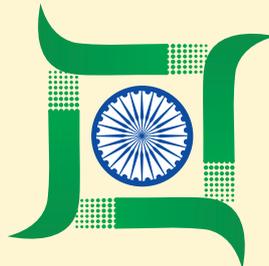




**Report of the  
Comptroller and Auditor General of India  
on  
State Finances**

**for the year ended 31 March 2017**



**झारखण्ड सरकार**

**Government of Jharkhand**  
*Report No. 2 of the year 2018*



**Report of the  
Comptroller and Auditor General of India  
on  
State Finances**

**for the year ended 31 March 2017**

**Government of Jharkhand**

*Report No. 2 of the year 2018*



## Contents

	Reference	
	Paragraph	Page No.
Preface	-	v
Executive Summary	-	vii
<b>CHAPTER 1: FINANCES OF THE STATE GOVERNMENT</b>		
Gross State Domestic Product (GSDP)	1.1	1
Summary of fiscal transactions in 2016-17	1.1.1	1
Review of the fiscal situation	1.1.2	3
Budget estimates and actuals	1.1.3	5
Resources of the State	1.2	6
Revenue Receipts	1.3	7
State's Own Resources	1.3.1	8
Grants-in-aid from Government of India	1.3.2	9
Central Tax transfer	1.3.3	10
Forgone Revenue	1.3.4	10
Labour Cess	1.3.5	10
Capital Receipts (CR)	1.4	11
Recoveries from loans and advances	1.4.1	11
Debt receipts from internal sources	1.4.2	12
Loans and advances from Government of India (GOI)	1.4.3	12
Public Accounts balances	1.5	12
Application of resources	1.6	13
Capital Expenditure (CE)	1.6.1	13
Revenue Expenditure (RE)	1.6.2	13
Committed expenditure	1.6.3	14
Major programmes	1.6.4	16
Financial assistance	1.6.5	16
Quality of expenditure	1.7	18
Adequacy of public expenditure	1.7.1	18
Efficiency of expenditure use	1.7.2	19
Expenditure on selected Social and Economic Services	1.7.3	19
Financial analysis of Government expenditure and investments	1.8	20
Financial results of Irrigation projects	1.8.1	20
Incomplete projects	1.8.2	20
Investment and returns	1.8.3	21
Loans and advances by State Government	1.8.4	22
Cash Balances and investment of Cash Balances	1.8.5	23
Assets and Liabilities	1.9	23
Growth and composition of Assets and Liabilities	1.9.1	23
Fiscal Liabilities	1.9.2	23
Sinking Fund	1.9.3	25
State Disaster Response Fund (SDRF)	1.9.4	25

	Reference	
	Paragraph	Page No.
Status of Guarantees – Contingent liabilities	1.9.5	25
Debt Management	1.10	26
Debt Profile	1.10.1	26
Debt Sustainability	1.10.2	26
Fiscal Imbalances	1.11	27
Trends in deficits	1.11.1	27
<b>CHAPTER 2: FINANCIAL MANAGEMENT AND BUDGETARY CONTROL</b>		
Introduction	2.1	29
Mechanism for Budget Management	2.2	29
Summary of Appropriation Accounts	2.3	29
Financial Accountability and Budget Management	2.4	31
Appropriations against allocative priorities	2.4.1	31
Anticipated savings not surrendered	2.4.2	32
Persistent savings	2.4.3	32
Advances from Contingency Fund	2.4.4	34
Excess over provisions in previous years requiring regularisation	2.4.5	35
Avoidable/excessive supplementary provision	2.4.6	36
Excessive/Insufficient re-appropriation of funds	2.4.7	36
Substantial surrender of funds	2.4.8	37
Rush of expenditure	2.5	37
Departmental figures not reconciled	2.6	37
Budgetary Process for Grant No. 41- Road Construction Department	2.7	37
Introduction	2.7.1	37
Organisational set-up	2.7.2	38
Delay in submission of Budget Estimates	2.7.3	39
Avoidable supplementary provision	2.7.4	39
Excess expenditure over budgetary provision	2.7.5	40
Surrender on the last day of the financial year	2.7.6	40
Non-utilisation of funds leading to hundred per cent surrender	2.7.7	41
Rush of expenditure	2.7.8	41
Non-reconciliation of departmental expenditure figures	2.7.9	42

	Reference	
	Paragraph	Page No.
<b>CHAPTER 3: FINANCIAL REPORTING</b>		
Outstanding Utilisation Certificates against grants	3.1	43
Submission of accounts and audit of Autonomous Bodies, Authorities and grantee institutions	3.2	44
Audit under Sections 14 and 15 of CAG's (DPC) Act, 1971	3.2.1	44
Audit under section 19 & 20 of CAG's (DPC) Act, 1971	3.2.2	45
Delay in submission of accounts of Public Sector Undertakings (PSUs)	3.2.3	46
Dividend not declared by PSUs	3.2.4	47
Audit of funds drawn on Abstract Contingent (AC) bills	3.3	47
Audit of funds drawn on AC bills by Road Construction Department	3.4	48
Un-authorized withdrawal of funds on AC bills for Capital Works	3.4.1	49
Withdrawal against AC bills at the end of the financial year	3.4.2	49
Funds drawn on AC bills kept in Bank accounts	3.4.3	50
Audit of Detailed Contingent (DC) bills of 2016-17	3.5	50
Reporting of cases of misappropriation, losses etc.	3.6	51
Classification between Revenue and Capital	3.7	52
Funds drawn and kept in Personal Ledger (PL) Accounts	3.8	52
Booking under minor head "800"	3.9	54
Variations in Cash Balance	3.10	54
Important factors affecting accuracy of accounts	3.11	55
Apportionment of balances as on reorganisation of the State	3.12	55
Follow up on Audit Report on State Finances	3.13	56
Impact on Revenue surplus and Fiscal deficit	3.14	56

Appendix No.	Description	Page No.
Appendix 1.1 Part-A	Profile of Jharkhand	59
Appendix 1.1 Part-B	Structure and form of Government Accounts	60
Appendix 1.1 Part-C	Layout of Finance Accounts	60
Appendix 1.2	Methodology adopted for assessment of fiscal position	61
Appendix 1.3	Time series data on the State Government finances	62
Appendix 1.4 Part-A	Abstract of Receipts and Disbursements for the year 2016-17	65
Appendix 1.4 Part-B	Summarised financial position of the Government of Jharkhand as on 31 March 2017	68
Appendix 1.5 Part-A	Details of functions of Urban Local Bodies (ULBs) as per the 74 <sup>th</sup> Constitutional Amendment Act (Schedule XII)	70
Appendix 1.5 Part B	Details of functions of Panchayati Raj Institutions (PRIs) as per the 73 <sup>rd</sup> Constitutional Amendment Act (Schedule XII)	71
Appendix 2.1	Statement of various grants/appropriations where savings exceeded ₹ 10 crore in each case and also by 20 per cent or more of the total provision	72
Appendix 2.2	Sub-head wise details where substantial savings (₹ 20 crore and above) occurred during the year 2016-17	74
Appendix 2.3	Details of saving of ₹ one crore and above not surrendered	78
Appendix 2.4	Cases of surrender of funds in excess of ₹ 10 crore in 31 March 2017	79
Appendix 2.5	Excess over provisions of previous years requiring regularisation	81
Appendix 2.6	Cases where supplementary provisions (₹ one crore or more in each case) proved unnecessary	82
Appendix 2.7	Excess/insufficient re-appropriation of funds	84
Appendix 2.8	Results of review of substantial surrenders made during the year	85
Appendix 2.9	Rush of expenditure at the end of the year	90
Appendix 2.10	List of Controlling Officers where expenditure remained unreconciled during 2016-17 (Amounts exceeding ₹ 10 crore in each case)	91
Appendix 2.11	Avoidable supplementary provision	92
Appendix 2.12	Non-reconciliation of departmental expenditure figures	93
Appendix 3.1	Utilisation certificates outstanding as on 31 March, 2017	93
Appendix 3.2	List of auditable units identified u/s 14 & 15 of CAG's DPC Act	94
Appendix 3.3	Vouchers not found in Detailed Contingent bills	96
Appendix 3.4	Delayed submission of Detailed Contingent bills	98
Appendix 3.5	Major Works under Revenue Section	100
Appendix 3.6	Operation of minor head '800-Other Expenditure' (10 per cent and above)	100
Appendix 3.7	Operation of minor head '800-Other Receipt' (40 per cent and above)	101
Appendix 4.1	Glossary of terms, basis of calculations and acronyms used in the Report	102

## PREFACE

This Report has been prepared for submission to the Governor of Jharkhand under Article 151 of the Constitution.

This Report on the finances of the Government of Jharkhand (GoJ) intends to assess the financial performance of the State during 2016-17 and to provide the State Legislature with inputs based on audit analysis of financial data. The Report attempts to analyse the financial performance against the targets envisaged by the Jharkhand Fiscal Responsibility and Budget Management Act, 2007, the Fourteenth Finance Commission (14<sup>th</sup> FC) Report and the Budget Estimates of 2016-17. The Report is structured in three Chapters.

**Chapter-1** is based on the audit of the Finance Accounts and makes an assessment of the Jharkhand Government's fiscal position as on 31 March 2017. It provides an insight into trends in expenditure on interest payments, salaries and wages, pensions, subsidies, repayment of debt and borrowing patterns.

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

**Chapter-3** is an inventory of the Jharkhand Government's compliance to various reporting requirements and financial rules.

The audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.



---

---

# **Executive Summary**

---

---



# Executive Summary

## Fiscal Situation of the State

Revenue receipts, revenue expenditure and capital expenditure has improved from 2012-13 to 2016-17 even after accounting for inflation and also as a percentage of Gross State Domestic Product (GSDP).

### *Paragraph 1.1.1*

The State has not achieved revenue surplus, fiscal deficit and ratio of outstanding debt to GSDP targets of the budget estimates 2016-17 and Fiscal Responsibility and Budget Management Act. Audit estimation further revealed that the revenue surplus, fiscal deficit and debt: GSDP ratio was even more adverse than depicted in the accounts.

### *Paragraph 1.1.2*

The primary deficit of the Government of Jharkhand increased from ₹ 1,015 crore (2012-13) to ₹ 6,020 crore during 2016-17 indicating that non-debt receipts were not sufficient to meet the primary expenditure of the State.

### *Paragraph 1.1.2.2*

## Resources mobilization

Revenue receipts (₹ 47,054 crore) increased by ₹ 6,416 crore (15.8 per cent) over the previous year (₹ 40,638 crore) which was lower than the budget estimates (₹ 55,746 crore).

Revenue expenditure (₹ 45,089 crore) increased by ₹ 8,536 crore (23 per cent) over 2015-16, which was lower than the budget estimates (₹ 48,762 crore).

Capital expenditure (₹ 10,861 crore) increased by ₹ 2,702 crore (33 per cent) over 2015-16, which was lower than the budget estimates (₹ 10,992 crore).

*Recommendation: The Finance Department should rationalise the budget preparation exercise, so that the persisting gap between the budget estimate and actuals is bridged.*

### *Paragraph 1.1.3*

## Summary of important audit findings and recommendations:

### Labour Cess

As per the Finance Accounts, ₹ 312.90 crore was collected as cess from contractors executing government projects between 2008-09 and 2016-17. The cess collected has not been transferred to the Labour Welfare Board (February 2018) inflating the Revenue Surplus and understating the Fiscal Deficit of the State during the relevant years.

Non-transfer of cess to Labour Welfare Board not only defeated the very purpose of the cess collection but also represents a Government liability to this extent.

*Recommendation: The Finance Department should ensure transfer of Labour Cess to the Labour Welfare Board as early as possible.*

### *Paragraph 1.3.5*

### **Adequacy of Public Expenditure**

The ratio of development expenditure and economic service expenditure to aggregate expenditure was more than average for the General Category States (GCS). However, education sector expenditure and health sector expenditure were less than that of GCS.

*Paragraph 1.7.1*

### **Financial results of irrigation projects**

The 13<sup>th</sup> and 14<sup>th</sup> Finance Commissions had prescribed cost recovery rate on irrigation projects for assessing commercial viability of these projects. However, as disclosed from Finance Accounts of the State no irrigation scheme was declared as commercial.

As per Appendix VIII (i) of the Finance Accounts, there are 42 Irrigation projects in Jharkhand with total capital outlay of ₹ 1,707.49 crore at the end of 2016-17, of which, ₹ 1,543.47 crore was spent on the working expenses and maintenance charges on these project. During 2016-17, ₹ 62.19 crore received as revenue from these projects.

*Recommendation: The State Government may initiate measures to declare irrigation projects as commercial for cost recovery as per Finance Commissions recommendations.*

*Paragraph 1.8.1*

### **Incomplete projects**

Blocking of funds on incomplete works impinge negatively on the quality of expenditure. The Public Works Departments had 280 numbers of incomplete projects which was to be completed by the month of March 2017. The expenditure on those projects was ₹ 4,777.52 crore as on 31 March 2017.

*Recommendation: The Public Works Departments of the State may evolve a mechanism to ensure timely completion of projects.*

*Paragraph 1.8.2*

### **Return on Investment, Loans and Advances**

During 2012-17 the State Government incurred a notional loss of ₹ 55.43 crore on account of difference between the Government's borrowing cost and the return on investment on working PSUs. The return on investment on non-working PSUs cannot be estimated.

Also, the State Government has incurred a notional loss of ₹ 709 crore on account of difference between the Government's borrowing cost and the loans advanced over the past three years.

*Recommendation: The State Government is required to review investment in companies whose financial performance does not even meet the borrowing cost of capital.*

*Paragraph 1.8.3 & 1.8.4*

### **Sinking Fund**

Following the recommendations of the 12<sup>th</sup> Finance Commission, the State created a Sinking Fund in 2016-17 for amortisation of all loans including loans from banks, liabilities on account of National Small Savings Funds etc.

Against the minimum requirement of ₹ 282.65 crore for Sinking Fund, GoJ made provision of ₹ 200 crore in the Budget during 2016-17. However, no amount was transferred to the Fund in 2016-17 despite budget provision

**Recommendation:** *GoJ should follow the recommendation of Twelfth Finance Commission and transfer the required amounts to the Sinking Fund for amortisation of debt.*

### **Paragraph 1.9.3**

#### **State Disaster Response Fund (SDRF)**

The SDRF had a closing balance of ₹ 1,259.21 crore at March 2017. As per Para 19 and 20 of SDRF guidelines 2010, the balances under funds should be invested by the State Executive Committee in (a) Central Government dated securities (b) auctioned treasury bills and (c) interest earning deposits and certificates of deposits with Scheduled Commercial Banks. However, the Government did not act as per guidelines.

Further, GoJ had not paid any interest to SDRF since creation of the fund which works out to ₹ 403.63 crore as per calculation at the applicable rates of interest during the period 2010-17, thus created a liability to that extent at the end of March 2017. During 2016-17, the un-paid interest was ₹ 74.50 crore.

**Recommendation:** *The State should invest the huge balance lying under this fund as per the guidelines.*

### **Paragraph 1.9.4**

#### **Status of Guarantees- Contingent Liabilities**

As per the recommendation of the 12<sup>th</sup> Finance Commission, the GoJ was required to constitute a Guarantee Redemption Fund with minimum annual contribution of 0.50 *per cent* of outstanding guarantees at the beginning of the year. However, the State Government has not created the Guarantee Redemption Fund.

Thus, GoJ had not transferred ₹ 6.32 crore to GRF pertaining to the period 2005-06 (start of 12<sup>th</sup> FC) to 2016-17 w.r.t the outstanding guarantees of ₹ 157.15 crore to Damodar Valley Corporation towards the electricity purchased by the Jharkhand State Electricity Board. Out of ₹ 6.32 crore shown above, ₹ 0.79 crore pertains to 2016-17.

No guarantee has been given or revoked during 2016-17.

**Recommendation:** *State Government should create and operate the Guarantee Redemption Fund as per the recommendations of the 12<sup>th</sup> Finance Commission.*

### **Paragraph 1.9.5**

#### **Savings**

Savings of ₹ 9,979.81 crore (74 *per cent*) occurred in 23 cases relating to 19 grants. In these cases, savings exceeded ₹ 100 crore and was 20 *per cent* or more of the grant.

In 12 cases (11 departments), there were persistent savings of 10 *per cent* or more of the total grants, during the last five years

**Recommendations:** *Finance Department should ensure proper budgeting based on the actual requirements from field units. All anticipated savings*

*should be surrendered on time so that the funds can be utilised for other development purposes*

**Paragraph 2.4.1 & 2.4.3**

#### **Advances from Contingency Fund**

Advances amounting ₹ 382.07 crore on 52 occasions were withdrawn from Contingency Fund during 2016-17 out of which, on 22 occasions, a total amount of ₹ 348.52 crore was withdrawn to meet expenditure which were neither unforeseen nor of emergent nature.

**Recommendation:** *The State Government should ensure that no advances are drawn from the Contingency Fund except to meet expenditure of emergent and unforeseen nature.*

**Paragraph 2.4.4**

#### **Excess over provisions requiring regularisation**

Excess expenditure of ₹ 2,749.87 crore over provisions occurred during 2001-02 to 2016-17 requires regularisation under Article 205 of the Constitution of India.

**Recommendation:** *All the existing cases of excess expenditure need to be got regularised at the earliest and in future such expenditure may be completely stopped, except in case(s) of dire and extreme emergency, where the expenditure should only be met from the Contingency Fund.*

**Paragraph 2.4.5**

#### **Rush of Expenditure**

An expenditure of ₹ 6,966.05 crore (69.82 per cent) was incurred in the last quarter of the year 2016-17 against the total expenditure of ₹ 9,977.08 crore in 29 heads. Of this, ₹ 3,970.49 crore (39.80 per cent of total expenditure) was incurred in the month of March 2017 avoiding the provisions of Jharkhand budget manual.

**Recommendation:** *The State Government should strictly adhere the provisions of budget manual.*

**Paragraph 2.5**

#### **Outstanding Utilisation Certificates against the grants**

Utilisation certificates (UCs) of ₹ 29,449.52 crore against the Grants-in-aid bills drawn upto 2015-16 by different departments were outstanding as on 31 March 2017 which was indicative of failure of the departmental officers to comply with the rules and procedures to ensure timely utilization of the grants for the intended purpose.

**Recommendation:** *The Finance Department should prescribe a time frame within which administrative departments releasing grants, collect UCs pending for more than the time stipulated in the grant orders and also ensure that till such time, administrative departments release no further grants to defaulting grantees. The Government may initiate appropriate action against the officers who defaulted submission of UCs in time.*

**Paragraph 3.1**

### **Delay in submission of Accounts of PSUs**

The accounts of 19 working PSUs (54 accounts) and 03 non-working PSUs/Corporations (15 accounts) are in arrear ranging from one to eight years. Despite this, the State Government had extended Budgetary support of ₹ 2,658.06 crore in 11 working PSUs {Equity: ₹ 76.25 crore, Loans: ₹ 1,271.80 crore, Capital Grants: ₹ 1,310.01 crore} during the period. The State Government also extended budgetary support of ₹ 15.53 crore to one non-working Company during the period.

Also, the recoveries of loans given to these institutions which have not finalised their accounts are in arrears.

**Recommendation:** *The Finance Department should review the cases of all PSUs that are in arrears of accounts, ensure that the accounts are made current within a reasonable period, and stop financial support in all cases where accounts continue to be in arrears.*

**Paragraph 3.2.3**

### **Declaration of Dividend**

The State Government had not formulated any dividend policy under which PSUs are required to pay a minimum return on the paid up share capital contributed by the State Government. As per their latest finalised accounts, five PSUs with government equity of ₹ 75.74 crore earned an aggregate profit of ₹ 22.97 crore but did not declare any dividend.

**Recommendation:** *State should formulate dividend policy for return on its investments as share capital.*

**Paragraph 3.2.4**

### **Outstanding Detailed Contingent bills**

At the end of March 2017, Detailed Contingent bills amounting to ₹ 5,651 crore was outstanding against 9,503 number of Abstract Contingent bills advanced during 2001-2017.

Audit of the funds drawn on AC bills during the period 2000-17 by the Road Construction Department (RCD) reveals that ₹ 450.15 crore was drawn through 199 AC bills under Major heads 3054 (₹ 0.39 crore) and 5054 (₹ 449.76 crore) during the period.

**Recommendation:** *The Finance Department should ensure that all controlling officers adjust in a time bound manner, all AC bills pending beyond the prescribed period, and also ensure that AC bills are not drawn merely to avoid lapse of budget.*

**Paragraph 3.3 & 3.4**

### **Personal Deposit Accounts /Personal Ledger Accounts**

As per provisions in Jharkhand Treasury Code Rule 334, the deposit administrator shall review all Personal Deposit Accounts at the end of each financial year. Money lying unspent after two consecutive financial years should not be spent any further and balance should be transferred as reduction of expenditure to the concerned service head from which the money was withdrawn.

During 2016-17, ₹ 8,406.87 crore were added in the opening balance of ₹ 5,217.97 crore and ₹ 4,136.44 crore spent during the year leaving a balance of ₹ 9,488.40 crore at the end of 2016-17 in 155 Personal Ledger Accounts.

Test check of PL Accounts of seven institutions revealed that ₹ 285.82 crore remained unutilised for more than three to eight years and not surrendered as of 31 March 2017 by the Administrators of the respective institutions.

**Recommendation:** *The Finance Department is required to review all PL accounts and ensure that all amounts unnecessarily lying in these PL accounts are immediately remitted to the Consolidated Fund. Further, the Finance Department is required to reiterate the instructions contained in the financial rules and ensure that appropriate action is taken against departmental officers who fail to follow the rules.*

**Paragraph 3.8**

**Booking under minor head '800'**

GoJ departments routinely operated minor head 800 which is to be operated only in rare cases. During 2016-17, ₹ 1,335.62 crore under receipts and ₹ 1,139.59 crore under expenditure was booked under minor heads 800 resulting in opaqueness of transactions.

**Recommendation:** *The Finance Department should, in consultation with the Accountant General (A&E), conduct a comprehensive review of all items presently appearing under minor head 800 and ensure that all such receipts and expenditure are in future booked under the appropriate head of account.*

**Paragraph 3.9**

**Apportionment of balances as on reorganisation of the State**

Balances amounting to ₹ 7,443.90 crore under Public Accounts heads along with balance under Capital Section ₹ 11,935.23 crore and Loans and Advances ₹ 6,583.36 crore remained to be apportioned between the successor States Bihar and Jharkhand, almost two decades after the reorganisation of the erstwhile State of Bihar with effect from November 2000.

**Recommendation:** *The State Government is required to expedite the apportionment of balances under Deposits and Advances between the two successor States.*

**Paragraph 3.12**

**Impact on Revenue surplus and Fiscal deficit**

As per Finance Accounts, the impact of incorrect booking/accounting of expenditure and revenue resulted in overstatement of revenue surplus amounts to ₹ 258.54 crore and understatement of fiscal deficit to the tune of ₹ 154.70 crore.

However, as discussed in various places in the report, the impact of incorrect booking/accounting of expenditure and revenue as worked by Audit amounts to overstatement of revenue surplus by ₹ 1,359.61 crore and understatement of fiscal deficit to the tune of ₹ 671.98 crore.

**Paragraph 3.14**

---

---

**Chapter-1**

**FINANCES OF THE STATE  
GOVERNMENT**

---

---



## CHAPTER 1

### FINANCES OF THE STATE GOVERNMENT

This chapter provides an audit perspective on finances of the State Government during 2016-17 and analyses changes in major fiscal aggregates relative to 2015-16 keeping in view the overall trends during the preceding five years.

The analysis is based on details contained in the Finance Accounts of the Government of Jharkhand (GoJ).

#### 1.1 Gross State Domestic Product (GSDP)<sup>1</sup>

The trends in annual growth of Gross Domestic Product (GDP) of India and GSDP of the State at current prices and constant prices (Base year: 2011-12) are given in **Table 1.1**.

**Table 1.1: GDP of India and GSDP of the State**

Year	2012-13	2013-14	2014-15	2015-16	2016-17
India's GDP at current prices (₹ in crore)	99,44,013	1,12,33,522	1,24,45,128	1,36,82,035	1,51,83,709
Growth rate of India's GDP at current prices (percentage)	13.82	12.97	10.79	9.94	10.98
State's GSDP at current prices (₹ in crore)	1,74,724	1,88,567	2,18,525	2,31,294	2,53,536
Growth rate of GSDP at current prices (percentage)	15.77	7.92	15.89	5.84	9.62
State's GSDP at constant prices (₹ in crore)	1,63,250	1,65,816	1,86,534	1,97,536	2,12,721
Growth rate of GSDP at constant prices (percentage)	8.17	1.57	12.49	5.90	7.69

Source: GDP/GSDP figures issued by MoSPI dated 01.08.2017

The profile of the State is given in **Appendix 1.1**. The structure of the Government Accounts is explained in **Part A** and the layout of the Finance Accounts in **Part B**.

#### 1.1.1 Summary of fiscal transactions in 2016-17

**Table 1.2** presents a comparative summary of the State Government's fiscal transactions during 2016-17 vis-a-vis 2015-16. **Appendix 1.4 Part A** provides an abstract of receipts and disbursements as well as the overall fiscal position during 2016-17.

<sup>1</sup> GDP and GSDP are the market value of all officially recognised final goods and services produced within the Country and the State respectively in a given period of time and are an important indicator of the Country and State's economy.

**Table 1.2: Summary of fiscal operations in 2016-17**

(₹ in crore)

Receipts	2015-16	2016-17	Disbursements	2015-16	2016-17		
Section-A: Revenue					Non-plan	Plan	Total
Revenue Receipts	40,638.35	47,053.93	Revenue Expenditure	36,552.83	22,895.38	22,193.66	45,089.04
Own Tax revenue	11,478.95	13,299.25	General Services	12,002.43	12,742.66	281.10	13,023.76
Non-Tax revenue	5,853.01	5,351.42	Social Services	14,843.81	6,042.46	12,514.91	18,557.37
Union Taxes and Duties	15,968.75	19,141.92	Economic Services	9,706.59	4,110.26	9,397.65	13,507.91
Grants from GoI	7,337.64	9,261.35	GIA Contributions	0.00	0.00	0.00	0.00
Section -B: Capital							
Misc. Capital Receipts	0.00	0.00	Capital Outlay	8,158.51	47.05	10,813.63	10,860.68
Recoveries of Loans and Advances	31.06	38.46	Loans and Advances disbursed	7,480.00	77.14	1,257.92	1,335.06
Inter State Settlement	0.00	0.00	Inter State Settlement	0.00	0.00	0.00	0.00
Public Debt Receipts*	13,244.65	7,081.42	Repayment of Public Debt	2,245.93	2,077.88	0.00	2,077.88
Transfers to Contingency Fund	0.00	0.00	Expenditure from Contingency Fund	0.00	0.00	0.00	0.00
Public Account Receipts#	29,036.72	22,051.80	Public Account Disbursements #	27,053.00	16,819.82	0.00	16,819.82
Opening Cash Balance	444.21	1,904.72	Closing Cash Balance	1,904.72	1,947.85	0.00	1,947.85
<b>Total</b>	<b>83,394.99</b>	<b>78,130.33</b>	<b>Total</b>	<b>83,394.99</b>	<b>43,865.12</b>	<b>34,265.21</b>	<b>78,130.33</b>

Source: Finance Accounts for the years 2015-16 and 2016-17

\* Excluding net transactions under Ways and Means advances and overdraft

# Figures do not include transactions under 'Other Accounts' i.e. Departmental Cash Balance, Permanent Imprest and Cash Balance Investment

The trends in revenue receipts (RR)/revenue expenditure (RE)/capital expenditure (CE) relative to GSDP are presented in **Table 1.3** below.

The significant changes during 2016-17 are as under:

**Table 1.3: Trends in RR/ RE/ CE relative to GSDP**

Particulars	2012-13	2013-14	2014-15	2015-16	2016-17	Average
Revenue receipts relative to GSDP						
RR at current prices (₹ in crore)	24,770	26,137	31,565	40,638	47,054	-
Rate of growth of RR at current prices ( <i>per cent</i> )	10.48	5.52	20.77	28.74	15.79	16.26
RR at constant prices (₹ in crore)	23,143	22,984	26,944	34,707	39,479	-
Rate of growth of RR at constant prices ( <i>per cent</i> )	3.23	(-)0.69	17.23	28.81	13.75	12.47
RR/ GSDP at current prices ( <i>per cent</i> )	14.17	13.86	14.44	17.57	18.56	15.72
Revenue expenditure relative to GSDP						
RE at current prices (₹ in crore)	23,400	23,472	31,795	36,553	45,089	-
Rate of growth of RE at current prices ( <i>in per cent</i> )	11.47	0.31	35.46	14.96	23.35	17.11
RR at constant prices (₹ in crore)	21,863	20,640	27,140	31,218	37,830	-
Rate of growth of RE at constant prices ( <i>per cent</i> )	4.15	(-)5.60	31.49	15.02	21.18	13.25
RE/ GSDP at current prices ( <i>in per cent</i> )	13.39	12.45	14.55	15.80	17.78	14.80
Capital expenditure relative to GSDP						
CE at current prices (₹ in crore)	4,218	4,722	5,543	8,159	10,861	-
Rate of growth of CE at current prices ( <i>in per cent</i> )	33.52	11.95	17.39	47.19	33.12	28.63
CE at constant prices (₹ in crore)	3,941	4,152	4,732	6,968	9,113	-
Rate of growth of CE at constant prices ( <i>per cent</i> )	24.75	5.36	13.95	47.27	30.77	24.42
CE/ GSDP at current prices ( <i>in per cent</i> )	2.41	2.50	2.54	3.53	4.28	3.05

As evident from the table above, revenue receipts, revenue expenditure and capital expenditure have increased from 2012-13 to 2016-17 as a percentage of GSDP even after accounting for inflation.

### 1.1.2 Review of the fiscal situation

The performance of the State during 2016-17 under major variables provided in the budget based on recommendations of the Fourteenth Finance Commission (FFC) and targeted in the Medium Term Fiscal Policy (MTFP) Statement placed in Legislature under Fiscal Responsibility and Budget Management (FRBM) Act, is given in **Table 1.4**. The additional burden on the Government due to taking over of the debt during 2015-16 of Power Distribution Companies (DISCOM) on the implementation of the Ujjwal DISCOM Assurance Yojana (UDAY) scheme is discussed in detail in Para 1.4.2.1. Out of the total outstanding liabilities of ₹ 6,136 crore pertaining to Jharkhand Bijli Vitran Nigam Limited (JBVNL), Government of Jharkhand borrowed ₹ 5,553 crore from market on UDAY bonds and provided the balance of ₹ 583 crore from the Consolidated Fund in 2015-16. As a result there was no impact of UDAY on the fiscal deficit of the state during 2016-17.

**Table 1.4: Major fiscal variables**

(in per cent)

Fiscal variables	2016-17			Actuals
	FFC target for the State	Target as prescribed in MTFP statement	Target as per Budget	
Revenue Deficit (-)/Surplus (+) w.r.t GSDP	Nil	(+)5.18	(+)2.64	(+)0.8
Fiscal Deficit w.r.t. GSDP	3.50	2.16	2.22	4.02
Ratio of total outstanding debt of the Government to GSDP	25.16	25.16	24.13	26.4

The State achieved the targets provided in the FRBM Act by eliminating the Revenue Deficit in 2006-07 and turning the deficit into a Revenue Surplus of ₹ 946 crore which after inter year fluctuations reached ₹ 4,085 crore in 2015-16. However, in 2016-17 revenue surplus of the State decreased to ₹ 1,965 crore.

During 2016-17, the Fiscal Deficit (₹ 10,192 crore) was 4.02 *per cent* of GSDP which was much beyond the recommended ceiling of 3.50 *per cent* by the 14<sup>th</sup> FC. State failed to achieve its own estimated target of revenue collection whereas expenditure of State was at par with the budget. Further, FD-GSDP ratio was nearly double its target under MTFP and its budget estimate for the year.

The Debt-GSDP ratio of the State was 26.4 *per cent* during 2016-17, which was beyond the MTFP estimate and 14<sup>th</sup> FC projection of 25.16 *per cent*.

#### 1.1.2.1 Composition of Fiscal Deficit and its financing pattern

The financing pattern of the Fiscal Deficit has been shown in **Table 1.5**.

**Table 1.5: Components of Fiscal Deficit and its financing pattern**

(₹ in crore)

Sl. No.	Particulars	2012-13	2013-14	2014-15	2015-16	2016-17		
<b>Composition of Fiscal Deficit</b>		<b>3,406</b>	<b>2,256</b>	<b>6,564</b>	<b>11,523</b>	<b>10,192</b>		
1	Revenue Deficit (-)/Surplus (+)	1,370	2,665	(-)230	4,085	1,965		
2	Net Capital expenditure	4,218	4,722	5,543	8,159	10,861		
3	Net Loans and Advances	558	199	791	7,449	1,296		
<b>Financing pattern of Fiscal Deficit*</b>						<b>Receipt</b>	<b>Disbursement</b>	<b>Net</b>
1	Market Borrowings	3,145	2,535	4,488	4,755	5,154	429	4,725
2	Loans from GoI	100	(-)33	(-)5	(-)2	234	157	77
3	Special Securities issued to NSSF	(-)200	129	335	573	-	733	(-)733
4	Loans from Financial Institutions	(-)30	455	(-)8	5,673	1,693	759	934
5	Small Savings, PF, etc.	22	9	(-)202	(-)159	873	994	(-)121
6	Reserve Fund	(-)123	271	275	10	453	70	383
7	Deposits and Advances	1,290	(-)254	1,093	2,111	11,145	6,114	5,031
8	Suspense and Miscellaneous	31	(-)1	(-)13	17	301	331	(-)30
9	Remittances	(-)141	157	(-)238	1	9,281	9,311	(-)30
10	Inter-State Settlement	(-)100	(-)50	-	-	-	-	-
11	Cash balance increase (+)/ Decrease(-)	588	580	841	(-)1,461	1,905	1,948	(-)43

\*All these figures are net of disbursements/outflows during the year except for 2016-17

Source: Finance Accounts of Government of Jharkhand for the respective years.

During 2016-17, the Fiscal Deficit of ₹ 10,192 crore was mainly met from Market Borrowings (₹ 4,725 crore) and Deposits and Advances (₹ 5,031 crore).

### 1.1.2.2 Quality of Deficit/Surplus

Ideally, the revenue receipts should cover the revenue expenditure (including interest payments) of the State. While Revenue Deficit is made up from the borrowings and drawings on balances with the Reserve Bank of India, Revenue Surplus can be used for capital expenditure thereby reducing the need for borrowings and drawings from Reserve Bank Deposits (RBD). Further, if the non-debt receipts can meet the Primary Expenditure<sup>2</sup>, there will be no Primary Deficit, to be financed by borrowings. Thus, a necessary condition for stability in finances of the State is that non-debt receipts should be adequate to cover the incremental primary expenditure and incremental interest payments.

**Table 1.6: Components of Primary Deficit/Surplus in the State**

(₹ in crore)

Year	Non-Debt Receipts	Primary Revenue Expenditure	Capital Expenditure	Loans and Advances	Primary Expenditure	Primary Revenue Deficit (-) / Surplus (+)	Primary Deficit (-)/ Surplus (+)
1	2	3	4	5	6 (3+4+5)	7 (2-3)	8 (2-6)
2012-13	24,813	21,009	4,218	601	25,828	(+)3,804	(-)1,015
2013-14	26,160	20,858	4,722	222	25,802	(+)5,302	(+)358
2014-15	31,598	28,866	5,543	824	35,233	(+)2,732	(-)3,635
2015-16	40,669	33,233	8,159	7,480	48,872	(+)7,436	(-)8,203
2016-17	47,093	40,917	10,861	1,335	53,113	(+)6,176	(-)6,020

Source: Finance Accounts of Government of Jharkhand

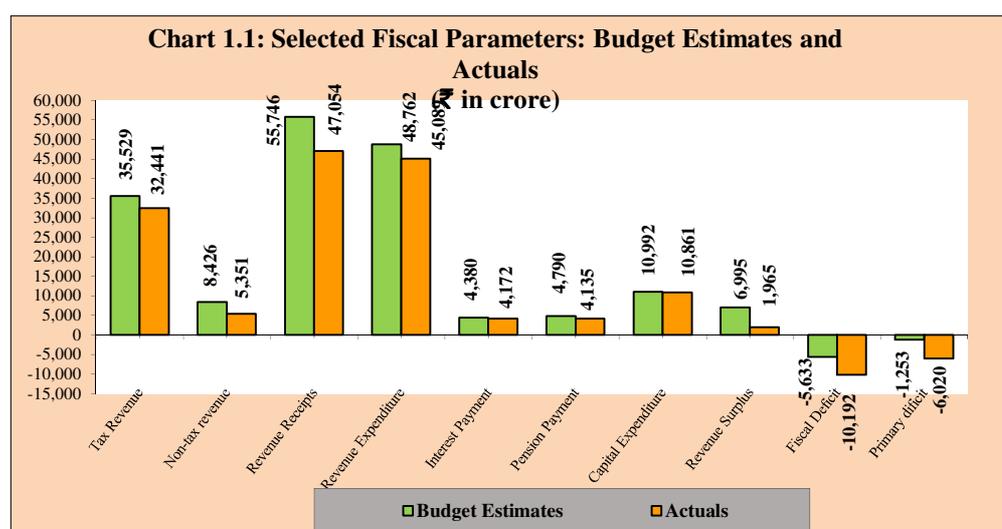
The composition of the Primary Deficit in **Table 1.6** indicates the extent to which the deficit has been on account of enhancement in capital expenditure which may be desirable for improving the productive capacity of the State's economy.

<sup>2</sup> Expenditure on Revenue, Capital and Loans and Advances, but not interest payments

### 1.1.3 Budget estimates and actuals

The budget papers presented by the State Government delineate the 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. Deviations from the Budget Estimates are indicative of non-attainment and non-optimisation of the desired fiscal objectives due to a variety of causes, both within and outside the control of the Government.

**Chart 1.1** presents a comparative analysis of the budget estimates and actuals for some important fiscal parameters for 2016-17.



Source: Annual Financial Statement and Finance Accounts 2016-17

The above chart shows that both actual revenue receipts and revenue expenditure were much less than the budget estimates prepared by the State Government for 2016-17. Revenue receipts was less than its budget estimates by ₹ 8,692 crore during the year mainly due to less collection on Own Tax Revenue ₹ 3,751 crore and Grants-in-aid from GoI by ₹ 2,541 crore against the budget estimate.

Central Tax Revenue was more than the budget estimate by ₹ 662 crore during the year.

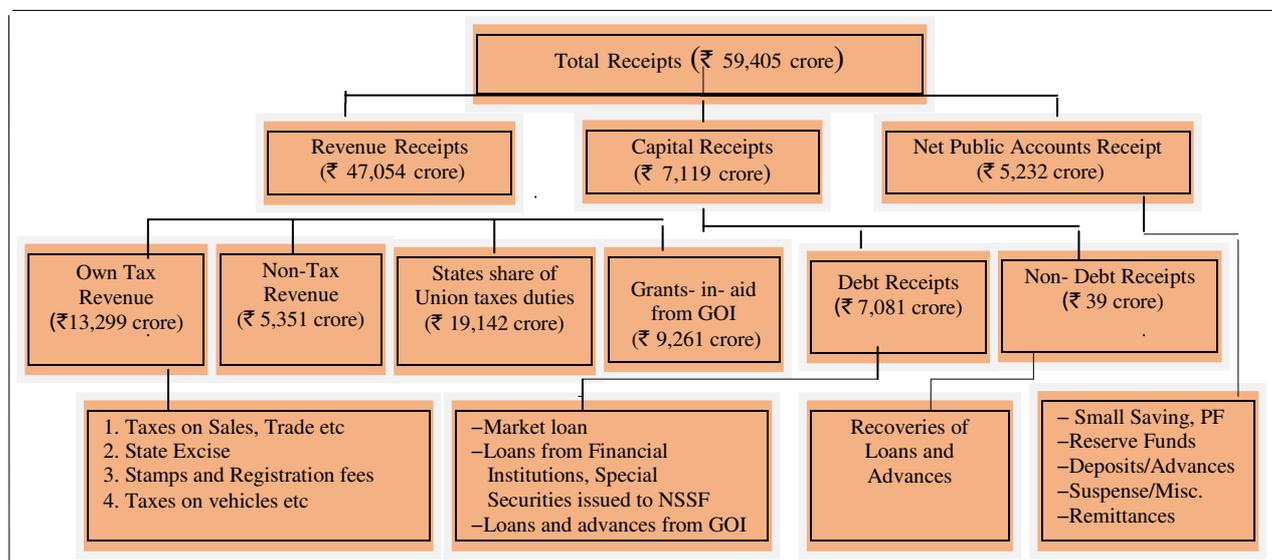
The decrease in revenue expenditure (by ₹ 3,673 crore) was mainly due to decrease in expenditure on General Services (by ₹ 1,389 crore) and Social Services (by ₹ 2,684 crore) during 2016-17. In General Services less expenditure was incurred under Interest Payments (₹ 208 Crore), Administrative Services (₹ 366 crore) and Pension and Miscellaneous (₹ 655 crore). In Social Services less expenditure was incurred under Education, Sports, Art and Culture (₹1,513 crore) and Social Welfare and Nutrition (₹ 924 crore).

