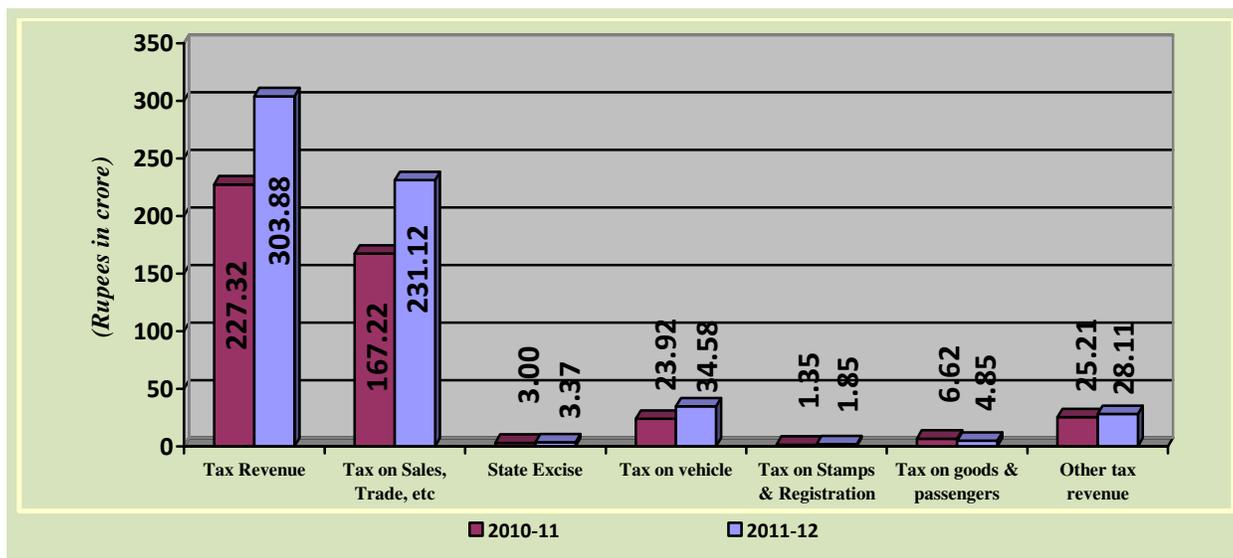
Grants-in-aid from Government of India have increased by ₹ 346.28 crore (8.88 per cent) from ₹ 3900.07 crore in 2010-11 to ₹ 4246.35 crore in 2011-12 contributing 76.04 per cent of the total Revenue Receipts during 2011-12. This increase was due to enhanced grants for non-plan grants (₹ 182.88 crore), Grants for State Plan Schemes (₹ 48.88 crore), Centrally Sponsored Plan Schemes (₹47.39 crore), Grants for Special Plan Schemes (₹ 35.98 crore) and Grants for Central Plan Schemes (₹ 31.15 crore).

1.5.1 State's Own Resources

As the State's share in Central taxes and Grants-in-aid are determined on the basis of recommendations of the Finance Commission, collection of Central tax receipts and Central assistance for plan schemes etc, the State's performance in mobilisation of additional resources should be assessed in terms of its own resources comprising revenue from its own tax and non-tax sources. The gross collection in respect of major taxes and duties as well as the components of non-tax receipts vis-à-vis budget estimates, the expenditure incurred on their collection and the percentage of such expenditure to the gross collection during the years from 2007-08 to 2011-12 are detailed in **Appendix 1.6**. The tax and non-tax revenue for the years 2010-11 and 2011-12 are detailed in **Charts 1.6** and **1.7** below.

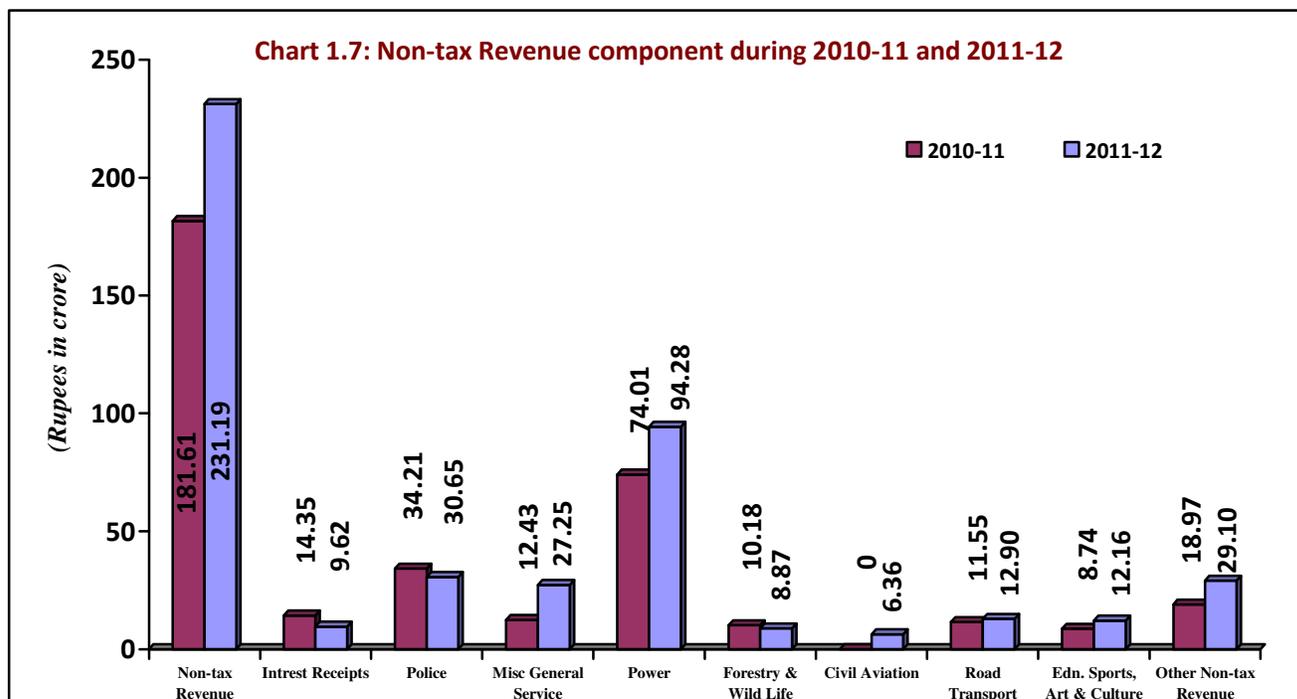
Tax Revenue

Chart 1.6 : Tax Revenue component during 2010-11 and 2011-12 (Rupees in crore)



The tax revenue increased by ₹ 76.56 crore (33.68 per cent) from ₹ 227.32 crore in 2010-11 to ₹ 303.88 crore in 2011-12. The major contribution to the State's tax revenue during the year were sales tax (₹ 231.12 crore), Taxes on Vehicles (₹ 34.58 crore) and Tax on Goods and Passengers (₹ 4.85 crore).

The increase in sales tax revenue by ₹ 63.90 crore from ₹167.22 crore in 2010-11 to ₹ 231.12 crore in 2011-12 represented around 83.46 per cent of incremental tax revenue of the State during the year.



The major contributors in the non-tax revenue during the year included Power (₹ 94.28 crore), Police (₹ 30.65 crore), Miscellaneous General Services (₹27.25 crore), Road Transport (₹ 12.90 crore), Education, Sports, Arts & Culture (₹ 12.16 crore), Interest Receipts (₹ 9.62 crore), Forestry and Wildlife (₹ 8.87 crore) and Civil Aviation (₹ 6.36 crore). Increase in Non Tax Revenue (NTR) in 2011-12 (₹ 49.58 crore) over the previous year was mainly on account of Power (₹ 20.27 crore), Miscellaneous General Service (₹ 14.82 crore) and Road Transport (₹ 1.35 crore).

1.5.2. Cost of collection

The gross collection in respect of major revenue receipts, expenditure incurred on collection and the percentage of such expenditure to gross collection during the last three years (2009-10 to 2011-12) along with relevant all India average percentage of expenditure on collection to gross collection for 2010-11 are as follows:

Table 1.11 : Cost of collection

Sl. No	Heads of Revenue	Year	Collection (Rupees in crore)	Expenditure on collection of revenue (Rupees in crore)	Percentage of expenditure on collection	All India average percentages for the year 2010-11
1	Taxes on sales, Trade, etc.	2009-10	132.22	4.18	3.16	0.75
		2010-11	167.22	5.59	3.34	
		2011-12	231.12	6.10	2.64	
2	State Excise	2009-10	3.13	NA	NA	3.05
		2010-11	3.00			
		2011-12	3.36			
3	Taxes on Vehicles	2009-10	16.73	2.24	13.39	3.71
		2010-11	23.92	3.20	13.38	
		2011-12	34.58	3.70	10.70	
4	Stamps and Registration Fees	2009-10	1.19	0.16	13.45	1.60
		2010-11	1.35	0.25	18.52	
		2011-12	1.85	0.25	13.51	

(Source: Finance Accounts and compilation of All India average)

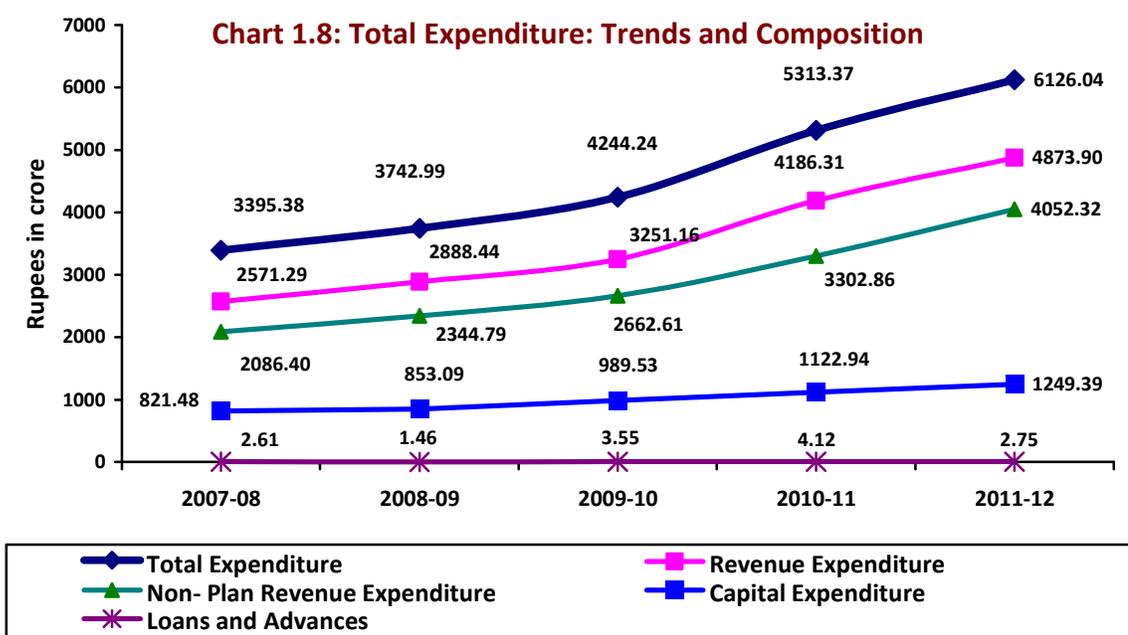
Table 1.11 indicates that the percentage of expenditure on collection in respect of all the components of State's Own Tax revenue except State Excise (the percentage of collection was not available) was much higher than the All India Average cost of collection which indicates that the excess expenditure incurred on collection of revenue might impede the movement towards achieving a healthy fiscal path in the State.

1.6 Application of resources

Analysis of the allocation of expenditure at the State Government level assumes significance since the Government is entrusted with major expenditure responsibilities. Within the framework of fiscal responsibility legislations, there are budgetary constraints in raising public expenditure financed by deficit or borrowings. It is therefore, important to ensure that the ongoing fiscal correction and consolidation process at the State level is not at the cost of expenditure, especially expenditure directed towards development and social sectors.

1.6.1 Growth and Composition of Expenditure

Chart 1.8 presents the trends in total expenditure over a period of five years (2007-12) and its composition both in terms of 'classification of expenditure' and 'expenditure by activities' is depicted respectively in **Charts 1.9 and 1.10**.



Statements 12 & 13 of the Finance Accounts depict the detailed revenue expenditure by minor heads and capital expenditure respectively. States raise resources to perform their sovereign functions, maintain their existing nature of delivery of social and economic services and extend the network of these services through capital expenditure and investments to discharge their debt service obligations. The total expenditure of the State increased from ₹ 3395.38 crore in 2007-08 to ₹ 6126.04 crore in 2011-12.

Total expenditure during 2011-12 at ₹ 6126.04 crore increased by ₹ 812.67 crore (15.29 *per cent*) over the previous year. Out of the total expenditure in 2011-12, revenue expenditure was 79.56 *per cent* (₹ 4873.90 crore) while capital expenditure was 20.39 *per cent* (₹ 1249.39 crore) and loans and advances was 0.05 *per cent* (₹ 2.75 crore). The increase in total expenditure during 2011-12 over the previous year was due to increase of revenue expenditure by ₹ 687.59 crore and capital expenditure by ₹ 126.45 crore offset by decrease in disbursement of loans and advances by ₹ 1.37 crore.

The non-plan revenue expenditure (₹ 4052.32 crore) increased by ₹ 352.06 crore (9.51 *per cent*) during the year as compared to the projection made by the State Government in its Fiscal Consolidation Roadmap (FCR) for 2011-12 (₹ 3700.26 crore). The capital expenditure (₹ 1249.39 crore) was lower by ₹ 165.99 crore (11.73 *per cent*) as compared to the assessment made by the State Government in its FCR (₹ 1415.38 crore).

Chart 1.9: Total Expenditure: Trends in share of its Components

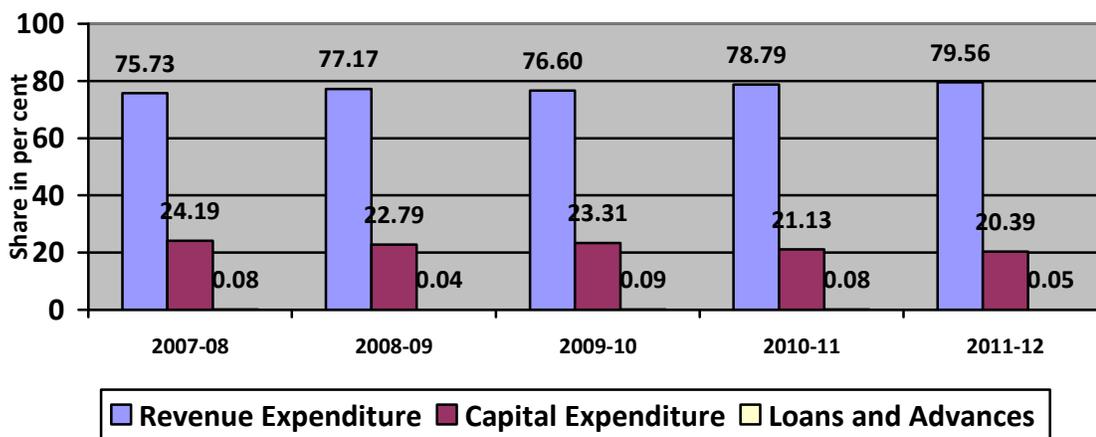
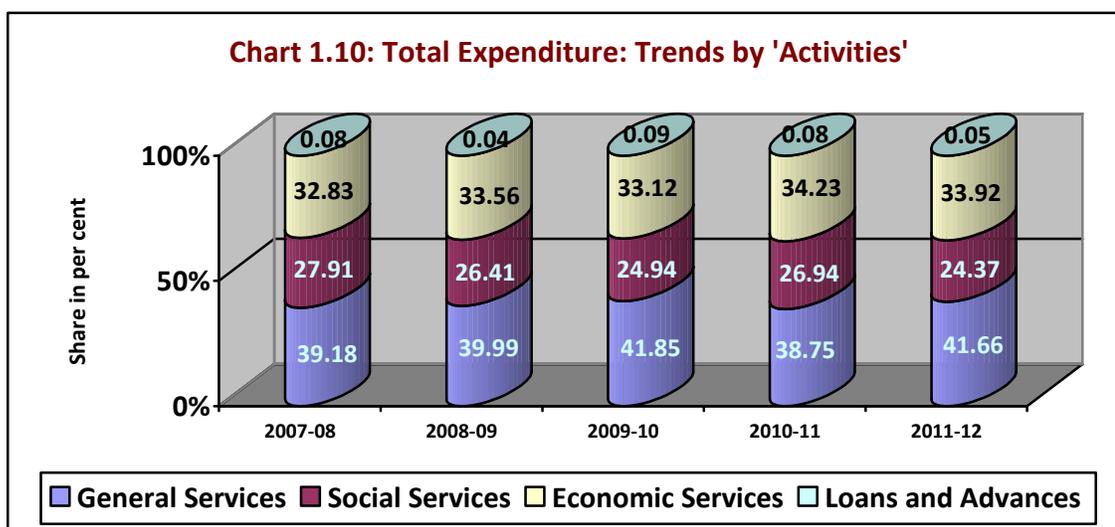


Chart 1.10: Total Expenditure: Trends by 'Activities'



The total expenditure, its annual growth rate, the ratio of expenditure to the GSDP and to revenue receipts and its buoyancy with respect to GSDP and revenue receipts are indicated in **Table 1.12**.

Table 1.12: Total expenditure-basic parameters

	2007-08	2008-09	2009-10	2010-11	2011-12
Total Expenditure (TE) (₹ in crore)	3395.38	3742.99	4244.24	5313.37	6126.04
Rate of growth of TE (<i>per cent</i>)	15.80	10.24	13.39	25.19	15.29
TE/GSDP ratio (<i>per cent</i>)	42.05	39.67	41.31	47.78	50.78
RR/TE (<i>per cent</i>)	88.21	90.83	87.66	94.07	91.16
Buoyancy of Total expenditure with reference to:					
GSDP (ratio)	1.40	0.61	1.51	3.05	1.80
Revenue Receipt (ratio)	1.96	0.76	1.43	0.73	1.30
GSDP (Rupees in crore)	8075.27	9436.07	10272.88	11121.00	12064.53
Rate of growth of GSDP (<i>per cent</i>)	11.27	16.85	8.87	8.26	8.48
Revenue Receipts (Rupees in crore)	2995.04	3399.79	3718.48	4998.46	5584.62
Rate of growth of RR (<i>per cent</i>)	8.06	13.51	9.37	34.42	11.73

During the current year, 91.16 *per cent* of the total expenditure was met from revenue receipts and the remaining from capital receipts and borrowed funds.

The General Service expenditure increased by ₹ 493.45 crore (23.97 *per cent*) from ₹ 2058.81 crore in 2010-11 to ₹ 2552.26 crore in 2011-12, Social Services expenditure increased by ₹ 61.08 crore (4.26 *per cent*) and Economic Services expenditure increased by ₹ 259.51 crore (14.27 *per cent*).

The pattern of total expenditure in the form of non-plan and plan expenditure during 2011-12 showed that they contributed 66.16 *per cent* (₹ 4052.69 crore) and 33.84 *per cent* (₹ 2073.35 crore) respectively. The non-plan expenditure increased by ₹ 749.73 crore as compared to the previous year due to increase in revenue expenditure under General Services, Social Services and Economic Services by ₹ 460.01 crore, ₹ 112.68 crore and ₹ 176.77 crore respectively, capital expenditure under Economic Services by ₹ 0.03 crore and Loans & Advances by 0.24 crore.

Plan expenditure increased by ₹ 62.94 crore as compared to the previous year due to increase in revenue expenditure under General Services by ₹ 14.87 crore, Economic Services by ₹ 7.54 crore, capital expenditure under General Services by ₹ 18.58 crore, Social Services by ₹ 32.68 crore and Economic Services by ₹ 75.16 crore offset by decrease in revenue expenditure under Social Services by ₹ 84.28 crore and Loans & Advances by ₹ 1.61 crore.

1.6.2 Trends in total expenditure in terms of activities

In terms of activities, total expenditure could be considered as being composed of expenditure on General Services including interest payments, Social and Economic Services, Grants-in-aid and Loans & Advances.

The expenditure on General Services and Interest Payments, which are considered as non-developmental, together contributed 41.66 *per cent* in 2011-12 as against 38.75 *per cent* in 2010-11 and 39.18 *per cent* in 2007-08. On the other hand, developmental expenditure i.e., expenditure on Social and Economic Services together accounted for 58.29 *per cent* in 2011-12 as against 61.17 *per cent* in 2010-11 and 60.74 *per cent* in 2007-08. This indicates that the non-developmental expenditure had increased by 2.91 *per cent* in 2011-12 as compared to previous year while the developmental expenditure had decreased by 2.88 *per cent* over the same period.

1.6.3 Revenue Expenditure

Revenue expenditure had predominant share varying from 75.73 *per cent* to 79.56 *per cent* of the total expenditure of the State during 2007-12. Revenue expenditure is incurred to maintain the current level of services and payments for the past obligations and as such does not result in any addition to the State's infrastructure and service network.

The revenue expenditure, its rate of growth, the ratio of revenue expenditure to GSDP and to revenue receipts and its buoyancy is indicated in **Table 1.13**.

Table 1.13: Revenue expenditure-basic parameters

	2007-08	2008-09	2009-10	2010-11	2011-12
Revenue Expenditure (RE), of which (Rupees in crore)	2571.29	2888.44	3251.16	4186.31	4873.90
Non-plan Revenue Expenditure (NPRE) (Rupees in crore)	2086.40	2344.79	2662.61	3302.86	4052.32
Plan Revenue Expenditure (PRE) (Rupees in crore)	484.89	543.65	588.55	883.45	821.58
Rate of growth of RE (<i>per cent</i>)	15.76	12.33	12.56	28.75	16.42
Rate of growth of NPRE (<i>per cent</i>)	18.04	12.38	13.55	24.05	22.69
Rate of growth of PRE (<i>per cent</i>)	6.88	12.12	8.26	50.11	(-7.00)
RE as percentage to TE	75.73	77.17	76.60	78.79	79.56
NPRE/GSDP (<i>per cent</i>)	25.84	24.85	25.92	29.70	33.59
NPRE/TE (<i>per cent</i>)	61.45	62.64	62.73	62.16	66.15
NPRE/RR (<i>per cent</i>)	69.66	68.97	71.60	66.08	72.56
Buoyancy of RE with GSDP (ratio)	1.40	0.73	1.42	3.48	1.94
Buoyancy of RE with RR (ratio)	1.96	0.91	1.34	0.84	1.40

Revenue expenditure of the State had increased by ₹ 2302.61 crore (89.55 per cent) from ₹ 2571.29 crore in 2007-08 to ₹ 4873.90 crore in 2011-12 at a compound annual growth rate of 13.64 per cent. Both non plan revenue expenditure (NPRE) and plan revenue expenditure (PRE) had shown an increase over the period 2007-12. Of the total increase of ₹ 687.59 crore in revenue expenditure during 2011-12 over the previous year, increase in NPRE contributed 109.00 per cent (₹ 749.46 crore) while decrease in PRE accounted for 9.00 per cent (₹ 61.87 crore). The increase of ₹ 749.46 crore in NPRE during 2011-12 over the previous year was mainly due to increase in Education, Sports, Art & Culture by ₹ 79.73 crore, Pensions and Miscellaneous General Services ₹ 251.63 crore, Administrative Service ₹ 163.41 crore, Health and Family Welfare ₹ 30.82 crore, Energy ₹ 70.81 crore, Interest Payment and Servicing of Debt ₹ 26.06 crore and Transport ₹ 69.34 crore. The PRE had decreased by ₹ 61.87 crore from ₹ 883.45 crore in 2010-11 to ₹ 821.58 crore in 2011-12 mainly due to decrease in expenditure under Education, Sports, Art & Culture ₹ 62.78 crore, Social Welfare and Nutrition ₹ 26.99 crore and Rural Development ₹ 23.91 crore offset by increase in Irrigation and Flood Control by ₹ 17.01 crore, Administrative Services by ₹ 8.41 crore, Special Area Programmes by ₹ 7.11 crore, Fiscal Services by ₹ 5.84 crore, Agriculture & Allied Activities by ₹ 5.57 crore, Health & Family Welfare by ₹ 4.50 crore, Labour & Labour Welfare by ₹ 1.39 crore, Information & Broadcasting by ₹ 1.20 crore and Energy by ₹ 1.12 crore.

The actual non-plan revenue expenditure vis-à-vis assessment made by XIII-FC and State Government are given below:-

Table 1.14: NPRE assessments made by XIII-FC and FCR

	(Rupees in crore)		
	Assessment made by XIII-FC	Assessment made by State Government in FCR	Actual
Non-Plan Revenue Expenditure	2593.85	3700.26	4052.32

The actual NPRE exceeded the normative assessment made by XIII-FC by ₹ 1458.47 crore (56.23 per cent) and also assessment made by the State in FCR by ₹ 352.06 crore (9.51 per cent).

1.6.4 Committed Expenditure

The committed expenditure of the State Government on revenue account mainly consists of interest payments, expenditure on salaries and wages, pensions and subsidies. **Table 1.15** present the trends in the expenditure on these components during 2007-12.

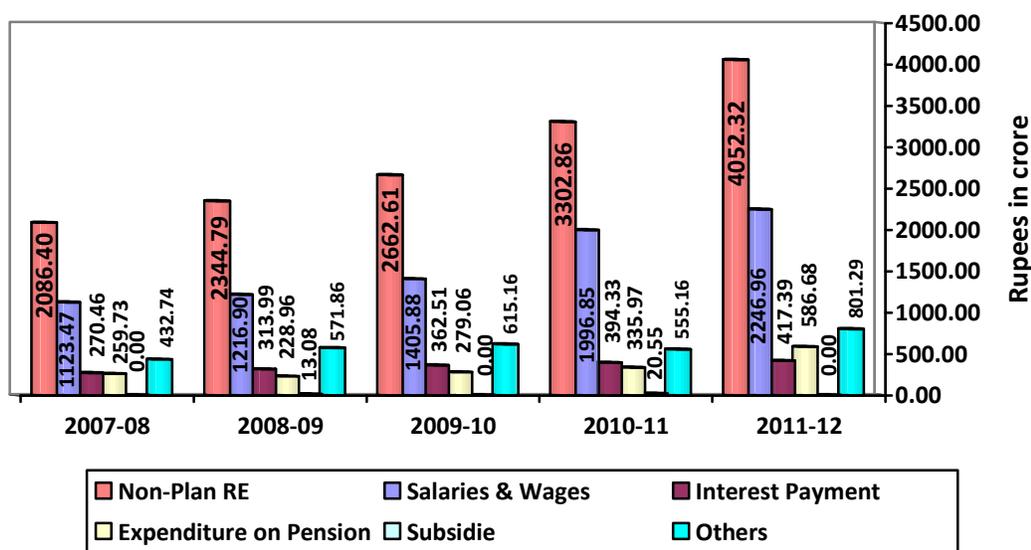
The committed expenditure (i.e., interest payment, pension, salaries and subsidies) of the State Government increased from ₹ 2784.78 crore in 2011-12 to ₹ 3287.82 crore in 2011-12. The overall percentage of committed expenditure on NPRE and total Revenue Receipts was 81.13 per cent and 58.87 per cent.

