



सत्यमेव जयते

GOVERNMENT OF ARUNACHAL PRADESH

**ACCOUNTS AT A GLANCE  
2008 - 2009**

ACCOUNTANT GENERAL  
ARUNACHAL PRADESH  
ITANAGAR - 791 111

## PREFACE

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

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

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

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

Dated: Itanagar  
The 04-08-2010

  
(C A BODH)  
ACCOUNTANT GENERAL

## **CHAPTER I**

### **OVERVIEW**

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

The accounts of Government are kept in the following three parts:

Part I Consolidated Fund

Part II Contingency Fund

Part III Public Account

There are two main divisions under the Consolidated Fund:

The Revenue division (Revenue Account) deals with the proceeds of taxation and other receipts classed as revenue and the expenditure met therefrom, the net result of which represents the revenue surplus or deficit for the year.

In the Capital division, the section 'Receipt Heads (Capital Account)' deals with receipts of capital nature, which cannot be applied as a set off to capital expenditure. The section 'Expenditure Heads (Capital Account)' deals with expenditure met usually from borrowed funds with the object of increasing concrete assets of a material and permanent character. It also includes receipts of a capital nature intend to be applied as a set off to capital expenditure. The section 'Public Debt, Loans and Advances, etc.' comprises loans raised and their repayments by Government such as 'Internal Debt' and 'Loans and Advances' made (and their recoveries) by Government.

In the Contingency Fund, the transactions connected with Contingency Fund established under Article 267 of the Constitution of India are recorded.

In the Public Account, the transactions relating to 'Debt' (other than those included in Part I), 'Deposits', 'Advances', 'Remittances' and 'Suspense' are recorded.

Annual Accounts of the Government of Arunachal Pradesh for the year 2008-2009 and the Audit Report of the Comptroller and Auditor General of India for the year 2008-2009 are yet to be presented to the Legislature.



### *Finance Accounts*

Finance Accounts present the accounts of receipts and outgoing of the Government for the year together with the financial results disclosed by the revenue and capital accounts, the accounts of the public debts and the liabilities and assets as worked out from the balances recorded in the accounts.

During 2008-2009 total receipts amounted to Rs. 4212.92 crore comprising Revenue receipts of Rs. 3855.96 crore (Rs.598.31 crore Tax revenue, Rs.772.01 crore Non-Tax revenue and Rs. 2485.64 crore Grants-in-aid and Contributions), and Capital receipts of Rs. 356.96 crore.

Disbursements during the year were Rs.4212.92 crore of which Rs.2895.45 crore (68.73 %) was on Revenue Account and Rs.1317.47 crore (31.27%) on Capital Account.

### *Appropriation Accounts*

Appropriation Accounts bring out the expenditure of the State Government against amounts voted and charged by the State Legislature and supplement the Finance Accounts. These comprise accounts of 5 charged Appropriations and 65 voted Grants.

Appropriation Acts, 2008-2009 had projected for a gross expenditure of Rs.6146.31 crore, including the Supplementary Grants of Rs.2681.85 crore, voted by State Legislature during the year. An amount of Rs. 5.30 crore was projected as recoveries in reduction of expenditure.

Appropriation Accounts 2008-2009 show disbursements aggregating Rs.4277.23 crore against the aggregate budget provision of Rs.6146.31 crore, resulting in savings of Rs. 1869.08 crore against Grants and Appropriations. Of this, Rs. 1179.36 crore (63.10%) was under the Grants controlled by the Secretariat-Economic Services.

Recoveries in reduction of expenditure amounted to Rs.4.46 crore reflecting a decrease of Rs.0.84 crore vis-à-vis budget estimates.