The capital expenditure of the State was nearly at par with the Budget Estimates.

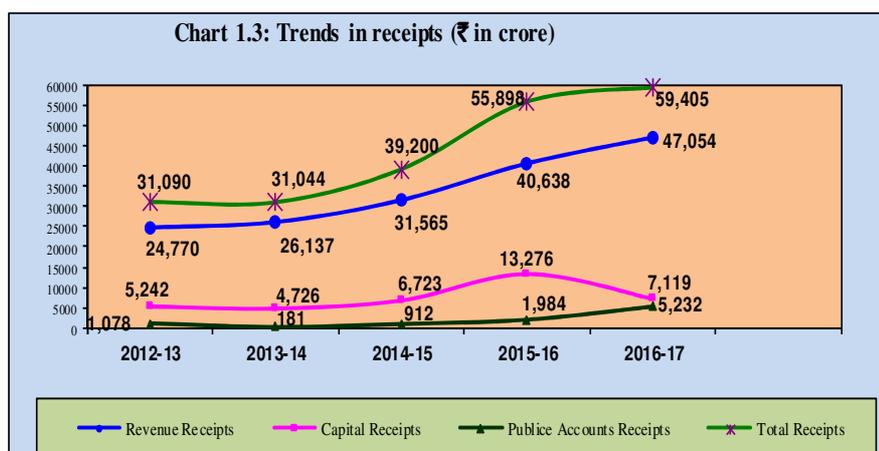
## 1.2 Resources of the State

Table 1.2 at page 2 above and Charts 1.2 to 1.5 present different perspective of the financial resources of the State as depicted in the Financial Accounts.

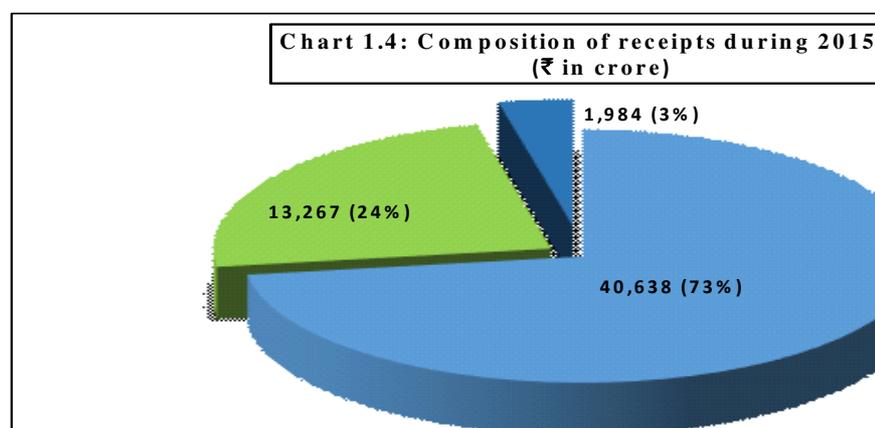
**Chart 1.2: Components and sub-components of resources**

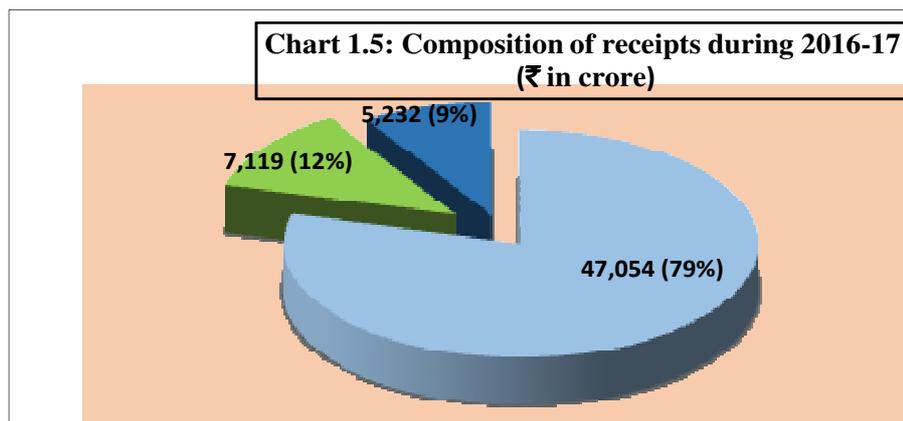


**Chart 1.3: Trends in receipts (₹ in crore)**



**Chart 1.4: Composition of receipts during 2015-16 (₹ in crore)**

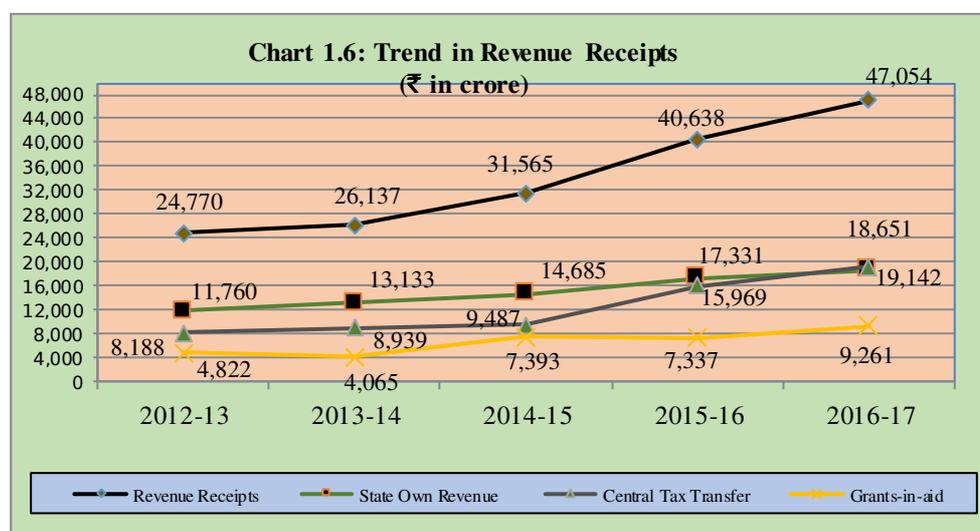




The share of revenue receipts to Total Receipts (RR/TR) increased from 73 per cent in 2015-16 to 79 per cent in 2016-17 mainly due to increase in the Share of Union taxes and decrease in Public Debt Receipts. The share of Capital Receipts to TR decreased to 12 per cent in 2016-17 mainly due to significant decrease in Public Debt receipts by ₹ 6,164 crore against previous year.

### 1.3 Revenue Receipts

The trends and composition of revenue receipts over the period 2012-17 are presented in **Appendix 1.3** and in **Chart 1.6**.



In comparison to the budget estimate, the revenue receipts were less by ₹ 8,692 crore during 2016-17 mainly due to less receipt of Own Tax Revenue (by ₹ 3,751 crore) and GIA from Government of India (by ₹ 2,541 crore).

The trend of revenue receipts relative to GSDP is presented in **Table 1.7**.

**Table 1.7: Trends in Revenue Receipts relative to GSDP**

	2012-13	2013-14	2014-15	2015-16	2016-17
<b>Revenue Receipts (RR) (₹ in crore)</b>	<b>24,770</b>	<b>26,137</b>	<b>31,565</b>	<b>40,638</b>	<b>47,054</b>
Rate of growth of RR ( <i>per cent</i> )	10.48	5.52	20.77	28.74	15.79
R R/GSDP at current price ( <i>per cent</i> )	14.18	13.86	14.44	17.57	18.56
R R/GSDP at constant price ( <i>per cent</i> )	15.17	15.76	16.92	20.57	22.12
State's Own Tax / GSDP at current price	4.71	4.97	4.74	4.96	5.25
State's Own Tax / GSDP at constant price	5.04	5.66	5.55	5.81	6.25
Growth rate of GSDP at current price	15.77	7.92	15.89	5.84	9.62
Growth rate of GSDP at constant price	8.17	1.57	12.49	5.90	7.69
<b>Buoyancy Ratios<sup>3</sup></b>					
Revenue Buoyancy w.r.t GSDP at current price	0.66	0.70	1.31	4.92	1.65
Revenue Buoyancy w.r.t GSDP at constant price	1.28	3.52	1.66	4.87	2.05
State OTR Buoyancy w.r.t GSDP at current price	1.16	1.78	0.65	1.88	1.67
State OTR Buoyancy w.r.t GSDP at constant price	2.24	8.98	0.82	1.85	2.07
Revenue Buoyancy w.r.t. State's own taxes	0.57	0.39	2.02	2.63	0.99

### 1.3.1 State's Own Resources

The State's actual Own Tax and Non-Tax Revenues for 2016-17 in comparison to the Fourteenth Finance Commission assessment and budget estimates is given in the **Table 1.8**.

**Table 1.8: Tax and Non-Tax receipts**

	(₹ in crore)		
	14 <sup>th</sup> FC projections	Budget estimates	Actual
Own Tax Revenue	16,044	17,050	13,299
Non-Tax Revenue	5,039	8,426	5,351

Source: 14<sup>th</sup>FC report, Budget document and Finance Accounts of the State 2016-17

The short achievement of own tax revenue against projections and estimates was mainly due to lesser collection of Sales Tax (by ₹ 2,154 crore), State Excise (by ₹ 538 crore) and Taxes on Vehicles (by ₹ 418 crore) than estimated.

#### 1.3.1.1 Tax Revenue

Gross collections of major taxes and duties are depicted in **Table 1.9**

**Table 1.9: Components of Tax Revenue**

	(₹ in crore)								
Revenue Head	2012-13	2013-14	2014-15	2015-16	2016-17	CAGR	Cost of collection (2016-17) <i>per cent</i>	Cost of collection (2015-16) <i>per cent</i>	All India Average of cost of collection
Taxes on Sales, Trade, etc.	6,422	7,305	8,070	8,999	10,549	13.21	0.47	0.53	0.66
State Excise	578	628	740	912	962	13.58	1.74	2.08	3.21
Taxes on Vehicles	465	495	660	633	682	10.05	0.91	0.97	4.99
Stamps Duty and Registration Fees	492	502	531	532	607	5.39	2.85	2.43	2.87
Land Revenue	96	230	84	164	240	25.74	-	-	-
Taxes on Goods & Passengers	1	1	1	0	0	-	-	-	-
Other Taxes	170	219	264	239	259	(-)-2.76	0.82	-	-
<b>Total Tax Revenue</b>	<b>8,224</b>	<b>9,380</b>	<b>10,350</b>	<b>11,479</b>	<b>13,299</b>	-	-	-	-

Source: Finance Accounts of the respective years

<sup>3</sup> 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 0.6 implies that revenue receipts tend to increase by 0.6 percentage points, if the GSDP increases by one *per cent*.

### Cost of collection of own Taxes

As depicted in the **Table 1.9**, cost of collection of taxes in the State was significantly lower than the All India average in respect of all the taxes viz. VAT, State Excise, Taxes on Vehicles and Stamp Registration.

The cost of collection decreased in respect of all the taxes except on Stamp Duty and Registration Fees.

#### 1.3.1.2 Non-Tax Revenue

Non-Tax Revenue (NTR) collected during 2016-17 was ₹ 5,351 crore against the normative projection of ₹ 5,039 crore by the 14<sup>th</sup> FC for the year.

Component-wise Non-Tax Revenue collected during 2012-17 is in **Table 1.10**.

**Table 1.10: Component-wise Non-Tax Revenue**

(₹ in crore)					
Revenue Head	2012-13	2013-14	2014-15	2015-16	2016-17
Interest receipts	72.23	69.48	143.04	122.44	121.34
Dividends & Profits	15.00	18.00	0.00	0.47	0.00
Other non-tax receipts	3,448.40	3,665.23	4,192.02	5,730.11	5,230.07
<b>Total</b>	<b>3,535.63</b>	<b>3,752.71</b>	<b>4,335.06</b>	<b>5,853.02</b>	<b>5,351.41</b>

Source: Finance Accounts of the respective years

The share of NTR in revenue receipts decreased from 14.40 *per cent* in 2015-16 to 11.3 *per cent* in 2016-17. In comparison to 35 *per cent* growth during 2015-16, the NTR decreased by 9 *per cent* in 2016-17 over the previous year mainly due to less collection in Mining and Metallurgical Industries (by ₹ 290 crore) and other Administrative Services (by ₹ 213 crore). Further the State failed to achieve its own revenue target fixed in the budget document in Mining and Metallurgical Industries (by ₹ 2,956 crore), Major Irrigation (by ₹ 229 crore) and Interest receipts (by ₹ 204 crore).

#### *Recommendation:*

*The Government should make efforts to achieve its own target of receipts given in the Budget document as well as projected by the 14<sup>th</sup> FC to get the intended result.*

### 1.3.2 Grants-in-aid from Government of India

The trend of release of Grants-in-aid by GoI under Non-Plan, State Plan, Centrally Sponsored Schemes and Central Plan Schemes is shown in the **Table 1.11**.

**Table 1.11: Component-wise grants released by GoI**

(₹ in crore)					
Particulars	2012-13	2013-14	2014-15	2015-16	2016-17
Non-Plan Grants	1,483.41	1,319.91	1,780.26	1,685.82	1,875.29
Grants for State Plan Schemes	2,393.94	1,565.83	4,914.69	4,950.18	6,792.89
Grants for Central Plan Scheme	30.81	28.28	83.56	50.90	78.01
Grants for Centrally Sponsored Schemes	914.05	1,150.96	614.17	650.74	515.16
<b>Total</b>	<b>4,822.21</b>	<b>4,064.98</b>	<b>7,392.68</b>	<b>7,337.64</b>	<b>9,261.35</b>
Percentage of increase over previous year	(-)8.00	(-)16.00	82.00	(-)0.74	26.21
Total grants as a percentage of revenue receipts	19.47	15.55	23.42	18.06	19.68

Source: Finance Accounts of Government of Jharkhand

Non-Plan grants from GoI increased from ₹ 1,685.82 crore in 2015-16 to ₹ 1,875.29 crore in 2016-17 mainly due to increase in grants for basic grants to Local Bodies (Urban and Rural) whereas, State Plan grants increased from ₹ 4,950.18 crore to ₹ 6,792.89 crore mainly due to grants provided for Pradhan Mantri Awas Yojna, Integrated Child Development Services, Umbrella ICDS and Swachh Bharat Abhiyan etc.

### 1.3.3 Central Tax Transfer

Trends of Central Tax Transfers (CTT) over the past five years are depicted in **Table 1.12**

**Table 1.12: Central Tax Transfer**

	(₹ in crore)					
	2012-13	2013-14	2014-15	2015-16	2016-17	CAGR
Central Tax Transfer (CTT)	8,188	8,939	9,487	15,969	19,142	23.83
CTT as share of RR	30.06	34.20	30.06	39.30	40.68	

The increase of CTT in 2016-17 over the previous year was mainly under Corporation Tax (by ₹ 1,104 crore), Taxes on Income other than Corporation Tax (by ₹ 761 crore), Union Taxes and Duties (by ₹ 896 crore) and Service tax (by ₹ 322 crore). The CTT constituted 40.68 *per cent* of revenue receipts of the State during 2016-17.

### 1.3.4 Forgone Revenue

#### 1.3.4.1 Under-assessment, non-levy, short levy of taxes

During 2016-17, test check of the records of 132 units relating to Taxes on Trade etc., State Excise, Taxes on Vehicles, Land Revenue, Stamps and Registration Fees, Taxes and Duties on Electricity and Mines Receipts revealed under-assessment/ short levy/ loss of revenue aggregating ₹ 2,589.37 crore in 29,656 cases. During the year 2016-17, the departments concerned accepted under-assessment and other deficiencies of ₹ 1,934.20 crore in 26,645 cases pointed out by audit, but recovered only ₹ 5.63 crore in 394 cases.

#### 1.3.4.2 Revenue arrears

As on 31 March 2017, revenue arrears amounted to ₹ 4,455.53 crore in three Departments (Commercial Taxes, Transport and State Excise) out of which ₹ 2,200.92 crore was outstanding for more than five years. These revenue arrears relates to Commercial Taxes Department (₹ 4,154.70 crore), Transport Department (₹ 270.27 crore) and State Excise (₹ 30.56 crore). Information regarding revenue arrears from other departments was not furnished (August 2017). The total revenue arrears as on 31 March 2017 were 23 *per cent* of own resources of the State against 19 *per cent* during 2015-16.

### 1.3.5 Labour Cess

The Contract Labour (Regulation and Abolition) Rules 1971, stipulate that amounts collected as labour cess from contractors was required to be transferred to the Labour Welfare Board for labour welfare schemes.

As per the Finance Accounts, ₹ 312.90 crore was collected as cess from contractors executing government projects between 2008-09 and 2016-17. The cess collected has not been transferred to the Labour Welfare Board (February

2018) inflating the Revenue Surplus and understating the Fiscal Deficit of the State during the relevant years.

Non-transfer of cess to Labour Welfare Board not only defeated the very purpose of the cess collection but also created a Government liability to this extent.

*Recommendation:*

*The Finance Department should ensure transfer of Labour Cess to the Labour Welfare Board as early as possible.*

## 1.4 Capital Receipts

Apart from revenue receipts, the State also received capital receipts, which comprise of proceeds from disinvestments, recovery of loans and advances given by the government, internal borrowings of the government from financial institutions and Loans and Advances from Government of India (GoI). Details of capital receipts during 2012-17 are given in **Table 1.13**.

**Table 1.13: Trends in growth and composition of receipts**

(₹ in crore)

Source of State's Receipts	2012-13	2013-14	2014-15	2015-16	2016-17
Capital Receipts (CR)	5,242	4,726	6,723	13,276	7,120
Miscellaneous Capital Receipts	0	0	0	0	0
Recovery of Loans and Advances	43	23	33	31	38
Public Debt Receipts	5,199	4,703	6,690	13,245	7,081
Rate of growth of debt capital receipts (per cent)	94.6	(-9.5)	42.3	98.0	(-47)
Rate of growth of non-debt capital receipts (per cent)	79.2	(-46.51)	43.48	(-6.06)	26
Rate of growth of GSDP at current price	15.8	7.9	15.9	5.8	9.6
Rate of growth of CR (per cent)	94.5	(-9.8)	42.3	97.5	(-46)

Source: Finance Accounts of Government of Jharkhand for the respective years

Capital Receipts increased in 2015-16 due to one-time receipts under Ujwal DISCOM Assurance Yojana (UDAY) bonds of ₹ 5,553.37 crore. There was no disinvestment during 2016-17.

### 1.4.1 Recoveries from loans and advances

Details of loans given and recoveries made during last five years are given below:

**Table 1.14: Loans and Advances**

(₹ in crore)

Years	2012-13	2013-14	2014-15	2015-16	2016-17
Opening balance of Loans	7,190	7,748	7,947	8,738	16,187
Loans given	601	222	824	7,480	1,335
Recovery made	43	23	33	31	39
Closing balance of loans	7,748	7,947	8,738	16,187	17,483

Source: Finance Accounts of Government of Jharkhand for the respective years

Jharkhand State Electricity Board (JSEB), unbundled into four companies during 2014, was the major recipient of loans and advances given every year but no repayment was made against the same, leading to outstanding balance of ₹ 16,684 crore as loans to the power sector at the end of 31 March 2017. During 2016-17, a loan of ₹ 1,229 crore was given for power projects under Jharkhand Bijli Vitran Nigam Limited (JBVNL). Repayments received were mainly against the loans and advances given to the Government servants.

### 1.4.2 Debt receipts from internal sources

The State Government's internal debt ranged from ₹4,597 crore to ₹ 13,080 crore over the period 2012-17.

**Table 1.15: Trends of Debt receipts from internal sources**

	(₹ in crore)				
	2012-13	2013-14	2014-15	2015-16	2016-17
Internal Debt of Government	4,960	4,597	6,537	13,080	6,847
Total Public Debt and other Liabilities	14,718	12,841	19,809	33,843	19,193
As percentage to Total Public Debt and other Liabilities	33.70	35.80	33.00	38.65	35.67

Source: Finance Accounts of Government of Jharkhand for the respective years

The impact of borrowings at a higher rate of interest than investments by the State is discussed in **Para 1.8.3**.

#### 1.4.2.1 Borrowings on UDAY Bonds for DISCOMs

To improve the operational and financial efficiency of the state DISCOMs, a scheme of financial turnaround of power distribution companies was launched in 2015. As per provisions of the scheme, State of Jharkhand took over 100 *per cent* liabilities of outstanding dues of JBVNL with Central Public Sector Undertakings (CPSUs) and 75 *per cent* of the outstanding debt of JBVNL as existing on 30.09.2015. State issued a loan of ₹ 6,136 crore to JBVNL of which, ₹ 5,553 crore raised as borrowings on UDAY bonds and ₹ 583.00 crore was given from the consolidated fund of the State government. Borrowings on UDAY bond have been raised at an interest rate of 8 to 8.99 *per cent* per annum which was to be repaid between the year 2021-22 to 2030-31, whereas the loan given to the JBVNL at an interest rate of 13 *per cent* per annum.

Further, as per agreement the borrowings on UDAY bond would not be counted against the fiscal deficit limit of the state in the financial year 2015-16 and 2016-17. No borrowing was made on UDAY bond by the state during 2016-17.

### 1.4.3 Loans and advances from Government of India

Loans and advances from GoI were received for State Plan schemes and ranged between ₹ 106 crore and ₹ 239 crore during 2012-17.

## 1.5 Public accounts balances

Transactions in Public Accounts are not subject to vote by the State legislature. The Public Accounts Balances of the State as at the end of the concerned financial year are given in **Table 1.16**.

**Table 1.16: Public Accounts Balances**

	(₹ in crore)				
Resources under various heads	2012-13	2013-14	2014-15	2015-16	2016-17
<b>Public Accounts Receipts</b>	<b>14,495</b>	<b>14,275</b>	<b>20,189</b>	<b>29,037</b>	<b>22,052</b>
Small Savings, Provident Fund etc.	668	760	843	830	873
Reserve Fund	280	293	308	522	453
Deposits and Advances	8,706	7,204	12,182	19,499	11,145
Suspense and Miscellaneous	199	-59	18	161	300
Remittances	4,642	6,077	6,838	8,025	9,281

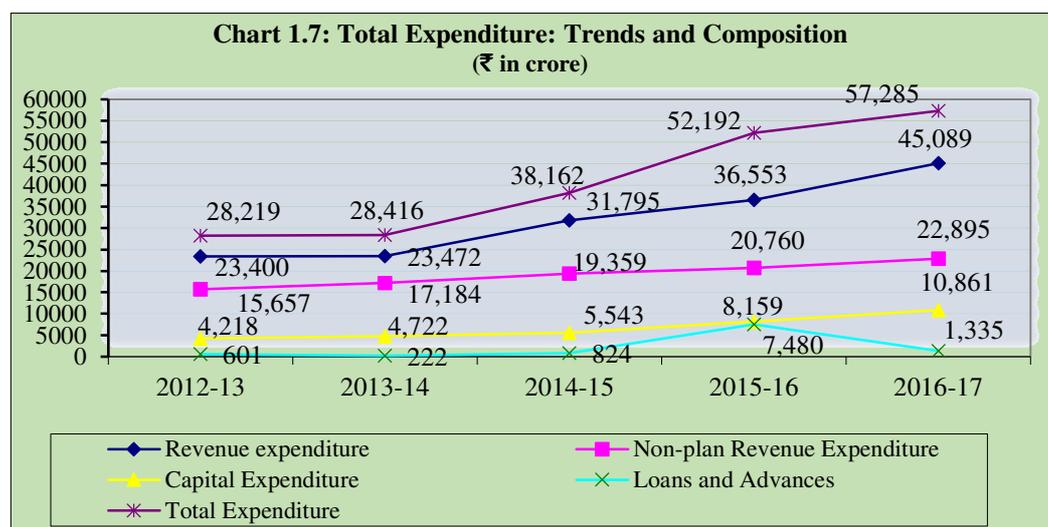
Source: Finance Accounts of Government of Jharkhand for the respective years

Deposits and Advances decreased mainly due to less credit in PL account of 'State Electricity Board Working Funds' by ₹ 6,534 crore during 2016-17 in comparison to the previous year.

## 1.6 Application of resources

### Growth and Composition of Expenditure

Chart 1.7 presents the trends in Total Expenditure and its composition over the last five years (2012-17).



#### 1.6.1 Capital Expenditure (CE)

During 2016-17, Capital Expenditure (CE) increased to ₹ 10,861 crore against ₹ 8,159 crore in 2015-16. The percentage of CE to GSDP was 4.3 per cent during 2016-17.

The State Government erroneously incurred ₹ 583.79 crore as capital expenditure on Salary, Maintenance, Office Expense, Travelling Allowance etc. and ₹ 105.00 crore given as Grants-in-aid from capital heads which were Revenue in nature leading to overstatement of Revenue Surplus of the State to that extent.

#### 1.6.2 Revenue Expenditure (RE)

Revenue expenditure (RE) constituted 79 per cent of the Total Expenditure (₹ 57,285 crore) during 2016-17 against 91 per cent in 2015-16, which is a positive trend. During 2016-17, revenue expenditure was 17.8 per cent of GSDP.

##### 1.6.2.1 Plan Revenue Expenditure (PRE)

Plan Revenue Expenditure (PRE) increased from ₹ 15,793 crore in 2015-16 to ₹ 22,194 crore in 2016-17. PRE was less than its budget estimate by ₹ 2,332 crore during the year mainly due to less expenditure under Education, Sports, Art and Culture by ₹ 744 crore, Social Welfare and Nutrition by ₹ 728 crore and Agriculture and Allied Activities by ₹ 350 crore. The share of PRE in total RE increased from 43 per cent in 2015-16 to 49 per cent in 2016-17. The increase in PRE was due to increase in expenditure of Social Services (by ₹ 3,146 crore) and Economic Services (by ₹ 3,510 crore).

### 1.6.2.2 Non-Plan Revenue Expenditure (NPRE)

During 2016-17, NPRE was ₹ 22,895 crore against budget estimate of ₹ 24,236 crore. Growth rate of NPRE increased from seven *per cent* in 2015-16 to 10 *per cent* in 2016-17 mainly due to increase in expenditure on General Services (by 11 *per cent*) over the previous year. During 2016-17, NPRE under Social Services was mainly incurred on Education (₹ 3,942 crore), Health and Family Welfare (₹ 898 crore) and Social Welfare and Nutrition (₹ 483 crore). NPRE under Economic Services, was incurred mainly on Rural Development (₹ 1,701 crore), Energy (₹ 1,200 crore) Agriculture & Allied Activities (₹ 489 crore).

### 1.6.3 Committed expenditure

The committed expenditure of the State Government on revenue account mainly consists of expenditure on salaries and wages, subsidies, pension and interest payments. **Table 1.17** and **Chart 1.8** present the trend in the expenditure on these components during 2012-17.

**Table 1.17: Components of Expenditure on Salaries and Wages, Subsidies, Pension and Interest Payments**

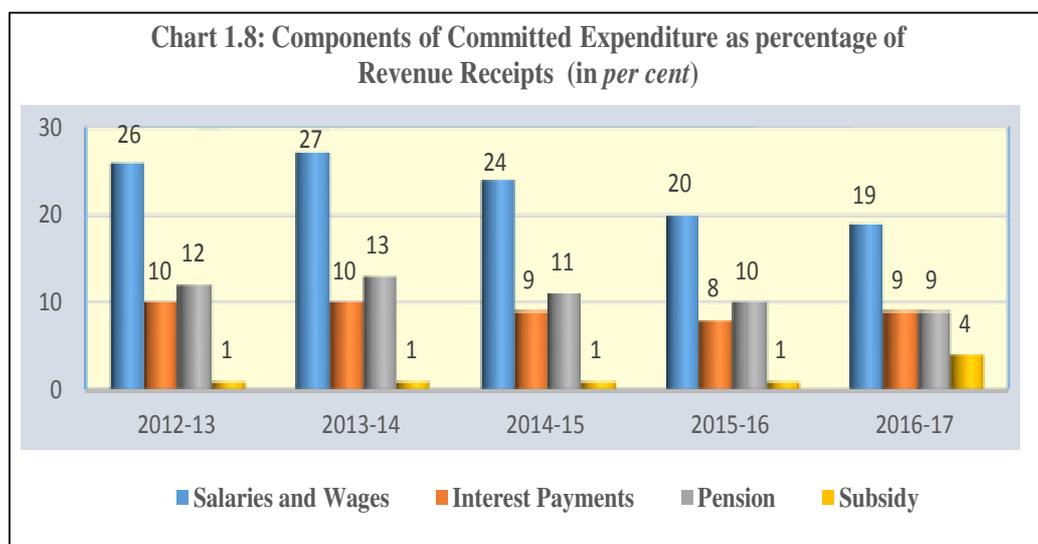
Components of Committed Expenditure	2012-13	2013-14	2014-15	2015-16	2016-17	
					Budget Estimates#	Actual
Salaries* and Wages , of which	6,446(26)	6,934(27)	7,417(24)	8,218(20)	11,142	8,927 (19)
Non-Plan heads	6,270(25)	6,766(26)	7,193(23)	7,943(19)	10,226	8,649 (18)
Plan heads	176(1)	168(1)	224(1)	275(1)	916	278(1)
Interest Payments	2,391(10)	2,614(10)	2,929(9)	3,320(8)	4,393	4,172(9)
Pension	2,931(12)	3,484(13)	3,463(11)	3,990(10)	4,790	4,135(9)
Subsidies	270(1)	187(1)	246(1)	522(1)	2,330	1,859(4)
<b>Total</b>	<b>12,038(49)</b>	<b>13,219(51)</b>	<b>14,055(45)</b>	<b>16,050(39)</b>	<b>22,655</b>	<b>19,093(41)</b>

Source: Finance Accounts of Government of Jharkhand

Figures in parentheses indicate percentage of revenue receipts

\* Also includes salaries paid out of Grants-in-aid.

# Budget Estimates are gross figures while the actuals are net figures.



## Salaries

Salaries & Wages (₹ 8,927 crore), Interest Payments (₹ 4,172 crore) and Pension (₹ 4,135 crore) together accounted for 38 *per cent* of the revenue expenditure and consumed 37 *per cent* of the revenue receipts during the year.

## Pension

State Government employees recruited on or after 1 December 2004 are covered under the new pension scheme (NPS) which is a defined contributory pension scheme. In terms of the scheme, the employee contributes 10 *per cent* of basic pay and dearness allowance, which is matched by the State Government and the entire amount is transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/ Trustee Bank.

During 2016-17 the State Government transferred ₹ 289.26 crore as employees contribution and ₹ 289.44 crore as employer's contribution to the NSDL.

It was noticed in the Finance Accounts of the State that proper head of accounts of posting of deductions from employees and contribution by the employer was opened in 2008-09.

Deductions from the employees along with contribution of the Government between December 2004 and November 2009 were transferred to NSDL in March 2010. At the end of March 2017, total deductions from the employees stood up to ₹ 1,091.98 crore against which government contributed ₹ 1,106.02 crore. Out of total deduction from employees under public account head 8342 a sum of ₹ 1,082.28 crore was transferred to NSDL leaving a balance of ₹ 9.70 crore at the end of March 2017.

## Interest Payments

The growth rate of Interest Payments was 26 *per cent* over the previous year mainly due to sharp increase of interest on Market Loans by ₹ 830.86 crore (51 *per cent*). Interest Payments were nine *per cent* of revenue receipts during 2016-17. Major components of Interest Payments during 2015-16 and 2016-17 are given in **Table 1.18** below:

**Table 1.18: Components of Interest Payments**

(₹ in crore)

Component of debt	Outstanding Liabilities	2015-16		Outstanding Liabilities	2016-17	
		Interest paid	Interest paid as percentage of outstanding balance		Interest paid	Interest paid as percentage of outstanding balance
Internal debt	43,755.57	2,968.19	7.76	43,755.57	3,817.29	8.72
Loans & Advances from GoI	2,085.49	122.93	5.89	2,085.49	118.50	5.68
Small Savings, Provident fund etc.	1,197.17	221.79	17.37	1,197.17	229.21	19.15
Others	9,492.00	7.18	0.09	9,492.00	7.25	0.08
<b>Total</b>	<b>56,530.23</b>	<b>3,320.09</b>	<b>6.63</b>	<b>56,530.23</b>	<b>4,172.25</b>	<b>7.38</b>

## Subsidy

During 2016-17, Government of Jharkhand paid ₹ 1,859 crore<sup>4</sup> as subsidy mainly under MH 3456- Civil Supplies (₹ 1,045 crore), 2401-Crop Husbandry (₹ 556 crore), 2404-Dairy Development (₹ 84 crore) and 2852-Industries (₹ 90 crore). Subsidy increased from ₹ 522 crore in 2015-16 to ₹ 1,859 crore in 2016-17 due to provisions under Priority Household Scheme, Antyoday Anna Yojna, Distribution of Sugar/salt and Pradhan Mantri Ujjawala Yojana under Head 3456-Civil Supplies. No subsidy was given for power and irrigation.

### 1.6.4 Major programmes

During 2016-17, ₹ 16,048 crore was budgeted for 35 major flagship programmes under the State Plan (SP) against which ₹ 16,085 crore was utilized. Under the Central Plan (CP), ₹ 6,424.51 crore was utilised against ₹ 9,807.46 crore budgeted for the year.

The budget provisions and actual expenditure on some major programmes during 2016-17, under SP and CP are shown in **Table 1.19**.

**Table 1.19: Expenditure on major programmes**

(₹ in crore)

Sl. No.	Name of programmes	Budget Provision	Expenditure
<b>State Plan</b>			
1	Major Roads	3,377.60	3,374.58
2	Minimum Need Programmes-Construction of Rural Roads	1,121.79	1,112.47
3	Major Urban Transport Project and Civic Infrastructure	734.10	734.91
4	Swarn Rekha Project	585.74	592.95
5	Sarva Siksha Abhiyan	579.36	579.36
6	Loan to Jharkhand Bijli Vitaran Nigam Ltd. for Annual Development Programme	569.92	569.92
7	Loan to Jharkhand Urja Sancharan Nigam Ltd. For Transmission	558.59	558.59
<b>Central Plan</b>			
1	GIA for Pradhan Mantri Awas Yojna	302.08	319.20
2	Swachchh Bharat Mission	234.73	234.73
3	Smart City	184.00	184.00
4	Rashtriya Uchchatar Siksha abhiyan	130.07	130.07
5	Urban Rejuvenation Mission	128.40	128.40

### 1.6.5 Financial assistance

Details of grants and loans given by the State Government during 2012-17 are presented in **Table 1.20**.

**Table 1.20: Financial assistance to Local Bodies and other Institutions**

(₹ in crore)

Financial Assistance to Institutions	2012-13	2013-14	2014-15	2015-16	2016-17
Panchayati Raj Institutions (PRIs)	3,078.86	910.68	3,378.42	3,407.48	2,533.77
Urban Local Bodies (ULBs)	330.54	88.38	1,619.77	1,830.77	2,961.14
Public Sector Undertakings	450.02	1,528.89	3,643.86	3,987.54	0.00
Autonomous Bodies	1,837.02	2,451.34	2,512.95	5,480.60	7,942.59
Non-Government Organisation	199.40	106.65	684.99	0.00	0.00
Others	1,054.48	1,335.91	564.03	184.53	6,894.52
<b>Total</b>	<b>6,950.32</b>	<b>6,421.85</b>	<b>12,404.02</b>	<b>14,890.92</b>	<b>20,332.02</b>
As percentage of Revenue Expenditure	29.70	27.36	39.01	40.74	45.09

Source: Statement 10 of Finance Accounts

<sup>4</sup> Appendix II of Finance Accounts

Financial assistance to ULBs and PRIs was provided through regular service heads of the Urban Development Department and Rural Development Department instead of under head 3604-Financial assistance to ULBs and PRIs specified for the purpose. The amounts of assistance to PRIs and ULBs shown in the above table do not include amounts provided (₹ 1,177 crore) to Panchayati Raj Institutions and Urban Local Bodies under the minor heads 191, 192, 193, 196, 197 and 198 under respective departmental expenditure heads of accounts.

### 1.6.5.1 Urban Local Bodies (ULBs)

There are 44 ULBs (Nagar Nigam-6, Nagar Parishad-19, Nagar Panchayat-16, Nagar Palika-1 and Notified Area Committee-2) in the State.

Details of funds provided to ULBs are given in **Table 1.21** below:

**Table 1.21: Funds made available to Urban Local Bodies**

(₹ in crore)						
Particulars	2012-13	2013-14	2014-15	2015-16	2016-17	Total
Revenue Receipt (RR) of the State	24,770	26,137	31,565	36,553	47,054	1,70,164
Revenue Expenditure (RE) of the State	23,400	23,472	31,795	40,638	45,089	1,60,309
Financial Assistance given to ULBs	331	88	1,620	1,831	2,961	6,831
Financial Assistance as percentage to RR	1.34	0.34	5.13	4.51	6.29	4.01
Financial Assistance as percentage to RE	1.41	0.37	5.10	5.01	6.57	4.26
Own collection <sup>5</sup>	88.03	45.54	8.96	14.99	60.09 <sup>6</sup>	

The Second State Finance Commission (December 2009 to December 2014) had not made any recommendations on devolution of funds to ULBs. The Third State Finance Commission (January 2014 to January 2019) has not made any interim recommendations in this regard. The Urban Development Department has not responded to several audit queries on the devolution of the 18 functions and powers stipulated under the 'Jharkhand Municipal Act, 2011 (**Appendix 1.5 Part-A**).

The State Government entrusted (October 2011) the C&AG with the Technical Guidance and Supervision (TGS) over audit of Local Bodies (Urban Local Bodies and Panchayati Raj Institutions). Accordingly, the Bihar and Orissa Local Fund Audit Act, 1925 was amended in March 2012 providing for audit by Director of Local Fund Audit (DLFA) to whom the C&AG was required to provide TGS. The State Government created 22 posts (March 2013) to make DLFA functional and appointed DLFA in November 2014. The DLFA informed in August 2016 that 3 Deputy Controllers of Accounts and 14 Audit Officers have been appointed. The DLFA also informed in September 2016 that they are conducting audit of accounts of ULBs. However, Accountant General (Audit) is conducting the audit of local bodies on test check basis.

<sup>5</sup> Information regarding funds collected by the ULBs from own sources has not been furnished by the Urban Development Department. However, information obtained during audit of various ULBs.

<sup>6</sup> Own collection noticed during audit of accounts of ULBs naming Godda, Chaibasa, Sahebganj, Jugsalai, Chas, Jhumritilaiya, Adityapur, Simdega, Chakradharpur, Ramgarh, Bishrampur and RMC Ranchi.

