

# **UNION AND STATE FINANCES AT A GLANCE 2016-2017**

**Comptroller and Auditor General of India**

## Preface

This publication “Union and States Finances at a Glance” is an overview of the Government Finances of both the Union and the states. It presents the information on accounts in an easy to comprehend manner with extensive use of graphs, charts. It portrays the trends in the receipts, expenditure and fiscal position of the Union and State Governments. It also provides an opportunity for Inter-state comparisons and does attempt to address the felt –need of various stakeholders for a publication containing reader friendly summary of Union and Union State Finances. Detailed information on any of the aspects dealt with in this publication is available in the 'Combined Finance and Revenue Accounts' 2016-17 and the 'Finance Accounts' of the Union and the States for the year 2016-17.

We look forward to reader’s views and comments on this publication. The feedback would help us in further improving the publication in the years to come.



( Rajiv Mehrishi)

Comptroller and Auditor General of India

Date: 13 August 2019

Place: New Delhi

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## **1.1 Introduction**

### **1.1.1 How Accounts Are Compiled**

Union Government accounts are compiled by the Controller General of Accounts from the accounts received from the Pay and Accounts Offices (PAOs) attached to the Ministries and Departments of the Government of India. The Accounts of the Railways, P&T and Defence also forms part of the Union Government Accounts.

The accounts of the State Government are compiled by the Accountant General of the State concerned based on the transactions reported by the treasuries and other accounts rendering units like Public Works Divisions, Forest Divisions, etc.

### **1.1.2 Finance Accounts**

Finance Accounts of both the Union Government and State Governments<sup>1</sup> are prepared annually. These are audited by the Comptroller and Auditor General of India. The Accounts present the receipts and expenditure of the Government for the year together with the financial results disclosed by the revenue and capital accounts and public debt. The liabilities and assets of the Government are worked out from the balances recorded in the accounts.

### **1.1.3 Union and State Finances at a Glance**

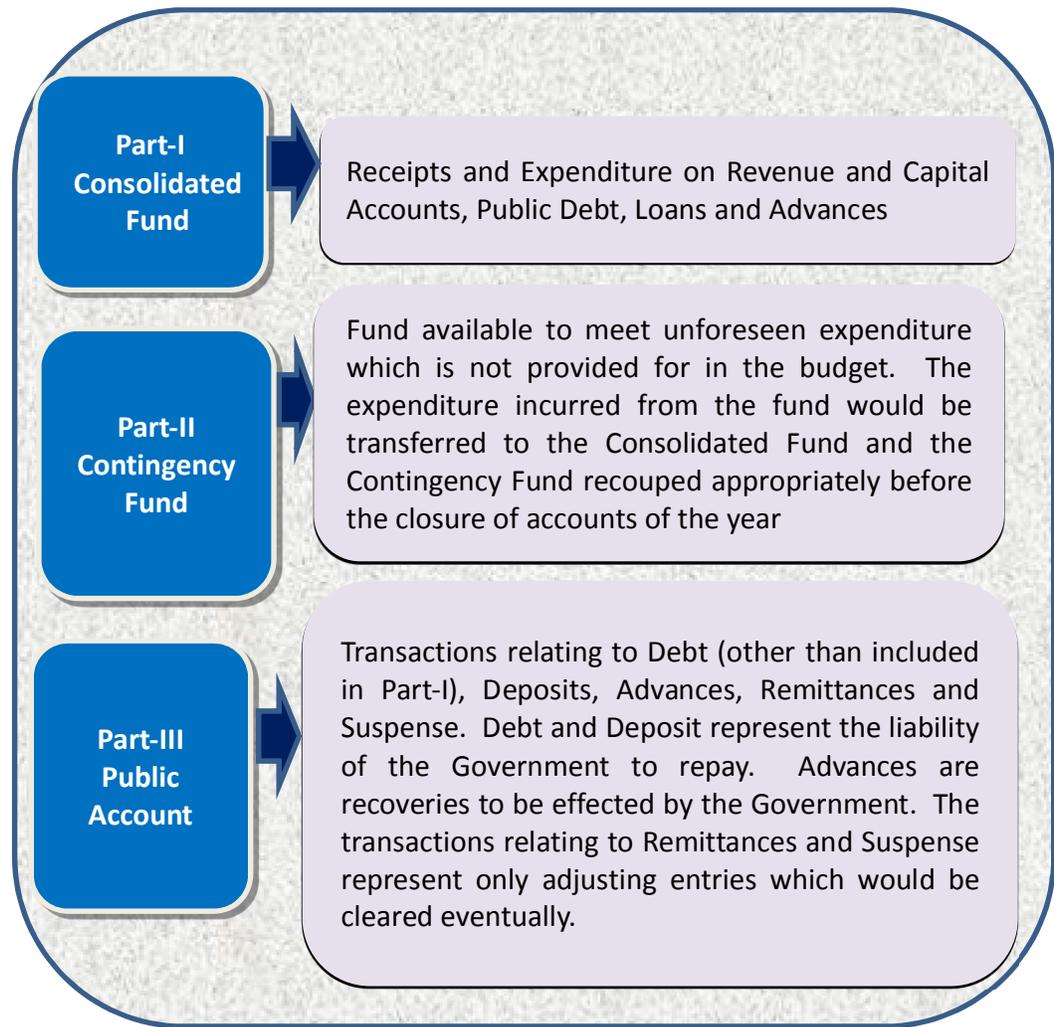
This publication provides the reader with a snapshot of the Finances of Union and the States. We have included key financial parameters and attempted to make the publication reader friendly, keeping the use of technical terms to a minimum. We welcome inputs to improve the product further.

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<sup>1</sup>The figure taken here do not include the un-apportioned amounts in respect of those states where balances remain un-apportioned.

1.2

## Structure of Government Accounts

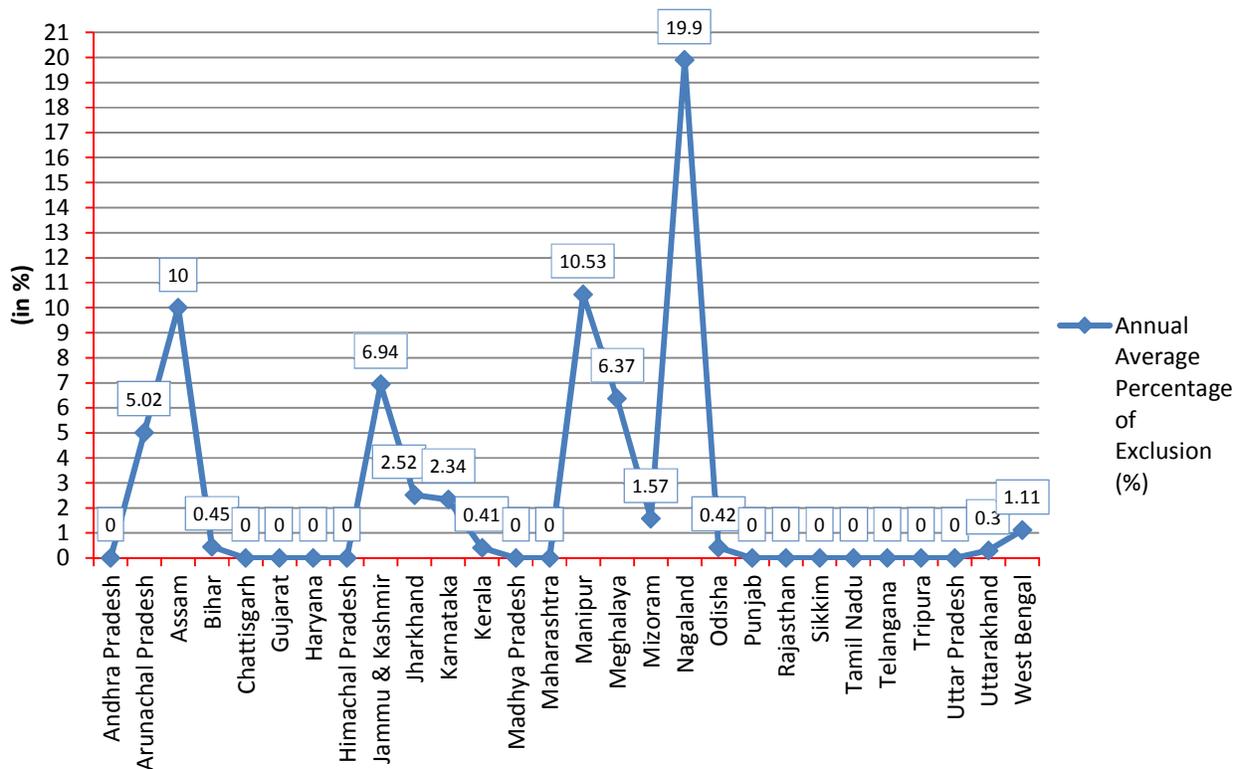


1.3

## Quality of Accounts

1.3.1 Exclusions

The offices of the Accountants General (A&E) receive monthly accounts from various treasuries, Public Works divisions, Forest divisions, Irrigation divisions and Rural Engineering Service divisions. In order to compile and consolidate these accounts for their incorporation in the monthly civil accounts (MCA). The accounts of all these account rendering units (ARUs) are required to be received by the Accountant General. Non receipt of accounts from ARUs result in exclusion of the respective accounts in the compilation of MCA for that month. The accounts are incomplete to the extent of exclusions. The Annual Average Percentage of Exclusion of Accounts during the year 2016-17 is depicted below:

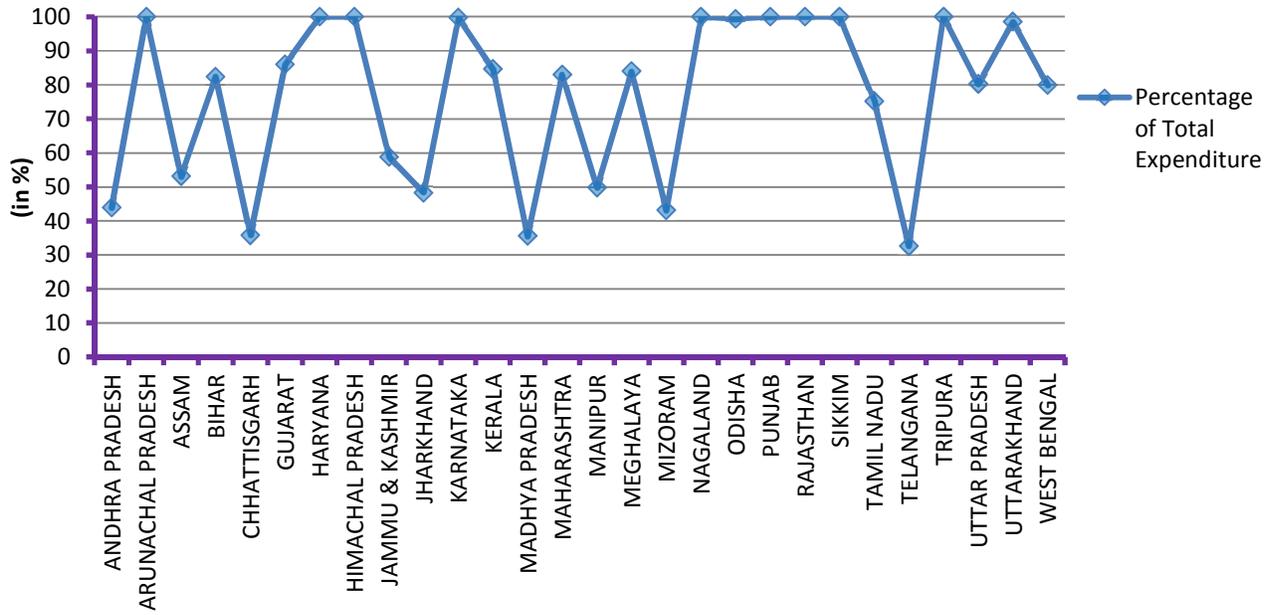


### 1.3.2

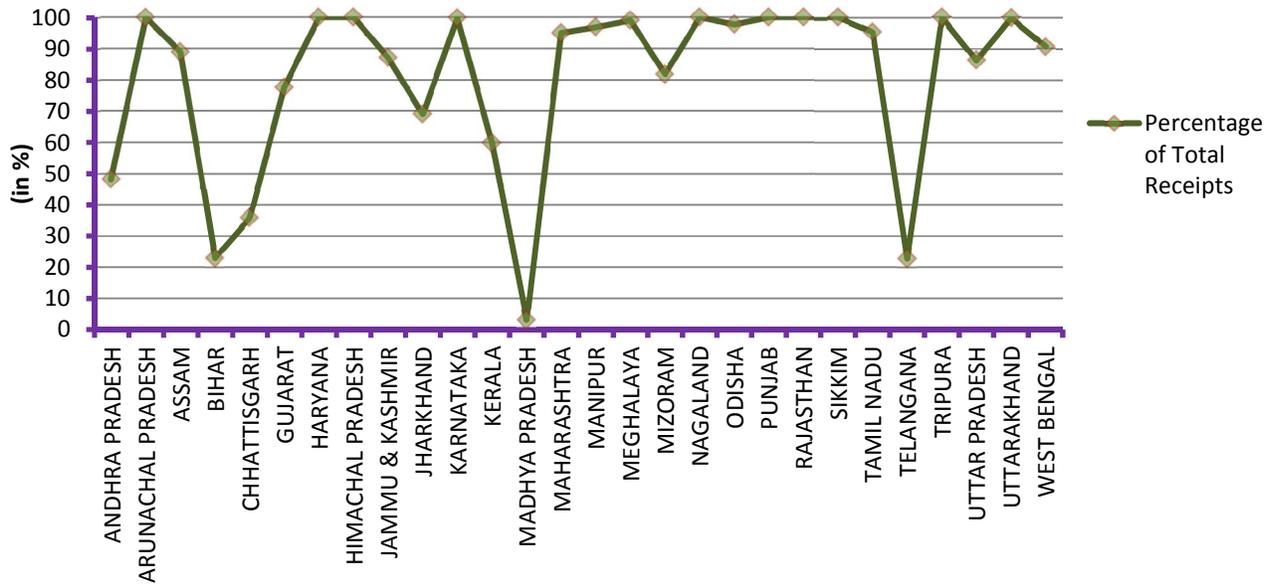
## Reconciliation of Receipts and Expenditure

To exercise effective control of expenditure, to keep it within the budget grants and to ensure accuracy of their accounts, all Chief Controlling Officers (CCOs)/Controlling Officers (COs) are required to reconcile the figures of Receipts and Expenditure recorded in their books every month with the figures accounted for by the Principal Accountant General (A&E). There is no assurance about the completeness and correctness of the receipts and expenditure figures depicted in the Finance Accounts to the extent of non-reconciliation. The status of reconciliation in respect of receipts and expenditure is depicted below:

## Percentage of Reconciliation of Total Expenditure

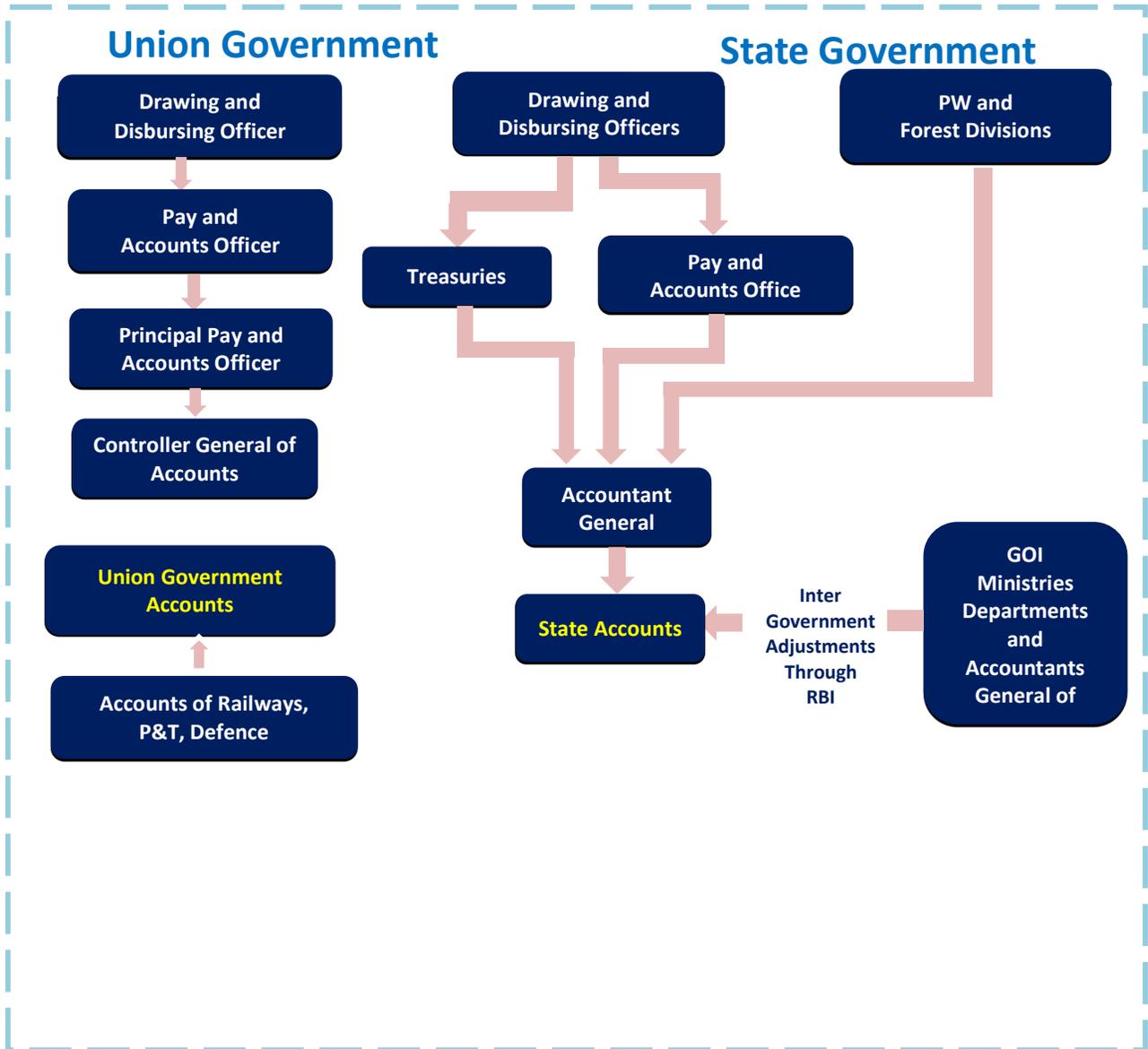


## Percentage of Reconciliation of Total Receipts





## Flow Diagram for Accounts compilation





## Sources and Application of Fund

This section gives an overview of the Governments transactions under Cash Balance, Receipts, Expenditure, Public Debt and Public Account. The Cash Balance of both the Union Government and State Governments decreased as on 31<sup>st</sup> March 2017. Table 2.1.1 below how the sources and application of Funds:

2.1.1

### Sources and Application of Funds (2016-17)

(₹ in crore)

SOURCES

Particulars	Union Government	Total of all States*
Opening Cash Balances as on 1st April 2016	-3396.52	-9655.92
Revenue Receipts	1615987.95	2086129.48
Miscellaneous Capital Receipts	47742.55	379.12
Recovery of Loans and Advances	40971.10	15867.07
Public Debt	6134136.69	699571.33
Small Savings, Provident Funds and Others	754401.40	144013.31
Reserves and Sinking Fund	221982.32	74313.69
Deposits received	212694.20	681522.24
Suspense and Miscellaneous	83728.96	4350217.37
Remittances	1142.46	227109.91
Contingency Fund Receipt		6394.20
Inter-State Settlement		0.38
<b>Total</b>	<b>9109391.11</b>	<b>8275862.18</b>

APPLICATION

Revenue Expenditure	1933018.12	2121787.54
Capital Expenditure	249471.85	396427.74
Transfer to Contingency Fund	-	60.00
Loans Given	60011.36	120260.05
Repayment of Public Debt	5678823.20	225945.63
Small Savings, Provident Fund and Others	719148.56	104813.19
Reserves and Sinking Fund	228417.85	53658.49
Deposits Given	194902.49	638988.15
Suspense and Miscellaneous	34247.07	4379494.95
Remittances	5852.00	230114.29
Closing Cash Balance as on 31st March 2017	5498.61	-1935.48
Contingency Fund Disbursement	--	6197.96
Inter-State Settlement	-	49.82
<b>Total</b>	<b>9109391.11</b>	<b>8275862.33<sup>2</sup></b>

<sup>2</sup>There is a difference of ₹ 0.15 between the sources and application of funds in respect of the states due to slight difference of 0.01 to 0.04 in several states.