## CHAPTER II

### HIGHLIGHTS OF ACCOUNTS

(Rupees in crore)

Sl. No		B.E 2008-2009	Actuals	Percentage of Actuals to B.E	Percentage of Actuals to G.S.D.P.
1.	Tax Revenue	611.00	598.31	97.92	13.19
2.	Non-Tax Revenue	521.64	772.01	148.00	17.02
3.	Grants-in-aid & Contributions	2,770.91	2,485.64	89.70	54.79
4.	Revenue Receipts (1+2+3)	3,903.55	3,855.96	98.78	85.00
5.	Recovery of Loans & Advances	2.00	2.78	139.00	0.06
6.	Other Receipts	0	0	0	0.00
7.	Borrowings & Other liabilities	2055.39	354.18	17.23	7.81
8.	Capital Receipts (5+6+7)	2,057.39	356.96	17.35	7.87
9.	Total Receipts (4+8)	5,960.94	4,212.92	70.68	92.87
10.	Non-Plan Expenditure (NPE)	1,925.59	1,790.66	92.99	39.47
11.	NPE on Revenue Account	1,883.17	1,752.80	93.08	38.64
12.	NPE on Interest Payments out of 11	228.11	215.54	94.49	4.75
13.	NPE on Capital Account	42.42	37.86	89.25	0.83
14.	Plan Expenditure (PE)	4,035.35	2,422.26	60.03	53.40
15.	PE on Revenue Account	2,273.07	1,142.65	50.27	25.19
16.	PE on Capital Account	1762.28	1,279.61	72.61	28.21
17.	Total Expenditure (10+14)	5,960.94	4,212.92	70.68	92.87
18.	Revenue Expenditure (11+15)	4,156.24	2,895.45	69.67	63.83
19.	Capital Expenditure (13+16)	1804.70	1,317.47*	73.00	29.04
20.	Revenue Surplus (+)/ Deficit (-) (4-18)	-252.69	960.51	-380.11	21.17
21.	Fiscal Deficit {17 - (4+5+6) = 7}	2,055.39	354.18	17.23	7.81

G.S.D.P. Gross State Domestic Product for the year 2008-09 is 4536.45 crore. (Quick Estimate) as per Time Series Data.

\* Expenditure on Capital Account consists of Capital Expenditure (Rs.1,290.23 crore) and Loans and Advances Disbursed (Rs.27.24 crore.)



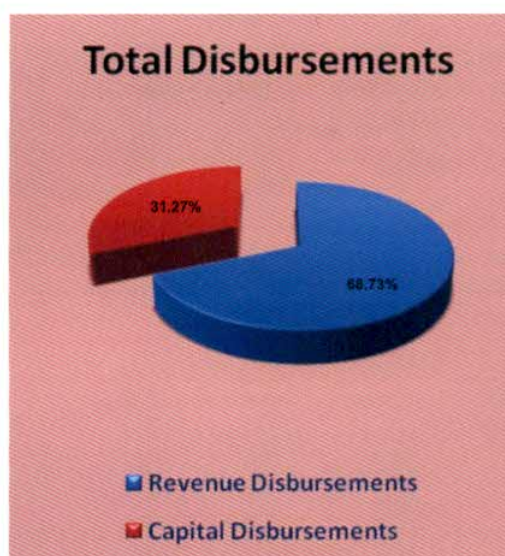
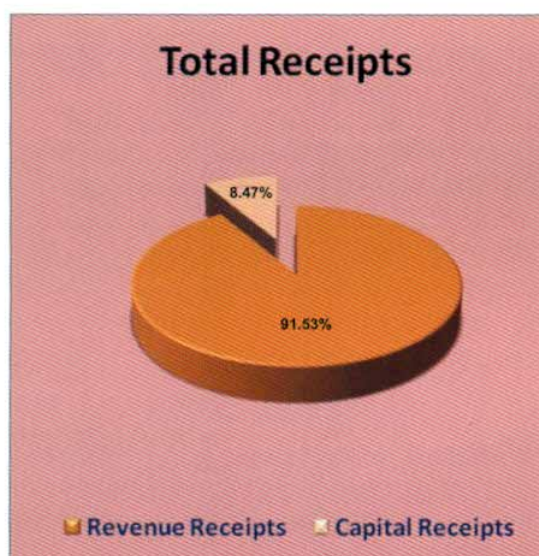
## Receipts and Disbursements

During the year total receipts were Rs.4212.92 crore, against which total disbursements were Rs. 4212.92 crore.