### 1.6.5.2 Panchayati Raj Institutions

There are 4689 PRIs<sup>7</sup> in the State. Details of fund releases to PRI during 2012-17 are given below:

**Table 1.22: Funds released to Panchayati Raj Institutions**

(₹ in crore)						
Particulars	2012-13	2013-14	2014-15	2015-16	2016-17	Total
Revenue Receipt (RR) of the State	24,770	26,137	31,565	40,638	47,054	1,70,164
Revenue Expenditure (RE) of the State	23,400	23,472	31,795	36,553	45,089	1,60,309
Financial Assistance to PRIs	3,079	911	3,378	3,407	2,534	13,309
Financial Assistance as percentage to RR	1.96	3.49	10.70	8.38	5.39	7.82
Financial Assistance as percentage to RE	2.08	3.88	10.62	9.32	5.62	8.30

The State Government issued orders of transfer of funds to Panchayats in October 2012. As depicted in **Appendix 1.5 Part-B** out of stipulated 29 functions, 16 functions have been devolved to PRIs either completely or partially as of August 2015. The State Government notified (March 2011) the 'Jharkhand Panchayati Raj (Budget & Accounts) Regulation 2010' and the accounting in PRIs is done accordingly.

The DLFA informed in August 2016 that 3 Deputy Controller of Accounts and 14 Audit Officers have been appointed and efforts are being made for practical operationalisation. DLFA informed in May 2017 that audit of accounts of PRIs has been started. However, Accountant General (Audit) is conducting audit of local bodies on test check basis as per TGS arrangements since April 2012.

## 1.7 Quality of expenditure

Developmental expenditure (expenditure on social and economic services) constituted 76 per cent of Total Expenditure.

### 1.7.1 Adequacy of public expenditure

**Table 1.23** analyses the fiscal priority of the State Government with regard to Development Expenditure, Social Sector Expenditure and Capital Expenditure during 2016-17, taking 2012-13 as the base year.

**Table 1.23: Fiscal priority of the State in 2012-13 and 2016-17**

Fiscal Priority by the State*	AE/GSDP	DE <sup>#</sup> /AE	ESE/AE	SSE/AE	CE/AE	Education/AE	Health/AE
General Category States Average (Ratio) 2012-13	14.8	70.0	29.8	38.2	13.7	17.7	4.6
Jharkhand State's Average (Ratio) 2012-13	16.2	68.5	35.3	33.2	14.9	15.9	3.1
General Category States Average (Ratio) 2016-17	16.7	70.9	35.1	32.2	19.7	15.2	4.8
Jharkhand State's Average (Ratio) 2016-17	22.6	76.1	41.0	35.1	19.0	14.4	4.3

\*As per cent to GSDP at current prices

AE: Aggregate Expenditure (Total Expenditure), DE: Development Expenditure, SSE: Social Sector Expenditure, ESE: Economic Service Expenditure, CE: Capital Expenditure

# Development expenditure includes Development Revenue Expenditure, Development Capital Expenditure and Loans and Advances disbursed.

Source: GSDP as available on CSO website as on 1 August 2017.

As evident from table the ratio of development expenditure and economic service expenditure to aggregate expenditure was more than average for the

<sup>7</sup> 24 Zila Parishads, 263 Panchayat Samitis and 4,402 Gram Panchayats

General Category States (GCS). However, Education Sector Expenditure and Health Sector Expenditure were less than that of GCS.

*Recommendation:*

*Government should give priority to Development Expenditure with emphasis on Education and Health Sectors.*

### 1.7.2 Efficiency of expenditure use

**Table 1.24** presents the trends in Development Expenditure relative to the Aggregate Expenditure of the State during 2016-17 *vis-à-vis* the budgeted amounts and the expenditure during the previous years.

**Table 1.24: Development Expenditure**

(₹ in crore)

Components of Development Expenditure	2012-13	2013-14	2014-15	2015-16	2016-17	
					BE*	Actuals
<b>Development Expenditure</b>						
Development Revenue Expenditure	14,704(52)	13,512(48)	21,171(55)	24,551(47)	34,350	32,065(56)
Development Capital Expenditure	4,042(14)	4,554(16)	5,217(14)	7,588(15)	10,329	10,271(18)
Development Loans and Advances	582(2)	209(1)	807(2)	7,431 <sup>8</sup> (14)	1,682	1,283(2)
<b>Total</b>	<b>19,328</b>	<b>18,275</b>	<b>27,195</b>	<b>39,570</b>	<b>46,361</b>	<b>43,619</b>
<b>Growth of Development Expenditure</b>	<b>18.2</b>	<b>(-)-5.4</b>	<b>48.8</b>	<b>45.5</b>		<b>10.2</b>
Figures in parentheses indicate percentage to aggregate expenditure (RE + CE + L&A)						
* Budget estimates are gross figures while actuals are net figures.						

Source: Finance Accounts of Government of Jharkhand and budget publication

### 1.7.3 Expenditure on selected Social and Economic Services

**Table 1.25** presents the efficiency of expenditure in selected Social and Economic services.

**Table 1.25: Efficiency of expenditure use in selected Social and Economic services**

(In per cent)

Social/Economic Infrastructure	2015-16			2016-17		
	Ratio of CE to TE	In RE, the share of S & W O&M*		Ratio of CE to TE	In RE, the share of S&W O &M	
<b>Social Services (SS)</b>						
General Education	0.10	33.53	0.01	0.39	37.51	0.00
Health and Family Welfare	15.65	32.19	0.01	21.42	38.13	0.00
WS, Sanitation and HUD	9.37	5.61	0.59	7.96	3.29	0.27
<b>Total (SS)</b>	<b>6.44</b>	<b>21.01</b>	<b>0.22</b>	<b>7.61</b>	<b>21.72</b>	<b>0.11</b>
<b>Economic Services (ES)</b>						
Agriculture & Allied Activities	7.23	24.34	0.00	20.47	18.13	0.09
Irrigation and Flood Control	78.33	98.44	0.18	82.39	95.98	2.17
Power & Energy	0.00	0.00	0.00	0.00	0.00	1.37
Transport	90.90	36.21	75.84	90.99	24.22	26.01
<b>Total (ES)</b>	<b>27.74</b>	<b>13.05</b>	<b>1.34</b>	<b>37.21</b>	<b>9.84</b>	<b>3.21</b>
<b>Total (SS+ES)</b>	<b>19.18</b>	<b>17.86</b>	<b>0.66</b>	<b>23.55</b>	<b>16.72</b>	<b>1.42</b>
TE: Total Expenditure of that sector; CE: Capital Expenditure; RE: Revenue Expenditure; S&W: Salaries and Wages; O&M: Operations & Maintenance, as per Finance Accounts it represents actual expenditure booked under detailed head -05- Maintenance and Repairs.						

Source: Finance Accounts of Government of Jharkhand

<sup>8</sup> On account of loans of ₹ 5,553 crore to DISCOMs under UDAY

## 1.8 Financial analysis of Government expenditure and investments

This section presents a broad financial analysis of investments and other capital expenditure of the Government.

### 1.8.1 Financial results of irrigation projects

The 13<sup>th</sup> and 14<sup>th</sup> Finance Commissions had prescribed cost recovery rate on irrigation projects for assessing commercial viability of these projects. However, as disclosed from the Finance Accounts of the State no irrigation scheme was declared as commercial by the Government of Jharkhand.

As per Appendix VIII (i) of the Finance Accounts, there are 42 Irrigation projects in Jharkhand with total capital outlay of ₹ 1,707.49 crore at the end of 2016-17, of which, ₹ 1,543.47 crore was spent on the working expenses and maintenance charges on these project. During 2016-17, ₹ 62.19 crore received as revenue from these projects.

*Recommendation:*

*The State Government may initiate measures to declare irrigation projects as commercial for cost recovery as per Finance Commissions recommendations.*

### 1.8.2 Incomplete projects

Department wise information pertaining to incomplete projects which were to be completed on or before 31 March 2017 is given in **Table 1.26**.

**Table 1.26: Department-wise profile of incomplete projects**

(₹ in crore)

Department	No. of incomplete projects	Estimated cost of projects	Cumulative expenditure as on 31.3.2017
Building construction	08	49.32	35.58
Drinking Water and Sanitation	23	546.74	534.50
Road construction	134	3,811.45	2,397.16
Rural Works	39	196.16	133.72
Water Resources	76	2,456.72	1,676.56
<b>Total</b>	<b>280</b>	<b>7,060.39</b>	<b>4,777.52</b>

Source: Appendix IX of Finance Accounts 2016-17

The blocking of funds on incomplete works impinges negatively on the quality of expenditure. Delay in completion of projects/ works not only invites the risk of cost escalation but also deprives the State of intended benefits.

Further, it was observed that in eight out of 280 projects, shown in the above table, the estimated cost of ₹ 341.87 crore increased to ₹ 460.23 crore in the revised estimate due to non-completion of projects in time. Revised cost of the remaining projects was not exhibited in Finance Accounts of the State due to departmental officers not furnishing details of these projects.

However, physical progress of eight<sup>9</sup> works of Road Construction Department, included in the above table, costing ₹ 300.22 crore was completed during 2017-18.

<sup>9</sup> 1) Continuation Of Dumka Airport to Chaklata Rd, 2) Strengthening of Bero-Lohardagga Rd. 0 to 39.10 km, 3) W/S Simdega Sewai-Kinkel-Kurdeg-Kutamakachaar Rd, 4) W/S Manoharpur-Anandpur-Bano-Kolebira Rd, 5) W/S Palkot Nathpur Konbir Rd. 0 to 16.84 Km, 6) W/s Kamdara-Bero Rd 0 to 23.60 Km, 7) W/S Jori-Pratappur Rd 0 to 18 km and 8) W/S Jadugora Sunder Nagar Rd.

Work of Ajay Barrage Project which was shown as physically completed in the accounts of the State was completed in six out of seven Divisions executing the project, and only a small part of earth work is incomplete in one division.

*Recommendation:*

*The Public Works Departments of the State may evolve a mechanism to ensure timely completion of projects.*

### 1.8.3 Investment and returns

As per annual accounts of the State ending 31 March 2017, the Government had invested ₹ 273.83 crore in one Regional Rural Bank (₹ 45.73 crore), 12 Government companies (₹ 100.30 crore) and 18 co-operatives, corporations, and societies (₹ 127.80 crore) since inception of the State in November 2000 (Table 1.27). However, during verification of PSUs accounts and sanction orders of the State, Audit observed that the Government accounts had understated investment of ₹ 124.54<sup>10</sup> crore during 2000-2016, due to erroneous budgetary categorisation, viz., not providing for the investment under the appropriate minor head and depicting investment in share capital as GIA.

It was noticed that inspite of profit of ₹ 22.98 crore by the five<sup>11</sup> companies of the State, the return on investment of State was 'nil' during 2016-17. However, the Government paid interest at average rate ranging from 6.63 to 8.76 per cent on its borrowings during the period 2012-17.

**Table 1.27: Returns on investments**

Investment/Return/cost of borrowings	2012-13	2013-14	2014-15	2015-16	2016-17
Investment at the end of the year (₹ in crore)	182.08	226.22	241.25	261.70	273.83
Returns (₹ in crore)	15.00	18.00	Nil	0.47	Nil
Returns ( per cent)	7.99	7.76	Nil	0.18	Nil
Average rate of interest on Govt. borrowing ( per cent)	8.76	7.22	7.22	6.63	6.76
Difference between interest rate and return (per cent)	0.77	0.54	7.22	6.45	6.76
Notional loss due to difference between interest rate of market borrowing and interest received on the returns (₹ in crore)	1.40	1.22	17.42	16.88	18.51

Source: Finance Accounts of Government of Jharkhand-Statement 19

Over the past five years the State Government has incurred a notional loss of ₹ 55.43 crore as difference between the interest on Government's borrowings and the return on investment, of which, there was a notional loss of ₹ 18.51 crore in 2016-17 alone. The return on investment of the State Government is therefore negative.

Audit further observed that investments made by the erstwhile State of Bihar in Government Companies, Co-operative Institutions and Local Bodies, Statutory Corporations and Joint Stock Companies up to 14 November 2000 (₹ 2,389.55

<sup>10</sup> Greater Ranchi Development Authority- ₹ 39.14 crore; Jharkhand Hill Area Lift Irrigation Corporation-₹ 5 crore; Jharkhand Urban Transport Corporation Ltd.- ₹ 15 crore; Jharkhand State Agriculture Development Corporation Ltd.- ₹ 2 crore; Jharkhand Medical and health Infrastructure Development and Procurement Corporation Ltd.-₹ 5 crore; Jharkhand Urban Infrastructure Development Corporation-₹ 35 crore; Jharkhand Silk Textile and handicraft Development Corporation Ltd.- ₹ 10 crore; Jharkhand Urja Vikash Nigam Ltd.- ₹ 8.40 crore and Jharkhand State Food and Civil Supplies Corporation Ltd.- ₹ 5 crore.

<sup>11</sup> 1) Jharkhand State Beverages Corporation Ltd., 2) Jharkhand Industrial Infrastructure Development Corporation Ltd., 3) Greater Ranchi Development Agency Ltd., 4) Jharkhand Silk, Textile and Handicraft Development Corporation Ltd., 5) Jharkhand Police Housing Corporation Ltd.

crore) have not been apportioned between the successor States of Bihar and Jharkhand.

*Recommendation:*

*Government of Jharkhand may liaise with the Government of Bihar for apportionment of investment in various entities by the erstwhile State of Bihar*

#### 1.8.4 Loans and advances by State Government

Apart from equity investments in the above entities, the State Government has also been providing Loans and Advances (L&A) to many of these entities and its employees. **Table 1.28** presents the outstanding Loans and Advances as on 31 March 2017 and interest receipts *vis-à-vis* interest payments during the last five years.

**Table 1.28: Loans and advances given by the State Government**

(₹ in crore)					
Loans/Interest Receipts/ cost of borrowings	2012-13	2013-14	2014-15	2015-16	2016-17
<b>Opening Balance of Loans (₹ in crore)</b>	<b>7,190</b>	<b>7,748</b>	<b>7,947</b>	<b>8,738</b>	<b>16,187</b>
Amount advanced during the year (₹ in crore)	601	222	824	7,480	1,335
Amount recovered during the year (₹ in crore)	43	23	33	31	39
Recovery as percentage of outstanding L&A	0.6	0.3	0.4	0.4	0.2
<b>Closing Balance</b>	<b>7,748</b>	<b>7,947</b>	<b>8,738</b>	<b>16,187</b>	<b>17,483</b>
Net addition (₹ in crore)	558	199	791	7,449	1,297
Total interest receipts (₹ in crore)	0.95	2.74	15.72	4.33	3.88
Interest receipts as a percentage of outstanding L&A	0.01	0.03	0.20	0.05	0.02
Average rate of interest on Govt. borrowing ( <i>per cent</i> )	8.76	7.22	7.22	6.63	6.76
Difference between interest rate on market borrowings and interest received on loans ( <i>per cent</i> )	8.75	7.19	7.02	6.58	6.74
Loss due to difference between interest rate of market borrowing and interest received on the loans (₹ in crore)	53	16	58	492	90

Source: Finance Accounts of Government of Jharkhand

Over the past five years the State Government has incurred a loss of ₹ 709 crore on account of difference in interest received on loans and that the Government's incurred on its borrowings. Of this, the loss amounted to ₹ 90 crore in 2016-17 alone.

A significant portion of the total outstanding loans at the end of March 2017 (₹ 17,483 crore), pertains to loans to DISCOMs (₹ 16,684 crore) and Urban Local Bodies (₹ 674 crore), with loans to DISCOMs under UDAY (₹5,553 crore) contributing to the significant increase in 2015-16.

Outstanding arrears of loanee entities at the end of March 2017 amounted to ₹ 1,527.44 crore (principal: ₹ 518.24 crore and interest: ₹ 1,009.20 crore).

Loans provided to Jharkhand Hill Area Lift Irrigation Corporation (₹ 5 crore) in 2001-02 and Jharkhand State Food and Civil Supplies Corporation Ltd. (₹ 44 crore) in 2011-12 were understated in the government accounts due to incorrect budgetary categorisation under the revenue sector instead of the capital sector. Loans to Jharkhand State Electricity Board (JSEB) amounting to ₹ 7,208 crore continue to be depicted in the government accounts as receivable from Board, even though the Board was unbundled in January 2014 into separate companies.

*Recommendation:*

*Government should take steps to recover the outstanding loans from the institutions/organisations not repaying the principal and interest on the loans,*

*failing which these loans should be written off since the chances of recovery are remote, if not non-existent.*

*Government should ensure correct categorisation of budget for investment in share capital of PSUs. Further, the State Government is required to review investment in companies whose financial performance does not even meet the borrowing cost of capital.*

### 1.8.5 Cash Balances and investment of Cash Balances

Details of cash balances and investments made by the State Government during the year are shown in **Table 1.29**.

**Table-1.29: Cash balances and Investment of Cash balances**

(₹ in crore)

Particulars	As on 31 <sup>st</sup> March 2016	As on 31 <sup>st</sup> March 2017
Cash Balances	1,904.72	1,947.85
Investments from Cash Balances (a to c)	2,102.24	1,439.09
a. GoI Treasury Bills	2,102.24	1,439.09
b. GoI Securities	Nil	Nil
c. Other Investments	Nil	Nil
Interest realized on investment	117.27	117.01
Deposit with Reserve Bank	(-)203.93	502.26
Departmental Cash Balance	6.41	6.50

Source: Finance Accounts of Government of Jharkhand

The cash balance was invested in GoI Treasury Bills by the RBI.

## 1.9 Assets and Liabilities

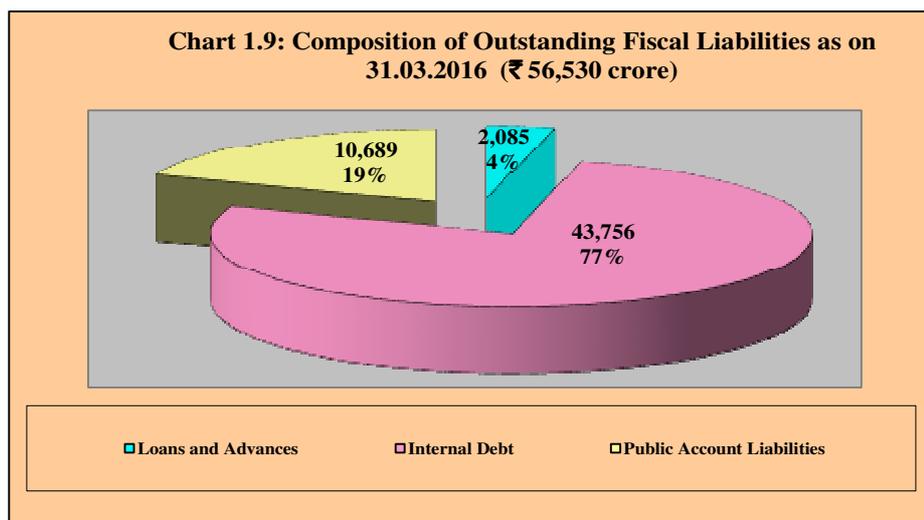
### 1.9.1 Growth and composition of Assets and Liabilities

The Government accounting system does not provide for comprehensive accounting of fixed assets like land and buildings owned by the Government. Nevertheless these are depicted through the financial liabilities of the Government and the assets created out of the expenditure incurred. **Appendix 1.4 Part B** gives an abstract of such liabilities and assets as on 31 March 2017, compared with the corresponding position on 31 March 2016. While the liabilities consist mainly of internal borrowings, Loans and Advances from the GoI, receipts from the Public Account and Reserve Funds, the assets comprise mainly of Capital Outlay, Loans and Advances given by the State Government and the cash balances.

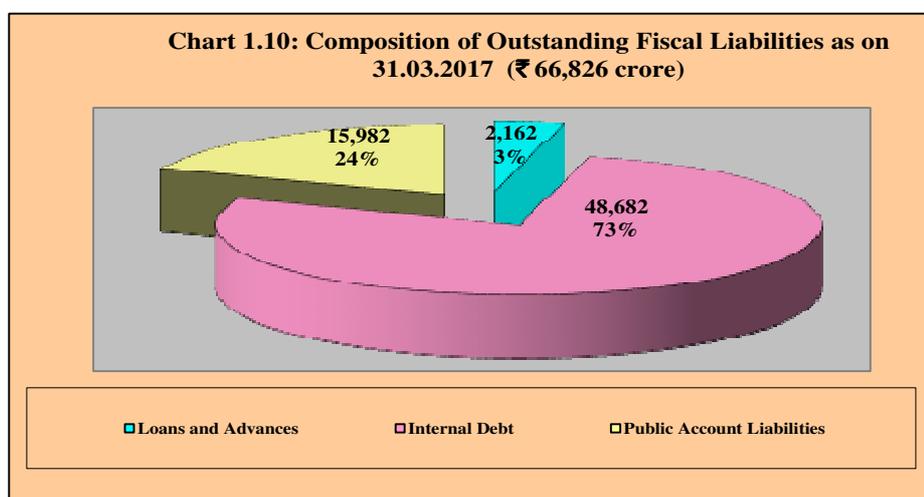
The Jharkhand FRBM Act, 2007 defines the total liabilities of the State as the liabilities under the Consolidated Fund of the State and the Public Account of the State, which includes Loans and Advances from the Central Government, open market borrowings, loans from financial institutions, Public Account balances of Small Savings, Reserve Funds and Deposits etc.

### 1.9.2 Fiscal Liabilities

The trends of outstanding fiscal liabilities of the State are presented in **Appendix 1.3**. However, the composition of fiscal liabilities during the years 2015-16 and 2016-17 is presented in **Chart 1.9** and **Chart 1.10** respectively.



Source: Finance Accounts of Government of Jharkhand



Source: Finance Accounts of Government of Jharkhand

**Table 1.30: Trends in Fiscal Liabilities: basic parameters**

(₹ in crore)

Components	2012-13	2013-14	2014-15	2015-16	2016-17	CAGR
Internal Debt	25,202	27,940	32,755	43,756	48,682	17.89
Loans and Advances from GoI	2,124	2,092	2,087	2,085	2,162	0.44
Public Account Liabilities	7,543	7,562	8,727	10,689	15,982	20.65
<b>Total Fiscal Liabilities</b>	<b>34,869</b>	<b>37,594</b>	<b>43,569</b>	<b>56,530</b>	<b>66,826</b>	<b>17.66</b>
Growth of Fiscal Liabilities ( <i>per cent</i> )	13.7	7.8	15.9	29.7	18.2	NA
Fiscal Liability to GSDP at current price ( <i>per cent</i> )	20.0	19.9	19.9	24.4	26.4	NA
Fiscal Liability to GSDP at constant price ( <i>per cent</i> )	21.4	22.7	26.3	30.3	31.4	NA
Fiscal Liabilities as percentage to Revenue Receipts	140.77	143.83	138.03	139.1	142.0	NA
Buoyancy w.r.t. Revenue Receipts	1.30	1.42	0.76	1.03	1.15	NA

NA- Not applicable

The ratio of Fiscal Liabilities to GSDP was 26.4 *per cent* in 2016-17 compared to the normative projection (25.16 *per cent*) made by the 14<sup>th</sup> FC for the State.

The Fiscal Liabilities of undivided Bihar are yet to be apportioned between the successor States.

*Recommendation:*

*The State should ensure to achieve the projection of 14<sup>th</sup> FC regarding the Fiscal Liabilities of the State.*

### 1.9.3 Sinking Fund

Following the recommendations of the 12<sup>th</sup> Finance Commission, the State has created a Consolidated Sinking Fund for amortisation of all loans including loans from banks, liabilities on account of National Small Savings Funds etc. Further, as per recommendation of the 12<sup>th</sup> Finance Commission, a minimum annual contribution of 0.50 *per cent* of outstanding liabilities at the beginning of the year was required to be transferred in the fund.

GoJ has an outstanding debt of ₹ 56,530.48 crore at the beginning of the year, for which, a minimum amount of ₹ 282.65 crore was required to be transferred to the fund, against which, GoJ made provision of ₹ 200 crore in Budget during 2016-17. However, no amount was transferred to the fund in 2016-17 despite budget provision.

*Recommendation:*

*GoJ should follow the recommendation of the 12<sup>th</sup> Finance Commission and transfer the required amount in the Sinking Fund for amortisation of debt.*

### 1.9.4 State Disaster Response Fund (SDRF)

The SDRF had a closing balance of ₹ 1,259.21 crore at March 2017. As per Para 19 and 20 of SDRF guidelines 2010, the balances under funds should be invested by the State Executive Committee in (a) Central Government Dated Securities (b) Auctioned Treasury Bills and (c) Interest earning deposits and certificates of deposits with Scheduled Commercial Banks. However, the Government did not act as per guidelines. As per SDRF guidelines, the Government was required to pay interest on the uninvested balances at the rate of interest to be paid on overdrafts. However, GoJ had not paid any interest to SDRF since the creation of the fund. This works out to ₹ 403.63 crore as estimated at the applicable rates of interest for the period 2010-17. Of this, unpaid interest for 2016-17 alone amounted to ₹ 74.50 crore, resulting in overstatement of revenue surplus and understatement of fiscal deficit for the year. Such unpaid interest also increased the liability of the State Government to this extent.

*Recommendation:*

*The State should invest the huge balance lying under this fund as per the guidelines.*

### 1.9.5 Status of Guarantees – Contingent liabilities

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.

As per the recommendation of the 12<sup>th</sup> Finance Commission, the GoJ was required to constitute a Guarantee Redemption Fund (GRF) with minimum annual contribution of 0.50 *per cent* of outstanding guarantees at the beginning of the year. Accordingly, GoJ was required to create a GRF and transfer ₹ 6.32<sup>12</sup> crore to the fund from 2005-06 (start of 12<sup>th</sup> FC period) to 2016-17,

<sup>12</sup> Against outstanding guarantees of ₹ 157.15 crore to Damodar Valley Corporation for payment of monthly bills against the electricity purchased by Jharkhand State Electricity Board.

which it failed to do. Of this untransferred amount, ₹ 0.79 crore pertains to 2016-17 alone.

However, the State Government has not created the Guarantee Redemption Fund.

*Recommendation:*

*The State Government should create and operate the Guarantee Redemption Fund as per the recommendation of the 12<sup>th</sup> FC.*

## 1.10 Debt Management

### 1.10.1 Debt profile

Apart from the magnitude of debt of the State Government, it is important to analyse the various indicators that determine the debt sustainability<sup>13</sup> of the State. This section assesses the sustainability of debt of the State Government in terms of debt stabilisation<sup>14</sup>; sufficiency of non-debt receipts<sup>15</sup>; net availability of borrowed funds<sup>16</sup>; burden of interest payments (measured by interest payments to revenue receipts ratio) and the maturity profile of State Government securities.

### 1.10.2 Debt Sustainability

**Table 1.31** analyses the debt sustainability of the State according to these indicators for a period of five years beginning from 2012-13.

**Table 1.31: Debt Sustainability: Indicators and Trends**

(₹ in crore)

Indicators of Debt Sustainability	2012-13	2013-14	2014-15	2015-16	2016-17
Debt-GSDP ratio	20.0	19.9	19.9	24.4	26.4
Sufficiency of Incremental Non-debt Receipts (Resource Gap)*	(-)39	1,275	(-)2,885	4,313	(-)2,113
Net Availability of Borrowed Funds	1,814	110	3,046	9,641	6,224
Burden of Interest Payments (IP/RR Ratio)	10	10	9.28	8.17	8.87
<b>Maturity Profile of State Debt (In Years)</b>					
0 – 1	1,381(5)	1,453(5)	1,590(4)	1,338(3)	2,123(4)
1 – 3	3,031(11)	2,916(10)	3,368(10)	4,535(10)	5,226(10)
3 – 5	3,358(12)	4,373(14)	5,032(14)	4,236(9)	4,224(8)
5 – 7	5,009(19)	4,160(14)	3,723(11)	7,857(17)	9,579(19)
7 and above	14,547(53)	17,131(57)	21,129(61)	27,875(61)	29,693(58)
<b>Total</b>	<b>27,326</b>	<b>30,033</b>	<b>34,842</b>	<b>45,841</b>	<b>50,845</b>

Percentage to total is shown in brackets.

\*Formula in **Appendix 1.2**

During 2016-17, the Debt-GSDP ratio at 26.4 *per cent* was higher than 25.16 *per cent* fixed as normative projection by 14<sup>th</sup> FC, and significantly higher than the target fixed in the budget document (24.13 *per cent*). Significant inter year

<sup>13</sup> Debt sustainability is defined as the ability of the State to maintain a constant debt-GSDP ratio over a period of time. It 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 a balance between costs of additional borrowings and returns from such borrowings. It means that a rise in fiscal deficit should match the increase in capacity to service the debt.

<sup>14</sup> A necessary condition for stability states that if the rate of growth of the economy exceeds the interest rate or the cost of public borrowings, the debt-GSDP ratio is likely to be stable provided the primary balances are either zero or positive or are moderately negative.

<sup>15</sup> Adequacy of incremental non-debt receipts of the State to cover the incremental interest liabilities and incremental primary expenditure. Debt sustainability could be significantly facilitated if the incremental non-debt receipts could meet the incremental interest burden and the incremental primary expenditure.

<sup>16</sup> Defined as the ratio of debt redemption (Principal + Interest Payments) to total debt receipts and indicates the extent to which debt receipts are used in debt redemption indicating the net availability of borrowed funds.

fluctuations in Resource Gap indicates inconsistent collection of non-debt receipts by the State during the period 2012-17.

**Table 1.32: Net availability of borrowed funds**

Particulars	₹ in crore)				
	2012-13	2013-14	2014-15	2015-16	2016-17
Receipts under public debt and other liabilities	14,718	12,840	19,808	28,482	19,193
Repayment (principal and interest) under public debt and other liabilities	12,904	12,730	16,762	18,841	12,969
Net fund available	1,814	110	3,046	9,641	6,224
Percentage of net fund available to receipts under public debt and other liabilities	12.32	0.86	15.38	33.85	32.43

During 2016-17, net availability of borrowed funds decreased by 35 per cent over the previous year against 191 per cent increase in 2015-16. The increase during 2015-16 was due to borrowing of fund on UDAY Bond (by ₹ 5,553 crore) for power sector.

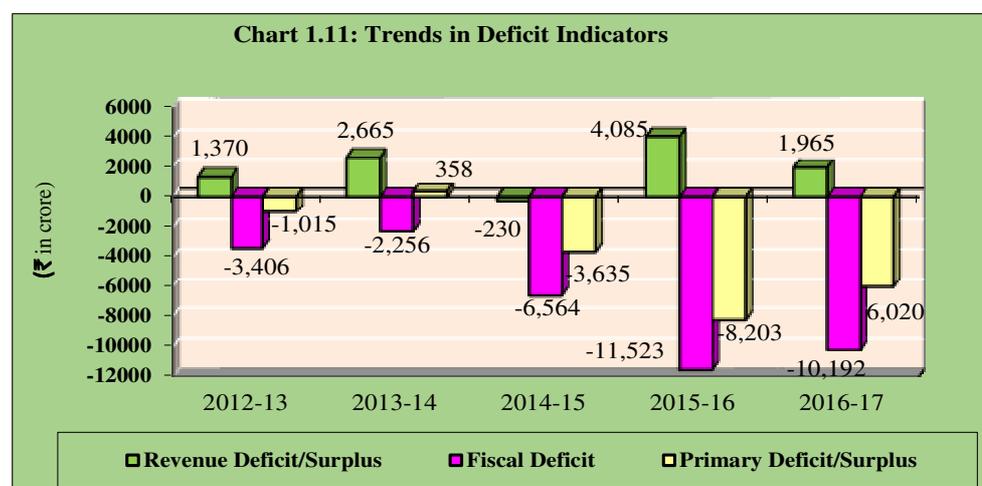
Net availability of borrowed fund was low during 2013-14 due to less receipt of deposit not bearing interest (by ₹ 1,519 crore), less internal borrowings (by ₹ 364 crore) and less receipts of Government of India loans (by ₹ 133 crore) w.r.t. previous year.

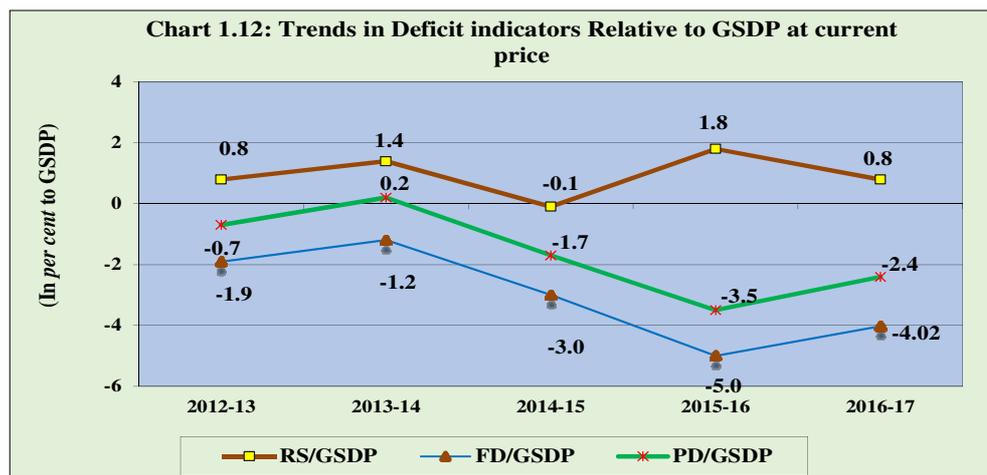
It was observed that net availability of borrowed funds as percentage to receipts under borrowings was higher in case of Jharkhand (32.43 per cent) in comparison to the other neighboring States like Uttar Pradesh (25.75 per cent), Madhya Pradesh (30.51 per cent), Bihar (19.15 per cent) and Chattisgarh (25.44 per cent) which was indicative of availability of borrowed funds for capital works in the State.

## 1.11 Fiscal Imbalances

### 1.11.1 Trends in deficits

Chart 1.11 and Chart 1.12 present the trends of deficit indicators over the period 2012-17.





The State managed to show a Revenue Surplus of ₹ 1,965 crore in 2016-17 mainly by incurring less revenue expenditure than the original budget estimates (by ₹ 1,389 crore under General Services, and by ₹ 2,684 crore under Social Services, despite excess expenditure of ₹ 399 crore under Economic Services).

Though the State achieved the target (as per the State FRBM Act and recommendations of the State Finance Commissions) of reducing the Revenue Deficit to 'zero' during 2012-17, except 2014-15, it could only achieve a Revenue Surplus to GSDP ratio of 0.8 *per cent* in 2016-17 against the target of 2.76 *per cent*. The Fiscal Deficit to GSDP ratio was 4.02 *per cent* at the end of March 2017, against the target of 2.22 *per cent* fixed in the budget document and the 14<sup>th</sup> FC norms of 3.50 *per cent*.

After inter year fluctuation Primary Deficit was (-)2.4 *per cent* of GSDP in 2016-17.

**Recommendation:**

*The Government should ensure achievement of target fixed by 14<sup>th</sup> FC as well as estimated in the budget.*

---

---

## **Chapter-2**

# **FINANCIAL MANAGEMENT AND BUDGETARY CONTROL**

---

---



## CHAPTER 2

### FINANCIAL MANAGEMENT AND BUDGETARY CONTROL

#### 2.1 Introduction

Audit of Appropriations seeks to ascertain whether the expenditure actually incurred under various grants is within the authorisation given in the Appropriation Act and if the expenditure is required to be charged under the provisions of the Constitution, it is so charged. It also ascertains whether the expenditure so incurred is in conformity with the law, relevant rules, regulations, and instructions.

#### 2.2 Mechanism for Budget Management

The significant provisions of the Bihar Budget Manual (as adopted by Jharkhand) relating to budget management are as under:

(i) The Budget Estimates of the State are to be prepared in the form prescribed by the Finance Department (**Rule 52**).

(ii) The estimates under each Major Head prepared by the Controlling Officers of different departments are to be examined by the Finance Department and compiled for presentation of the first edition budget to the Government (**Rule 79**).

(iii) All anticipated savings should be surrendered to the Government immediately when they are foreseen unless they are required to meet excesses over grant under some other units. No savings should be held in reserve for possible future excesses (**Rule 112**).

(iv) Supplementary grants should be obtained in consultation with the Finance Department to meet new specific items of expenditure or to cover probable excesses in the voted grant (**Rule 117**).

Audit observed large savings in several grants during 2016-17, indicating deficiencies in budget management as discussed in the succeeding paragraphs.

#### 2.3 Summary of Appropriation Accounts

The summarised position of actual expenditure during 2016-17 against 60 grants/appropriations is as given in **Table 2.1**.

**Table 2.1: Summarised position of actual expenditure vis-à-vis Original/Supplementary Grants for the year 2016-17**

(₹ in crore)

	Nature of Expenditure	Total Grant/Appropriation	*Actual Expenditure	Saving (-)/Excess (+)	Amount Surrendered	Amount Surrendered only in March 2017	Percentage of Savings surrendered in March (Col 6/Col 5)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Voted	(I) Revenue	51,805.65	40,913.05	(-)10,892.60	9,524.94	9,454.86	99.26
	(II) Capital	12,678.95	10,860.69	(-)1,818.26	2,084.81	2,084.81	100.00
	(III) Loans and Advances and Inter State Settlement	1,681.81	1,335.06	(-)346.75	0.00	0.00	0.00
<b>Total Voted</b>		<b>66,166.41</b>	<b>53,108.80</b>	<b>(-)13,057.61</b>	<b>11,609.75</b>	<b>11,539.67</b>	<b>99.40</b>
Charged	(IV) Revenue	4,731.84	4,246.12	(-)485.72	629.13	629.13	100.00
	(V) Capital	0.00	0.00	0.00	0.00	0.00	0.00
	(VI) Public Debt-Repayment	2,067.46	2,077.88	(+)10.42	34.57	34.57	100.00
<b>Total Charged</b>		<b>6,799.30</b>	<b>6,324.00</b>	<b>(-)475.30</b>	<b>663.70</b>	<b>663.70</b>	<b>100.00</b>
<b>Grand Total</b>		<b>72,965.71</b>	<b>59,432.80</b>	<b>(-)13,532.91</b>	<b>12,273.45</b>	<b>12,203.37</b>	<b>99.43</b>

Source: Appropriation Accounts of the Government of Jharkhand 2016-17

\* The expenditure figures are in gross without taking into account the recoveries adjusted in the accounts as reduction of revenue voted expenditure (₹ 70.13 crore).

Note: Expenditure in respective heads was inaccurately stated to the extent of ₹ 955 crore drawn through AC bills during 2016-17 against which DC bills were not submitted as on 31 March 2017.

During 2016-17, the overall savings of ₹ 13,532.91 crore (18.55 per cent of the total budget) was the result of savings of ₹ 13,543.66 crore (₹ 11,378.64 crore in 55 voted grants and five appropriations under the Revenue Section and ₹ 2,165.02 crore in 36 grants under the Capital Section), offset by excess of ₹ 10.75 crore in one grant and one appropriation.

It was noticed during scrutiny that against total savings of ₹ 13,543.66 crore during the year, ₹ 12,203.37 crore (90.10 per cent) was surrendered in the month of March 2017 leaving the Finance Department virtually no time to Government to utilise the fund prudently on the schemes selected for the year.

It was further observed that the Finance Department failed to utilise the Monthly Civil Accounts Statement and Monthly Appropriation Accounts sent by the Principal Accountant General (A&E) to ensure better financial management and avoid the large savings and excess expenditure within the grants.

Further, it was noticed that out of 1,527 sub-heads captured in Appropriation Accounts of Government of Jharkhand 2016-17, reasons for savings in 1,085 sub-heads and reasons for excesses in 60 sub-heads were not furnished by the departments.

*Recommendation:*

*The Finance Department should monitor trend of expenditure by Departmental Controlling Officers, so that funds are not retained unnecessarily and are surrendered at the earliest, without resorting to last minute surrenders and lapsing of allocations.*

## 2.4 Financial Accountability and Budget Management

### 2.4.1 Appropriations against allocative priorities

Against the total savings of ₹ 13,543.66 crore, savings of ₹ 9,979.81 crore (74 per cent) occurred in 23 cases relating to 19 grants as indicated in **Table 2.2**. In these cases, savings exceeded ₹ 100 crore and was 20 per cent or more of the grant.