## 2.2 Cash Management

The Union and State Governments except Sikkim maintain their accounts with the Reserve Bank of India (RBI). The Government of Jammu and Kashmir maintains its account with the RBI through the agency bank viz. Jammu and Kashmir Bank. The Government of Sikkim maintains its account with the State Bank of Sikkim. The State Government can obtain Ordinary Ways and Means Advance and Special Ways and Means Advance from RBI in order to maintain its liquidity position. If there is a shortfall in the agreed minimum Cash Balance even after availing of Special Ways and Means Advance, the Union and State Governments can avail of the Overdraft (OD) facility.

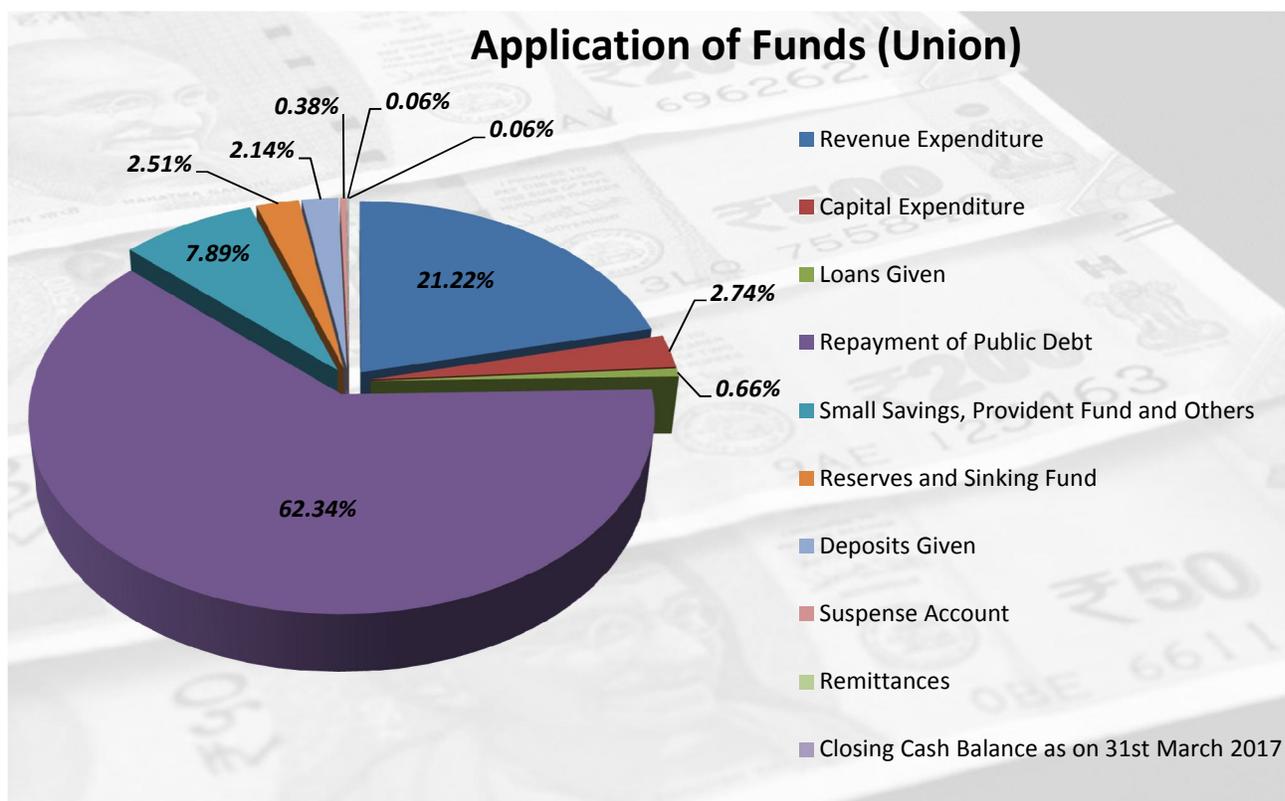
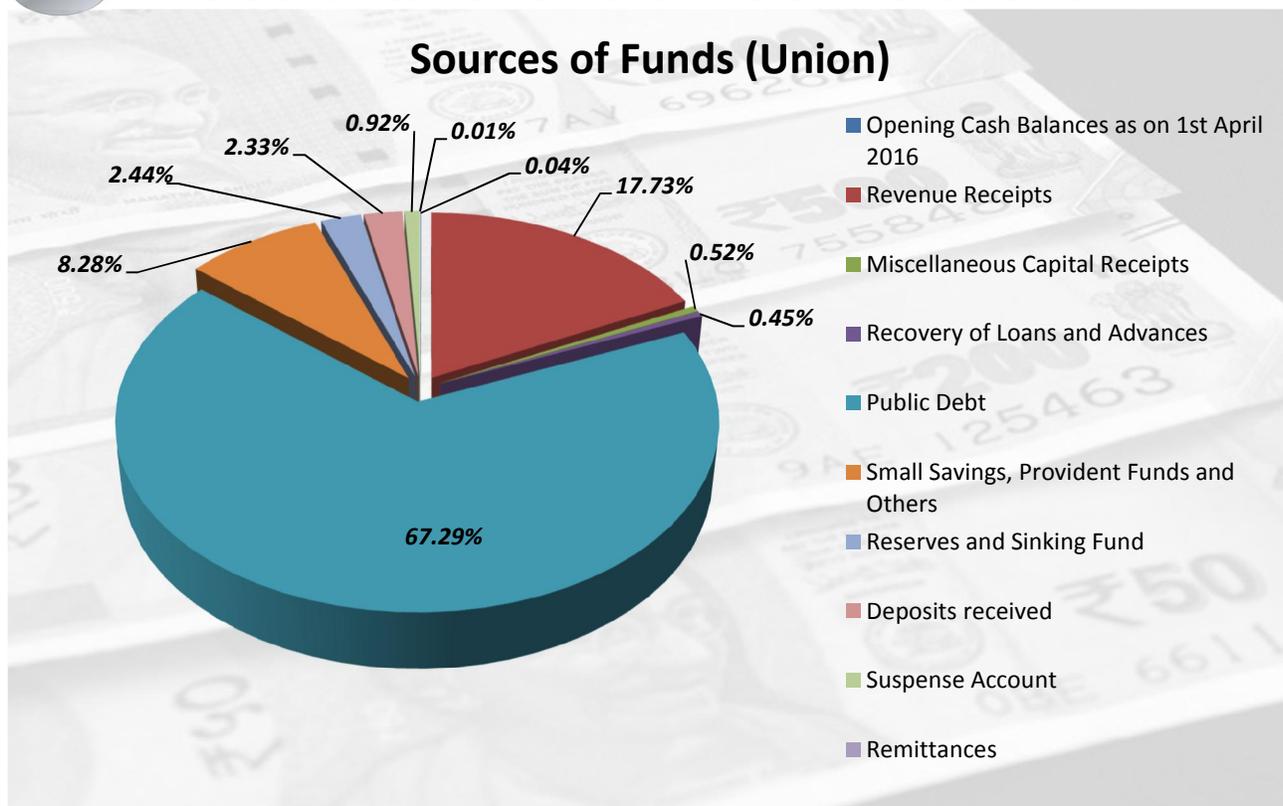
### 2.2.1 Ways and Means Advances from Reserve Bank of India

Under an agreement with the Reserve Bank of India (RBI), the State Government has to maintain a minimum cash balance with the RBI. If the balance falls below the agreed minimum on any day, the deficiency is made good by taking ordinary and special ways and means advances / overdrafts from time to time. During 2016-17, except for Himachal Pradesh, Jammu & Kashmir, Jharkhand, Kerala, Manipur, Nagaland, Punjab, Telangana, Uttar Pradesh, Uttarakhand, and West Bengal which have either availed ordinary or Special Ways and Means Advances or both, all other States maintained minimum cash balance on all the 365 days without availing any Ways and Means Advances from Reserve Bank of India. Punjab availed Overdraft facility for 179 days during the year.

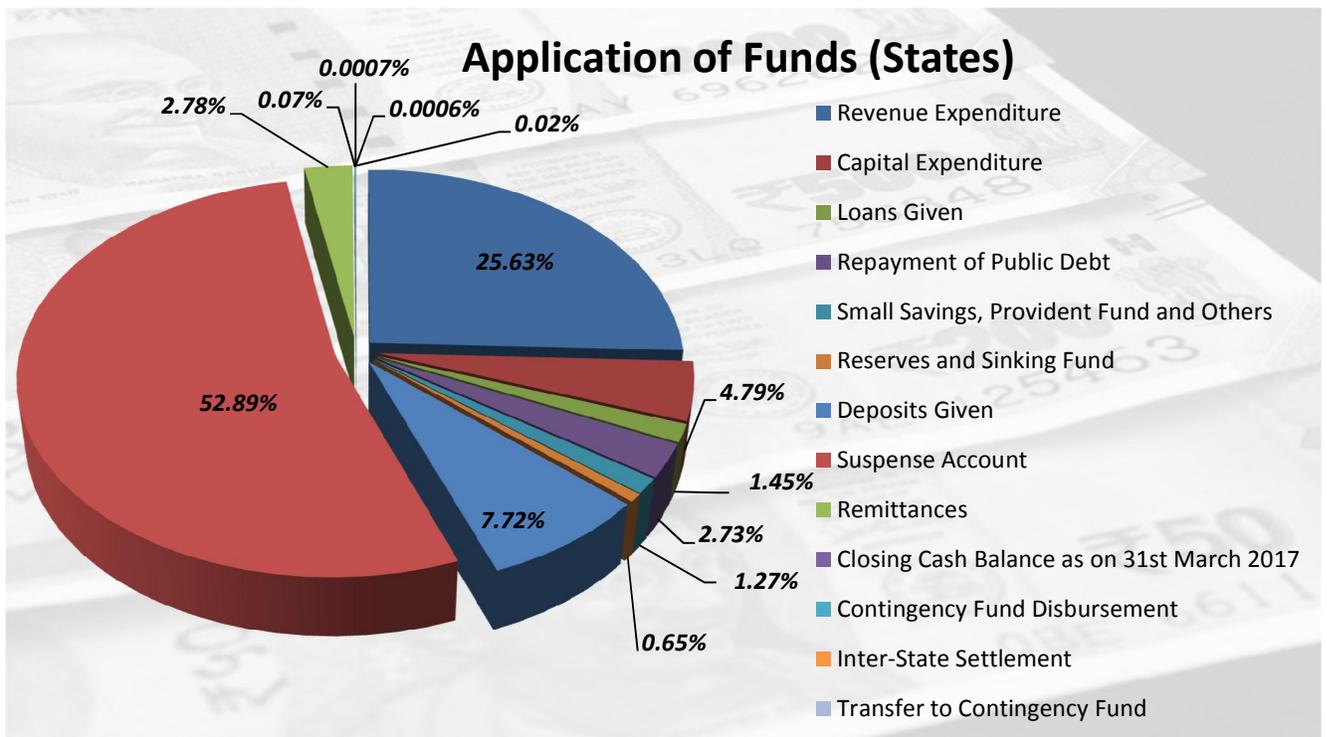
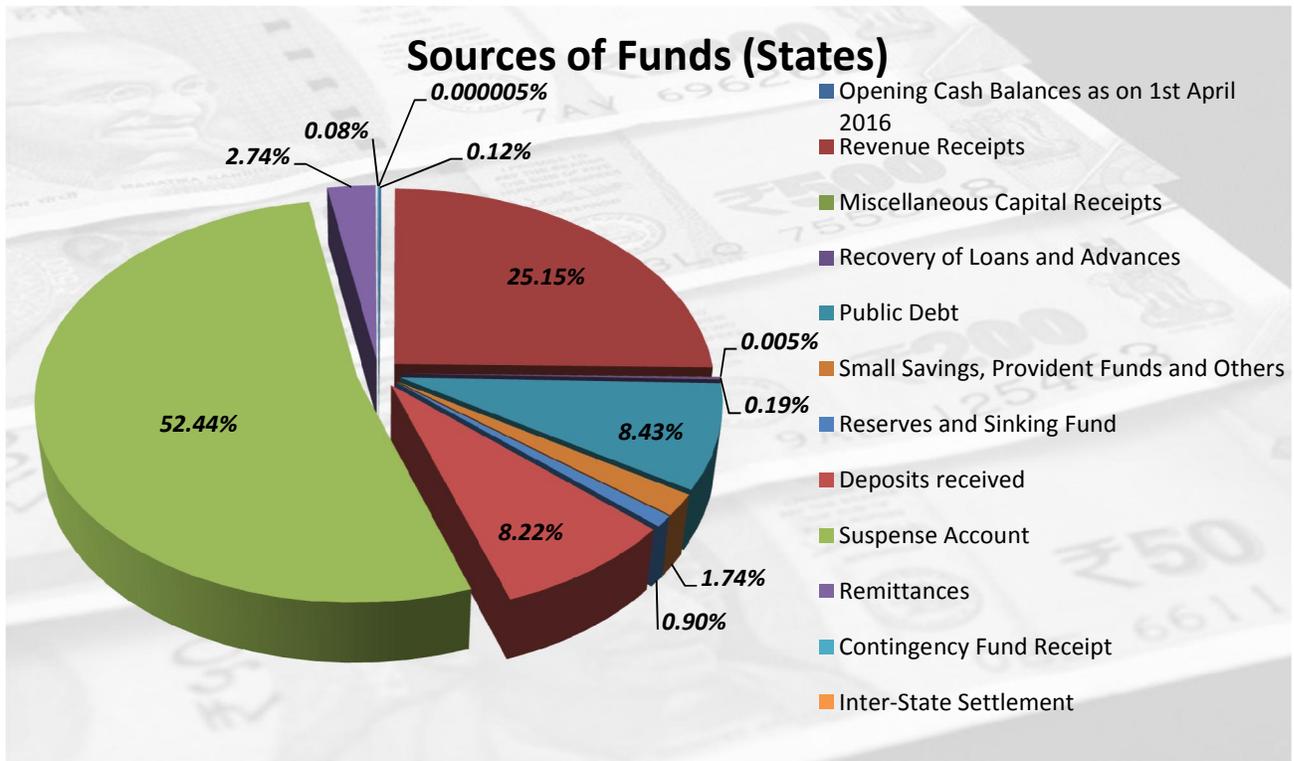
### 2.2.2 Following are two sets of graphs for “where ₹ came from” and “where the ₹ went”

In case of Union while the sources include 67 per cent from borrowings, application of funds include 62 per cent used in repayment of Debt. The Revenue Expenditure in respect of the Union consists of the item Grants-in-Aid (₹ 291000.86 crore which is 15.05 percent of the total revenue expenditure of the Union government) given by the Union to States. In respect of the States the Grants-in-aid received from the Union forms a part of the Revenue Receipts. Details are in Chapter 3.

## Where the ₹ came from and where ₹ went ? Union



## Where the ₹ came from and where ₹ went ? States

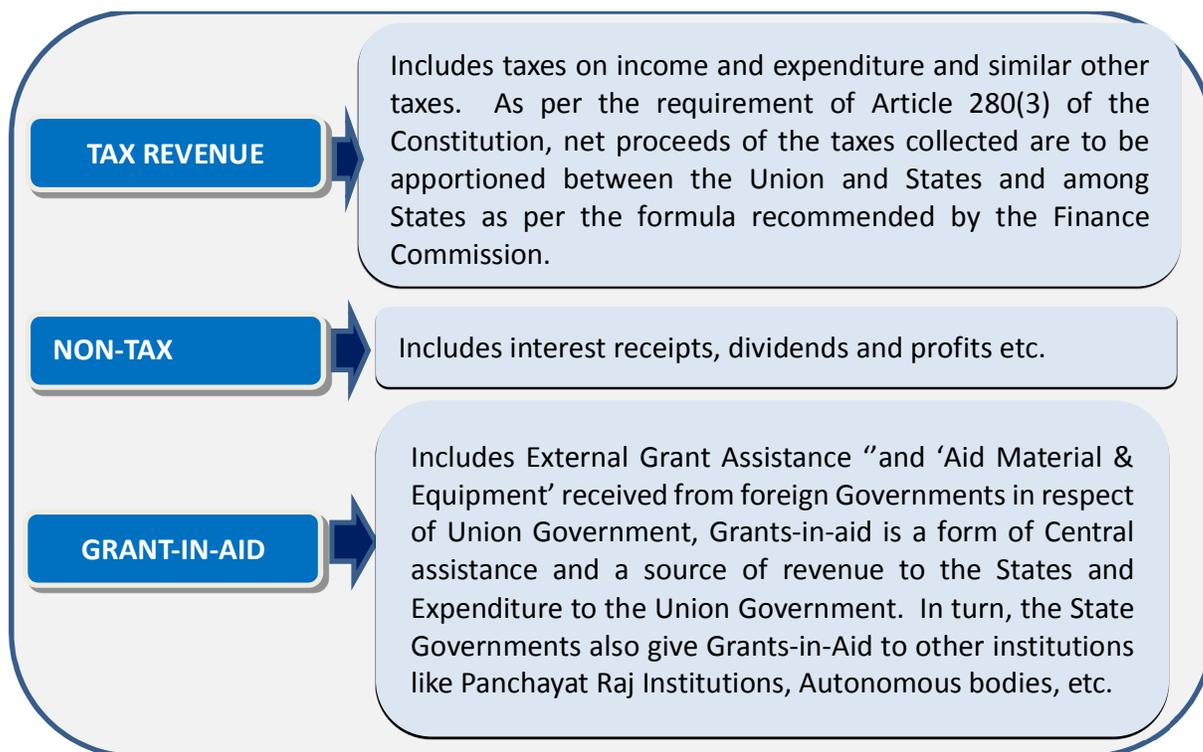


### 3.1

## Chapter-3

### Revenue Receipts

Revenue for both Union and State Governments consists of Tax Revenue, Non-Tax Revenue and Grants-in-Aid.



#### 3.1.1

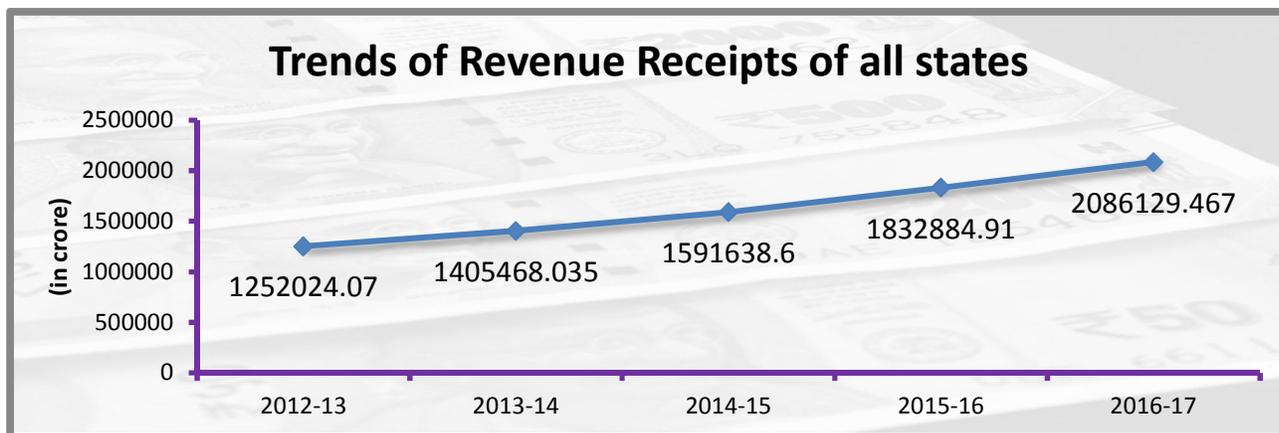
### Revenue Receipts

(₹ in crore)

	Union	Total of all States
Union/State's Own Tax Revenue	11,07,968	9,46,477
Non-Tax Revenue	5,06,721	1,71,163
Grants-in-Aid	1,300	3,60,653
Share of Union Taxes and Duties	-6,08,000 <sup>3</sup>	6,07,837 <sup>4</sup>
<b>Total Revenue Receipts</b>	<b>16,15,989</b>	<b>20,86,130</b>

<sup>3</sup> Included as a positive figure in Total amount

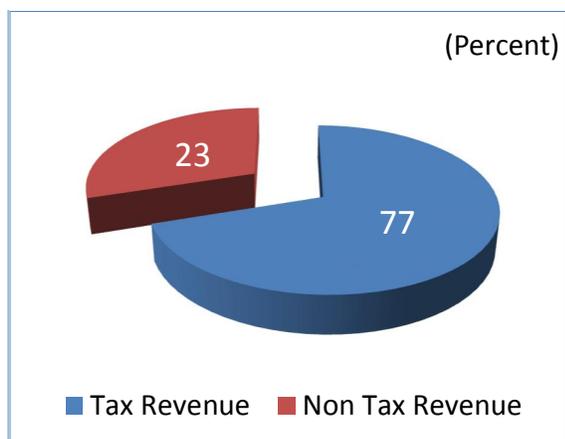
<sup>4</sup>This amount differs from that assigned by the Union Government to the extent of ₹164.11 crore (607836.20+164.11=608000.31) reduced in respect of Sikkim vide Sanction No. 14 of Ministry of Finance dated 30-03-2017.