The following table summarises the Accounts for 2008-2009:

(Rupees in crore)

Total Receipts	4212.92	Total Disbursements	4212.92
Revenue Receipts	3855.96 (91.53%)	Revenue Disbursements	2895.45 (68.73%)
Capital Receipts	356.96 (8.47%)	Capital Disbursements	1317.47 (31.27%)



## RECEIPTS

### Revenue Receipts

The gross tax and non-Tax revenue were Rs.598.31 crore and Rs. 772.01 crore respectively. The major contributor to revenue was Taxes on Commodities and Services.

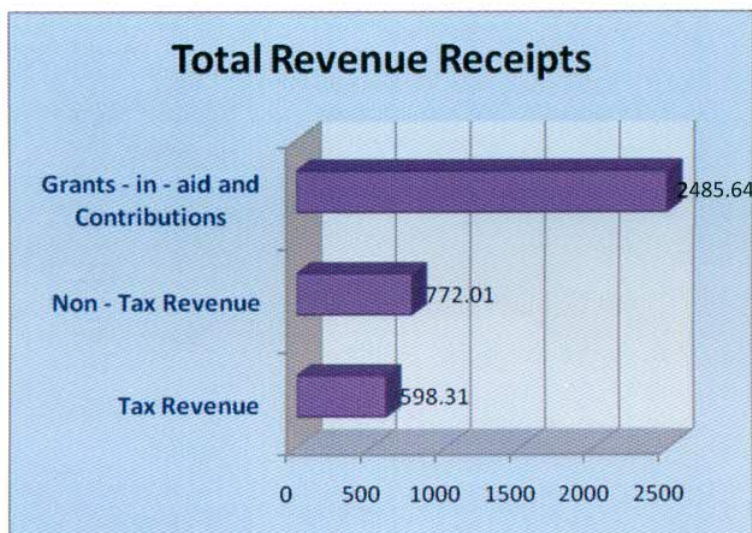
Net tax receipts during the year were lower than the budget estimates by Rs. 12.69 crore, mainly on account of the collection under Taxes on Income and Expenditure not growing as per expectations.

Share of various tax, non-tax revenue and grants-in-aid and contributions to total revenue receipts is given below:

### Revenue Receipts and Grants in Aid and Contributions

(Rupees in crore)

Components	Actuals	Percentage to total Revenue Receipts
<b>A. Tax Revenue</b>	<b>598.31</b>	<b>15.52</b>
Taxes on Income and Expenditure	246.67	6.40
Taxes on Property and Capital Transactions	6.29	0.16
Taxes on Commodities and Services	345.35	8.96
<b>B. Non-Tax Revenue</b>	<b>772.01</b>	<b>20.02</b>
Fiscal Services	...	...
Interest Receipts, Dividends and Profits	34.80	0.90
General Services	28.45	0.74
Social Services	10.73	0.28
Economic Services	698.03	18.10
<b>C. Grants-in-aid and Contributions</b>	<b>2485.64</b>	<b>64.46</b>
<b>TOTAL-REVENUE RECEIPTS</b>	<b>3855.96</b>	<b>100.00</b>



### Capital Receipts

Compared to the revised estimates, there was an overall increase of Rs.8.58 crore in Capital Receipts. This increase was mainly because of more borrowings by the Government.



## DISBURSEMENTS

### *Revenue Disbursements*

Revenue Disbursement (net) was less than the budget estimates by Rs.1260.79 crore (Rs.130.37 crore less under Non-Plan, Rs. 1130.42 crore less under Plan).

### *Capital Disbursements*

Capital Disbursements were less than the budget estimates by Rs.487.23 crore due to less disbursement under Non-Plan, (Rs. 4.56 crore) and less under Plan (Rs. 482.67 crore).

### *Plan Disbursements*

During the year 2008-2009, Plan Disbursements were Rs.733.12 crore under State Plan, Rs. 331.83 crore under Centrally Sponsored Plan and Rs.77.70 under Central Sector Schemes.