**Table 2.2: List of Grants with savings of ₹ 100 crore and above and 20 per cent or more of the grant**

(₹ in crore)

Sl. No.	Number and name of the Grant/Appropriation	Total Grant	Actual expenditure	Savings	Percentage of Savings to Total Grant
<b>Revenue-Voted</b>					
1	59-School Education and Literacy Department (Primary and Adult Education Division)	6,793.64	5,434.74	1,358.90	20.00
2	42-Rural Development Department (Rural Development Division)	4,723.26	3,469.80	1,253.46	26.54
3	39-Home, Jail and Disaster Management Department (Disaster Management Division)	1,295.30	455.28	840.02	64.85
4	60-Women, Child Development and Social Security Department	3,178.56	2,414.68	763.88	24.03
5	20-Health, Medical Education and Family Welfare Department	2,664.64	1,957.38	707.26	26.54
6	48-Urban Development and Housing Department (Urban Development Division)	3,449.57	2,757.82	691.75	20.05
7	51-Welfare Department (Welfare Division)	1,914.64	1,316.17	598.81	31.28
8	1-Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	1,449.78	923.73	526.05	36.28
9	58-School Education and Literacy Department (Secondary Education Division)	1,714.57	1,202.17	512.40	29.89
10	18-Food, Public Distribution and Consumer Affairs Department	1,515.53	1,120.57	394.96	26.06
11	40-Revenue, Land Reforms and Registration Department (Revenue and Land Reforms Division)	525.55	364.44	161.11	30.66
12	23-Industries Department	445.65	292.64	153.01	34.33
13	49-Water Resources Department	398.65	265.88	132.77	33.30
14	19-Forest, Environment and Climate Change Department	624.34	496.04	128.30	20.55
15	26-Labour, Employment and Skill Development Department	281.43	170.66	110.77	39.36
16	54-Agriculture, Animal Husbandry and Co-operative Department (Dairy Division)	321.84	221.40	100.44	31.21
<b>Capital-Voted</b>					
17	49-Water Resources Department	1,510.87	1,121.11	389.76	25.80
18	10-Energy Department	1,543.25	1,228.76	314.49	20.38
19	50-Water Resources Department (Minor Irrigation Division)	613.46	389.80	223.66	36.46
20	20-Health, Medical Education and Family Welfare Department	733.07	511.55	221.52	30.22

21	60-Women, Child Development and Social Security Department	265.10	116.96	148.14	55.88
22	3-Building Construction Department	573.62	441.63	131.99	23.01
23	1-Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	551.76	435.40	116.36	21.09
<b>Total Voted</b>		<b>37,088.08</b>	<b>27,108.61</b>	<b>9,979.81</b>	<b>73.69</b>

Source: Appropriation Accounts of Government of Jharkhand

Detailed scrutiny of Grants no. 42 and 59 revealed the following:

- The entire allocation (₹ 166.32 crore) was surrendered under Indira Awas Yojna.
- Savings amounting to ₹ 253.60 crore were surrendered under MNREGA.
- Savings amounting to ₹ 559.99 crore surrendered under grants in aid for Sarva Siksha Abhiyan .

In 46 cases (36 grants/ appropriations), savings exceeded ₹ 10 crore and was 20 per cent or more of the grant in each case as detailed in **Appendix 2.1** with the total savings aggregating to ₹ 10,809.02 crore. Further, in 156 sub-head/schemes under 29 grants/appropriations, savings exceeded ₹ 20 crore in each case and aggregated to ₹ 8,661.12 crore (64 per cent of total savings). Details are given in **Appendix 2.2**. Large savings adversely affect implementation of development programmes in the State.

*Recommendations:*

*State Government should prepare budget as per actual requirement obtained from the field units and ensure optimum utilisation of estimates.*

#### **2.4.2 Anticipated savings not surrendered**

As per Rule 112 of the Budget Manual, spending departments are required to surrender grants/ appropriations or portions thereof to the Finance Department as and when savings are anticipated.

Out of total savings of ₹ 13,543.66 crore during 2016-17, a sum of ₹ 1,629.52 crore (₹ one crore and above in each under 11 grant/ appropriation) were not surrendered, as detailed in **Appendix 2.3**. Further, it was observed that during 2016-17, in 16 grants, surrender of ₹ 363.15 crore was in excess of the actual savings which indicates that expenditure was made even after submission of surrender letters by the concerned departments. Details of 61 cases (₹ 10 crore or more in each case) where savings amounting to ₹ 2,516.60 crore surrendered in March 2017 is given in **Appendix 2.4**.

*Recommendations:*

*All anticipated savings should be surrendered on time so that the funds can be utilised for other development purposes.*

#### **2.4.3 Persistent savings**

In 12 cases (11 departments), there were persistent savings of 10 per cent or more of the total grants, during the last five years (**Table 2.3**).

**Table 2.3: List of Grants indicating Persistent Savings during 2012-17**

(₹ in crore)

Sl. No.	Number and name of the Grant	Amount of savings				
		2012-13	2013-14	2014-15	2015-16	2016-17
<b>Revenue-Voted</b>						
1	20-Health, Medical Education & Family Welfare Department	326.13(53)	171.13(15)	967.84(42)	947.27(34)	707.26(27)
2	1-Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	264.25(37)	566.53(58)	552.00(58)	750.47(56)	526.05(36)
3	18-Food, Public Distribution and Consumer Affairs Department	307.90 (28)	570.55(50)	439.49(34)	505.63(39)	394.96(26)
4	40-Revenue, Land Reforms and Registration Department (Revenue and Land Reforms Division)	77.17 (23)	125.67(32)	99.80(26)	112.41(26)	161.11(31)
5	23-Industries Department	82.94(29)	120.80(41)	148.57(40)	132.47(31)	153.01(34)
6	49-Water Resources Department	92.55(29)	85.14(26)	87.83(25)	105.11(29)	132.77(33)
7	26-Labour, Employment and Skill Development Department	232.43 (25)	308.12(30)	349.95(28)	1088.29(73)	110.77(39)
8	2-Agriculture, Animal Husbandry and Co-operative Department (Animal Husbandry Division)	35.50(22)	35.53(22)	41.73(25)	37.66(20)	95.59(33)
9	35-Planning-cum-Finance Department (Planning Division)	594.38 (88)	533.61(83)	99.14(27)	691.14(60)	95.77(26)
10	43-Higher and Technical Education Department (Science and Technology Division)	37.03(40)	18.45(25)	21.31(15)	24.90(24)	29.27(17)
11	17-Commercial Tax Department	27.17 (38)	8.18(13)	23.36(32)	18.45(27)	19.49(27)
<b>Capital-Voted</b>						
12	49-Water Resources Department	1,232.85(74)	1,130.96(68)	1,196.28(68)	544.62(33)	389.76(26)

Figures in bracket indicate percentage of savings to total budget under the grant

Persistent large savings over the years indicate improper estimation under the Grants. Details of savings in some major schemes under six Departments performing Social and Economic Services are depicted below:

**Grant No. 1 - Agriculture Animal Husbandry and Co-operative Department (Agriculture Division)**

(₹ in crore)

Sl. No.	Name of Scheme/Head	2014-15		2015-16		2016-17	
		Budget	Savings	Budget	Savings	Budget	Savings
1	National Food Security Mission	48.07	35.73 (74)	63.51	18.42 (29)	70.01	41.67 (60)
2	National Horticulture Mission Programme	88.00	35.71 (41)	105.00	57.40 (55)	90.00	43.10 (48)

Source: Appropriation Accounts 2014-15, 2015-16 and 2016-17

Figures in bracket indicate percentage of savings to total budget under the head of accounts

**Grant No. 18 - Food, Public Distribution and Consumer Affairs Department**

(₹ in crore)

Sl. No.	Name of Scheme/Head	2014-15		2015-16		2016-17	
		Budget	Savings	Budget	Savings	Budget	Savings
1	Mukhyamantri Dal-Bhat Yojna	19.48	17.88 (92)	23.00	11.91 (52)	25.00	11.65 (47)
2	Computerisation Yojna	60.94	49.76 (82)	60.94	54.82 (90)	40.00	23.10 (58)

Source: Appropriation Accounts 2014-15, 2015-16 and 2016-17

Figures in bracket indicate percentage of savings to total budget under the head of accounts

### Grant No. 42 - Rural Development Department (Rural Development Division)

(₹ in crore)

Sl. No.	Name of Scheme/Head	2014-15		2015-16		2016-17	
		Budget	Savings	Budget	Savings	Budget	Savings
1	Swarnajayanti Gram Swarojgar Yojna Scheme for General	465.59	394.25 (85)	400.00	227.80 (57)	362.00	86.98 (24)
2	Indira Awas Yojna	720.00	432.24 (60)	757.00	110.81 (15)	1,165.17	182.94 (16)

Source: Detailed Appropriation Accounts 2014-15, 2015-16 and 2016-17

Figures in bracket represent percentage of savings to total budget under the head of accounts.

### Grant No. 58 - School Education and Literacy Department (Secondary Education Division)

(₹ in crore)

Sl. No.	Name of Scheme/Head	2014-15		2015-16		2016-17	
		Budget	Savings	Budget	Savings	Budget	Savings
1	Construction of Girls Hostel	67.71	64.22(95)	73.56	58.18(79)	47.30	23.82(50)
2	Rashtriya Madhyamik Shiksha Abhiyan	117.64	71.87(61)	198.59	80.53(41)	198.57	40.91(21)

Source: Detailed Appropriation Accounts 2014-15, 2015-16 and 2016-17

Figures in bracket represent percentage of savings to total budget under the head of accounts.

### Grant No. 59 - School Education and Literacy Department (Primary and Adult Education Division)

(₹ in crore)

Sl. No.	Name of Scheme/Head	2014-15		2015-16		2016-17	
		Budget	Savings	Budget	Savings	Budget	Savings
1	Grants-in-aid to Sarva Siksha Abhiyan	1,708.57	384.32 (22)	1,997.02	961.21 (48)	1,699.50	635.68 (37)
2	Government Primary and Middle School	3,240.62	1,253.96 (39)	2,659.13	519.50 (20)	3,171.97	420.70 (13)
3	Amount for price of food grains for Mid-Day Meal Programme	44.00	25.38 (58)	40.70	12.78 (31)	45.00	19.82 (44)

Source: Detailed Appropriation Accounts 2014-15, 2015-16 and 2016-17

Figures in bracket represent percentage of savings to total budget under the head of accounts.

### Grant No. 60 - Women, Child Development and Social Security Department

(₹ in crore)

Sl. No.	Name of Scheme/Head	2014-15		2015-16		2016-17	
		Budget	Savings	Budget	Savings	Budget	Savings
1	Integrated Child Development Scheme (ICDS)	495.00	233.81 (47)	589.36	299.97 (51)	400.00	148.95 (37)
2	Rajiv Gandhi Scheme for Empowerment of Adolescent Girls	57.93	55.38 (96)	66.04	45.32 (69)	68.76	39.74 (58)
3	Integrated Child Protection Scheme (ICPS)	24.00	21.62 (90)	27.60	21.24 (77)	24.00	9.80 (41)

Source: Detailed Appropriation Accounts 2014-15, 2015-16 and 2016-17

Figures in bracket represent percentage of savings to total budget under the head of accounts.

#### *Recommendations:*

*All anticipated savings should be surrendered on time so that the funds can be utilised for other development purposes.*

#### **2.4.4 Advances from Contingency Fund**

Advances from the Contingency Fund are to be made only for meeting expenditure of unforeseen and emergent character, postponement of which, till authorisation by the Legislature, would be undesirable. The corpus of the Contingency Fund was ₹ 500 crore during 2016-17.

Audit found that during 2016-17, ₹ 382.07 crore was withdrawn on 52 occasions from the Contingency Fund. Out of these, on 22 occasions, a total amount of ₹ 348.52 crore was withdrawn for reasons that should have been foreseen at the time of preparation of the budget estimates, and were therefore, neither unforeseen nor of emergent nature. Details are given in the **Table 2.4**.

**Table 2.4: Expenditure from Contingency Fund of the State**

Sl. No.	Head of account	Detail of work	Advance (₹ in crore)
1.	2013-00-105-02	Discretionary Grant to Ministers	5.67
2.	2052-00-090-24	Cabinet Secretariat (Co-ordination and Protocol)-Purchase of New Motor Vehicles	0.60
3.	2052-00-090-25	Cabinet Secretariat (Chief Secretary, Secretariat) Foreign Travelling Allowances	0.29
4.	2070-00-115-02	Purchase of New Motor Vehicles	0.22
5.	2070-00-800-11	Jharkhand State Formation Day Celebration	10.00
6.	2070-00-800-13	Refund of amount deducted under incongruous head/ Refund for excess amount deducted under Congruous head	0.50
7.	2205-00-105-05	District Central Library- Grants-in-aid	0.57
8.	2215-02-191-08	Grants-in-aid to Nagar Nigams	4.37
9.	2215-02-193-05	Grants-in-aid to Nagar Panchayat and NAC for Water and Sanitation	1.13
10.	2215-01-102-03	Hand Pump, Tanks and Wells-High Pressure Tube Wells	2.50
11.	2225-02-796-74	Seminar & Technology	1.00
12.	2230-01-102-02	Inspection of workshop/Factories	0.25
13.	2235-02-796-A2	One Stop Centre	0.28
14.	2245-01-102-04	Maintenance/Upgradation/Renovation of Tube well and other water Supply Infrastructure in Urban Area	28.19
15.	2801-80-101-13	Jharkhand Bijli Vitran Nigam Ltd. (JBVNL)	200.00
16.	3055-00-190-01	Assistance to State Road Transport Corporation Jharkhand	33.18
17.	3451-00-090-17	Panchyati Raj N.R.E.P. (Special Division)	1.49
18.	3451-00-090-03	Department of Science and Technology	0.53
19.	4059-01-796-39	Construction works of Court Building/Residential Building/Police Barack in court campus and other construction works related to Court (Central Share75: State Share-25)	30.44
20.	3456-00-796-51	Pradhanmantri Ujjwala Yojana	25.00
21.	3452-80-104-11	Grant-in-aid to Institute of Hotel Management, Food craft Institute, Jharkhand Adventure Tourism Institute and Tourism Development Authorities etc.	1.00
22.	3452-01-796-02	Publicity Work	1.31
<b>Total</b>			<b>348.52</b>

Source: Information compiled by office of the Principal Accountant General (A&E) Jharkhand

However, the total withdrawal from the fund during 2016-17 was recouped through supplementary budget.

*Recommendation:*

*The State Government should ensure that no advances are drawn from the Contingency Fund except to meet expenditure of emergent and unforeseen nature.*

### **2.4.5 Excess over provisions in previous years requiring regularisation**

Under 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.

Excess expenditure of ₹ 2,739.12 crore over provisions for the years 2001-02 to 2015-16 was yet to be regularised (October 2017) as detailed in **Appendix 2.5**. The year-wise amount of excess expenditure pending regularisation is summarised in **Table 2.5**.

**Table 2.5: Excess relating to previous years requiring regularisation**  
(₹ in crore)

Year	Number of the		Amount of excess over provision
	Grant	Appropriation	
2001-02	25 & 32		0.04
2002-03	32		0.08
2003-04	46		0.29
2004-05	40		@
2006-07	38		\$
2010-11	32		0.10
2011-12	15 & 25	14	420.16
2012-13	7, 15 & 42	14	1,263.18
2013-14	15	13 & 14	694.05
2014-15	42	13	361.21
<b>Total</b>			<b>2,739.12</b>

Source: Appropriation Accounts of Government of Jharkhand

@ excess amount was ₹ 1,072 only

\$ excess amount was ₹ 81,665 only

In addition, the following excess as given in **Table 2.6** below, pertaining to 2016-17 is also to be regularised.

**Table 2.6: Excess over provisions requiring regularisation during 2016-17**  
(₹ in crore)

Sl. No.	Number and name of grant/appropriation	Total grant / appropriation	Expenditure	Excess
<b>Charged Appropriation</b>				
1	14-Repayment of Loans	2,067.46	2,077.88	10.42
2	32-Legislative Assembly	0.35	0.68	0.33
<b>Total</b>		<b>2,067.81</b>	<b>2,078.56</b>	<b>10.75</b>

Source: Appropriation Accounts 2016-17 of Government of Jharkhand

**Recommendation:**

*All the existing cases of excess expenditure need to be got regularised at the earliest and in future such expenditure may be completely stopped, except in case(s) of dire and extreme emergency, where the expenditure should only be met from the Contingency Fund.*

**2.4.6 Avoidable/excessive Supplementary Provision**

Supplementary provisions aggregating ₹ 3,315.06 crore (35 per cent) obtained in 38 cases (₹ one crore or more in each case) during the year out of total supplementary budget provision of ₹ 9,463.03 crore proved unnecessary as the expenditure did not come up even to the level of the original provisions as detailed in **Appendix 2.6**. In all these cases, it was noticed that the original allotment provided under some sub-heads were not exhausted and huge savings occurred under these sub-heads.

**2.4.7 Excessive/Insufficient re-appropriation of funds**

Injudicious re-appropriation under six sub-heads during 2016-17 as detailed in **Appendix 2.7** proved excessive or insufficient. Under four schemes/ sub-heads, additional funds of ₹ 0.25 crore were provided through re-appropriation leading to savings of ₹ 0.52 crore while in three schemes/sub-heads ₹ 6.31 crore was re-appropriated to other schemes/sub-heads resulting in excess expenditure of ₹ 6.48 crore in those schemes/sub-heads at the end of year.

Further, ₹ 55.52 crore were re-appropriated to two schemes/sub-heads which proved insufficient considering the excess expenditure of ₹ 1.35 crore under those schemes.

#### **2.4.8 Substantial surrender of funds**

In 156 cases funds amounting to ₹ 2,980.12 crore (cases where 100 *per cent* of the provisions and surrender of more than ₹ two crore in each case) were surrendered, resulting in non-implementation of schemes/programmes. Details are given in **Appendix 2.8**.

*Recommendations:*

*The Government should ensure that the excessive, unnecessary supplementary provision and injudicious surrender be avoided.*

### **2.5 Rush of expenditure**

The Jharkhand Budget Manual rule 113 stipulates that rush of expenditure in the closing month of the financial year should be avoided. Uniform flow of expenditure is essential to ensure that the primary requirement of budgetary control is maintained. It was observed, however, that expenditure of ₹ 6,966.05 crore (69.82 *per cent*) was incurred in the last quarter of the year 2016-17 against the total expenditure of ₹ 9,977.08 crore in 29 heads (expenditure exceeding ₹ 20 crore in each case) of accounts listed in **Appendix 2.9**. Of this, ₹ 3,970.49 crore (39.80 *per cent*) of total expenditure was incurred in the month of March 2017.

Rush of expenditure in the closing month of the financial year entails risk of misuse of public money and unhealthy practices.

*Recommendation:*

*The State Government should strictly adhere the provisions of budget manual.*

### **2.6 Departmental figures not reconciled**

Though the Audit Reports are regularly point out non-reconciliation of departmental figures by Controlling Officers (COs) with the books of the Principal Accountant General (A&E), the irregularities continued to persist during 2016-17. Against the total receipts of ₹ 54,173.81 crore during 2016-17, ₹ 16,795.77 crore (31.00 *per cent*) was not reconciled. Similarly, out of total expenditure of ₹ 59,362.67 crore during the year 2016-17, ₹ 30,728.97 crore (51.76 *per cent*) was not reconciled. Details of un-reconciled expenditure exceeding ₹ 10 crore or more in each case aggregating to ₹ 27,438.37 crore during 2016-17 are given in **Appendix 2.10**.

*Recommendation:*

*The Finance Department is required to evolve a mechanism requiring Controlling Officers to invariably reconcile, on monthly basis, the receipt and expenditure details with the PAG (A&E).*

### **2.7 Budgetary Process for Grant No. 41 -Road Construction Department**

#### **2.7.1 Introduction**

The Road infrastructure of the State is divided into three categories viz; primary system (National Highways), secondary system (State Highways and

Major District Roads) and tertiary system (Rural Roads and Other District Roads).

The National Highways are the property of the Ministry of Roads Transport & Highways, Government of India (GoI) and maintained by Road Construction Department (RCD), Government of Jharkhand funded by GoI.

The State Highway, Major District Roads and other roads known as ‘PWD Roads’ are the property of RCD, Government of Jharkhand (GoJ). These roads are maintained and upgraded by RCD.

A review of budgetary process of Grant No. 41- Road Construction Department for the year 2016-17 revealed that against the total budget provision of ₹ 4,612.31 crore (Plan ₹ 4,310.55 crore and Non-Plan ₹ 301.76 crore) for the year 2016-17, the Department incurred expenditure of ₹ 4,521.03 crore (Plan ₹ 4,293.76 crore and Non-Plan ₹ 227.27 crore) (98.02 *per cent*) leaving a total savings of ₹ 91.28 crore (Plan ₹ 16.79 crore and Non-Plan ₹ 74.49 crore) (1.98 *per cent*). Moreover, out of total savings of ₹ 91.28 crore, ₹ 76.17 crore (Plan ₹ 27.29 crore and Non-Plan ₹ 48.88 crore) was surrendered and balance ₹ 15.11 crore was allowed to lapse during 2016-17 as shown below:

**Table 2.7: Details of budget provisions and expenditure during 2016-17**

(₹ in crore)

Details	Plan	Non-Plan			Grand Total (Plan+Non-Plan)
		Work	Estt.	Total	
Original Grant	4,000.00	164.76	121.54	286.30	4,286.30
Supplementary Grant	310.55	15.25	0.21	15.46	326.01
<b>Total Grant</b>	<b>4,310.55</b>	<b>180.01</b>	<b>121.75</b>	<b>301.76</b>	<b>4,612.31</b>
Expenditure	4,293.76	115.85	111.42	227.27	4,521.03
Savings	(-)16.79	(-)64.16	(-)10.33	(-)74.49	(-)91.28
Surrender (Re-appropriation)	(-)27.29	(-)40.38	(-)8.50	(-)48.88	(-)76.17
Lapse	10.50	(-)23.78	(-)1.83	(-)25.61	(-)15.11

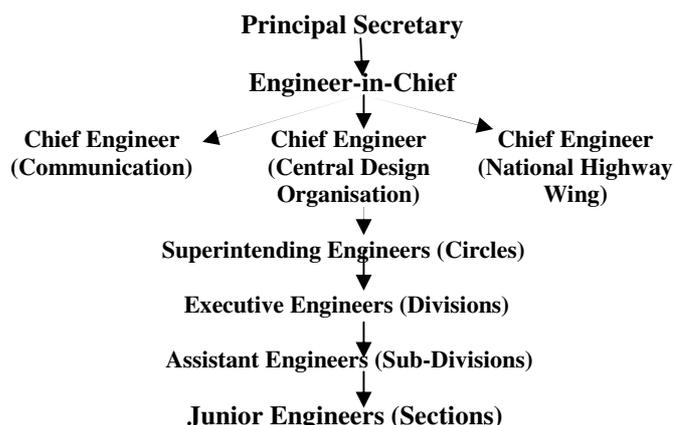
Source: Appropriation Account of Government of Jharkhand

## 2.7.2 Organisational set-up

The Department carries out the technical (engineering) functions<sup>1</sup> and the executive (support) functions<sup>2</sup> for achieving its objectives. The Principal Secretary/Secretary is the Chief Controlling Officer of the Department, assisted by an Engineer-in-Chief and three Chief Engineer-in-charge of various functions. The field units of the Department are Circles, Divisions, Sub-divisions and Sections headed by the Superintending Engineer (SE), Executive Engineer (EE), Assistant Engineer (AE) and the Junior Engineer (JE) respectively. The organisational set-up of the Department is as under:

<sup>1</sup> Planning, design and cost estimation for the proposed works, tendering for sanctioned works; payments to contractors; monitoring of ongoing works and office administration.

<sup>2</sup> Consolidated planning for RCD, budgeting for works, sanctioning of schemes, macro level monitoring, periodical review of schemes, financial management of all works and training of RCD personnel.



## Audit findings

### 2.7.3 Delay in submission of Budget Estimates

Rule 62 of Bihar Budget Manual as adopted by Jharkhand stipulates the budget calendar for preparation of budget. We noticed in audit that Finance Department, Government of Jharkhand revised (September 2015) the prescribed dates for submission of general budget and preparation of Comprehensive Outlay of Budgetary Transaction (COBT) after approval of the Minister concerned between 06 November (for non-plan) and 15 December 2015 (for Plan) against stipulated date of 1<sup>st</sup> October in the Budget Manual.

Scrutiny of records revealed that the Department submitted Non-Plan Budget Estimates (BEs) to the Finance Department on 24<sup>th</sup> November 2015 with a delay of 19 days against the target date of 06 November 2015 while it prepared and submitted (04<sup>th</sup> February 2016) proposal for plan budget to the Planning and Development Department, Government of Jharkhand with a delay of 50 days against target date of 15 December 2015 prescribed by the Finance Department.

The delay pointed out by the audit was accepted by the Joint Secretary of the Road Construction Department, Jharkhand.

### 2.7.4 Avoidable supplementary provision

As per Rule 57, 131 & 132 Bihar Budget manual (as adopted), the estimates should be accurate.

We noticed that during 2016-17, original and supplementary provision (August 2017) of the RCD for non-plan were ₹ 286.30 crore and ₹ 15.46 crore respectively. The Department utilised ₹ 227.27 crore during 2016-17, which was less than the original provision. The Department demanded supplementary provision of ₹ 15.46 crore in five out of thirteen sub-heads (**Appendix 2.11**) in which original provisions have not been exhausted. This could have been avoided if the estimate was prepared with requisite care based on the requirements of the field offices.

The Joint Secretary, RCD stated (November 2017) that ₹ 15.25 crore demanded as matching fund for central release and ₹ 0.21 crore was demanded for the expenses under the establishment sub-head in which the original budget provision was 'nil'.

Reply was not convincing as the supplementary budget of ₹ 0.21 crore demanded under the sub-heads in which original budget provisions had already been provided.

### 2.7.5 Excess expenditure over budgetary provision

As per Rule 138 of Budget Manual, excess expenditure should be strictly avoided.

We observed that expenditure of ₹ 84.98 crore was incurred by the Department against the budget provision of ₹ 84.90 crore under a Head 5054-03-337-08. Thus, the excess expenditure of ₹ 0.08 crore under major head 5054-Plan indicating defective control over expenditure. Further, expenditure of ₹ 28.85 crore was incurred by the Department without budget provision under Plan Head 5054-03-799-01 and provision surrendered (₹ 27.29 crore) exceeded the final saving (₹ 16.79 crore) by ₹ 10.50 crore under Plan.

The Joint Secretary, RCD accepted the facts and stated (November 2017) that fund would be released to the disbursing authorities within the budgetary provisions.

Reply was not convincing as per Detailed Appropriation Account 2016-17 an excess expenditure of ₹ 28.85 crore was incurred by the Department without budget provision under Plan Head 5054-03-799-01.

### 2.7.6 Surrender on the last day of the financial year

As per Rule 112 of Budget manual all anticipated savings should be surrendered immediately, they are foreseen without waiting till the end of the year. No savings should be held in reserve for possible future excesses. Further, as per Rule 135 when the need for a surrender manifests itself the controlling officer should carefully estimates the amount that he can surrender.

We observed that ₹ 76.17 crore (Plan ₹ 27.29 crore and Non-Plan ₹ 48.88 crore) against budget provision of ₹ 4,612.31 crore, was surrendered by the Department on 31<sup>st</sup> March 2017. In five out of seven<sup>3</sup> test checked divisions the amount of ₹ 13.70 crore was surrendered on 31<sup>st</sup> March 2017. Details are as under:

**Table 2.8: Surrender on the last day of the financial year**

(₹ in crore)

Sl.N o.	Name of Divisions	Surrender Amount on 31 <sup>st</sup> March 2017		
		Non Plan (work)	Plan	Total
1	EE, RCD, Daltonganj	0.48	3.23	3.71
2	EE, RCD, Dumka	0.80	0.00	0.80
3	EE, RCD, Gumla	0.03	0.34	0.37
4	EE, RCD, Hazaribagh	0.00	0.74	0.74
5	EE, RCD, Jamshedpur	8.08	0.00	8.08
<b>Total</b>				<b>13.70</b>

Thus, from above, amount of ₹ 76.17 crore was surrendered on 31<sup>st</sup> March 2017 leaving no scope to utilise the fund on other schemes by the Government.

<sup>3</sup> Ranchi, Jamshedpur, Daltonganj, Gumla, Hazaribagh, Dumka and Deoghar

While accepting the facts, the Joint Secretary, RCD stated (November 2017) that instruction would be issued to field offices for timely submission of balance amount.

### 2.7.7 Non-utilisation of funds leading to hundred *per cent* surrender

Scrutiny of Appropriation Account for the year 2016-17 revealed that ₹ 1.40 crore (100 *per cent*) remained unutilised and finally surrendered under head 5054-03-052-06 by the Secretary, RCD, whereas, ₹ 9.69 crore (100 *per cent*) was surrendered by three out of seven test checked divisions. Details are given below:

**Table 2.9: Non-utilisation of funds leading to hundred *per cent* surrender**

(₹ in crore)

Sl. No.	Name of Divisions	Heads	No. of scheme in which amount was surrendered	Allotment	Expenditure	Surrender
1	Ranchi	3054	07	1.02	Nil	1.02
		5054	02	1.50	Nil	1.50
2	Jamshedpur	3054	10	6.37	Nil	6.37
3	Dumka	3054	03	0.80	Nil	0.80
<b>Total</b>			<b>22</b>	<b>9.69</b>	<b>Nil</b>	<b>9.69</b>

The Joint Secretary, RCD accepted the fact and stated (November 2017) that instruction would be issued to field offices.

### 2.7.8 Rush of expenditure

As per provision (Rule 113 of Budget Manual), rush of expenditure particularly in the closing months of the financial year will ordinarily be regarded as a breach of financial regularity. Hence, rush of expenditure particularly in the closing month should be avoided.

We observed that in three out of 12 sub-heads (Plan) in the RCD, 99 *per cent* and above expenditure were incurred in the month of March. Further, in seven test checked divisions it was noticed that the expenditure under major head 3054 (Non-plan work) ranged between 26 to 71 *per cent* in the month of March. Details are given below:

**Table 2.10: Rush of expenditure**

(₹ in crore)

Sl. No	Department/Divisions	Head	Total Expenditure	Expenditure in March	Percentage of expenditure in March
	Department	5054-03-337-02 (Plan)	73.74	72.71	99
		5054-03-796-02 (Plan)	20.16	20.16	100
		5054-03-796-06 (Plan)	1.15	1.15	100
		<b>Total</b>	<b>95.05</b>	<b>94.02</b>	
1	EE, RCD, Daltonganj	3054-Non-Plan (work)	3.16	0.81	26
2	EE, RCD, Deoghar	3054-Non-Plan (work)	27.65	12.99	47
3	EE, RCD, Dumka	3054-Non-Plan (work)	4.31	2.31	54
4	EE, RCD, Gumla	3054-Non-Plan (work)	1.14	0.53	46
5	EE, RCD, Hazaribagh	3054-Non-Plan (work)	2.64	1.26	48
6	EE, RCD, Jamshedpur	3054-Non-Plan (work)	1.82	1.18	65
7	EE, RCD, Ranchi	3054-Non-Plan (work)	13.24	9.35	70.52
<b>Total</b>			<b>53.96</b>	<b>28.43</b>	
<b>Grand Total</b>			<b>149.01</b>	<b>122.45</b>	

The Joint Secretary, RCD accepted the fact and stated (November 2017) that instruction would be issued to field offices.

### 2.7.9 Non-reconciliation of departmental expenditure figures

Rule 134 of Budget Manual requires that Controlling Officer should arrange to reconcile departmental accounts with the books of Accountant General on monthly basis to avoid chances of misclassification of expenditure and receipts.

We observed that in contravention of provisions of Budget Manual, ₹ 597.72 crore, out of total expenditure of ₹ 4,521.03 crore, remained un-reconciled with the Principal Accountant General's book during the year 2016-17. Details are given below:

**Table 2.11: Non-reconciliation of departmental expenditure figures**

(₹ in crore)

Sl. No.	Heads	Total Expenditure	Reconciled amount	Un-reconciled amount
1	Plan	4,293.76	3,769.81	523.95
2	Non-Plan (Work)	115.85	103.24	12.61
3	Non-Plan (Estt.)	111.42	50.26	61.16
<b>Total</b>		<b>4,521.03</b>	<b>3,923.31</b>	<b>597.72</b>

Further, test check of seven divisions revealed that out of total un-reconciled amount of ₹ 597.72 crore in the department a sum of ₹ 71.08 crore was not reconciled by the five divisions with the books of Principal Accountant General during 2016-17. Details are in **Appendix 2.12**.

Joint Secretary, RCD, stated (November 2017) that field offices are instructed to reconcile their expenditure.

*Recommendation:*

*The Road Construction Department should adhere to the provisions of the Budget Manual to prepare its budget estimation more realistic.*

---

---

**Chapter-3**  
**FINANCIAL REPORTING**

---

---



## CHAPTER 3

### FINANCIAL REPORTING

This Chapter provides an overview and status of the State Government's compliance with various financial rules, procedures and directives during the year 2016-17.

#### 3.1 Outstanding Utilisation Certificates against grants

The Jharkhand Financial Rules (JFR) stipulate that departmental officers should obtain Utilisation Certificates (UC) from the grantees and after verification should forward these to the Accountant General (A&E), Jharkhand within 12 months of their sanction.

Audit observed that 17,324 UCs due in respect of grants aggregating to ₹ 29,449.52 crore paid up to 2015-16, were outstanding at the end of March 2017. A significant part of these UCs were outstanding against six Departments, viz., Education Department (800 UCs aggregating ₹ 10,850.96 crore), Urban Development Department (5,673 UCs aggregating ₹ 4,588.34 crore), Welfare Department (7,198 UCs aggregating ₹ 1,641.86 crore), Health Department (18 UCs aggregating ₹ 851.03 crore), Industry Department (504 UCs aggregating ₹ 390.10 crore) and Agriculture Department (136 UCs aggregating ₹ 275.82 crore). Department-wise break-up of outstanding UCs is given in **Appendix 3.1**.

As on 31 March 2017, the number and amount of outstanding UCs were 17,324 and ₹ 29,449.52 crore respectively as shown in **Table 3.1**.

**Table 3.1: Outstanding Utilisation Certificates (as on 31.03.2017)**

(₹ in crore)

Year in which GIA disbursed	Year in which UCs due	Utilisation Certificates Outstanding	
		Number	Amount
Up to 2013-14	Up to 2014-15	5,564	4,748.06
2014-15	2015-16	2,408	11,981.28
2015-16	2016-17	9,352	12,720.18
<b>Total Number of UCs awaited</b>		<b>17,324</b>	<b>29,449.52</b>

Source: Finance Accounts of Government of Jharkhand 2016-17

Further, the comparative status of last four years in six departments having major outstanding UCs as on 31 July 2017 is given in the Table below:

**Table 3.2: Major departments with outstanding Utilisation Certificates  
(as on 31.07.2017)**

(₹ In crore)

Sl. No.	Name of Department	2012-13		2013-14		2014-15		2015-16	
		No. of UCs	Amount	No. of UCs	Amount	No. of UCs	Amount	No. of UCs	Amount
1	Human Resources	2	32.00	12	404.49	103	6,642.29	557	2,509.26
2	Rural Development	0	0.00	0	0.00	01	0.90	191	1,551.57
3	Panchayati Raj and NREP	41	447.56	449	568.23	944	1,974.75	136	675.51
4	Energy	0	0.00	0	0.00	6	1,852.02	22	2,204.44
5	Urban Development	796	432.04	856	413.54	905	868.56	946	2,191.98
6	Welfare	98	166.11	152	166.77	215	226.26	6,505	1,038.08
<b>Grand Total</b>		<b>937</b>	<b>1,077.71</b>	<b>1,469</b>	<b>1,553.03</b>	<b>2,174</b>	<b>11,564.78</b>	<b>8,357</b>	<b>10,170.84</b>

The increase in amount and number of pending UCs after 2013-14 is a consequence of GoI's decision (July 2013) to effect transfers to State implementing agencies through the State Governments instead of directly to the agencies as was the practice earlier.

Non-receipt of UCs against the GIA bills for huge amounts of ₹ 29,449.52 crore at the end of March 2017 indicates failure of the departmental officers to comply with the rules and procedures to ensure timely submission of utilisation of the grants for the intended purpose. High pendency of UCs is fraught with the risk of misappropriation of funds and fraud.

It was also noticed that after relaxing the treasury code rule 329-331 by the GoJ vide letter no. 759/F dated 20.03.2015 which stopped requirement of authority letter from Pr.AG (A&E), the amount of outstanding utilisation certificates raised from ₹ 5,148.57 crore in 2014-15 to ₹ 29,449.52 crore in 2016-17.

*Recommendation:*

*The Finance Department should prescribe a time frame within which administrative departments releasing grants, collect UCs pending for more than the time stipulated in the grant orders and also ensure that till such time, administrative departments release no further grants to defaulting grantees. The Government may initiate appropriate action against the officers who defaulted submission of UCs in time.*

### **3.2 Submission of accounts and audit of Autonomous Bodies, Authorities and grantee institutions**

#### **3.2.1 Audit under Sections 14 and 15 of CAG's (DPC) Act, 1971**

Bodies and authorities that are substantially financed by way of loans or grants from the Consolidated Fund, or those that receive such loans or grants for specific purposes are audited by the CAG. As on date, there are 75 such bodies and authorities, of which 72 have been audited, as per details in **Appendix 3.2**.

Scrutiny revealed that out of 75 bodies/authorities only four bodies/authorities had submitted their updated accounts. Out of remaining bodies/authorities three bodies/authorities have not submitted their accounts to audit since inception while delay in submission of accounts of other bodies/authorities ranged between one to 13 years even after repeated reporting.

*Recommendation:*

*State Government need to take appropriate measures to ensure that these accounts are compiled and submitted for audit within a fixed timeframe, to ensure that financial irregularities, if any, do not go undetected.*

### 3.2.2 Audit under section 19 & 20 of CAG's (DPC) Act, 1971

There are five<sup>1</sup> Autonomous Bodies in the State which are to be audited under Sections 19 & 20 of the C&AG's (DPC) Act, with regard to verification of their transactions, operational activities and accounts, conducting compliance audit of transactions, review of internal management and financial controls, review of systems and procedures, etc.

Statement showing submission of accounts and status of audit of these autonomous bodies is given in **Table 3.3**.

**Table 3.3: Statement showing submission of accounts and status of audit of the autonomous bodies**

Sl. No.	Name of Bodies/ Authority	Year up to which accounts were rendered	Period up to which SAR was issued	Placement of SAR in the Legislature	Comments
1	Jharkhand State Legal Services Authority (JHALSA)	2015-16	2015-16	Not Intimated	Annual Accounts for the years 2016-17 have not been received so far (August 2017)
2	Jharkhand State Electricity Regularity Commission (JSERC)	2011-12	2011-12	03.03.2014	Annual Accounts for the years 2012-13 to 2015-16 have not been received so far (August 2017)
3	Rajendra Institute of Medical Sciences (RIMS)	Nil	Nil	Nil	In spite of active persuasion annual accounts for the years 2010-11 to 2016-17 have not been received as of September 2017.
4	Ranchi Institute of Neuro-Psychiatry & Allied Sciences (RINPAS), Ranchi	Nil	Nil	Nil	Annual Accounts have not been received till date. However, Compliance Audit is being conducted regularly.
5	Jharkhand Housing Board, Ranchi	Nil	Nil	Nil	Annual Accounts have not been received since inception (2001). However, Compliance Audit is being conducted regularly.

<sup>1</sup> (i) Jharkhand State Legal Services Authority (JHALSA) including 22 District Legal Services Authorities (DLSAs) (ii) Jharkhand State Electricity Regulatory Commission (JSERC) (iii) Rajendra Institute of Medical Sciences (RIMS) (iv) Ranchi Institute of Neuro-Psychiatry & Allied Sciences (RINPAS) and (v) Jharkhand Housing Board, Ranchi.

Placement of SARs in case of audited accounts of JHALSA has not been intimated in spite active pursuance. Further, audit pursued the matter regularly with the concerned authorities for submission of accounts of three bodies mentioned in the above table but the same has not been submitted to audit since inception. However, compliance audit of these bodies are regularly conducted.