## 3.2

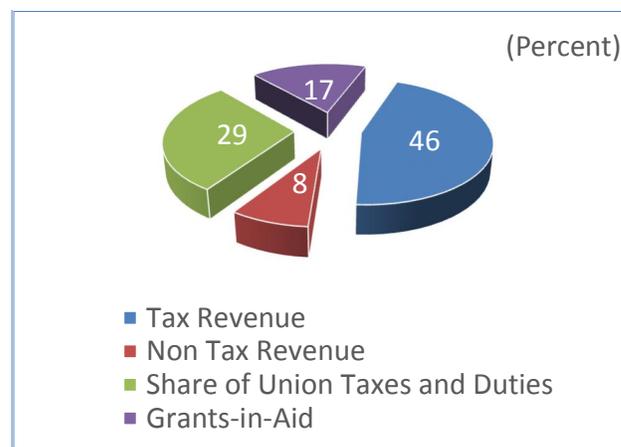
### The Revenue Basket

Union Government



Every Revenue Rupee raised by the Union Government consists of 77 paise from Tax and 23 paise from Non-Tax Revenue.

All States Government



Every "Revenue Rupee" raised by the State Governments consists of 46 paise from Tax Revenue, 29 paise Tax Proceeds transferred to States, 17 paise from Grant-in-Aid from Union Government and 8 paise Non-Tax Revenue.

## 3.3

### Analysis of Tax Revenue of States

3.3.1

#### Tax Revenue

Tax is the most important source of Revenue Receipts constituting 77 percent of Union and 46 percent of State revenues. Total Revenue Receipts relative to Gross Domestic Product<sup>5</sup> is 14.58 percent in respect of the Union and 13.35 percent for the State governments. In the following Table, an analysis of States' own Tax Revenue, Non-Tax Revenue and Share of Union Taxes and duties is made:

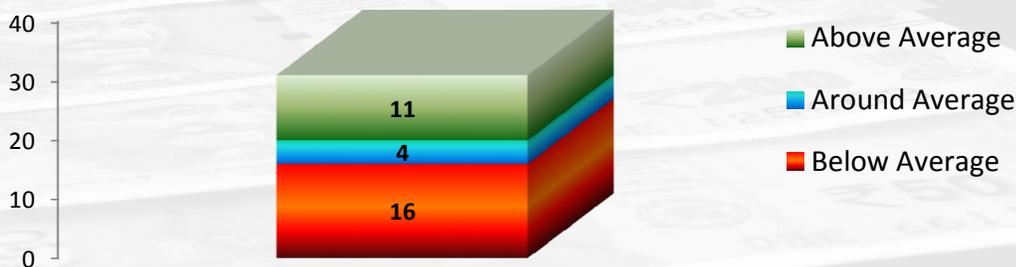
<sup>5</sup>GDP of Union ₹15253714 crore for the base year 2011-12 at current prices released by CSO in September, 2018.

## States' Own Tax Revenue, Non Tax Revenue and Share of Union Taxes assigned to the states

(All States Average: ₹ 67295 crore)<sup>6</sup>

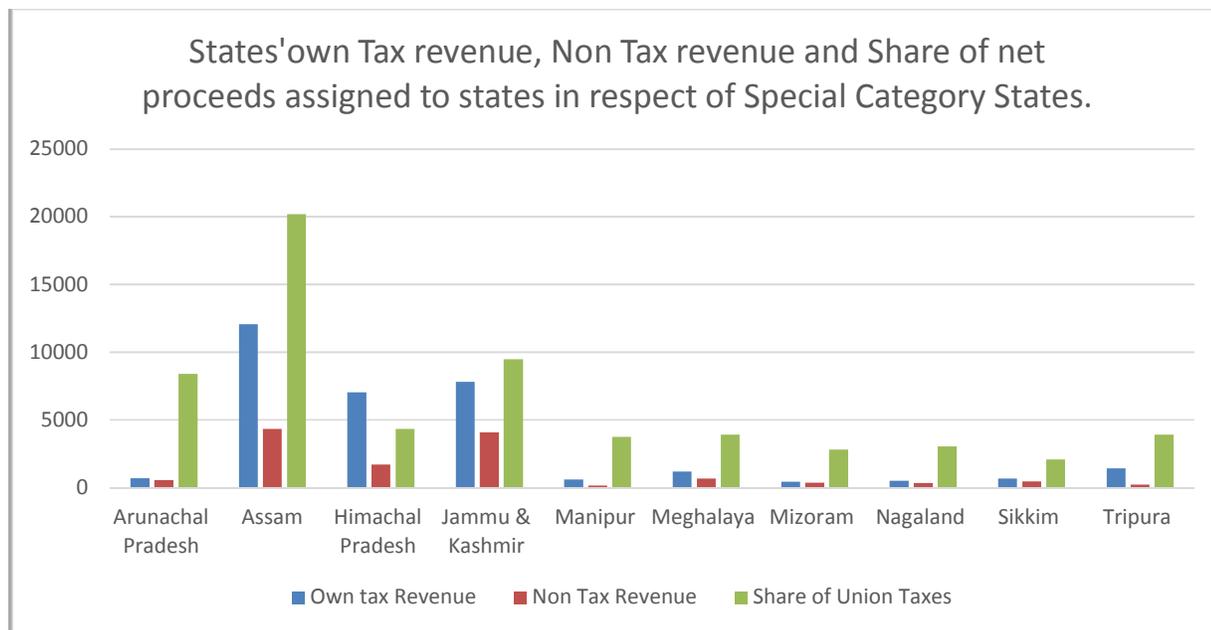
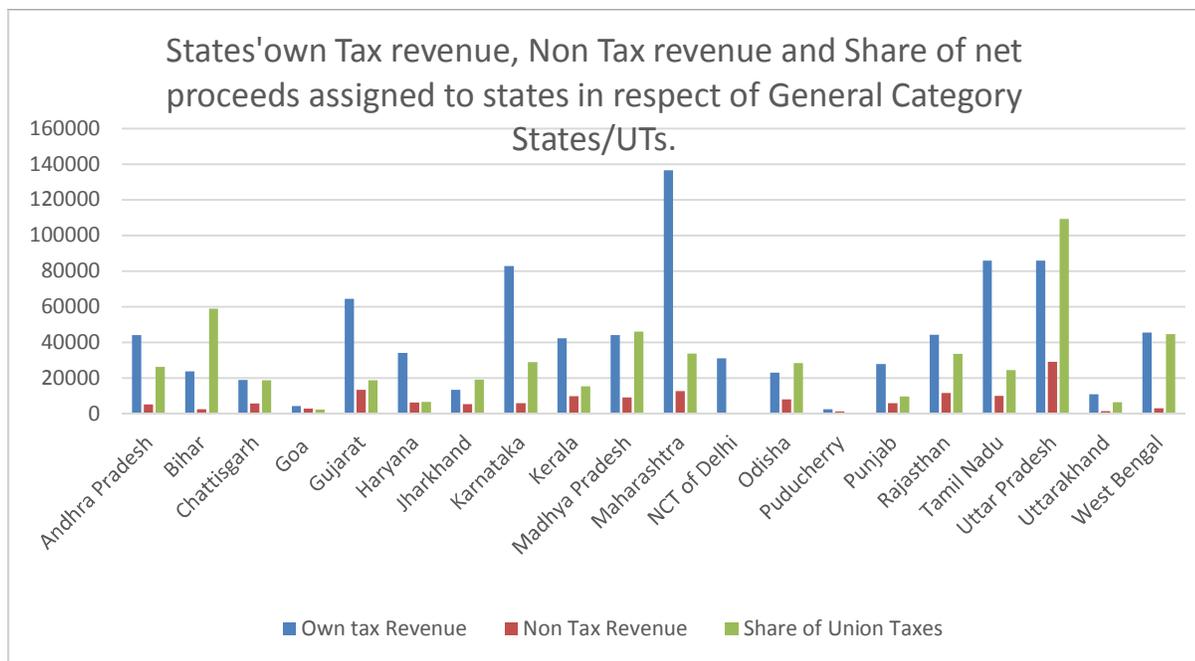
State/Union Territory	States Own Tax Revenue (₹ in crore)	Non-Tax Revenue (₹ in crore)	Share of Net proceeds assigned to States (₹ in crore)	Total Receipts (₹ in crore)	Own tax as a ratio of Total Revenue Receipts
Sikkim	653	452	2069	4610.30	14.16
Puducherry	2401	1245	0	5382.95	44.60
Mizoram	442	365	2801	7398.30	5.97
Meghalaya	1186	685	3911	8938.95	13.27
Manipur	587	165	3757	9129.12	6.43
Nagaland	511	345	3033	9442.28	5.41
Goa	4261	2712	2299	9564.97	44.55
Tripura	1422	219	3909	9645.45	14.74
Arunachal Pradesh	709	545	8388	11779.57	6.02
Uttarakhand	10897	1346	6411	24888.96	43.78
Himachal Pradesh	7039	1717	4344	26264.34	26.80
NCT of Delhi	31140	381	0	34345.73	90.67
Jammu & Kashmir	7819	4072	9489	41978.47	18.63
Jharkhand	13299	5351	19142	47053.97	28.26
Punjab	27747	5863	9600	47985.42	57.82
Assam	12080	4353	20189	49219.81	24.54
Haryana	34026	6196	6597	52496.82	64.82
Chhattisgarh	18945	5669	18809	53685.25	35.29
Odisha	22852	8043	28321	74299.40	30.76
Kerala	42176	9700	15225	75611.73	55.78
Telangana	48408	9782	14877	82817.96	58.45
Andhra Pradesh	44181	5193	26264	98984.49	44.63
Bihar	23742	2403	58881	105584.99	22.49
Rajasthan	44372	11616	33556	109026.00	40.70
Gujarat	64443	13346	18835	109841.80	58.67
West Bengal	45466	2950	44625	117832.45	38.59
Madhya Pradesh	44194	9086	46064	123306.79	35.84
Karnataka	82956	5795	28760	133213.79	62.27
Tamil Nadu	85941	9914	24538	140231.13	61.29
Maharashtra	136616	12709	33715	204693.14	66.74
Uttar Pradesh	85966	28944	109428	256875.15	33.47
<b>Total</b>	<b>946477</b>	<b>171162</b>	<b>607837</b>	<b>2086129.5</b>	

### Grouping of States based on their total Revenue receipts



<sup>6</sup> Average = Total Receipts / No. of states & UTs

NCT of Delhi tops the list in having the highest own tax revenue to Total revenue receipts ratio followed by Maharashtra, Haryana, Karnataka and Tamil Nadu. The state of Nagaland had the lowest ratio.



Share of union Taxes is the main source of receipts in respect of the Special Category States except Himachal Pradesh.



## Grants-in-Aid

Grants-in-Aid are given by the Union Government to States for implementation of Central Schemes etc. which constitute part of the State Revenue.

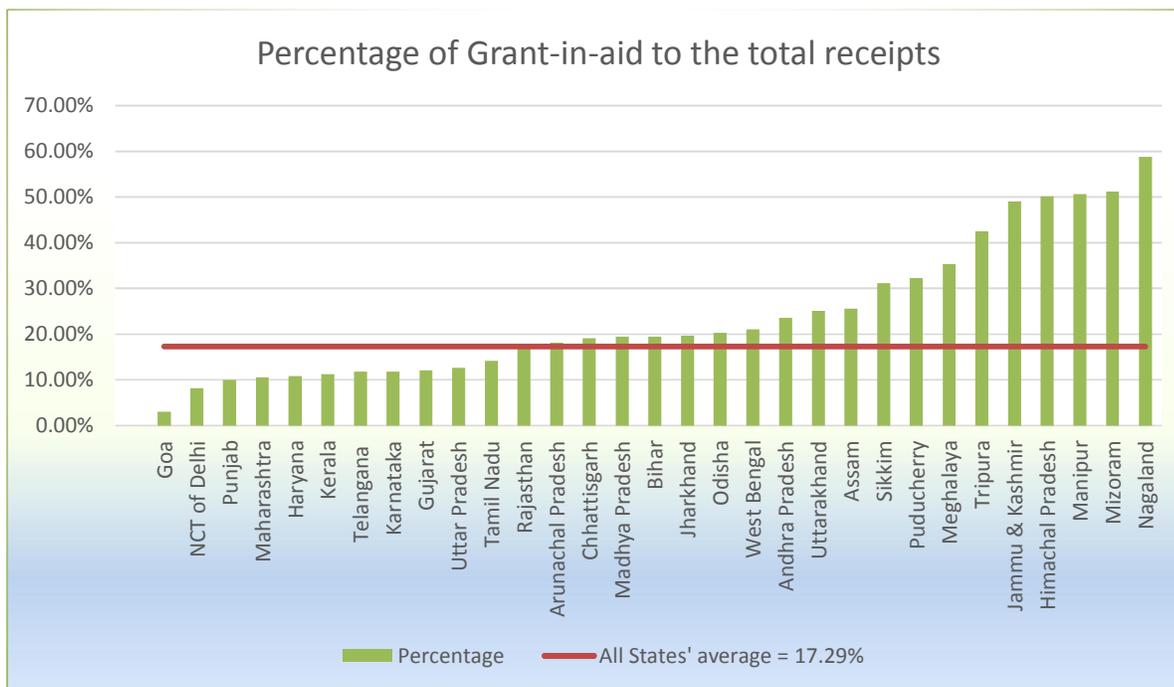
### 3.4.1

### Share of Grants-in-Aid as a Percent of State Revenue

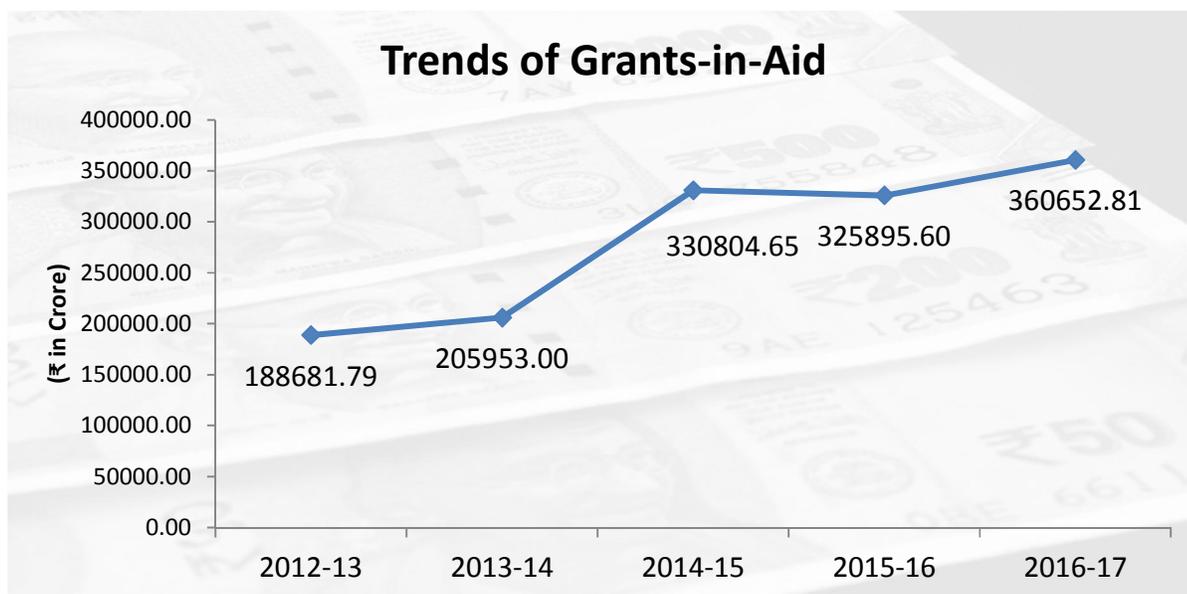
State/Union Territory	Grants-in-aid from Govt. of India (₹ in crore)	Total Revenue Receipt (₹ in crore)	% of Grant-in-Aid to Total Revenue Receipts
Goa	293	9565	3.06%
NCT of Delhi	2825	34346	8.23%
Punjab	4776	47985	9.95%
Maharashtra	21653	204693	10.58%
Haryana	5678	52497	10.82%
Kerala	8510	75612	11.26%
Telangana	9752	82818	11.78%
Karnataka	15703	133214	11.79%
Gujarat	13218	109842	12.03%
Uttar Pradesh	32537	256875	12.67%
Tamil Nadu	19838	140231	14.15%
Rajasthan	19483	109026	17.87%
Arunachal Pradesh	2138	11780	18.15%
Chhattisgarh	10262	53685	19.11%
Madhya Pradesh	23963	123307	19.43%
Bihar	20559	105585	19.47%
Jharkhand	9261	47054	19.68%
Odisha	15082	74299	20.30%
West Bengal	24791	117832	21.04%
Andhra Pradesh	23346	98985	23.59%
Uttarakhand	6234	24889	25.05%
Assam	12598	49220	25.60%
Sikkim	1437	4610	31.17%
Puducherry	1736	5383	32.26%
Meghalaya	3157	8939	35.31%
Tripura	4095	9645	42.46%
Jammu & Kashmir	20599	41979	49.07%
Himachal Pradesh	13164	26264	50.12%
Manipur	4621	9129	50.61%
Mizoram	3791	7398	51.24%
Nagaland	5553	9442	58.81%
<b>Total</b>	<b>360653</b>	<b>2086129</b>	<b>17.29%</b>

The percentage of Central Assistance given as Grant-in-Aid to different States shows considerable variations. While the States like Goa, NCT of Delhi and Punjab received Grants-in-Aid from the Union Government constituting about 3-10 percent of their total Revenue Receipts. Whereas Jammu &

Kashmir, Himachal Pradesh, Manipur, Mizoram, Nagaland received Grants-in-Aid of about more than 45 percent of their total Revenue Receipts. A graphical representation of all States showing the ratio of the Grants-in-aid received to their total revenues is given below:



All Special Category States are in receipt of Grants in Aid more than the average of all states.



## 3.5 Revenue (Tax) Buoyancy

Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable (Revenue Receipts or state's Own Tax revenue) with respect to a given change in the base variable (GSDP). As GSDP grows, the ability of the State Government to mobilize its own tax revenue should also increase. Buoyancy of a parameter is calculated as the ratio of the rate of growth of the parameter to the GSDP growth rate. The following table shows the Tax buoyancy with respect to the GSDP for 2016-17. (₹ in crore)

States	Revenue Receipts 2015-16	Revenue Receipts 2016-17	Rate of Growth <sup>7</sup>	GSDP 2015-16	GSDP 2016-17	GSDP Growth Rate <sup>8</sup>	Revenue Receipts /GSDP 2016-17	Revenue Buoyancy w.r.t GSDP <sup>9</sup>
Andhra Pradesh	88648	98984	11.66	603376	699307	15.90	14.15	0.73
Arunachal Pradesh	10553	11780	11.62	20294	24056	18.54	48.97	0.63
Assam	42457	49220	15.93	226276	257510	13.80	19.11	1.15
Bihar	96123	105585	9.84	381501	438030	14.82	24.10	0.66
Chhattisgarh	46068	53685	16.53	260776	290140	11.26	18.50	1.47
Delhi	34999	34346	-1.87	551963	616826	11.75	5.57	-0.16
Goa	8552	9565	11.84	54275	62661	15.45	15.26	0.77
Gujarat	97483	109842	12.68	994316	1125654	13.21	9.76	0.96
Haryana	47557	52497	10.39	492657	547396	11.11	9.59	0.93
Himachal Pradesh	23440	26264	12.05	110511	124570	12.72	21.08	0.95
Jammu & Kashmir	35780	41978	17.32	114637	115654	0.89	36.30	19.46
Jharkhand	40638	47054	15.79	241955	253536	4.79	18.56	3.30
Karnataka	118817	133214	12.12	1027068	1117334	8.79	11.92	1.38
Kerala	69033	75612	9.53	588337	655205	11.37	11.54	0.84
Madhya Pradesh	105511	123307	16.87	565053	640484	13.35	19.25	1.26
Maharashtra	185036	204693	10.62	2001223	2267789	13.32	9.03	0.80
Manipur	8280	9129	10.26	20068	23325	16.23	39.14	0.63
Meghalaya	7043	8939	26.92	27304	29567	8.29	30.23	3.25
Mizoram	6676	7398	10.82	13374	15212	13.74	48.63	0.79
Nagaland	8044	9442	17.38	20524	21119	2.90	44.71	6.00
Odisha	68941	74299	7.77	341887	378991	10.85	19.60	0.72
Puducherry	5088	5383	5.80	26533	27739	4.55	19.41	1.28
Punjab	41523	47985	15.56	391543	427297	9.13	11.23	1.70
Rajasthan	100285	109026	8.72	672707	749692	11.44	14.54	0.76
Sikkim	3784	4610	21.84	16637	18852	13.31	24.46	1.64
Tamil Nadu	129008	140231	8.70	1212668	1298511	7.08	10.80	1.23
Telangana	76134	82818	8.78	583117	646265	10.83	12.81	0.81
Tripura	9427	9645	2.32	33496	36880	10.10	26.15	0.23
Uttar Pradesh	227076	256875	13.12	1153795	1275141	10.52	20.14	1.25
Uttarakhand	21234	24889	17.21	176171	195192	10.80	12.75	1.59
West Bengal	109732	117832	7.38	1039923	1251067	20.30	9.42	0.36

Source : The figures have been taken from the State Accounts at a Glance of the respective States.