### *Non-Plan Disbursements*

Non-Plan Disbursements during 2008-2009 were Rs. 1790.66 crore, consisting of Rs. 1752.80 crore under Revenue and Rs. 37.86 crore under Capital.

Sectoral distribution of expenditure and its percentage to total revenue expenditure is given below:

### SECTORAL DISTRIBUTION OF EXPENDITURE AND ITS PERCENTAGE TO TOTAL REVENUE EXPENDITURE

(Rupees in crore)

Components	Amount	Percentage to Total Revenue Expenditure
<b>A. Fiscal Services</b>	<b>8.03</b>	<b>0.28</b>
(i) Collection of Taxes on Income and Expenditure	...	...
(ii) Collection of Taxes on Property and Capital transactions	3.57	0.12
(iii) Collection of Taxes on Commodities and Services	4.01	0.14
(iv) Other Fiscal Services	0.45	0.02
<b>B. Organs of State</b>	<b>35.21</b>	<b>1.21</b>
<b>C. Interest Payments and Servicing of debt</b>	<b>229.54</b>	<b>7.93</b>
<b>D. Administrative Services</b>	<b>387.01</b>	<b>13.37</b>
<b>E. Pensions and Miscellaneous General Services</b>	<b>114.46</b>	<b>3.95</b>
<b>F. Social Services</b>	<b>980.70</b>	<b>33.87</b>
<b>G. Economic Services</b>	<b>1140.50</b>	<b>39.39</b>
<b>H. Grants-in-aid and Contributions</b>	...	...
<b>TOTAL EXPENDITURE : (REVENUE ACCOUNT)</b>	<b>2895.45</b>	<b>100.00</b>



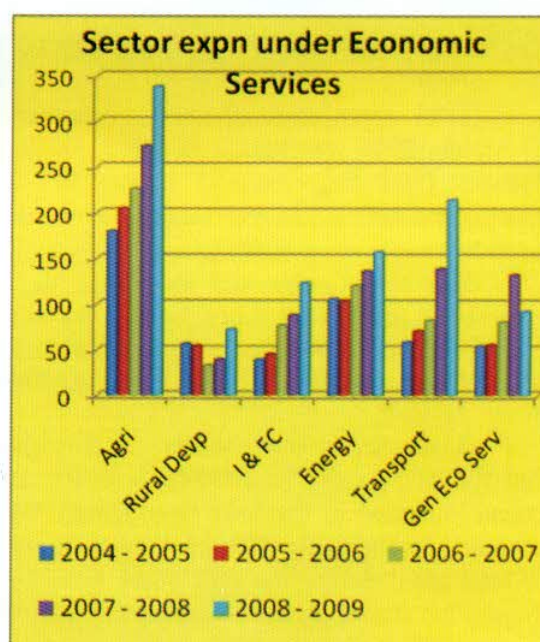
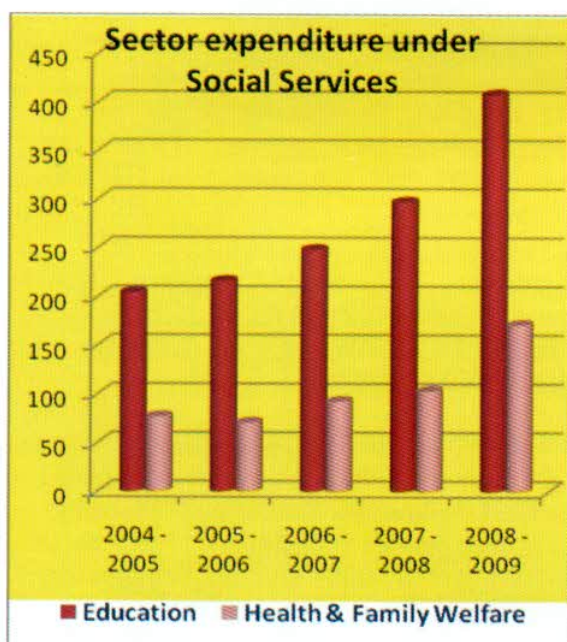
## TREND OF EXPENDITURE

Trend of expenditure in some important sectors between the period 2004-2005 to 2008-2009 (5 years) is brought out below.