Table 1.15: Components of Committed Expenditure

(Rupees in crore)

	2007-08	2008-09	2009-10	2010-11	2011-12
Salaries & Wages, of which	1143.25	1249.39	1442.85	2033.93	2283.75
Non-plan	1123.47	1216.90	1405.90	1996.85	2246.96
Plan	19.78	32.49	36.95	37.08	36.79
Interest Payment	270.46	313.99	362.51	394.33	417.39
Expenditure on Pension	259.73	228.96	279.06	335.97	586.68
Subsidies	0.00	13.08	0.00	20.55	0.00
Total	1673.44	1805.42	2084.42	2784.78	3287.82
As per cent of RR					
Salaries & Wages	38.17	36.75	38.80	40.69	40.89
Interest Payment	9.03	9.24	7.50	7.89	7.47
Expenditure on pension	8.67	6.73	9.75	6.72	10.51
Subsidies	0.00	0.38	0.00	0.41	0.00

Chart 1.11: Share of Committed Expenditure in Non-Plan Revenue Expenditure during 2007-12



Salaries & Wages:

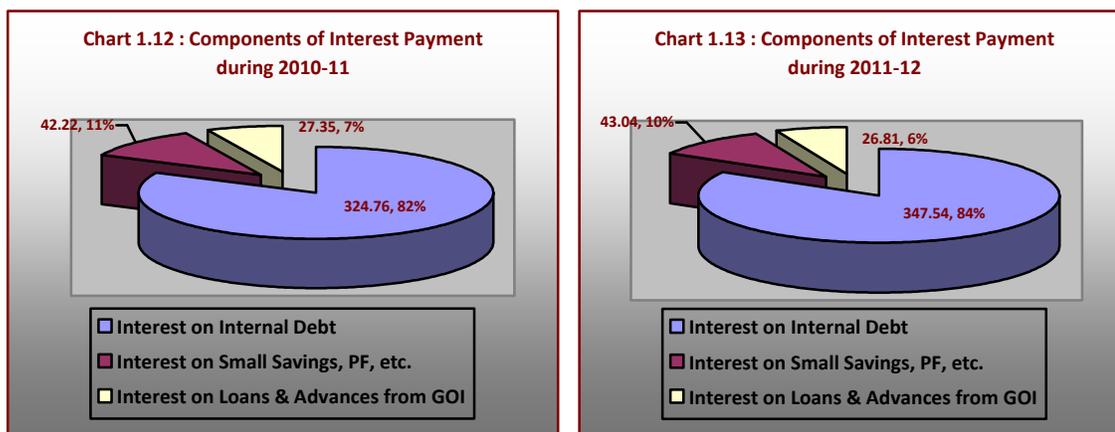
Expenditure on salaries under Non-Plan and Plan during the current year was ₹ 2246.96 crore and ₹ 36.79 crore respectively. The expenditure on salaries increased by ₹1140.50 crore (99.76 per cent) from ₹ 1143.25 crore in 2007-08 to ₹ 2283.75 crore in 2011-12 and was ₹ 808.90 crore more than the projection made in XIII-FC (₹ 1474.85 crore). Expenditure on salaries and wages increased by ₹ 249.82 crore (12.28 per cent) over the

previous year mainly due to release of dearness allowance installments and incremental benefits. Salary and wages accounted for 40.89 *per cent* of the revenue receipts during 2011-12.

Pension Payment:

The expenditure on pension had increased by ₹ 326.95 crore (125.88 *per cent*) from ₹ 259.73 crore in 2007-08 to ₹ 586.68 crore in 2011-12. The pension payment were ₹ 154.44 crore more than the assessment made by XIII-FC (₹ 432.24 crore) and also ₹ 10.39 crore more than the assessment made by the State Government in its MTFPS (₹ 576.29 crore) for the year 2011-12. The pension payment recorded a growth of 74.62 *per cent* (₹ 250.71 crore) over the previous year mainly due to introduction of new pension policy by the State Government.

Interest Payments:



Interest payment increased by ₹ 146.93 crore (54.33 *per cent*) from ₹ 270.46 crore in 2007-08 to ₹ 417.39 crore in 2011-12. The interest payment increased by ₹ 23.06 crore (5.85 *per cent*) during 2011-12 over the previous year due to increase in interest payment on Internal Debt (₹ 22.78 crore) and Small Savings, Provident Fund etc. (₹ 0.82 crore) offset by decrease in Interest on Loan and Advances from Central Government (₹ 0.54 crore).

The interest payment for the year 2011-12 was lower than the projection made by the State Government in MTFPS (₹ 439.67 crore) but higher than the projections made in XIII-FC (₹ 358.72 crore).

1.6.5 Financial Assistance by State Government to local bodies and other Institutions

The quantum of assistance provided by way of grants and loans to local bodies and others during the current year relative to the previous years is presented in **Table 1.16**.

Table 1.16: Financial Assistance to Local Bodies etc.

(Rupees in crore)

Financial Assistance to Institutions	2007-08	2008-09	2009-10	2010-11	2011-12
Educational Institutions (Aided Schools, Aided Colleges, Universities, etc.)	2.40	14.70	18.44	5.50	6.40
Co-Operation	..	...	0.07	3.44	6.55
Municipal councils	0.27	2.11	1.20	...	2.98
Development Agencies	29.03	40.34	62.20	26.56	28.29
Hospitals and Other Charitable Institutions	8.73	10.16	10.78	12.59	14.70
Old Age Pension Scheme	...	...	...	16.67	1.43
Special Area Programme	---	---	---	---	4.75
Other Institutions	1.41	7.47	6.21	38.13	99.63
Total	41.84	74.78	98.90	102.89	164.73
Assistance as percentage of RE	1.40	2.20	2.66	2.46	3.38

The total assistance to local bodies etc. increased by ₹ 61.84 crore (60.10 *per cent*) from ₹ 102.89 crore in 2010-11 to ₹ 164.73 crore in 2011-12. **Table 1.16** shows that the assistance increased by ₹ 1.73 crore (6.51 *per cent*) from ₹ 26.56 crore in 2010-11 to ₹ 28.29 crore in 2011-12 in respect of development agencies whereas, it declined by ₹ 15.24 crore (91.42 *per cent*) from ₹ 16.67 crore in 2010-11 to ₹ 1.43 crore in 2011-12 in respect of Old Age Pension Scheme.

1.7 Quality of Expenditure

The availability of better social and physical infrastructure in the State generally reflects the quality of its expenditure. The improvement in the quality of expenditure basically involves three aspects, viz., adequacy of the expenditure (i.e. adequate provision for providing public services); efficiency of expenditure use, and, the effectiveness (assessment of outlay-outcome relationships for select services).

1.7.1 Adequacy of Public Expenditure

The expenditure responsibilities relating to social sector and economic infrastructure are largely assigned to State Governments. Enhancing human development levels requires the States to step up their expenditure on key social services like education, health, etc. **Table 1.17** analyses the fiscal priority given by the Nagaland Government to various expenditure heads in 2008-09 and the current year viz 2011-12 with regard to developmental expenditure, social sector expenditure and capital expenditure.

Table-1.17: Fiscal priority of the State in 2008-09 & 2011-12

Fiscal priority by the State	AE/GSDP	DE/AE	SSE/AE	CE/AE	Education/AE	Health/AE
Nagaland 2008-09	39.67	60.01	26.41	22.79	11.79	3.97
Nagaland 2011-12	50.78	58.33	24.37	20.39	12.75	4.55

AE: Aggregate Expenditure DE: Developmental Expenditure SSE: Social Sector Expenditure
CE: Capital Expenditure
Developmental expenditure includes Developmental Revenue Expenditure, Developmental Capital Expenditure and Loans and Advances disbursed.
Source: For GSDP, the information was collected from the State's Directorate of Economics and Statistics

The AE to GSDP ratio of the Government of Nagaland had increased by 11.11 *per cent* from 39.67 *per cent* in 2008-09 to 50.78 *per cent* in 2011-12. The DE to AE marginally decreased by 1.68 *per cent* whereas, SSE to AE and CE to AE declined by 2.04 *per cent* and 2.40 *per cent* respectively as compared to 2008-09. Further, the expenditure on the education sector and health sector as proportion of Aggregate expenditure was 12.75 *per cent* and 4.55 *per cent* respectively in 2011-12 which is marginally higher as compared to 2008-09.

1.7.2 Efficiency of Expenditure Use

In view of the importance of public expenditure on developmental heads from the point of view of social and economic development, it is important for the State Governments to take appropriate expenditure rationalisation measures and lay emphasis on provision of core public and merit goods⁶. Apart from improving the allocation towards developmental expenditure⁷, particularly in view of the fiscal space being created on account of decline in debt servicing in recent years, the efficiency of expenditure use is also reflected by the ratio of capital expenditure to total expenditure (and/or GSDP) and proportion of revenue expenditure being spent on operation and maintenance of the existing social and economic services. The higher the ratio of these components to total expenditure (and/or GSDP), the better would be the quality of expenditure. While **Table 1.18** presents the trends in developmental expenditure relative to the aggregate expenditure of the State during the current year vis-à-vis budgeted and the previous years, **Table 1.19** provides the details of capital expenditure and the components of revenue expenditure incurred on the maintenance of the selected social and economic services.

⁶ As detailed in Appendix 1.1 C

⁷ The analysis of expenditure data is disaggregated into developmental and non-developmental expenditure. All expenditure relating to Revenue Account, Capital Account and Loans and Advances are categorised into social services, economic services and general services. Broadly, the social and economic services constitute developmental expenditure, while expenditure on general services is treated as non-developmental expenditure.

Table-1.18: Developmental Expenditure

(Rupees in crore)

Components of Developmental Expenditure	2007-08	2008-09	2009-10	2010-11	2011-12	
					BE	Actual
Developmental Expenditure (a to c)	2065.21 (60.82)	2246.10 (60.01)	2467.96 (58.15)	3254.56 (61.25)	3441.95	3573.45 (58.33)
a. Developmental Revenue Expenditure	1378.83 (40.61)	1540.70 (41.16)	1668.46 (39.31)	2344.67 (44.13)	2488.84	2557.39 (41.74)
b. Developmental Capital Expenditure	683.77 (20.14)	703.94 (18.81)	795.95 (18.75)	905.77 (17.05)	949.20	1013.64 (16.55)
c. Developmental Loans and Advances	2.61 (0.08)	1.46 (0.04)	3.55 (0.09)	4.12 (0.08)	3.91	2.42 (0.04)

Figures in parentheses indicate percentage to aggregate expenditure

The developmental expenditure (₹ 3573.45 crore) exceeded the assessment made by the State Government in the budget by ₹ 131.50 crore. The developmental revenue and capital expenditure increased by ₹ 212.72 crore (9.07 per cent) and ₹ 107.87 crore (11.91 per cent) respectively over the previous year. The increase in developmental revenue expenditure was mainly under Education, Sports, Art & Culture (₹ 16.95 crore), Health & Family Welfare (₹ 35.32 crore), Agriculture & Allied Activities (₹ 37.30 crore), Energy (₹ 71.94 crore), Irrigation & Flood Control (₹ 19.42 crore) and Transport (₹ 70.29 crore) offset by decrease in Social Welfare & Nutrition (₹ 29.53 crore), Rural Development (₹ 36.36 crore).

Table 1.19 –Efficiency of Expenditure Use in Selected Social and Economic Services

(In per cent)

Social/Economic Infrastructure	2010-11		2011-12	
	Ratio of CE to TE	In RE, the share of S&W	Ratio of CE to TE	In RE, the share of S&W
Social Services (SS)				
General Education	6.51	78.84	6.25	88.63
Health and Family Welfare	16.36	92.24	14.86	85.79
WS, Sanitation, & HUD	69.10	67.19	76.85	91.78
Total (SS)	21.38	70.63	22.69	76.57
Economic Services (ES)				
Agri & Allied Activities	12.51	48.14	17.90	50.47
Irrigation and Flood Control	1.41	13.70	0.35	12.43
Power & Energy	21.88	24.67	22.57	19.51
Transport	71.69	94.68	63.90	70.72
Total (ES)	32.97	37.10	32.47	40.77
Total (SS+ES)	27.87	53.20	28.38	56.93

TE: Total Expenditure of respective section; CE: Capital Expenditure; RE: Revenue Expenditure; S&W: Salaries and Wages

Table 1.19 shows that the ratio of CE to TE under Water Supply, Sanitation, Housing and Urban Development increased by 7.75 per cent whereas it decreased in General Education by 0.26 per cent and Health and Family Welfare by 1.50 per cent. The ratio of CE to TE under Social Services increased from 21.38 per cent in 2010-11 to 22.69 per

cent in 2011-12 whereas under Economic Services it decreased from 32.97 *per cent* in 2010-11 to 32.47 *per cent* in 2011-12.

The share of salary and wages on General Education under Social service was 88.63 *per cent* of its revenue expenditure and on Health & Family Welfare and Water Supply Sanitation, Housing & Urban Development the share was 85.79 *per cent* and 91.78 *per cent* respectively. The percentage of salary and wages relative to its revenue expenditure on Social services was 5.94 *per cent* higher than the previous year.

The salary and wage expenditure in terms of percentage of revenue expenditure under Economic services was higher by 3.67 *per cent* over the previous year.

The percentage of salary and wage expenditure relative to revenue expenditure under Social and Economic services taken together was higher by 3.73 *per cent* during 2011-12 over the previous year.

1.8 Effectiveness of Expenditure, i.e Outlay-Outcome Relationship

During 2009-11, five performance reviews on the effectiveness of expenditure and the outcomes thereof were attempted and featured in the Audit Reports. Of the five performance reviews discussed in the Public Accounts Committee (PAC) meetings, the Report of the PAC was finalised only in respect of one performance review (Performance Audit of Department of Underdeveloped Areas (DUDA), the major recommendations of which are summarised below:

Major PAC recommendations

- The DUDA being a Government Department should not act as a Nodal agency. It does not require DLSC or SLSC but should act as a Government established Department at par with other Government departments by formulating concrete guidelines for UADP and strictly implement the guidelines of BADP of GOI. The Department should immediately move for such functions through official Notification to the effect with immediate effect.
- Since the Department lacks in administrative caliber, it should function under a Minister instead of an Advisor. The Directorate level Ministerial Staff should also be streamlined by recruiting regular staff by imparting accounting training henceforth.
- The Department should extend its wings to the Police Engineering Project under the establishment of Home Department. The Department should work out its modalities to achieve this in reality.
- The Department should intimate the fate of ₹ 4 crore released against Angphang Model Village and completion of all 11 components of work within the specific period.

- The Department should not maintain leniency to any pressure and abide by its guidelines and objectives framed under UDAP and BADP guidelines. Proper Monitoring System may also be formulated and all reports prepared based on ground reality.
- The SLSC meeting should be held timely to enable the State Government to submit the proposal and obtain sanction from GOI in time.
- Selection of projects should be done on need basis as envisaged in the perspective plan.
- The State Government should ensure timely release of funds and utilisation certificates should be based on actual utilisation of funds.
- Assets created should be promptly handed over to the end users and its proper utilisation ensured.
- Project monitoring should be streamlined and the impact of the scheme should be periodically assessed.

Action taken by the Government on the recommendations of the Public Accounts Committee, if any, was not communicated to Audit.

1.9 Financial Analysis of Government Expenditure and Investments

In the post-FRBM framework, the State is expected to keep its fiscal deficit (and borrowing) not only at low levels but also meet its capital expenditure/investment (including loans and advances) requirements. In addition, in a transition to complete dependence on market based resources, the State Government needs to initiate measures to earn adequate return on its investments and recover its cost of borrowed funds rather than bearing the same on its budget in the form of implicit subsidy and take requisite steps to infuse transparency in financial operations. This section presents the broad financial analysis of investments and other capital expenditure undertaken by the Government during the current year vis-à-vis previous years.

1.9.1 Financial result of Irrigation Projects

According to Para 7.46 of XIII Finance Commission Report, the cost recovery rate of the receipts from irrigation should be 35 *per cent* of Non-plan Revenue Expenditure for 2011-12 in order to ensure viability of Irrigation Projects.

There was no commercial irrigation project in Nagaland. However, 936 minor irrigation projects covering 38708 hectares involving a cost of ₹ 378.19 crore were taken up under AIBP during 2000-2012.

Further, according to para 7.138 of XIII-FC report the Controller General of Accounts (CGA) had issued instructions that the maintenance expenditure under the head Minor

Irrigation should be divided into two sub heads - Work Charged Expenditure and Other Maintenance Expenditure. These changes should be brought into the State and Union Budget and Finance Accounts immediately. The State Government of Nagaland had not operated such sub-head till 2011-12. Due to non-operation of these sub-heads, the State was not able to provide budget provision for maintenance expenditure under the head Minor Irrigation. Against the XIII-FC projection of ₹ 11.63 crore for 2011-12 under minor irrigation projects, the State Government did not incur any maintenance expenditure. Thus, the viability of minor irrigation projects in the State remained un-assessed.

1.9.2 Incomplete projects

The department-wise information pertaining to incomplete projects as on 31 March 2012 is given in **Table 1.20**.

Table 1.20: Department-wise Profile of Incomplete Projects

<i>(Rupees in Crore)</i>				
Department	No. of Incomplete Projects	Initial Budgeted Cost	Revised Cost	Cumulative expenditure as on 31.3.2012
PHED	57	70.66	70.66	51.11
PWD	12	261.10	261.10	158.21
Veterinary	11	2.70	2.70	0.66
CAWD	10	31.44	31.44	19.70
Youth Resources	4	174.60	150.51	79.78
Technical Education	3	3.00	3.00	1.20
Geology & Mining	1	26.54	53.95	26.02
DUDA	7	21.00	21.00	13.37
SCERT	1	4.28	4.97	4.63
Transport Commissioner	2	17.35	17.35	12.05
Medical Engineering	2	26.82	26.82	4.00
Urban Development	16	382.75	382.75	150.04
Power	1	19.67	19.67	13.42
Police Engineering	6	443.99	443.99	145.19
Industry & Commerce	2	9.67	9.67	4.67
Evolution	2	1.39	1.39	1.39
School Education	1	2.51	2.51	0.85
Total	138	1499.47	1503.48	686.29

Source: Finance Accounts and Departmental records

There were 138 incomplete projects (estimated cost ₹ 1499.47 crore and actual expenditure incurred ₹ 686.29 crore as of March 2012) pertaining to 18 departments. Out of the 138 incomplete projects 57 projects (estimate cost ₹ 654.02 crore and actual expenditure ₹ 326.31 crore) were due to be completed by March 2012 but remained incomplete as of October 2012. The date of completion in respect of the remaining 81 projects could not be furnished by the departments. Hence, it could not be ascertained in audit as to whether the projects were incomplete or were in progress.

Delay in completion of works invites the risk of escalation in the cost of the works. The actual cost overrun would be available on closure of the claims of the construction agencies after completion. Besides, due to delay in completion of the projects, the intended benefits from those projects did not reach the beneficiaries in the State. Thus, works need to be completed in time to contain time and cost overruns.

1.9.3 Investment and returns

As on 31 March 2012, Government had invested ₹ 228.01 crore in Statutory Corporations, Rural Banks, Joint Stock Companies and Co-operatives (**Table 1.21**). The average return on this investment was 'Nil' during the last five years while the Government paid an average interest rate of 6.73 *per cent* on its borrowings during 2011-12.

Table-1.21: Return on Investment

Investment/Return/Cost of Borrowings	(Rupees in crore)				
	2007-08	2008-09	2009-10	2010-11	2011-12
Investment at the end of the year (a-e) (₹ in crore)	141.90	164.94	192.09	213.41	228.01
(a) Joint Stock Companies	28.66	32.10	32.10	32.10	32.11
(b) Government Companies	81.16	100.76	127.91	145.60	160.19
(c) Statutory Corporations	0.04	0.04	0.04	0.04	0.04
(d) Rural Banks	0.00	0.00	0.00	0.00	0.00
(e) Co-operatives	32.04	32.04	32.04	35.67	35.67
Return (₹ in crore)	...	...	...	...	...
Return (<i>per cent</i> )	...	...	...	...	...
Average rate of interest on Govt borrowing (<i>per cent</i>)	7.28	7.43	7.27	7.68	6.73
Difference between interest rate and return (<i>per cent</i>)	7.28	7.43	7.27	7.68	6.73

Out of the total Government investment of ₹ 228.01 crore at the close of the current year, ₹ 160.19 crore was invested in seven Government companies, ₹ 32.11 crore in two Joint Stock Companies and the remaining amount of ₹ 35.71 crore was invested in Statutory Corporations, Co-operative Bank and Co-operative Societies etc. During the current year, the Government made additional investment of ₹ 14.60 crore in these State public sector Undertakings.

Out of six Government companies in the State, one company viz., Nagaland Sugar Mills Ltd. (₹ 7.29 crore-investment upto 2001-02) was non-working whose accounts were in arrears for 34 years. The five working companies - Nagaland Industrial Development Corporation Ltd. (₹ 8.39 crore), Nagaland Industrial Raw Materials & Supply Corporation Ltd., (₹ 4.05 crore) and Nagaland Handloom & Handicrafts Development Corporation Ltd., (₹ 2.82 crore), Nagaland Hotels Limited (₹ 78.36 crore) and Nagaland State Mineral Development Corporation Limited (₹ 59.28 crore) were incurring losses. Except Nagaland Industrial Development Corporation Ltd. whose accounts are in arrears for one year, the accounts of the remaining four working Government Companies was in arrears for periods ranging between 9 and 13 years. Hence, the actual financial status of the companies as of March 2012 could not be assessed.

Effective steps should be taken by the Government to increase profitability in the Government Companies/Statutory Corporations. The Government should ensure better value for money in investments by identifying the Companies/Corporations which are endowed with low financial but high socio-economic returns and see if high cost borrowings need to be invested in those Companies/Corporations. Besides, as no purpose is served by keeping the non-working company in existence, the Government may expedite closing down of the non-working company.

1.9.4 Loans and advances by State Government

In addition to investments in Co-Operative Societies, Corporations and Companies, Government has also been providing loans and advances to many institutions/organisations. **Table 1.22** presents the outstanding loans and advances as on 31 March 2012 and interest receipts vis-à-vis interest payments during the last three years.

Table-1.22: Average Interest Received on Loans Advanced by the State Government

Quantum of loans/interest receipts/ cost of borrowings	2008-09	2009-10	2010-11	2011-12	
				BE	Actual
Opening Balance	25.74	24.64	23.99	25.80	25.80
Amount advanced during the year	1.46	3.55	4.12	3.91	2.75
Amount repaid during the year	2.56	4.20	2.31	3.50	2.44
Closing Balance	24.64	23.99	25.80	26.21	26.11
Net addition	(-1.11)	-0.65	1.81	-	0.31
Interest Receipts	1.04	0.39	0.46	-	1.10
Interest receipts as <i>per cent</i> to outstanding loans and advances	4.13	1.60	1.85	-	4.24
Interest payments as <i>per cent</i> to outstanding fiscal liabilities of the State Government.	7.43	7.27	7.68	-	6.73
Difference between interest payments and interest receipts (<i>per cent</i>)	(-3.21)	(-5.67)	(-5.83)	-	(-2.49)

At the end of March 2012, the Government had outstanding loans and advances of ₹ 26.11 crore. The amount of loans disbursed during the year decreased by ₹ 1.37 crore from ₹ 4.12 crore in 2010-11 to ₹ 2.75 crore in 2011-12. Out of the total amount of loans

and advances of ₹ 26.11 crore as on 31 March 2012, ₹ 21.24 crore (81.35 per cent) were for Agriculture and Allied Activities, ₹ 2.17 crore (8.31 per cent) for Industry and Mineral, ₹ 2.67 crore (10.23 per cent) to Government Servants and ₹ 0.03 crore (0.11 per cent) for Water Supply, Sanitation, Housing and Urban Development.

The recovery of loans and advances increased by ₹ 0.13 crore (5.63 per cent) from ₹ 2.31 crore in 2010-11 to ₹ 2.44 crore in 2011-12. During 2011-12, 93.44 per cent (₹ 2.28 crore) loans were repaid by Government Servants, 5.74 per cent (₹ 0.14 crore) by Co-operatives and remaining 0.82 per cent (₹ 0.02 crore) by Water Supply, Sanitation, Housing and Urban Development.

The interest receipts as a percentage of outstanding loans increased from 1.85 per cent in 2010-11 to 4.24 per cent in 2011-12.

1.9.5 Cash Balances and Investment of Cash balances

Table 1.23 depicts the cash balances and investments made by the State Government out of cash balances during the year.

Table-1.23: Cash Balances and Investment of Cash balances

Particulars	(Rupees in crore)		
	As on 31 March 2011	As on 31 March 2012	Increase/ Decrease
Cash Balances	(-)296.14	176.79 ⁸	472.93
Investments from Cash Balances (a to d)	273.82	0.00	(-)273.82
a. GOI Treasury Bills	0.00	0.00	0.00
b. GOI Securities	0.00	0.00	0.00
c. Other Securities, if any specify	0.00	0.00	0.00
d. Other Investments	273.82	0.00	(-)273.82
Funds-wise Break-up of Investment from Earmarked balances (a to c)	122.40	151.40	29.00
a. Guarantee redemption fund Investment Account	4.00	5.00	1.00
b. CRF Investment Account	22.31	22.31	0.00
c. Sinking Fund Investment Account	96.09	124.09	28.00
Interest Realised	12.90	5.74	(-)7.16

The State Government's net cash balance at the end of the current year amounted to ₹ 176.79 crore as against a negative balance of ₹ 296.14 crore in 2010-11. Investments from Cash Balances was nil during 2011-12 as compared to ₹ 273.82 crore in 2010-11. An amount of ₹ 5.74 crore was realised during the year as interest on the amount invested, a decrease of ₹ 7.16 crore from the previous year.

⁸ Includes cash in treasuries ₹ 0.18 crore, lying with Departmental officers viz officers of Forest and PWD ₹ 375.65 crore and (-)₹ 199.04 crore deposited with RBI.

1.10 Assets and Liabilities

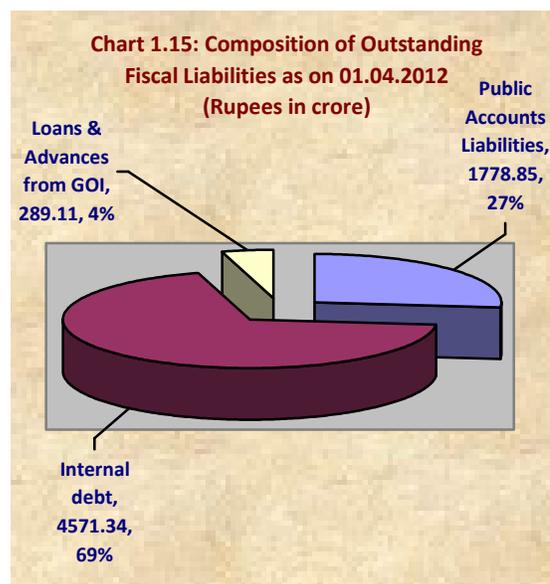
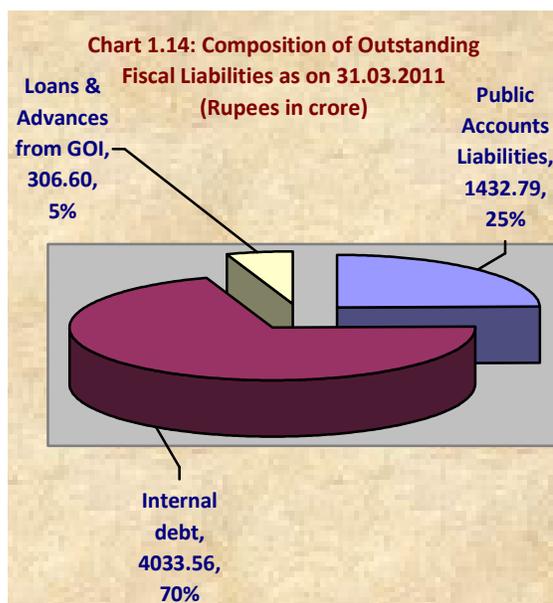
1.10.1 Growth and composition of Assets and Liabilities

In the existing Government accounting system, comprehensive accounting of fixed assets like land and buildings owned by the Government is not done. However, the Government accounts do capture the financial liabilities of the Government and the assets created out of the expenditure incurred. **Appendix 1.4 B** gives an abstract of such liabilities and the assets as on 31 March 2012, compared with the corresponding position on 31 March 2011. While the liabilities in this Appendix consist mainly of internal borrowings, loans and advances from the GOI, receipts from the Public Account and Reserve Funds, the assets comprise mainly the capital expenditure, loans and advances given by the State Government and cash balances.