### 3.2.3 Delay in submission of accounts of Public Sector Undertakings (PSUs)

Section 96(1) of the Companies Act stipulates that the financial statements of the companies for every financial year are required to be finalised within six months from the end of the relevant financial year i.e. by 30 September of the next financial year. Failure to submit accounts on time renders the officers of the company liable to penal provisions under the Act, extending the fine up to ₹ one lakh and with further fine upto ₹ 5,000 for every additional day of default. **Table 3.4** below provides the details of progress made by working PSUs in finalisation of accounts as of 31 December 2017.

**Table 3.4: Position relating to finalisation of accounts of working and non-working PSUs**

Sl. No.	Particulars	Working	Non-working	Total
1	Number of PSUs	21	3	24
2	Number of PSUs having accounts in arrears	19	3	22
3	Number of accounts in arrear	54	15	69
4(a)	Number of PSUs with arrears more than six year	2	1	3
4(b)	Number of accounts in arrear in the above PSUs	15	8	23
5(a)	Number of PSUs with arrears between three to five year	7	1	8
5(b)	Number of accounts in arrear in the above PSUs	26	6	32
6(a)	Number of PSUs with arrears between one to two year	10	1	11
6(b)	Number of accounts in arrear in the above PSUs	13	1	14
7	Extent of arrears (numbers in years)	1 to 8	1 to 8	1 to 8

Source: Data compiled from the information furnished by the company

Due to non-finalisation of accounts, the C&AG has been unable to perform the supplementary audit of companies as stipulated in Company Act for periods up to eight years.

The above denotes failure of the concerned administrative departments and specifically of the Finance Department for their inability to ensure that the defaulting companies comply with the relevant Acts.

The State Government had extended Budgetary support of ₹ 2,658.06 crore in 11 working PSUs {Equity: ₹ 76.25 crore, Loans: ₹ 1,271.80 crore, Capital Grants: ₹ 1,310.01 crore} during the period. The State Government also extended budgetary support of ₹ 15.53 crore to one non-working Company during the period.

*Recommendation:*

*The Finance Department should review the cases of all PSUs that are in arrears of accounts, ensure that the accounts are made current within a reasonable period, and stop financial support in all cases where accounts continue to be in arrears.*

### 3.2.4 Dividend not declared by PSUs

The State Government had not formulated any dividend policy under which PSUs are required to pay a minimum return on the paid up share capital contributed by the State Government. As per their latest finalised accounts, five PSUs with government equity of ₹ 75.74 crore earned an aggregate profit of ₹ 22.97 crore but did not declare any dividend.

*Recommendation:*

*State should formulate dividend policy for return on its investments as share capital.*

### 3.3 Audit of funds drawn on Abstract Contingent (AC) bills

The Jharkhand Treasury Code (JTC), 2016 stipulates that when contingent charges are drawn as an advance from the treasury on Abstract Contingent (AC) bills without supporting vouchers, the relevant Detailed Contingent (DC) bills supported with sub-vouchers and countersigned by the Controlling Officer (CO) are to be submitted to the Accountant General (A&E) within six months from the date of the AC bill.

Year-wise details of pending DC bills are given in **Table 3.5**.

**Table 3.5: Details of pending DC bills**

(₹ in crore)

Year	AC bills drawn		DC bills submitted		Outstanding DC bills		Percentage of outstanding amount of DC bills
	Number	Amount	Number	Amount	Number	Amount	
Upto 2013-14	54,563	15,172	45,692	11,576	8,871	3,596	24
2014-15	550	721	734	385	(-)184	336	47
2015-16	851	1,225	446	461	405	764	62
2016-17	459	1,268	48	313	411	955	75
<b>Total</b>	<b>56,423</b>	<b>18,386</b>	<b>46,920</b>	<b>12,735</b>	<b>9,503</b>	<b>5,651</b>	<b>31</b>

Source: Notes to Accounts of Finance Accounts of respective years

The Departments with maximum amount of pending DC bills are: 'Rural Development Department' (₹ 1,189 crore), 'Welfare Department' (₹ 628 crore), 'Health, Medical Education and Family Welfare Department' (₹ 540 crore) 'Women, Child Development and Social Security Department' (₹ 530 crore), and 'Agriculture, Animal Husbandry and Co-operative Department' (₹ 260 crore). Department-wise comparative details of outstanding DC bills are given in table below:

**Table 3.6: Department-wise comparative details of outstanding DC bills**

(₹ in crore)

Sl. No.	Name of Department	Outstanding DC bills as on 17.04.2018					
		upto 2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	Agriculture and Sugarcane Development Department	86.96	7.00	2.07	1.16	25.66	57.00
2	Health, Medical Education and Family Welfare Department	390.27	0.24	31.71	24.28	68.44	18.05
3	Rural Development Department	489.78	30.50	26.63	82.80	163.83	214.63
4	Welfare Development	438.51	44.72	60.51	4.69	21.40	22.23
5	Women, Child Development and Social Security Department	418.49	30.12	0.18	0.10	83.72	0.00
<b>Total</b>		<b>1824.01</b>	<b>112.58</b>	<b>121.10</b>	<b>113.03</b>	<b>363.05</b>	<b>311.91</b>

As shown in the above table a huge amount of DC bills was outstanding against Rural Development Department which increased significantly year after year.

Non-submission of DC bills within the prescribed time not only breaches financial discipline but also entails risk of misappropriation of public money and unhealthy practices.

### **3.4 Audit of funds drawn on AC bills by Road Construction Department**

Audit of the funds withdrawn on AC bills during the period 2000-17 by Road Construction Department (RCD) was conducted. It was noticed in RCD, ₹ 450.15 crore was drawn through 199 AC bills under Major heads 3054 (₹ 0.39 crore) and 5054 (₹ 449.76 crore) during the period as shown in **Table 3.7.**

**Table 3.7 Outstanding DC bills**

(₹ in crore)

Year	AC bills drawn						DC bills submitted						Outstanding		Percentage of outstanding amount
	Head				Total		Head				Total				
	3054		5054				3054		5054						
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	
2000-14	178	0.38	07	135.10	185	135.48	153	0.32	06	134.54	159	134.86	28	0.62	0.47
2014-15	00	0.00	02	9.00	02	9.00	00	0.00	01	5.26	01	5.26	01	3.74	42
2015-16	01	0.01	05	58.66	06	58.66	00	0.00	02	52.37	02	52.37	04	6.30	11
2016-17	00	0.00	06	247.00	06	247.00	00	0.00	03	207.88	03	207.88	03	39.12	16
<b>Grand Total</b>	<b>179</b>	<b>0.39</b>	<b>20</b>	<b>449.76</b>	<b>199</b>	<b>450.15</b>	<b>153</b>	<b>0.32</b>	<b>12</b>	<b>400.05</b>	<b>165</b>	<b>400.37</b>	<b>36</b>	<b>49.78</b>	

Source: AC/DC details report O/o the Principal Accountant General (A&amp;E)

We observed the following during audit:

**3.4.1 Un-authorised withdrawal of funds on AC bills for Capital Works**

The Jharkhand Treasury Code (JTC) defines 'contingent charges' or 'contingencies' means and includes all incidental and other expenses which are incurred for the management of an office as an office, or for the technical working of a department other than those which, under prescribed rules of classification of expenditure, fall under some other head of expenditure e.g. 'works', 'stock', 'tools and plant' etc. Thus, AC bills cannot be drawn for capital works.

However, it was noticed during audit that AC bills amounting to ₹ 314.66 crore (March 2015 to December 2016) was drawn by the Under Secretary, RCD, Ranchi, Jharkhand for construction of Road and Bridges, and transferred to State Highway Authority of Jharkhand (SHAJ) for execution of the works which was contradictory to the above provisions of JTC .

While accepting the facts, the Deputy Secretary, RCD stated (February 2018) that field offices have been directed to avoid the same.

*Recommendation:*

*The Finance Department should ensure that all controlling officers adjust in a time bound manner, all AC bills pending beyond the prescribed period, and also ensure that AC bills are not drawn merely to avoid lapse of budget.*

**3.4.2 Withdrawal against AC bills at the end of the financial year**

The Appropriation Act stipulates that funds drawn from the Treasury should be utilised within the financial year. The Jharkhand Treasury code also forbids withdrawals from the Treasury to prevent lapse of appropriation.

Details of withdrawals on AC bills during 2014-17 are given in **Table 3.8**.

**Table 3.8: Withdrawal of AC bills at the end of the financial year**

(₹ in crore)

Year	Total Withdrawal						Drawn in March						Percentage of withdrawal in March
	Head				Total		Head				Total		
	3054		5054				3054		5054				
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount			
2014-15	00	0.00	02	9.00	02	9.00	00	0.00	02	9.00	02	9.00	100
2015-16	01	0.01	05	58.66	06	58.67	00	0.00	03	13.66	03	13.66	23
2016-17	00	0.00	06	247.00	06	247.00	00	0.00	01	25.00	01	25.00	10
<b>Total</b>	<b>01</b>	<b>0.01</b>	<b>13</b>	<b>314.66</b>	<b>14</b>	<b>314.67</b>	<b>00</b>	<b>0.00</b>	<b>06</b>	<b>47.66</b>	<b>06</b>	<b>47.66</b>	

Source: VLC data

The Department accepted (February 2018) the facts.

### 3.4.3 Funds drawn on AC bills kept in Bank accounts

The Jharkhand Treasury Code stipulates that funds should not be drawn unless required for immediate disbursement. Further, the Jharkhand Financial Rules prohibit the keeping of Government money outside Government Account.

Audit observed that in contravention to rules funds amounting to ₹ 32.66 crore drawn during March 2016 to February 2017 by Under Secretary, RCD on AC bills were transferred to the implementing agency State Highways Authority of Jharkhand (SHAJ), which was parked in savings bank accounts of the agency (as of May 2017).

*Recommendation:*

*It is recommended that State Government should ensure timely submission of DC bills as per extant rules and provisions.*

### 3.5 Audit of Detailed Contingent (DC) bills of 2016-17

During the year 2016-17, a total 1495 DC bills valued at ₹ 684.48 crore were adjusted. Out of these 101 DC bills valued at ₹ 241.59 crore, pertaining to eleven<sup>2</sup> major heads, were test checked. The audit findings are given below:

- **DC bills not supported with Vouchers**

During Audit verification it was noticed that as required in the treasury code vouchers were not submitted with 75 DC bills amounting to ₹ 232.05 crore as detailed in **Appendix 3.3**.

In the above cases utilisation certificates and DC bill forms stating the expenditure without vouchers were submitted. Hence, authenticity of expenditure of amount drawn on AC bill could not be ascertained in audit.

<sup>2</sup> 2040- Taxes on sales, trade etc.; 2202- General Education; 2225-Welfare of SC ST OBC and Minority; 2402- Soil and Water Conservation; 2403-Animal Husbandry; 4225- Capital outlay on Welfare of SC ST OBC and Minority; 4055- Capital Outlay on Police; 4403-Capital outlay on Animal Husbandry and 5054- Capital outlay on Roads and Bridges, 2401-Crop Husbandry, 2053-District Administration.

- **Refund of unutilised amount of ₹ 0.45 crore**

In five<sup>3</sup> out of eleven test checked major heads, a total amount of ₹ 0.76 crore in 12 cases, adjusted in DC bills during the period from 2001-02 to 2015-16, ₹ 0.45 crore was deposited into treasury after retention of funds for a period ranging between one and 15 years without utilisation.

- **Delayed submission of DC bills**

During scrutiny it was revealed that out of 101 DC bills selected for audit, 74 bills involving ₹ 78.89 crore detailed in **Appendix 3.4** were submitted with a delay up to 14 years which was much beyond the prescribed limit of six months provided in the JTC.

- **DC Bills not countersigned**

It was noticed that 60 DC bills involving ₹ 31.73 crore were submitted without countersignature of the controlling officers which was against the provision of rule 184. Thus, the DC bills were not authenticated by the controlling officer.

- **Other irregularity**

Director, Agriculture withdrew ₹ 6.82 crore under Major Head 2401-Crop Husbandry through three AC bills which was remitted into treasury after a gap of three months and DC bills were submitted after a period of five and half years in March 2017.

The audit observations were forwarded to the Finance Department, Government of Jharkhand and the other concerned departments in December 2017 and January 2018. No reply has been received from them so far.

### **3.6 Reporting of cases on misappropriation, losses etc.**

Rule 31 of the Jharkhand Financial Rules, provides that loss of public money, government revenue, stores or other property by defalcations or otherwise should be immediately reported by the office to the higher authority, Finance Department as well as to the Accountant General (Audit), Jharkhand even when such loss has been made good by the party responsible for it. Such reports must be submitted as soon as a suspicion arises that there has been a loss; these must not be delayed while enquiries are made.

In reply to the audit request (10 July 2017 and 25 August 2017) no information has been received from the Finance Department as of September 2017.

However, in previous years in reply to audit request FD directed the departments to provide the information and departments in turn instructed the DDOs to provide the same to audit which indicates that FD has no data base as required under rule 31 to monitor such cases. Thus, FD is unable to know the number of such cases and its status at any point of time.

<sup>3</sup> 2202- General Education; 2225- Welfare of SC ST OBC and Minority; 4225- Capital outlay on Welfare of SC ST OBC and Minority; 2402- Soil and Water Conservation and 2403-Animal Husbandry

*Recommendation:*

*Finance Department should develop a mechanism in the light of financial rule 31 so that the state will be aware of number of such cases, amount involved in it and its status as on date.*

### 3.7 Classification between Revenue and Capital

Revenue expenditure is recurring in nature and is intended to be met from revenue receipts. Capital expenditure is defined as expenditure incurred with the object of increasing concrete assets of a material and permanent character or of reducing permanent liabilities. However, the Government has incorrectly provided and incurred expenditure of ₹ 1.16 crore towards “Major Works” under the Revenue Section during the year as indicated in **Appendix 3.5**. Consequently, the Revenue Surplus and assets of the State Government for the financial year 2016-17 is understated to this extent.

Expenditure relating to Grants-in-Aid as per the Indian Government Accounting Standard (IGAS)-2 is to be classified as Revenue expenditure. The State Government made budget provision and classified ₹ 105.00 crore under capital major head 4235-Capital outlay on social security and welfare (₹100.00 crore) and 4702-capital outlay on Minor Irrigation (₹ 5.00 crore) for construction/ Maintenance/ Upgradation of Angan Wadi Centre under ICDS and grant for pay to Jharkhand state water society and JHALCO respectively. Further, ₹ 583.79 crore was spent during 2016-17 from capital head on Salary, maintenance, office expenses, travelling allowances etc., which was revenue in nature. Consequently, the Revenue Surplus and Capital Outlay of the State Government for the financial year 2016-17 stood overstated to this extent. The matter has been brought to the notice of State Government but remained uncorrected.

### 3.8 Funds drawn and kept in Personal Ledger (PL) Accounts

As per rule 174 of Jharkhand Treasury Code money should not be withdrawn from Treasury unless it is required for immediate payment.

Review of Finance Accounts and Voucher Level Computerisation (VLC) data related to the transactions in the minor heads under the Major Head of accounts 8448-Deposits of Local Funds for the year 2016-17 revealed that there were 155 Personal Ledger Accounts of the State as of 31 March 2017.

During 2016-17, ₹ 8,406.87 crore were added in the opening balance of ₹ 5,217.97 crore leading to accumulation of ₹ 13,624.84 crore in PLAs. Further, ₹ 4,136.44 crore spent during the year leaving a balance of ₹ 9,488.40 crore at the end of 2016-17 in the PLAs. Year wise details of balances in PLAs are given below:

**Table 3.9: Funds in Personal Ledger Accounts**

(₹ in crore)				
Year	Opening balance	Receipts	Disbursement	Closing Balance
2013-14	2,954.43	2,613.93	2,970.86	2,597.50
2014-15	2,597.50	5,155.09	4,422.64	3,329.95
2015-16	3,329.95	12,054.22	10,166.20	5,217.97
2016-17	5,217.97	8,406.87	4,136.44	9,488.40

It is evident from **Table 3.9** that every year a huge amount was added in PLAs while the expenditure incurred was very less during the year leading to sharp increase in closing balance. Thus, a huge fund was created outside the consolidated fund beyond direct control of Government which is against the provisions of budgetary control system. The expenditure of the State Government was also overstated to the extent of ₹ 9,488.40 crore at the end of 2016-17.

Three treasuries (Doranda, Project Bhawan and Ranchi) in Ranchi district were selected for test check of PL accounts. There are 60 PLAs operated in these treasuries out of which 14 PL accounts have been selected for test checks based on the quantum of balance in those treasuries. Audit of balances in treasury records and the concerned units of these PLAs revealed that:

- As per provisions in JTC Rule 334, the deposit administrator shall review all Personal Deposit Accounts at the end of each financial year. Money lying unspent after two consecutive financial years should not be spent any further and balance should be transferred as reduction of expenditure to the concerned service head from which the money was withdrawn.

Test check of PL Accounts of seven institutions<sup>4</sup> revealed that ₹ 285.82 crore remained unutilised for more than three to eight years and not surrendered as of 31 march 2017 by the Administrators of the respective institutions.

- As per JTC Rule 343, the balances at credit of each local fund shall be reconciled at the end of the month with the Treasury Officer and the Bank, by the authority administering the fund. In the event of failure to verify the balance with the Treasury for three consecutive months, no cheque of the administrator shall be enforced by the Treasury Officer without special permission from the Deputy Commissioner.

It was revealed in audit that in three test checked institutions<sup>5</sup>, balances of PLAs as furnished by the institutions was more than that of the balances shown in the accounts of the concerned treasuries whereas in four institutions the balances were less than the balances shown in the treasuries.

Unspent balances lying in personal ledger accounts, which were neither reconciled periodically nor transferred to the Consolidated Fund, before the closure of the financial year entails the risk of misuse, fraud and misappropriation of public funds.

*Recommendation:*

*The Finance Department is required to review all PL accounts and ensure that all amounts unnecessarily lying in these PL accounts are immediately remitted to the Consolidated Fund. Further, the Finance Department is required to reiterate the instructions contained in the financial rules and ensure that appropriate action is taken against departmental officers who fail to follow the rules.*

<sup>4</sup> JHARKRAFT, JREDA, Zila Parishad Ranchi, GRDA, JSSCDC, RMC Ranchi and JAPIT

<sup>5</sup> JREDA, RMC Ranchi and SAMETI

### 3.9 Booking under minor head “800”

Bookings of receipts or expenditure under the minor head “800 – Other Receipts” and “800 – Other Expenditure” is considered opaque classification of receipts and expenditure as these heads do not disclose the schemes, programmes, etc., to which the amounts relate. These minor heads normally accommodate the receipts/expenditure, which cannot be classified under the available programme minor heads or due to incorrect identification of expenditure under the available heads of account at the stage of budget preparation.

During 2016-17, a sum of ₹ 1,139.59 crore was booked under the minor head “800-Other Expenditure” in 14 Major Heads of which under seven Major Heads, expenditure (more than 10 *per cent* of total expenditure in each case) aggregating ₹ 1,072.07 crore (25.41 *per cent* of the total expenditure of ₹ 4,218.34 crore in these heads) was booked under the minor head “800-Other Expenditure” as indicated in **Appendix 3.6**.

Further scrutiny revealed that major schemes involving huge amount like ₹ 325.12 crore in Energy Department on Atal Gram Jyoty Yojna, Rural Electrification, Tilka Manjhi Krishi Pump Yojna etc. and ₹ 192.84 crore in Water Resource Department on Restoration of Irrigation Schemes, Construction of ongoing schemes under Chhotanagpur and Santhal Pargana etc. were executed under “800- Minor Heads”

Similarly, a sum of ₹ 1,335.62 crore was booked under the minor head “800-Other Receipts” in 47 Major Heads of which under 27 major heads, revenue receipts (more than 40 *per cent* of total receipts in each case) aggregating ₹ 1,085.02 crore (76.11 *per cent* of the total receipt of ₹ 1,425.67 crore in these heads), were classified under minor head “800 – Other Receipts”. The entire receipts in 11 major heads were classified under the omnibus minor head “800 – Other Receipts” as indicated in **Appendix 3.7**.

*Recommendation:*

*The Finance Department should, in consultation with the Accountant General (A&E), conduct a comprehensive review of all items presently appearing under minor head 800 and ensure that all such receipts and expenditure are in future booked under the appropriate head of account.*

### 3.10 Variations in Cash Balance

The difference of ₹ 24.05 crore (credit) between the cash balance of the State Government, as worked out by the Principal Accountant General (A&E) and as reported by the Reserve Bank of India (as on 31.03.2017), is mainly due to non-reconciliation of figures by the Agency Banks. Out of ₹ 24.05 crore (credit), ₹ 1.61 crore pertaining to period prior to October 1987 is under discussion between the State Government and the RBI for settlement/ write off.

### 3.11 Important factors affecting accuracy of accounts

- **Outstanding balances under major suspense accounts**

Suspense heads are operated when transactions of receipts and payments which cannot be booked to a final head of account due to lack of information as to the nature or for other reasons. These heads of accounts are finally cleared by minus debit or minus credit when amounts under them are booked to their respective final heads of accounts. Suspense balances remain unclear at the end of the year adversely affect the accurate reflection of the Government's receipt and expenditure of the year. The position of Suspense balances of the State are indicated in **Table 3.10**.

**Table 3.10: Position of balances under Suspense Head (8658)**

(₹ in crore)

Name of the Minor Head	2014-15		2015-16		2016-17		As on September 2017	
	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit
101 Pay and Accounts Office Suspense	11.47	---	19.10	---	46.06	24.77	17.90	0.00
Net	<b>Dr. 11.47</b>		<b>Dr. 19.10</b>		<b>Dr. 21.29</b>		<b>Dr. 17.90</b>	
102 Suspense Account (Civil)	1.10	0.00	6.72	5.76	160.19	11.59	58.78	0.00
Net	<b>Dr. 1.10</b>		<b>Dr. 0.96</b>		<b>Dr. 148.60</b>		<b>Dr. 58.78</b>	

Source: Finance Accounts of Government of Jharkhand 2016-17

The implications of the balances under these heads are stated below:

- **Pay and Accounts Office (PAO) Suspense**

Outstanding debit balances under this head represents payments that have been made by the PAG (A&E) Jharkhand on behalf of PAOs of Central Government departments, which are yet to be recovered. Outstanding credit balances represent payments made by PAOs on behalf of the State Government which the AG (A&E) is yet to reimburse. On settlement of the net debit balance under this head (₹21.29 crore), the cash balance of the State Government will increase.

- **Suspense Accounts (Civil)**

This minor head is credited for recording receipts and debited for expenditure incurred and is cleared on receipt of supporting documents by the PAG (A&E). There is no impact on cash balance on clearance of this item

### 3.12 Apportionment of balances as on reorganisation of the State

Balances amounting to ₹ 7,443.90 crore under Public Accounts heads along with balance under Capital Section ₹ 11,935.23 crore and Loans and Advances ₹ 6,583.36 crore remained to be apportioned between the successor States Bihar and Jharkhand, almost two decades after the reorganisation of the erstwhile State of Bihar with effect from November 2000.

*Recommendation:*

*The State Government is required to expedite the apportionment of balances under Deposits and Advances between the two successor States.*

**3.13 Follow up on Audit Report on State Finances**

Public Accounts Committee (PAC) had already discussed paragraph 2.4.4 (Excess over provisions relating to previous years) of the Audit Report on State Finances for the year 2011-12 and regularised the excess expenditure over provisions amounting to ₹ 8,120.12 crore out of ₹ 8,120.63 crore on 13.01.2014 on the recommendation of PAC. No excess expenditure over provisions was regularised after that date till 2016-17 as no recommendation has been made by the PAC in this regard.

**3.14 Impact on Revenue surplus and Fiscal deficit**

The impact of incorrect booking/accounting of expenditure and revenue resulted in overstatement of Revenue Surplus by ₹ 258.54 crore and understatement of Fiscal Deficit to the tune of ₹ 154.70 core as depicted in the Finance Accounts is given in **Table 3.11** below:

**Table 3.11: Impact on Revenue Surplus and Fiscal Deficit as per Accounts**

(₹ in crore)

Particulars	Impact on Revenue Surplus		Impact on Fiscal Deficit	
	Over statement	Under statement	Over statement	Under Statement
GIA booked under Capital section instead of Revenue	105.00	0	0	0
Major construction booked under Revenue Section instead of Capital Section	0	1.16	0	0
Partial Contribution to Consolidated Sinking Fund	82.65	0	0	82.65
Non-contribution to Guarantee Redemption Fund	0.79	0	0	0.79
Non-credit of interest under interest bearing Reserve Fund and Deposits	71.26	0	0	71.26
<b>Total</b>	<b>259.70</b>	<b>1.16</b>	<b>0</b>	<b>154.70</b>
<b>Net Impact</b>	<b>Over Statement of ₹ 258.54</b>		<b>Under Statement of ₹ 154.70</b>	

However, as discussed in various places in the report, the impact of incorrect booking/accounting of expenditure and revenue as worked by Audit are discussed in **Table 3.12** below:

**Table 3.12: Impact on Revenue Surplus and Fiscal Deficit as per Audit**

(₹ in crore)

Particulars	Impact on Revenue Surplus		Impact on Fiscal Deficit		Impact on outstanding liabilities
	Over statement	Under statement	Over statement	Under statement	Under statement
GIA booked under Capital section instead of Revenue	105.00	0	0	0	0
Major construction booked under Revenue Section instead of Capital Section	0	1.16	0	0	0
Expenditure on salary, maintenance, office expenses and travelling allowances etc. booked under Capital section instead of the Revenue section	583.79	0	0	0	0
Non-transfer of Labour Cess to the Board	312.90	0	0	312.90	312.90
Non- transfer to the Sinking Fund	282.65	0	0	282.65	282.65
Non-credit of interest bearing Reserve Funds and Deposits	75.64	0	0	75.64	75.64
Non- contribution to Guarantee Redemption Fund	0.79	0	0	0.79	0.79
<b>Total</b>	<b>1,360.77</b>	<b>1.16</b>	<b>0</b>	<b>671.98</b>	<b>671.98</b>
<b>Net Impact</b>	<b>Over Statement of ₹ 1,359.61</b>		<b>Under Statement of ₹ 671.98</b>		

In view of the above, the Revenue Surplus and Fiscal Deficit of the State which are ₹ 1,964.89 crore and ₹ 10,192.38 crore as projected in the Finance Accounts would actually be ₹ 605.28 crore and ₹ 10,864.36 crore respectively due to overstatement of revenue surplus by ₹ 1,359.61 crore and understatement of fiscal deficit to the tune of ₹ 671.98 crore as given in **Table 3.12**. It is also evident from above table that the liabilities of the State was understated to the extent of ₹ 671.98 crore.



(C. NEDUNCHEZHIAN)

Accountant General (Audit), Jharkhand

Ranchi  
The:

Countersigned



(RAJIV MEHRISHI)

Comptroller and Auditor General of India

New Delhi  
The:



---

---

# APPENDICES

---

---



**Appendix 1.1 Part A**  
(Reference: Paragraph- 1.1; Page 1)

<b>PROFILE OF JHARKHAND</b>							
<b>A. General Data</b>							
<b>Sl. No.</b>	<b>Particulars</b>					<b>Figures</b>	
1	Area					79,714 Sq km	
2	Population						
	a.	As per 2001 Census				2.69 crore	
	b.	2010-11				3.30 crore	
3	A	Density of Population <sup>1</sup> (As per 2001 Census) (All India Density = 325 persons per Sq.Km )				338 persons per Sq. km.	
	B	Density of Population (As per 2011 Census) (All India Density = 382 persons per Sq.Km )				414 persons per Sq. km.	
4	Population below poverty line (BPL) <sup>2</sup> (All India Average = 21.9%)					36.9 per cent	
5	A	Literacy <sup>3</sup> ( As per 2001 Census) (All India Average = 64.80%)				44 per cent	
	B	Literacy ( As per 2011 Census) (All India Average = 73 % )				66.4 per cent	
6	Infant mortality <sup>4</sup> 2015(per 1000 live births) (All India = 40 per 1000 live births)					32	
7	Gini Coefficient <sup>5</sup>						
	a.	Rural. ( All India = 0.29 )				0.24	
	b.	Urban. ( All India = 0.38)				0.36	
8	Gross State Domestic Product (GSDP) at current prices in 2015-16 taking as base year 2011-12					₹ 2,53,536 crore	
9	Per capita GSDP CAGR (2007-08 to 2016-17)		Jharkhand			11.5 per cent	
			General Category States			13.2 per cent	
10	GSDP CAGR (2007-08 to 2016-17) <sup>6</sup>		Jharkhand			13.1 per cent	
			General Category States			14.6 per cent	
11	Population Growth <sup>7</sup> (2007-08 to 2016-17)		Jharkhand			13.0 per cent	
			General Category States			11.9 per cent	
<b>B. Financial Data<sup>4</sup></b>							
Sl. No.	Particulars			Figures (in per cent)			
				2007-08 to 2015-16		2015-16 to 2016-17	
	CAGR			General Category States	Jharkhand	General Category States	Jharkhand
1	a.	of Revenue Receipts		14.58	16.44	11.52	15.79
2	b.	of Tax Revenue		14.80	16.11	13.50	15.87
3	c.	of Non Tax Revenue		9.45	17.59	12.10	(-)8.58
4	d.	of Total Expenditure		15.84	17.86	15.31	9.76
5	e.	of Capital Expenditure		14.53	15.46	17.91	33.12
6	f.	of Revenue Expenditure on Education		16.86	14.29	9.86	21.25
7	g.	of Revenue Expenditure on Health		18.43	21.26	14.92	7.36
8	h.	of Salaries & Wages		14.89	13.50	13.06	8.63
9	i.	of Pension		17.17	21.91	10.63	3.63

<sup>1</sup> Census Info India 2011 Final Population Totals

<sup>2</sup> Economic Survey Report 2016-17 (August 2017), Vol. II, Page A 154

<sup>3</sup> Economic Survey Report 2016-17 (August 2017), Vol. II, Page A 149

<sup>4</sup> Economic Survey Report 2016-17 (August 2017), Vol. II, Page A 156

<sup>5</sup> <http://planningcommission.nic.in/data/datatable/data2312/DatabookDec2014%20106.pdf>

<sup>6</sup> In the GSDP Statement released by MoSPI on August 1 2017, figures for the year 2016-17 regarding Gujrat, Kerala, Maharashtra, Rajasthan, West Bengal, Arunachal Pradesh, Assam, Jammu & Kashmir (Budget Speech 2017-18), Manipur, Meghalaya, Mizoram, Nagaland and Tripura have been obtained from concerned AGs.

<sup>7</sup> Population projections for India and States 2001-2026 (Revised December 2006) Report of the Technical Group on population projections constituted by the Nation Commission on Population Table-14 (projected total population by sex as on 1<sup>st</sup> October 2001-26).

<b>Appendix 1.1 Part B</b>	
<b>Structure and Form of Government Accounts</b>	
<b>(Reference: Paragraph 1.1; Page 1)</b>	
<b>Structure of Government Accounts:</b> The accounts of the State Government are kept in three parts (i) Consolidated Fund, (ii) Contingency Fund and (iii) Public Account.	
<b>Part I: Consolidated Fund:</b> 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 entitled 'The Consolidated Fund of State' established under Article 266 (1) of the Constitution of India.	
<b>Part II: Contingency Fund:</b> 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 authorisation 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.	
<b>Part III: Public Account:</b> 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.	
<b>Part C: Layout of Finance Accounts</b>	
<b>Statement</b>	<b>Layout</b>
Statement No.1	Presents the cumulative figures of assets and liabilities of the Government, as they stand at the end of the year. The assets are largely financial assets with the figures for progressive capital expenditure denoting physical assets of the Government. Assets, as per the accounting policy, are depicted at historical cost.
Statement No.2	Contains the summarised statement showing all receipts and disbursement of the Government during the year in all three parts in which Government Account is kept, namely, the Consolidated Fund, Contingency Fund and Public Accounts.
Statement No.3	This statement comprises revenue and capital receipts and borrowings of the Government consisting of loans from the Government of India, other institutions, market loans and recoveries on account of loans and advances made by the Government.
Statement No.4	This statement gives expenditure by function (activity) and also summarise expenditure by nature of activities (object of expenditure).
Statement No. 5	Gives details of progressive capital expenditure by functions, the aggregate of which is depicted in statement-1.
Statement No.6	Presents borrowings of the Government comprising market loans and loans and advances from Government of India. In addition 'other liabilities' which are the balances under various sectors in the public accounts, for which Government acts as a trustee or custodian, are also given.
Statement No.7	Depicts loans and advances (sector and loanee group-wise) given by the Government as depicted in statement-1 and recoveries, disbursements featured in Statement-2, 3 and 4.
Statement No.8	Depicts comparative summary of Government Investment in the share capital of different concerns.
Statement No.9	Gives the summary of guarantees given by the Government for repayment of loans etc. raised by the statutory corporations, local bodies and other institutions.
Statement No.10	Depicts grants-in-aid given by the State Government, organised by grantee institutions group-wise. A notes on grants given is also included.
Statement No.11	Indicates the distribution between the charged and voted expenditure incurred during the year.
Statement No.12	Presents the capital and other expenditure (other than on revenue account) and the sources of fund for the expenditure is depicted in this statement.
Statement No.13	Depicts summary of balances of Consolidated Fund, Contingency Fund and Public Account.
Statement No.14	Indicates the detailed account of revenue receipts by minor heads.
Statement No.15	Provides accounts of revenue expenditure by minor heads under Non-Plan and Plan separately.
Statement No.16	Depicts the detailed capital expenditure incurred during and to the end of 2016-17.
State mentNo.17	Depicts details of borrowings and other liabilities by minor heads and the maturity and repayment profile of all loans.
Statement No.18	Provides the detailed account of loans and advances given by the Government of Jharkhand, the amount of loan repaid during the year, the balance as on 31 March 2017.
Statement No.19	Shows the details of investment of the State Government in statutory corporations, Government companies, other joint stock companies, co-operative banks and societies etc. up to the end of 2016-17.
Statement No.20	Shows the details of Guarantees given by the State Government for repayment of loans etc. raised by statutory corporations, Government companies, Local Bodies and other institutions.
Statement No.21	Gives the detailed account relating to Contingency Fund and Public Accounts transaction in detail.
Statement No.22	Gives the details of earmarked balances of reserve funds.

**Appendix 1.2**  
**Methodology Adopted for the Assessment of Fiscal Position**  
**(Reference: Paragraph 1.10.2; Page 26)**

The norms/Ceilings prescribed by the 14<sup>th</sup> FC for selected fiscal variable along with its projections for a set of fiscal aggregates and the commitments/projections made by the State Governments in their Fiscal Responsibility Acts and in other Statements required to be laid in the legislature under the Act are used to make qualitative assessment of the trends and pattern 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.

Terms	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	Interest payment / [(Amount of previous year's Fiscal Liabilities + 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	Interest Received [(Opening balance + Closing balance of Loans and Advances) 2] * 100
Revenue Deficit	Revenue Receipt – Revenue Expenditure
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 <u>minus</u> all Plan grants and Non-Plan Revenue Expenditure excluding expenditure recorded under the major head 2048 – Appropriation for reduction of avoidance of debt
Resource Gap	Incremental Non-debt Receipts <u>minus</u> Incremental Primary Revenue Expenditure + Incremental Interest Receipts

**Appendix 1.3**  
**Time series data on the State Government finances**  
 (Reference: Paragraph 1.3 & 1.9.2; Page 7 & 23)

(₹ in crore)

	2012-13	2013-14	2014-15	2015-16	2016-17
<b>Part A. Receipts</b>					
<b>1. Revenue Receipts</b>	<b>24,770(83)</b>	<b>26,137(85)</b>	<b>31,565(83)</b>	<b>40,638 (75)</b>	<b>47,054(87)</b>
<b>(i) Tax Revenue</b>	<b>8,224(33)</b>	<b>9,380(36)</b>	<b>10,350(33)</b>	<b>11,479 (28)</b>	<b>13,299(28)</b>
Taxes on Agricultural Income	-	-			
Taxes on Sales, Trade, etc.	6,422(78)	7,305(78)	8,070(78)	8,999(78)	10,549(80)
State Excise	578(7)	628(7)	740(7)	912(8)	962(7)
Taxes on Vehicles	465(6)	495(5)	660(6)	633(6)	682(5)
Stamps and Registration fees	492(6)	502(5)	531(5)	532(5)	607(5)
Land Revenue	96(1)	230(3)	84(1)	164(1)	240(2)
Taxes on Goods and Passengers	1(0)	1(0)	1(0)	1(0)	0(0)
Other Taxes	170(2)	219(2)	264(3)	238(2)	259(2)
<b>(ii) Non Tax Revenue</b>	<b>3,536(14)</b>	<b>3,753(14)</b>	<b>4,335(14)</b>	<b>5,853(14)</b>	<b>5,351(11)</b>
<b>(iii) State's share of Union taxes and duties</b>	<b>8,188(33)</b>	<b>8,939(34)</b>	<b>9,487(30)</b>	<b>15,969(39)</b>	<b>19,142(41)</b>
<b>(iv) Grants in aid from Government of India</b>	<b>4,822(20)</b>	<b>4,065(16)</b>	<b>7,393(23)</b>	<b>7,337(18)</b>	<b>9,262(20)</b>
<b>2. Miscellaneous Capital Receipts</b>	Nil	Nil	Nil	Nil	Nil
<b>3. Recoveries of Loans and Advances</b>	<b>43</b>	<b>23</b>	<b>33</b>	<b>31</b>	<b>39</b>
<b>4. Total Revenue and Non debt capital receipts (1+2+3)</b>	<b>24,813</b>	<b>26,160</b>	<b>31,598</b>	<b>40,669</b>	<b>47,093</b>
<b>5. Public Debt Receipts</b>	<b>5,199(17)</b>	<b>4,703(15)</b>	<b>6,690(17)</b>	<b>13,245(25)</b>	<b>7,081(13)</b>
Internal Debt (excluding Ways and Means Advances and Overdrafts)	4,591	4,281	6,537	13,080	6,847
Net transactions under Ways and Means Advances and Overdrafts	369	316	0	0	0
Loans and Advances from Government of India	239	106	153	165	234
<b>6. Total Receipts in the Consolidated Fund (4+5)</b>	<b>30,012</b>	<b>30,863</b>	<b>38,288</b>	<b>53,914</b>	<b>54,174</b>
<b>7. Contingency Fund Receipts</b>	Nil	Nil	Nil	0	0
<b>8. Public Account Receipts</b>	<b>14,495</b>	<b>14,275</b>	<b>20,189</b>	<b>29,037</b>	<b>22,052</b>
<b>9. Total Receipts of the State (6+7+8)</b>	<b>44,507</b>	<b>45,138</b>	<b>58,477</b>	<b>82,951</b>	<b>76,226</b>
<b>Part B. Expenditure/Disbursement</b>					
<b>10. Revenue Expenditure</b>	<b>23,400(83)</b>	<b>23,472(82)</b>	<b>31,795(83)</b>	<b>36,553(70)</b>	<b>45,089(79)</b>
Plan	7,743(33)	6,288(27)	12,436(39)	15,793	22,194
Non Plan	15,657(67)	17,184(73)	19,359(61)	20,760	22,895
General Services (including interest payments)	8,696(37)	9,960(42)	10,624(33)	12,002	13,024
Social Services	8,309(36)	8,215(35)	11,915(37)	14,844	18,557
Economic Services	6,395(27)	5,297(23)	9,256(29)	9,707	13,508
Grants-in-aid and contributions	Nil	Nil	Nil	Nil	Nil
<b>11. Capital Expenditure</b>	<b>4,218(15)</b>	<b>4,722(17)</b>	<b>5,543(15)</b>	<b>8,159(16)</b>	<b>10,861(19)</b>
Plan	4,151(98)	4,706(100)	5,520(100)	8,087	10,814
Non Plan	67(2)	16(0)	23(0)	72	47
General Services	176(4)	168(3)	326(6)	571	590
Social Services	1,030(25)	924(20)	910(16)	1,024	1,532
Economic Services	3,012(71)	3,630(77)	4,307(78)	6,564	8,739
<b>12. Disbursement of Loans and Advances</b>	<b>601(2)</b>	<b>222(1)</b>	<b>824(2)</b>	<b>7,480<sup>8</sup>(14)</b>	<b>1,335(2)</b>
<b>13. Total Expenditure (10+11+12)</b>	<b>28219</b>	<b>28,416</b>	<b>38,162</b>	<b>52,192</b>	<b>57,285</b>
<b>14. Repayments of Public Debt</b>	<b>2,183</b>	<b>1,997</b>	<b>1,880</b>	<b>2,246</b>	<b>2,078</b>
Internal Debt (excluding Ways and Means Advances and Overdrafts)	1,525(70)	1,542(77)	1,722(92)	2,079(93)	1,920
Net transactions under Ways and Means Advances and Overdraft	520(24)	316(16)	0	0	0
Loans and Advances from Government of India	138(6)	139(7)	158(8)	167(7)	158

<sup>8</sup> Includes loans amounting to ₹ 5,553 crore made from borrowings of the State on UDAY bonds.