### STATEMENT OF EXPENDITURE IN SELECTED SECTORS COMPARED TO BUDGET ESTIMATE AND REVISED ESTIMATE

(Rupees in Crore)

Sector	2004-2005			2005-2006			2006-2007			2007-2008			2008 - 2009		
	Expenditure	% to B.E	% to R.E	Expenditure	% to B.E	% to R.E	Expenditure	% to B.E	% to R.E	Expenditure	% to B.E	% to R.E	Expenditure	% to B.E	% to R.E
<b>A. Social Services</b>															
i) Education	204.34	114.85	106.91	216.07	182.88	96.36	248.29	122.59	99.00	297.21	137.61	96.90	407.85	153.72	303.87
ii) Health & Family Welfare	77.07	127.85	108.84	70.83	116.52	96.78	92.63	134.56	107.80	103.31	129.75	82.10	171.48	195.20	189.54
<b>B. Economic Services</b>															
i) Agriculture	179.55	130.45	101.29	204.44	144.09	94.89	226.04	129.84	96.99	273.05	149.76	95.01	338.41	163.36	232.01
ii) Rural Development	56.72	145.59	85.58	54.47	186.67	74.35	32.93	72.15	69.65	39.63	87.21	74.14	72.33	142.24	240.14
iii) Irrigation & Flood Control	39.43	140.17	77.19	45.26	108.33	96.03	76.73	144.88	123.74	87.96	107.64	74.06	123.21	220.41	164.54
iv) Energy	105.55	457.52	100.96	103.24	96.57	90.97	120.25	111.83	99.61	136.01	109.61	99.75	157.02	114.58	631.11
v) Transport	58.58	110.20	98.50	70.30	89.29	71.59	81.95	94.76	77.70	138.46	132.12	83.52	214.16	213.95	154.78
vi) General Economic Services	54.33	76.14	54.62	55.41	14.72	14.60	80.15	20.35	79.77	131.80	22.01	20.01	91.90	43.48	174.85



## **DEBTS AND LIABILITIES**

Outstanding Public Debt and Other Liabilities at the end of 2008-2009 was Rs.2954.66 crore, comprising internal debt of Rs. 1592.01 crore, loans and advances from Central Government of Rs. 444.78 crore and other liabilities accounted under Public Account of Rs. 917.87 crore.

The State also acts as a banker and trustee in respect of deposits like Small Savings collections and Provident Funds. There was an overall increase of Rs.78.55 crore in respect of such liabilities of the State Government during 2008-2009.

Interest payments on debt and other liabilities totalling Rs.215.54 crore constituted 7.44 percent of the total revenue expenditure of Rs. 2895.45 crore. Interest payments on public debts were Rs. 215.54 crore (Internal debt Rs. 123.65 crore, loans and advances from Central Government Rs. 36.94 crore and Rs. 54.95 crore on other liabilities). Expenditure on account of interest payments increased by Rs. 60.60 crore during 2008-2009 as compared to 2007-2008.

Out of the internal debt of Rs. 143.88 crore raised during 2008-2009, Rs. 59.74 crore was used for discharge of debt obligation and the rest amount of Rs. 84.14 crore used for developmental activities in the State.

## **INVESTMENTS AND RETURNS**

The total investments as share capital in Co-operative Societies and Government Companies stood at Rs. 220.42 crore at the end of 2008-2009. No dividend was received on investment during the year.

## **LOANS AND ADVANCES BY THE STATE GOVERNMENT**

Total loans and advances disbursed by the State Government at the end of 31<sup>st</sup> March, 2009 was Rs. 52.41 crore. Information about arrears in recovery of Loans and advances (including interest) as on 31<sup>st</sup> March, 2009 had not been received from departmental authorities who maintained the detailed accounts.