‘Total liabilities’ as defined in Nagaland Fiscal Responsibility and Budget Management Act, 2005 means the liabilities under the Consolidated Fund of the State and the Public Accounts of the State. Other liabilities, which are a part of the Public Accounts, include deposits under Small Savings scheme, Provident Fund and Other deposits.

1.10.2 Fiscal Liabilities

The trends in outstanding fiscal liabilities of the State are presented in **Appendix 1.3**. However, the composition of fiscal liabilities during the current year vis-à-vis the previous year is presented in **Charts 1.14** and **1.15**.



The growth rate of fiscal liability was 15.01 *per cent* during 2011-12 over the previous year. Fiscal Liabilities of the State comprise Consolidated Fund Liabilities and Public Account Liabilities. The Consolidated Fund Liability (₹ 4860.45 crore) comprised

market loan (₹ 3432.40 crore), loans from Government of India (₹ 289.11 crore) and other loans (₹ 1138.94 crore). The Public Account Liabilities (₹ 1778.85 crore) comprise Small Saving, Provident Fund (₹ 610.43 crore), interest bearing obligations (₹ 3.65 crore) and non-interest bearing obligations like deposits and other earmarked funds (₹ 1164.77 crore). The ratio of fiscal liabilities to GSDP had increased from 51.91 *per cent* in 2010-11 to 55.03 *per cent* in 2011-12. These fiscal liabilities stood at nearly 1.19 times the revenue receipts and 12.41 times of the State's own resources at the end of 2011-12. The fiscal liabilities to GSDP (55.03 *per cent*) was 11.44 *per cent* more than the assessment made by the State Government in its Medium Term Fiscal Policy Statement (MTFPS) (43.59 *per cent*) and 0.77 *per cent* lower than the norm of 55.80 *per cent* recommended by the XIII-FC for the year 2011-12.

1.10.3 Status of Guarantees – Contingent liabilities

Guarantees are liabilities contingent on the Consolidated Fund of the State in case of default by the borrower for whom the guarantees had been extended. As per NFRBM Act 2005, the State Government set up a guarantee redemption fund in 2006-07 and decided to charge guarantee fee at the rate of 1 *per cent* of GSDP to cover the risk in the guarantees. During the year 2011-12, the State had given guarantee of ₹ 10 crore but no guarantee fee was received.

As per **Statement 9** of the Finance Accounts, the maximum amount for which guarantees were given by the State and outstanding guarantees for the last three years is given in **Table 1.24**.

Table-1.24: Guarantees given by the Government of Nagaland

Guarantees	(Rupees in crore)		
	2009-10	2010-11	2011-12
Total amount of guarantees given up to	53.72	55.22	65.22
Outstanding amount of guarantees at the end of the year	53.72	55.22	65.22
Percentage of maximum amount guaranteed to total revenue receipts	1.44	1.10	1.17
Outstanding amount of guarantee as percentage of GSDP	0.50	0.50	0.54

The outstanding guarantees increased by ₹ 10.00 crore (18.11 *per cent*) from ₹ 55.22 crore in 2010-11 to ₹ 65.22 crore in 2011-12. The outstanding guarantees of ₹ 65.22 crore mainly pertained to Nagaland Industrial Development Corporation 51.99 *per cent* (₹ 33.91 crore) for repayment of principal and payment of interest on loan obtained. The outstanding guarantees were 1.17 *per cent* of the revenue receipts of the Government.

1.10.4 Off - Budget Borrowings

The State Government had no off-budget borrowings during the year. As per the recommendations of the XIII-FC, the State Government had set up a Sinking Fund for amortisation of market borrowings as well as other loans and debt obligations during 2011-12. Contribution to the Sinking Fund was ₹16.17 crore as of March 2012 and the entire amount of the fund was invested.

1.11 Debt Sustainability

Apart from the magnitude of debt of State Government, it is important to analyse various indicators that determine the debt sustainability of the State. This section assesses the sustainability of debt of the State Government in terms of debt stabilisation; sufficiency of non-debt receipts⁹; net availability of borrowed funds; burden of interest payments (measured by interest payments to revenue receipts ratio) and maturity profile of State Government securities. **Table 1.25** analyses the debt sustainability of the State according to these indicators for a period of five years beginning from 2007-08.

During 2011-12, Government raised internal debt of ₹ 1297.88 crore and GOI loans of ₹ 20.97 crore. Government repaid internal debt of ₹ 760.10 crore and GOI loans of ₹ 38.47 crore along with interest of ₹ 417.39 crore resulting in net increase in debt receipts by ₹ 102.89 crore during the year.

Table 1.25: Debt Sustainability: Indicators and Trends

(Rupees in crore)

Indicators of Debt Sustainability	2007-08	2008-09	2009-10	2010-11	2011-12
Debt Stabilization (Quantum Spread + Primary Deficit)	28.03	403.95	-72.62	115.21	(-)5.40
Sufficiency of Non-debt Receipts (Resource Gap)	(-)241	57	(-)182	209	(-)226
Net Availability of Borrowed Funds	152.59	374.71	469.44	(-)18.58	258.96
Burden of Interest Payments (IP/RR Ratio) (in per cent)	9.03	9.23	9.75	7.89	7.47
Maturity Profile of State Debt (In Years)					
0 – 1	-	293.90(09)	274.60(6)	20.56(1)	193.31(4)
1 – 3	-	317.86(10)	551.94(13)	392.43(9)	303.93(6)
3 – 5	-	476.51(15)	303.74(7)	302.41(7)	617.90(13)
5 – 7	-	296.00(09)	596.65(13)	617.36(14)	702.57(14)
7 and above	-	1870.95(57)	2685.62(61)	3007.40(69)	3042.73(63)
Total	-	3255.22	4412.55	4340.16	4860.44

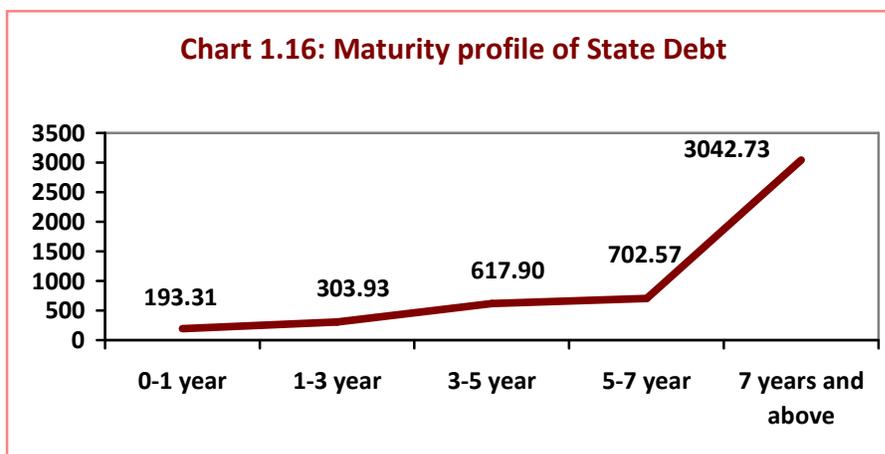
Figures in the parenthesis indicate percentage to total debt.

Debt will stabilize if the quantum spread plus primary deficit is positive. However, it would be seen from the above table that the sum of quantum spread together with primary deficit remained negative during the year 2011-12. The sum of quantum spread and primary deficit was ₹ 115.21 crore in 2010-11 against (-) ₹ 5.40 crore in 2011-12

⁹ As detailed in Appendix-1.1 C

which indicates that additional efforts are required by the State to stabilise the debt and then attain sustainability in the ensuing years.

The persistent negative non-debt receipts (Resource Gap) indicate the non-sustainability of debt while the positive resource gap strengthens the capacity of the State to sustain the debt. The resource gap which was positive during 2010-11 (₹ 209 crore), turned into negative in 2011-12 (₹ 226 crore). This meant that the State depends on borrowed funds for meeting current revenue and capital expenditure.



As per data shown in **Table 1.25**, out of the total debt burden of ₹ 4860.44 crore, there will be a bunching of repayments in around 1-3 years time (₹ 303.93 crore) and 3-5 years time (₹ 617.90 crore) as well as 5-7 years time (₹ 702.57 crore). A well thought out debt repayment strategy will ensure that no additional borrowings which mature in these critical years are undertaken.

1.12 Fiscal Imbalances

Three key fiscal parameters - revenue, fiscal and primary deficits - indicate the extent of overall fiscal imbalances in the finances of the State Government during a specified period. The deficit in the Government accounts represents the gap between its receipts and expenditure. The nature of deficit is an indicator of the prudence of fiscal management of the Government. Further, the ways in which the deficit is financed and the resources raised applied are important pointers to its fiscal health. This section presents trends, nature, magnitude and the manner of financing these deficits and also the assessment of actual levels of revenue and fiscal deficits vis-à-vis targets set under FRBM Act/Rules for the financial year 2011-12.

1.12.1 Trends in Deficits

Charts 1.17 and 1.18 present the trends in deficit indicators over the period 2007-12.

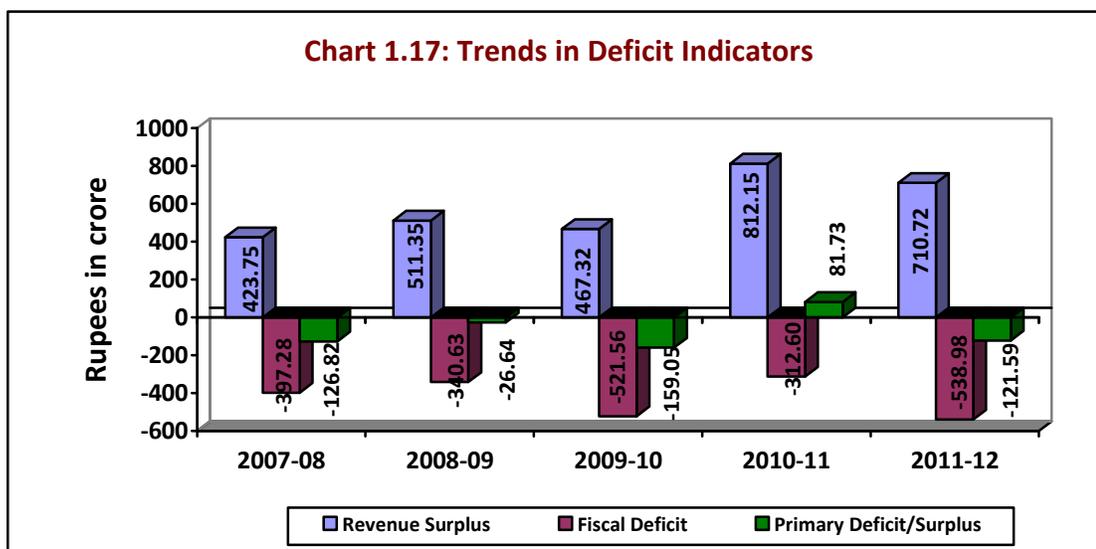


Chart 1.18: Trends in Deficit Indicators Relative to GDP

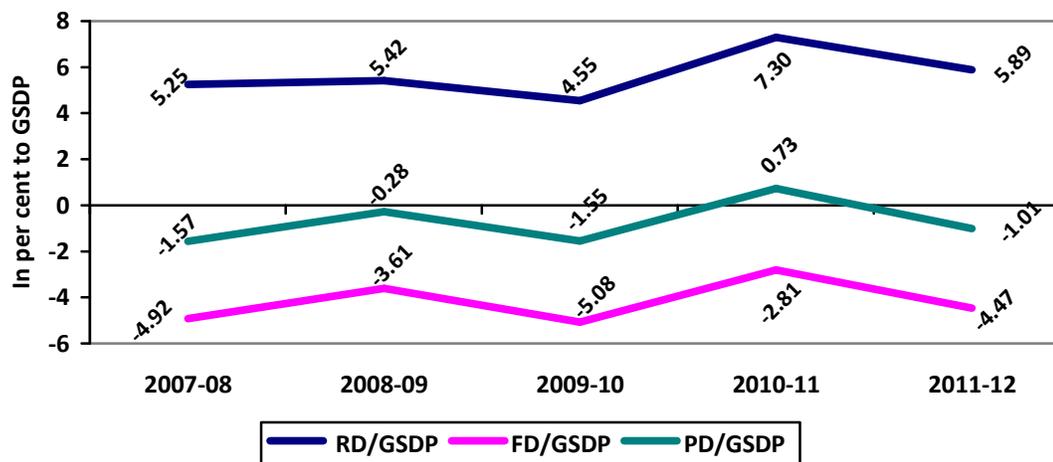


Chart 1.17 reveals that the revenue account experienced a surplus of ₹ 710.72 crore during 2011-12, an increase from ₹ 423.75 crore in 2007-08. However, the Revenue surplus decreased during the current year by ₹ 101.43 crore as compared to the previous year mainly on account of increase in revenue expenditure by ₹ 687.59 crore (16.42 per cent) against an increase of revenue receipts by ₹ 586.16 crore (11.73 per cent) over the previous year.

Due to the decrease in revenue surplus along with a marginal increase of ₹ 0.13 crore in non-debt capital receipts accompanied by an increase of ₹ 126.45 crore in capital expenditure and decrease in loans & advances disbursement ₹ 1.37 crore during 2011-12 over the previous year, the fiscal deficit increased by ₹ 226.38 crore during the current year from the level of ₹ 312.60 crore in 2010-11.

The primary surplus also turned into primary deficit from surplus of ₹ 81.73 crore in 2010-11 to deficit of ₹ 121.59 crore in 2011-12. The increase in primary deficit was due to increase of fiscal deficit (₹ 226.38 crore) which was offset by increase in interest payment (₹ 23.06 crore) during the current year.

1.12.2 Composition of Fiscal deficit and its financing Patterns

The financing pattern of the fiscal deficit has undergone a compositional shift as reflected in **Table 1.26**.

Table 1.26: Components of Fiscal Deficit and its Financing Pattern

		(Rupees in crore)				
	Particulars	2007-08	2008-09	2009-10	2010-11	2011-12
Components of Fiscal Deficit		397	341	522	313	539
		(4.92)	(3.61)	(5.08)	(2.81)	(4.47)
1	Revenue Surplus	424	511	467	812	711
2	Net Capital Expenditure	821	853	990	1123	1249
3	Net Loans and Advances	...	-1	-1	2	1
Financing Pattern of Fiscal Deficit						
1	Market Borrowings			568	236	325
2	Loans from GOI			-38	-23	-18
3	Special Securities Issued to National Small Savings Fund			3	17	3
4	Loans from Financial Institutions			178	-28	210
5	Small Savings, PF etc			23	89	36
6	Deposits and Advances			277	80	310
7	Suspense and Misc			-147	41	35
8	Remittances			-350	-102	-134
9	Increase (-) Decrease (+) in Cash Balances			8	3	-228
10	Others			...	...	...

Figures in brackets indicate the *per cent* to GSDP.

Fiscal deficit is the total borrowing of the State and is the excess of revenue expenditure and capital expenditure including loans and advances over revenue and non-debt receipts. Decomposition of fiscal deficit reveals the extent of various borrowings resorted to by the State to meet its requirement of funds over and above revenue and non-debt receipts.

It can be seen from **Table 1.26** that during 2011-12, the revenue surplus decreased by ₹ 101 crore from ₹ 812 crore in 2010-11 to ₹ 711 crore in 2011-12. The increase in fiscal deficit was the combined effect of increase in capital expenditure and decrease in revenue surplus.

The fiscal deficit increased by ₹ 226 crore from ₹ 313 crore in 2010-11 to ₹ 539 crore in 2011-12 mainly due to reduction in Revenue Surplus (₹ 101 crore) and increase in capital expenditure (₹ 126 crore). The increased fiscal deficit (₹ 226 crore) was financed through increase in Market Borrowings (₹ 89 crore), Deposits and Advances (₹ 230 crore) and Loans and Advances from Financial Institutions (₹ 238 crore) offset by decrease in Small Savings & Provident Fund (₹ 53 crore), Special Securities Issued to National Small Savings Fund (₹ 14 crore) and Remittances (₹ 32 crore) and increases in cash balances (₹ 231 crore).

The increase in capital expenditure indicated that borrowed funds were being allocated for productive use. The solution to the Government debt problem lies on the actual outcome of borrowed funds i.e., whether they are being used efficiently and productively for capital expenditure which either provides returns directly or results in increased productivity to the economy which may result in increase in Government revenue in future, making debt payments manageable.

1.12.3 Quality of Deficit/Surplus

The ratio of revenue deficit to fiscal deficit and the decomposition of primary deficit into primary revenue deficit and capital expenditure (including loans and advances) would indicate the quality of deficit in the State's finances. The ratio of revenue deficit to fiscal deficit indicates the extent to which borrowed funds were used for current consumption. Further, persistently high ratio of revenue deficit to fiscal deficit also indicates that the asset base of the State was continuously shrinking and borrowings (fiscal liabilities) were not having any asset backup. The bifurcation of the primary deficit (**Table 1.27**) would indicate the extent to which the deficit/surplus had been on account of enhancement in capital expenditure which may be desirable to improve the productive capacity of the State's economy.

Table 1.27: Primary deficit/surplus – Bifurcation of factors

(Rupees in crore)

Year	Non-debt receipts	Primary revenue ¹⁰ expenditure	Capital expenditure	Loans and Advances	Primary expenditure ¹¹	Primary revenue surplus	Primary deficit (-) /surplus (+)
1	2	3	4	5	6 (3+4+5)	7 (2-3)	8 (2-6)
2007-08	2998	2301	821	3	3125	697	(-)127
2008-09	3402	2574	853	1	3428	828	(-)26
2009-10	3723	2889	990	4	3883	834	(-)160
2010-11	5001	3792	1123	4	4919	1209	82
2011-12	5587	4457	1249	3	5709	1130	(-)122

¹⁰ Primary revenue expenditure is revenue expenditure net of the interest payments.

¹¹ Primary expenditure of the State, defined as the total expenditure net of the interest payments indicates the expenditure incurred on the transactions undertaken during the year.

The non-debt receipts of the State during 2007-12 were sufficient to meet the primary revenue expenditure. The non-debt receipts increased by 86 *per cent* from ₹ 2998 crore in 2007-08 to ₹ 5587 crore in 2011-12 while the primary revenue expenditure increased by 94 *per cent* from ₹ 2301 crore in 2007-08 to ₹ 4457 crore in 2011-12. During this period (2007-12) capital expenditure grew by 52 *per cent*. The State had a primary deficit during 2007-08 to 2011-12 except 2010-11.

1.13 Conclusion

The fiscal position of the State viewed in terms of the key fiscal parameters during 2011-12 revealed that the State's revenue surplus had declined by ₹ 101.43 crore while the fiscal deficit had increased by ₹ 226.38 crore and the primary surplus had turned into primary deficit by a margin of ₹ 203.32 crore in 2011-12 relative to the previous year.

During 2011-12, 90 *per cent* of the total revenue came from the Government of India as Central transfers (14 *per cent*) and grants-in-aid (76 *per cent*). The State achieved the total revenue collection targets fixed by the XIII-FC during 2011-12.

During 2011-12, non-plan revenue expenditure was ₹ 1458.47 crore (56.23 *per cent*) more than the XIII-FC normative assessment. The expenditure on salary was 59.01 *per cent* of revenue expenditure, net of interest payment and pension and 40.89 *per cent* of revenue receipts during the year.

The State should have adequate incremental non-debt receipts to cover the incremental interest liabilities and incremental primary expenditure. The debt sustainability could also be significantly facilitated if the incremental non-debt receipts could meet the incremental interest burden and the incremental primary expenditure. During 2011-12, the non-debt receipts were not sufficient and therefore, the State recorded a negative resource gap of ₹ 226 crore.

The overall fiscal liabilities of the State increased at a compound annual growth rate of 11.34 *per cent* during 2007-12. The fiscal liabilities increased by ₹ 866 crore (15 *per cent*) from ₹ 5773 crore in 2010-11 to ₹ 6639 crore in 2011-12. The committed liabilities for the State projected by the XIII-FC was 55.80 *per cent* of GSDP for the year 2011-12. Against this, the committed liabilities of the State was 55.03 *per cent* which was within the projections.

The Government had invested ₹ 228.01 crore in Statutory Corporations, Rural Banks, Joint Stock Companies and Co-operatives at the end of March 2012. The average return on this investment was NIL during the last five years.

The State Government's net cash balance at the end of 2011-12 was ₹ 328.19 crore which had increased by ₹ 228.11 crore over the previous year. The interest received on investment of cash balance during 2011-12 was 1.53 *per cent*.

There were 138 incomplete projects (estimated cost ₹ 1499.47 crore and actual expenditure incurred ₹ 686.29 crore as of March 2012) pertaining to 18 departments. Out of the 138 incomplete projects 57 projects (estimate cost ₹ 654.02 crore and actual expenditure ₹ 326.31 crore) were due to be completed by March 2012 but remained incomplete as of October 2012. The date of completion in respect of the remaining 81 projects could not be furnished by the departments. Hence, it could not be ascertained in audit as to whether the projects were incomplete or were in progress. Delay in completion of works invites the risk of escalation in the cost of the works. The actual cost overrun would be available on closure of the claims of the construction agencies after completion. Besides, due to delay in completion of the projects, the intended benefits from those projects did not reach the beneficiaries in the State.

Chapter II

Financial Management and Budgetary Control

2.1 Introduction

2.1.1 Appropriation Accounts are accounts of the expenditure, voted and charged, of the Government for each financial year compared with the amounts of the voted grants and appropriations charged for different purposes as specified in the schedules appended to the Appropriation Acts. These Accounts list the original budget estimates, supplementary grants, surrenders and re-appropriations distinctly and indicate actual capital and revenue expenditure on various specified services *vis-à-vis* those authorised by the Appropriation Act in respect of both charged and voted items of budget. Appropriation Accounts, thus, facilitate management of finances and monitoring of budgetary provision and are therefore complementary to Finance Accounts.

2.1.2 Audit of appropriations by the Comptroller and Auditor General of India seeks to ascertain whether the expenditure actually incurred under various grants is within the authorisation given under the Appropriation Act and that the expenditure required to be charged under the provision of the Constitution is so charged. It also ascertains whether the expenditure so incurred is in conformity with the law, relevant rules, regulations and instructions.

2.2 Summary of Appropriation Accounts

The summarised position of actual expenditure during 2011-2012 against 82 grants/appropriations is given in **Table 2.1**:

Table 2.1: Summarised Position of Actual Expenditure vis-à-vis Original/Supplementary provision

(Rupees in crore)

	Nature of expenditure	Original grant/ appropriation	Supplementary grant/ appropriation	Total	Actual expenditure	Saving (-)/ Excess (+)
Voted	I Revenue	4172.15	588.06	4760.21	4464.17	(-) 296.04
	II Capital	1435.44	338.82	1774.26	1249.39	(-) 524.87
	III Loans and Advances	3.91	2.37	6.28	2.75	(-)3.53
	Total Voted	5611.50	929.25	6540.75	5716.31	(-)824.44
Charged	IV Revenue	480.07	2.70	482.77	460.32	(-)22.45
	V Capital	0.00	0.00	0.00	0.00	0.00
	VI Public Debt- Repayment	816.42	0.00	816.42	798.57	(-)17.85
	Total Charged	1296.49	2.70	1299.19	1258.89	(-) 40.30
	Appropriation to Contingency Fund (if any)	0.00	0.00	0.00	0.00	0.00
	Grand Total	6907.99	931.95	7839.94	6975.20	(-)864.74

The overall saving of ₹ 864.74 crore was the result of saving of ₹ 919.69 crore in 63 grants and 4 appropriations under Revenue Section, 45 grants and 1 appropriation (Public

Debt-Repayments) under Capital Section, offset by excess of ₹ 54.95 crore in 10 grants under Revenue Section and 8 grants under Capital Section.

The savings/excess (Detailed Appropriation Accounts for the year 2011-12) were intimated to all concerned Controlling Officers during July 2012 requesting them to explain the significant variations. Besides, regular reminders at the level of Deputy Accountant General (Accounts and Entitlement) were also issued to concerned Controlling Officers extending the last date of submission of their replies. Around 50 per cent of the replies were not obtained from various Controlling Officers of the State excepting replies from 40 (forty) Controlling Officers before finalization of the Appropriation Accounts 2011-12.

2.3 Financial Accountability and Budget Management

2.3.1 Appropriation vis-à-vis Allocative Priorities

The outcome of the appropriation audit revealed that in 57 cases, savings exceeded rupees one crore in each case or by more than 20 per cent of total provision (**Appendix 2.1**). Against the total savings of ₹ 864.74 crore, savings of ₹ 378.33 crore (43.75 per cent) occurred in three grants¹² as indicated in **Table 2.2**.

Table 2.2: List of Grants with savings of ₹ 50 crore and above

(Rupees in crore)

Sl. No	No. and Name of the Grant	Original	Supplementary	Total	Actual Expenditure	Savings
Revenue-Voted						
1	11- District Administration & Special Welfare Schemes	124.61	39.53	164.14	98.93	65.21
Capital-Voted						
2	27-Planning Machinery	327.88	0.00	327.88	67.33	260.55
3	36-Urban Development	121.29	0.00	121.29	68.72	52.57
Total		573.78	39.53	613.31	234.98	378.33

The reason for savings had not been intimated by any department.

2.3.2 Persistent Savings

There were persistent savings of more than ₹ 50 lakh in each case and also by 10 per cent or more of the total grant in seven cases during the last five years (**Table 2.3**)

¹² Exceeding ₹ 50 crore in each case.

Table 2.3: List of Grants indicating Persistent Savings during 2007-2012*(Rupees in crore)*

Sl. No.	No. and Name of the grant	Amount of savings				
		2007-08	2008-09	2009-10	2010-11	2011-12
Capital-Voted						
1	27-Planning Machinery	121.36	118.85	256.99	65.27	260.55
2	35- Medical, Public Health and Family Welfare	7.93	37.61	14.23	5.49	7.68
3	36- Urban Development	17.07	60.37	116.83	104.62	52.57
4	43-Social Security and Welfare	9.01	19.28	102.12	7.95	45.20
5	45- Co-operation	11.94	14.71	28.34	1.26	4.16
6	55- Power Projects	66.63	18.28	30.61	27.73	20.65
7	65- State Council of Education Research and Training	4.06	1.20	1.46	0.85	2.33

The reasons for persistent savings had not been intimated by any department.

2.3.3 Expenditure without Provision

As per the Budget Manual, expenditure should not be incurred on a scheme/service without provision of funds. It was however, noticed that expenditure of ₹ 51.88 crore was incurred in 18 cases as detailed in **Table 2.4** without any provision in the original estimates/supplementary demand and without any re-appropriation orders to this effect.