Appendix 1.3 continued..

<b>15. Appropriation to Contingency Fund</b>	Nil	Nil	Nil	0	0
<b>16. Total disbursement out of Consolidated Fund (13+14+15)</b>	<b>30,402</b>	<b>30,413</b>	<b>40,042</b>	<b>54,438</b>	<b>59,363</b>
<b>17. Contingency Fund disbursements</b>	-	-	-	0	0
<b>18. Public Account disbursements</b>	13,417	14,094	19,277	27,053	16,820
<b>19. Total disbursement by the State (16+17+18)</b>	<b>43,819</b>	<b>44,507</b>	<b>59,319</b>	<b>81,491</b>	<b>76,183</b>
<b>Part C. Deficits</b>					
<b>20. Revenue Deficit(-)/Revenue Surplus (+) (1-10)</b>	(+)1,370	(+)2,665	(-)230	(+)4,085	(+)1,965
<b>21. Fiscal Deficit (-)/Fiscal Surplus (+) (4-13)</b>	(-)3,406	(-)2,256	(-)6,564	(-)11,523 <sup>9</sup>	(-)10,192
<b>22. Primary Deficit(-)/Surplus(+) (21+23)</b>	(-)1,015	(+)358	(-)3,635	(-)8,203	(-)6,020
<b>Part D. Other data</b>					
<b>23. Interest Payments (included in revenue expenditure)</b>	2,391	2,614	2,929	3,320	4,172
<b>24. Financial Assistance to local bodies etc.</b>	6,950	6,422	12,404	14,891	20,332
<b>25. Ways and Means Advances/ Overdraft availed (days)</b>	13	8	0	0	3
Ways and Means Advances availed (days)	13	8	0	0	3
Overdraft availed (days)	Nil	Nil	0	0	0
<b>26. Interest on Ways and Means Advances/ Overdraft</b>	0.32	0.21	0	0	0
<b>27 (a) Gross State Domestic Product (GSDP) at current price<sup>@</sup></b>	1,74,724	1,88,567	2,18,525	2,31,294	2,53,536
<b>27 (b) Gross State Domestic Product (GSDP) at constant price<sup>@</sup></b>	1,63,250	1,65,816	1,86,534	1,97,536	2,12,721
<b>28 Outstanding Fiscal liabilities (yearend)</b>	34,869	37,594	43,569	56,530	66,827
<b>29. Outstanding guarantees (year-end) (including interest)</b>	157	157	157	157	157
<b>30. Maximum amount guaranteed (yearend)</b>	157	157	157	157	157
<b>31. Number of incomplete projects (value ₹ 1 crore and above)</b>	189	328	402	195	280
<b>32. Capital blocked in incomplete Projects</b>	1,972	760	1,824	2,089	4,778
<b>Part E. Fiscal Health Indicators</b>					
<b>I Resource Mobilisation</b>					
Own Tax revenue/GSDP at current price	4.7	5.0	4.8	4.7	5.2
Own Tax revenue/GSDP at constant price	5.0	5.7	6.2	6.2	6.3
Own Non-Tax Revenue/GSDP at current price	2.0	2.0	2.0	2.4	2.1
Own Non-Tax Revenue/GSDP at constant price	2.2	2.3	2.6	3.1	2.5
Central Transfers/GSDP at current price	7.4	6.9	7.8	9.6	7.6
Central Transfers/GSDP at constant price	8.0	7.8	10.2	12.5	13.4
<b>II Expenditure Management</b>					
Total Expenditure/GSDP at current price	16.2	15.1	17.6	21.6	22.6
Total Expenditure/GSDP at constant price	17.3	17.1	23.0	28.0	26.9
Total Expenditure/Revenue Receipts	113.9	108.7	120.9	128.4	121.7
Revenue Expenditure/Total Expenditure	82.9	82.6	83.3	70.0	78.7
Expenditure on Social Services (including L&A)/Total Expenditure	33.2	32.2	33.7	30.49	35.2
Expenditure on Economic Services (including	35.3	32.1	37.6	45.33	41.0

<sup>9</sup> Amount of Fiscal Deficit will be decreased, if the amount of loan granted to Bijli Companies from the borrowings on UDAY Bond is not considered for calculation of Fiscal Deficit as informed by the State Government in the light of Tripartite Agreement.

Audit Report (State Finances) for the year ended 31 March 2017

L&A)/Total Expenditure					
Capital Expenditure/Total Expenditure	14.9	16.6	14.5	15.6	19.0
Capital Expenditure on Social and Economic Services/Total Expenditure.	14.3	16.0	13.7	14.5	17.9
<b>III Management of Fiscal Imbalances</b>					
Revenue deficit (surplus)/GSDP at current price	(+)0.9	(+)0.8	(+)1.4	(-)0.1	(+)0.8
Revenue deficit (surplus)/GSDP at constant price	(+)0.8	(+)1.6	(-)0.1	(+)2.2	(+)0.9
Fiscal deficit/GSDP at current price	(-)1.9	(-)1.2	(-)3.0	(-)4.8 <sup>10</sup>	(-)4.0
Fiscal deficit/GSDP at constant price	(-)2.1	(-)1.4	(-)4.0	(-)6.2	(-)4.79
Primary Deficit (surplus) /GSDP at current price	(-)0.6	(+)0.2	(-)1.7	(-)3.4	(-)2.4
Primary Deficit (surplus) /GSDP at constant price	(-)0.6	(+)0.2	(-)2.2	(-)4.4	(-)2.8
Revenue Deficit/Fiscal Deficit	(+)40.2	(+)118.1	(-)3.5	(-)35.5	(-)19.3
Primary Revenue Balance/GSDP at current price	2.2	2.8	1.2	3.1	2.4
Primary Revenue Balance/GSDP at constant price	2.3	3.2	1.4	3.7	2.9
<b>IV Management of Fiscal Liabilities</b>					
Fiscal Liabilities/GSDP at current price	20.0	19.9	20.1	23.4	26.4
Fiscal Liabilities/GSDP at constant price	21.4	22.7	26.3	30.3	31.4
Fiscal Liabilities/RR	140.8	143.8	138.03	139.1	142.0
Primary deficit vis-à-vis quantum spread	(+)1,584	(+)605	(-)658	(-)6,107	(-)7,138
Debt Redemption (Principal +Interest)/ Total Debt Receipts	Nil	Nil	Nil	Nil	Nil
<b>V Other Fiscal Health Indicators</b>					
Return on Investment	15.00	18	Nil	0.47	Nil
Balance from Current Revenue (₹ in crore)	5,782	6,208	6,593	14,226	19,773
Financial Assets/Liabilities	98	100	103	109	111

**Note:** Deficit shown as (-) and surplus shown as (+) during comparison with other factors

@ Figures obtained from CSO

([http://mospi.nic.in/Mospi\\_New/site/inner.aspz?statis=3&menu\\_id=82](http://mospi.nic.in/Mospi_New/site/inner.aspz?statis=3&menu_id=82)).

<sup>10</sup> Fiscal Deficit to GSDP percentage will be 2.5 if loan to Bijli Companies from borrowings on UDAY Bonds is not considered for calculation of Fiscal Deficit as informed by the State Government in the light of Tripartite Agreement.

**Appendix 1.4 Part A**  
**Abstract of Receipts and Disbursements for the year 2016-17**  
**(Reference: paragraph 1.1.1; Page 1)**

Abstract of Receipts and Disbursements for the year 2016-17									
Receipts					Disbursements				
2015-16		2016-17	2015-16		Non-Plan	Plan	Total	2016-17	
<b>Section-A: Revenue</b>									
<b>40,638.35</b>	<b>I. Revenue Receipts</b>		<b>47,053.93</b>	<b>36,552.83</b>	<b>I. Revenue Expenditure</b>	<b>22,895.38</b>	<b>22,193.66</b>	<b>45,089.04</b>	<b>45,089.04</b>
11,478.95	Tax Revenue	13,299.25		12,002.43	General Services	12,742.66	281.10	13,023.76	
				14,843.81	Social Services	6,042.46	12,514.91	18,557.37	
5,853.01	Non-tax Revenue	5,351.42		6,542.46	Education, Sports, Art and Culture	3,942.32	4,035.51	7,977.83	
				1,833.38	Health and Family Welfare	897.91	1,069.78	1,967.69	
15,968.75	State's share of Union Taxes	19,141.92		2,389.61	Water supply, Sanitation, Housing and Urban Development	446.4	3,657.5	4,103.9	
				100.83	Information and Broadcasting	85.91	46.19	132.1	
1,685.82	Non-plan Grants	1,875.29		1,168.55	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	107.39	1,204.55	1,311.94	
4,950.18	Grants for State Plan Schemes	6,792.89		112.83	Labour and Labour Welfare	52.74	78.65	131.39	
				2,671.85	Social Welfare and Nutrition	482.63	2,422.73	2,905.36	
701.64	Grants for Central and Centrally Sponsored Plan Schemes	593.16		24.30	Others	27.16	0	27.16	
				9,706.59	Economic Services	4,110.26	9,397.65	13,507.91	
				1,474.85	Agriculture and Allied Activities	489.05	1,717.13	2,206.18	
				4,172.79	Rural Development	1,701.29	5,545.66	7,246.95	
				0	Special Areas Programmes	0	0	0	
				320.30	Irrigation and Flood Control	315.79	6.97	322.76	
				2,204.44	Energy	1,200	554.63	1,754.63	
				321.48	Industry and Minerals	52.61	264.28	316.89	
				347.97	Transport	261.9	183.69	445.59	
				0	Science, Technology and Environment	0	0	0	
				864.76	General Economic Services	89.62	1,125.29	1,214.91	
				0	Grants-in-aid and Contributions	0	0	0	
				36,552.83	Total	22,895.38	22,193.66	45,089.04	
<b>0</b>	<b>II. Revenue Deficit carried over to Section B</b>		<b>0</b>	<b>4,085.50</b>	<b>II. Revenue Surplus Section B</b>				<b>1,964.90</b>
<b>40,638.35</b>	<b>Total</b>		<b>47,053.93</b>	<b>40,638.35</b>	<b>Total</b>				<b>47,053.93</b>
<b>Section B</b>									
444.21	III. Opening Cash Balance including Permanent Advances and Cash Balance Investment		1,904.72	0	III. Opening Over Draft from Reserve Bank of India				0

	IV. Miscellaneous Capital Receipts			8,158.51	IV. Capital Outlay	47.05	10,813.63	10,860.68	10,860.68
				571.36	General Services	45.41	544.2	589.61	
				1,023.41	Social Services	1.64	1,530.38	1,532.02	
				103.39	Education, Sports, Art and Culture	0	253.5	253.50	
				339.87	Health and Family Welfare	0	511.55	511.55	
				247.02	Water supply, Sanitation, Housing and Urban Development	1.64	353.08	354.72	
				0.55	Information and Broadcasting	0	8.85	8.85	
				234.38	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	0	264.04	264.04	
				88.8	Social Welfare and Nutrition	0	116.96	116.96	
				9.4	Others	0	22.40	22.40	
				6,563.74	Economic Services	0	8,739.05	8,739.05	
				114.65	Agriculture and Allied Activities	0	569.31	569.31	
				1,751.54	Rural Development	0	2,074.57	2,074.57	
				0	Special Areas Programme	0	0	0	
				1,156.94	Irrigation and Flood Control	0	1,510.91	1,510.91	
				0	Energy	0	0	0.00	
				1	Industry and Minerals	0	5.00	5.00	
				3,476.19	Transport	0	4,504.99	4,504.99	
				63.42	General Economic Services	0	74.27	74.27	
				6,563.74	Total	0	8,739.05	8,739.05	
<b>31.06</b>	<b>V. Recoveries of Loans and Advances</b>	<b>38.46</b>	<b>38.46</b>	<b>7,480.00</b>	<b>V. Loans and Advances Disbursed</b>	<b>77.14</b>	<b>1,257.92</b>	<b>1,335.06</b>	<b>1,335.06</b>
0	From Power Projects	0		7,375.42	For Power Projects	0	1,228.51	1,228.51	
30.34	From Govt. Servants	37.20		49.64	To Government Servants	52.46	0	52.46	
0.72	From Others	1.26		54.94	To Others	24.68	29.41	54.09	
<b>4,085.52</b>	<b>VI. Revenue Surplus brought down</b>		<b>1,964.89</b>	<b>0</b>	<b>VI. Revenue Deficit brought down</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>13,244.65</b>	<b>VII. Public Debt Receipts</b>		<b>7,081.42</b>	<b>2,245.93</b>	<b>VII. Repayment of Public Debt</b>				<b>2,077.88</b>
	<b>External Debt</b>	<b>0</b>		<b>2,079.42</b>	<b>External Debt</b>				
13,079.63	Internal Debt other than Ways and Means Advances and Over Draft	6,847.13		1,721.71	Internal Debt other than Ways and Means Advances and Over Draft			1,920.39	
0	Transaction under Ways and Means Advances	0		0	Transactions under Ways and Means Advances			0	
0	Net Transaction under Over Draft.	0		0	Net Transaction under Over Draft			0	
165.02	Loans and Advances from Central Government	234.29		166.51	Repayments of Loans and Advances to Central Government			157.49	

	<b>VIII. Appropriation to Contingency Fund</b>				<b>VIII. Appropriation to Contingency Fund</b>				
	<b>IX Amount transferred to Contingency Fund</b>				<b>IX. Expenditure from Contingency Fund</b>				
<b>29,036.72</b>	<b>X. Public Accounts Receipts</b>		<b>22,051.80</b>	<b>27,053.00</b>	<b>X Public Accounts Disbursements</b>				<b>16,819.82</b>
830.1	Small Savings and Provident Funds	872.60		988.95	Small Savings and Provident Funds			994.11	
521.68	Reserve Funds	452.88		512.01	Reserve Funds			70.13	
161.25	Suspense and Miscellaneous	300.58		140.23	Suspense and Miscellaneous			330.96	
8,025.01	Remittances	9,280.63		8,024.29	Remittances			9,310.76	
19,498.68	Deposits and Advances	11,145.11		17,387.52	Deposits and Advances			6,113.86	
0	Inter State Settlement	0		0	Inter-state Settlement			0	
	<b>XI. Closing Over Draft from Reserve Bank of India</b>			<b>1,904.72</b>	<b>XI. Cash Balance at the end of the Year</b>			<b>1,947.85</b>	<b>1,947.85</b>
				0	Cash in Treasuries and Local Remittances			0	
				(-)203.93	Deposits with Reserve Bank			502.26	
				6.41	Departmental Cash Balance including Permanent Advances			6.50	
				0	Investment of Earmarked Fund			0	
				2,102.24	Cash Balance Investment			1,439.09	
<b>87,480.51</b>	<b>Total</b>		<b>80,095.22</b>	<b>87,480.51</b>	<b>Total</b>				<b>80,095.22</b>

**Appendix 1.4 Part B**  
**Summarised financial position of the Government of Jharkhand as on 31 March 2017**  
 (Reference: Paragraphs 1.9.1; Page 23)

(₹ in crore)

As on 31.03.2016	Liabilities		As on 31.03.2017
<b>43,755.57</b>	<b>Internal Debt -</b>		<b>48,682.31</b>
23,554.73	Market Loans bearing interest	28,280.21	
0.07	Market Loans not bearing interest	0.07	
6.30	Loans from Life Insurance Corporation of India	6.30	
9,632.51	Loans from other Institutions	10,566.90	
0	Ways and Means Advances	0	
10,561.96	Special securities issued to NSS Fund of Central Government	9,828.83	
0	Overdrafts from Reserve Bank of India	0	
<b>2,085.49</b>	<b>Loans and Advances from Central Government -</b>		<b>2,162.28</b>
0	Pre 1984-85 Loans	0	
21.39	Non-Plan Loans	19.37	
2,064.10	Loans for State Plan Schemes	2,142.91	
<b>500.00</b>	<b>Contingency Fund</b>		<b>500.00</b>
<b>1,197.17</b>	<b>Small Savings, Provident Funds, etc.</b>		<b>1,075.67</b>
<b>8,615.79</b>	<b>Deposits</b>		<b>13,647.49</b>
<b>876.46</b>	<b>Reserve Funds</b>		<b>1,259.21</b>
<b>0</b>	<b>Remittance Balances</b>		<b>0</b>
<b>122.45</b>	<b>Suspense and Miscellaneous Balances</b>		<b>92.07</b>
<b>5,138.36</b>	<b>Cumulative excess of receipts over expenditure</b>		<b>7,103.25</b>
<b>69,518.75</b>	<b>Total</b>		<b>74,522.28</b>
	<b>Assets</b>		
<b>44,173.30</b>	<b>Gross Capital Outlay on Fixed Assets -</b>		<b>55,033.98</b>
171.99	Investments in shares of Companies, Corporations, etc.		<b>183.11</b>
44,001.31	Other Capital Outlay		<b>54,850.87</b>
<b>0</b>	<b>Inter State Settlement</b>		<b>0</b>
<b>16,186.10</b>	<b>Loans and Advances -</b>		<b>17,482.71</b>
15,455.02	Loans for Power Projects	16,683.53	
736.65	Other Development Loans	789.48	
(-)5.57	Loans to Government servants and Miscellaneous loans	9.70	
<b>4.50</b>	<b>Advances</b>		<b>4.94</b>
<b>0</b>	<b>Suspense and Miscellaneous Balances</b>		<b>0</b>
<b>1,904.72</b>	<b>Cash -</b>		<b>1,947.85</b>
0	Cash in Treasuries and Local Remittances	0	
(-)203.93	Deposits with Reserve Bank	502.26	
0	Reserve Fund Investments	0	
6.41	Departmental Cash Balance including Permanent Advances	6.50	
2,102.24	Cash Balance Investments	1,439.09	

Appendix 1.4 Part B continued..

<b>22.67</b>	<b>Remittance Balances</b>		<b>52.80</b>
<b>0</b>	<b>Deficit on Government Account -</b>		<b>0</b>
	(i) Revenue Deficit/surplus of the current year		
	(ii) Miscellaneous Deficit		
	Accumulated deficit/surplus at the beginning of the year		
<b>62,291.29</b>	<b>Total</b>		<b>74,522.28</b>

# Excludes ₹ 5.75 crore shown in the Accounts of Corporations but the same is not included in the accounts due to non-availability of its source.

#### Explanatory Notes for Appendices 1.3 and 1.4

The abridged accounts in the foregoing statements are to be read with comments and explanations in the Finance Accounts. Government accounts being mainly on cash basis, the deficit on Government account, as shown in **Appendix 1.4 Part B**, indicates the position on cash basis, as opposed to accrual basis in commercial accounting. Consequently, items payable or receivable or items like depreciation or variation in stock figures, etc., do not figure in the accounts. Suspense and Miscellaneous balances include cheques issued but not paid, payments made on behalf of the State and other pending settlements, etc.

**Appendix 1.5 Part-A**  
**Details of functions of ULBs as per the 74<sup>th</sup> Constitutional Amendment Act (Schedule XII)**  
**(Reference: Paragraph 1.6.5.1; Page 17)**

Sl. No.	Details of function
1	Urban planning including town planning.
2	Regulation of land-use and construction of buildings.
3	Planning for economic and social development.
4	Roads and bridges.
5	Water supply for domestic, industrial and commercial purposes.
6	Public health, sanitation, conservancy and solid waste management.
7	Fire services.
8	Urban forestry, protection of the environment and promotion of ecological aspects.
9	Safeguarding the interests of weaker sections of society including the handicapped and mentally retarded.
10	Slum improvement and up-gradation.
11	Urban poverty alleviation.
12	Provision of urban amenities and facilities such as parks, gardens, playgrounds.
13	Promotion of cultural, educational and aesthetic aspects.
14	Burials and burial grounds; cremations, cremation grounds and electric crematoriums.
15	Cattle ponds, prevention of cruelty to animals.
16	Vital statistics including registration of births and deaths.
17	Public amenities including street lighting, parking lots, bus stops and public conveniences.
18	Regulation of Slaughter houses and tanneries.

**Appendix 1.5 Part-B**  
**Details of functions of PRIs as per the 73<sup>rd</sup> Constitutional Amendment Act (Schedule XII)**  
**(Reference: Paragraph 1.6.5.2; Page 18)**

Sl. No.	Details of function	Status of Devolution
1	Agriculture including agriculture extension	Partial
2	Land improvement, implementation of land reforms, land consolidation and soil conservation	No
3	Minor irrigation, water management and watershed development	Yes
4	Animal husbandry, dairy and poultry	Partial
5	Fisheries	Yes
6	Social forestry and farm forestry	No
7	Minor forest produce	No
8	Small scale Industries including food processing industries	Partial
9	Khadi Village and Cottage industries	Yes
10	Rural Housing	No
11	Drinking Water	Yes
12	Fuel and fodder	No
13	Road, Culverts, Bridges, ferries waterways and other means of communication	No
14	Rural Electrification including distribution of electricity	No
15	Non-conventional energy sources	No
16	Poverty alleviation programmes	Partial
17	Education including primary and secondary school	Yes
18	Technical Training and Vocational Education	No
19	Adult and Non-formal Education	Yes
20	Libraries	No
21	Cultural Activities	No
22	Market and Fairs	No
23	Health and Sanitation including Hospitals, Primary Health Centres with Dispensaries	Yes
24	Family Welfare	Yes
25	Women and Child Development	Yes
26	Social Welfare including Welfare of the Handicapped and Mentally retarded	Yes
27	Welfare of the weaker section and in particular of the SCs and STs	No
28	Public Distribution Systems	Yes
29	Maintenance of community assets	Partial

**Appendix 2.1**

**Statement of various grants/appropriations where savings exceeded ₹ 10 crore in each case and also by 20 per cent or more of the total provision  
(Reference: Paragraph 2.4.1; Page 32)**

(₹ in crore)

Sl. No.	Grant No.	Name of the Grant/Appropriation	Total Grant/Appropriation	Savings	
				Amount	Percentage of Savings to total provision
1	2	3	4	5	6
<b>Revenue</b>					
1	1	Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	1,449.78	526.05	36.28
2	2	Agriculture, Animal Husbandry and Co-operative Department (Animal Husbandry Division)	292.83	95.59	32.64
3	4	Cabinet Secretariat and Vigilance Department (Cabinet Secretariat and Co-ordination Division)	55.37	11.83	21.37
4	12	Planning-cum-Finance Department (Finance Division)	62.40	19.47	31.20
5	17	Commercial Tax Department	71.46	19.48	27.26
6	18	Food, Public Distribution and Consumer Affairs Department	1,515.53	394.96	26.06
7	19	Forest, Environment and Climate Change Department	624.34	128.31	20.55
8	20	Health, Medical Education and Family Welfare Department	2,664.64	707.26	26.54
9	23	Industries Department	445.65	153.01	34.33
10	26	Labour, Employment and Skill Development Department	281.43	110.77	39.36
11	29	Mines and Geology Department	49.55	20.48	41.33
12	33	Personnel, Administrative Reforms and Rajbhasha Department (Personnel and Administrative Reforms Division)	36.08	10.67	29.57
13	35	Planning-cum-Finance Department (Planning Division)	365.68	95.56	26.13
14	39	Home, Jail and Disaster Management Department (Disaster Management Division)	1,295.30	769.89	59.44
15	40	Revenue, Land Reforms and Registration Department (Revenue and Land Reforms Division)	525.56	161.12	30.66
16	41	Road Construction Department	307.42	78.74	25.61
17	42	Rural Development Department (Rural Development Division)	4,723.25	1,253.45	26.54
18	45	Information Technology and e-Governance Department	157.62	33.94	21.53
19	46	Tourism, Art Culture, Sports and Youth Affairs Department (Tourism Division)	49.81	10.88	21.84
20	48	Urban Development and Housing Department (Urban Development Division)	3,449.57	691.75	20.05
21	49	Water Resources Department	398.64	132.76	33.30
22	50	Water Resources Department (Minor Irrigation Division)	95.21	31.88	33.48
23	51	Welfare Department (Welfare Division)	1,914.64	598.47	31.26
24	52	Tourism, Art, Culture, Sports and Youth Affairs Department (Art, Culture, Sports and Youth Affairs Division)	101.88	27.60	27.09
25	53	Agriculture, Animal Husbandry and Co-operative Department (Fishery Division)	79.91	21.10	26.40
26	54	Agriculture, Animal Husbandry and Co-operative Department (Dairy Division)	321.84	100.44	31.21
27	58	School Education and Literacy Department (Secondary Education Division)	1,714.57	512.40	29.89
28	59	School Education and Literacy Department (Primary and Adult Education Division)	6,793.64	1,358.90	20.00
29	60	Women, Child Development and Social Security Department	3,178.56	763.88	24.03

Sl. No.	Grant No.	Name of the Grant/Appropriation	Total Grant/ Appropriation	Savings	
				Amount	Percentage of Savings to total provision
1	2	3	4	5	6
<b>Capital</b>					
30	1	Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	551.76	116.36	21.09
31	2	Agriculture, Animal Husbandry and Co-operative Department (Animal Husbandry Division)	74.42	62.39	83.83
32	3	Building Construction Department	573.62	131.99	23.01
33	9	Agriculture, Animal Husbandry and Co-operative Department (Co-operative Division)	48.53	34.01	70.08
34	10	Energy Department	1,543.25	314.49	20.38
35	11	Excise and Prohibition Department	30.00	20.00	66.67
36	12	Planning-cum-Finance Department (Finance Division)	74.40	21.94	29.49
37	20	Health, Medical Education and Family Welfare Department	733.07	221.52	30.22
38	22	Home, Jail and Disaster Management Department (Home Division)	253.35	64.50	25.46
39	26	Labour, Employment and Skill Development Department	46.82	22.55	48.16
40	30	Welfare Department (Minorities Welfare Division)	115.30	34.28	29.73
41	36	Drinking Water and Sanitation Department	291.75	70.78	24.26
42	49	Water Resources Department	1,510.87	389.76	25.80
43	50	Water Resources Department (Minor Irrigation Division)	613.46	223.66	36.46
44	51	Welfare Department (Welfare Division)	236.32	53.30	22.55
45	53	Agriculture, Animal Husbandry and Co-operative Department (Fishery Division)	89.77	38.71	43.12
46	60	Women, Child Development and Social Security Department	265.10	148.14	55.88
<b>TOTAL (Revenue + Capital)</b>			<b>40,073.96</b>	<b>10,809.02</b>	<b>26.97</b>

**Appendix 2.2**  
**Sub-head wise details where substantial savings (₹ 20 crore and above)**  
**occurred during the year 2016-17**  
**(Reference: Paragraph: 2.4.1; Page 32)**

(₹ in crore)

Sl. No.	Number and Name of Grant/Appropriation	Head of Account	Provision	Amount of Savings	Reasons furnished by the Departments as per Appropriation Accounts
1	1-Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	4402-00-796-01	202.05	33.65	Reasons have not been intimated
2		4402-00-796-02	120.00	34.34	Reasons have not been intimated
3		2401-00-796-AF	60.00	22.82	Reasons have not been intimated
4		2415-80-796-04	74.66	23.65	Non demand of fund
5		2401-00-796-A0	33.60	31.21	(i) Non release of fund from GOI (₹39.00 lakh) (ii) Less recommendation of outlay by GOI (₹395.00 lakh) (iii) Reasons not intimated (₹26,.86.40 lakh)
6		2401-00-796-A1	25.80	25.80	Reasons have not been intimated
7		2401-00-796-A0	22.20	20.60	(i) Non release of equivalent fund to earmarked outlay by GOI (₹326.45 lakh) (ii) Less release of GOI (₹18.00 lakh) (iii) Reasons not intimated (₹1,716.00 lakh)
8	3-Building Construction Department	4059-01-051-58	94.12	29.28	Reasons have not been intimated
9		4059-01-051-39	36.53	36.53	Reasons have not been intimated
10		4216-01-700-14	30.00	18.87	Reasons have not been intimated
11	8-Transport Department (Civil Aviation Division)	5053-02-102-07	195.07	27.41	Reasons have not been intimated
12	10-Energy Department	6801-00-800-37	414.16	67.83	Economic measures
13		6801-00-796-37	173.68	28.45	Economic measures
14		6801-00-201-24	80.00	80.00	Reasons have not been intimated
15		6801-00-202-01	75.00	75.00	Reasons have not been intimated
16		2810-00-796-02	67.50	44.17	Non-passing of bill
17		2810-00-101-02	45.00	29.45	Non-passing of bill
18		2810-00-789-02	37.50	24.54	Non-passing of bill
19		6801-00-800-34	31.00	31.00	Reasons have not been intimated
20		2801-80-800-08	55.02	50.04	Economic measures
21	13-Interest Payment	2049-01-200-02	385.00	109.62	Reasons have not been intimated
22		2049-01-200-14	250.00	250.00	Reasons have not been intimated
23		2049-03-104-01	250.00	26.87	Reasons have not been intimated
24		2049-04-109-01	104.00	25.28	Reasons have not been intimated
25		2049-01-200-08	80.00	32.57	Reasons have not been intimated
26		2049-01-200-11	74.00	20.59	Reasons have not been intimated
27	14- Repayment of Loans	2048-00-101-01	200.00	200.00	Reasons have not been intimated
28		6004-02-105-01	125.95	20.99	Reasons have not been intimated
29		6003-00-109-01	100.00	20.28	Reasons have not been intimated
30	15- Pension	6004-02-101-01	78.81	28.29	Reasons have not been intimated
31		2071-01-104-04	550.00	135.15	Reasons have not been intimated
32		2071-01-115-03	400.00	89.82	Reasons have not been intimated
33		2071-01-117-03	350.00	60.56	Reasons have not been intimated
34		2071-01-102-04	300.00	164.26	Reasons have not been intimated
35		2071-01-101-09	50.00	36.35	Reasons have not been intimated
36		2071-01-115-02	50.00	23.61	Reasons have not been intimated
37		2071-01-101-05	25.00	20.58	Reasons have not been intimated
38	18- Food, Public Distribution and Consumer Affairs Department	3456-00-796-47	115.00	21.31	Non supply of sugar in time
39		3456-00-796-45	65.00	65.00	Non sanction of scheme
40		3456-00-102-45	60.00	60.00	Non sanction of scheme
41		3456-00-789-45	25.00	25.00	Non sanction of scheme
42	20-Health, Medical Education and Family Welfare Department	2210-03-103-01	189.63	25.56	Reasons have not been intimated
43		2210-03-103-03	110.05	33.57	Excess provision of fund (₹16.00 crore) Reasons not intimated (₹ 17.57 crore)
44		2210-01-102-54	70.00	70.00	Reasons have not been intimated
45		2210-01-789-54	70.00	70.00	Reasons have not been intimated

Appendix 2.2 continued...

Sl. No.	Number and Name of Grant/Appropriation	Head of Account	Provision	Amount of Savings	Reasons furnished by the Departments as per Appropriation Accounts
46	20-Health, Medical Education and Family Welfare Department	2210-01-796-54	60.00	60.00	Reasons have not been intimated
47		2210-01-109-40	58.70	58.70	Reasons have not been intimated
48		4210-01-110-30	50.00	20.95	Excess provision of fund
49		2210-01-103-56	37.00	37.00	Reasons have not been intimated
50		2210-01-110-55	30.00	30.00	Non sanction of scheme
51		2210-01-110-57	30.00	30.00	Reasons have not been intimated
52		2210-01-103-56	26.00	26.00	Reasons have not been intimated
53		2210-01-103-45	25.00	25.00	Transfer of fund
54		4210-01-796-35	20.00	20.00	Non sanction of scheme
55		21-Higher and Technical Education Department (Higher Education Division)	2202-03-102-04	222.89	32.22
56	2202-03-102-02		102.80	35.17	Non receipt of demand
57	22-Home, Jail and Disaster Management Department (Home Division)	2055-00-110-01	243.62	67.66	Reasons have not been intimated
58	23-Industries Department	2852-80-796-05	25.00	25.00	Reasons have not been intimated
59	26-Labour, Employment and Skill Development Department	2230-03-003-51	25.00	25.00	Non release of fund from Central Govt.
60		2230-03-796-51	25.00	25.00	Non release of fund from Central Govt.
61	27-Law Department	2014-00-105-01	261.48	30.70	Reasons have not been intimated
62	35-Planning-cum-Finance Department (Planning Division)	2053-00-796-25	50.00	50.00	Reasons have not been intimated
63	36-Drinking Water and Sanitation Department	2215-01-796-11	160.61	73.38	Reasons have not been intimated
64		2215-01-102-10	134.82	69.13	Reasons have not been intimated
65		4215-01-102-02	129.22	32.30	Reasons have not been intimated
66		4215-01-789-02	51.95	29.37	Reasons have not been intimated
67	39-Home, Jail and Disaster Management Department (Disaster Management Division)	2245-80-800-17	540.00	540.00	Non requisition of fund
68		2245-02-113-02	35.00	33.64	Non requisition of fund
69		2245-01-101-02	30.00	30.00	Non requisition of fund
70		2245-01-102-04	28.19	24.11	Non requisition of fund (₹23.18 crore) Reasons not intimated (₹0.93 crore)
71		2245-01-101-07	22.00	21.77	Non requisition of fund
72		2245-01-282-01	20.00	20.00	Non requisition of fund
73	40-Revenue, Land Reforms and Registration Department (Revenue and Land Reforms Division)	2029-00-104-01	211.27	28.44	Reasons have not been intimated
74		2029-00-103-01	74.74	73.45	Reasons have not been intimated
75	41-Road Construction Department	3054-03-337-01	150.00	34.19	Reasons have not been intimated
76		3054-01-337-01	30.00	29.96	Reasons have not been intimated
77	42-Rural Development Department (Rural Development Division)	2505-02-101-04	934.92	253.60	Reasons have not been intimated
78		2505-02-796-04	686.88	186.32	Reasons have not been intimated
79		2505-02-789-04	286.20	77.63	Reasons have not been intimated
80		2505-02-101-04	231.11	65.62	Reasons have not been intimated
81		2515-00-102-10	203.43	25.15	Reasons have not been intimated
82		4515-00-796-40	190.08	33.00	Reasons have not been intimated
83		2505-02-796-04	169.80	48.21	Reasons have not been intimated
84		2505-01-796-02	166.32	166.32	Reasons have not been intimated
85		2501-06-800-05	88.20	29.74	Reasons have not been intimated
86		2505-02-789-04	70.75	20.09	Reasons have not been intimated
87		2501-06-796-05	64.80	21.85	Reasons have not been intimated
88		2501-02-101-07	49.00	39.20	Reasons have not been intimated
89		2501-02-101-04	42.37	22.21	Reasons have not been intimated
90		2501-06-101-14	40.70	30.00	Reasons have not been intimated
91		2501-02-796-07	36.00	28.80	Reasons have not been intimated

Appendix 2.2 continued...					
Sl. No.	Number and Name of Grant/Appropriation	Head of Account	Provision	Amount of Savings	Reasons furnished by the Departments as per Appropriation Accounts
92	48-Urban Development and Housing Department (Urban Development Division)	2217-80-796-70	162.00	70.00	Reasons have not been intimated
93		2217-80-191-81	158.93	108.50	Reasons have not been intimated
94		2217-80-796-75	146.00	54.00	Reasons have not been intimated
95		2217-80-191-68	97.00	41.39	Excess provision of fund (₹20.52 crore) Reasons not intimated (₹20.87 crore)
96		2215-01-796-01	88.00	33.94	Reasons have not been intimated
97		2217-80-192-82	61.22	30.30	Reasons have not been intimated
98		2217-80-191-75	48.00	48.00	Reasons have not been intimated
99		2217-80-193-83	34.27	25.12	Reasons have not been intimated
100		2217-80-789-89	33.54	22.53	Reasons have not been intimated
101		2217-80-191-65	32.00	32.00	Reasons have not been intimated
102		2217-80-191-70	32.00	32.00	Reasons have not been intimated
103		2217-80-796-67	30.00	30.00	Reasons have not been intimated
104		2217-80-191-67	20.00	20.00	Reasons have not been intimated
105		49-Water Resources Department	2700-01-001-02	185.29	56.99
106	2701-03-001-07		111.17	36.57	Reasons have not been intimated
107	2701-03-001-06		69.91	26.49	Reasons have not been intimated
108	4700-80-789-12		65.00	65.00	Reasons have not been intimated
109	4701-80-800-71		45.00	37.01	Reasons have not been intimated
110	4701-80-796-62		37.00	26.57	Reasons have not been intimated
111	4711-01-796-58		35.00	33.03	Reasons have not been intimated
112	4701-80-796-63		20.00	20.00	Reasons have not been intimated
113	4701-80-800-65		20.00	20.00	Reasons have not been intimated
114	50-Water Resources Department (Minor Irrigation Division)	4702-00-101-18	121.00	36.21	15 per cent restriction imposed on budget provision ((₹35.25 crore) Reasons not intimated (₹0.96 crore)
115		2702-02-005-01	95.21	31.88	Reasons have not been intimated
116		4702-00-101-19	53.00	45.71	Reasons have not been intimated
117		4702-00-796-35	36.11	33.83	Reasons have not been intimated
118		4702-00-796-19	35.00	27.30	Reasons have not been intimated
119	51-Welfare Department (Welfare Division)	2225-03-796-23	139.00	50.52	Non-payment of scholarship
120		2225-03-277-12	127.56	29.28	Reasons have not been intimated
121		2225-02-796-59	115.00	23.80	Reasons have not been intimated
122		2225-02-796-28	101.00	101.00	Non-payment of scholarship
123		2225-02-277-04	83.98	26.83	Reasons have not been intimated
124		2225-01-789-59	58.00	23.50	Reasons have not been intimated
125		2225-02-796-11	41.50	24.13	Reasons have not been intimated
126		2225-02-796-89	30.00	30.00	Reasons have not been intimated
127		2225-02-796-90	26.00	26.00	Reasons have not been intimated
128		2225-02-277-65	24.50	24.46	Reasons have not been intimated
129	55-Rural Development Department (Rural Works Division)	2515-00-102-41	1,131.00	38.23	Reasons have not been intimated
130		2515-00-001-28	125.00	53.11	Reasons have not been intimated
131	56-Rural Development Department (Panchayati Raj Division)	2515-00-001-03	154.33	31.57	Reasons have not been intimated
132		2515-00-198-45	118.57	118.57	Non-receipt of fund from Ministry
133		2515-00-796-30	71.50	36.16	Reasons have not been intimated
134	58-School Education and Literacy Department (Secondary Education Division)	2202-02-109-01	559.91	279.46	Reasons have not been intimated
135		2202-02-109-35	37.50	20.00	Reasons have not been intimated
136		2202-02-109-45	24.57	22.99	Reasons have not been intimated
137		2202-02-109-36 (CSS)	20.00	20.00	Reasons have not been intimated
138		2202-02-109-36	20.00	20.00	Reasons have not been intimated
139	59-School Education and Literacy Department (Primary and Adult Education Division)	2202-01-101-01	2,793.90	409.94	Reasons have not been intimated
140		2202-01-111-25	262.00	26.20	Reasons have not been intimated
141		2202-01-102-02	253.82	81.04	Reasons have not been intimated
142		2202-01-796-25 (CSS)	332.00	211.56	Reasons have not been intimated
143		2202-01-796-55	128.87	32.22	Reasons have not been intimated
144		2202-01-101-55	119.88	29.97	Reasons have not been intimated
145		2202-01-789-25	192.30	98.60	Reasons have not been intimated
146		2202-01-796-25	277.90	33.43	Reasons have not been intimated

Appendix 2.2 continued...