The total loans and advances to Government Corporations/Companies, Non-Government Institutions, Local bodies, etc. at the end of 2008-2009 was Rs. 31.25 crore.

## **FINANCIAL ASSISTANCE TO LOCAL BODIES AND OTHERS**

Assistance to local bodies etc during 2008-2009 was Rs. 102.24 crore. It increased from Rs. 41.59 crore in 2004-2005 to Rs. 102.24 crore in 2008-2009, which was 145.83 percent increase in the last five years. Educational institutions (including University) accounted for the major portion of the financial assistance ranging from 58.74% to 29.80% of the total grant during the four years from 2004-2005 to 2007-2008 whereas Warehousing Corporation consumed the major portion (43.98%) of the total grant during 2008-2009.



## COMMITMENTS ON ACCOUNT OF INCOMPLETE CAPITAL WORKS

During the year 2008-2009, a total expenditure of Rs. 333.41 crore was incurred by the State on various projects taken up by Engineering Departments.

## APPROPRIATION ACCOUNTS

The Appropriation Accounts of the Government of Arunachal Pradesh for the year 2008-2009 present the accounts of sums expended in the year ended 31st March 2009, compared with the sums specified in the Schedules appended to the Appropriation Acts passed under Article 204 and 205 of the Constitution of India.

The Appropriation Accounts show that in the year 2008-2009, there was actual expenditure of Rs.4277.23 crore, comprising Revenue Expenditure of Rs.2895.51 crore, Capital expenditure of Rs. 1291.02 crore, Repayment of Debt of Rs. 63.46 crore and Loans and advances by the State Government of Rs. 27.24 crore. There was savings under Revenue/Capital and Loans and Advances whereas excess under Public Debt with reference to total grants allocated by the State Legislature.

(Rupees in Crores)

Sl. No.	Nature of expenditure	Original grant	Supplementary grant	Re-appropriation	Total	Actual Expenditure	Savings(-) Excess(+)
1	Revenue						
	Voted	2716.74	1190.88	...	3907.62	2660.20	(-) 1247.42
	Charged	244.92	4.03	...	248.95	235.31	(-) 13.64
2	Capital						
	Voted	314.24	1461.94	...	1776.18	1291.02	(-) 485.16
	Charged	...	...	...	...	...	...
3	Public Debt						
	Charged	184.54	...	...	184.54	63.46	(-) 121.08
4	Loans and Advances						
	Voted	4.02	25.00	...	29.02	27.24	(-) 1.78
	Charged	...	...	...	...	...	...
	<b>Total</b>	<b>3464.46</b>	<b>2681.85</b>	<b>...</b>	<b>6146.31</b>	<b>4277.23</b>	<b>(-) 1869.08</b>

Details of persistent savings/excesses on a few selected grants/appropriations are given below:

### TREND OF EXPENDITURE ON SELECTED GRANTS SHOWING PERSISTENT SAVINGS.

(a)

Year	Grant No. & Name	Total allocation (Rupees in Crore)	Percentage of Savings to total grant
2004-2005	31-Public Works	10.17	63.83
2005-2006	31-Public Works	61.75	8.94
2006-2007	31-Public Works	77.42	13.72
2007-2008	31-Public Works	93.64	6.82
2008-2009	31-Public Works	163.96	24.93

(b)

Year	Grant No. & Name	Total allocation (Rupees in Crore)	Percentage of Savings to total grant
2004-2005	33-N.E. Areas	39.81	20.67
2005-2006	33-N.E. Areas	47.19	10.47
2006-2007	33-N.E. Areas	5.04	4.17
2007-2008	33-N.E. Areas	41.57	24.42
2008-2009	33-N.E. Areas	50.02	7.54

(c)

Year	Grant No. & Name	Total allocation (Rupees in Crore)	Percentage of Savings to total grant
2004-2005	42- Rural Development	30.84	12.00
2005-2006	42- Rural Development	30.91	16.31
2006-2007	42- Rural Development	29.94	4.14
2007-2008	42- Rural Development	38.56	9.54
2008-2009	42- Rural Development	71.77	34.35