Table 2.4: Expenditure incurred without provision during 2011-12*(Rupees in crore)*

Number and Name of		Amount of Expenditure without provision	Reasons/Remarks
Grants	Head of Account		
5 – Election	2015 – 00 -103 – 02 Printing	0.35	Not indicated
43 – Social Security & Welfare	2235 – 02 – 107 – 03 Grants-in-aid to Nagaland SSW Advisory Board	1.15	Not indicated
48- Agriculture	2401-00-800-12 Farm Water Management Scheme (CSS)	0.89	Not indicated
48 – Agriculture	2415-01-004-09 State Agriculture Research Station Substation, Tuli	1.20	Not indicated
51 – Fisheries	2552 – 05 – 101 – 02 Integrated Fisheries Programme Development	1.45	Not indicated
52 – Forest, Ecology, Environment and Wildlife	2406-01-101-05 Non-Timber Forest Produce, Medicinal Plant and Plantation	0.16	Not indicated
52 – Forest, Ecology, Environment and Wildlife	2406-01-101-06 Maintenance of Forest under TFC Award	2.52	Not indicated
52 – Forest, Ecology, Environment and Wildlife	2406-02-111-10 Zoological Park	0.02	Not indicated
52 – Forest, Ecology, Environment and Wildlife	2406-02-800-04 Rangapahar Zoological Park, Central Zoo Authority	0.88	Not indicated
52 – Forest, Ecology, Environment and Wildlife	2406-02-800-17 Development of National Park and Sanctuaries	0.05	Not indicated
52 – Forest, Ecology, Environment and Wildlife	2415-06-800-07 Eco-Tourism	0.10	Not indicated
53 – Industries	2851 – 00 -102 -01 Model Pilot Unit	0.34	Not indicated

Number and Name of		Amount of Expenditure without provision	Reasons/ Remarks
Grants	Head of Account		
55 – Power	4801-05-800-00 Other Expenditure (Null)	23.43	Not indicated
58 – Roads and Bridges	3054 – 01 -337- 01 Maintenance of NH – 61	9.16	Not indicated
58 – Roads and Bridges	3054 – 80 – 799 – 01 Stock (Dr.)	0.21	Not indicated
58 – Roads and Bridges	3054 – 80 – 799 – 03 Misc. Advance (Dr.)	0.01	Not indicated
60 – Water Supply	2215 – 01 – 799 – 02 Stock(Dr.)	9.80	Not indicated
78 – Technical Education	2203 – 00 – 105 -12 Women Polytechnic	0.16	Not indicated
Total		51.88	

2.3.4 Excess over provision relating to previous years requiring regularisation

As per Article 205 of the Constitution of India, it is mandatory for a State Government to get the excess over a grant/appropriation regularised by the State Legislature. Although no time limit for regularisation of expenditure has been prescribed under the Article, the regularisation of excess expenditure is done after the completion of discussion of the Appropriation Accounts by the Public Accounts Committee (PAC). However, the excess expenditure amounting to ₹ 447.10 crore for the years 2000-01 and 2005-06 to 2010-11 was not regularised till October 2012 (**Appendix 2.2**).

2.3.5 Excess over provision during 2011-2012 requiring regularisation

Appendix 2.3 contains the summary of total excess in 13 grants amounting to ₹ 54.94 crore over authorisation from the Consolidated Fund of the State during 2011-2012 requiring regularisation under Article 205 of the Constitution.

2.3.6 Excess expenditure over approved provision by more than ₹1 crore or 20 per cent of the total provision.

Expenditure aggregating ₹ 1205.03 crore in 8 cases exceeded the approved provision by ₹ 52.67 crore which was more than rupees one crore or 20 per cent of the total provision in each case. Details are given in **Table 2.5**.

Table 2.5: Statement of various grants/appropriations where Expenditure was more than ₹ 1 crore each or more than 20 per cent over the total provision

<i>(Rupees in crore)</i>					
Sl. No.	Grant No	Name of the Grant/Appropriation	Total Grant/Appropriation	Expenditure	Percentage of Excess Expenditure
(1)	(2)	(3)	(4)	(5)	(6)
Revenue (Voted)					
1.	18	Pensions & Other Retirement Benefits	581.59	586.68	1
2.	35	Medical, Public Health & Family Welfare	235.15	239.41	2
3.	42	Rural Development	120.81	122.20	1
Sl. No.	Grant No	Name of the Grant/Appropriation	Total Grant/Appropriation	Expenditure	Percentage of Excess Expenditure
(1)	(2)	(3)	(4)	(5)	(6)
Capital (Voted)					
4.	51	Fisheries	26.26	27.88	6
5.	58	Roads and Bridges	146.80	173.77	18
6.	31	School Education	22.56	26.04	15
7.	50	Animal Husbandry & Dairy Development	17.29	26.55	54
8.	67	Home Guards	1.90	2.50	32
Total			1152.36	1205.03	

Government did not furnish any reason/explanation for the excess expenditure (October 2012).

2.3.7 Unnecessary/Excessive/Inadequate supplementary provision

Supplementary provision aggregating ₹ 122.83 crore obtained in 17 cases, ₹ 10 lakh or more in each case, during the year proved unnecessary as the expenditure either did not come up to the level of original provision or the supplementary provision remained unspent as detailed in **Appendix 2.4**. In 7 cases, supplementary provision of ₹ 76.51 crore proved insufficient by ₹ one crore or above in each case leaving an aggregate uncovered excess expenditure of ₹ 48.59 crore (**Appendix 2.5**).

2.3.8 Excessive/unnecessary/Insufficient re-appropriation of funds

Re-appropriation is transfer of funds within a grant from one unit of appropriation, where savings are anticipated, to another unit where additional funds are needed. Injudicious re-appropriation proved excessive or insufficient resulting in savings of ₹ 662.14 crore in 131 sub-heads and excess of ₹ 611.43 crore in 91 sub-heads as detailed in **Appendix 2.6**.

2.3.9 Unexplained re-appropriations

According to Financial Rules, reasons for the additional expenditure and the savings should be explained in the re-appropriation statement and specific expressions should be used and expressions such as “based on actual requirements”, “based on trend of expenditure”, etc., should be avoided. However, scrutiny of re-appropriation orders issued by the Finance Department revealed that out of a total of 82 grants, re-appropriation was

done in 63 grants (77 per cent) without stating specific reasons for withdrawal of provision or additional provision.

2.3.10 Substantial surrenders

Substantial surrenders (the cases where more than 50 per cent of total provision was surrendered) were made in respect of 169 Sub Heads. Out of the total provision amounting to ₹ 1155.03 crore in these Sub Heads, ₹ 956.87 crore (82.84 per cent) were surrendered, which included cent per cent surrender under 100 Sub Heads (₹ 304.56 crore). The details of such cases are given in **Appendices 2.7**.

2.3.11 Surrender in excess of actual saving

In 8 cases, the amount surrendered (₹ 1 crore or more in each case) was in excess of actual savings indicating lack of or inadequate budgetary control in these departments. As against savings of ₹ 98.96 crore, the amount surrendered was ₹ 190.44 crore resulting in excess surrender of ₹ 91.48 crore. Details are given in **Appendix 2.8**. Departments did not furnish any reason/explanation regarding surrender in excess of actual savings.

2.3.12 Anticipated savings not surrendered

As per Budget Manual, the spending departments are required to surrender the grants/appropriations or portion thereof to the Finance Department as and when the savings are anticipated. At the close of the year 2011-2012, there were 9 grants in which savings occurred but no part of which had been surrendered by the concerned departments. The amount involved in these cases was ₹ 45.29 crore. (**Appendix 2.9**).

An amount of ₹ 163.36 crore being savings in 12 grants, ₹ 2 crore and above in each case, were not surrendered, details of which are given in **Appendix 2.10**. Besides, in 13 cases (surrender of funds for ₹ 10 crore and above), ₹ 666.98 crore (**Appendix 2.11**) were surrendered on the last two working days of March 2012 indicating inadequate financial control. Thus, these funds could not be utilised for other developmental purposes.

2.3.13 Rush of expenditure

According to Rule 56 of GFR, rush of expenditure in the closing month of the financial year should be avoided. Contrary to this, in respect of 50 grants listed in **Appendix 2.12**, the expenditure exceeded ₹ 10 crore or more than 50 per cent of the total expenditure for the year either during the last quarter or during the last month of the financial year.

The expenditure in the month of March/last quarter of the financial year was upto 100 per cent of the total expenditure in many cases which indicates lack of effective financial control and violation of financial rules.

2.4 Non-reconciliation of Departmental figures

2.4.1 Pendency in submission of Detailed Countersigned Contingent Bills against Abstract Contingent Bills

As per rule 309 of Central Treasury Rules, every drawing officer has to certify in each abstract contingent bill that detailed bills for all contingent charges drawn by him prior to

the first of the current month have been forwarded to the respective controlling officers for countersignature and transmission to the Accountant General (Accounts & Entitlement). The total amount of DCC bills received during the period 2009-12 was only ₹ 26.25 crore (24.42 per cent) against ₹ 107.49 crore drawn on AC bills leading to pendency of DCC bills of ₹ 81.24 crore as on 31 March 2012. Year wise details are given in **Table 2.6**.

Table 2.6: Pendency in submission of detailed countersigned contingent bills against abstract contingent bills

Year	Amount of AC bills	Amount of DCC bills	(Rupees in crore)	
			DCC bills as percentage of AC bills	Outstanding AC bills
Up to 2008-09	17.24	6.68	38.75	10.56
2009-10	10.13	6.57	64.86	3.56
2010-11	14.43	1.96	13.58	12.47
2011-12	65.69	11.04	16.81	54.65
Total	107.49	26.25	24.42	81.24

As on 31 March 2012, there were 118 numbers of unadjusted AC bills involving ₹ 81.24 crore drawn by various Departments. Details are given in **Appendix 2.13**.

Non submission of DCC bills for long periods after drawal of AC bills is fraught with the risk of misappropriation and therefore needs to be monitored closely.

2.4.2 Un-reconciled expenditure

As per General Financial Rules, all the Controlling Officers are required to reconcile the receipts and expenditure booked by them every month during the financial year with that recorded in the books of the Accountant General (Accounts & Entitlement). During the year 2011-12, two grants out of 82 Grants involving expenditure of ₹ 446.56 crore were not reconciled by the departments with the expenditure booked in the books of the Accountant General (Accounts & Entitlement). The details are shown in **Table 2.7**.

Table No 2.7: Grant-wise un-reconciled expenditure

Grant No.	Name of Department	(Rupees in crore)	
		Revenue	Capital
53	Industries & Commerce	45.81	24.06
55	Power	294.32	82.37
Total		340.13	106.43

2.5 Non-utilisation of funds

The details of funds drawn, its utilisation and funds kept in civil deposit/current bank accounts is presented in the **Table 2.8**.

Table 2.8: Non-utilisation of funds during the year 2011-12

(Rupees in crore)

Sl No	Name of Department	Amount drawn	Expenditure incurred	Amount kept in civil deposit	Amount kept in current bank account
1	Directorate of Economics and Statistics	0.48	-	0.48	-
2	Directorate of Prisons	3.45	-	-	3.45
3	Directorate of Sericulture	2.28	-	-	2.28
4	Directorate of Employment and Craftsmen Training	2.05	-	2.05	-
5	Directorate of New & Renewable Energy	0.80	-	0.80	-
6	Directorate of Land Resources	1.30	-	-	1.30
7	Directorate of Horticulture	58.71	39.58	-	19.13
8	Directorate of Higher Education	10.78	-	-	10.78
9	Chief Electoral Officer	4.05	-	-	4.05
10	Directorate of Technical Education	1.22	-	1.22	-
11	Directorate of Evaluation	1.17	-	0.63	0.54
12	Transport Commissioner	24.94	23.62	-	1.32
	Total	111.23	63.20	5.18	42.85

The table above shows that an amount of ₹ 111.23 crore was drawn by 12 departments during the year 2011-12 for implementation of different schemes, construction of office buildings, purchase of vehicle etc.. Out of the amount drawn the departments utilised an amount of ₹ 63.20 crore (56.82 per cent) only in the current financial year. The remaining amount was kept in Civil Deposit ₹ 5.18 crore (4.66 per cent) and Current Bank Account ₹ 42.85 crore (38.52 per cent).

2.6 Outcome of the Review of Selected Grant

A review of Grant No 43-Social Security and Welfare was conducted mainly to assess the efficiency in the process of budgeting and consequent control of expenditure for both the Revenue and Capital heads during the year 2011-2012.

The summarised position of budget provision and actual expenditure there against during 2011-2012 in respect of Grant No. 43 is given in **Table 2.9**.

Table 2.9: Summarised Position of budget provision and actual expenditure*(Rupees in crore)*

Nature of Expenditure	Budget Provision				Total	Actual Expenditure			Saving(-)/ Excess(+)
	Original		Supplementary			Non-Plan	Plan	Total	
	Non-Plan	Plan	Non-Plan	Plan					
Revenue	10.00	124.48	-	0.69	135.17	10.37	87.97	98.34	(-)36.83
Capital	-	17.66	-	-	17.66	-	9.29	9.29	(-)8.37
Total	10.00	142.14	-	0.69	152.83	10.37	97.26	107.63	(-)45.20

The above table shows that during the year 2011-2012 there was overall savings of ₹ 45.20 crore representing 30 per cent of the total budget provision under both revenue expenditure (₹ 36.83 crore) and capital expenditure (₹ 8.37 crore). As per Financial Rules, the spending departments are required to surrender the anticipated savings to the Finance Department as and when occurred. The Department however, surrendered ₹ 23.08 crore (₹ 16.29 crore under revenue section and ₹ 6.79 crore under capital section) during the year 2011-12 out of total savings of ₹ 45.20 crore.

By making unrealistic budget provision, the Department was left with a savings of ₹ 45.20 crore and by not surrendering the whole of the unspent amount in time, the needy departments were deprived from utilising the same through re-appropriation.

An analysis of the expenditure vis-à-vis the budget provision revealed that out of total savings of ₹ 45.20 crore, ₹ 23.08 crore was surrendered. The savings in the revenue account was mainly due to the fact that the Department was unable to spend the Centrally Sponsored Scheme funds of about ₹ 18.52 crore.

Audit Review also disclosed persistent savings ranging between ₹ 7.95 crore and ₹ 102.12 crore during 2007-12 as detailed in **Table 2.10**.

Table 2.10: Persistent savings during 2007-11*(Rupees in crore)*

Year	Budget			Expenditure			Savings(-) / Excess(+)
	Revenue	Capital	Total	Revenue	Capital	Total	
2007-08	58.62	14.26	72.88	59.32	4.55	63.87	(-)9.01
2008-09	67.67	12.21	79.88	58.21	2.39	60.60	(-)19.28
2009-10	139.09	18.50	157.59	55.17	0.30	55.47	(-)102.12
2010-11	123.38	21.92	145.30	126.13	11.22	137.35	(-)7.95
2011-12	135.17	17.66	152.83	98.34	9.29	107.63	(-)45.20

The occurrence of persistent savings which had not been surrendered within the due dates indicates that budgetary control was deficient in the Department.

2.7 Conclusion

There was saving of ₹ 919.69 crore and excess expenditure of ₹ 54.95 crore under 82 grants during 2011-12. This excess expenditure together with an excess expenditure of ₹ 447.90 crore pertaining to 2000-01 & 2005-06 to 2010-11 require regularisation by the Legislature under Article 205 of the Constitution of India. A rush of expenditure was noticed in 51 grants in which expenditure exceeding ₹ 10 crore or more than 50 *per cent* of the total expenditure was incurred in the last quarter of 2011-12 and in some cases in the month of March 2012. There were 118 numbers of ACC Bills involving ₹ 81.24 crore awaiting adjustment due to non-submission of DCC Bills for long periods and therefore, was fraught with the risk of misappropriation.

Chapter III

Financial Reporting

A sound internal financial reporting with relevant and reliable information significantly contributes to efficient and effective governance by the State Government. Compliance with financial rules, procedures and directives as well as the timeliness and quality of reporting on the status of such compliance is thus one of the attributes of good governance. The reports on compliance and controls, if effective and operational, assist the State Government in meeting its basic stewardship responsibilities, including strategic planning and decision making. This Chapter provides an overview and status of the State Government's compliance with various financial rules, procedures and directives during the current year.

3.1 Delay in furnishing utilisation certificates

Financial Rules provide that for the grants provided for specific purposes, Utilisation Certificates (UCs) should be obtained by the departmental officers from the grantees and after verification, these should be forwarded to the Accountant General (Accounts & Entitlement) within 12 months from the date of their sanction unless specified otherwise. However, of the 440 utilisation certificates (UC) in respect of five departments aggregating ₹ 1586.24 crore, paid up to 2011-12, 75 UCs (17.05 per cent) for an aggregate amount of ₹ 73.54 crore were in arrears. The department-wise break-up of outstanding UCs is given in **Appendix 3.1** and the age-wise delay in submission of UCs is summarised in **Table 3.1**.

Table 3.1: Age-wise arrears of utilisation certificates

(Rupees in crore)

Sl. No.	Range of delay in number of years	Total grants paid		Utilisation certificates outstanding	
		Number of cases	Amount	Number of cases	Amount
1	0 - 1	16	119.68	9	31.64
2	1 - 3	200	880.20	56	35.51
3	3 - 5	224	586.36	10	6.39
Total		440	1586.24	75	73.54

In the absence of the certificates it could not be ascertained whether the recipients had utilised the grant for the purpose for which these were given.

3.1.1 Accounting and Classification of Grants-in-Aid

As per the Indian Government Accounting Standards (IGAS)-2 (Accounting and Classification of Grants-in-Aid) Expenditure under Grants-in-Aid are classified and accounted under Revenue Expenditure. However, it was noticed that an amount of ₹ 12.82 crore being grants-in-aid had

been incurred under Capital Expenditure instead of Revenue Expenditure which is violation of IGAS-2.

3.2 Non-submission/delay in submission of Accounts

In order to identify the Institutions which attract audit under Sections 14 and 15 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, the Government/Head of the Departments are required to furnish to Audit every year detailed information about the financial assistance given to various Institutions, the purpose of assistance granted and the total expenditure of the Institutions.

46 annual accounts of 15 Autonomous Bodies/Authorities due up to 2011-12 had not been received as of October 2012 by the Accountant General (Audit). The details of these accounts are given in **Appendix 3.2** and their age-wise pendency is presented in **Table 3.2**.

Table 3.2: Age-wise arrears of Annual Accounts due from Government Bodies

Sl. No.	Delay in number of years	No. of the Bodies/ Authorities	Grants received (Rupees in Lakhs)
1	1 – 3	12	Not Available
2	3 – 5	-	Not Available
3	5 – 7	3	Not Available

It is seen from the table above that delay in submission of accounts ranged between five and seven years in respect of the three Bodies/Authorities.

Due to the absence of annual accounts and subsequent audit of these 15 Bodies and Authorities involving 46 annual accounts, the proper accounting/utilisation of the grants and loans disbursed to these Bodies/Authorities remained unverified. The reasons for non-preparation of the accounts were, however, not intimated.

3.3 Delay in submission of Accounts/Audit Reports of Autonomous Bodies

Several Autonomous Bodies have been set up by the State Government in the field of development of Khadi and Village Industries, State Legal activities, Power and pollution regulations etc. Of these, the audit of accounts of the Nagaland Khadi and Village Industries Board (NKVIB) up to 2013-14 was entrusted to the Comptroller and Auditor General of India under Section 19 (3) of the DPC Act. However, the annual accounts of the Board for the year 2011-12 due for submission by June 2012 had not been furnished (October, 2012). The status of entrustment of audit, issuance of SAR and its placement in the Legislature in respect of NKVIB are indicated in **Table 3.3**

Table 3.3: Delay in submission of Accounts and tabling of Separate Audit Reports

Year of SAR	Period of entrustment	Date of issue of SAR	Date of placement in the Legislature	Delay in placement in the Legislature (Years)
2009-10	2009-14	31.10.2012	NA	-
2010-11	2009-14	The Draft SAR issued to the Board on 20.7.2012 for comments and reminder sent on 16.8.2012. Replies are awaited (October 2012).	NA	-
2011-12	2009-14	Accounts not yet received	NA	-

Nagaland Electricity Regularity Commission and Nagaland Hospital Authority were established¹³ under the State Legislative Act and the audit of accounts entrusted to the Comptroller and Auditor General of India under Section 104 and 105 of Central Electricity Act 2003 and Rule 14 of Notification issued under Section 22 of Hospital Authority Bill 2003 by the Government of Nagaland, Health and Family Welfare Department. However, though the annual accounts of these Authorities/Bodies were due for submission to the Accountant General (Audit) every year, the Accounts have not been furnished since its inception.

Further, the Audit of five¹⁴ Authorities/Bodies could not be taken up due to non-receipt of audit entrustment from the State Government.

3.4 Departmental Commercial Undertakings

Activities of quasi-commercial nature are also performed by the departmental undertakings of certain Government departments. The department-wise position of the year up to which proforma accounts was not finalised in these undertakings are given in **Appendix 3.3**. It was noticed that:

As on 31 March 2012, there were eight departmentally managed Government commercial undertakings.

A mention was made in the Report of the Comptroller and Auditor General of India on State Finances for the year 2010-11 about delay in preparation of Proforma accounts of these undertakings. Despite this, accounts were in arrears for periods ranging from 2 to 32 years as of January 2012.

The finalised accounts of departmentally managed commercial undertakings reflect their overall financial health and efficiency in conducting their business. In the absence of timely finalisation of accounts, Government's investment remains outside the scrutiny of the Audit/State

¹³ Nagaland Electricity Regulatory Commission (04.03.08), Nagaland Hospital Authority.

¹⁴ Nagaland Legal Service Authority 2011-12, Nagaland State Pollution Control Board 2007-08, Nagaland State Agricultural Marketing Board 2009-10, Development Authority 2009-10, Nagaland Board of School Education 2011-12.

Legislature. Consequently corrective measures, if any, required could not be taken in time. Besides, the delay also opens the system to risk of fraud and leakage of public money.

3.5 Balances lying unspent in bank accounts

The Government provides State's share to various Departments/Agencies for implementation of Centrally Sponsored/State Schemes. These Departments/Agencies retain such funds outside the Government account in their bank accounts. As the funds are generally not spent fully by the implementing agencies in the financial year of their receipt, there remain unspent balances in bank accounts and in civil deposits.

The details of funds drawn, its utilisation and funds kept in civil deposit/current bank accounts in respect of 12 Departments/agency are presented in **Table 3.4**.

Table 3.4: Non-utilisation of funds during the year 2011-12

(Rupees in Lakh)

Sl No	Name of Department/Directorate	Amount drawn	Expenditure incurred	Amount kept in civil deposit	Amount kept in current bank account
1	Directorate of Economics and Statistics	48.30		48.30	
2	Directorate of Prisons	345.44			345.44
3	Directorate of Sericulture	227.87			227.87
4	Directorate of Employment and Craftsmen Training	205.00		205.00	
5	Directorate of New & Renewable Energy	79.65		79.65	
6	Directorate of Land Resources	130.44			130.44
7	Directorate of Horticulture	5870.97	3957.82		1913.15
8	Directorate of Higher Education	1077.80			1077.80
9	Chief Electoral Officer	405.05			405.05
10	Directorate of Technical Education	122.00		122.00	
11	Directorate of Evaluation	116.95		63.22	53.73
12	Transport Commissioner	2494.18	2362.43		131.75
	Total	11123.65	6320.25	518.17	4285.23

The above table shows that an amount of ₹ 111.23 crore was drawn by departments during the year 2011-12 for implementation of different schemes. Out of the amount drawn, the departments utilised only an amount of ₹ 63.20 crore (57 per cent) in the current financial year. The remaining amount was kept in Civil Deposit ₹ 5.18 crore (11 per cent) and current Bank Account ₹ 42.85 crore (89 per cent).

3.6 Misappropriation, loss, defalcation, etc.

Rule 20 of General Financial and Accounts Rules Part-I provides that any loss of public money, departmental revenue or receipts, stamps, stores or other property held by or on behalf of Government, caused by misappropriation, fraudulent drawal/payment or otherwise discovered in a treasury, any other office/department shall be reported immediately by the office concerned to the next higher authority as well as to the Accountant General. An attempt was made to collect the information regarding misappropriation, loss, defalcation etc. in all the departments of the State Government. In response, the State Vigilance Commission, Department of Technical Education and office of Transport Commissioner reported 11 cases of misappropriation, defalcation, etc. involving Government money amounting to ₹ 45.34 crore and 3 theft cases amounting to ₹ 0.12 crore up to the period 31 March 2012 on which final action was pending. The department-wise break up of pending cases and age wise analysis is given in **Appendix 3.4** and nature of these cases is given in **Appendix 3.5** The age-profile of the pending cases and the number of cases pending in each category viz. theft and misappropriation/loss as emerged from these appendices are summarised in **Table 3.5**.

Table 3.5: Profile of Misappropriations, losses, defalcation, etc.

(Rupees in lakh)

Age-Profile of the Pending Cases			Nature of the Pending Cases		
Range in Years	Number of Cases	Amount Involved <i>(rupees in lakh)</i>	Nature/Characteristics of the Cases	Number of Cases	Amount Involved <i>(Rupees in lakh)</i>
0 - 5	12	Bifurcation amount of range in years were not provided by the Deptts..Hence, only the consolidated total is shown	Theft	3	12.30
5 - 10	2		Misappropriation	10	4532.41
10 - 15			Defalcation	1	1.27
15 - 20					
Total	14				14	4545.98

A further analysis indicates the reasons for which the cases were outstanding as detailed in **Table 3.6**

Table 3.6: Reasons for Outstanding cases of Misappropriation, loss, defalcation, etc.

Reasons for the Delay/Outstanding Pending Cases		Number of Cases	Amount <i>(Rupees in lakh)</i>
i)	Awaiting departmental and criminal investigation	1	8.00
ii)	Departmental action initiated but not finalized	9	4342.69
iii)	Criminal proceedings finalised but execution of certificate cases for the recovery of the amount pending	2	135.06
iv)	Awaiting orders for recovery or write off		
v)	Pending in the courts of law	2	60.23
Vi	Others		
Total		14	4545.98

Two Departments (Vigilance Commission and Health & Family Welfare) reported recovery amounting to ₹ 0.16 crore. The highest amount of misappropriation and loss amounting to ₹ 23.37 crore involving one case of misappropriation occurred in Department of Industries & Commerce, where final action was not taken by the State Government (October 2012).

3.7 Conclusion

Timely submission of utilisation certificates was a major area of concern. At the end of March 2012, 75 UCs involving an aggregate of ₹ 73.54 crore were pending for submission even after a lapse of one to five years from various departments. Though the accounts of the State Autonomous Bodies and Departmental Commercial Undertakings were over due, those accounts were not submitted (October 2012). Non-submission of accounts in time amounted to non-compliance with the financial rules. As on 31 March 2012, 11 cases of misappropriation, defalcation etc. involving ₹ 45.34 crore and 3 theft cases involving ₹ 0.12 crore in 8 Departments were pending for finalisation. Cases of misappropriation, defalcation, and theft indicated inadequacy of controls in the departments.

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The**

**(R. Naresh)
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**New Delhi
The**

**(Vinod Rai)
Comptroller and Auditor General of India**

Appendix – 1.1

(Reference: Page 1)

Part A: Structure and Form of Government Accounts

Structure of Government Accounts: The accounts of the State Government are kept in three parts (i) Consolidated Fund, (ii) Contingency Fund and (iii) Public Account.

Part I : Consolidated Fund

All revenues received by the State Government, all loans raised by issue of treasury bills, internal and external loans and all moneys received by the Government in repayment of loans shall form one consolidated fund titled 'The Consolidated Fund of State' established under Article 266(1) of the Constitution of India.

Part II : Contingency Fund

Contingency Fund of the State established under Article 267(2) of the Constitution is in the nature of an imprest placed at the disposal of the Governor to enable him to make advances to meet urgent unforeseen expenditure, pending authorization by the Legislature. Approval of the Legislature for such expenditure and for withdrawal of an equivalent amount from the Consolidated Fund is subsequently obtained, whereupon the advances from the Contingency Fund are recouped to the Fund.