<sup>7</sup> {(Current year receipts – previous year receipts)/previous year receipts}\*100

<sup>8</sup> {(Current year GSDP – previous year GSDP)/previous year GSDP}\*100

<sup>9</sup> Growth rate of Revenue receipts / growth rate of GSDP

Comparative table of the Revenue, Tax and state's own tax buoyancy is below:

States	Revenue Buoyancy w.r.t GSDP	Tax Buoyancy <sup>10</sup> w.r.t GSDP	State's Own Tax <sup>11</sup> buoyancy <sup>12</sup> w.r.t GSDP
Manipur	0.63	1.19	0.16
Arunachal Pradesh	0.63	2.04	0.16
West Bengal	0.36	0.35	0.18
Mizoram	0.79	1.66	0.21
Sikkim	1.95	1.29	0.31
Assam	1.15	0.91	0.34
Bihar	0.66	1.27	0.37
Tripura	0.23	1.43	0.38
Delhi	-0.16	0.46	0.43
Andhra Pradesh	0.73	0.69	0.43
Gujarat	0.96	0.48	0.43
Goa	0.77	2.39	0.44
Himachal Pradesh	0.95	1.04	0.44
Maharashtra	0.80	0.46	0.45
Meghalaya	3.25	1.63	0.48
Uttar Pradesh	1.25	1.11	0.49
Madhya Pradesh	1.26	0.91	0.52
Uttarakhand	1.59	0.82	0.52
Rajasthan	0.76	0.91	0.52
Telangana	0.81	0.71	0.54
Jharkhand	3.30	1.73	0.55
Odisha	0.72	1.24	0.56
Haryana	0.93	0.63	0.56
Kerala	0.84	1.18	0.57
Chhattisgarh	1.47	1.16	0.58
Punjab	1.70	0.96	0.71
Nagaland	6.00	0.83	0.83
Karnataka	1.38	1.00	0.84
Tamil Nadu	1.23	1.20	0.93
Puducherry	1.28	1.90	1.90
Jammu & Kashmir	19.46	26.28	7.62

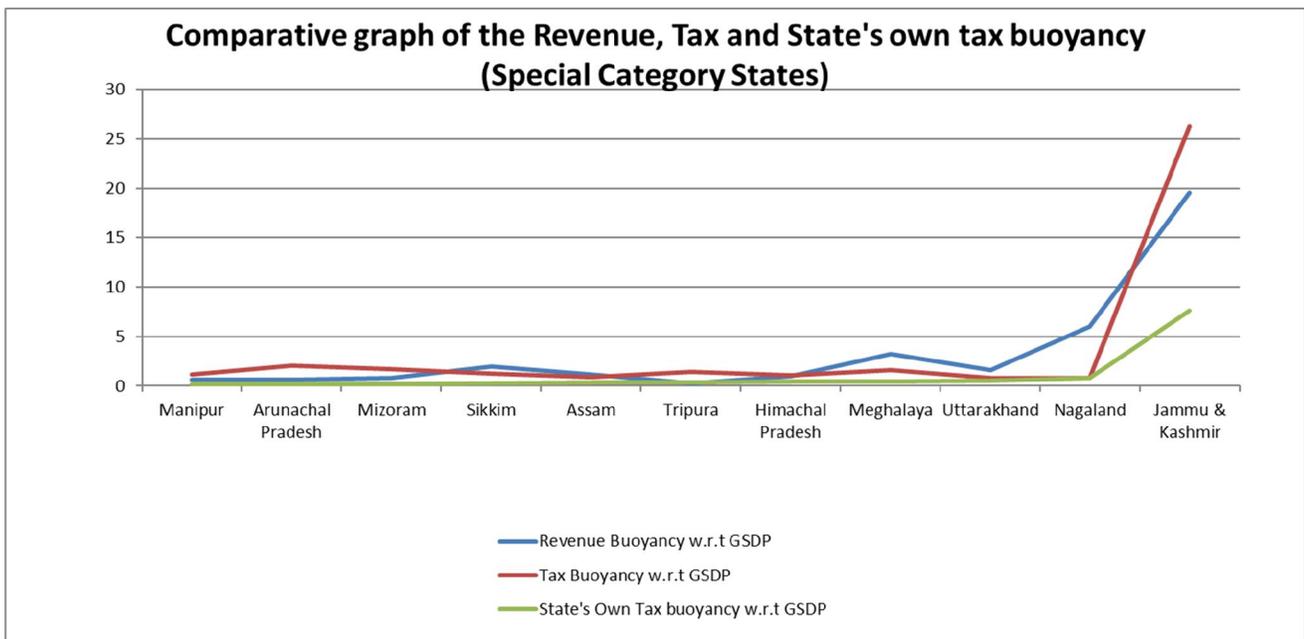
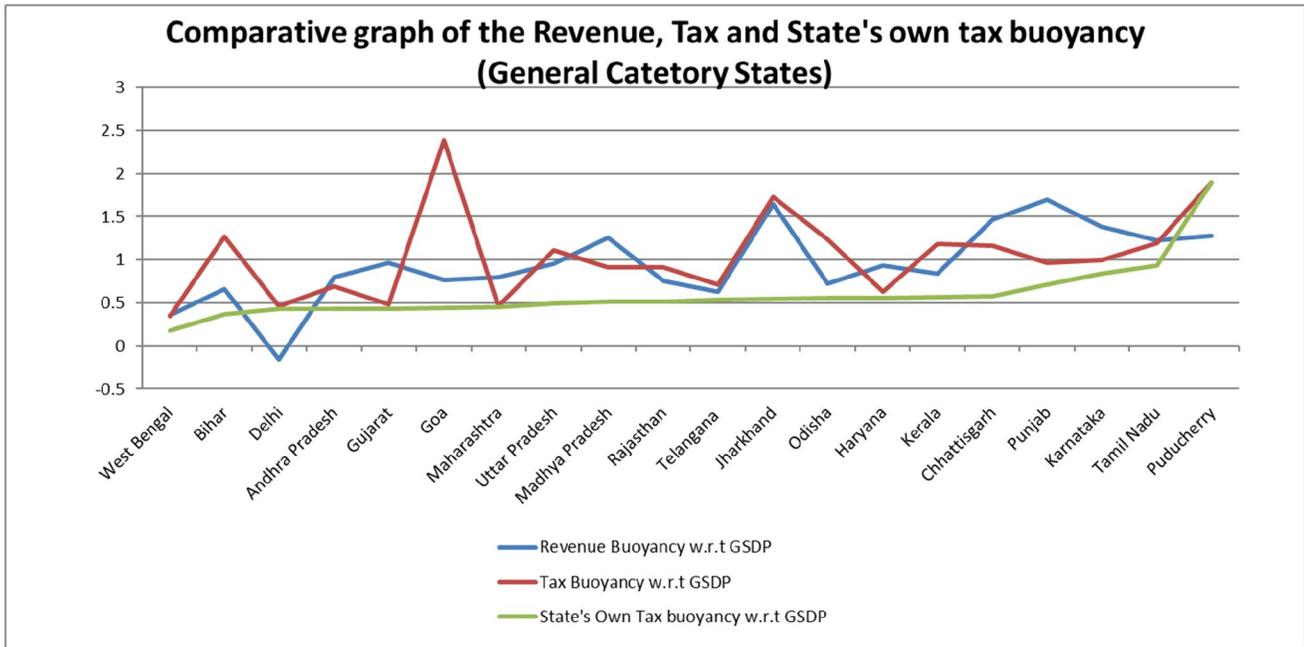
State's own Tax revenue buoyancy in respect of Puducherry is the highest followed by Tamil Nadu, Karnataka and Punjab among the general category states. Jammu & Kashmir has the highest own tax buoyancy among both the general category and the special category states. Nagaland, Meghalaya and

<sup>10</sup> Growth rate of Tax Revenue / growth rate of GSDP

<sup>11</sup> refer to table at Para 3.3.1 for tax revenue and State's own tax revenue

<sup>12</sup> Growth rate of Own Tax Revenue / growth rate of GSDP

Sikkim follow Jammu and Kashmir among the special category states. In case of Revenue buoyancy while Jammu and Kashmir tops the list, Jharkhand, Uttarakhand and Karnataka follow. Comparative graphs showing the Revenue buoyancy, Tax Buoyancy and own tax buoyancy separately for General Category and special Category States is shown below:



4.1

## Revenue and Capital Expenditure

Expenditure is grouped under the following three sectors:



Capital expenditure is met usually from borrowed funds with the object of increasing concrete assets of material and permanent character. It also includes receipts of a capital nature intended to be applied as a set off to capital expenditure. As under the Revenue Section, expenditure under Capital section is also grouped under three categories.

Expenditure under the General Service category pertains mainly to sovereign functions and committed expenditure. Expenditure under the remaining two categories relate to developmental activities of the Government.

In the following Tables the percentage of Expenditure to GDP for the Union and States has been depicted on the basis of GDP of ₹ 15253714<sup>13</sup> crore for the Union and all States<sup>14</sup> (GSDP of ₹15631002<sup>15</sup> crore for the States).

<sup>13</sup> Source: Central Statistics Office

<sup>14</sup>The GDP figures (₹15253714 crore) used are released by CSO and are at current prices. However, in respect of the States the aggregated State wise GSDP figures (₹15631002 crore) are slightly higher (around 2.47 per cent) than the National GDP.

<sup>15</sup> Source: Accounts at a Glance 2016-2017 of all States

## Sector-wise Revenue and Capital Expenditure- Union Government

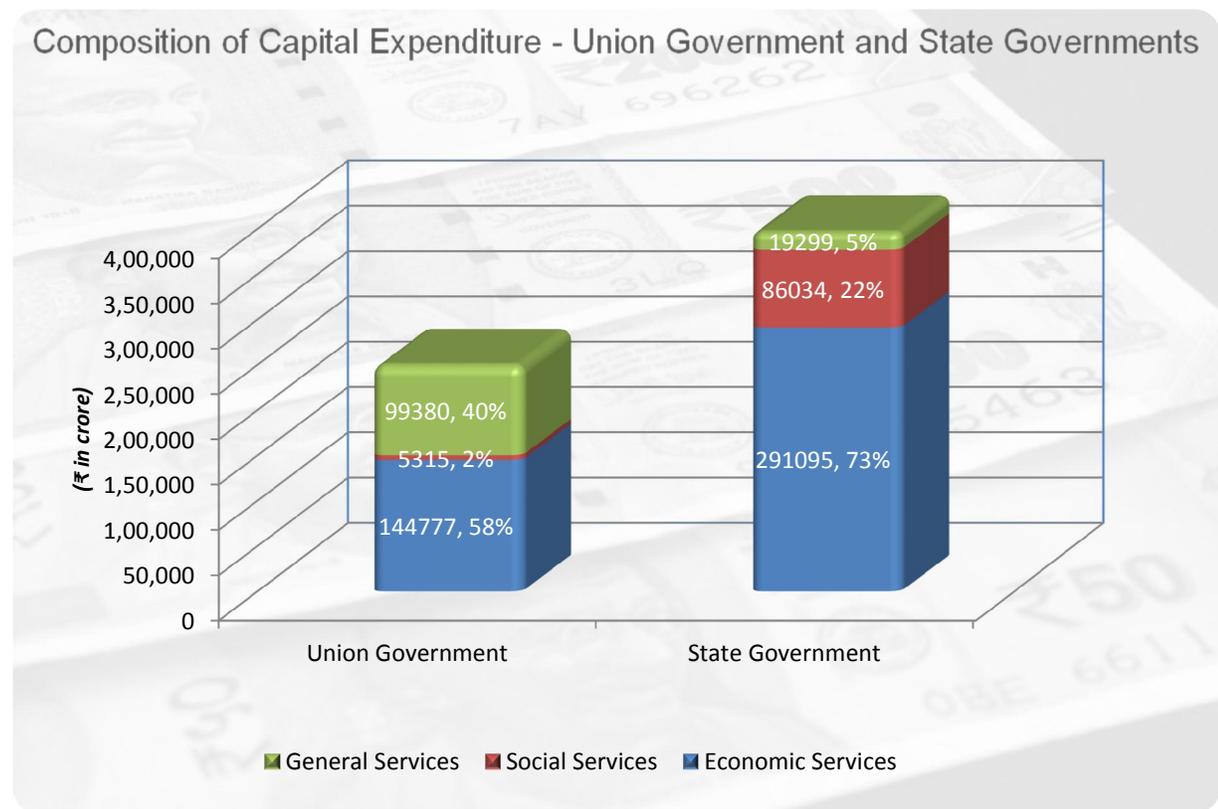
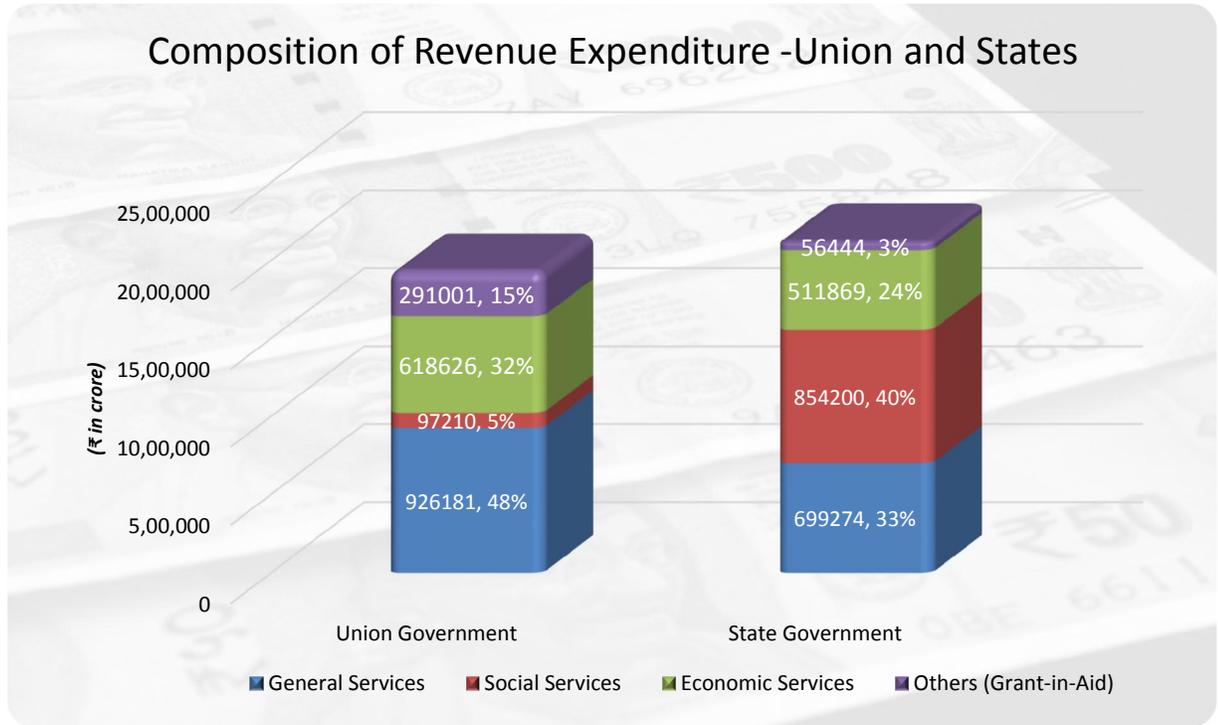
Sector	Revenue Expenditure ( ₹ in crore )	Capital Expenditure ( ₹ in crore )	%age of Total Revenue Expenditure	%age of Total Capital Expenditure	%of Revenue Expenditure to GDP <sup>16</sup>	% of Capital Expenditure to GDP
General	926181	99380	47.91	39.84	6.07	0.65
Social	97210	5315	5.03	2.13	0.64	0.03
Economic	618626	144777	32.01	58.03	4.06	0.95
Others (Grant-in-Aid)	291001		15.05		1.91	
<b>Total</b>	<b>1933018</b>	<b>249472</b>	<b>100.00</b>	<b>100.00</b>	<b>12.67</b>	<b>1.63</b>

## Sector-wise Revenue Expenditure-States

Sector	States Revenue Expenditure ( ₹ in crore )	States Capital Expenditure ( ₹ in crore )	%age of Total Revenue Expenditure	%age of Total Capital Expenditure	%of Revenue Expenditure to GDP	%of Capital Expenditure to GDP
General	699274	19299	32.96	4.87	4.58	0.13
Social	854200	86034	40.26	21.70	5.60	0.56
Economic	511869	291095	24.12	73.43	3.36	1.91
Others(Grant-in-Aid)	56444		2.66		0.37	
<b>Total</b>	<b>2121787</b>	<b>396428</b>	<b>100.00</b>	<b>100.00</b>	<b>13.91</b>	<b>2.60</b>

<sup>16</sup>GDP for FY 2016-2017 is ₹15253714 crore as released by CSO at current prices.