(d)

Year	Grant No. & Name	Total allocation (Rupees in Crore)	Percentage of Savings to total grant
2004-2005	50- Secretariat-Economic Services	33.74	52.67
2005-2006	50- Secretariat-Economic Services	363.48	93.92
2006-2007	50- Secretariat-Economic Services	368.97	89.00
2007-2008	50- Secretariat-Economic Services	554.82	94.40
2008-2009	50- Secretariat-Economic Services	1185.29	99.50

(e)

Year	Grant No. & Name	Total allocation (Rupees in Crore)	Percentage of Savings to total grant
2004-2005	61- Geology and Mining	0.37	45.95
2005-2006	61- Geology and Mining	2.51	5.58
2006-2007	61- Geology and Mining	1.50	6.67
2007-2008	61- Geology and Mining	1.75	5.71
2008-2009	61- Geology and Mining	5.94	25.93

## RECONCILIATION OF ACCOUNTS

Accuracy and reliability of accounts depend, among other things, on timely reconciliation of the departmental figures with the accounts figures.

Before annual accounts are finalised, the Heads of the Departments reconcile the departmental accounts figures with those booked in accounts compiled by the Accountant General. The reconciliation of accounts figures is to be done monthly but in the year



2008-2009 the Departments /Controlling Officers who defaulted in attending the reconciliation are:-

Sl. No.	Grant No. and Name	Name of the Controlling Officer
1	12- Social Security and Welfare	Secretary, Finance.
2	17- Gazetteer	Secretary, Gazetteer.
3	39- Loans to Government Servants	Secretary, Finance.
4	48- Horticulture	Secretary, Horticulture.
5	57- Urban Development	Secretary, Urban Development.
6	69- Parliamentary Affairs Department	Secretary, Parliamentary Affairs.

### SUBMISSION OF ACCOUNTS BY TREASURIES

#### Timeliness:

The monthly accounts from all the treasuries for all the months were received late except for the following three cases:

- (i) Bomdila Treasury in November 2008,
- (ii) Naharlagun Treasury in May 2008, January 2009 and February 2009 and
- (iii) Shillong (South) Treasury in July 2008, August 2008, November 2008 and February 2009.

During the year 2008-2009 the average extent of delay on the part of the Treasuries in submission of the monthly Accounts to this Office ranged from 0 day to 227 days.

The persistent and chronic delay in submission of monthly accounts to this office by the Treasuries resulted in delay in compilation of accounts by this office.

#### Completeness:

Due to non-receipt of vouchers from the Treasuries an amount of Rs.36.09 crore in the receipt side and Rs. 21.15 crore in payment side of Accounts were kept under Treasury Suspense during the period from 2007-2008 to 2008-2009. The details are as follows:-

Name of Treasury	Year	Amount kept under Treasury Suspense(Rupees in crore)	
		Receipt	Payment
Itanagar Treasury	2007-2008	...	1.00
Bomdila Treasury	2007-2008	...	11.77
Naharlagun Treasury	2007-2008	1.80	0.28
Ziro Treasury	2007-2008	...	0.01
Changlang Treasury	2007-2008	...	0.07
Tezu Treasury	2007-2008	0.42	...
Khonsa Treasury	2007-2008	1.10	...
Along Treasury	2007-2008	0.28	0.19
Itanagar Treasury	2008-2009	10.73	0.20
Anini Treasury	2008-2009	11.28	0.01
Along Treasury	2008-2009	11.28	0.30

Changlang Treasury	2008-2009	0.01	0.24
Bomdila Treasury	2008-2009	...	0.19
Ziro Treasury	2008-2009	...	0.05
Tezu Treasury	2008-2009	...	1.48
Khonsa Treasury	2008-2009	...	0.19
Seppa Treasury	2008-2009	...	1.24
Naharlagun Treasury	2008-2009	...	0.70
Pasighat Treasury	2008-2009	...	3.16
Shillong (South)	2008-2009	...	0.07
<b>Total</b>		<b>36.90</b>	<b>21.15</b>



## CHAPTER-III

### TRENDS IN GOVERNMENT REVENUE AND EXPENDITURE

The trends in Government Revenue Receipts and Revenue Expenditure from 2004-2005 to 2008-2009 (5 year period) is given below.