Part III : Public Account

Receipts and disbursements in respect of certain transactions such as small savings, provident funds, reserve funds, deposits, suspense, remittances etc. which do not form part of the Consolidated Fund, are kept in the Public Account set up under Article 266 (2) of the Constitution and are not subject to vote by the State Legislature.

Appendix – 1.1

(Reference: Page 1)

Part B: Layout of Finance Accounts

Statement	Layout
VOLUME 1	
Statement No.1	Statement of Financial Position
Statement No.2	Statement of Receipts and Disbursements
Statement No.3	Statement of Receipts (Consolidated Fund)
Statement No. 4	Statement of Expenditure (Consolidated Fund), Notes of Accounts.
Appendix I	Cash Flow Statement
VOLUME 2	
PART I	
Statement No.5	Statement of Progressive Capital expenditure
Statement No. 6	Statement of Borrowings and other Liabilities
Statement No. 7	Statement of Loans and Advances given by the Government
Statement No. 8	Statement of Grants-in-aid given by the Government
Statement No. 9	Statement of Guarantees given by the Government
Statement No. 10	Statement of Voted and Charged Expenditure
PART II	
Statement No. 11	Detailed Statement of Revenue and Capital Receipts by minor heads
Statement No. 12	Detailed Statement of Revenue Expenditure by minor heads
Statement No. 13	Detailed Statement of Capital Expenditure
Statement No. 14	Detailed statement of Investments of the Government
Statement No. 15	Detailed Statement of Borrowings and other Liabilities
Statement No. 16	Detailed Statement on Loans and Advances made by the Government
Statement No. 17	Detailed statement on Sources and Application of funds for expenditure other than revenue account
Statement No. 18	Detailed statement of Contingency Fund and other Public Account transactions
Statement No. 19	Detailed statement on Investments of earmarked funds
PART III Appendices	
II	Comparative Expenditure on Salary
III	Comparative Expenditure on Subsidy
IV	Grants-in-aid/Assistance given by the State Government (Institution wise and Scheme wise)
V	Details of Externally Aided Projects
VI	Plan Scheme expenditure (Central and State Plan schemes)
VII	Direct transfer of Central Scheme Funds to implementing agencies in the State.
VIII	Summary of Balances
IX	Financial results of Irrigation Works & Electricity Schemes.
X	Incomplete Works
XI	Statement on Maintenance expenditure of the State
XII	Statement of items for which allocation of balances as a result of re-organisation of States has not been finalized
XIII	Statement showing the detailed information on pensioners and expenditure on Government pensioner
XIV	Statement on accretion and erosion in financial assets held by the Government including those arising out of change in the manner of sending by thr government.
XV	Statement containing information on debt and other liabilities as well as repayment schedule

Appendix – 1.1

(Reference: Page 1)

Part C: Methodology Adopted for the Assessment of Fiscal Position

The norms/ceilings prescribed by the XIII-FC for selected fiscal variable along with its projections for a set of fiscal aggregates and the commitments/projections made by the State Government in their Fiscal Responsibility Acts and in other Statements required to be laid in the legislature under the Act (**Part B of Appendix 1.2**) are used to make qualitative assessment of the trends and patterns of major fiscal aggregates. Assuming that GSDP is the good indicator of the performance of the State's economy, major fiscal aggregates like tax and non-tax revenue, revenue and capital expenditure, internal debt and revenue and fiscal deficits have been presented as percentage to the Gross State Domestic Product (GSDP) at current market prices. The buoyancy coefficients for relevant fiscal variables with reference to the base represented by GSDP have also been worked out to assess as to whether the mobilisation of resources, pattern of expenditure etc, are keeping pace with the change in the base or these fiscal aggregates are also affected by factors other than GSDP.

The trends in GSDP for the last five years are indicated below:

Trends in Gross State Domestic Product (GSDP)

	2007-08	2008-09	2009-10	2010-11	2011-12
Gross State Domestic Product (₹ in crore)	8075.27	9436.07	10272.88(P)	11121.00(Q)	12064.53(A)
Growth rate of GSDP	11.27	16.85	8.87	8.26	8.48
Source:	The provisional figures of GSDP for 2011-12 furnished by the Director of Economic and Statistics in June 2012.				

The definition of some of the selected terms used in assessing the trends and pattern of fiscal aggregates are given below:

Term	Basis of calculation
Buoyancy of a parameter	Rate of Growth of the parameter/GSDP Growth
Buoyancy of a parameter (X) with respect to another parameter (Y)	Rate of Growth of parameter (X)/ Rate of Growth of parameter (Y)
Rate of Growth (ROG)	$[(\text{Current year Amount}/\text{Previous year Amount})-1]*100$
Development Expenditure	Social Services + Economic Services
Average interest paid by the State	$\text{Interest Payment}/[(\text{Amount of previous year's Fiscal liabilities} + \text{Current year's Fiscal Liabilities})/2]*100$
Interest spread	GSDP Growth – Average Interest Rate
Quantum spread	Debt stock* Interest spread
Interest received as <i>per cent</i> to Loans Outstanding	$\text{Interest Received} [(\text{Opening balance} + \text{Closing balance of Loans and Advances})/2]*100$
Revenue Deficit	Revenue Receipt – Revenue Expenditure

Audit Report on State Finances for the year ended 31 March 2012

Fiscal Deficit	Revenue Expenditure + Capital Expenditure + Net Loans and Advances – Revenue Receipts – Miscellaneous Capital Receipts.
Primary Deficit	Fiscal Deficit – Interest payments
Balance from Current Revenue (BCR)	Revenue Receipts minus all plan grants and Non-plan Revenue Expenditure excluding expenditure recorded under the major head 2048 – Appropriation for reduction of Avoidance of debt.
Compound Annual Growth Rate (CAGR)	The compound annual growth rate is calculated by taking the n^{th} root of the total percentage growth rate, where n is the number of years in the period being considered. $\text{CAGR} = \left[\frac{\text{ending value}}{\text{beginning value}} \right]^{1/\text{no of years}} - 1$
GSDP	GSDP is defined as the total income of the State or the market value of goods and services produced using labour and all other factors of production at current prices.
Buoyancy ratio	Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. For instance, revenue buoyancy at 0.7 implies that revenue receipts tend to increase by 0.7 percentage points, if the GSDP increases by one per cent.
Core Public and Merit Goods	Core public goods are which all citizens enjoy in common in the sense that each individual's consumption of such goods lead to no subtractions from any other individual's consumption of the goods, e.g. enforcement of law and order, security and protection of our rights; pollution free air, other environmental good, road infrastructure etc. Merit goods are commodities that the public sector provides free or at subsidized rates because an individual or society should have them on the basis of some concept of need, rather than ability and willingness to pay the Government and therefore wishes to encourage their consumption. Examples of such goods include the provision of free or subsidized food for the poor to support nutrition, delivery of health services to improve quality of life and reduce morbidity, providing basic education to all, drinking water and sanitation, etc.
Debt Sustainability	The Debt sustainability is defined as the ability of the State to maintain a constant debt-GSDP ratio over a period of time and also embodies the concern about the ability to service its debt. Sustainability of debt therefore also refers to sufficiency of liquid assets to meet current or committed obligations and the capacity to keep balance between costs of additional borrowings with returns from such borrowings. It means that rise in fiscal deficit should match with the increase in capacity to service the debt.

Debt Stabilisation	A necessary condition for stability states that if the rate of growth of economy exceeds the interest rate or cost of public borrowings, the debt-GSDP ratio is likely to be stable provided primary balances are either zero or positive or are moderately negative. Given the rate spread (GSDP growth rate- interest rate) and quantum spread (Debt*rate spread), debt sustainability condition states that if quantum spread together with primary deficit is zero, debt-GSDP ratio would be constant or debt would stabilize eventually. On the other hand, if primary deficit together with quantum spread turns out to be negative, debt-GSDP ratio would be rising and in case it is positive, debt-GSDP ratio would eventually be falling.
Non-debt receipts	Adequacy of incremental non-debt receipts of the State to cover the incremental interest liabilities and incremental primary expenditure. The debt sustainability could be significantly facilitated if the incremental non-debt receipts could meet the incremental interest burden and the incremental primary expenditure.
Net availability of borrowed funds	Defined as the ratio of the debt redemption (principal + interest payments) to total debt receipts and indicates the extent to which the debt receipts are used in debt redemption indicating the net availability of borrowed funds.

Appendix – 1.1

(Reference Page 1)

Part D: State Profile

General Data		
Sl. No	Particulars	Figures
1	Area (in sq. kms.)	16579
2	Population as per 2011 census (In crore)	0.20
4	Density of Population (2011) (per sq. kms.) (All India Average 382 person per sq km)	119
5	Literacy (2011) (in per cent) (All India Average 74.04%)	80.11
6	Infant Mortality (per 1000 live births) (All India Average 47 per 1000 live birth)	23
7	Gross State domestic Product (GSDP) 2011-12 (Rs. In crore)	12064.53
8	GSDP CAGR (2001-02 to 2011-12)	10.99

Appendix – 1.2

(Reference : Para 1.2.1; Page 4)

Outcome Indicators of the States' Own Fiscal Consolidation Roadmap/
Fiscal Correction Path

(Rupees in crore)

	2009-10	2010-11 Pre-actuals	2011-12 BE	2012-13 Projection	2013-14 Projection	2014-15 Projection
A.STATE REVENUE ACCOUNT						
1. Own Tax Revenue	149.58	204.30	221.55	243.71	268.08	294.88
2. Own Non-Tax Revenue (Lotteries net)	116.49	154.29	158.16	173.98	191.37	210.51
3. Own Tax + Non-Tax Revenue (1+2)	266.07	358.59	379.71	417.68	459.45	505.39
4. Share in Central Taxes and Duties	418.68	689.46	828.27	993.92	1192.71	1431.25
5. Plan Grants	1224.72	2349.39	2809.44	3501.22	4087.41	4659.31
6. Non- Plan Grants	1292.30	1764.64	1760.22	1953.93	1925.87	1884.66
7. Total Central Transfer (4 to 6)	2935.70	4803.49	5397.93	6449.08	7205.99	7975.22
8. Total Revenue Receipts (3+7)	3201.77	5162.08	5777.64	6866.76	7665.44	8480.61
9. Plan Expenditure	555.78	946.49	1086.92	1199.26	1319.18	1451.10
10. Non-Plan Expenditure	2117.61	3382.90	3700.26	4566.75	5057.78	5606.74
11. Salary & Wages	1211.97	2036.36	2284.05	2603.82	2916.28	3266.23
12. Pension	310.12	400.00	576.29	556.75	645.83	749.17
13. Interest Payments	359.90	404.86	439.66	479.23	522.36	569.37
14. Subsidies-General						
15. Subsidies Power						
16. Total Revenue Expenditure (9+10)	2673.39	4329.39	4787.18	5766.01	6376.96	7057.84
17. Revenue expenditure net of interest & pension	2003.37	3524.53	3771.23	4730.03	5208.77	5739.30
18. Salary as % of Revenue expenditure net of interest & pension	60.50	57.78	60.57	55.05	55.99	56.91
19. Revenue Surplus/Deficit (8-16)	528.38	832.69	990.46	1100.74	1288.48	1422.77
B CONSOLIDATED REVENUE ACCOUNT:						
1. Power Sector Loss/Profit net of actual subsidy transfer.						
2. Increase in debtors during the year in power utility accounts [increase (-)]						
3. Interest on off budget borrowings and SPV borrowing by PSUs/SPUs						
4. Total (1 to 3)						
5. Consolidated Revenue Deficit (A 19 + B4)	528.38	832.69	990.46	1100.74	1288.48	1422.77
C CONSOLIDATED DEBT:						
1. Outstanding debt & liability	4171.13	5211.67	5637.00	6098.94	6528.99	6996.06
2. Total outstanding guarantee of which (a) guarantee on account of off budgeted borrowing & SPV borrowing	49.00	49.43	54.38	59.82	65.80	72.38
D CAPITAL ACCOUNT						
1. Capital Outlay	722.49	1224.10	1415.38	1561.25	1716.34	1886.79
2. Disbursement of Loans & Advances	6.65	4.38	4.38	4.82	5.31	5.84
3. Recovery of Loans & Advances	4.18	4.00	3.50	3.33	3.16	2.85
4. Other Capital Receipts						
E GROSS FISCAL DEFICIT (GFD) (-B5+D1+D2-D3)	196.58	391.79	425.80	462.00	430.00	467.00
F PRIMARY SURPLUS (+)/ DEFICIT (-) (E-A13)	-163.32	-13.07	-13.86	-17.23	-92.36	-102.37
GSDP (Rs. In Crore) at current Price	10622	11201	12152	13198	14335	15569
Actual/Assumed nominal growth rate (%)	12.50	8.36	8.49	8.61	8.61	8.61
Gross Fiscal Deficit as % of GSDP		3.50	3.50	3.50	3.00	3.00
Total Liabilities –GSDP Ratio (%)		46.97	46.83	46.66	46.01	45.40

Audit Report on State Finances for the year ended 31 March 2012

Appendix - 1.3

(Reference: Paragraphs 1.5 & 1.10.2; Pages 1, 11 & 33)

Time series data on the State Government finances

(Rupees in crore)

	2007-08	2008-09	2009-10	2010-11	2011-12
Part A. Receipts					
1. Revenue Receipts	2995.04	3399.79	3718.48	4998.46	5584.62
(i) Tax Revenue	131.37(4)	156.02(5)	180.51(5)	227.32(4)	303.88(6)
Taxes on Agricultural Income	-	-	-	-	-
Taxes on Sales, Trade, etc.	94.79(72)	114.70(74)	132.22(73)	167.22(74)	231.12(76)
State Excise	2.83(2)	3.34(2)	3.14(2)	3.00(1)	3.37(1)
Taxes on Vehicles	12.30(9)	14.14(9)	16.73(9)	23.92(11)	34.58(11)
Stamps and Registration fees	1.02(1)	1.01(1)	1.19(1)	1.35(1)	1.85(1)
Land Revenue	0.50(0)	0.60(0)	0.63(0)	0.59(0)	0.68(0)
Taxes on Goods and Passengers	2.19	2.34(1)	3.96(2)	6.62(3)	4.85(2)
Other Taxes	17.74	19.89(13)	22.64(13)	24.62(10)	27.43(9)
(ii) Non Tax Revenue	118.50(4)	179.45(5)	125.07(3)	181.61(4)	231.19(4)
(iii) State's share of Union taxes and duties	399.77(14)	421.84(12)	434.03(12)	689.46(14)	803.20(14)
(iv) Grants in aid from Government of India	2345.40(78)	2642.48(78)	2978.87(80)	3900.07(78)	4246.35(76)
2. Miscellaneous Capital Receipts	0.00	0.00	0.00	0.00	0.00
3. Recoveries of Loans and Advances	3.06	2.57	4.20	2.31	2.44
4. Total Revenue and Non debt capital receipts (1+2+3)	2998.10	3402.36	3722.68	5000.77	5587.06
5. Public Debt Receipts	405.70	651.54	805.25	463.35	1318.85
Internal debt (excluding Ways and Means Advances and Overdrafts)	511.92	667.41	805.25	463.35	651.25
Net transactions under Ways and Means Advances and Overdrafts	(-)95.32	0.00	0.00	0.00	646.63
Loans and Advances from Government of India	(-)10.90	(-)15.87	0.00	0.00	20.97
6. Total Receipts in the Consolidated Fund (4+5)	3403.80	4053.90	4527.93	5464.12	6905.91
7. Contingency Fund Receipts	0.00	0.00	0.00	0.00	0.00
8. Public Account Receipts	1418.00	1841.41	2373.46	2267.53	2611.38
9. Total Receipts of the State (6+7+8)	4821.80	5895.31	6901.39	7731.65	9517.29
Part B. Expenditure/Disbursement					
10 Revenue Expenditure	2571.29	2888.44	3251.16	4186.31	4873.90
Plan	484.89(19)	543.65(19)	588.55(18)	883.45(21)	821.58(17)
Non Plan	2086.40(81)	2344.79(81)	2662.61(82)	3302.86(79)	4052.32(83)
General Services (including interest payments)	1192.46(46)	1347.74(47)	1582.70(49)	1841.64(44)	2316.51(47)
Social Services	656.95(26)	696.76(24)	773.60(24)	1125.72(27)	1154.12(24)
Economic Services	721.88(28)	843.94(29)	894.86(27)	1218.95(29)	1403.27(29)
Grants-in-aid and contributions	0.00	0.00	0.00	0.00	0.00
11. Capital Expenditure	821.48	853.09	989.53	1122.94	1249.39
Plan	809.47(99)	853.08(100)	976.63(99)	1122.93(100)	1249.35(100)
Non Plan	12.01(1)	0.01(0)	12.90(1)	0.01(0)	0.04(0)
General Services	137.72(17)	149.15(18)	193.58(20)	217.17(19)	235.75(19)

Social Services	290.81(35)	291.78(34)	285.02(29)	306.09(27)	338.77(27)
Economic Services	392.95(48)	412.16(48)	510.93(51)	599.68(54)	674.87(54)
12. Disbursement of Loans and Advances	2.61	1.46	3.55	4.12	2.75
13. Total (10+11+12)	3395.38	3742.99	4244.24	5313.37	6126.04
14. Repayments of Public Debt	166.55	205.38	274.60	261.16	798.57
Internal Debt (excluding Ways and Means Advances and Overdrafts)	162.24	199.64	237.25	238.28	282.19
Net transactions under Ways and Means Advances and Overdraft	0.00	0.00	0.00	0.00	477.91
Loans and Advances from Government of Inida	4.31	5.74	37.35	22.88	38.47
15. Appropriation to Contingency Fund	0.00	0.00	0.00	0.00	0.00
16. Total disbursement out of Consolidated fund (13+14+15)	3561.93	3948.37	4518.84	5574.53	6924.61
17. Contingency Fund disbursements	0.00	0.00	0.00	0.00	0.00
18. Public Account disbursements	1346.78	1717.75	2374.50	2159.59	2364.57
19. Total disbursement by the State (16+17+18)	4909.69	5667.22	6894.63	7734.12	9289.18
Part C. Deficits					
20. Revenue Deficit(-)/ Revenue surplus(+) (1-10)*	423.75	511.35	467.32	812.15	710.72
21. Fiscal Deficit(-)/ Fiscal Surplus(+) (4-13)	-397.28	-340.63	-521.56	-312.60	-538.98
22. Primary deficit(-)/Surplus(+) (21+23)	-126.82	-26.64	-159.05	81.73	-121.59
Part D. Other data					
23. Interest Payments (included in revenue expenditure)	270.46	313.99	362.51	394.33	417.39
24. Financial assistance to local bodies etc.	41.84	74.78	98.90	67.48	164.72
25. Ways and Means Advances/ Overdraft availed (days)	367.17(35)	184.58(13)	451.23 (39)	0.00	646.63(19)
Ways and Means Advances availed (days)	297.99(32)	150.69(10)	361.81 (31)	0.00	577.45(17)
Overdraft availed (days)	69.18(3)	33.89(3)	89.42 (8)	0.00	69.18(2)
26. Interest on Ways and Means Advances/ Overdraft	0.56	0.26	0.56	0.00	0.13
27. Gross State domestic Product (GSDP)[@]	8075.27	9436.07	10272.88(P)	11121.00(Q)	12064.53(A)
28. Outstanding Fiscal liabilities (year end)	3881	4571	5402	5773	6639
29. Outstanding guarantees (year end) (including interest)	NA	NA	53.72	55.22	65.22
30. Maximum amount guaranteed (year end)	NA	NA	NA	NA	NA
31. Number of incomplete projects	NA	NA	NA	NA	NA
32. Capital blocked in incomplete projects	NA	NA	NA	NA	NA
Part E. Fiscal Health Indicators					
I Resource Mobilization					
Own tax revenue/GSDP	1.63	1.65	1.76	2.04	2.52
Own non-Tax Revenue/GSDP	1.47	1.90	1.22	1.63	1.92
Central Transfer/GSDP	4.95	4.47	4.23	6.20	6.66
II Expenditure Management					
Total Expenditure/GSDP	42.05	39.67	41.31	47.78	50.78

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Total Expenditure/Revenue Receipts	113.37	110.09	114.14	106.30	109.69
Revenue Expenditure/Total Expenditure	75.73	77.17	76.60	78.79	79.56
Expenditure on Social Services/ Total Expenditure	27.91	26.41	24.94	26.95	24.37
Expenditure on Economic services/ Total Expenditure	32.83	33.56	33.12	34.23	33.92
Capital Expenditure/Total Expenditure	24.19	22.79	23.31	21.13	20.39
Capital Expenditure on Social and Economic Services/Total Expenditure.	20.14	18.81	18.75	17.05	16.55
III Management of Fiscal Imbalances					
Revenue deficit (surplus)/GSDP	5.25	5.42	4.55	7.30	5.89
Fiscal deficit/GSDP	-4.92	-3.61	-5.08	-2.81	-4.47
Primary Deficit (surplus)/GSDP	-1.57	-0.28	-1.55	0.73	-1.01
Revenue deficit/Fiscal deficit	*	*	*	*	*
Primary Revenue Balance/GSDP	3.03	3.43	2.89	3.55	4.35
IV Management of Fiscal Liabilities					
Fiscal Liabilities/GSDP	48.06	48.44	52.59	51.91	55.03
Fiscal Liabilities/RR	129.58	134.45	145.27	115.50	118.88
Primary deficit vis-à-vis quantum spread	28.03	403.95	-72.62	115.21	-5.40
Debt Redemption (Principal+Interest)/Total debt Receipts	79.19	73.48	73.78	132.36	103.39
V Other Fiscal Health Indicators					
Return on Investment	0.00	0.00	0.00	0.00	0.00
Balance from Current Revenue (Rs in crore)	-190.73	-270.72	-462.14	453.81	127.10
Financial assets/Liabilities	1.39	1.42	1.38	1.49	1.51

Figures in brackets represent percentages (rounded) to total of each sub-heading

@ GSDP figures communicated by the Government adopted. (P): Provisional Estimate, (Q): Quick Estimate & (A): Advance Estimate

*The State experienced revenue surplus during all the years

Appendix - 1.4

(Reference: Paragraph 1.1; Page 1)

Part A: Abstract of Receipts and Disbursements for the year 2011-12

(Rupees in crore)

Receipts				Disbursement						
2010-11			2011-12	2010-11			Non-Plan	Plan	Total	2011-12
		Section A: Revenue								
4998.46	I	Revenue receipts	5584.62	4186.31	I	Revenue expenditure	4052.32	821.58	4873.90	4873.90
227.32		Tax revenue	303.88	1841.64		General services	2294.21	22.30	2316.51	
				1125.72		Social services	923.34	230.78	1154.12	
181.61		Non-Tax revenue	231.19	659.19		Education, Sports, Art and culture	598.77	77.37	676.14	
				201.76		Health and Family Welfare	213.91	23.17	237.08	
689.46		State's share of Union Taxes	803.20	53.79		Water Supply, Sanitation, Housing and Urban development	48.09	4.49	52.58	
				19.33		Information and Broadcasting	15.07	6.61	21.68	
2658.28		Non-Plan grants	2841.16	17.79		Welfare of Scheduled Castes, scheduled Tribes and other Backward Classes	0.00	17.99	17.99	
936.32		Grants for State Plan Schemes	985.20	18.59		Labour and labour Welfare	15.59	5.87	21.46	
				148.08		Social Welfare and Nutrition	23.26	95.28	118.54	
305.47		Grants for Central and Centrally Sponsored plan Schemes	419.99	7.19		Others	8.65	0.00	8.65	
				1218.95		Economic Services	834.77	568.50	1403.27	
				326.48		Agriculture and Allied Activities	196.46	167.33	363.79	
				131.64		Rural Development	27.97	67.31	95.28	
				88.25		Special Areas Programmes	4.43	91.76	96.19	
				112.53		Irrigation and Flood Control	18.12	113.82	131.94	
				222.48		Energy	290.77	3.65	294.42	
				66.89		Industry and Minerals	47.88	26.11	73.99	
				128.80		Transport	196.89	2.20	199.09	
				7.02		Science, Technology and environment	1.42	5.67	7.09	
				134.86		General Economic Services	50.83	90.65	141.48	
				0.00		Grants-in-aid and Contributions	0.00	0.00	0.00	
				4187.84		Total	4052.32	821.58	4873.90	
0.00	II	Revenue deficit carried over to section B	0.00	812.15	II	Revenue surplus carried over to Section B				710.72
4998.46		Total	5584.62	4998.46		Total				5584.62

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		<i>Section B: Others</i>								
102.55	III	Opening Cash balance including Permanent advances and cash Balance Investment	100.08	0.00	III	Opening Overdraft from Reserve Bank of India				0.00
0.00	IV	Miscellaneous Capital receipts	0.00	1122.94	IV	Capital Outlay	0.04	1249.35	1249.39	1249.39
				217.17		General Services	0.00	235.75	235.75	
				306.09		Social services	0.00	338.77	338.77	
				86.29		Education, Sports, Art and culture	0.00	104.73	104.73	
				39.47		Health and Family Welfare	0.00	41.39	41.39	
				159.89		Water supply, Sanitation, Housing and Urban Development	0.00	174.58	174.58	
				0.25		Information and Broadcasting	0.00	0.37	0.37	
				0.00		Welfare of scheduled Castes, Scheduled Tribes and Other Backward Classes	0.00	0.00	0.00	
				14.65		Social Welfare and Nutrition	0.00	12.33	12.33	
				5.54		Others	0.00	5.37	5.37	
				599.68		Economic Services	0.04	674.83	674.87	
				46.69		Agriculture and Allied activities	0.04	79.26	79.30	
				0.44		Rural Development	0.00	0.00	0.00	
				92.87		Special Areas Programmes	0.00	92.33	92.33	
				1.61		Irrigation and Flood Control	0.00	0.47	0.47	
				62.31		Energy	0.00	85.84	85.84	
				43.49		Industry and Minerals	0.00	38.58	38.58	
				326.16		Transport	0.00	352.46	352.46	
				25.22		General Economic Services	0.00	25.89	25.89	
				0.89		Science, Technology and environment	0.00	0.00	0.00	
2.31	V	Recoveries of Loans and Advances	2.44	4.12	V	Loans and Advances disbursed	0.33	2.42	2.75	2.75
0.00		From Power Projects	0.00	0.00		For Power Projects	0.00	0.00	0.00	
1.43		From Government Servants	2.29	0.09		To Government servants	0.33	0.00	0.33	
0.88		From Others	0.15	4.03		To Others	0.00	2.42	2.42	
812.15	VI	Revenue surplus brought down	710.72	0.00	VI	Revenue Deficit brought down				0.00

463.35	VII	Public debt receipts	1318.85	261.16	VII	Repayment of Public debt				798.57
0.00		External debt	0.00	0.00		External debt			0.00	
463.35		Internal debt other than Ways and Means Advances and Overdrafts	651.25	238.28		Internal debt other than Ways and Means advances and Overdrafts			282.19	
0.00		Net transactions under Ways and Means Advances	577.45	0.00		Net transactions under ways and Means Advances			462.65	
0.00		Net transactions under overdraft	69.18	0.00		Net transactions under Overdrafts			15.26	
0.00		Repayment of Loans and Advances from Central Government	20.97	22.88		Repayment of Loans and Advances to Central Government			38.47	
0.00	VIII	Appropriation to Contingency Fund	0.00	0.00	VIII	Appropriation to Contingency Fund				0.00
0.00	IX	Amount transferred to Contingency Fund	0.00	0.00	IX	Expenditure from Contingency Fund				0.00
2267.53	X	Public Account receipts	2611.38	2159.59	X	Public Account disbursements				2364.57
191.57		Small Savings and Provident funds	196.97	103.10		Small Savings and Provident Funds			160.54	
36.96		Reserve Funds	29.00	4.32		Reserve Funds			0.00	
21.17		Suspense and Miscellaneous	24.79	12.28		Suspense and Miscellaneous			19.25	
1472.11		Remittance	1642.51	1574.55		Remittances			1776.31	
545.72		Deposits and Advances	718.11	465.34		Deposits and Advances			408.47	
0.00	XI	Closing Overdraft from Reserve Bank of India	0.00	100.08	XI	Cash Balance at end of year				328.19
				0.00		Cash in Treasuries and Local Remittances			0.18	
				-602.70		Deposits with Reserve Bank			-199.04	
				306.56		Departmental Cash Balance including permanent Advances			375.65	
				273.82		Cash Balance Investment			0.00	
				122.40		Investment in earmarked funds			151.40	
3647.89		Total	4743.47	3647.89		Total				4743.47

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Appendix - 1.4

(Reference: Paragraphs 1.10.1; Pages 33)

Part 'B' Summarised financial position of the Government of Nagaland as on 31.03.2012

(Rupees in crore)

As on 31.03.2011		Liabilities	As on 31.03.2012	
4033.56		Internal Debt -		4571.34
	3106.87	Market Loans bearing interest	3432.37	
	0.03	Market Loans not bearing interest	0.03	
	65.87	Loans from Life Insurance Corporation of India	55.56	
	860.79	Loans from other Institutions	914.66	
	0.00	Ways and Means Advances	114.80	
	0.00	Overdrafts from Reserve Bank of India	53.92	
306.61		Loans and Advances from Central Government-		289.11
	3.50	Pre 1984-85 Loans	2.52	
	18.75	Non-Plan Loans	17.57	
	254.23	Loans for State Plan Schemes	234.66	
	0.05	Loans for Central Plan Schemes	0.20	
	20.30	Loans for Centrally Sponsored Plan schemes	24.68	
	0.00	Ways and Means Advances	0.00	
	9.78	Loans for Spl. Scheme	9.48	
0.35		Contingency Fund		0.35
574.01		Small Savings, Provident funds, etc.		610.43
858.78		Deposits		1168.42
91.58		Reserve Funds		120.58
0.00		Suspense and Miscellaneous Balances		0.00
-835.27		Remittance Balances		-969.07
5029.62		Total		5791.16
Assets				
8355.20		Gross Capital Outlay on Fixed Assets -		9604.58
	213.41	Investments in shares of Companies, Corporations, etc.	228.01	
	8141.79	Other Capital Outlay	9376.57	
25.80		Loans and Advances -		26.12
	0.00	Loans for Power Projects	0.00	
	21.18	Other Development Loans	23.45	
	4.62	Loans to Government servants and Miscellaneous loans	2.67	
		Reserve Fund Investments		
1.01		Advances		1.00
93.17		Suspense and Miscellaneous Balances		87.63
100.08		Cash -		328.19
	0.00	Cash in Treasuries and Local Remittances	0.18	
	-602.70	Deposits with Reserve Bank	-199.04	
	306.56	Departmental Cash Balance	375.65	
	0.00	Permanent Advances	0.00	
	122.40	Investment on earmarked funds	151.40	
	273.82	Cash Balance investments	0.00	
-3545.64		Deficit on Government account -		-4256.36
	-812.15	(i) Less Revenue Surplus of the current year	-710.72	
		(ii) Miscellaneous deficit		
	-2733.49	Accumulated deficit at the beginning of the year	-3545.64	
5029.62				5791.16

Explanatory Notes: The abridged accounts in the foregoing statements have to be read with comments and explanations in the finance Accounts. Suspense and Miscellaneous balances include cheques issued but not paid, inter-departmental and inter-Government payments and others awaiting settlement.