The following two graphs depict the amount of each sector of total expenditure concerned in respect of Union and all the States combined:





## 4.2 Analysis of Components of Revenue Expenditure

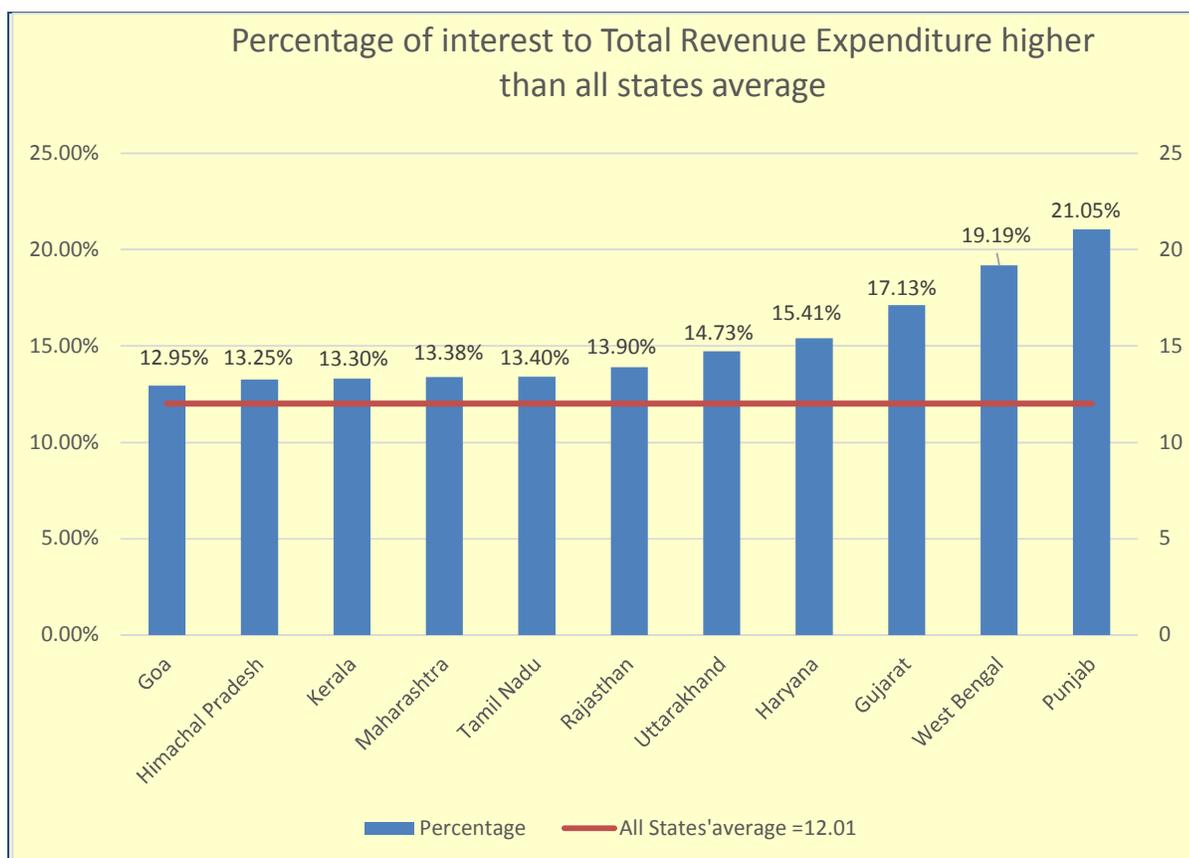
### 4.2.1 Interest Payments

One of the components of Revenue Expenditure under General Services is Interest payments. It is a committed charge and therefore, deserves detailed analysis. The position of interest paid by respective States is as follows:

All State average of interest paid to the total revenue expenditure: 12.01 per cent

State	Interest Payment (₹ in crore )	Revenue Expenditure (₹ in crore )	Percentage of Interest to Revenue Expenditure <sup>17</sup>
Arunachal Pradesh	399.23	9395	4.25%
Mizoram	341.26	6230	5.48%
Chhattisgarh	2686.83	48165	5.58%
Assam	2963.75	49363	6.00%
Odisha	4035.43	65041	6.20%
Meghalaya	522.23	8337	6.26%
Manipur	543.75	8185	6.64%
Nagaland	635.50	8652	7.35%
Madhya Pradesh	9079.49	119537	7.60%
Sikkim	324.39	3788	8.56%
Bihar	8190.66	94765	8.64%
Tripura	794.31	8855	8.97%
Karnataka	12032.76	131921	9.12%
Jharkhand	4172.25	45089	9.25%
NCT Delhi	2882.52	29302	9.84%
Andhra Pradesh	11697.36	116215	10.07%
Telangana	8609.19	81432	10.57%
U.T. Govt. Puducherry	577.56	5458	10.58%
Uttar Pradesh	26935.67	236592	11.38%
Jammu and Kashmir	4567.30	39812	11.47%
Goa	1148.03	8866	12.95%
Himachal Pradesh	3358.91	25344	13.25%
Kerala	12116.50	91096	13.30%
Maharashtra	28531.92	213229	13.38%
Tamil Nadu	20533.24	153195	13.40%
Rajasthan	17676.93	127140	13.90%
Uttarakhand	3723.05	25271	14.73%
Haryana	10541.91	68403	15.41%
Gujarat	17796.84	103895	17.13%
West Bengal	25702.85	133918	19.19%
Punjab	11641.76	55296	21.05%
<b>Grand Total</b>	<b>254763.37</b>	<b>2121787</b>	<b>12.01%</b>

<sup>17</sup> Percentage of Interest payment to Revenue expenditure= (Interest Payment /Revenue Expenditure) \*100



## Highlights

- All States Average of Interest paid is 12.01 percent of Total Revenue Expenditure.
- Percentage of Interest paid by 11 States was more than All States Average interest paid.
- Punjab and West Bengal have highest component of Interest outgo.
- Arunachal Pradesh and Mizoram have the lowest percentage of interest payments.

## 4.3

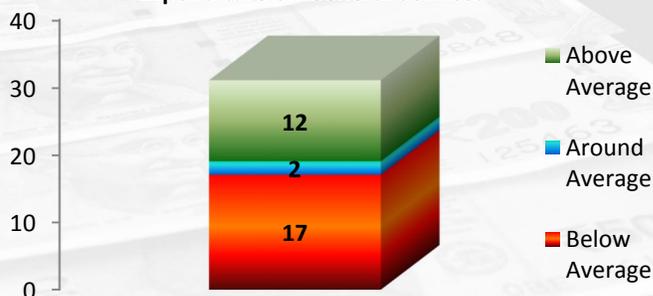
# Sectoral Analysis of Expenditure

### 4.3.1

Expenditure on General Services All States Average: ₹ 23180 crore<sup>18</sup>

State/Union Territory	Revenue Expenditure (GS) (₹ in Crore)	Capital Expenditure (GS) (₹ in Crore)	Total Expenditure under General Services (₹ in Crore)
Sikkim	1421	71.18	1492.18
U.T. Govt. Puducherry	1639	85.09	1724.09
Mizoram	2097	49.18	2146.18
Meghalaya	2480	83.00	2563.00
Arunachal Pradesh	2768	113.09	2881.09
Goa	2873	203.57	3076.57
Manipur	3421	96.00	3517.00
Tripura	3503	204.55	3707.55
Nagaland	3897	132.55	4029.55
NCT Delhi	6590	350.21	6940.21
Himachal Pradesh	9728	208.37	9936.37
Uttarakhand	9934	72.39	10006.39
Chhattisgarh	11496	187.54	11683.54
Jharkhand	13024	589.61	13613.61
Jammu and Kashmir	15111	768.71	15879.71
Odisha	16714	374.29	17088.29
Assam	17123	199.60	17322.60
Haryana	21631	399.37	22030.37
Telangana	25125	567.43	25692.43
Madhya Pradesh	27903	697.84	28600.84
Punjab	28488	248.79	28736.79
Karnataka	31265	1060.39	32325.39
Bihar	30607	2090.35	32697.35
Andhra Pradesh	32786	295.17	33081.17
Gujarat	35804	622.89	36426.89
Rajasthan	39203	436.52	39639.52
Kerala	41195	210.86	41405.86
West Bengal	50131	853.66	50984.66
Tamil Nadu	51453	750.83	52203.83
Maharashtra	71609	1548.23	73157.23
Uttar Pradesh	88255	5727.30	93982.30
<b>Total</b>	<b>699274</b>	<b>19298.56</b>	<b>718572.56</b>

Sector-wise grouping of States based on their Expenditure on General Services



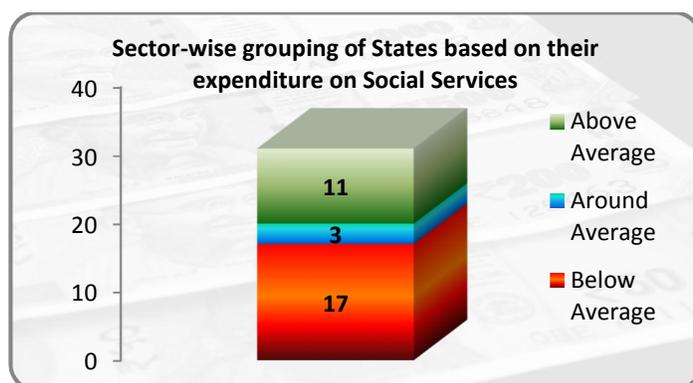
Uttar Pradesh has spent significantly more on General Services in Comparison to other States among the General Category states. Sikkim, Mizoram and Meghalaya have spent much lower on General services among the Special Category States.

<sup>18</sup> Total expenditure under General Services / number of States/ UTs

### 4.3.2 Expenditure on Social Services

All States Average: ₹ 30330 crore<sup>19</sup>

State/Union Territory	Revenue expenditure on Social Services (₹ in Crore)	Capital expenditure on Social Services (₹ in Crore)	Total expenditure on social services (₹ in Crore)
Sikkim	1335	243.21	1578.21
U.T. Govt. Puducherry	2129	120.98	2249.98
Manipur	2057	413.00	2470.00
Mizoram	2301	313.29	2614.29
Nagaland	2295	431.72	2726.72
Meghalaya	3099	459.36	3558.36
Arunachal Pradesh	3046	579.91	3625.91
Goa	3345	431.80	3776.80
Tripura	3683	1420.96	5103.96
Himachal Pradesh	9610	1041.07	10651.07
Uttarakhand	10529	947.61	11476.61
Jammu and Kashmir	11564	2305.78	13869.78
Punjab	15672	1087.35	16759.35
NCT Delhi	16579	2130.04	18709.04
Jharkhand	18557	1532.02	20089.02
Chhattisgarh	21342	2460.62	23802.62
Assam	22673	1542.6	24215.6
Haryana	25473	1586.41	27059.41
Odisha	27600	3001.21	30601.21
Kerala	33765	1292.68	35057.68
Telangana	35286	3161.72	38447.72
Bihar	40737	3592.49	44329.49
Gujarat	44926	431.80	45357.80
Madhya Pradesh	47942	3285.16	51227.16
Andhra Pradesh	50228	2430.91	52658.91
Rajasthan	49372	6214.28	55586.28
Tamil Nadu	55297	6041.09	61338.09
Karnataka	54549	6896.84	61445.84
West Bengal	57067	4438.08	61505.08
Maharashtra	90282	3266.51	93548.51
Uttar Pradesh	91861	17150.47	109011.47
<b>Total</b>	<b>854201</b>	<b>86034.17</b>	<b>940235.17</b>



Uttar Pradesh and Maharashtra have spent significantly more on Social Services in Comparison to other States among the General Category states. The highest expenditure on the Capital component has been spent by Uttar Pradesh. Goa has spent more on the Capital component compared to the revenue component. Assam has spent more on Social Services among the Special Category States.

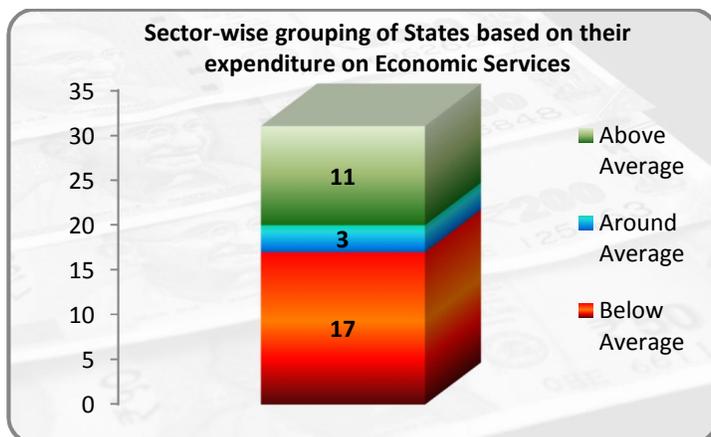
<sup>19</sup>Total expenditure under Social Services / number of States/ UTs

## 4.3.3

## Expenditure on Economic Services

All States Average: ₹ 25902 crore<sup>20</sup>

State/Union Territory	Revenue Expenditure on Economic Services (₹ in Crore)	Capital Exp on Economic Services (₹ in Crore)	Total expenditure on Economic Services (₹ in Crore)
Sikkim	977	405.89	1382.89
U.T. Govt. Puducherry	1685	240.58	1925.58
Mizoram	1832	548.93	2380.93
Nagaland	2460	511.82	2971.82
Tripura	1471	1668.05	3139.05
Manipur	2343	984.57	3327.57
Meghalaya	2757	747.44	3504.44
Arunachal Pradesh	3580	851.02	4431.02
NCT Delhi	5111	1274.05	6385.05
Uttarakhand	3903	3934.22	7837.22
Himachal Pradesh	5996	2249.60	8245.60
Assam	8914	3759.87	12673.87
Punjab	10218	3010.17	13228.17
Goa	2648	15517.49	18165.49
Jammu and Kashmir	13138	5211.04	18349.04
Kerala	10655	8622.41	19277.41
Chhattisgarh	14176	6822.35	20998.35
Jharkhand	13508	8739.05	22247.05
Gujarat	22749	1003.36	23752.36
Haryana	20875	4877.32	25752.32
West Bengal	26156	6044.69	32200.69
Odisha	19714	15095.57	34809.57
Bihar	23417	21525.55	44942.55
Andhra Pradesh	33108	12417.70	45525.70
Tamil Nadu	33980	13917.56	47897.56
Rajasthan	38565	10328.91	48893.91
Telangana	20950	29641.41	50591.41
Madhya Pradesh	36885	23305.31	60190.31
Karnataka	40421	20193.20	60614.2
Maharashtra	43843	20734.52	64577.52
Uttar Pradesh	45834	46911.35	92745.35
<b>Total</b>	<b>511869</b>	<b>291095.00</b>	<b>802964.00</b>



Uttar Pradesh, Maharashtra and Karnataka have spent significantly more on the revenue component under Economic Services in comparison to other States among the General Category states. Uttar Pradesh, Telangana and Goa have spent more on the Capital component compared to the revenue component. Jammu & Kashmir has spent the highest amount on Economic Services among the Special Category States.

<sup>20</sup> Total expenditure under Economic Services / number of States/ UTs



## Committed Expenditure

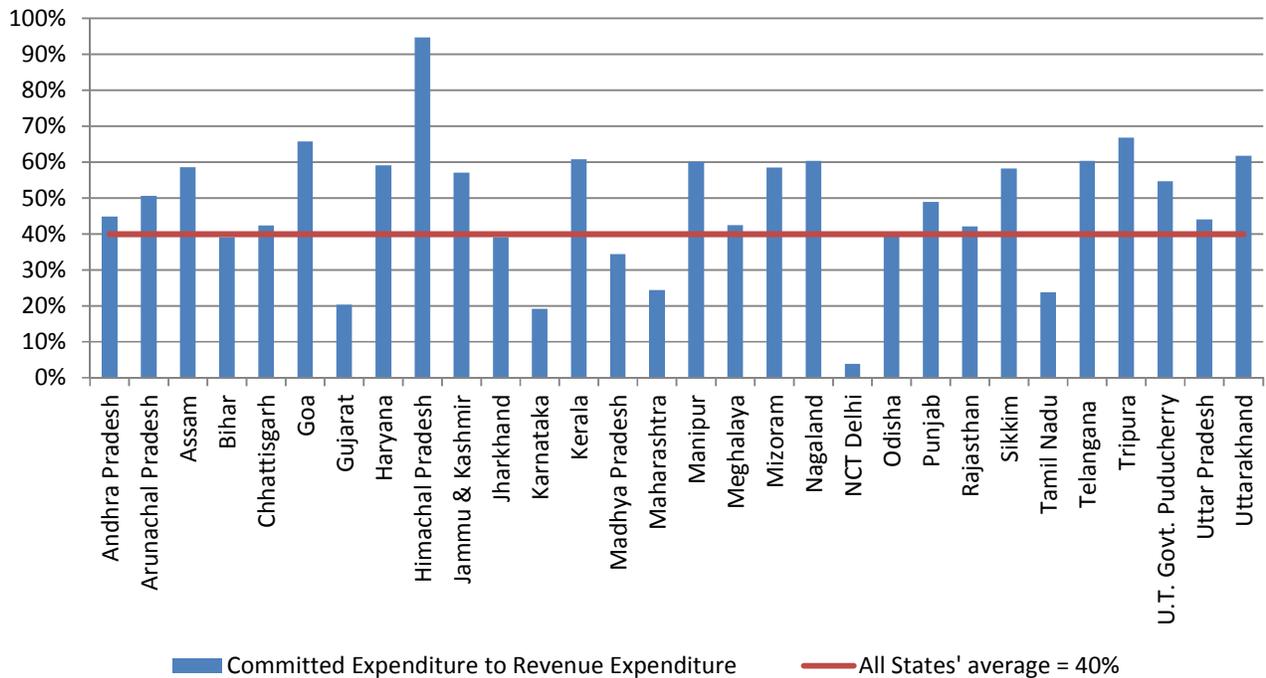
The Committed Expenditure of the State Governments on revenue account mainly consists of Interest Payments and Servicing of Debt, Expenditure on Salaries and Wages and Pensions. The Position of Committed Expenditure of States is as follows:

All States average Committed expenditure= ₹29008 crore<sup>21</sup>

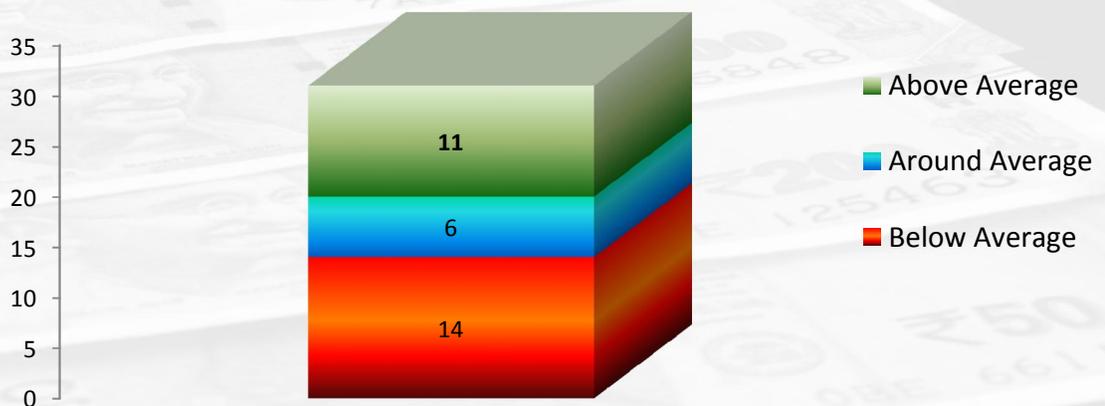
State	Salary and Wages (₹ in crore)	Interest Payment and Servicing of Debts (₹ in crore)	Expenditure on Pensions (₹ in crore)	Total Committed Expenditure (₹ in crore)	Revenue Expenditure (₹ in crore)	Committed Expenditure to Revenue Expenditure
NCT Delhi	0	860	287	1147	29302	4%
Sikkim	1423	336	446	2205	3788	58%
U.T. Govt. Puducherry	1558	794	632	2984	5458	55%
Meghalaya	2242	654	648	3544	8337	43%
Mizoram	2323	556	761	3640	6230	58%
Arunachal Pradesh	3567	549	641	4757	9395	51%
Manipur	3088	654	1174	4916	8185	60%
Nagaland	3750	375	1093	5218	8652	60%
Goa	2107	2883	844	5834	8866	66%
Tripura	3912	794	1209	5915	8855	67%
Uttarakhand	8670	3783	3170	15623	25271	62%
Jharkhand	8927	4601	4135	17663	45089	39%
Chhattisgarh	14071	2887	3486	20444	48165	42%
Gujarat	8722	1178	11303	21203	103895	20%
Jammu & Kashmir	15130	3359	4217	22706	39812	57%
Himachal Pradesh	9356	10542	4114	24012	25344	95%
Karnataka	9803	4172	11295	25270	131921	19%
Odisha	15180	4035	6843	26058	65041	40%
Punjab	17707	579	8773	27059	55296	49%
Assam	19210	3139	6565	28914	49363	59%
Tamil Nadu	16148	336	19973	36457	153195	24%
Bihar	15784	8774	12508	37066	94765	39%
Haryana	17006	17797	5659	40462	68403	59%
Madhya Pradesh	20186	12117	8793	41096	119537	34%
Telangana	19223	20918	9011	49152	81432	60%
Maharashtra	26067	9079	16858	52004	213229	24%
Andhra Pradesh	26937	12292	12872	52101	116215	45%
West Bengal	13027	26053	13945	53025	133918	40%
Rajasthan	29552	11642	12296	53490	127140	42%
Kerala	28047	12033	15277	55357	91096	61%
Uttar Pradesh	38371	37708	28227	104306	236592	44%
<b>TOTAL</b>	<b>401094</b>	<b>215479</b>	<b>227055</b>	<b>843628</b>	<b>2121787</b>	<b>40%</b>

<sup>21</sup> Total Committed Expenditure / Number of States and UTs

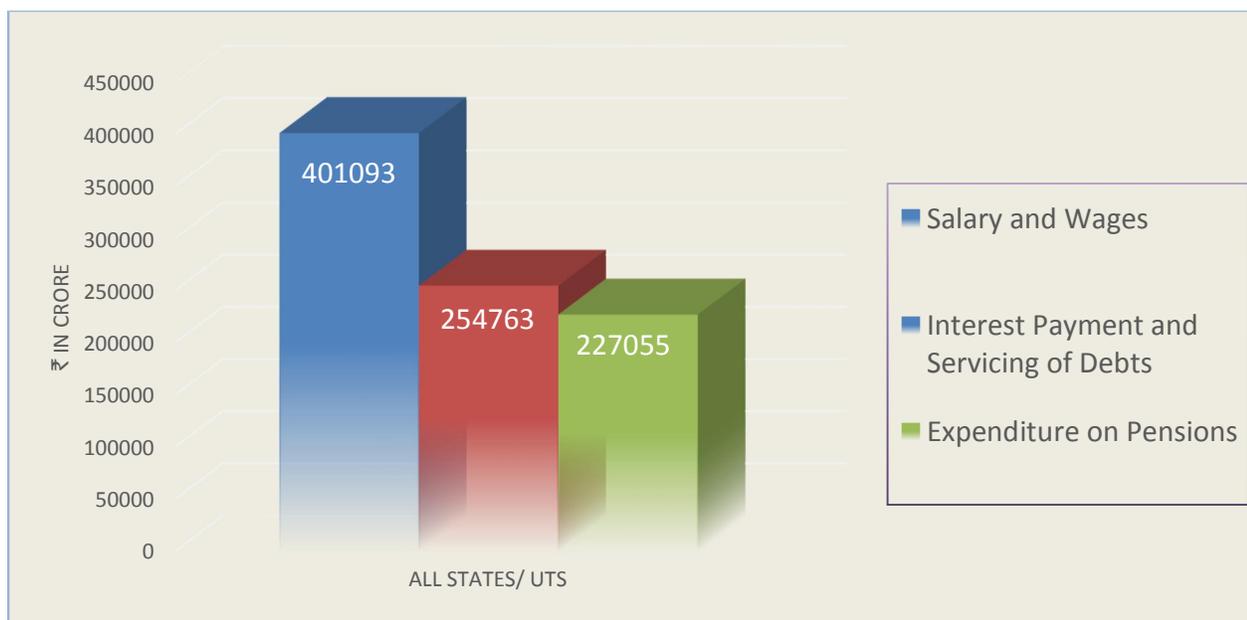
## Percentage of Committed Expenditure to Revenue Expenditure



## Grouping of States based on Committed Expenditure



### Committed Expenditure



Salary and wages constitute the major portion (45 per cent) of the committed expenditure followed by Interest payments and servicing of Debts (29 percent) and Pensions (26 per cent).