Sl. No.	Number and Name of Grant/Appropriation	Head of Account	Provision	Amount of Savings	Reasons furnished by the Departments as per Appropriation Accounts
147	59-School Education and Literacy Department (Primary and Adult Education Division)	2202-01-111-25	525.20	254.88	Reasons have not been intimated
148		2202-01-104-01	67.13	24.16	Reasons have not been intimated
149	60-Women, Child Development and Social Security Department	2236-02-796-02 (CSS)	180.38	80.04	Reasons have not been intimated
150		2236-02-796-02	180.38	35.04	Non-receipt of fund from Central Govt.
151		2236-02-101-02 (CSS)	154.08	69.51	Reasons have not been intimated
152		2236-02-101-02	154.08	31.17	Reasons have not been intimated
153		4235-02-796-73 (CSS)	76.00	44.80	Reasons have not been intimated
154		4235-02-103-73 (CSS)	70.16	41.36	Reasons have not been intimated
155		4235-02-796-73	50.66	29.86	Reasons have not been intimated
156		4235-02-103-73	46.78	27.58	Reasons have not been intimated
<b>Grand Total</b>			<b>22,867.27</b>	<b>8,661.12</b>	

**Appendix 2.3**  
**Details of saving of ₹ one crore and above not surrendered**  
**(Reference: Paragraph 2.4.2; Page 32)**

(₹ in crore)

Sl. No.	Number and Name of Grants/Appropriation	Saving	Surrender	Savings not surrendered
1	2	3	4	5
<b>Revenue</b>				
1	1-Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	526.05	519.13	6.92
2	15-Pension	654.38	0.00	654.38
3	19-Forest, Environment and Climate Change Department	128.31	89.75	38.56
4	41-Road Construction Department	78.74	52.71	26.03
5	42-Rural Development Department (Rural Development Division)	1,253.45	1,110.80	142.65
6	51-Welfare Department (Welfare Division)	598.47	378.77	219.70
7	56-Rural Development Department (Panchayati Raj Division)	223.31	222.05	1.26
8	59-School Education and Literacy Department (Primary and Adult Education Division)	1,358.90	910.40	448.50
<b>Capital</b>				
9	9-Agriculture, Animal Husbandry and Co-operative Department (Co-operative Division)	34.01	23.21	10.80
10	30-Welfare Department (Minorities Welfare Division)	34.28	24.82	9.46
11	42-Rural Development Department (Rural Development Division)	35.43	32.22	3.21
12	49-Water Resources Department	389.76	361.31	28.45
13	51-Welfare Department (Welfare Division)	53.30	13.70	39.60
<b>Total</b>		<b>5,368.39</b>	<b>3,738.87</b>	<b>1,629.52</b>

**Appendix 2.4**  
**Cases of surrender of funds in excess of ₹ 10 crore in March 2017**  
**(Reference: Paragraph 2.4.2; Page 32)**

(₹ in crore)

Sl. No.	Number and name of the Grant/Appropriation	Major Head	Amount of Surrender
1	1-Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	2401-00-102-AI	12.90
2		2401-00-796-67	12.00
3		2401-00-796-AI	25.80
4	2-Agriculture, Animal Husbandry and Co-operative Department (Animal Husbandry Division)	4403-00-796-06	18.00
5	3- Building Construction Department	4059-01-051-39	36.53
6		4059-01-796-39	18.26
7	8-Transport Department (Civil Aviation Division)	5053-02-102-07	27.41
8	10-Energy Department	2801-80-796-10	10.00
9		2801-80-800-09	10.00
10		6801-00-201-24	80.00
11		6801-00-202-01	75.00
12		6801-00-796-34	13.00
13		6801-00-800-34	31.00
14	11-Excise and Prohibition Department	4047-00-796-05	15.00
15	14-Repayment of Loans	2048-00-101-01	200.00
16	18-Food, Public Distribution and Consumer Affairs Department	3456-00-102-45	60.00
17		3456-00-789-45	25.00
18		3456-00-796-45	65.00
19	20-Health, Medical Education and Family Welfare Department	2210-01-102-54	70.00
20		2210-01-103-56 (CSS)	37.00
21		2210-01-103-56	26.00
22		2210-01-109-40 (CSS)	58.70
23		2210-01-109-40	11.65
24		2210-01-110-25	12.00
25		2210-01-110-55	30.00
26		2210-01-110-57	30.00
27		2210-01-789-54	70.00
28		2210-01-796-54	60.00
29		2210-01-796-56 (CSS)	16.00
30		2210-01-796-56	10.00
31		4210-01-110-33	10.00
32		4210-01-110-36	10.00
33	4210-01-110-37	10.00	
34	4210-01-796-35	20.00	
35	4210-01-796-37	10.00	
36	4210-03-105-07	10.00	
37	22-Home, Jail and Disaster Management Department (Home Division)	4055-00-207-43	18.73
38		4055-00-207-43	12.49
39	23-Industries Department	2852-80-102-05	10.00
40		2852-80-102-07	15.00
41		2852-80-796-05	25.00

Sl. No.	Number and name of the Grant/Appropriation	Major Head	Amount of Surrender
42	35-Planning-cum-Finance Department (Planning Division)	2053-00-796-25	50.00
43	39-Home, Jail and Disaster Management Department (Disaster Management Division)	2245-01-101-01	13.00
44		2245-01-101-02	30.00
45		2245-80-800-17	540.00
46	49-Water Resources Department	4700-80-789-12	65.00
47		4700-80-800-12	10.00
48		4701-80-796-63	20.00
49		4701-80-800-65	20.00
50	51-Welfare Department (Welfare Division)	2225-02-796-28	101.00
51		2225-02-796-89	10.00
52	53-Agriculture, Animal Husbandry and Co-operative Department (Fishery Division)	4405-00-101-68	11.56
53	56-Rural Development Department (Panchayati Raj Division)	2515-00-198-45	118.57
54	58-School Education and Literacy Department (Secondary Education Division)	2202-02-109-36 (CSS)	20.00
55		2202-02-109-36	20.00
56		2202-02-796-36 (CSS)	13.20
57		2202-02-796-36	13.20
58	60-Women, Child Development and Social Security Department	4235-02-103-73 (CSS)	41.36
59		4235-02-103-73	27.58
60		4235-02-796-73 (CSS)	44.80
61		4235-02-796-73	29.86
<b>Grand Total</b>			<b>2,516.60</b>

**Appendix 2.5**  
**Excess over provisions of previous years requiring regularisation**  
**(Reference: Paragraph 2.4.5; Page 36)**

(₹ in crore)

Year	Number of Grant/ Appropriation	Grant/ Appropriation name	Amount of excess
2001-02	25	Institutional Finance Department	*
2001-02	32	Legislature	0.04
2002-03	32	Legislature	0.08
2003-04	46	Tourism Department	0.29
2004-05	40	Revenue and Land Reforms Department	@
2006-07	38	Registration Department	\$
2010-11	32	Legislature	0.10
2011-12	14	Repayment of Loans	219.56
2011-12	15	Pension	200.60
2011-12	25	Institutional Finance Department	^
2012-13	7	Vigilance	0.07
2012-13	14	Repayment of Loans	556.01
2012-13	15	Pension	703.44
2012-13	42	Rural Development Department	3.66
2013-14	13	Interest Payment	139.42
2013-14	14	Repayment of Loans	181.58
2013-14	15	Pension	373.05
2014-15	13	Interest Payment	191.68
2014-15	42	Rural Development Department	169.53
<b>Total</b>			<b>2,739.12</b>

Source: Respective year's Appropriation Accounts

\*excess amount was ₹ 8,807 only

@ excess amount was ₹ 1,072 only

\$ excess amount was ₹ 81,665 only

^ excess amount was ₹ 11,160 only

**Appendix 2.6**

**Cases where supplementary provision (₹ one crore or more in each case) proved unnecessary  
(Reference: Paragraph 2.4.6; Page 36)**

(₹ in crore)

Sl. No.	Number and name of the grant	Original Provision	Actual Expenditure	Savings out of Original Provision	Supplementary provision
1	1-Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	1,247.08	923.73	323.35	202.70
2	2-Agriculture, Animal Husbandry and Co-operative Department (Animal Husbandry Division)	258.04	197.24	60.80	34.79
3	12-Planning-cum-Finance Department (Finance Division)	57.81	42.93	14.88	4.59
4	17-Commercial Tax Department	66.69	51.98	14.71	4.77
5	18-Food, Public Distribution and Consumer Affairs Department	1,338.10	1,120.57	217.53	177.43
6	19-Forest, Environment and Climate Change Department	598.31	496.04	102.27	26.03
7	20-Health, Medical Education and Family Welfare Department	2,404.57	1,957.38	447.19	260.07
8	22-Home, Jail and Disaster Management Department (Home Division)	3,549.93	3,279.70	270.23	72.91
9	23-Industries Department	398.23	292.64	105.59	47.42
10	26-Labour, Employment and Skill Development Department	253.07	170.66	82.41	28.36
11	32-Legislative Assembly	68.24	65.69	2.55	2.84
12	33-Personnel, Administrative Reforms and Rajbhasha Department (Personnel and Administrative Reforms Division)	30.76	25.41	5.35	5.32
13	39-Home, Jail and Disaster Management Department (Disaster Management Division)	644.53	525.41	119.12	650.77
14	40-Revenue, Land Reforms and Registration Department (Revenue and Land Reforms Division)	508.56	364.44	144.12	16.99
15	41-Road Construction Department	291.96	228.69	63.27	15.46
16	42-Rural Development Department (Rural Development Division)	4,385.46	3,469.80	915.66	337.79
17	45-Information Technology and e-Governance Department	148.35	123.68	24.67	9.27
18	46-Tourism, Art Culture, Sports and Youth Affairs Department (Tourism Division)	47.19	38.93	8.26	2.63
19	51-Welfare Department (Welfare Division)	1,617.75	1,316.17	301.58	296.89
20	52-Tourism, Art, Culture, Sports and Youth Affairs Department (Art, Culture, Sports and Youth Affairs Division)	96.36	74.28	22.08	5.52
21	54-Agriculture, Animal Husbandry and Co-operative Department (Dairy Division)	303.70	221.40	82.30	18.14
22	58-School Education and Literacy Department (Secondary Education Division)	1,623.50	1,202.17	421.33	91.07
23	59-School Education and Literacy Department (Primary and Adult Education Division)	6,589.29	5,434.74	1,154.55	204.35
24	60-Women, Child Development and Social Security Department	3,156.94	2,414.68	742.26	21.62

Sl. No.	Number and name of the grant	Original Provision	Actual Expenditure	Savings out of Original Provision	Supplementary provision
<b>Capital (Voted)</b>					
25	2-Agriculture, Animal Husbandry and Co-operative Department (Animal Husbandry Division)	70.20	12.03	58.17	4.22
26	3-Building Construction Department	463.05	441.63	21.42	110.57
27	11-Excise and Prohibition Department	15.00	10.00	5.00	15.00
28	17-Commercial Tax Department	5.00	0.22	4.78	3.00
29	20-Health, Medical Education and Family Welfare Department	645.10	511.55	133.55	87.97
30	22-Home, Jail and Disaster Management Department (Home Division)	208.00	188.85	19.15	45.35
31	30-Welfare Department (Minorities Welfare Division)	109.30	81.02	28.28	6.00
32	36-Drinking Water and Sanitation Department	280.50	220.97	59.53	11.25
33	42-Rural Development Department (Rural Development Division)	534.60	530.94	3.66	31.77
34	49-Water Resources Department	1,305.90	1,121.11	184.79	204.97
35	50-Water Resources Department (Minor Irrigation Division)	526.10	389.80	136.30	87.36
36	51-Welfare Department (Welfare Division)	198.44	183.01	15.43	37.88
37	53-Agriculture, Animal Husbandry and Co-operative Department (Fishery Division)	79.58	51.06	28.52	10.19
38	60-Women, Child Development and Social Security Department	143.30	116.96	26.34	121.80
<b>Grand Total (Revenue + Capital)</b>		<b>34,268.49</b>	<b>27,897.51</b>	<b>6,370.98</b>	<b>3,315.06</b>

**Appendix 2.7**  
**Excess/Insufficient re-appropriation of funds**  
**(Reference: Paragraph 2.4.7; Page 36)**

(₹ in lakh)

Sl. No.	Number and Name of Grant	Head of Account	Plus re-appropriation	Minus Re-appropriation	Saving (-)/ Excess(+)
1	4-Cabinet Secretariat and Vigilance Department (Cabinet Secretariat and Co-ordination Division)	2013-108-02	16.00	-	(-)2.16
2	23-Industries Department	2851-107-06	4.53	-	(-) 0.88
3	41-Road Construction Department	3054-80-001-08	2.50	-	(-)27.11
4	51-Welfare Department (Welfare Division)	2251-00-090-06	1.86	-	(-)21.96
<b>Total</b>			<b>24.89</b>		<b>(-)52.11</b>
5	48-Urban Development and Housing Department (Urban Development Division)	5054-03-337-08	3,500.00	-	(+)7.86
6		2217-80-191-33	2,051.58	-	(+)127.26
<b>Total</b>			<b>5,551.58</b>		<b>(+)135.12</b>
7	4-Cabinet Secretariat and Vigilance Department (Cabinet Secretariat and Co-ordination Division)	2013-00-108-01	-	16.00	(+)35.26
8	20 -Health Medical Education and Family Welfare Department	2210-03-103-01	-	500.00	(+)497.88
9		2210-06-200-15	-	114.74	(+)114.74
<b>Total</b>				<b>630.74</b>	<b>(+)647.88</b>
10	41-Road Construction Department	3054-80-001-02	22.20	27.84	(-)13.69
11	42-Rural Development Department (Rural Development Division)	2515-102-10	4.75	23.75	(+)0.24
<b>Total</b>			<b>26.95</b>	<b>51.59</b>	<b>(-)13.45</b>

**Appendix 2.8**  
**Results of review of Substantial Surrenders made during the year**  
**(Reference: Paragraph 2.4.8; Page 37)**

(₹ in lakh)

Sl. No.	Name of Grant and Number	Head	Name of Scheme	Provision	Amount of Surrender	Percentage of Surrender
1	1- Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	2401-00-789-67	Soil Reclamation & Soil Management Scheme	200.00	200.00	100
2		2401-00-796-67	Soil Reclamation & Soil Management Scheme	1,200.00	1,200.00	100
3		2401-00-800-68	Soil Reclamation Management and Land Development Scheme	600.00	600.00	100
4		2401-00-796-A1	Food Grain Crops	2,580.00	2,580.00	100
5		2401-00-102-A1	Food Grain Crops	1,290.00	1,290.00	100
6		2401-00-789-A1	Food Grain Crops	430.00	430.00	100
7		2401-00-796-AN	Demonstration of Vegetable Production	300.00	300.00	100
8		2401-00-796-AO	Special Crops Turmeric & Ginger Demonstration	300.00	300.00	100
9	2-Agriculture, Animal Husbandry and Co-operative Department (Animal Husbandry Division)	2403-00-103-74	Backyard Low input layer bird	830.00	830.00	100
10		2403-00-103-77	Commercial Layer Farming	750.00	750.00	100
11		2403-00-106-64	National Programme on Bovine Breeding (NPBB)	470.00	470.00	100
12		2403-00-106-65 (CSS)	Submission on Livestock Development (Cluster based mass deworming health Cover Programme)	219.00	219.00	100
13		2403-00-789-64	National Programme on Bovine Breeding (NPBB)	250.00	250.00	100
14		2403-00-796-64	National Programme on Bovine Breeding (NPBB)	400.00	400.00	100
15		2403-00-796-74	Backyard Low input layer bird	375.00	375.00	100
16		2403-00-796-77	Commercial Layer Farming	300.00	300.00	100
17		4403-00-789-07	Modernisation of Animal Hospitals	334.00	334.00	100
18		4403-00-796-06	State Running Farm	1,800.00	1,800.00	100
19	3-Building Construction Department	4059-01-051-39	Construction of Court Building/Residential Building/Police Barrack in Court Campus and other Construction Works related to Court	3,652.80	3,652.80	100
20		4059-01-796-39	Construction works of Court Building/Residential Building/Police Barack in court campus and other construction works related to Court (Central Share75: State Share-25)	1,826.40	1,826.40	100
21	10-Energy Department	2801-80-796-10	Grants-in-aid for construction of New Building to JSERC	1,000.00	1,000.00	100
22		2801-80-800-09	Advisory and other works (including new technique) - Grants for State Load Dispatch Centre	1,000.00	1,000.00	100
23		6801-00-201-24	Pollution Control Measures	8,000.00	8,000.00	100
24		6801-00-202-01	Loans to Tenughat power corporation	7,500.00	7,500.00	100
25		6801-00-789-34	Integrated Power Development Scheme (IPDS)	600.00	600.00	100
26		6801-00-796-34	Integrated Power Development Scheme (IPDS)	1,300.00	1,300.00	100
27		6801-00-800-34	Integrated Power Development Scheme (IPDS)	3,100.00	3,100.00	100
28	11- Excise and Prohibition Department	4047-00-796-05	Construction/Renovation of Circle Office/Registration Office/Tehsil Kutchhery/Damin Bunglow/Circle Officers Quarters under Strengthening of Revenue Administration	1,500.00	1,500.00	100
29	14-Repayment of Loans	2048-00-101-01	Contribution in Sinking Funds	20,000.00	20,000.00	100

**Audit Report (State Finances) for the year ended 31 March 2017**

Sl. No.	Name of Grant and Number	Head	Name of Scheme	Provision	Amount of Surrender	Percentage of Surrender
30	17- Commercial Tax Department	4059-60-051-04	Proposed Check Post	300.00	300.00	100
31	18- Food, Public Distribution and Consumer Affairs Department	3456-00-102-43	Price Stabilisation Fund	800.00	800.00	100
32		3456-00-102-45	Distribution of Gram/Pulse Scheme	6,000.00	6,000.00	100
33		3456-00-789-42	Grants for distribution of LPG to the families covered under the National Food Security Act and BPL	300.00	300.00	100
34		3456-00-789-43	Price Stabilisation Fund	300.00	300.00	100
35		3456-00-789-44	Distribution of Digital Weighing Machine to PDS Dealers	300.00	300.00	100
36		3456-00-789-45	Distribution of Gram/Pulse Scheme	2,500.00	2,500.00	100
37		3456-00-796-03	Annapurna Yojana (Additional Central Assistance)	216.00	216.00	100
38		3456-00-796-43	Price Stabilisation Fund	900.00	900.00	100
39		3456-00-796-45	Distribution of Gram/Pulse Scheme	6,500.00	6,500.00	100
40		19- Forest, Environment and Climate Change Department	2406-01-110-49 (CSS)	Green India Mission	1,565.65	1,565.65
41	2406-01-110-49		Green India Mission	1,043.77	1,043.77	100
42	20- Health, Medical Education and Family Welfare Department	2210-01-001-51	Community Based Palliative Care	200.00	200.00	100
43		2210-01-102-54	Universal Health Insurance Coverage Scheme	7,000.00	7,000.00	100
44		2210-01-103-56 (CSS)	Rastriya Swasthaya Bima Yojna	3,700.00	3,700.00	100
45		2210-01-103-56	Rastriya Swasthaya Bima Yojna	2,600.00	2,600.00	100
46		2210-01-103-56 (CPS)	Rastriya Swasthaya Bima Yojna	418.00	418.00	100
47		2210-01-109-40 (CSS)	Human Resources in Health and Medical Education (ANM/GNM School)	5,870.00	5,870.00	100
48		2210-01-109-40	Human Resources in Health and Medical Education (ANM/GNM School)	1,165.00	1,165.00	100
49		2210-01-110-25	Emergency Medical Response Service	1,200.00	1,200.00	100
50		2210-01-110-47	Genetic Screening Scheme in Jharkhand State	500.00	500.00	100
51		2210-01-110-53	Central Bio-Medical Waste Disposal Unit	200.00	200.00	100
52		2210-01-110-55	Incentive for Establishing Private Medical Colleges	3,000.00	3,000.00	100
53		2210-01-110-57 (CSS)	Super Specialty Block at PMCH, Dhanbad under (PMSSY)	3,000.00	3,000.00	100
54		2210-01-110-57	Super Specialty Block at PMCH, Dhanbad under (PMSSY)	600.00	600.00	100
55		2210-01-789-54	Universal Health Insurance Coverage Scheme	7,000.00	7,000.00	100
56		2210-01-789-56 (CSS)	Rastriya Swasthaya Bima Yojana	700.00	700.00	100
57		2210-01-789-56	Rastriya Swasthaya Bima Yojana	400.00	400.00	100
58		2210-01-796-54	Universal Health Insurance Coverage Scheme	6,000.00	6,000.00	100
59		2210-01-796-56 (CSS)	Rastriya Swasthaya Bima Yojana	1,600.00	1,600.00	100
60		2210-01-796-56	Rastriya Swasthaya Bima Yojana	1,000.00	1,000.00	100
61		2210-05-101-17	National Mission on AYUSH (Chaibasa Ayurvedic Medical College and Hospital)	475.00	475.00	100
62		4210-01-110-24	Purchase of New Ambulance (Including Running Cost)	500.00	500.00	100
63		4210-01-110-26	Establishing Dialysis	200.00	200.00	100
64		4210-01-110-33	State Diabetic Care Centre	1,000.00	1,000.00	100

Sl. No.	Name of Grant and Number	Head	Name of Scheme	Provision	Amount of Surrender	Percentage of Surrender
65	20- Health, Medical Education and Family Welfare Department	4210-01-110-36	New Medical College at Karma, Koderma	1,000.00	1,000.00	100
66		4210-01-110-37	New Medical College and Hospital	1,000.00	1,000.00	100
67		4210-01-796-35	New Hospital Building in MGMMC Campus	2,000.00	2,000.00	100
68		4210-01-796-37	New Medical College and Hospital	1,000.00	1,000.00	100
69		4210-02-110-36	Blood Bank	200.00	200.00	100
70		4210-03-105-07	Establishment of Para-Medical Institute in PMCH, Dhanbad and MGMCH, Jamshepur	1,000.00	1,000.00	100
71	22-Home, Jail and Disaster Management Department (Home Division)	4055-00-207-43 (CSS)	Modernization of Police and Building Construction	1,873.00	1,873.00	100
72		4055-00-207-43	Modernization of Police and Building Construction	1,249.00	1,249.00	100
73		4055-00-207-45	Purchase of different types of Equipment for Modernisation of Police	751.00	751.00	100
74	23-Industries Department	2851-00-107-10	Scheme for Development of Sericulture- Development of Infrastructure	200.00	200.00	100
75		2852-80-102-05	Grants-in-aid to Land Acquisition and Development of Acquired Land	1,000.00	1,000.00	100
76		2852-80-102-07	Aside scheme-grants-in-aid	1,500.00	1,500.00	100
77		2852-80-102-19	Grants-in-aid for Acquisition of Land for Establishment of Growth Centres in Industry less Districts	200.00	200.00	100
78		2852-80-102-52	Capital Investment Incentive-Grants-in-aid to Industrial Units	380.00	380.00	100
79		2852-80-102-67	Grant-in-aid for Industrial Corridor	200.00	200.00	100
80		2852-80-796-05	Grants-in-aid to Land Acquisition and Development of Acquired Land	2,500.00	2,500.00	100
81		4851-00-796-02	Establishment of NIFT Centre	500.00	500.00	100
82	26-Labour, Employment and Skill Development Department	4059-01-001-56	Construction of Houses for Beedi Workers	247.00	247.00	100
83		4059-01-796-56	Construction of Houses for Beedi Workers	300.00	300.00	100
84		4250-00-203-07	New construction of Industrial Training Institute building	200.00	200.00	100
85	29-Mines and Geology Department	4853-02-004-01	Mines Establishment- Major construction works	464.00	464.00	100
86		4853-02-004-03	Renovation/Strengthening of Geological Exploration Unit	250.00	250.00	100
87	30- Welfare Department (Minorities Welfare Division)	4225-80-796-08	Construction of Haz House	400.00	400.00	100
88	35-Planning-cum-Finance Department (Planning Division)	2053-00-094-34	Capacity Building/Seminar Symposium/Decentralized Planning/Innovation/PPP Workshop etc.	600.00	600.00	100
89		2053-00-796-24	Establishment of knowledge city in Khunti District Through Greater Ranchi Development Agency Limited	500.00	500.00	100
90		2053-00-796-25	Greater Ranchi Development Agency Limited (New City Capital Project)	5,000.00	5,000.00	100
91		3454-02-796-16	Jharkhand State Strategic Statistical Plan (JSSSP)	884.35	884.35	100
92	36-Drinking Water and Sanitation Department	2215-01-789-13	Grants for Rural Sanitation	316.00	316.00	100

Sl. No.	Name of Grant and Number	Head	Name of Scheme	Provision	Amount of Surrender	Percentage of Surrender	
93	39-Home, Jail and Disaster Management Department (Disaster Management Division)	2245-01-101-01	Cash Payment to Helpless and Handicaps	1,300.00	1,300.00	100	
94		2245-01-101-02	Supply of Food Grains	3,000.00	3,000.00	100	
95		2245-01-101-08	State help for Supply of Food Grain	800.00	800.00	100	
96		2245-01-101-09	State help for other works	200.00	200.00	100	
97		2245-01-104-01	Supply of Fodder	300.00	300.00	100	
98		2245-02-101-06	Helping for other States Disaster Public	500.00	500.00	100	
99		2245-80-101-16	Capacity Building as per the recommendation of 14th Finance Commission	1,909.99	1,909.99	100	
100		2245-80-800-17	Investment from SDRF Fund	54,000.00	54,000.00	100	
101		42-Rural Development Department (Rural Development Division)	2501-02-101-08 (CSS)	Neerachal Scheme	461.30	461.30	100
102			2501-02-101-08	Neerachal Scheme	308.00	308.00	100
103	2501-02-796-08 (CSS)		Neeranchal Scheme	339.20	339.20	100	
104	2501-02-796-08		Neeranchal Scheme	226.00	226.00	100	
105	2515-00-102-28		Post Stage-2 Block - Adarsh Gram Yojna	980.00	980.00	100	
106	2515-00-789-28		Post Stage- 2 Block- Adarsh Gram Yojna	300.00	300.00	100	
107	2515-00-796-28		Post Stage- 2 Block- Adarsh Gram Yojna	720.00	720.00	100	
108	43-Science and Technology Department	2203-00-800-47	70 Percent Grants-in-aid for Qualitative Improvement Program in Technical Education under Externally Aided Scheme	320.00	320.00	100	
109		2203-00-796-A5	Grant-in-Aid to Non-Government Institutions	208.00	208.00	100	
110	45-Information Technology and e-Governance Department	2203-00-001-98	IT/IT Enabled Services Incentives	200.00	200.00	100	
111		2203-00-796-A9	National E- Governance Action Plan	800.00	800.00	100	
112		2203-00-001-A9	National E- Governance Action Plan	388.15	388.15	100	
113	48-Urban Development and Housing Department (Urban Development Division)	2217-80-191-62	Grants-in-aid for Schemes Sponsored by MOEF, GOI-NRCP (Central Share)	800.00	800.00	100	
114		2217-80-191-65	Grants-in-aid for Jharkhand Urban Development Fund (State Fund)	3,200.00	3,200.00	100	
115		2217-80-191-67	Grants-in-aid for EAP Ranchi Sewerage-Drainage & Inner Circular Road Schemes	2,000.00	2,000.00	100	
116		2217-80-191-70	Smart City (State Share)	3,200.00	3,200.00	100	
117		2217-80-191-75	Smart City (Central Share)	4,800.00	4,800.00	100	
118		2217-80-796-61	Grants-in-aid for Schemes Sponsored by MOEF, GOI-NRCP (incl.NLCP) & NGRBA (State Share)	1,150.00	1,150.00	100	
119		2217-80-796-62 (CSS)	Grants-in-aid for Schemes Sponsored by MOEF, GOI-NRCP (incl.NLCP) & NGRBA (Central Share)	1,150.00	1,150.00	100	
120		2217-80-796-67	Grants-in-aid for EAP Ranchi Sewerage-Drainage and Inner Circular Road Schemes	3,000.00	3,000.00	100	
121	49-Water Resources Department	2705-00-101-01	Mayurakshi Reservoir Scheme	300.00	300.00	100	
122		2705-00-789-02	Kanchi Irrigation Scheme	300.00	300.00	100	
123		4700-80-789-12	AIBP and other Programmes of Water Resources (Central Share)	6,500.00	6,500.00	100	
124		4700-80-800-12	AIBP and other Programmes of Water Resources (Central Share)	1,000.00	1,000.00	100	
125		4701-80-005-76	National Hydrology Project	500.00	500.00	100	
126		4701-80-789-63	Construction of New Schemes under Medium Irrigation Project	500.00	500.00	100	
127		4701-80-789-65	Construction of New Schemes under Chhotanagpur and Santhal Pargana Irrigation Project	500.00	500.00	100	
128		4701-80-796-63	Construction of New Schemes under Medium Irrigation Project	2,000.00	2,000.00	100	

Sl. No.	Name of Grant and Number	Head	Name of Scheme	Provision	Amount of Surrender	Percentage of Surrender
129	49-Water Resources Department	4701-80-800-65	Construction of New Scheme under Chhotanagpur and Santhal Pargana Irrigation Project	2,000.00	2,000.00	100
130	50-Water Resources Department (Minor Irrigation Division)	4702-00-789-18	Construction of ongoing Minor Irrigation Project	200.00	200.00	100
131	51-Welfare Department (Welfare Division)	2225-01-789-81	Training (National Training Policy)	200.00	200.00	100
132		2225-02-796-28	Lac Development Scheme	10,100.00	10,100.00	100
133		2225-02-796-89	Lack and Minor Forest for dues Marketing and Development Programme	1,000.00	1,000.00	100
134		4225-01-789-02	Student	200.00	200.00	100
135	52-Tourism, Art, Culture, Sports and Youth Affairs Department (Art, Culture, Sports and Youth Affairs Division)	2205-00-101-37 (CSS)	Establishment of Rabindra Bhawan and Organising Workshop	235.00	235.00	100
136		2205-00-101-37	Establishment of Rabindra Bhawan and Organising Workshop	240.00	240.00	100
137	53-Agriculture, Animal Husbandry and Co-operative Department (Fishery Division)	2405-00-101-60	Cage Aquaculture	530.00	530.00	100
138		2405-00-796-60	Cage Aquaculture	270.00	270.00	100
139		4405-00-101-68	Cage Aquaculture	1,156.00	1,156.00	100
140		4405-00-789-68	Cage Aquaculture	250.00	250.00	100
141		4405-00-796-68	Cage Aquaculture	630.00	630.00	100
142	54-Agriculture, Animal Husbandry and Co-operative Department (Dairy Division)	2404-00-102-75	National Programme for Bovine Breeding (NPBB)	200.00	200.00	100
143		2404-00-102-76	National Programme for Dairy Development (NPDD)	600.00	600.00	100
144	56-Rural Development Department (Panchayati Raj Division)	2515-00-198-45	General Performance Grant on Recommendation of 14th Finance Commission	11,857.00	11,857.00	100
145	58-School Education and Literacy Department (Secondary Education Division)	2202-02-109-36 (CSS)	Establishment of Model Schools under CSPS	2,000.00	2,000.00	100
146		2202-02-109-36	Establishment of Model Schools under CSPS	2,000.00	2,000.00	100
147		2202-02-109-60	Computer Literacy (ICT) Under RMSA Scheme for Jharkhand Area	558.00	558.00	100
148		2202-02-789-36 (CSS)	Establishment of Model Schools under CSPS (Central Share-50: State Share-50)	680.00	680.00	100
149		2202-02-789-36	Establishment of Model Schools under CSPS (Central Share-50: State Share-50)	680.00	680.00	100
150		2202-02-796-36 (CSS)	Establishment of Model School under CSPS (Central Share-50: State Share-50)	1,320.00	1,320.00	100
151		2202-02-796-36	Establishment of Model School under CSPS (Central Share-50: State Share-50)	1,320.00	1,320.00	100
152	60-Women, Child Development and Social Security Department	2235-02-106-96 (CSS)	ICDS (Strengthening and restructuring)	1,300.00	1,300.00	100
153		2235-02-106-96	ICDS (Strengthening and restructuring)	864.00	864.00	100
154		2235-02-796-96 (CSS)	ICDS (Strengthening and restructuring)	1,400.00	1,400.00	100
155		2235-02-796-96	ICDS (Strengthening and restructuring)	936.00	936.00	100
156		4235-02-796-75	Special Teacher Training College/Special Disability Centres	250.00	250.00	100
<b>Total</b>				<b>2,98,011.61</b>	<b>2,98,011.61</b>	<b>100</b>

**Appendix 2.9**  
**Rush of expenditure at the end of the year**  
**(Reference: Paragraph 2.5; Page 37)**

(₹ in crore)

Sl. No.	Name of Department	Head	Expenditure incurred during January to March 2017	Expenditure incurred in March 2017	Total expenditure	Percentage to total expenditure during	
						Jan-March 2017	March 2017
1	Energy Department	2810	51.84	51.84	51.84	100.00	100.00
2	Urban Development and Housing Department (Urban Development Division)	4217	49.00	49.00	49.00	100.00	100.00
3	Women, Child Development and Social Security Department	4235	116.96	113.14	116.96	100.00	96.73
4	Tourism, Art Culture, Sports and Youth Affairs Department (Tourism Division)	5452	69.47	38.71	74.27	93.54	52.12
5	Home, Jail and Disaster Management Department (Disaster Management Division)	2245	403.25	205.36	453.32	88.95	45.30
6	Welfare Department (Welfare Division)	4225	217.96	101.55	264.04	82.55	38.46
7	Urban Development and Housing Department (Urban Development Division)	2217	2,127.94	963.75	2,583.98	82.35	37.30
8	Tourism, Art, Culture, Sports and Youth Affairs Department (Art, Culture, Sports and Youth Affairs Division)	2204	47.51	40.39	57.87	82.10	69.79
9	Industries Department	2852	133.54	62.95	166.41	80.25	37.83
10	Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	2402	49.86	38.15	62.93	79.23	60.62
11	Rural Development Department (Rural Development Division)	2501	367.05	149.95	485.93	75.54	30.86
12	Home, Jail and Disaster Management Department (Home Division)	4055	138.58	128.56	188.68	73.45	68.14
13	Higher and Technical Education Department (Science and Technology Department)	2203	191.15	175.81	263.62	72.51	66.69
14	Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	2401	497.96	387.88	716.70	69.48	54.12
15	Tourism, Art Culture, Sports and Youth Affairs Department (Tourism Division)	3452	24.13	10.03	37.37	64.57	26.84
16	Agriculture, Animal Husbandry and Co-operative Department (Fishery Division)	4405	32.83	17.42	51.06	64.30	34.12
17	Transport Department (Civil Aviation Division)	5053	126.43	80.96	203.13	62.24	39.86
18	Health, Medical Education and Family Welfare Department	4210	315.06	290.61	511.55	61.59	56.81
19	Forest, Environment and Climate Change Department	2406	298.45	212.09	491.57	60.71	43.15
20	Labour, Employment and Skill Development Department	2230	79.03	63.23	131.39	60.15	48.12
21	Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	4402	256.24	207.81	428.01	59.87	48.55
22	Urban Development and Housing Department (Urban Development Division)	4216	49.20	9.36	84.75	58.05	11.04
23	Agriculture, Animal Husbandry and Co-operative Department (Dairy Division)	2404	124.75	73.53	221.40	56.35	33.21
24	Road Construction Department	3054	126.09	65.97	227.07	55.53	29.05
25	Water Resources Department	4701	217.61	72.12	393.08	55.36	18.35
26	Agriculture, Animal Husbandry and Co-operative Department (Fishery Division)	2405	30.95	18.26	58.81	52.63	31.05
27	Welfare Department (Welfare Division)	2225	676.23	290.94	1,311.94	51.54	22.18
28	Drinking Water and Sanitation Department	4215	112.11	31.73	220.97	50.74	14.36
29	Cabinet (Election) Department	2015	34.87	19.39	69.43	50.22	27.93
<b>Total</b>			<b>6,966.05</b>	<b>3,970.49</b>	<b>9,977.08</b>	<b>69.82</b>	<b>39.80</b>

**Appendix 2.10**  
**List of Controlling Officers where expenditure remained un-reconciled during 2016-17**  
**(Amounts exceeding ₹ 10 crore in each case)**  
**(Reference: Paragraph 2.6; Page 37)**

(₹ in crore)

Sl. No.	Controlling Officers/ Departments	Amount not reconciled
1	Director, Health. Service, Jharkhand, Ranchi	1,798.41
2	Director of Industries Department Of Industries & Minerals, Jharkhand,	510.04
3	Secretary, Animal Husbandry, Ranchi.	96.91
4	Secretary, Transport & Civil Aviation Cum-State Commissioner. Jharkhand	182.27
5	Registrar, Co-operation Society Co-operation Department Ranchi.	166.47
6	Secretary, Finance Department Revenue & L.R. Jharkhand Ranchi.	109.93
7	Secretary Finance Department Jharkhand Ranchi	12.70
8	Secretary Board of Revenue Department	356.34
9	Deputy Secretary Primary & Adult Education Ranchi	7,640.18
10	Dy. Secretary Science & Technology Department Ranchi	253.23
11	Dy. Secretary Art. Culture and Youth Department Ranchi	57.72
12	Secretary Welfare Department Ranchi	1,868.71
13	Secretary Welfare Department Jharkhand Ranchi. Secretary, Minority Welfare Department Jharkhand, Ranchi.	1,229.48 194.82
14	Secretary, Urban Dev. Jharkhand, Ranchi.	1,078.83
15	Secretary, Food Supplies Department Jharkhand.	959.44
16	Dy. Secretary, Minor Irrigation Department Jharkhand.	389.80
17	Director, Panchayati Raj Department Jharkhand. Ranchi	6,092.55
18	Dy. Secretary, Rural Development Department Jharkhand, Ranchi	1,412.66
19	Commissioner of Labour, Ranchi.	120.45
20	Director, Planning & Evaluation Department	10.69
21	Secretary, Jharkhand, Legislative Assemble	66.36
22	Electoral Commissioner, Election Department Ranchi	69.43
23	I.G.(Prison), Home Department Jharkhand	41.26
24	Secretary, Food & Nutrition Department Jharkhand	394.50
25	Director, Dairy Development Department	221.39
26	Joint Secretary, Water Resources Department	112.11
27	Commissioner-Cum-Secretary, Water Resources Department	54.41
28	Chief Engineer, Road Construction (PWD) Department	176.81
29	Addl. Secretary, Home (Police) Department Section IV Village Police Commissioner, South C.N. Division, Ranchi Commissioner, North C.N. Division, Hazaribagh	370.56
30	D.G.P Home Guard, Ranchi. Commissioner, Civil Defence, Jharkhand. Registrar, Cabinet (Vigilance) Department Ranchi Divisional Commissioner, Rajbhasha Vibhag, Ranchi	95.33
31	Director of Industries, Department Of Industries & Minerals, Jharkhand	98.80
32	Director of Industries, Department Of Industries & Minerals, Jharkhand	164.78
33	Under. Secretary, Health & Family, Welfare Department Jharkhand	89.08
34	Under Secretary BC & Housing PWD Division Department Chief Engineer, BC & Housing PWD Division Department	107.52
35	Secretary Law Department Jharkhand.	300.46
36	Secretary, Minor Irrigation, Jharkhand	25.69
37	Secretary-Cum-Commissioner, Rural Development Department	400.00
38	Director of Fisheries, Jharkhand	45.69
39	Director, Soil & Water Conservation, Jharkhand	62.56
<b>Total</b>		<b>27,438.37</b>

Source: Office of the Principal Accountant General (A&amp;E), Jharkhand

**Appendix 2.11**  
**Avoidable Supplementary Provision**  
**(Reference: Paragraph 2.7.4; Page 39)**

(₹ in crore)