Appendix –1.5

(Reference: Paragraph 1.4.2; Page 10)

Statement showing the funds transferred to the State Implementing Agencies under Programmes/Schemes outside the State budget during 2011-12

(Rupees in crore)

Sl. No	Programme/Scheme	Implementing Agency in the State	2011-12
1	Medicinal Plants	State Medicinal plants Boards	1.40
2	Medicinal Plants Processing Zones	Nagaland Bio Resource Mission	1.81
3	National Bamboo Mission	NBMDA	17.00
4	Support to State Extension Programme for extension Reforms	SAMETI Nagaland	7.47
5	BIOINFORMATICS	National Research Centre on Mithun	0.11
6	Human Research Development Biotechnology	National Research Centre on Mithun	0.21
7	Central Rural Sanitation Programme	DWSM	1.74
8	National Rural Drinking Water Programme	SWSM	80.91
9	National Aids Control	Nagaland State AIDS control Society	17.04
10	National Rural Health Mission	State Blindness Control Society	1.22
11	Forward Linkages to NRHM New Initiatives in North East	State Health Society	22.88
12	Hospitals and Dispensaries (Under NRHM)	State Health Society	2.23
13	NRHM Central Sector	State Health Society	0.74
14	NRHM (Centrally Sponsored)	State Health Society	60.15
15	Tobacco Control	State Health Society	0.26
16	Human Resources for Health	State Health Society	8.50
17	NRHM (Centrally Sponsored)	State T.B. Control Society	2.07
18	Electronic Governance	NL E Governance Society.	3.04
19	DRDA Administration	Project Director (DRDA)	10.58
20	Mahatma Gandhi National Rural Employment Guarantee Scheme	Project Director (DRDA)	673.47
21	Pradhan Mantri Gram Sadak Yojana	SGO Nagaland Rural Roads Development Agency	11.00
22	Rural Housing IAY RD	Project Director (DRDA)	34.48
23	Swarna Jayanti Shahari Rojgar Yojana	State Urban Development Agency	2.69
24	Adult Education and Skill Development Scheme	Literacy Mission Authority	1.20
25	Sarva Shiksha Abhiyan (SSA)	SSA State Mission Authority	97.98
26	Support to NGO's institution SRC's for Adult Education and Skill	Jan Shikshan Sansthan	0.30
27	Rashtriya Madhyamik Siksha Abhiyan	Nagaland Education Mission Society	28.26
28	Science and Technology Programme for Socio Eco. Development	Nagaland Institute of Health	0.11
29	Research and Development for Conservation	Nagaland University	0.40
30	State Science & Technology Programme	Nagaland State Science & Technology Council	2.39
31	Food Processing Industries	M/s Thitho Elders Welfare Society	0.14
32	MPLADs	DC, DMR	10.00
		North East Zone Cultural Centre	6.32

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33	Promotion and Dissemination of Art and Culture	United Tribal Society	0.03
		Mind Blowers Club	0.03
		Longjang Sani Semchir Cultural Society	0.01
34	North Eastern Areas	Nagaland GIS Centre	0.62
		Kohima Forest Development Agency	1.61
		Director of Youth Resources and Sports	1.90
		Director of Information and Public Relation	0.03
		Development Authority Nagaland	1.03
35	Environment Information Education and Awareness	Population Control Board	0.80
36	National Aforestation and Eco Development	State forest Development Agency	1.42
37	National Aforestation Programme	State forest Development Agency	11.69
38	National Child Labour Project	NCLPOING	0.37
39	GRID Interactive Renewable Power	(Association For Development of Society) Renewable Energy Development Agency	1.44
40	Information Publicity and Extension	(Association For Development of Society) Renewable Energy Development Agency	0.48
41	OFF GRID DRPS	(Association For Development of Society) Renewable Energy Development Agency	8.66
42	Renewable Energy for Rural Applications for remote villages	(Association For Development of Society) Renewable Energy Development Agency	0.83
43	Urban Industrial Sector	(Association For Development of Society) Renewable Energy Development Agency	0.11
44	Assistance to IHMS FCIS etc.	Institute of Hotel Management	1.00
45	Assistance to Voluntary Organization for Social Defense	Development Association of Nagaland	0.09
		Youth Mission Agency	0.08
		Bethesda Youth Welfare Centre, Dimapur	0.10
		Prodigal Homes, Dimapur	0.12
46	Handlooms	Nagaland Handloom and Handicrafts Dev. Co-operation	0.92
47	Marketing and Export Promotion Scheme	Director of Industries and Commerce	0.89
		Nagaland Apex Weavers and Artisans Cooperative Federation Ltd.	0.05
		Director of Industries and Commerce	1.41
		Heto MPCs Ltd. Natsumi Village	0.05
		Lovi Valley Multipurpose Co-operative Society	0.04
		Naga Handloom Society Nagaland	0.02
48	Grants-in-aid to NGOs	Nagaland Children's Home, Diphupar	0.10
		Dayanand Sewashram Sangh, Dimapur	0.08
49	Vocational training Centre	Women Welfare Society (M/s Vitoie)	0.37
50	Scheme for the Welfare of Working Children in need of care	Rural Development Society-2	0.09
		Kilo Old Welfare Society	0.23
51	Step support to Training and Employment Programme for Women	Development Support Services Organisation	0.02
		Doyang Valley Multipurpose Co-operative Societies	0.08
		Zutso Society, Kohima Nagaland	0.26
52	Marketing Support Services and Export Promotion Scheme	Khaiboizu Multipurpose Cooperative Society Ltd.	0.04
		Gracely MPCs Ltd.	0.04
53	SWADHAR	Nagaland Evangel Mission and Welfare Association	0.09
		Resource Centre	0.12

54	Museums	Ellen Welfare Society	0.06
		Tribal Art and Textile Museum Society	0.02
55	Crime & Criminal Tracking Network System	Nagaland Police- Computerization of Police Service Society	1.65
56	Upgradation of 1396 Govt. ITI through PPP	IMC Society	12.50
57	National Project for Cattle & Buffalo Breeding	Nagaland Livestock Development Board	4.68
58	Intensive Dairy Dev. Programme	Nagaland State Dairy Cooperative Federation Ltd.	1.50
59	ADVOCACY AND PUBLICITY	Director of Agriculture	0.25
60	Baba Saheb Ambedkar Hastshilpa Vikas Yojana	Ponting Project Agency	0.07
		Gracely MPCs Ltd.	0.04
		Mapu Lomhami Society	0.07
		Heto MPCs Ltd.	0.11
		Dunyis Multipurpose Society	0.13
		Youth Association for Social Services	0.09
		Nagaland Industrial Development Corporation Ltd.	0.20
		ABEBE Society	0.16
		Alomi MPCs Ltd.	0.01
		Avo Multipurpose Society	0.01
		Jorlemp Women Society	0.01
		Sano Chaya Society	0.01
Zeliangrong Socio-Economic Culture	0.01		
61	Integrated Watershed Management Programme	State level Nodal Agency	60.68
62	AAJEEVIKA	Rural Development(DRDA)	10.52
63	NRHM (Centrally Sponsored Scheme)	Mascotte Development Society	0.06
64	ADVOCACY AND PUBLICITY	K.K. Club Youth Welfare Society	0.03
65	Design and Technical Upgradation	Kuve Multipurpose Society- Nagaland	0.01
		M/s Kemi Multipurpose Co-operative Society	0.01
		NODOSO Society	0.01
		People's Movement for Rural Transformation Dimapur- Nagaland	0.01
66	Information Publicity and Extension	Association for Development Society	0.01
67	National Programme for Youth and Adolescent	Association for Development Society	0.01
68	Propogation of RTI Act- Improving Transparency	Nagaland Information Commission	0.02
69	Quality of Technology Support Institutions	Nagaland Mini Tool Room and Training	1.08
70	Skill Development Initiative	Nagaland Skill Development Initiative	0.14
71	Health Insurance for Unorganised Sector	Nagaland State Labour Welfare Society	3.85
72	Capacity Building for Service Providers	Civil Aviation and Tourism	0.75
73	Product/Infrastructure Development	Civil Aviation and Tourism	26.61
74	Setting up of New National Institute	National Institute of Technology	11.79
75	E- Panchayats	Panchayatiraj	0.42
76	National Mission on Micro Irrigation	State Micro Irrigation Committee	1.00
77	National Overseas Scholarship Scheme	Temjenmongla	0.01
	GRAND TOTAL		1284.05

Source: 'Central Plan Scheme Monitoring System' portal in Controller General of Account's website

Appendix – 1.6

(Reference to Paragraph 1.5.1; Page 14)

(A) Tax Revenue for the years 2007-12

(Rupees in crore)

Heads	2007-08	2008-09	2009-10	2010-11	2011-12		Percentage of increase(+)/ decrease(-) in 2011-12 over 2010-11
					Budget Estimates	Actual	
Taxes on Sales	94.79	114.70	132.22	167.22	185.50	231.12	38.21
State Excise	2.83	3.33	3.14	3.00	3.91	3.37	12.33
Taxes on Vehicle	12.30	14.14	16.73	23.92	27.86	34.58	44.57
Stamps and Registration Fees	1.02	1.01	1.19	1.35	1.26	1.85	37.04
Land Revenue	0.50	0.60	0.63	0.59	0.87	0.68	15.25
Taxes on goods & Passengers	2.19	2.34	3.96	6.62	2.74	4.85	(-)26.74
Other taxes	17.74	19.90	22.64	24.62	29.05	27.43	11.41
Total	131.37	156.02	180.51	227.32	251.19	303.88	

(B) Non-Tax Revenue for the years 2007-12

(Rupees in crore)

Heads	2007-08	2008-09	2009-10	2010-11	2011-12		Percentage of increase(+)/ decrease(-) in 2011-12 over 2010-11
					Budget Estimates	Actual	
Interest Receipts, Dividends and Profits	5.66	11.57	10.02	14.35	12.02	9.62	(-)32.96
Police	2.73	0.61	0.44	34.21	3.32	30.65	(-)10.41
Public Works	0.10	0.10	0.54	0.72	0.68	0.69	(-)4.17
Other Administrative services	1.93	1.21	1.42	2.90	4.43	2.38	(-)17.93
Miscellaneous General Services	19.44	28.05	7.04	12.43	10.80	29.01	133.39
Education, Sports, Art and Culture	0.48	0.55	0.43	8.74	0.35	12.16	39.13
Water Supply and Sanitation	1.07	0.98	0.94	1.29	1.24	1.62	25.58
Housing	2.11	2.97	3.43	3.63	6.72	4.38	20.66
Social Security and Welfare	0.31	0.25	0.17	3.19	0.31	0.70	(-)78.06
Animal Husbandry	0.39	0.43	0.47	0.57	0.70	0.40	(-)29.82
Forestry and Wild Life	4.81	4.78	7.70	10.18	10.80	8.87	(-)12.87
Co-operation	0.17	0.79	3.15	0.34	0.07	3.54	941.18
Minor Irrigation	0.01	0.02	0.01	0.00	0.03	3.54	
Power	69.47	111.49	75.17	74.01	110.00	94.28	27.39
Road and Bridges	0.73	1.09	2.34	2.28	2.27	2.53	10.96
Road Transport	8.37	9.38	10.81	11.55	14.70	12.90	11.69
Other General ES	0.08	0.08	0.12	0.12	0.12	6.35	5191.67
Others	0.64	5.10	0.87	1.10	12.29	7.57	588.18
Total	118.50	179.45	125.07	181.61	190.85	231.19	

Appendix 2.1

(Reference: Paragraph 2.3.1; Page 44)

Statement of various grants/appropriations where saving was more than ₹ 1 crore each or more than 20 per cent of the total provision

(Rupees in crore)

Sl. No.	Grant No	Name of the Grant/Appropriation	Total Grant/Appropriation	Savings	Percentage
(1)	(2)	(3)	(4)	(5)	(6)
Revenue (Voted)					
1.	04	Administration of Justice	18.44	1.76	10
2.	11	District Administration & Special Welfare Schemes	164.14	65.21	40
3.	21	Relief of distress caused by Natural Calamities	5.22	5.11	98
4.	27	Planning Machinery	111.36	8.11	7
5.	28	Civil Police	796.24	4.87	1
6.	31	School Education	607.97	44.65	7
7.	32	Higher Education	93.01	22.67	24
8.	33	Youth Resources and Sports	27.40	3.49	13
9.	37	Municipal Administration	17.77	13.10	74
10.	43	Social Security & Welfare	135.17	36.83	27
11.	45	Co-operation	18.00	1.00	6
12.	46	Statistics	23.11	2.20	10
13.	50	Animal Husbandry & Dairy Development	68.71	5.26	8
14.	53	Industries	50.84	5.04	10
15.	59	Irrigation & Flood Control	178.70	46.75	26
16.	60	Water Supply	45.18	9.21	20
17.	64	Housing	50.02	1.38	3
18.	65	SCERT	26.40	9.79	37
19.	66	Sericulture	15.61	2.72	17
20.	70	Horticulture	28.41	5.06	18
21.	72	Land Resource Development	20.21	8.28	41
22.	73	State Institute of Rural Development	7.68	1.86	24
23.	81	Information Technology & Communication	29.38	24.67	84
24.	82	New and Renewable Energy	3.15	0.80	25
Capital (Voted)					
25	4	Administration of Justice	24.95	9.23	37
26	9	Taxes on Vehicles	33.30	4.25	13
27	16	State Guest House	1.00	0.50	50
28	25	Land Records and Survey	1.00	0.62	62
29	26	Civil Secretariat	2.00	2.00	100
30	27	Planning Machinery	327.88	260.55	79
31	30	Administrative Training Institute	1.00	0.81	81
32	34	Art & Culture and Gazetteers Unit	5.54	3.53	64
33	35	Medical, Public Health & Family Welfare	49.60	7.68	15
34	36	Urban Development	121.29	52.57	43
35	37	Municipal Administration	1.48	1.48	100
36	43	Social Security and Welfare	17.66	8.37	47
37	44	Evaluation Unit	2.05	0.45	22
38	45	Co-operation	10.86	4.16	38
39	48	Agriculture	25.64	8.54	33
40	52	Forest, Ecology, Environment & Wildlife	38.56	13.96	36

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41	53	Industries	40.46	16.40	41
42	55	Power	103.02	20.65	20
43	56	Road Transport	13.11	6.45	49
44	57	Housing Loans	0.22	0.07	32
45	59	Irrigation and Flood Control	11.03	7.95	72
46	60	Water Supply	44.21	2.54	6
47	62	Civil Administration Works	58.75	19.45	33
48	63	Science, Technology, Ecology & Environment	1.00	1.00	100
49	64	Housing	57.94	29.97	52
50	65	SCERT	4.03	2.33	58
51	68	Police Engineering Project	77.00	12.41	16
52	70	Horticulture	3.25	2.00	62
53	77	Development of Under Developed Areas	69.69	31.25	45
54	81	Information Technology & Communication	3.00	1.26	42
55	82	New & Renewable Energy	10.94	7.47	68
Revenue (Charged)					
56	75	Servicing of Debt	468.67	22.28	5
Capital (Charged)					
57	75	Servicing of Debt	816.42	17.85	2
Total			4988.67	909.85	18.24

Appendix 2.2

(Reference: Paragraph 2.3.4; Page 46)

Excess over provision of previous years requiring regularisation

(Rupees in crore)

Year	Number of Grants	Number of Appropriation	Amount of excess over provision	Status of regularisation
2000-01	16	1	51.81	Not yet regularised
2005-06	23	2	64.96	Not yet regularised
2006-07	24	2	46.03	Not yet regularised
2007-08	23	2	88.46	Not yet regularised
2008-09	16	0	43.52	Not yet regularised
2009-10	24	1	61.77	Not yet regularised
2010-11	17	0	90.55	Not yet regularised
Total			447.10	

Appendix 2.3

(Reference: Paragraph 2.3.5; Page 46)

Excess over provision requiring regularisation during 2011-12

(Rupees in crore)

Sl. No.	Number and title of grant/appropriation		Total grant appropriation	Expenditure	Excess
Revenue (Voted)					
1	18	Pensions & Other Retirement benefits	581.59	586.68	5.09
2	34	Art & Culture and Gazetteers Unit	14.25	14.27	0.02
3	35	Medical, Public Health & Family Welfare	235.15	239.41	4.26
4	42	Rural Development	120.82	122.20	1.38
5	51	Fisheries	26.27	27.88	1.61
6	55	Power	293.34	294.32	0.98
7	58	Roads & Bridges	146.80	173.77	26.97
8	78	Technical Education	9.27	9.32	0.05
Total- Revenue (Voted)			1427.49	1467.85	40.36
Capital(Voted)					
9	31	School education	22.56	26.04	3.48
10	33	Youth Resources & Sports	62.96	63.51	0.55
11	50	Animal Husbandry & Dairy Development	17.29	26.55	9.26
12	54	Mineral Development	13.43	14.12	0.69
13	67	Home Guards	1.90	2.50	0.60
Total - Capital(Voted)			118.14	132.72	14.58
Grand Total			1545.63	1600.57	54.94

Appendix 2.4

(Reference: Paragraph 2.3.7; Page 47)

**Cases where supplementary provision (₹ 10 lakh or more in each case)
proved unnecessary**

(Rupees in thousands)

Sl. No.	Number and Name of the Grant	Original Provision	Actual Expenditure	Savings out of Original provision	Supplementary provision
A Revenue (Voted)					
1	6-Land Revenue	6552	5772	780	313
2	11-District Administration	1246096	989330	256766	395311
3	27- Planning Machinery	1065202	1032479	32723	48365
4	32-Higher Education	706241	703417	2824	223876
5	37-Municipal Administration	134263	46663	87600	43433
6	43-Social Security & Welfare	1344827	983373	361454	6873
7	45-Co-operation	172673	169963	2710	7331
8	50-Animal Husbandry and Dairy Development	639445	634469	4976	47637
9	60-Water Supply	423061	359631	63430	28691
Total Revenue (Voted)		5738360	4925097	813263	801830
B Capital (Voted)					
10	26-Civil Secretariat	10000	0	10000	10000
11	34-Art & Culture and Gazetteers unit	26750	20050	6700	28612
12	37-Municipal Administration	0	0	0	14803
13	52-Forest, Ecology, Environment and Wild Life	334539	245971	88568	51031
14	55- Power	938700	823675	115025	91487
15	56-Road Transport	127465	66545	60920	3600
16	70-Horticulture	12500	12500	0	20000
17	77-Development of Under Developed Areas	490000	384471	105529	206935
Total-capital (Voted)		1939954	1553212	386742	426468
Grand Total		7678314	6478309	1200005	1228298

Appendix 2.5

(Reference: Paragraph 2.3.7; Page 47)

Statement of various grants/appropriations where supplementary provision proved insufficient by more than ₹ 1 crore each

(Rupees in crore)

Sl. No.	Grant Number	Name of the Grants and Appropriation	Original Provision	Supplementary provision	Total	Expenditure	Excess
Revenue (Voted)							
1	18	Pensions & Other retirement Benefits	576.29	5.30	581.59	586.68	5.09
2	35	Medical, Public Health & Family Welfare	212.11	23.04	235.15	239.41	4.26
3	42	Rural Development	87.66	33.15	120.81	122.20	1.39
4	51	Fisheries	23.73	2.53	26.26	27.88	1.62
5	58	Roads & Bridges	137.83	8.97	146.80	173.77	26.97
Total Revenue (Voted)			1037.62	72.99	1110.61	1149.94	39.33
Capital (Voted)							
2	50	Animal Husbandry & Diary Development	13.77	3.52	17.29	26.55	9.26
Total Capital (Voted)			13.77	3.52	17.29	26.55	9.26
Grand Total			1051.39	76.51	1127.90	1176.49	48.59

Appendix 2.6

(Reference: Paragraph 2.3.8; Page 47)

Excess/Unnecessary/Insufficient re-appropriation of funds

(Rupees in lakh)

Sl. No.	Grant No.	Description	Head of Account	Re-appropriation	Final Excess(+)/ Saving (-)
Revenue (Voted)					
1	4	High Courts (Charged), Kohima Bench Establishment	2014-102	(-) 1.94	(+) 1.94
2	4	Judicial Administration Implementation of Justice Delivery (FC – XIII Grant)	2014-800-02	(-) 124.70	(+) 0.70
3	4	Advocate General, Standing Counsels & Government Advocate	2014-114-01	(+) 296.16	(-) 0.70
4	5	Chief Electoral Officers - Establishment	2015-102-01	(-) 71.53	(+) 4.39
5	5	Enumeration Computerization of Electoral Rolls	2015-103-01	(+) 33.29	(-) 35.00
6	12	Treasury Establishment	2054-097	(-) 133.98	(+) 1.94
7	18	Superannuation and Retirement Allowances	2071-01-101	(-) 894.31	(+) 508.83
8	28	District Police	2055-109	(+) 14.73	(+) 185.14
9	31	Middle School	2202-01-101-02	(+) 9077.04	(+) 789.16
10	31	Government Schools	2202-02-109-01	(-) 5809.87	(+) 409.45
11	32	Central Sponsored Schemes for Post Matric-Scholarship	2225-02-277-01	(-) 3888.81	(+) 1798.48
12	34	Western Music Centre	2205-101-02	(-) 9.00	(+) 9.00
13	35	Direction	2210-01-001-01	(+) 721.78	(+) 1736.85
14	35	Sub-ordinate Establishment	2210-01-001-02	(-) 209.23	(+) 2714.82
15	35	Other Hospitals	2210-01-110-01	(+) 363.77	(+) 252.83
16	35	Dispensaries	2210-01-110-02	(-) 226.25	(+) 234.18
17	35	Mental Hospitals	2210-01-110-03	(-) 121.35	(+) 195.79
18	35	Information, Education & Communication Bureau	2210-01-200-03	(-) 0.45	(+) 2.00
19	35	Cancer Control and Research	2210-01-200-05	(+) 1.00	(+) 23.75
20	35	Homeopathy	2210-02-102	(-) 47.76	(+) 280.77
21	35	Other Hospitals	2210-03-110-01	(-) 313.57	(+) 1760.78
22	35	Training (GNM)	2210-05-105-02	(+) 1.00	(+) 17.96
23	35	National Malaria Eradication Programme Urban	2210-06-101-02	(+) 15.04	(+) 298.40
24	35	National Small Pox Eradication Programme (Urban)	2210-06-101-03	(-) 319.35	(+) 33.86
25	35	Food Testing Laboratory	2210-06-107-01	(-) 145.40	(+) 44.15
26	35	Rural Family Welfare Centres	2211-101-01	(-) 44.32	(+) 23.87
27	35	Family Welfare Sub-Centres (CSS)	2211-101-02	(+) 345.61	(+) 23.06
28	35	Medical Stores Depots	2210-01-104	(-) 10.26	(-) 312.63
29	35	School Health Schemes	2210-01-109	(+) 35.22	(-) 64.51
30	35	T.B. Hospitals	2210-01-110-04	(-) 165.46	(-) 22.46
31	35	Drug De-addiction Clinic	2210-01-110-07	(+) 1.83	(-) 14.65
32	35	Artificial Limb Centre	2210-01-110-08	(-) 37.33	(-) 9.15
33	35	Health Intelligence Bureau	2210-01-200-02	(-) 29.53	(-) 2.17