## Functional Analysis

An analysis of Expenditure by major functions on the basis of Sectoral expenditure in relation to the total expenditure of each state gives insight into the priorities of various states on different functions. The expenditure in respect of some of the major functions is shown below:

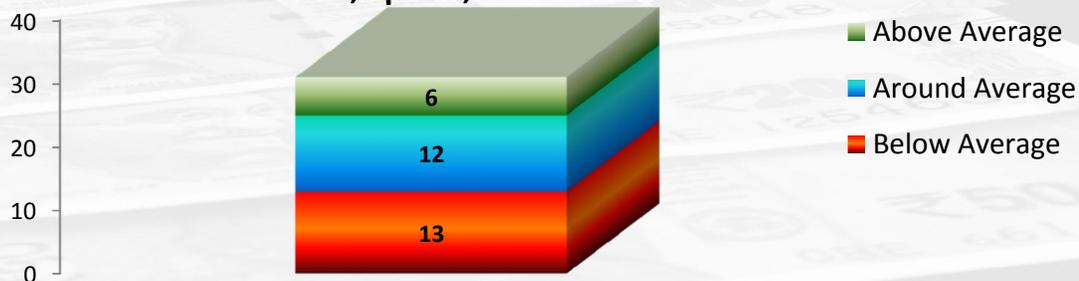
## 4.5.1

## Education, Sports, Arts and Culture

All States per Capita Average: ₹ 4317 crore<sup>22</sup>

State/Union Territory	Revenue Expenditure on Education, Sports Arts & Culture (₹ in crore)	Capital Expenditure on Education, Sports Arts & Culture (₹ in crore)	Total expenditure on Education, Sports Arts & Culture (₹ in crore)	Population (in Crore)	Per Capita Expenditure <sup>23</sup> (₹ in crore)
Bihar	19152	1074.46	20226.46	10.89	1857.34
Jharkhand	7978	253.50	8231.50	3.61	2280.19
Uttar Pradesh	52220	2018.30	54238.30	21.92	2474.38
West Bengal	23474	388.19	23862.19	9.54	2501.28
Odisha	11809	360.16	12169.16	4.53	2686.35
Madhya Pradesh	21144	736.97	21880.97	7.88	2776.77
Gujarat	18560	1166.53	19726.53	6.72	2935.50
Punjab	8813	220.04	9033.04	2.99	3021.08
Telangana	11955	246.14	12201.14	3.91	3120.5
Karnataka	20084	1108.46	21192.46	6.68	3172.52
NCT Delhi	7680	1339.27	9019.27	2.80	3221.17
Andhra Pradesh	17213	143.53	17356.53	5.31	3268.65
Rajasthan	24498	119.07	24617.07	7.49	3286.66
Tamil Nadu	26034	989.25	27023.25	7.98	3386.37
Assam	12655	0	12655.00	3.45	3668.12
Maharashtra	45358	52.28	45410.28	12.07	3762.24
Manipur	1159	52.31	1211.31	0.32	3785.34
Haryana	11060	141.75	11201.75	2.80	4000.63
Chhattisgarh	11079	516.95	11595.95	2.88	4026.37
Nagaland	1292	27.14	1319.14	0.31	4255.29
Jammu and Kashmir	5770	566.01	6336.01	1.41	4493.62
Tripura	1835	148.13	1983.13	0.44	4507.11
Meghalaya	1608	10.79	1618.79	0.35	4625.11
Kerala	17061	345.08	17406.08	3.70	4704.35
Goa	1467	105.13	1572.13	0.31	5071.39
U.T. Govt. Puducherry	758	12.66	770.66	0.14	5504.71
Uttarakhand	5366	434.59	5800.59	1.03	5631.64
Himachal Pradesh	4945	295.72	5240.72	0.76	6895.68
Mizoram	1162	20.59	1182.59	0.15	7883.93
Arunachal Pradesh	1409	94.14	1503.14	0.16	9394.63
Sikkim	769	45.90	814.90	0.07	11641.43
<b>Grand Total</b>	<b>395367</b>	<b>13033.04</b>	<b>408400.04</b>	<b>132.60</b>	<b>133840.35</b>

### Key Sector-wise grouping of States based on their expenditure on Education, Sports, Arts & Culture



<sup>22</sup> Per Capita expenditure / number of States/ UTs

<sup>23</sup> Total Expenditure on Education, sports, Art and Culture/ Population

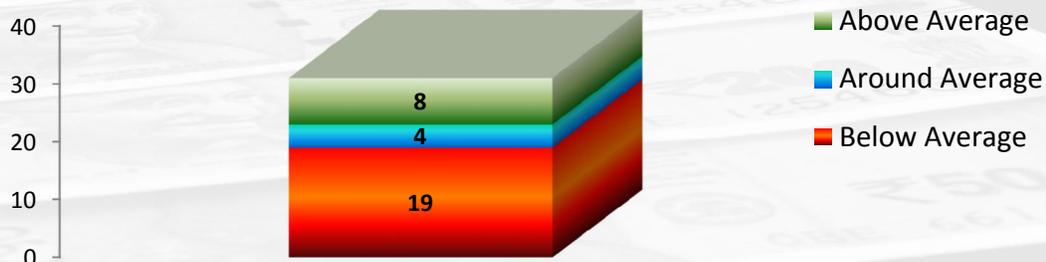
## 4.5.2

## Health and Family Welfare

All States per capita Average: ₹ 1570 crore<sup>24</sup>

State/Union Territory	Revenue Expenditure on Health & Family Welfare (₹ in crore)	Capital Expenditure on Health & Family Welfare (₹ in crore)	Total Expenditure on Health & Family Welfare (₹ in crore)	Population (in Crore)	Per Capita Expenditure <sup>25</sup> (₹ in crore)
Bihar	4622	870.43	5492.43	10.89	504.36
Jharkhand	1968	511.55	2479.55	3.61	686.86
Uttar Pradesh	12862	2922.30	15784.30	21.92	720.09
Madhya Pradesh	5376	564.70	5940.70	7.88	753.90
West Bengal	7021	1241.54	8262.54	9.54	866.09
Maharashtra	10121	602.37	10723.37	12.07	888.43
Assam	3162	34.44	3196.44	3.45	926.50
Punjab	2868	22.45	2890.45	2.99	966.71
Karnataka	6139	743.66	6882.66	6.68	1030.34
Odisha	4061	667.94	4728.94	4.53	1043.92
Tamil Nadu	7954	687.34	8641.34	7.98	1082.87
Haryana	2800	244.19	3044.19	2.80	1087.21
Rajasthan	7738	514.29	8252.29	7.49	1101.77
Chhattisgarh	2967	325.00	3292.00	2.88	1143.06
Gujarat	6242	1457.69	7699.69	6.72	1145.79
Andhra Pradesh	6044	393.70	6437.70	5.31	1212.37
Telangana	4590	350.08	4940.08	3.91	1263.45
NCT Delhi	3654	376.94	4030.94	2.80	1439.62
Uttarakhand	1390	115.97	1505.97	1.03	1462.11
Manipur	425	53.97	478.97	0.32	1496.78
Tripura	536	145.99	681.99	0.44	1549.98
Nagaland	482	13.19	495.19	0.31	1597.39
Kerala	5731	256.45	5987.45	3.70	1618.23
Meghalaya	604	82.73	686.73	0.35	1962.09
Jammu and Kashmir	2375	434.85	2809.85	1.41	1992.80
Goa	611	59.28	670.28	0.31	2162.19
Himachal Pradesh	1501	285.53	1786.53	0.76	2350.70
Mizoram	371	28.39	399.39	0.15	2662.60
U.T. Govt. Puducherry	486	4.03	490.03	0.14	3500.21
Sikkim	209	72.89	281.89	0.07	4027.00
Arunachal Pradesh	692	14.90	706.90	0.16	4418.13
<b>Total</b>	<b>115602</b>	<b>14098.78</b>	<b>129700.78</b>	<b>132.60</b>	<b>48663.55</b>

### Key Sector-wise grouping of States based on their expenditure on Health & Family Welfare



<sup>24</sup> Per Capita expenditure / number of States/ UTs

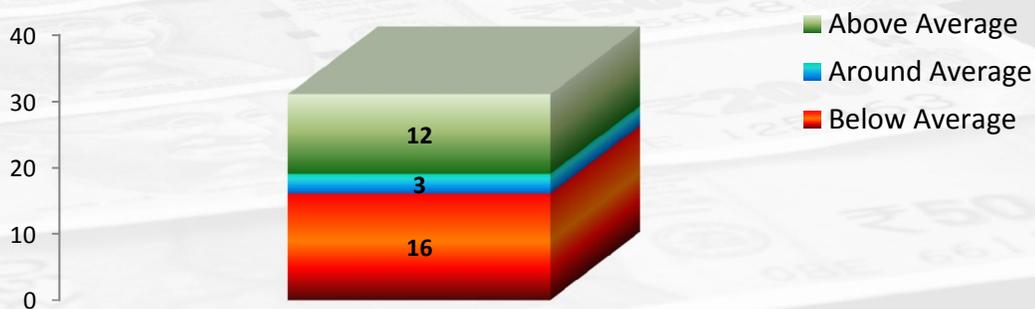
<sup>25</sup> Total Expenditure on Health and Family Welfare/ Population

## 4.5.3

**Agriculture** All States per capita Average: ₹ 1628 crore<sup>26</sup>

State/Union Territory	Revenue Expenditure on Agriculture (₹ in crore)	Capital Expenditure on Agriculture (₹ in crore)	Total Expenditure on Agriculture (₹ in crore)	Population (in Crore)	Per Capita Expenditure <sup>27</sup> (₹ in crore)
NCT Delhi	119	17.31	136.31	2.80	48.68
Bihar	2287	127.89	2414.89	10.89	221.75
West Bengal	3265	608.47	3873.47	9.54	406.02
Uttar Pradesh	5599	3921.13	9520.13	21.92	434.31
Rajasthan	5140	462.09	5602.09	7.49	747.94
Assam	2530	54.88	2584.88	3.45	749.24
Jharkhand	2206	569.31	2775.31	3.61	768.78
Gujarat	5035	806.86	5841.86	6.72	869.32
Haryana	2519	413.07	2932.07	2.80	1047.17
Manipur	357	1.75	358.75	0.32	1121.09
Goa	293	69.08	362.08	0.31	1168.00
Tamil Nadu	9882	1001.41	10883.41	7.98	1363.84
Maharashtra	13245	3416.88	16661.88	12.07	1380.44
Madhya Pradesh	10311	693.31	11004.31	7.88	1396.49
Odisha	6497	218.23	6715.23	4.53	1482.39
Andhra Pradesh	7945	116.38	8061.38	5.31	1518.15
Nagaland	480	14.89	494.89	0.31	1596.42
Meghalaya	565	9.45	574.45	0.35	1641.29
Tripura	620	111.83	731.83	0.44	1663.25
Telangana	6122	680.42	6802.42	3.91	1739.75
Kerala	6088	651.51	6739.51	3.70	1821.49
U.T. Govt. Puducherry	249	9.72	258.72	0.14	1848.00
Karnataka	11976	501.42	12477.42	6.68	1867.88
Jammu and Kashmir	1955	732.66	2687.66	1.41	1906.14
Punjab	5718	86.35	5804.35	2.99	1941.25
Himachal Pradesh	1678	50.45	1728.45	0.76	2274.28
Chhattisgarh	6769	92.01	6861.01	2.88	2382.30
Uttarakhand	1775	852.99	2627.99	1.03	2551.45
Mizoram	509	44.79	553.79	0.15	3691.93
Sikkim	269	8.48	277.48	0.07	3964.00
Arunachal Pradesh	770	7.36	777.36	0.16	4858.50
<b>Total</b>	<b>122773</b>	<b>16352.38</b>	<b>139125.38</b>	<b>132.60</b>	<b>50471.54</b>

### Key Sector-wise grouping of States based on their expenditure on Agriculture



<sup>26</sup> Per Capita expenditure / number of States/ UTs

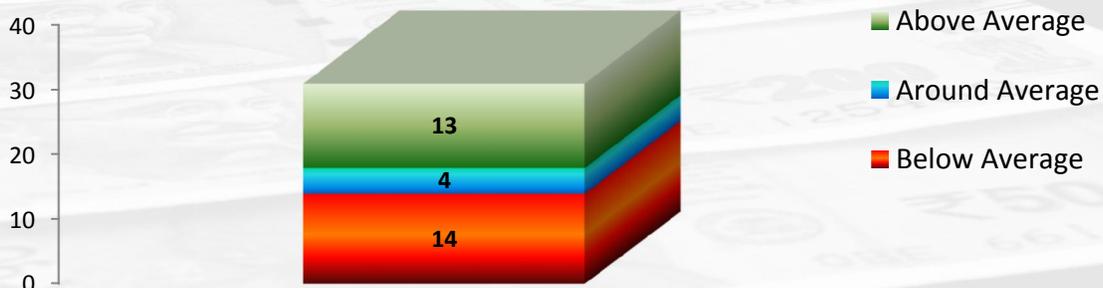
<sup>27</sup> Total Expenditure on Agriculture / Population

## 4.5.4

Rural Development All States per capita Average: ₹ 1504 crore<sup>28</sup>

State/Union Territory	Revenue Expenditure on Rural Development (₹ in crore)	Capital Expenditure on Rural Development (₹ in crore)	Total Expenditure on Rural Development (₹ in crore)	Population (in Crores)	Per Capita Expenditure <sup>29</sup> (₹ in crore)
NCT Delhi	10.00	127.89	137.89	2.80	49.25
Punjab	261.00	134.13	395.13	2.99	132.15
U.T. Govt. Puducherry	32.00	0.00	32.00	0.14	228.57
Assam	1666.00	0.00	1666.00	3.45	482.90
Goa	143.00	6.69	149.69	0.31	482.87
Kerala	1280.00	615.58	1895.58	3.70	512.32
Gujarat	3424.00	1182.54	4606.54	6.72	685.50
Maharashtra	7017.00	1686.95	8703.95	12.07	721.12
Uttar Pradesh	13848.00	2249.22	16097.22	21.92	734.36
Karnataka	5547.00	49.26	5596.26	6.68	837.76
Tamil Nadu	5919.00	1241.54	7160.54	7.98	897.31
Haryana	2892.00	0.00	2892.00	2.80	1032.86
Jammu and Kashmir	516.00	1117.19	1633.19	1.41	1158.29
West Bengal	12838.00	6.92	12844.92	9.54	1346.43
Bihar	8352.00	7891.74	16243.74	10.89	1491.62
Madhya Pradesh	8818.00	3169.35	11987.35	7.88	1521.24
Himachal Pradesh	1179.00	3.49	1182.49	0.76	1555.91
Rajasthan	11140.00	547.13	11687.13	7.49	1560.36
Chhattisgarh	4299.00	366.70	4665.70	2.88	1620.03
Telangana	6549.00	102.76	6651.76	3.91	1701.22
Odisha	7991.00	0.00	7991.00	4.53	1764.02
Andhra Pradesh	9802.00	0.00	9802.00	5.31	1845.95
Tripura	314.00	556.62	870.62	0.44	1978.68
Uttarakhand	1248.00	841.50	2089.50	1.03	2028.64
Mizoram	345.00	6.02	351.02	0.15	2340.13
Manipur	811.00	0.00	811.00	0.32	2534.38
Jharkhand	7247.00	2074.57	9321.57	3.61	2582.15
Nagaland	811.00	0.00	811.00	0.31	2616.13
Arunachal Pradesh	422.00	35.66	457.66	0.16	2860.38
Sikkim	236.00	9.66	245.66	0.07	3509.43
Meghalaya	1333.00	3.70	1336.70	0.35	3819.14
<b>Total</b>	<b>126290.00</b>	<b>24026.81</b>	<b>150316.81</b>	<b>132.60</b>	<b>46631.10</b>

## Sector-wise grouping of States based on their expenditure on Rural Development



<sup>28</sup> Per Capita expenditure / number of States/ UTs

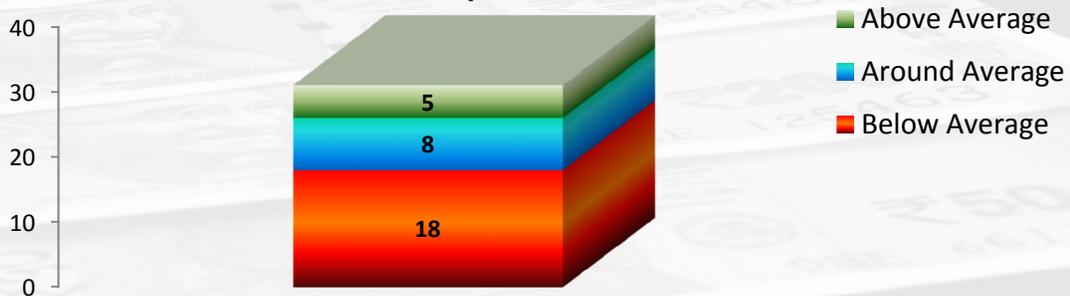
<sup>29</sup> Total Expenditure on Rural Development / Population

## 4.5.5

**Transport** All States per capita Average: ₹ 1835 crore<sup>30</sup>

State/Union Territory	Revenue Expenditure on Transport (₹ in crore)	Capital Expenditure on Transport (₹ in crore)	Total Expenditure on Transport (₹ in crore)	Population (in Crore)	Per Capita Expenditure <sup>31</sup> (₹ in crore)
West Bengal	1580	2022.35	3602.35	9.54	377.60
Rajasthan	1686	2420.87	4106.87	7.49	548.31
Andhra Pradesh	1181	2096.88	3277.88	5.31	617.30
Punjab	505	1351.96	1856.96	2.99	621.06
Bihar	1787	5601.20	7388.20	10.89	678.44
Madhya Pradesh	1245	4671.99	5916.99	7.88	750.89
U.T. Govt. Puducherry	34	74.20	108.20	0.14	772.86
Tamil Nadu	1522	5917.02	7439.02	7.98	932.21
Maharashtra	6106	5461.23	11567.23	12.07	958.35
Telangana	595	3180.03	3775.03	3.91	965.48
Gujarat	4528	2938.11	7466.11	6.72	1111.03
Jammu and Kashmir	778	831.85	1609.85	1.41	1141.74
Assam	2300	1716.78	4016.78	3.45	1164.28
Uttar Pradesh	4826	22653.08	27479.08	21.92	1253.61
Kerala	1285	3585.71	4870.71	3.70	1316.41
Jharkhand	446	4504.99	4950.99	3.61	1371.47
NCT Delhi	2842	1051.07	3893.07	2.80	1390.38
Chhattisgarh	654	3422.89	4076.89	2.88	1415.59
Haryana	2820	1588.40	4408.40	2.8	1574.43
Uttarakhand	315	1385.39	1700.39	1.03	1650.86
Manipur	111	464.82	575.82	0.32	1799.44
Nagaland	399	175.19	574.19	0.31	1852.23
Karnataka	4844	7623.61	12467.61	6.68	1866.41
Odisha	1981	6767.42	8748.42	4.53	1931.22
Meghalaya	186	566.93	752.93	0.35	2151.23
Goa	282	400.43	682.43	0.31	2201.39
Tripura	189	856.94	1045.94	0.44	2377.14
Himachal Pradesh	1546	1583.61	3129.61	0.76	4117.91
Mizoram	289	373.91	662.91	0.15	4419.40
Sikkim	142	256.64	398.64	0.07	5694.86
Arunachal Pradesh	877	382.22	1259.22	0.16	7870.13
<b>Total</b>	<b>47881</b>	<b>95927.72</b>	<b>143808.72</b>	<b>132.60</b>	<b>56893.66</b>

### Key Sector-wise grouping of States based on their expenditure on Transport



<sup>30</sup>Per Capita expenditure / number of States/ UTs

<sup>31</sup>Total Expenditure on Rural Development / Population

## 5.1 Deficit

Revenue Deficit represents the net of revenue expenditure over revenue receipts of the Government. Fiscal Deficit is calculated as total expenditure (Revenue + Capital + Net Loans and Advances) less revenue receipts and miscellaneous capital receipts. This is financed by borrowings.