Sl. No.	HEAD											Allotment				Total Expenditure (Up to March)
	No.	Major Head	Sub-Major Head	Minor Head	Sub-Head	P/ NP	Voted/ Charged	Original	Supplementary (in August'17)	Re-appropriation	Final					
1	3054-01-337-01	3054	Roads and Bridges	01	National Highways	337	Road Works	01	Repairing & Maint of National Highway	NP (W)	Voted	14.75	15.25	(-)8.74	21.26	0.04
2	3054-03-052-06	3054	Roads and Bridges	03	State Highways	052	Machinery and Equipment	06	Machinery and Equipment's	NP (W)	Voted	0.01	0.00	(-)0.01	0.00	0.00
3	3054-03-337-01	3054	Roads and Bridges	03	State Highways	337	Road Works	01	Repairing & Maint of National Highway	NP (W)	Voted	150.00	0.00	(-)31.63	118.37	115.81
<b>Sub Total</b>												<b>164.76</b>	<b>15.25</b>	<b>(-)40.38</b>	<b>139.63</b>	<b>115.85</b>
4	3054-03-337-02	3054	Roads and Bridges	01	State Highways	337	Road Works	02	Expenditure on Work-Charged Establishment	NP	Voted	0.15	0.00	0.25	0.40	0.40
5	3054-80-001-01	3054	Roads and Bridges	80	General	001	Direction and Administration	01	Direction	NP	Voted	10.32	0.00	(-)1.96	8.36	8.25
6	3054-80-001-02	3054	Roads and Bridges	80	General	001	Direction and Administration	02	Execution	NP	Voted	66.84	0.14	(-)0.59	66.39	66.25
7	3054-80-001-04	3054	Roads and Bridges	80	General	001	Direction and Administration	04	Superintendence	NP	Voted	7.84	0.00	(-)0.91	6.93	6.37
8	3054-80-001-05	3054	Roads and Bridges	80	General	001	Direction and Administration	05	Design	NP	Voted	6.75	0.02	(-)1.13	5.64	5.14
9	3054-80-001-06	3054	Roads and Bridges	80	General	001	Direction and Administration	06	National Highway Project Wing-Direction	NP	Voted	1.37	0.00	(-)0.36	1.01	1.00
10	3054-80-001-07	3054	Roads and Bridges	80	General	001	Direction and Administration	07	National Highway Project Wing-Superintendence	NP	Voted	2.06	0.03	(-)0.49	1.60	1.59
11	3054-80-001-08	3054	Roads and Bridges	80	General	001	Direction and Administration	08	National Highway Project Wing- Work Execution	NP	Voted	17.31	0.00	(-)1.80	15.51	15.24
12	3054-80-001-09	3054	Roads and Bridges	80	General	001	Direction and Administration	09	Advance Planning Establishment	NP	Voted	7.01	0.02	(-)1.23	5.80	5.57
13	3451-00-090-12	3451	Secretariat-Economic Services	00		090	Secretariat	12	Road Construction Deptt.	NP	Voted	1.89	0.00	(-)0.28	1.61	1.62
<b>Sub Total</b>												<b>121.54</b>	<b>0.21</b>	<b>(-)8.50</b>	<b>113.25</b>	<b>111.43</b>
<b>Grand Total</b>												<b>286.30</b>	<b>15.46</b>	<b>48.88</b>	<b>252.88</b>	<b>227.28</b>

**Appendix 2.12**  
**Non-reconciliation of departmental expenditure figures**  
**(Reference: Paragraph 2.7.9; Page 42)**

(₹ in crore)

Sl. No.	Divisions	Heads	Total Expenditure	Reconciled amount	Non-reconciled amount
1	EE, RCD, Daltonganj	Plan	226.70	226.66	0.04
		Non-plan (work)	3.16	1.34	1.82
		Non-plan (Estt)	3.98	3.93	0.05
		<b>Total</b>	<b>233.84</b>	<b>231.93</b>	<b>1.91</b>
2	EE, RCD, Gumla	Plan	148.09	142.19	5.90
		Non-plan (Estt)	2.24	0.00	2.24
		<b>Total</b>	<b>150.33</b>	<b>142.19</b>	<b>8.14</b>
3	EE, RCD, Hazaribagh	Plan	226.42	226.07	0.35
		Non-plan (Estt)	2.46	2.18	0.28
		<b>Total</b>	<b>228.88</b>	<b>228.25</b>	<b>0.63</b>
4	EE, RCD, Jamshedpur	Plan	267.70	222.44	45.26
		Non-plan (Estt)	2.95	2.69	0.26
		<b>Total</b>	<b>270.65</b>	<b>225.13</b>	<b>45.52</b>
5	EE, RCD, Ranchi	Plan	343.05	332.60	10.45
		Non-plan (Estt)	4.43	0.00	4.43
		<b>Total</b>	<b>347.48</b>	<b>332.60</b>	<b>14.88</b>
<b>Grand Total</b>			<b>1,231.18</b>	<b>1,160.10</b>	<b>71.08</b>

**Appendix 3.1**  
**Utilisation certificates outstanding as on 31 March, 2017**  
**(Reference: Paragraph 3.1; Page 43)**

(₹ in crore)

Department	Up to 2015-16 (GIA sanctioned up to 2014-15)		During 2016-17 (GIA sanctioned during 2015-16)		Total UCs awaited	
	Items	Amount	Items	Amount	Items	Amount
Industry	128	163.51	376	226.59	504	390.10
Education	158	7,175.04	642	3,675.92	800	10,850.96
Co-operative	66	42.64	18	55.84	84	98.48
Animal Husbandry	42	27.03	Nil	Nil	42	27.03
Medical	05	195.00	13	656.03	18	851.03
Welfare	693	603.78	6,505	1,038.08	7,198	1,641.86
Agriculture	28	120.98	108	154.84	136	275.82
Land Revenue	1	0.21	Nil	Nil	1	0.21
Urban Development	4,725	2,395.80	948	2,192.54	5,673	4,588.34
Others	2,126	6,005.35	742	4,720.34	2,868	10,725.69
<b>Total</b>	<b>7,972</b>	<b>16,729.34</b>	<b>9,352</b>	<b>12,720.18</b>	<b>17,324</b>	<b>29,449.52</b>

Source: As per records maintained by Principal Accountant General (A&amp;E)

**Appendix 3.2**  
**List of auditable units identified u/s 14 & 15 of CAG's DPC Act**  
**(Reference: Paragraph 3.2.1; Page 44)**

Sl. No.	Department	Name of the office	District	Audited upto
1	Health	District Rural Health Society	Bokaro	2013-14
2	Health	District Rural Health Society	Chatra	2012-13
3	Health	District Rural Health Society	Deoghar	2012-13
4	Health	District Rural Health Society	Dhanbad	2013-14
5	Health	District Rural Health Society	Dumka	2011-12
6	Health	District Rural Health Society	East Singhbhum (Jamshedpur)	2014-15
7	Health	District Rural Health Society	Garhwa	2014-15
8	Health	District Rural Health Society	Giridih	2013-14
9	Health	District Rural Health Society	Godda	2012-13
10	Health	District Rural Health Society	Gumla	2011-12
11	Health	District Rural Health Society	Hazaribagh	2014-15
12	Health	District Rural Health Society	Jamtara	2012-13
13	Health	District Rural Health Society	Khunti	2015-16
14	Health	District Rural Health Society	Koderma	2015-16
15	Health	District Rural Health Society	Latehar	12/2012
16	Health	District Rural Health Society	Lohardaga	2013/14
17	Health	District Rural Health Society	Pakur	2015-16
18	Health	District Rural Health Society	Palamu	2013-14
19	Health	District Rural Health Society	Ranchi	2011-12
20	Health	District Rural Health Society	Ramgarh	2013-14
21	Health	Jharkhand State Health Mission Society, Namkum	Ranchi	2011-12
22	Health	District Rural Health Society	Saraikela Kharsawan	2013-14
23	Health	District Rural Health Society	Simdega	2013-14
24	Health	District Rural Health Society	West Singhbhum (Chaibasa)	2007-08
25	Health	District Rural Health Society	Sahebganj	2013-14
26	Education	Jharkhand Shiksha Pariyojana Parishad, Ranchi	Ranchi	2014-15
27	Health	Jharkhand AIDS Control Society, Ranchi	Ranchi	Nil
28	Education	Netarhat Residential School, Netarhat	Netarhat	11/2016
29	Rural Development	DRDA	Deoghar	2015-16
30	Rural Development	DRDA	Latehar	2014-15
31	Rural Development	DRDA	Hazaribagh	2015-16
32	Rural Development	DRDA	Giridih	2015-16
33	Rural Development	DRDA	Garhwah	2015-16
34	Rural Development	DRDA	Ranchi	2015-16
35	Rural Development	DRDA	Jamshedpur	2015-16
36	Rural Development	DRDA	Ramgarh	2015-16
37	Rural Development	DRDA	Chaibasa	2015-16
38	Rural Development	DRDA	Simdega	2015-16
39	Rural Development	DRDA	Koderma	2015-16
40	Rural Development	DRDA	Dumka	Feb-17
41	Rural Development	DRDA	Godda	2015-16
42	Rural Development	DRDA	Pakur	2015-16
43	Rural Development	DRDA	Saraikela	Feb-17
44	Rural Development	DRDA	Lohardaga	2015-16

Sl. No.	Department	Name of the office	District	Audited up to
45	Rural Development	DRDA	Bokaro	2011-12
46	Rural Development	DRDA	Chatra	Dec-15
47	Rural Development	DRDA	Dhanbad	2012-13
48	Rural Development	DRDA	Gumla	2012-13
49	Rural Development	DRDA	Medninagar	Sep-15
50	Rural Development	DRDA	Sahebganj	2014-15
51	Rural Development	DRDA	Jamtara	2010-11
52	Rural Development	DRDA	Khunti	Not audited since Inception
53	Education (S&T)	Birla Institute of Technology Mesra, Ranchi	Ranchi	2016-17
54	Aviation	Civil Aviation Authority, Ranchi	Ranchi	2016-17
55	Information Technology	Jharkhand Institute of Application for promotion (JAP-IT)	Ranchi	07/2014
56	Information Technology	Jharkhand Space Application Centre, Dhurwa, Ranchi	Ranchi	2007-08
57	Social Welfare	Jharkhand Pollution Control Board, Ranchi	Ranchi	2006-07
58	Industry	Industrial Area Development Authority, Ranchi	Ranchi	2015-16
59	Industry	Industrial Area Development Authority, Bokaro	Bokaro	2015-16
60	Industry	Industrial Area Development Authority, Jamshedpur	Jamshedpur	2016-17
61	Forest	Lac Treatment Plant, Latehar	Latehar	2008-09
62	Science & Technology	Science & Technology Council, Govt. of Jharkhand	Ranchi	2015-16
63	Biotechnology	Lac Cultivation Crop in forest, Doranda	Ranchi	2008-09
64	Forest	Forest State Trading Division	1.Latehar 2.Gumla 3.Chaibasa 4.Hazaribagh	1. 2012-13 2. 2012/13 3. 2012-13 4. 2008-09
65	Animal Husbandry	Bacon Factory, Kanke, Ranchi	Ranchi	2009-10
66	Animal Husbandry	Regional Poultry Farm, Ranchi	Ranchi	2009-10
67	Law	High Court Legal Services Committee, Ranchi	Ranchi	2008-09
68	Information and Public Relation	Govt. Press, Ranchi	Ranchi	2010-11
69	Education & Research	Birsa Agriculture University	Ranchi	2006-07
70	Forest	Jharkhand Bio-Diversity Council, Doranda, Ranchi	Ranchi	Nil (New item)
71	Industry	Chief Executive Officer, Jharkhand State Khadis village Industries Board, Ranchi	Ranchi	2016-17
72	Health	Director, R.K. Mission, TB sanatorium, Tipudana	Ranchi	2004-05
73	Education	Director, R.K. Mission Ashram, Morabadi, Ranchi	Ranchi	2007-08
74	Education	Jharkhand Mahila Samakhya Society, Kadru Ranchi	Ranchi	2005-06
75	Art, Culture and Sports	National Games Organising Committee, Morabadi, Ranchi	Ranchi	2008-09

Source: Permanent Audit Programme Register maintained in the office of the Pr. Accountant General (Audit)

**Appendix 3.3**  
**Vouchers were not found in DC bills**  
**(Reference: Paragraph 3.5 Page 50)**

( Amount in ₹ )

Sl. No.	TV_TC_NO	ACBL_NO	ACBL_DT	FIN_YR	MJH_CD	TR_CD	DC_CHLN_NO	DATE	DC_CHLN_AMT
1	6	253	22-12-2016	2016-17	5054	PCB	330	05-03-2017	72,35,41,196
2	6	261	27-10-2015	2015-16	5054	PCB	3400	30-05-2016	40,00,00,000
3	5	303	07-02-2017	2016-17	5054	PCB	1437	09-03-2017	15,00,00,000
4	2	403	17-03-2016	2015-16	5054	PCB	3400	30-05-2016	8,00,00,000
5	1	95	22-06-2016	2016-17	5054	PCB	139	09-01-2017	2,62,80,653
6	5	315	08-12-2015	2015-16	5054	PCB	140	09-01-2017	2,21,83,875
7	5	315	08-12-2015	2015-16	5054	PCB	3400	30-05-2016	1,31,36,625
8	2	211(L.Ni)/2015-	28-03-2016	2015-16	4403	PCB	657	15-09-2016	69,97,592
9	4	269/2015-16	30-03-2016	2015-16	4403	RNC	581	03-05-2016	45,20,000
10	4	269/2015-16	30-03-2016	2015-16	4403	RNC	713	03-06-2016	28,28,550
11	4	269/2015-16	30-03-2016	2015-16	4403	RNC	984	09-08-2016	10,51,450
12	5	270/2015-16	30-03-2016	2015-16	4403	RNC	714	03-06-2016	28,29,550
13	5	270/2015-16	30-03-2016	2015-16	4403	RNC	845	01-07-2016	17,42,915
14	5	270/2015-16	30-03-2016	2015-16	4403	RNC	982	09-08-2016	2,49,883
15	31	Adv.Build289/20	30-03-2016	2015-16	4055	PCB	964	20-01-2017	15,09,00,000
16	2	Adv.Build 01/20	15-10-2015	2015-16	4055	PCB	965	20-01-2017	7,91,00,000
17	2	Build Bill01/20	06-03-2015	2014-15	4055	PCB	1201	26-03-2017	7,17,44,896
18	9	Adv.Build.03/20	30-03-2015	2014-15	4055	PCB	1199	26-03-2017	4,77,31,996
19	25	Adv.Build.01/20	29-03-2015	2014-15	4055	PCB	1203	26-03-2017	4,00,00,000
20	1	Adv.Bill 01/201	02-09-2014	2014-15	4055	PCB	1202	26-03-2017	3,87,86,502
21	2	Adv.Build 01/20	15-10-2015	2015-16	4055	PCB	1034	13-02-2017	3,69,75,500
22	6	Adv.Build291/20	28-03-2016	2015-16	4055	PCB	1207	26-03-2017	3,41,14,204
23	31	Adv.Build289/20	30-03-2016	2015-16	4055	PCB	1200	26-03-2017	2,68,58,474
24	1	Adv.Mise.01/201	15-10-2015	2015-16	4055	PCB	967	20-01-2017	2,05,00,000
25	6	Adv.Build.01/20	29-03-2015	2014-15	4055	PCB	1204	26-03-2017	2,00,00,000
26	4	Adv.Build292/20	28-03-2016	2015-16	4055	PCB	966	20-01-2017	1,68,00,000
27	1	Adv.Mise.01/201	15-10-2015	2015-16	4055	PCB	1035	13-02-2017	1,00,14,200
28	3	Adv.Build293/20	28-03-2016	2015-16	4055	PCB	1205	26-03-2017	40,27,750
29	4	Adv.Build292/20	28-03-2016	2015-16	4055	PCB	1206	26-03-2017	24,70,251
30	4	428/2015-16	22-03-2016	2015-16	4055	RNC	2026	14-03-2017	41,65,000
31	2	418/2015-16	02-03-2016	2015-16	4055	RNC	4898	24-07-2016	40,69,681
32	1	134/11-12	21-02-2012	2011-12	4055	SGH	362	18-03-2017	20,26,607
33	16	34	29-03-2008	2007-08	4055	RNC	83	08-05-2016	18,49,000
34	9	165	29-03-2009	2008-09	4055	SGH	242	19-02-2017	10,94,166
35	3	246/2015-16	30-03-2016	2015-16	4055	DNB	594	18-09-2016	10,33,200
36	2	189/15-16	28-03-2016	2015-16	4055	BKR	582	14-09-2016	9,68,500
37	1	47	07-10-2010	2010-11	4055	BKR	580	14-09-2016	9,38,760
38	6	160	28-03-2009	2008-09	4055	SGH	242	19-02-2017	7,51,968
39	1	78/08-09	30-01-2009	2008-09	4055	SGH	242	19-02-2017	5,38,943
40	1	111/2008-09	17-03-2009	2008-09	4055	SGH	242	19-02-2017	4,49,871
41	10	511/2015-16	30-03-2016	2015-16	4055	RNC	4728	17-07-2016	4,30,530
42	2	137/12-13	25-03-2013	2012-13	4055	PKR	316	28-03-2017	3,48,828
43	2	124/11-12	05-03-2012	2011-12	4055	BKR	2407	18-10-2016	3,48,026
44	8	201/12-13	30-03-2013	2012-13	4055	GRH	364	28-02-2017	2,69,520

Sl. No.	TV_TC_NO	ACBL_NO	ACBL_DT	FIN_YR	MJH_CD	TR_CD	DC_CHLN_NO	DATE	DC_CHLN_AMT
45	9	141	17-03-2009	2008-09	4055	SDG	469	03-05-2016	2,00,000
46	10	164	29-03-2009	2008-09	4055	SGH	242	19-02-2017	1,48,224
47	4	374/15-16	30-03-2016	2015-16	4055	DMK	578	14-09-2016	1,00,887
48	2	251/2013-14	30-03-2014	2013-14	4055	CTR	1594	21-11-2016	78,750
49	0023A	60	15-03-2009	2008-09	2403	SGH	244	23-06-2016	7,71,413
50	124	170	30-03-2012	2011-12	2403	HZB	1	29-06-2016	4,25,117
51	315	26	21-03-2002	2001-02	2225	RNC	70	27-03-2017	1,50,000
52	318	29	21-03-2002	2001-02	2225	RNC	70	27-03-2017	1,00,000
53	57	3	11-01-2010	2009-10	2202	KDM	79	16-03-2017	1,00,00,000
54	0004D	2	27-03-2009	2008-09	2202	KDM	916	19-05-2016	93,60,000
55	60	4	27-03-2009	2008-09	2202	KDM	919	19-05-2016	58,50,000
56	0004D	69	29-03-2010	2009-10	2202	JMT	1122	18-09-2016	30,03,000
57	0001D	4	18-02-2010	2009-10	2202	LDG	1269	17-07-2016	17,78,328
58	0001C	1	10-01-2010	2009-10	2202	KDM	917	19-05-2016	13,50,000
59	0001C	3	18-02-2010	2009-10	2202	LDG	1268	17-07-2016	13,33,946
60	0002E	11	22-03-2009	2008-09	2202	LDG	1407	10-08-2016	13,33,745
61	0001F	179	30-03-2008	2007-08	2202	LDG	1266	17-07-2016	13,32,690
62	0014D	5	26-03-2009	2008-09	2202	RNC	654	08-08-2016	11,50,000
63	0001D	4	18-02-2010	2009-10	2202	LDG	1834	29-09-2016	8,89,014
64	0002D	251	30-03-2009	2008-09	2202	JMT	1088	13-09-2016	8,24,910
65	0001D	4	18-02-2010	2009-10	2202	LDG	1850	04-10-2016	4,44,332
66	0001F	1	27-03-2009	2008-09	2202	KDM	915	19-05-2016	3,60,000
67	0002B	49	26-03-2008	2007-08	2202	SKL	278	14-09-2016	3,50,877
68	0002E	11	22-03-2009	2008-09	2202	LDG	1478	28-08-2016	2,90,505
69	0005D	88	29-03-2009	2008-09	2202	PKR	1963	28-08-2016	2,00,000
70	74	5	18-06-2002	2002-03	2053	RNC	184	23-03-2017	7,02,35,000
71	59	20	13-12-2002	2002-03	2053	RNC	184	23-03-2017	6,58,74,392
72	25	17	26-11-2003	2003-04	2053	RNC	190	27-03-2017	3,20,59,200
73	79	147	10-01-2017	2016-17	2053	RNC	170	17-03-2017	3,68,59,417
74	79	147	10-01-2017	2016-17	2053	RNC	188	27-03-2017	1,68,40,583
75	23	01 ADVPS/2016-1	09-05-2016	2016-17	2040	PCB	1	21-04-2017	20,92,200

2,32,04,55,192

**Appendix 3.4**  
**Delay Submission of DC Bills**  
**(Reference: Paragraph 3.5; Page 51)**

(Amount in ₹)

Sl. No.	TV_TC_NO	ACBL_NO	ACBL_DT	FIN_YR	MJH_CD	TR_CD	DC_CHLN_NO	DATE	DC_CHLN_AMT	Due Date	Delay
1	6	261	27-10-15	2015-16	5054	PCB	3400	30-05-16	40,00,00,000	25-11-15	0y 5m 25d
2	2	403	17-03-16	2015-16	5054	PCB	3400	30-05-16	8,00,00,000	25-04-16	0y 0m 25d
3	5	315	08-12-15	2015-16	5054	PCB	140	09-01-17	2,21,83,875	25-01-16	0y 11m 7d
4	5	315	08-12-15	2015-16	5054	PCB	3400	30-05-16	1,31,36,625	25-01-16	0y 3m 14d
5	2	211	28-03-16	2015-16	4403	PCB	657	15-09-16	69,97,592	25-04-16	0y 4m 14d
6	4	269	30-03-16	2015-16	4403	RNC	581	03-05-16	45,20,000	25-04-16	0y 0m 2d
7	4	269	30-03-16	2015-16	4403	RNC	713	03-06-16	28,28,550	25-04-16	0y 1m 2d
8	4	269	30-03-16	2015-16	4403	RNC	984	09-08-16	10,51,450	25-04-16	0y 3m 8d
9	5	270	30-03-16	2015-16	4403	RNC	714	03-06-16	28,29,550	25-04-16	0y 1m 2d
10	5	270	30-03-16	2015-16	4403	RNC	845	01-07-16	17,42,915	25-04-16	0y 2m 0d
11	5	270	30-03-16	2015-16	4403	RNC	982	09-08-16	2,49,883	25-04-16	0y 3m 8d
12	2	100/12-13	22-03-13	2012-13	4055	RNC	1283	17-05-16	44,66,137	25-04-13	3y 0m 16d
13	4	428/15-16	22-03-16	2015-16	4055	RNC	2026	14-03-17	41,65,000	25-04-16	0y 10m 13d
14	1	418/15-16	02-03-16	2015-16	4055	RNC	4898	24-07-16	40,69,681	25-04-16	0y 2m 23d
15	1	134/11-12	21-02-12	2011-12	4055	SGH	362	18-03-17	20,26,607	25-03-12	4y 11m 17d
16	16	34	29-03-08	2007-08	4055	RNC	83	08-05-16	18,49,000	25-04-08	8y 0m 7d
17	3	420/15-16	18-03-16	2015-16	4055	RNC	8419	21-12-16	16,60,700	25-04-16	0y 7m 20d
18	1	105/15-16	29-03-16	2015-16	4055	RNC	513	15-06-16	15,49,800	25-04-16	0y 1m 14d
19	9	165	29-03-09	2008-09	4055	SGH	242	19-02-17	10,94,166	25-04-09	7y 9m 18d
20	3	246/15-16	30-03-16	2015-16	4055	DNB	594	18-09-16	10,33,200	25-04-16	0y 4m 17d
21	8	237/14-15	30-03-15	2014-15	4055	GRH	304	17-02-17	9,82,342	25-04-15	1y 9m 16d
22	2	189/15-16	28-03-16	2015-16	4055	BKR	582	14-09-16	9,68,500	25-04-16	0y 4m 13d
23	1	47	07-10-10	2010-11	4055	BKR	580	14-09-16	9,38,760	25-11-10	5y 9m 13d
24	3	30/15-16	09-12-15	2015-16	4055	RNC	588	15-09-16	8,70,000	25-01-16	0y 7m 14d
25	6	160	28-03-09	2008-09	4055	SGH	242	19-02-17	7,51,968	25-04-09	7y 9m 18d
26	1	78/08-09	30-01-09	2008-09	4055	SGH	242	19-02-17	5,38,943	25-02-09	7y 11m 18d
27	1	111/08-09	17-03-09	2008-09	4055	SGH	242	19-02-17	4,49,871	25-04-09	7y 9m 18d
28	10	511/15-16	30-03-16	2015-16	4055	RNC	4728	17-07-16	4,30,530	25-04-16	0y 2m 16d
29	2	137/12-13	25-03-13	2012-13	4055	PKR	316	28-03-17	3,48,828	25-04-13	3y 11m 27d
30	2	124/11-12	05-03-12	2011-12	4055	BKR	2407	18-10-16	3,48,026	25-04-12	4y 5m 17d
31	8	201/12-13	30-03-13	2012-13	4055	GRH	364	28-02-17	2,69,520	25-04-13	3y 10m 27d
32	9	141	17-03-09	2008-09	4055	SDG	469	03-05-16	2,00,000	25-04-09	7y 0m 2d
33	10	164	29-03-09	2008-09	4055	SGH	242	19-02-17	1,48,224	25-04-09	7y 9m 18d
34	4	374/15-16	30-03-16	2015-16	4055	DMK	578	14-09-16	1,00,887	25-04-16	0y 4m 13d
35	8	146	29-03-09	2008-09	4055	SGH	242	19-02-17	1,00,000	25-04-09	7y 9m 18d
36	2	251/13-14	30-03-14	2013-14	4055	CTR	1594	21-11-16	78,750	25-04-14	2y 6m 20d
37	7	145	29-03-09	2008-09	4055	SGH	242	19-02-17	47,300	25-04-09	7y 9m 18d
38	148	173	30-03-12	2011-12	2403	HZB	369	24-06-16	24,61,984	25-04-12	4y 1m 23d
39	148	173	30-03-12	2011-12	2403	HZB	310	23-05-16	8,26,038	25-04-12	4y 0m 22d
40	0023A	60	15-03-09	2008-09	2403	SGH	244	23-06-16	7,71,413	25-04-09	7y 1m 22d
41	124	170	30-03-12	2011-12	2403	HZB	1	29-06-16	4,25,117	25-04-12	4y 2m 28d
42	113	299	30-03-12	2011-12	2403	PLM	316	08-09-16	2,85,755	25-04-12	4y 4m 7d
43	173	295	30-03-12	2011-12	2403	PLM	317	28-09-16	1,31,950	25-04-12	4y 5m 27d
44	315	26	21-03-02	2001-02	2225	RNC	70	27-03-17	1,50,000	25-04-02	14y 11m 26d

Sl. No.	TV_TC_NO	ACBL_NO	ACBL_DT	FIN_YR	MJH_CD	TR_CD	DC_CHLN_NO	DATE	DC_CHLN_AMT	Due Date	Delay
45	318	29	21-03-02	2001-02	2225	RNC	70	27-03-17	1,00,000	25-04-02	14y 11m 26d
46	60	282	29-03-12	2011-12	2225	HZB	434	14-03-17	1,00,000	25-04-12	4y 10m 13d
47	0002D	396	06-03-07	2006-07	2225	GDD	432	27-03-17	51,000	25-04-07	9y 11m 26d
48	0003D	395	22-03-07	2006-07	2225	GDD	432	27-03-17	48,000	25-04-07	9y 11m 26d
49	57	3	11-01-10	2009-10	2202	KDM	79	16-03-17	1,00,00,000	25-02-10	7y 0m 15d
50	0004D	2	27-03-09	2008-09	2202	KDM	916	19-05-16	93,60,000	25-04-09	7y 0m 18d
51	60	4	27-03-09	2008-09	2202	KDM	919	19-05-16	58,50,000	25-04-09	7y 0m 18d
52	179	18	27-10-10	2010-11	2202	JMT	1090	13-09-16	38,67,895	25-11-10	5y 9m 12d
53	0533A	173	28-03-06	2005-06	2202	RNC	2162	30-08-16	31,61,600	25-04-06	10y 4m 29d
54	0004D	69	29-03-10	2009-10	2202	JMT	1122	18-09-16	30,03,000	25-04-10	6y 4m 17d
55	0001D	4	18-02-10	2009-10	2202	LDG	1269	17-07-16	17,78,328	25-03-10	6y 3m 16d
56	0001C	1	10-01-10	2009-10	2202	KDM	917	19-05-16	13,50,000	25-02-10	6y 2m 18d
57	0001C	3	18-02-10	2009-10	2202	LDG	1268	17-07-16	13,33,946	25-03-10	6y 3m 16d
58	0002E	11	22-03-09	2008-09	2202	LDG	1407	10-08-16	13,33,745	25-04-09	7y 3m 9d
59	0001F	179	30-03-08	2007-08	2202	LDG	1266	17-07-16	13,32,690	25-04-08	8y 2m 16d
60	0014D	5	26-03-09	2008-09	2202	RNC	654	08-08-16	11,50,000	25-04-09	7y 3m 7d
61	0001D	4	18-02-10	2009-10	2202	LDG	1834	29-09-16	8,89,014	25-03-10	6y 6m 28d
62	181	21	27-10-10	2010-11	2202	JMT	1089	13-09-16	8,80,000	25-11-10	5y 9m 12d
63	0002D	251	30-03-09	2008-09	2202	JMT	1088	13-09-16	8,24,910	25-04-09	7y 4m 12d
64	0001D	4	18-02-10	2009-10	2202	LDG	1850	04-10-16	4,44,332	25-03-10	6y 6m 3d
65	0001F	1	27-03-09	2008-09	2202	KDM	915	19-05-16	3,60,000	25-04-09	7y 0m 18d
66	0002B	49	26-03-08	2007-08	2202	SKL	278	14-09-16	3,50,877	25-04-08	8y 4m 13d
67	0002E	11	22-03-09	2008-09	2202	LDG	1478	28-08-16	2,90,505	25-04-09	7y 4m 27d
68	0005E	10	24-03-09	2008-09	2202	LDG	1460	22-08-16	2,74,502	25-04-09	7y 3m 21d
69	0002H	187	30-03-08	2007-08	2202	LDG	1277	19-07-16	2,28,000	25-04-08	8y 2m 18d
70	0005D	88	29-03-09	2008-09	2202	PKR	1963	28-08-16	2,00,000	25-04-09	7y 4m 27d
71	74	5	18-06-02	2002-03	2053	RNC	184	23-03-17	7,02,35,000	25-07-02	14y 7m 22d
72	59	20	13-12-02	2002-03	2053	RNC	184	23-03-17	6,58,74,392	25-01-03	14y 1m 22d
73	25	17	26-11-03	2003-04	2053	RNC	190	27-03-17	3,20,59,200	25-12-03	13y 3m 26d
74	23	1	09-05-16	2016-17	2040	PCB	1	21-04-17	20,92,200	30-11-16	0y 4m 20d

78,89,02,573

**Appendix 3.5**  
**Major Works under Revenue Section**  
**(Reference: Paragraph 3.7; Page 52)**

(₹ in crore)

Major Head	Sub-Major Head	Minor Head	Sub-Head	Description	Detailed Head	Amount
2403	00	103	61	Poultry Development (75:25)	0545 Major Works	0.10
3475	00	106	08	Standardisation of Weights and Measures	0545 Major Works	1.06
<b>Total</b>						<b>1.16</b>

**Appendix 3.6**  
**Operation of minor head '800 – Other Expenditure' (10 per cent and above)**  
**(Reference: Paragraph 3.9; Page 54)**

(₹ in crore)

Sl. No.	Major Head	Description	Total Expenditure	Expenditure under minor head – 800	Percentage of Col.5 to Col.4
(1)	(2)	(3)	(4)	(5)	(6)
1	4701	Capital Outlay on Medium Irrigation	393.08	192.84	49.06
2	4047	Capital Outlay on Other Fiscal Services	36.54	17.30	47.35
3	2053	District Administration	371.30	120.17	32.36
4	6801	Loans for Power Projects	1,228.51	346.33	28.19
5	2801	Power	1,702.80	325.12	19.09
6	2501	Special Programmes for Rural Development	485.93	70.29	14.47
7	4070	Capital Outlay on Other Administrative Services	0.18	0.02	11.11
<b>Total</b>			<b>4,218.34</b>	<b>1,072.07</b>	<b>25.41</b>

**Appendix 3.7**  
**Operation of minor head '800 – Other Receipts' (40 per cent and above)**  
**(Reference: Paragraph 3.9; Page 54)**

(₹ in crore)

Sl. No.	Major Head	Description	Total Receipts	Receipts under minor head – 800	Percentage of Col.5 to Col.4
(1)	(2)	(3)	(4)	(5)	(6)
1	0059	Public Works	26.09	26.09	100.00
2	0211	Family Welfare	0.01	0.01	100.00
3	0404	Dairy Development	2.31	2.31	100.00
4	0700	Major Irrigation	21.02	21.02	100.00
5	0701	Medium Irrigation	57.77	57.77	100.00
6	0702	Minor Irrigation	5.00	5.00	100.00
7	0801	Power	6.43	6.43	100.00
8	1053	Civil Aviation	0.03	0.03	100.00
9	1456	Civil Supplies	3.90	3.90	100.00
10	6245	Loans for Relief on Account of Natural Calamities	0.01	0.01	100.00
11	0435	Other Agricultural Programmes	0.34	0.34	100.00
12	0406	Forestry and Wild Life	4.48	4.46	99.55
13	0215	Water Supply and Sanitation	12.09	12.02	99.42
14	0851	Village and Small Industries	13.01	12.77	98.16
15	0070	Other Administrative Services	317.52	309.32	97.42
16	0216	Housing	23.58	22.42	95.08
17	1452	Tourism	2.82	2.66	94.33
18	0515	Other Rural Development Programmes	43.17	38.14	88.35
19	1054	Roads and Bridges	114.63	101.12	88.21
20	0210	Medical and Public Health	20.53	14.81	72.14
21	0235	Social Security and Welfare	36.79	23.96	65.13
22	0041	Taxes on Vehicles	681.52	404.93	59.42
23	0401	Crop Husbandry	5.89	3.32	56.37
24	0425	Co-operation	2.82	1.46	51.77
25	0071	Contributions and Recoveries towards Pension	2.79	1.41	50.54
26	0852	Industries	0.02	0.01	50.00
27	0202	Education, Sports, Art and Culture	21.10	9.30	44.08
<b>Total</b>			<b>1,425.67</b>	<b>1,085.02</b>	<b>76.11</b>

**Appendix 4.1**  
**Glossary of terms, basis of calculations and Acronyms used in the Report**

Terms	Basis of calculation and explanation
Buoyancy of a parameter	Rate of Growth of the parameter/GSDP Growth Rate
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	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	Interest Received $[(\text{Opening balance} + \text{Closing balance of Loans and Advances}) / 2] * 100$
Revenue Deficit	Revenue Receipt – Revenue Expenditure
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 <b>minus</b> all Plan Grants and Non-Plan Revenue Expenditure excluding expenditure recorded under the major head 2048 – Appropriation for reduction of Avoidance of debt.
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 stabilise 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.
Sufficiency of non-debt receipts	Adequacy of incremental non-debt receipts of the State to cover the incremental interest liabilities and incremental primary expenditure. Debt sustainability could be significantly facilitated if the incremental non-debt receipts could meet the incremental interest burden and the incremental primary expenditure.

## Appendix - 4.1 continued..

Terms	Basis of calculation and explanation
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.
Appropriation Accounts	Appropriation Accounts present the total amount of funds (Original and Supplementary) authorised by the Legislative Assembly in the budget grants under each voted grants and charged appropriation vis-à-vis the actual expenditure incurred against each and the unspent provisions or excess under each grant or appropriation. Any expenditure in excess of the grants requires regularisation by the Legislature.
Autonomous bodies	Autonomous Bodies (usually registered Societies or Statutory Corporations) are set up whenever it is felt that certain functions need to be discharged outside the governmental set up with some amount of independence and flexibility without day-to-day interference of the Governmental machinery.
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 on which the present executive has limited control.
State implementing schemes	State Implementing Agency includes any Organisation/ Institution including Non-Governmental Organisation 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 Sarva Siksha Aviyan and State Health Mission for National Rural Health Mission, etc.
Contingency Fund	Legislature Assembly has by law established a Contingency Fund in the nature of an imprest into which is paid from time to time such sums as may be determined by such law, and the said fund is placed at the disposal of the Governor to enable advances to be made by him out of it for the purpose of meeting unforeseen expenditure pending authorisation of such expenditure by Legislature Assembly by law under Article 115 or Article 116 of the Constitution.
Consolidated fund of the State	The fund constituted under Article 266 (1) of the Constitution of India into which all receipts, revenues and loans flow. All expenditure from the CFI is by appropriation: voted or charged. It consists of two main divisions namely Revenue Account (Revenue Receipts and Revenue Expenditure) and Capital Account (Public Debt and Loans, etc.).
Contingent liability	Contingent liabilities may or may not be incurred by an entity depending on the outcome of a future event such as a court case.
Sinking Fund	A Fund into which the government sets aside money over time, in order to retire its debt.

## Appendix - 4.1 continued..

Terms	Basis of calculation and explanation
Guarantee Redemption Fund	Guarantees are liabilities contingent on the Consolidated Fund of the State in case of default by the borrower for whom the guarantee has been extended. As per the terms of the Guarantee Redemption Fund, the State Government was required to contribute an amount equal to atleast 1/5 <sup>th</sup> of the outstanding invoked guarantees plus an amount likely to be invoked as a result of the incremental guarantees during the year.
Internal Debt	Internal Debt comprises regular loans from the public in India, also termed 'Debt raised in India'. It is confined to loans credited to the Consolidated Fund.
Primary revenue expenditure	Primary revenue expenditure means revenue expenditure excluding interest payments.
Re-appropriation	Means the transfer of funds from one Primary unit of appropriation to another such unit.
Surrenders of unspent provision	Departments of the State Government are to surrender to the Finance Ministry, before the close of the financial year, all the anticipated unspent provisions noticed in the grants or appropriations controlled by them. The Finance Ministry is to communicate the acceptance of such surrenders, as are accepted by them to the Audit Officer and/or the Accounts Officer, as the case may be, before the close of the financial year.
Supplementary grants	If the amount authorised by any law made in accordance with the provisions of Article 114 of the Constitution to be expended for a particular service for the current financial year is found to be insufficient for the purpose of that year or when a need has arisen during the current financial year for the supplementary or additional expenditure upon some 'new service' not contemplated in the original budget for that year, Government is to obtain supplementary grants or appropriations in accordance with the provision of Article 115 (1) of the Constitution.
Suspense and Miscellaneous	Items of receipts and payments which cannot at once be taken to a final head of receipt or charge owing to lack of information as to their nature or for any other reasons, may be held temporarily under the major head "8658-Suspense Account" in the sector "L. Suspense and Miscellaneous" of the Accounts, (Footnotes under the major head in the list of major/minor heads of account may be referred to for further guidance). A service receipt of which full particulars are not given must not be taken to the head "Suspense Account" but should be credited to the minor head "Other Receipt" under the revenue major head to which it appears to belong pending eventual transfer to the credit of the correct head on receipt of detailed particulars.
Public Accounts committee	A Committee constituted by the Legislative Assembly for the examination of the reports of the Comptroller and Auditor General of India relating to the appropriation accounts of the State, the annual financial accounts of the State or such other accounts or financial matters as are laid before it or which the Committee deems necessary to scrutinise.

Acronyms	Full Form
AC Bill	Abstract Contingent Bill
AE	Aggregate Expenditure
BE	Budget Estimates
CAG	Comptroller and Auditor General of India
CE	Capital Expenditure
DC Bill	Detailed Contingent Bill
DE	Development Expenditure
FCP	Fiscal Correction Path
GOI	Government of India
GSDP	Gross State Domestic Product
FRBM	Fiscal Responsibility and Budget Management Act, 2005
IP	Interest Payment
O&M	Operation and Maintenance
PAC	Public Accounts Committee
RE	Revenue Expenditure
RR	Revenue Receipts
S&W	Salaries and Wages
SAR	Separate Audit Report
SSE	Social Sector Expenditure
TE	Total Expenditure
14 <sup>th</sup> FC	Fourteenth Finance Commission
UC	Utilisation Certificate
VAT	Value Added Tax

**© COMPTROLLER AND  
AUDITOR GENERAL OF INDIA  
[www.cag.gov.in](http://www.cag.gov.in)**