34	35	NIDD Control Programme (100% CSS)	2210-01-200-16	(-) 12.25	(-) 23.75
35	35	Health Sub-Centres	2210-03-101	(+) 587.77	(-) 1412.16
36	35	Subsidiary Health Centres	2210-03-102	(-) 325.99	(-) 211.76
37	35	Primary Health Centres	2210-03-103-01	(+) 391.42	(-) 1725.27
38	35	Community Health Centres	2210-03-103-02	(-) 15.27	(-) 1273.70
39	35	TB Hospitals	2210-03-110-03	(+) 196.83	(-) 87.74
40	35	Education	2210-05-105-01	(-) 12.00	(-) 17.78
41	35	Training (PMTI)	2210-05-105-04	(+) 12.74	(-) 70.46
42	35	National Rural Malaria Eradication Programme	2210-06-101-01	(+) 19.28	(-) 847.55
43	35	National Small Pox Eradication Programme (Rural)	2210-06-101-04	(+) 33.42	(-) 240.86
44	35	BCG + TB Control Programme (Urban)	2210-06-101-05	(+) 50.75	(-) 382.25
45	35	National Leprosy Control Programme (Urban)	2210-06-101-07	(+) 27.63	(-) 439.22
46	35	National Tracoma & Blindness Control Programme	2210-06-101-10	(-) 18.94	(-) 31.49
47	35	Drug Control	2210.06-104	(+) 3.20	(-) 23.22
48	36	Sub-ordinate Establishment	2217-80-001-02	(-) 77.51	(-) 26.39
49	37	Grants to Urban Local Bodies	2217-80-191-01	(-) 1310.97	(+) 167.97
50	37	Direction	2217-80-001-04	(+) 60.00	(-) 60.00
51	42	Backward Region Grant Fund	2575-02-800-01	(+) 1.00	(+) 143.00
52	43	Direction	2235-02-001-01	(+) 71.48	(-) 95.69
53	43	Blind Schools	2235-02-101-01	(+) 21.59	(-) 31.61
54	43	Blind School (CSS)	2235-02-101-11	(+) 4.40	(-) 4.40
55	43	I.C.D.S. Scheme	2235-02-102-01	(+) 135.66	(-) 135.66
56	43	I.C.D.S. (CSS)	2235-02-102-11	(+) 1038.27	(-) 742.96
57	43	Prevention Control of Juvenile Social Maladjustment (CSS)	2235-02-102-14	(-) 154.31	(-) 570.69
58	43	National Social Assistance Programme (CSS)	2235-02-104-12	(+) 984.45	(-) 538.23
59	43	Nutrition Including NSAP	2236-02-101-02	(+) 115.00	(-) 115.00
60	43	Assistance to Blind	2235-02-101-02	(-) 38.40	(+) 36.01
61	43	Prevention Control of Juvenile Social Maladjustment	2235-02-102-04	(-) 10.00	(+) 7.19
62	43	Integrated Child Development Training Programme (UDISHA Project) (CSS)	2235-02-102-13	(-) 27.25	(+) 21.73
63	48	Seed Farm	2401-103-07	(+) 153.94	(-) 26.45
64	48	Development of Oil Seeds (CSS)	2401-103-22	(-) 51.00	(-) 4.00
65	48	Pungro Seed Farm (CSS)	2401-103-25	(+) 70.00	(-) 30.00
66	48	Farm Mechanisation	2401-104-04	(+) 30.00	(-) 36.61
67	48	Manure and Fertilizers	2401-105	(+) 16.43	(-) 50.21
68	48	Demonstration & Supply of Plant Protection Chemicals and Equipment (CSS)	2401-107-21	(+) 8.45	(-) 23.85
69	48	Sugarcane Development Scheme	2401-108-01	(+) 87.55	(-) 57.69
70	48	ICDP (CSS)	2401-108-02	(-) 95.00	(-) 15.00
71	48	National Pulses Development Project	2401-108-03	(+) 34.50	(-) 4.50
72	48	Crop Experimental Station	2401-108-08	(+) 20.00	(-) 2.00
73	48	ACRIP (CSS)	2401-108-19	(+) 6.38	(-) 12.38
74	48	Sugarcane Development Scheme (CSS)	2401-108-21	(-) 25.70	(-) 14.90

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75	48	National Pulses Development Project (CSS)	2401-108-23	(-) 55.00	(-) 5.00
76	48	Development Programme Minikit/Millet/Maize (CSS)	2401-108-44	(-) 55.00	(-) 15.00
77	48	Agriculture Statistics (CSS)	2401-111-21	(+) 157.37	(-) 91.37
78	48	Agriculture Census (CSS)	2401-111-22	(+) 40.20	(-) 41.95
79	48	Superintendence	2401-113-01	(+) 55.26	(-) 39.72
80	48	Building (Maintenance)	2401-800-01	(+) 16.20	(-) 22.60
81	48	Pilot Project on Multiple Cropping	2401-800-08	(+) 268.59	(-) 591.92
82	48	Agriculture Marketing & Quality Control	2401-800-09	(+) 27.98	(-) 27.00
83	48	National Watershed Development Programme for Rainfed Areas (CSS)	2401-800-11	(-) 345.00	(-) 100.00
84	48	High Yielding Varieties Programme (CSS)	2401-800-17	(-) 110.00	(-) 160.00
85	48	Fallow Management System (CSS)	2401-800-20	(-) 25.00	(-) 10.00
86	48	Sugarcane research	2415-01-004-02	(-) 17.04	(-) 9.31
87	48	Plant Protection Laboratory	2415-01-004-03	(+) 14.48	(-) 9.75
88	48	State Agriculture Research Station Yisemyung	2415-01-004-06	(+) 51.76	(-) 104.33
89	48	Integrated Extension Training Centre	2415-01-277-01	(+) 122.46	(-) 83.64
90	48	Direction (Agri)	2401-001-01	(-) 1291.51	(+) 399.84
91	48	Sub-ordinate establishment (Agriculture)	2401-001-02	(+) 865.53	(+) 442.52
92	48	Supply of Improved Seeds	2401-103-06	(-) 35.00	(+) 34.50
93	48	Seed Testing Laboratory	2401-103-09	(-) 3.00	(+) 5.00
94	48	Manure & Fertilizers (NEC/CSS)	2401-105-10	(-) 77.00	(+) 150.00
95	48	Demonstration & Supply of Plant Protection Chemicals and Equipment	2401-107-01	(+) 10.11	(+) 10.39
96	48	Disaster Management	2401-107-03	(+) 2.00	(+) 13.85
97	48	Farmers Training	2401-109-01	(+) 64.87	(+) 24.37
98	48	Agriculture Information & Publicity	2401-109-02	(+) 28.62	(+) 26.05
99	48	Agriculture Statistics	2401-111-01	(+) 14.04	(+) 10.27
100	48	High Yielding Varieties Programme	2401-800-07	(+) 4.41	(+) 34.04
101	48	Chemistry laboratory	2415-01-004-01	(+) 78.24	(+) 80.43
102	48	Assistance for Agriculture Education	2415-01-277-02	(-) 51.00	(+) 64.00
103	49	Direction	2402-001-01	(+) 73.95	(-) 25.96
104	49	Research	2415-02-004	(+) 46.23	(-) 5.01
105	49	Sub-ordinate Establishment	2402-001-02	(-) 38.34	(+) 18.51
106	49	Soil Conservation Extension Service	2402-102-01	(+) 1.13	(+) 2.67
107	49	Education	2415-02-277	(-) 64.54	(+) 6.38
108	50	Sub-ordinate establishment	2403-001-02	(+) 23.11	(-) 126.28
109	51	Education & Training	2405-109-01	(-) 30.00	(+) 44.50
110	52	Sub-ordinate Establishment	2406-01-001-02	(+) 697.01	(+) 154.03
111	52	Housing	2406-01-070-03	(-) 10.00	(+) 52.58
112	52	Distribution of Seedling	2406-01-102-13	(+) 15.00	(+) 1.50
113	52	Integrated Forest Protection Scheme (IFPS) (IFN)	2406-01-800-15	(-) 564.29	(+) 145.16
114	52	Zoological Park	2406-02-111	(+) 5.00	(+) 92.44
115	52	Development of National Park and Sanctuaries (CSS)	2406-01-800-07	(+) 27.04	(+) 24.20
116	52	Environment Wing	2406-01-800-08	(-) 10.00	(+) 17.47

117	52	Biodiversity Conservation	2415-06-800-06	(-) 90.00	(+) 24.70
118	52	Direction	2406-01-001-01	(-) 509.02	(-) 259.21
119	52	Working Plan	2406-01-005-03	(+) 2.00	(-) 2.00
120	52	R.S. & Aesthetic Plantation	2406-01-102-16	(+) 3.00	(-) 4.32
121	52	Plantation of Wild Fruits	2406-01-102-21	(+) 10.00	(-) 5.00
122	52	Nagaland Forest Infrastructure Development Project	2406-01-800-05	(+) 4.00	(-) 4.00
123	52	Forestry Training School	2415-06-277-01	(+) 14.68	(-) 85.60
124	53	Direction	2851-001-01	(+) 17.18	(+) 509.47
125	53	Subordinate Establishment	2851-001-02	(+) 0.75	(+) 286.08
126	53	Industrial Estates	2851-101-01	(-) 4.50	(+) 106.90
127	53	Training Outside the State and Study Tours	2851-102-02	(+) 3.00	(+) 1.19
128	53	Handloom Development Scheme	2851-103-03	(+) 0.10	(+) 6.52
129	53	Handloom Development Scheme (CSS)	2851-103-13	(-) 229.04	(+) 196.54
130	53	Training	2851-103-01	(-) 9.30	(-) 36.43
131	53	Marketing Organization	2851-104-01	(-) 1.67	(-) 3.26
132	53	Training Centre	2851-104-02	(-) 11.13	(-) 49.55
133	53	Bee Keeping Farm	2851-200-01	(-) 7.00	(-) 46.78
134	53	Economic Plant and Demonstration Farm	2851-200-02	(-) 17.98	(-) 161.34
135	53	District Industries Centre	2851-800-05	(+) 42.71	(-) 507.73
136	55	Electrical Inspectorate	2045-103-01	(-) 18.65	(+) 39.94
137	55	Execution	2801-01-001-01	(-) 12.31	(+) 3519.03
138	55	Maintenance	2801-05-800-01	(+) 20.44	(+) 240.66
139	55	Operation and Maintenance of Likimro Hydro Electric Project	2801-01-800-02	(+) 32.65	(-) 8.89
140	55	Direction	2801-05-001-01	(-) 66.71	(-) 405.56
141	55	Execution	2801-05-001-02	(+) 23.47	(-) 3318.61
142	55	New Supplies	2801-05-052-02	(+) 1.20	(-) 6.20
143	55	Linemen Training Centre	2801-05-800-02	(-) 3.02	(-) 26.04
144	55	Service Connection	2801-05-800-03	(-) 17.07	(-) 18.52
145	58	Direction	3054-80-001-01	(-) 97.37	(+) 17.37
146	58	Traffic Engineering Cell	3054-80-001-02	(+) 4.12	(+) 537.99
147	58	Research Development Cell	3054-80-001-03	(-) 5.05	(+) 7827.71
148	58	Maintenance	3054-04-105-01	(+) 13.29	(-) 0.57
149	58	Superintending Engineer's Establishment	3054-80-001-04	(+) 71.25	(-) 437.90
150	58	Execution	3054-80-001-05	(+) 27.05	(-) 7394.79
151	60	Direction	2215-01-001-01	(+) 15.27	(-) 3.00
152	60	Execution	2215-01-001-02	(-) 26.23	(-) 0.76
153	64	Direction	2059-80-001-21	(+) 14.64	(-) 218.98
154	64	Execution	2059-80-001-22	(-) 42.19	(+) 148.26
155	65	Teachers Training Programme (SCERT)	2202-01-105-02	(+) 111.00	(-) 33.00
156	65	Class Project	2202-02-004-04	(+) 73.62	(-) 73.62
157	65	Class Project (CSS)	2202-02-004-14	(-) 554.38	(-) 191.67
158	65	State Council of Educational Research and Training	2202-02-004-01	(+) 42.42	(+) 58.95
159	67	Management of Natural Calamities	2070-107-02	(+) 60.00	(-) 60.00
160	78	Government Polytechnic	2203-105-02	(+) 34.48	(+) 4.00

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161	82	Direction & Administration (IREP-NPBD)	2810-01-001	(+) 0.54	(+) 0.91
Capital(Voted)					
162	31	Direction & Administration	4202-01-800-01	(-) 671.07	(+) 1018.93
163	33	Development & Promotion of Sports and Youth Affairs Activities in N-E Region	4552-33-800-12	(+) 7.28	(+) 104.55
164	33	Indoor Stadium Sub-Division	4202-03-800-10	(-) 12.00	(-) 50.00
165	35	NRHM	4210-01-800-07	(+) 501.82	(-) 555.12
166	35	Naga Hospital Kohima, Authority	4210-01-800-05	(+) 372.18	(+) 14.74
167	35	NHK (NEC)	4552-35-800-02	(-) 225.00	(+) 53.33
168	36	Construction Works	4217-60-051-10	(+) 545.18	(+) 497.16
169	36	Special Development Fund for Nagaland & Schemes Under NLCPR (CSS)	4217-60-051-19	(+) 2149.00	(-) 5649.00
170	36	National Urban Renewal Mission	4217-60-051-14	(-) 4680.40	(+) 964.54
171	37	Construction	4217-60-051	(+) 10.00	(-) 40.00
172	43	Buildings	4235-02-800-01	(-) 307.54	(-) 158.01
173	48	Construction (Buildings)	4401-800-01	(+) 380.00	(-) 750.00
174	48	NE Agri Expo Site (NLCPR)	4401-800-02	(+) 225.87	(-) 180.87
175	48	Agri Link Roads	4401-800-05	(-) 480.00	(-) 47.00
176	48	Estt. Of NE Expo	4401-800-06	(+) 40.00	(+) 205.97
177	48	Maintenance	4408-02-800-04	(-) 359.00	(+) 111.16
178	50	Maintenance of Assets	4403-001-01	(+) 132.48	(+) 2515.10
179	50	Veterinary and Animal Husbandry, Construction	4059-01-051-50	(-) 300.00	(-) 700.00
180	50	Works	4403-102-01	(+) 439.35	(-) 439.35
181	50	Buildings (Veterinary & Animal Husbandry)	4403-800-50	(-) 271.83	(-) 450.00
182	52	Buildings	4406-01-070-02	(+) 439.69	(-) 1450.00
183	52	Buildings (CSS)	4406-01-070-12	(-) 439.69	(-) 673.70
184	53	Other Expenditure	4859-02-800	(+) 17.00	(-) 22.55
185	53	NMTTC (State Share)	4860-60-600-22	(-) 116.07	(-) 12.50
186	53	Works Expenditure	4860-60-800-01	(+) 780.73	(-) 196.27
187	53	Budgetary Support to Nagaland Khadi and Village Board	4860-01-800-01	(+) 100.00	(+) 12.50
188	54	State Mineral Development Corporation	4853-60-190-01	(+) 725.59	(+) 69.51
189	55	Other Micro Hydel Schemes	4801-01-800-03	(-) 47.00	(-) 901.08
190	55	Direction & Administration	4801-05-001	(-) 190.00	(-) 236.00
191	55	Transmission Scheme	4801-05-800-02	(-) 193.88	(-) 5476.86
192	55	Various Schemes Under REC Loans	4801-06-800-01	(+) 104.00	(-) 297.70
193	55	Other Hydel Investigation Scheme	4801-01-800-01	(-) 195.00	(+) 206.35
194	55	Sub-Transmission Scheme	4801-05-800-01	(+) 385.62	(+) 3433.32
195	58	Department Schemes	5054-04-800-01	(+) 2727.99	(+) 16653.94
196	58	Roads & Bridges (CSS)	4552-04-800-01	(+) 622.22	(-) 2832.71
197	58	Special Programme Roads (Non-Lapsable Pool)	5054-04-800-02	(-) 3916.84	(-) 10618.86
198	58	Inter State Connectivity for Economic Importance	5054-04-800-43	(-) 320.00	(-) 2358.43
199	59	Renovation and Upgradation of Capital Asset	4702-800-02	(+) 27.00	(-) 3.45
200	60	Augmentation of Water Supply to Kohima, Tuensang & Chumukedima	4215-01-800-17	(+) 55.37	(+) 899.99

201	62	Construction (CAWD) (Normal)	4216-01-106-11	(-) 589.87	(-) 1354.83
202	66	Construction	4851-107-01	(-) 7.00	(-) 2.95
203	68	States own schemes	4055-211-04	(+) 87.00	(-) 2087.00
204	68	Office Building	4055-211-01	(+) 975.55	(+) 815.17
205	68	Government Residential Building	4055-211-02	(-) 1687.55	(+) 3155.66
206	77	Development of Under Developed Areas particularly Tuensang and Mon Districts	4575-03-800-11	(+) 1050.00	(-) 1040.78
207	77	DUDA particularly Tuensang and Mon Districts (CSS)	4575-03-800-21	(+) 230.00	(-) 2299.35
208	77	Border Area Development Programme	4575-03-800-13	(-) 1450.00	(+) 385.49
209	81	Information Technology and Communication	4059-01-051-81	(-) 100.00	(-) 26.00
210	82	Mini-Hydel Projects	4801-01-800-41	(+) 50.00	(-) 8.51
211	82	Bio-Mass Gasifier	4810-101-02	(+) 23.74	(-) 0.90
212	82	Energy Park	4810-600-01	(-) 24.74	(-) 2.10
213	82	T & P Consultancy and DPRs	4810-600-02	(-) 8.00	(-) 5.75
Revenue (Charged)					
214	75	Interest on Spl. Securities issued to NSS Fund of the Central Govt. by State Govt.	2049-01-123	(+) 271.93	(-) 476.56
215	75	R.E.C. Loans	2049-01-200-01	(-) 114.82	(-) 46.64
216	75	HUDCO Loans	2049-01-200-06	(-) 158.23	(-) 13.41
217	75	NABARD Loans	2049-01-200-12	(+) 26.20	(-) 25.38
218	75	Interest on Insurance and Pension Funds	2049-03-108	(-) 25.00	(-) 0.74
219	75	Oriental Insurance Corporation	2049-01-200-15	(+) 1.33	(+) 2.10
Capital (Charged)					
220	75	Ways and Means Advances from the Reserve Bank of India	6003-110	(-) 5123.99	(+) 2914.63
221	75	Loans from Housing and Urban Development Corporation (HUDCO)	6003-109-02	(-) 698.02	(-) 39.44
222	75	Other Loans	6004-04-800	(-) 11.55	(-) 5.38
Total				(-)42007.22 (+)33027.35	(-)66214.06 (+)61143.06

Appendix 2.7

(Reference: Paragraph 2.3.10; Page 48)

**Results of review of substantial surrenders made during the year
(Rupees in crore)**

Sl. No.	Number and title of Grant	Name of the scheme (Head of Account)	Total Grant/ Appropriation	Amount of Surrender	Percentage of Surrender
Revenue (Voted)					
1	4- Administration of Justice	2014-00-105-12 (Chief Judicial Magistrates etc. Establishment(CSS))	0.40	0.40	100.00
2		2014-00-800-02 (Judicial Administration Implementation of Justice Delivery (FC-XIII Grant))	1.86	1.25	67.20
3	6- Land Revenue	2029-00-101-00 (Land Revenue(Null))	0.06	0.05	83.33
4	11-District Administration & Special Welfare Schemes	2053-00-800-01 (Land Rent for Accommodation of Security Forces (SRE))	0.03	0.03	100.00
5		2515-00-101-01 (Grant to Rural Local Bodies (FC XIII Award))	65.32	64.77	99.16
6	12- Treasury and Accounts Administration	2030-01-101-00 (Cost of stamps(Null))	0.04	0.04	100.00
7		2030-02-000-00 Stamps ((Non-Judicial))	0.08	0.08	100.00
8		2054-00-003-00 (Training)	2.85	2.16	75.79
9		2054-00-800-01 (Audit)	0.71	0.71	100.00
10	21-Relief of Distress caused by Natural Calamities	2245-05-101-00 (Transfer to Reserve Funds and Deposit Accounts-State Disaster Response Fund)	5.22	5.22	100.00
11	22-Civil Supplies	2408-01-101-01 (Nutrition under UNAP)	0.55	0.55	100.00
12	26- Civil Secretariat	2552-26-800-01 (Bee and Honey Mission)	2.00	1.00	50.00
13	27-Planning	2575-03-800-21 (Incentives to issue of UID-TFC)	6.30	6.30	100.00
14	28-Civil Police	2055-00-003-11 (Police Training School (CSS))	1.50	1.50	100.00
15	31-School Education	2202-01-101-12 (Middle School)	2.15	2.15	100.00
16		2202-01-800-12 (Sarva Shiksha Abhiyan (State Share))	5.00	5.00	100.00
17		2202-01-800-14 (Nutrition Support Against Conversion of Mid-day Meal (CSS))	46.06	38.45	83.48
18		2202-04-103-11(State Scheme(CSS))	1.96	1.96	100.00
19		2202-01-107-00 (Teachers Training)	0.10	0.10	100.00
20		2202-01-800-02 (Sarva Shiksha Abhiyan)	17.43	11.10	63.68
21		2202-02-001-01 (Direction)	111.99	81.13	72.44
22		2202-02-109-03 (Education Technological Cell (CSS))	1.63	1.21	74.23
23		2202-02-800-02 (Vocationalisation of Secondary Education)	0.02	0.02	100.00
24		2202-04-103-01 (State Schemes)	1.32	1.14	86.36
25	32- Higher Education	2225-02-277-01 (Centrally Sponsored Schemes for Post Matric-Scholarship)	38.89	38.89	100.00
26		2225-02-277-04 (Centrally Sponsored Schemes for Post Matric-Scholarship for Minority Community)	0.10	0.10	100.00
27		2552-32-277-01 (Financial Support to the	0.37	0.37	100.00

		Students of N.E.R (NEC) (CSS))			
28	33- Youth Resources and Sports	2204-00-102-13 (National Service Scheme (Centrally Aided) (CSS))	1.56	1.56	100.00
29		2552-33-104-00 (Sports and Games Contribution to Dr. T. Ao Tournament)	0.05	0.05	100.00
30	34- Art and Culture and Gazetteers Unit	2205-00-101-02 (Western Music Centre)	0.10	0.09	90.00
31		2205-00-102-04 (Multipurpose Cultural Complex at Zunheboto)	0.01	0.01	100.00
32		2205-00-102-08 (Museum Annex)	0.50	0.50	100.00
33	35- Medical, Public Health and Family Welfare	2210-01-110-15 (Grants-in-Aid to Nagaland State BTC (CSS))	0.13	0.13	100.00
34		2210-06-101-15 (Grants-in-Aid to AYUSH (CSS))	0.07	0.07	100.00
35		2210-01-001-03 (Engineering Cell)	1.07	1.07	100.00
36		2210-01-110-02 (Dispensaries)	2.26	2.26	100.00
37		2210-01-110-03 (Mental Hospitals)	1.21	1.21	100.00
38		2210-01-110-05 (Grants-in-Aid to Nagaland State BTC)	0.57	0.49	85.96
39		2210-01-110-08 (Artificial Limb Centre)	0.48	0.37	77.08
40		2210-01-200-02 (Health Intelligence Bureau)	0.33	0.30	90.91
41		2210-01-200-06 (NIDD Control Programme)	0.18	0.18	100.00
42		2210-02-102-00 (Homeopathy(Null))	0.64	0.48	75.00
43		2210-03-110-03 (Communitisation of Sub-Centres)	2.00	2.00	100.00
44		2210-06-003-01 (Training and Employment of Multipurpose Workers (50:50))	0.20	0.20	100.00
45		2210-06-101-03 (National Small Pox Eradication Programme (Urban))	3.19	3.19	100.00
46		2210-06-101-09 (STD Control Programme)	0.17	0.17	100.00
47		2210-06-107-01 (Food Testing Laboratory)	1.55	1.45	93.55
48		2211-00-003-02 (Training of ANM/LHU (CSS))	0.08	0.08	100.00
49		2211-00-103-02 (Universal Immunisation Programme (State H.Q.) (CSS))	0.75	0.75	100.00
50		2210-00-001-02 (Sub-ordinate Establishment (CSS))	0.88	0.88	100.00
51	2211-00-101-01 (Rural Family Welfare Centres)	0.64	0.44	68.75	
52	37-Municipal Administration	2217-80-191-01 (Grants to Urban Local Bodies)	16.09	13.11	81.48
53		2217-80-191-03 (Grants to Town Councils)	1.00	1.00	100.00
54	38- Information and Public Relations	2220-60-102-00 (Information Centres(Null))	0.62	0.52	83.87
55		2220-60-103-00 (Press Information Services(Null))	2.08	0.48	23.07
56	39-Tourism	3452-01-101-02 (Tourist Centre)	0.12	0.11	91.67
57		3452-01-103-00 (Tourist Transport Service (Null))	0.02	0.01	50.00
58	40-Employment and Training	2230-03-800-14 (Modernisation of ITIs (CSS))	0.45	0.33	73.33
59	42- Rural Development	2515-00-800-01 (Matching Grants to VDBs)	0.03	0.03	100.00
60	43-Social Security and Welfare	2235-02-101-13 (Integrated Child Development Training Programme (UDISHA Project) (CSS))	0.40	0.27	67.50
61		2235-02-101-02 (Assistance to Blind)	0.38	0.38	100.00
62		2235-02-102-02 (Establishment of Children's	2.37	1.81	76.37

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		Parks and Children's Wards)			
63		2235-02-102-03 (Integrated Child Development Training Programme (UDISHA Project)	0.30	0.20	66.67
64		2235-02-104-13 (Old Age Home)	0.50	0.45	90.00
65		2235-02-107-01 (Grants-in-aid under State Schemes)	0.39	0.30	76.92
66		2235-02-107-02 (Grants-in-aid to N.S.S.W.A.B)	1.05	1.05	100.00
67		2236-02-101-12 (Nutrition Including NSAP(CSS))	60.00	60.00	100.00
68		2236-02-101-04 (Article 275 (1))	2.05	2.05	100.00
69	45-Co-operation	2425-00-108-02 (Other Schemes (CSS))	4.14	2.12	51.21
70	47-Legal Metrology and Consumer Protection	3475-00-106-03 (Laboratories)	0.65	0.44	67.69
71	48-Agriculture	2401-00-103-27 (Seed Farms (CSS))	0.70	0.70	100.00
72		2401-00-109-21 (Farmers Training)	0.43	0.43	100.00
73		2401-00-001-01 (Direction (Agri))	18.76	12.92	68.87
74		2401-00-103-09 (Seed Testing Laboratory)	0.03	0.03	100.00
75		2415-01-004-02 (Sugarcane Research)	0.26	0.17	65.38
76	49-Soil and Water Conservation	2402-00-101-02 (Pilot Projects)	0.07	0.07	100.00
77		2402-00-103-01 (Stream Bank Erosion and Landslide Control)	2.20	2.00	90.91
78		2402-00-103-02 (Command Area Land Development)	0.15	0.15	100.00
79		2415-02-277-00 (Education(Null))	0.65	0.65	100.00
80	50-Animal Husbandry and Dairy Development	2403-00-101-09 (Systematic Control of Livestock Disease of National Importance(50:50))	1.26	0.81	64.29
81		2403-00-101-11 (Animal Health(CSS))	1.58	1.58	100.00
82		2403-00-101-33 (Rinder Pest Eradication Scheme (CSS 100%))	0.15	0.14	93.33
83		2403-00-107-12 (Grassland Resources)	1.00	1.00	100.00
84		2403-00-101-02 (Veterinary Outposts)	0.16	0.16	100.00
85		2403-00-101-04 (Disease Investigation Unit)	1.36	1.36	100.00
86		2403-00-104-02 (Goat Development)	0.12	0.06	50.00
87		2404-00-102-01 (Rural Dairy Centre, Dimapur)	3.26	1.66	50.92
88	51-Fisheries	2405-00-101-13 (Paddy cum Fish Centre)	2.15	1.15	53.49
89		2405-00-109-01 (Education and Training)	0.33	0.30	90.91
90		2552-05-101-12 (Integrated Fishery Development Programme (CSS))	1.50	1.50	100.00
91	52-Forest, Ecology, Environment and Wild Life	2406-01-800-15 (Integrated Forest Protection Scheme (IFPS) (IFN))	6.04	5.64	93.38
92		2406-01-800-17 (Development of National Park & Sanctuaries(CSS))	0.90	0.90	100.00
93		2406-02-110-11 (Protection of Wild Life Habitat and Corridor)	2.50	2.50	100.00
94		2406-02-800-08 (Environment Wing)	0.10	0.10	100.00
95		2415-06-800-05 (Conservation of Singphen WLS Agor Plantation)	2.00	2.00	100.00
96		2415-06-800-06 (Bio-diversity Conservation)	1.00	0.90	90.00
97	53-Industries	2851-00-200-12 (Economic Plant and Demonstration Farm(CSS))	5.00	5.00	100.00