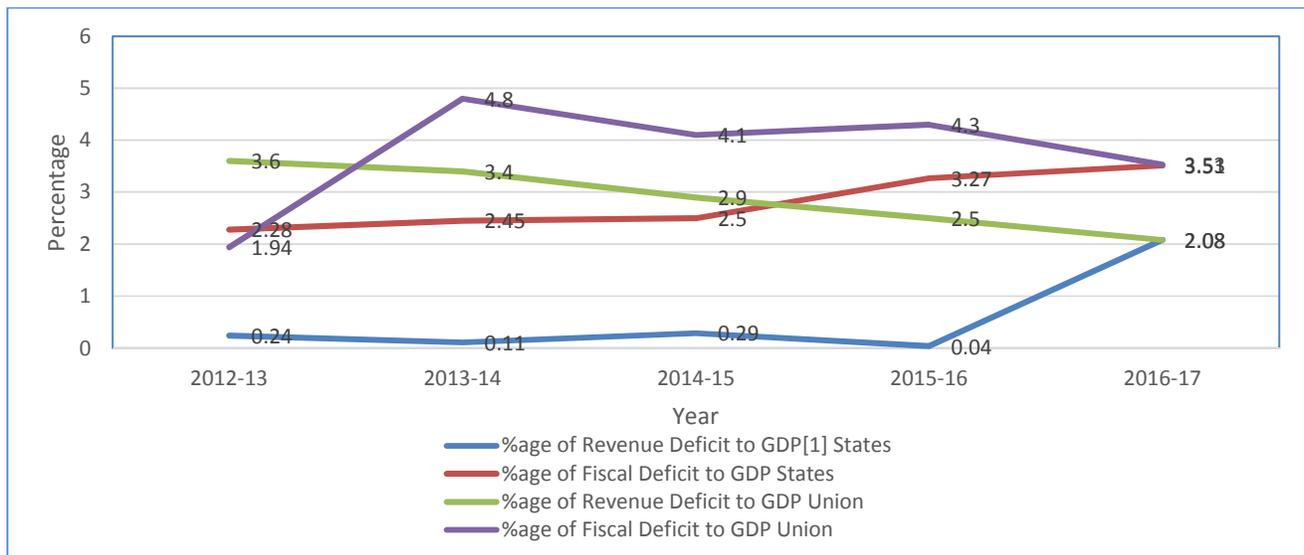
## 5.2 Gross Domestic Product (GDP) & Gross State Domestic Product (GSDP)

GDP is the total value of goods and services produced in the Union and GSDP is the total value of goods and services produced in the territory of the State.

### Details of Revenue/Fiscal Parameters of Union & State Governments

Year	All States		Union Government	
	%age of Revenue Deficit/ Surplus to GDP <sup>32</sup> - States/ UTs	%age of Fiscal Deficit to GDP - States/ UTs	%age of Revenue Deficit/Surplus to GDP - Union	%age of Fiscal Deficit to GDP - Union
2012-13	0.24	2.28	3.60	1.94
2013-14	0.11	2.45	3.40	4.80
2014-15	0.29	2.50	2.90	4.10
2015-16	0.04	3.27	2.50	4.30
<b>2016-17</b>	<b>2.08</b>	<b>3.51</b>	<b>2.08</b>	<b>3.53</b>

COMPARISON OF REVENUE/FISCAL PARAMETERS FOR THE LAST 5 YEARS (UNION & STATES)



<sup>32</sup>See footnote for Chapter 4 on GDP

State Governments have enacted the Fiscal Responsibility and Budget management (FRBM) Act which specifies Targets for the fiscal parameters like Revenue Deficit / Surplus, fiscal deficit , Debt and other obligations, guarantees, etc.

Each State government targeted to eliminate Revenue Deficit and maintain a Revenue Surplus. Despite this ten states/ UTs including Puducherry had a Revenue Deficit during 2016-17.

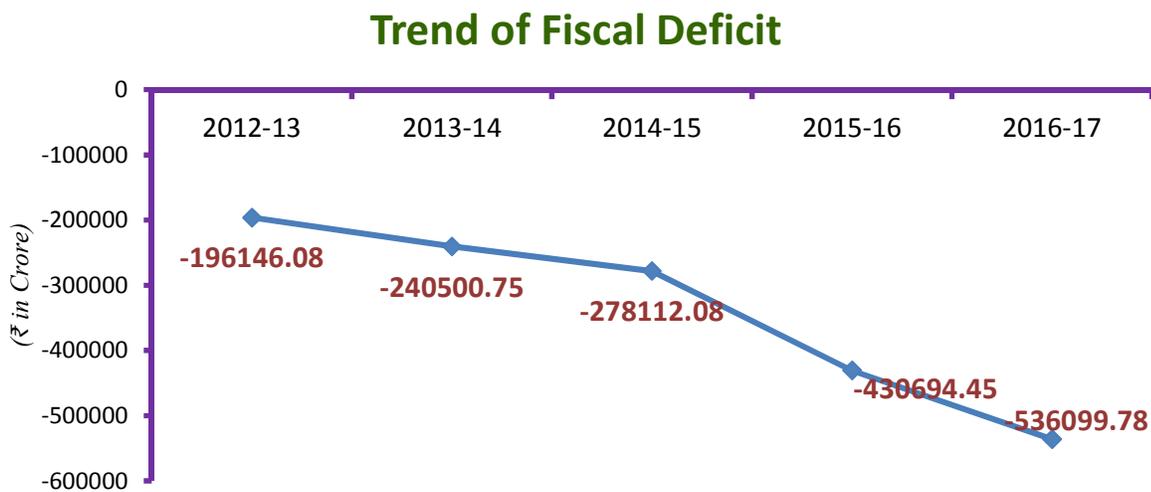
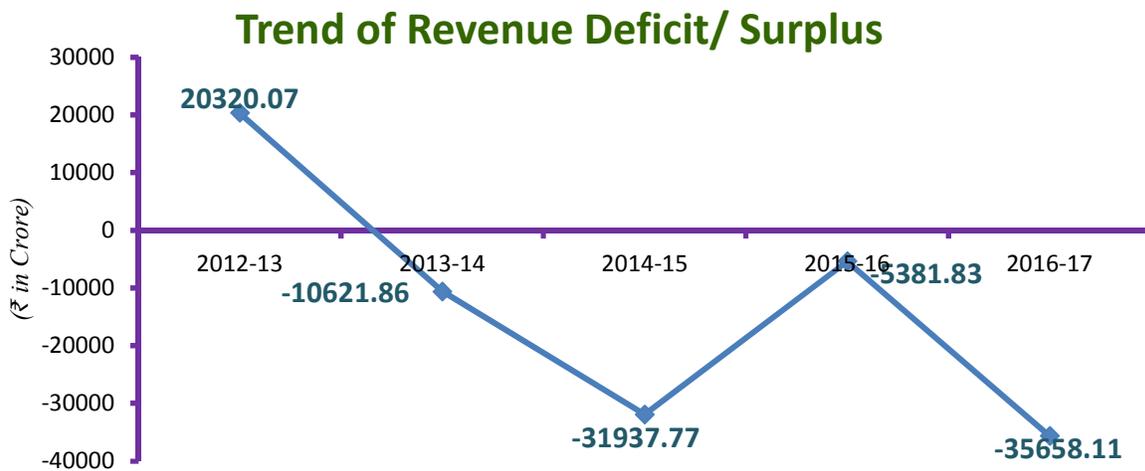
Three States viz. Arunachal Pradesh, Mizoram and Sikkim had Fiscal Surplus during 2016-17.

In respect of Fiscal deficit to GSDP ratio the states are required to maintain the ratio at 3.0 per cent. Fourteen states have crossed the target of 3.0 per cent during the year. The average Fiscal deficit to GSDP ratio is 3.51 per cent during 2016-17.



## 5.3 State Governments' performance under Fiscal Responsibility and Budget Management Act (FRBMA)

As per the recommendations of the Fourteenth Finance Commission, the State Governments are required to amend their Fiscal Responsibility and Budget Management (FRBM) Acts. In terms of the Act, the State Governments shall, by rules, specify the fiscal rules suggested for the FRBM Acts of States by the Finance Commission constituted by the President of India. The targets for the States as per the fiscal rules framed by the State Governments and achievements/shortfalls there against are depicted in the graphs below:





# Public Debt

## Chapter- 6

State Government, in order to carry out its day today activities, raises money from Public, Public Sector Undertakings through loans, by obtaining Ways and Means Advance from Reserve Bank of India and also through loans and advances from the Government of India. Public Debt comprises Internal Debt and External Debt in respect of Union Government whereas Loans and Advances from the Central Government instead of External Loans constitute Public Debt of the State Governments. The Government also encourages Small Savings from the Public, which are used for funding its activities.

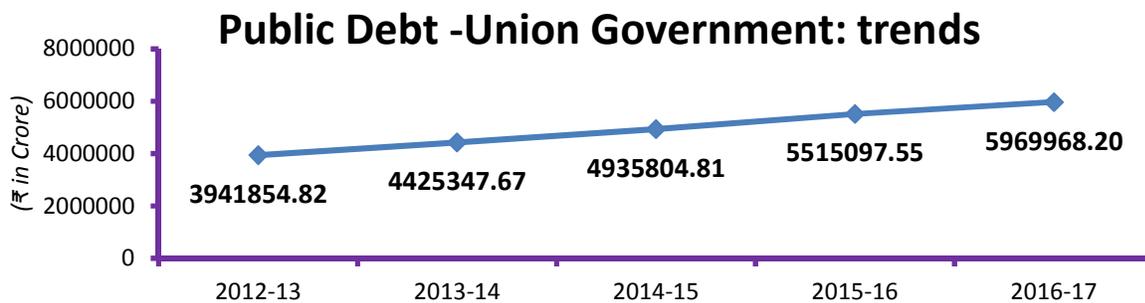
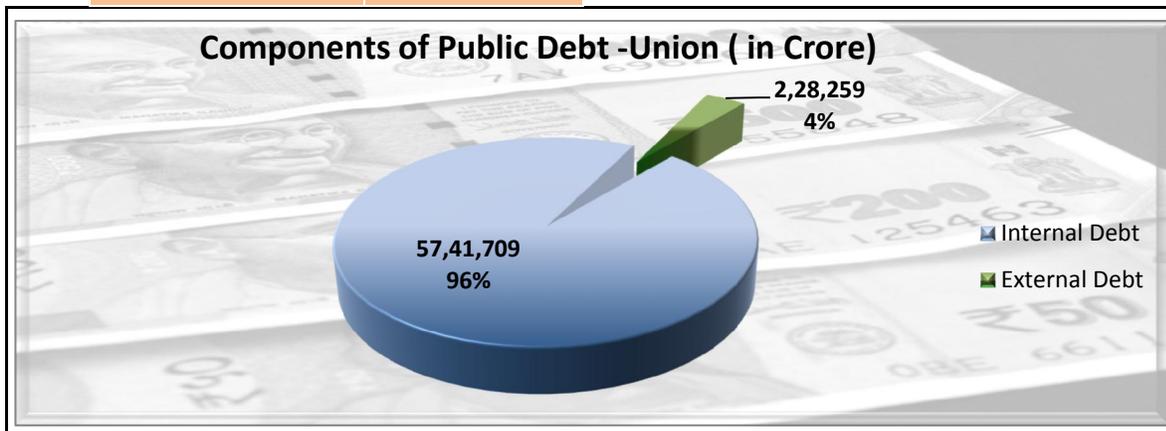
### Public debt:

The Public Debt consists of market loans, loans from banks/financial institutions, and loans and advances from the Gol. The Constitution of India provides that a State may borrow, within the territory of India, upon the security of its Consolidated Fund, within such limits as may from time to time, be fixed by the Act of its Legislature and give guarantees within such limits as may be fixed.

### 6.1.1

### Union Government

Union Government	Amount ( in Crore)
Internal Debt	5741709
External Debt	228259
<b>Total</b>	<b>5969968</b>

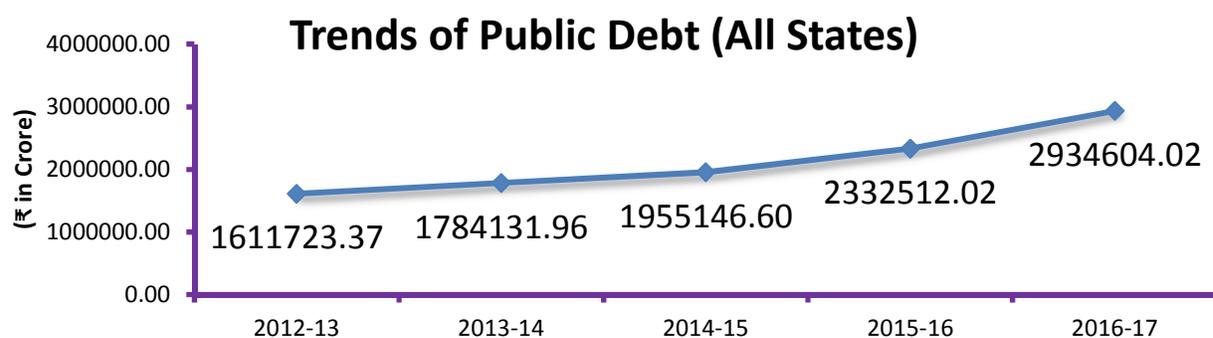


## 6.1.2

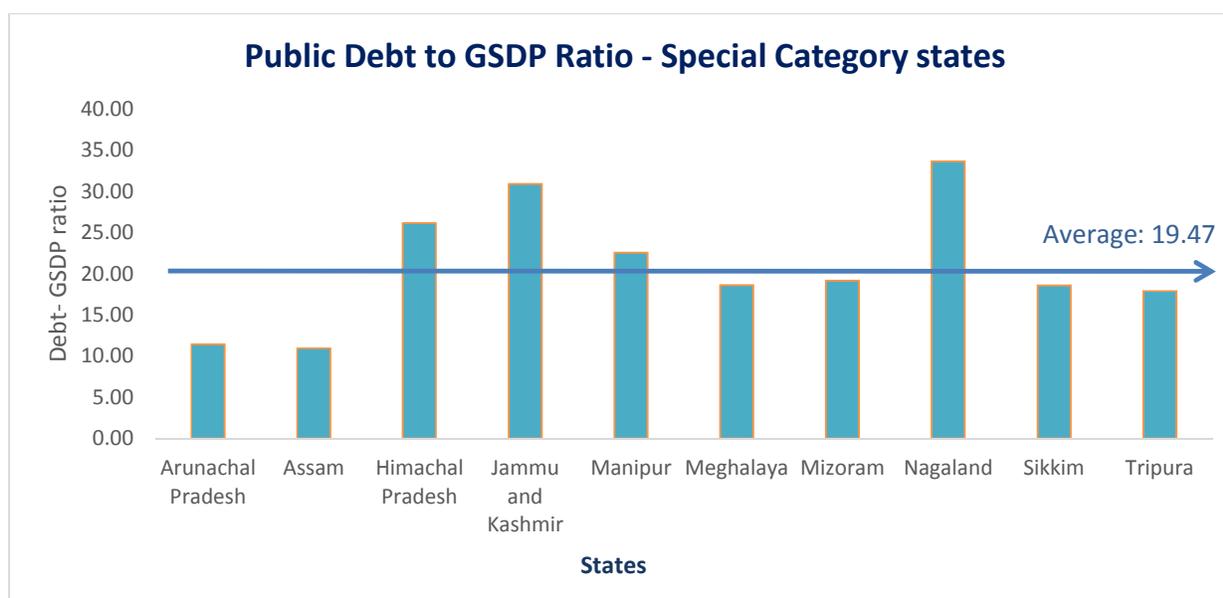
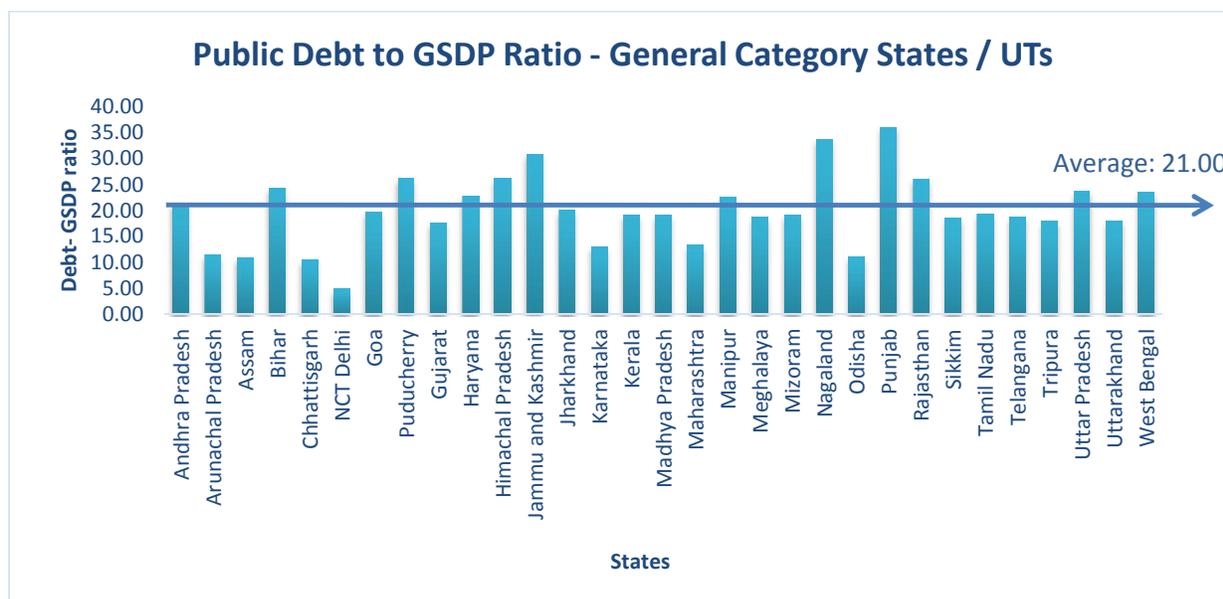
## State Governments

The Public debt (closing balance) to GDP ratio during the period 2016-17 is presented in Table below:

State	Internal Debt (₹ in crore)	Loans from Central Government (₹ in crore)	Total Public debt (₹ in crore)	GSDP	Public Debt to GDP Ratio
NCT Delhi	0.00	30018.00	30018.00	616826.00	4.87
Chhattisgarh	28330.29	2047.15	30377.44	290139.70	10.47
Assam	26736.66	1429.78	28166.44	257510.21	10.94
Odisha	34553.42	7465.02	42018.44	378991.26	11.09
Arunachal Pradesh	2522.36	231.84	2754.20	24056.24	11.45
Karnataka	132489.05	13793.61	146282.66	1117334.00	13.09
Maharashtra	293951.78	7885.84	301837.62	2267789.00	13.31
Gujarat	192771.64	6566.32	199337.96	1125654.00	17.71
Tripura	6335.65	267.71	6603.36	36879.70	17.91
Uttarakhand	34555.05	654.54	35209.59	195192.21	18.04
Sikkim	3395.68	110.45	3506.13	18852.00	18.60
Meghalaya	5378.14	128.15	5506.29	29567.00	18.62
Telangana	112829.77	8406.00	121235.77	646265.00	18.76
Madhya Pradesh	108391.34	13917.10	122308.44	640483.64	19.10
Kerala	118268.72	7614.14	125882.86	655205.00	19.21
Tamil Nadu	237700.67	14337.94	252038.61	1298511.06	19.41
Goa	11162.39	1233.03	12395.42	62661.00	19.78
Jharkhand	48682.31	2162.29	50844.60	253536.11	20.05
Andhra Pradesh	140782.90	9025.33	149808.23	699307.00	21.42
Mizoram	3081.12	291.19	3372.31	15211.93	22.17
Manipur	4898.91	366.96	5265.87	23324.95	22.58
Haryana	122616.87	1985.86	124602.73	547396.06	22.76
West Bengal	282069.06	13209.12	295278.18	1251067.42	23.60
Uttar Pradesh	288626.78	13249.62	301876.40	1275141.00	23.67
Bihar	96595.00	9595.81	106190.81	438030.00	24.24
Rajasthan	184284.58	11139.37	195423.95	749692.00	26.07
Puducherry	5461.50	1784.78	7246.28	27739.00	26.12
Himachal Pradesh	31494.03	1076.43	32570.46	124570.00	26.15
Jammu and Kashmir	34266.75	1489.20	35755.95	115654.00	30.92
Nagaland	6930.07	185.80	7115.87	21119.00	33.69
Punjab	149880.15	3893.00	153773.15	427297.00	35.99
<b>Grand Total</b>	<b>2749042.64</b>	<b>185561.38</b>	<b>2934604.02</b>	<b>15631002.49</b>	



Debt-GSDP ratio is an important indicator which signifies sustainability of the fiscal liability. Punjab had the highest debt to GSDP ratio followed by Nagaland and Jammu & Kashmir where debt to GSDP ratio is more than thirty per cent. NCT of Delhi, Chhattisgarh, Assam, Odisha, Arunachal Pradesh, Karnataka, Maharashtra, Gujarat, Tripura, Uttarakhand, Sikkim, Meghalaya, Telangana, Madhya Pradesh, Mizoram, Kerala, Tamil Nadu and Goa had the lowest debt to GSDP ratio less than twenty per cent. The debt-GSDP ratio in respect of Special Category and General Category states is depicted below:



## 7.1 Public Account

All other public moneys received by or on behalf of the Government, where the Government acts as a banker or trustee, are credited to the Public Account. The Public Account includes repayables like Small Saving and provident Funds, Deposits (bearing interest and not bearing interest), Advances, Reserve Funds (bearing interest and not bearing interest), Remittances and Suspense heads (both of which are transitory heads, pending final booking). The net cash balance available with the Government is also included under the Public Account. The Public account is not subject to the vote of the Legislature.

### 7.1.1 Liabilities on Public Account:

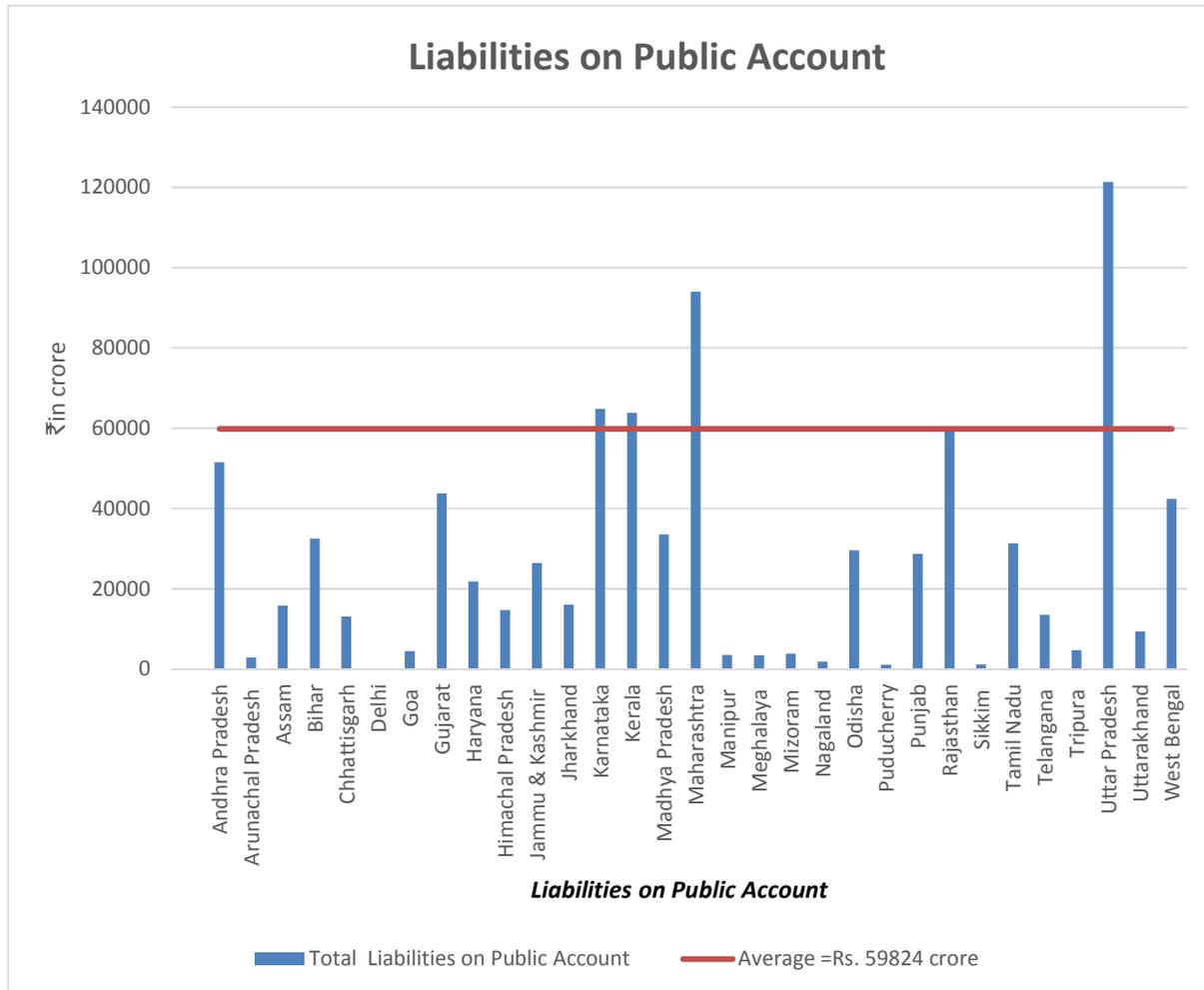
The other liabilities comprise small savings, provident funds, etc., Reserve Funds and deposits. As on 31<sup>st</sup> March 2017, total liabilities on Public Account were ₹ 887474 crore. Interest bearing liabilities amounted to ₹ 527755 crore and the remaining ₹ 359715 crore were non-interest bearing. State-wise outstanding liabilities on Public Account are presented in Table below:

## Liabilities on Public Account

(₹ in crore)

State/Union Territory	Small Savings	Reserve Funds Bearing interest	Reserve Funds Not Bearing interest	Deposits Bearing interest	Deposits Not Bearing interest	Total Liabilities on Public Account
Andhra Pradesh	13568	305	2323	6246	29064	51506
Arunachal Pradesh	1761	66	520	68	456	2871
Assam	10179	2791	14	311	2519	15814
Bihar	8891	696	26	88	22829	32530
Chhattisgarh	4592	693	1650	71	6047	13053
Delhi	0	0	0	0	0	0
Goa	2079	759	15	936	640	4429
Gujarat	10060	3493	1220	12088	16947	43808
Haryana	13321	1968	66	397	6016	21768
Himachal Pradesh	11844	1	219	8	2602	14674
Jammu & Kashmir	19363	590	1285	66	5149	26453
Jharkhand	1076	1259	0	10	13638	15983
Karnataka	24919	1235	15148	343	23141	64786
Kerala	60571	116	307	2	2890	63886
Madhya Pradesh	14493	771	6447	3	11778	33492
Maharashtra	24645	441	9198	37845	21892	94021
Manipur	1513	41	472	127	1388	3541
Meghalaya	1374	30	7	1	2067	3479
Mizoram	2921	-5	7	3	886	3812
Nagaland	891	15	-16	95	832	1817
Odisha	20118	1451	308	54	7674	29605
Puducherry	603	0	-64	98	415	1052
Punjab	20604	4869	1	749	2530	28753
Rajasthan	38894	394	1229	4688	14373	59578
Sikkim	831	4	90	29	212	1166
Tamil Nadu	19325	0	1342	2581	8107	31355
Telangana	6594	110	521	603	5675	13503
Tripura	3751	109	5	0	791	4656
Uttar Pradesh	48238	44	51015	3767	18327	121391
Uttarakhand	6390	272	85	406	2220	9373
West Bengal	13346	1029	-32	11619	16442	42404
<b>Total</b>	<b>406755</b>	<b>23547</b>	<b>93408</b>	<b>83302</b>	<b>247547</b>	<b>854559</b>

A graph showing the liabilities on account of Public Account with reference to the all India average is shown below:



### 7.1.2 Personal Deposit Accounts

Personal Deposit Accounts form a part of the Deposits under the public account. They are included under Deposits not bearing interest. The purpose of Personal Deposit Accounts is to enable designated Drawing Officers to incur expenditure pertaining to a specific purpose, or which funds are placed at their disposal, by transfer from the Consolidated Fund of the State. Administrators of Personal Deposit Accounts are required to close such accounts at the end of financial year and transfer the unspent balances back to the Consolidated Fund in accordance with prevailing rules of the respective State Governments. The State Governments transfer huge quantity of funds from the State Consolidated Fund to the Personal Deposits Accounts and these funds are parked in Personal Deposits Accounts for many years to avoid lapse of grant.

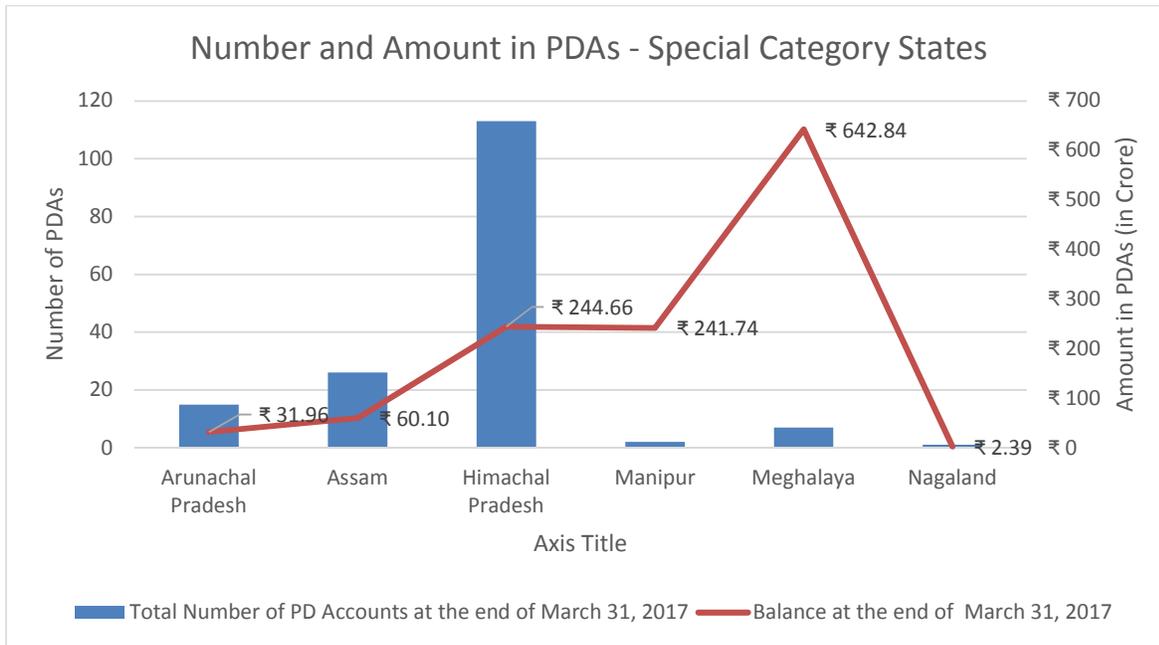
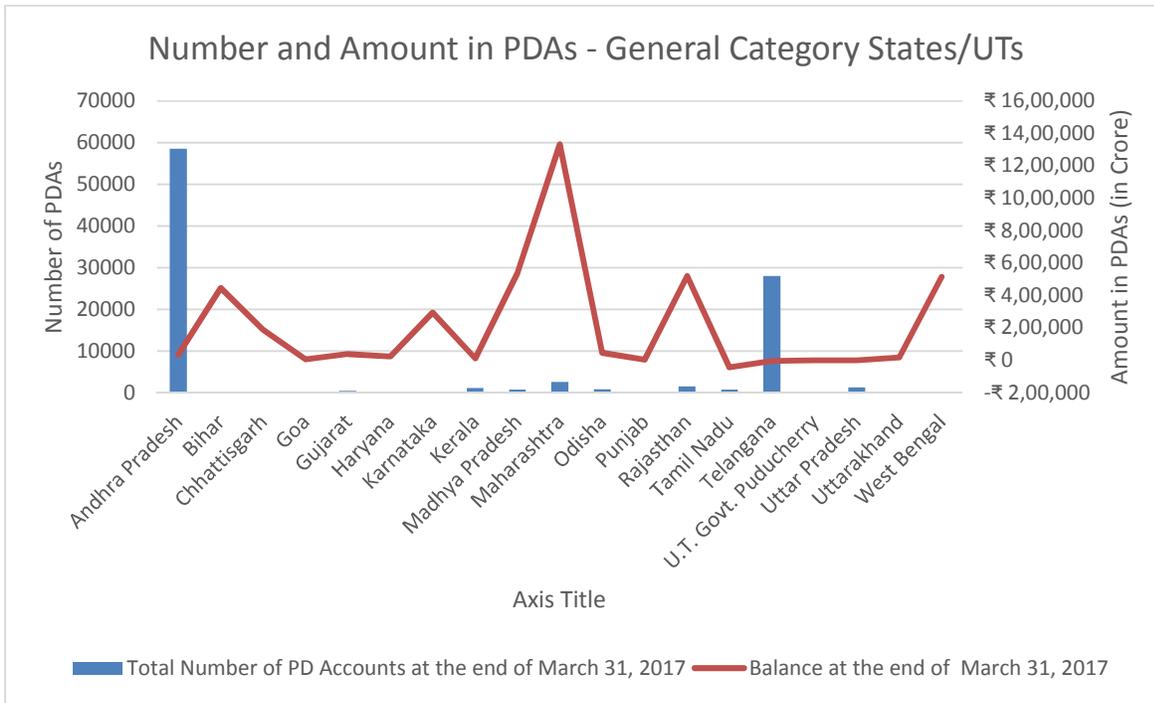
A large number of Personal Deposit Accounts are being operated in the states of Andhra Pradesh, Telangana, Maharashtra, Rajasthan, Uttar Pradesh, Kerala, Odisha Madhya Pradesh, etc.

In the States of Jammu & Kashmir, Jharkhand, Mizoram, NCT Delhi, Sikkim and Tripura, Personal Deposits accounts were not operated by the State Governments during 2016-17.

Personal Deposit Accounts held by the State Governments at the end of March, 2017 are indicated in the Table below:

State	Total Number of PD Accounts at the end of March 31, 2017	Balance at the end of March 31, 2017 (₹ in lakh)	Dr./Cr.
Andhra Pradesh	58539	35,747.74	Cr.
Arunachal Pradesh	15	31.96	Cr.
Assam	26	60.10	Cr.
Bihar	177	4,45,877.30	Cr.
Chhattisgarh	281	1,89,247.49	Cr.
Goa	118	6,660.25	Cr.
Gujarat	478	39,527.13	Cr.
Haryana	124	23,487.02	Cr.
Himachal Pradesh	113	244.66	Cr.
Karnataka	64	2,94,211.13	Cr.
Kerala	1144	12,632.10	Cr.
Madhya Pradesh	799	5,35,037.78	Cr.
Maharashtra	2528	13,33,451.65	Cr.
Manipur	2	241.74	Cr.
Meghalaya	7	642.84	Cr.
Nagaland	1	2.39	Cr.
Odisha	827	45,639.58	Cr.
Punjab	161	3,449.78	Cr.
Rajasthan	1528	5,19,644.87	Cr.
Tamil Nadu	735	-44,192.36	Cr.
Telangana	28087	-3,336.95 <sup>33</sup>	Cr.
U.T. Govt. Puducherry		-0.11	Cr.
Uttar Pradesh	1317	1,333.48	Dr.
Uttarakhand	19	18,533.41	Cr.
West Bengal	153	5,14,070.38	Cr.

<sup>33</sup>Minus balance is due to un-apportionment of opening balance between Andhra Pradesh and Telangana.



While the number of PDAs in respect of Andhra Pradesh and Telangana is high the amount of PDAs in respect of Maharashtra is the highest followed by Madhya Pradesh, Rajasthan and West Bengal. In respect of Special Category states, Himachal Pradesh has the highest number of PDAs while the highest amount of PDAs is in Meghalaya.



## Assets and Liabilities

The Government accounts capture only the financial liabilities (debt) of the Government and the financial assets (investments) created out of the expenditure incurred by the Government. Other fixed assets in the form of Land, Buildings, Factories, etc. are not exhibited in the Government accounts at present.

The liabilities of Government of India viz. Internal and External debt and in the case of State Governments, Loans and Advances from Government of India constitute Public Debt for that Government. Besides these, liabilities of the Government also include Small Savings from public, Provident Fund from employees of Government and certain obligations like Insurance and Pension Funds and other deposits. Public Account also includes the Suspense and Remittance Account which are intermediary in operation of the accounts.

### Assets and Liabilities and the Statement of Balances

(Position as on 31st March 2017)

(₹in crore)

Assets	Union	State	Combined	Liabilities	Union	State	Combined
Cash	134804	295735	430539	Internal debt	5741709	2748583	8490293
Cash in treasuries and local Remittances	-7	3181	3175	External Debt	228259	0	228259
Departmental Balance	3869	1486	5355	Loans and Advances from Central Government	0	188888	188888
Permanent Cash Imprest	85	366	451	Non Plan Loans	0	36942	36942
Cash Balance Investments	125350	174983	300334	Pre 1984-85 Loans	0	97	97
Deposits with Reserve Bank of India	5505	-5117	389	Loans for State Plan Schemes	0	151576	151576
Investment from Earmarked Funds	0	120836	120836	Loans for Central Plan Schemes	0	-1	-1
<b>Capital Expenditure</b>	<b>2185919</b>	<b>2812710</b>	<b>4998629</b>	Loans for Central sponsored Plan Schemes	0	83	83
Contingency Fund (un-recouped)	0	628	628	Other Loans	0	191	191
Loans and Advances	275292	475902	751194	Inter State Settlement	0	74	74
Advances with departmental officers	-396	4641	4245	Contingency Fund (corpus)	500	5098	5598
Suspense and Miscellaneous Balances	0	8435	8435	Small Saving Provident Fund	548348	406757	955106
Remittance Balances	12359	9274	21634	Deposits	182435	348802	531237
				Reserve Funds	25665	218710	244375
				Remittance Balances	0	10507	10507
				Misc Capital Receipt	0	698	698
				Suspense & Misc. Balances	21089	36323	57411
<b>Total</b>	<b>2607978</b>	<b>3607325</b>	<b>6215303</b>	<b>Total</b>	<b>6748005</b>	<b>3964441</b>	<b>10712446</b>
<b>Cumulative excess of expenditure over Receipts</b>	<b>4140027</b>	<b>781321</b>	<b>4921348</b>	<b>Cumulative Excess of Assets over Liabilities</b>		<b>424206</b>	<b>424206</b>
<b>Total</b>	<b>6748005</b>	<b>4388647</b>	<b>11136652</b>	<b>Total</b>	<b>6748005</b>	<b>4388647</b>	<b>11136652</b>