98		2851-00-800-19 (Food Processing Industry (CSS))	1.00	1.00	100.00
99	54-Mineral Development	2853-02-800-05 (Implementation of Nagaland Coal Policy)	1.50	1.25	83.33
100	58-Roads and Bridges	3054-03-103-01 (Maintenance)	0.13	0.13	100.00
101	59-Irrigation and Flood Control	2702-80-800-03 (Other Minor Irrigation Works TFC)	2.00	1.00	50.00
102		2702-80-800-16 (Hydrology (SPA))	2.00	2.00	100.00
103	60-Water Supply	2215-01-005-01 (Monitoring Cell)	0.10	0.05	50.00
104		2215-01-005-02 (Investigation Cell)	0.10	0.05	50.00
105	66-Sericulture	2851-00-107-12 (Eri Silk Development Project (CSS))	2.15	2.15	100.00
106		2851-00-107-13 (Catalytic Development Programme (CSS))	3.08	3.08	100.00
107	70-Horticulture	2401-00-107-13 (Other Commercial Crops)	5.05	3.00	59.41
108		2552-01-119-04 (Development/Rejuvenation of Plantation Crops)	0.10	0.10	100.00
109	72-Land Resource Development	2501-05-101-12 (IWDP for Various Districts (CSS))	11.75	11.75	100.00
110	73-State Institute of Rural Development	2515-00-003-14 (Recurring Grant-in-Aid (CSS))	2.70	2.70	100.00
111	76-Women Welfare	2236-80-800-01 (National Nutrition Mission for Pregnant Woman)	0.40	0.40	100.00
112	78-Technical Education	2203-00-107-11 (Technical Scholarships (CSS))	1.57	1.48	94.27
113		2203-00-800-01 (State Council of Technical Education)	0.19	0.19	100.00
114	81-Information Technology and Communication	3425-60-001-01 (Direction)	29.08	25.21	86.69
115	82-New and Renewal Energy	2810-02-102-10 (Photovoltaic (CSS))	1.38	1.38	100.00
	Capital (Voted)				
116	4- Administration of Justice	4059-01-051-44 (Administration of Justice Court Building (CSS))	4.50	3.07	68.22
117		4216-01-106-14 (Housing (Law) (CSS))	2.50	1.85	74.00
118	8- Sales Tax	4216-01-106-08 (Construction(Sales Tax))	1.98	1.98	100.00
119	9-Taxes on Vehicles	4059-60-051-99 (Non-Functional Buildings (Taxes on Vehicles) (CSS))	4.24	4.24	100.00
120		4059-01-051-09 (Non-functional Buildings(Taxes on Vehicles))	1.00	1.00	100.00
121	16-State Guest House	4059-60-800-16 (Construction/Renovation Works of Nagaland House(State Guest House))	1.00	0.50	50.00
122	25- Land Records and Survey	4059-60-051-25 (Non-functional Buildings(Land Records))	1.00	0.62	62.00
123	26- Civil Secretariat	4059-01-051-26 (Renovation of Buildings under Nagaland Civil Secretariat)	2.00	2.00	100.00
124	27-Planning	4059-60-051-27 (Non-functional Building Machinery)	327.88	260.55	79.47
125	30-Administrative Training Institute	4059-60-051-30 (Renovation and Upgradation(ATI))	1.00	0.81	81.00
126	33- Youth Resources and Sports	4202-03-800-12 (Construction (Youth Resources Development))	4.38	4.38	100.00
127	34- Art and Culture and	4202-04-800-01 (Building)	5.39	3.38	62.71

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128	Gazetteers Unit	4202-04-800-02 (Renovation & Furnishing)	0.15	0.15	100.00
129	35- Medical, Public Health and Family Welfare	4210-01-800-06 (Furnishing of New Building)	0.30	0.30	100.00
130		4210-02-103-00 (Primary Health Centres(Null))	7.00	7.00	100.00
131		4552-35-800-02 (NHK (NEC))	2.25	2.25	100.00
132	36-Urban Development	4217-01-800-06 (Slum Improvement)	0.05	0.03	60.00
133		4217-01-800-08 (Gender Budgeting)	0.05	0.03	60.00
134		4217-01-800-10 (Global Climate)	0.05	0.03	60.00
135		4217-60-051-14 (National Urban Renewal Mission)	67.69	46.80	69.14
136		4217-60-190-02 (Purchase of Machineries for Municipal & Town Councils)	2.00	2.00	100.00
137		4217-60-800-01 (Other Expenditure)	2.00	2.00	100.00
138	37-Municipal Administration	4217-04-800-11 (Rajiv Awas Yojana (CSS))	1.08	1.08	100.00
139		4217-04-800-01 (Rajiv Awas Yojana)	0.05	0.05	100.00
140		4217-60-800-01 (Interest Subsidy Scheme for Housing the Urban Poor)	0.05	0.05	100.00
141	43-Social Security and Welfare	4235-02-800-17 (Construction of Anganwadi House ICDS/CSS)	11.22	11.22	100.00
142	45-Co-operation	6425-00-108-02 (Other Schemes(CSS))	5.88	3.46	58.84
143	47-Legal Metrology and Consumer Protection	5475-00-800-01 (Buildings)	1.00	0.70	70.00
144	48-Agriculture	4408-02-800-04 (Maintenance)	5.59	3.59	64.22
145	53-Industries	4860-60-600-24 (Others (CSS))	4.00	4.00	100.00
146		4860-60-600-28 (Urban Haat (CSS))	1.00	1.00	100.00
147		4860-60-600-39 (Industrial Cluster Development)	15.00	15.00	100.00
148		4860-60-600-22 (NMTTC (State Share))	1.66	1.16	69.88
148		4860-60-600-27 (IDCOM (IL & FS))	4.65	4.65	100.00
150	54-Mineral Development	4852-60-800-02 (Works)	8.79	7.26	82.59
151	55-Power	4552-02-800-05 (Transmission Scheme in Nagaland (NEC) (CSS/CPS))	10.00	10.00	100.00
152		4801-01-800-01 (Other Hydel Investigation Scheme)	2.10	1.95	92.86
153	56-Road Transport	4552-05-800-01 (Inter State Bus Terminus)	0.68	0.68	100.00
154		5055-00-800-22 (ISBT (CSS))	5.77	5.77	100.00
155	59-Irrigation and Flood Control	4702-00-800-04 (Construction of Buildings)	1.00	1.00	100.00
156		4702-00-800-05 (Irrigation Project under NLCPR)	8.00	8.00	100.00
157	60-Water Supply	4215-01-800-37 (Augumentation of Water Supply to Kohima & Chumukedima (CSS))	9.71	9.71	100.00
158		4215-02-101-02 (Central Sector (CSS))	4.50	4.50	100.00
159		4215-01-800-13 (Urban Water Supply (Major Town))	2.30	1.24	53.91
160		4215-01-800-27 (RDWS to Border Areas (FC-XIII Grant))	4.00	4.00	100.00
161	63-Science, Technology, Ecology and	5425-00-800-00 (Other Expenditure (Null))	1.00	1.00	100.00

	Environment				
161	68-Police Engineering Project	4055-00-211-02 (Govt. Residential Building)	30.00	16.88	56.27
163	70-Horticulture	4401-00-800-30 (Negotiated Loan (NABARD))	2.00	2.00	100.00
164	77-Development of Under Developed Areas	4575-03-800-13 (Border Area Development Programme)	24.00	14.50	60.42
165	82- New and Renewal Energy	4810-01-800-51 (Mini-Hydel Projects(CSS))	6.00	6.00	100.00
166		4810-06-800-11 (Remote Village Electrification)	0.72	0.72	100.00
167		4810-00-101-11 (Bio-Gas Projects (CSS))	0.74	0.74	100.00
168		4810-00-600-11 (Energy Park (CSS))	0.84	0.84	100.00
169		4810-00-600-02 (T& P Consultancy & DPRs)	0.15	0.08	53.33
Total			1155.03	956.87	

Appendix 2.8

(Reference: Paragraph 2.3.11; Page 48)

Surrender in excess of actual savings (₹ 1 crore or more)

(Rupees in crore)

Sl. No.	Number and name of the grant/ appropriation	Total grant/ appropriation	Saving	Amount surrendered	Amount surrendered in excess
Revenue (Voted)					
1	28 – Civil Police	796.24	4.87	6.72	1.85
2	31 – School Education	607.97	44.65	56.63	11.98
3.	32 – Higher Education	93.01	22.67	40.65	17.98
4.	52-Forest, Ecology, Environment and Wild Life	53.16	0.91	9.72	8.81
5.	53 – Industries	50.84	5.04	8.24	3.20
Total		1601.22	78.14	121.96	43.82
Capital (Voted)					
6.	58 – Roads & Bridges	372.84	0.43	8.87	8.44
7.	60 – Water Supply	44.21	2.54	11.54	9.00
Total		417.05	2.97	20.41	17.44
Capital (Charged)					
8.	75 – Servicing of Debt	816.42	17.85	48.07	30.22
Total		816.42	17.85	48.07	30.22
Grand Total		2834.69	98.96	190.44	91.48

Appendix 2.9

(Reference Paragraph 2.3.12; Page 48)

**Statement of various grants/appropriations in which savings occurred
but no part of which had been surrendered**

(Rupees in crore)

I – Grant			
Sl. No.	Grant No.	Name of grant/appropriation	Saving
Revenue (Voted)			
1.	20	Relief, Rehabilitation	0.01
2.	29	Stationery & Printing	0.15
3.	48	Agriculture	0.73
Total			0.89
Capital (Voted)			
4.	29	Stationary & Printing	0.13
5.	40	Employment and Training	0.22
6.	49	Soil and Water Conservation	0.05
7.	52	Forest, Ecology, Environment and Wildlife	13.96
8.	57	Housing Loans	0.07
9.	64	Housing	29.97
Total			44.40
Grand Total			45.29

Appendix 2.10

(Reference Paragraph 2.3.12; Page 48)

Details of saving of ₹ 2 crore and above not surrendered

(Rupees in crore)

Sl. No.	Number and Name of Grants/Appropriation	Saving	Surrender	Saving which remained to be surrendered
1	2	3	4	5
Revenue (voted)				
1	43 – Social Security and Welfare	36.83	16.28	20.55
2	60-Water Supply Schemes	9.21	0.21	9.00
3	65 – SCERT	9.79	7.40	2.39
Revenue (Charged)				
4	75-Servicing of Debt	22.28	4.98	17.30
Capital (Voted)				
5	35-Medical, Public Health and Family Welfare	7.68	2.81	4.87
6	36 – Urban Development	52.57	10.69	41.88
7	48 - Agriculture	8.54	1.93	6.61
8	53 – Industries	16.40	14.19	2.21
9	55 – Power	20.65	11.36	9.29
10	62 – Civil Administration Works	19.45	5.90	13.55
11	68 – Police Engineering Project	12.41	6.25	6.16
12	77 – Development of Under Developed Areas	31.25	1.70	29.55
	Total	247.06	83.70	163.36

Appendix 2.11

(Reference Paragraph 2.3.12; Page 48)

Cases of surrender of funds in excess of ₹ 10 crore on 30 and 31 March 2012

(Rupees in crore)

Sl. No.	Grant No.	Major Head	Amount of Surrender	%age of Total Provision
1	2	3	4	5
Revenue (Voted)				
1.	11	2515-Other Rural Development Programme	64.77	(99)
2.	11	3454-Census, Surveys & Statistics	65.27	(40)
3.	31	2202-General Education	56.63	(9)
4.	37	2217 – Urban Development	13.51	(76)
5.	43	2236 – Nutrition	22.58	(36)
6.	59	2702- Minor Irrigation	46.75	(26)
7.	81	3425 – Other Scientific Research	24.67	(84)
Capital (Voted)				
8.	27	4059 – Capital Outlay on Public Works	260.55	(79)
9.	36	4217 – Capital Outlay on Urban Development	10.69	(9)
10.	53	4860- Capital Outlay on Consumer Industries	14.36	(36)
11.	55	4552 – Capital Outlay on North Eastern Areas	10.00	(100)
12.	60	4215- Capital Outlay on Water Supply and Sanitation	11.54	(26)
Capital (Charged)				
13.	75	6003-Internal Debt of the State Government	65.66	(8)
Total			666.98	

Appendix 2.12

(Reference: Paragraph 2.3.13; Page 48)

Rush of Expenditure

(Rupees in crore)

Sl. No	Grant Number and Name	Major Head	Expenditure incurred during Jan-March 2012	Expenditure incurred in March 2012	Total Expenditure	%age of total expenditure incurred during	
						Jan-Mar 2012	Mar 2012
1	4-Administration of Justice	4059	10.12	10.12	12.57	80.51	80.51
		4216	3.07	2.80	3.15	97.46	88.88
2	5-Election	4059	0.25	0.25	0.25	100.00	100.00
3	11-District Administration	2053	29.41	16.23	84.12	34.96	19.29
		2515	0.55	0.55	0.55	100.00	100.00
4	13-Village Guards	2055	18.66	16.28	33.91	55.03	48.01
		4055	2.65	2.65	3.00	88.33	88.33
5	18-Pensions and Other Retirement Benefits	2071	203.06	104.63	586.68	34.61	17.83
6	25-Land Records and Survey	2029	9.26	7.45	17.21	53.81	43.29
7	26-Civil Secretariat	2052	25.54	18.20	75.46	33.85	24.12
		2251	6.97	0.09	8.65	80.58	1.04
8	27-Planning Machinery	3451	29.75	27.63	71.58	41.56	38.60
		4059	29.24	22.35	67.33	43.43	33.19
9	28-Civil Police	2055	249.25	124.47	791.38	31.50	15.73
10	29-Stationery and Printing	4059	1.04	1.04	1.04	100.00	100.00
11	30-Administrative Training Institute	4059	0.17	0.17	0.19	89.47	89.47
12	31-School Education	2202	160.19	70.44	563.32	28.44	12.50
13	33-Youth Resources and Sports	2204	19.97	12.21	23.92	83.49	51.05
		4202	47.79	47.79	56.66	84.35	84.35
14	35-Medical, Public Health and Family Welfare	2210	70.17	34.03	220.13	31.88	15.46
		4210	22.84	17.74	41.39	55.18	42.86
15	36-Urban Development	4217	23.81	16.59	68.73	34.64	24.14
16	37-Municipal Administration	2015	0.01	0.00	0.01	100.00	0.00
17	38-Information and Public Relations	2220	11.46	7.96	21.68	52.86	36.72
18	40-Employment and Training	4250	3.29	3.29	3.74	87.97	87.97
19	42-Rural Development	2216	3.03	3.03	3.03	100.00	100.00
		2501	1.05	1.05	1.05	100.00	100.00
		2515	46.57	42.31	52.29	89.06	80.91
20	43-Social Security and Welfare	2235	54.72	46.11	59.79	91.52	77.12
		2236	29.77	29.77	38.55	77.22	77.22
21	45-Co-operation	2425	15.92	10.48	17.00	93.65	61.65
		4425	1.23	1.23	4.27	28.81	28.81
22	46-Statistics	3454	10.03	6.88	20.91	47.97	32.90
		5475	3.72	3.72	4.20	88.57	88.57

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23	48-Agriculture	2401	49.48	37.83	121.65	40.67	31.10
24	49-Soil and Water Conservation	2402	20.34	11.72	43.17	47.12	27.15
		2552	0.49	0.39	0.86	56.98	45.35
25	50-Animal Husbandry and Dairy Development	2403	30.91	22.73	57.14	54.10	39.78
		4403	14.04	12.56	26.55	52.88	47.31
26	51-Fisheries	2405	13.56	8.84	26.24	51.68	33.69
27	52-Forest, Ecology, Environment and Wildlife	2406	23.09	16.63	51.24	45.06	32.46
		2415	0.56	0.56	1.01	55.45	55.45
		4406	24.60	24.60	24.60	100.00	100.00
28	53-Industries	2851	11.19	5.07	45.81	24.43	11.07
		4860	10.70	6.64	24.03	44.53	27.63
29	54-Mineral Development	4853	11.74	11.74	14.12	83.14	83.14
30	55-Power	2801	39.58	11.29	292.27	13.54	3.86
		4801	24.15	11.76	82.37	29.32	14.28
31	56-Road Transport	3055	16.73	10.47	42.52	39.35	24.62
32	58-Roads and Bridges	3054	18.79	11.95	173.77	10.81	6.88
		5054	71.97	26.22	338.52	21.26	7.75
33	59-Irrigation and Flood Control	2702	92.67	87.37	131.94	70.24	66.22
		4552	1.50	1.50	2.61	57.47	57.47
34	60-Water Supply	2215	13.59	6.18	35.96	37.79	17.19
35	62-Civil Administrative Works	4216	11.67	3.71	39.31	29.69	9.44
36	64-Housing	2059	11.96	4.35	43.77	27.32	9.94
		2216	3.13	0.54	4.87	64.27	11.09
		4059	5.35	4.42	10.37	51.59	42.62
37	65-State Council of Educational Research and Training	2202	9.29	7.25	16.61	55.93	43.65
38	66-Sericulture	2851	6.91	4.05	12.89	53.61	31.42
		4851	0.40	0.40	0.40	100.00	100.00
39	67-Home Guards	4059	2.26	1.96	2.50	90.40	78.40
40	68-Police Engineering Project	4055	16.04	4.97	64.59	24.83	7.69
41	69-Fire Services	2070	9.00	7.57	14.82	60.73	51.08
42	70-Horticulture	2401	12.10	10.26	20.46	59.14	50.15
		2552	1.68	1.68	2.12	79.25	79.25
43	72-Land Resource Development	2501	8.77	8.17	11.93	73.51	68.48
		4406	2.22	2.22	2.22	100.00	100.00
44	73-State Institute of Rural Development	4216	0.87	0.87	1.00	87.00	87.00
45	75-Servicing of Debt.	2048	29.00	29.00	29.00	100.00	100.00
		2049	99.52	76.48	417.39	23.84	18.32
46	76-Women Welfare	2235	6.74	5.76	8.93	75.48	64.50
47	77-Development of Under Developed Areas	4575	24.63	0.00	38.45	64.06	0.00
48	78-Technical Education	2203	6.05	5.26	9.32	64.91	56.44
49	79-Border Affairs	2053	0.95	0.89	1.79	53.07	49.72
50	81-Information Technology and Communication	3425	4.30	3.44	4.71	91.30	73.04
		4059	1.74	1.74	1.74	100.00	100.00

Appendix 2.13

(Reference: Paragraph 2.4.1; Page 49)

Pending DCC bills for the year upto 2011-12

(Rupees in crore)

Sl. No.	Department	Number of AC bills	Amount
1	Administration of Justice	7	0.67
	Animal Husbandry & Dairy Development	1	2.81
	Civil Police	10	34.71
	Civil Secretariat	35	14.90
	Civil Supply	1	0.03
	Finance	1	0.04
	Election	6	7.27
2	General Administration	2	0.77
3	Governor Secretariat	2	0.02
4	Home Guards	3	7.03
5	Health & Family Welfare	9	0.24
	Higher and Technical Education	2	0.19
6	Home Department	5	0.33
	Legislative Assembly Secretariat	2	1.78
	Planning and Machinery	3	0.34
	SCERT	10	5.44
	Social Security Welfare	2	0.23
	Tourism	5	0.28
7	Urban Development	2	0.05
8	Vigilance Commission	3	0.61
9	Youth Resources & Sports	2	3.49
10	Others	5	0.01
	Total	118	81.24

Appendix – 3.1

(Reference: Paragraph 3.1 ; Page 53)

Utilisation certificates outstanding as on 31 March, 2012

(Rupees in lakh)

Sl. No.	Department	Year of Payment of grant	Total grants paid		Utilization Certificates			
			Number	Amount	Received		Outstanding	
					Number	Amount	Number	Amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
I	Rural Development	2007-08	84	10065.91	81	9981.11	3	84.80
		2008-09	89	33396.25	83	33136.58	6	259.67
		2009-10	88	63635.58	37	61152.67	51	2482.91
		2010-11	52	2526.00	52	2526.00	0	0.00
		2011-12	NA	NA	NA	NA	NA	NA
		Total	313	109623.74	253	106796.36	60	2827.38
II	Agriculture	2007-08	0	0.00	0	0.00	0	0.00
		2008-09	0	0.00	0	0.00	0	0.00
		2009-10	0	0.00	0	0.00	0	0.00
		2010-11	22	300.00	20	256.63	2	43.37
		2011-12	NA	NA	NA	NA	NA	NA
		Total	22	300.00	20	256.63	2	43.37
IV	Geology & Mining	2007-08	0	0.00	0	0.00	0	0.00
		2008-09	0	0.00	0	0.00	0	0.00
		2009-10	3	2601.91	3	2601.91	0	0.00
		2010-11	1	795.56	0	0.00	1	795.56
		2011-12	NA	NA	NA	NA	NA	NA
		Total	4	3397.47	3	2601.91	1	795.56
V	PHED	2007-08	8	4157.15	8	4157.15	0	0.00
		2008-09	6	5327.15	6	5327.15	0	0.00
		2009-10	3	2662.23	3	2662.23	0	0.00
		2010-11	5	7838.17	4	7795.93	1	42.24
		2011-12	8	8950.87	7	8803.95	1	146.92
		Total	30	28935.57	29	28788.65	1	146.92
VI	Urban Development	2007-08	16	1945.21	16	1945.21	0	0.00
		2008-09	21	3745.06	20	3450.65	1	294.41
		2009-10	7	1273.71	7	1273.71	0	0.00
		2010-11	19	6386.58	17	6157.36	2	229.22
		2011-12	8	3016.87	0	0.00	8	3016.87
		Total	71	16367.43	60	12826.93	11	3540.50
Grand Total			440	158624.21	365	151270.48	75	7353.73

Appendix - 3.2

(Reference: paragraph 3.2; page 54)

Statement showing names of Bodies and Authorities, the Accounts of which had not been received

Sr. No.	Name of the body/authority	Year for which accounts had not been received	Grants received (Rupees in lakh)
1	District Rural Development Agency, Tuensang	2010-11 to 2011-12	NA
2	District Rural Development Agency, Mon	2009-10 to 2011-12	NA
3	District Rural Development Agency, Kohima	2010-11 to 2011-12	NA
4	District Rural Development Agency, Wokha	2009-10 to 2011-12	NA
5	District Rural Development Agency, Longleng	2011-12	NA
6	District Rural Development Agency, Peren	2010-11 to 2011-12	NA
7	District Rural Development Agency, Kiphire	2009-10 to 2011-12	NA
8	District Rural Development Agency, Dimapur	2009-10 to 2011-12	NA
9	District Rural Development Agency, Zunheboto	2010-11 to 2011-12	NA
10	District Rural Development Agency, Mokokchung	2010-11 to 2011-12	NA
11	District Rural Development Agency, Phek	2011-12	NA
12	Nagaland State Social Welfare Advisory Board	2011-12	NA
13	Kohima Municipal Council, Kohima	2005-06 to 2011-12	NA
14	Dimapur Municipal Council, Dimapur	2005-06 to 2011-12	NA
15	Mokokchung Municipal Council, Mokokchung	2005-06 to 2011-12	NA

Appendix – 3.3

(Reference: Paragraph 3.4; Page 55)

Summarised Financial Statement of Departmentally Managed Commercial Undertakings

Sl. No	Name of the Undertaking	Period of accounts
1	2	3
1	Nagaland State Transport Department	2010-11 to 2011-12
2	Nagaland Power Department	2010-11 to 2011-12
3	Farms Under Agriculture Department	
	i) Potato Seed Farm, Kuthur	1999-00 to 2011-12
	ii) Medium size seed farm, Merapani	2001-02 to 2011-12
	iii) Seed Farm, Tizit	2000-01 to 2011-12
4	Changki Valley Fruit Preservation Factory	2006-07 to 2011-12
5	Timber Treatment and Seasoning Plant, Dimapur	1998-99 to 2011-12
6	Government Cottage Industries Emporia, Kohima	1998-99 to 2011-12
7	Farms under Veterinary and Animal Husbandry Department	
	i) Cattle Breeding Farm, Medziphema	1998-99 to 2011-12
	ii) Cattle Breeding farm, Tuensang	1998-99 to 2011-12
	iii) Cattle Breeding Farm, Aliba	1998-99 to 2011-12
	iv) Chick Rearing Centre (with Hatchery Unit), Mokokchung	1998-99 to 2011-12
	v) Chick Rearing Centre (with Hatchery Unit), Dimapur	1998-99 to 2011-12
	vi) Chick Rearing Centre, Tuensang	1985-86 to 2011-12
	vii) Chick Rearing Centre, Medziphema	1985-86 to 2011-12
	viii) Pig Breeding Centre, Medziphema	1997-98 to 2011-12
	ix) Pig Breeding Centre, Tizit	1997-98 to 2011-12
	x) Pig Breeding Centre, Tuensang	1985-86 to 2011-12
	xi) Pig Breeding Centre, Tuli	1980-81 to 2011-12
	xii) Regional Rabbit Breeding Farm, Jharnapani	1998-99 to 2011-12
	xiii) Pig Breeding Centre, Merangkong	1998-99 to 2011-12
	xiv) Chick Rearing Centre, Kohima	1998-99 to 2011-12
	xv) Pig Breeding Centre, Sathuja	1998-99 to 2011-12
	xvi) Cattle Breeding farm, Baghty	1998-99 to 2011-12
	xvii) Sheep Farm, Poilwa	1998-99 to 2011-12
	xviii) Buffalo Farm, Jalukie	1998-99 to 2011-12
8	Farm under Horticulture Department	
	Regional Progeny Orchard, Lonnak	1987-88 to 2011-12

Appendix – 3.4*(Reference: Paragraph 3.6; page 57)***Department wise/duration wise break-up of the cases of misappropriation, defalcation, etc.****(Cases where final action was pending at the end of March 2012)**

Sl. No.	Name of the Department	Up to 5 years	5 to 10 years	10 to 15 years	15 to 20 years	Total No. of Cases.
1	PWD(R&B)	1				1
2	Higher Education	1				1
3	School Education	6				6
4	PWD(H)	1				1
5	Technical Education	1				1
6	DUDA	1				1
7	Transport Commissioner		2			2
8	Industries & Commerce	1				1
TOTAL		12	2			14

Appendix - 3.5

(Reference : Paragraph 3.6; Page 57)

Department/category wise details in respect of cases of loss to Government due to theft, misappropriation/loss of Government material

(Rupees in lakh)

Name of Department	Theft Cases		Misappropriation/ Loss of Government Material		Defalcation		Total	
	Number of Cases	Amount	Number of Cases	Amount	Number of Cases	Amount	Number of Cases	Amount
PWD(R&B)			1	1750.00			1	1750.00
Higher Education			1	3.93			1	3.93
School Education	2	4.30	3	60.23	1	1.27	6	65.80
DUDA			1	47.50			1	47.50
PWD(H)			1	199.00			1	199.00
Transport Commissioner			2	135.06			2	135.06
Industries & Commerce			1	2336.69			1	2336.69
Technical Education	1	8.00					1	8.00
Total	3	12.30	10	4532.41	1	1.27	14	4545.98