#### Revenue Receipts

(Rupees in crore)

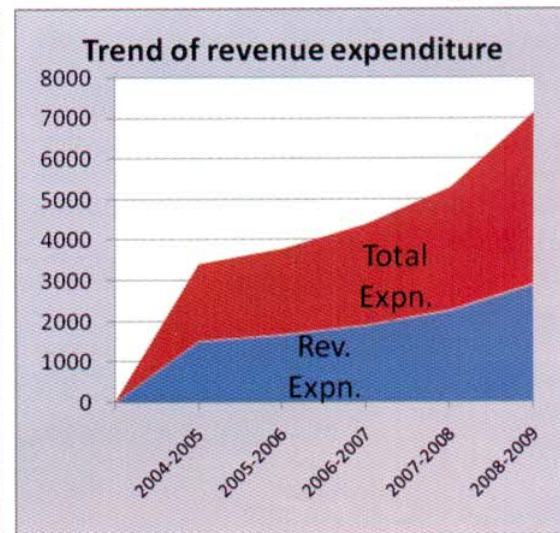
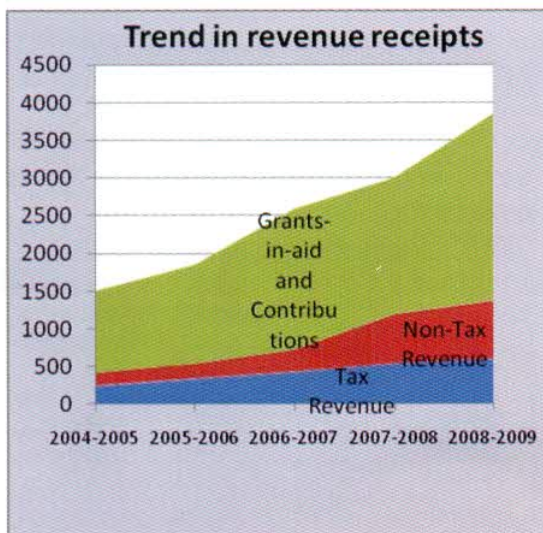
Year	Tax Revenue	Non-Tax Revenue	Grants-in-aid and Contributions	Gross Revenue Receipts	*GSDP	Percentage of Gross Revenue Receipts to GSDP
1	2	3	4	5 (2+3+4)	6	7
2004-2005	242.06	170.20	1089.58	1501.84	2853.49	52.63
2005-2006	334.24	202.36	1312.81	1849.41	2918.34	63.37
2006-2007	425.38	297.18	1869.62	2592.18	3412.88	75.95
2007-2008	535.96	656.92	1810.13	3003.01	3888.25	77.23
2008-2009	598.31	772.01	2485.64	3855.96	4536.45	85.00

#### Revenue Expenditure

(Rupees in crore)

Year	Revenue Expenditure (Actuals)	Total Expenditure	*GSDP	Percentage increase compared to 2004-2005			Percentage of Government Expenditure to GSDP
				Revenue Expenditure	Total Expenditure	GSDP	
2004-2005	1509.64	1890.68	2853.49	...	...	...	66.26
2005-2006	1667.65	2108.95	2918.34	10.47	11.54	2.27	72.27
2006-2007	1897.23	2487.60	3412.88	25.67	31.57	19.60	72.89
2007-2008	2259.55	3015.73	3888.25	49.67	59.51	36.26	77.56
2008-2009	2895.45	4212.93	4536.45	91.80	122.83	58.98	92.87

\*GSDP – Gross State Domestic Product for the year 2006-07 is on the basis of Revised estimate and for the year 2007-08 is on Provisional figures. The figure for the year 2008-09 arrived at on the basis of Quick estimate.

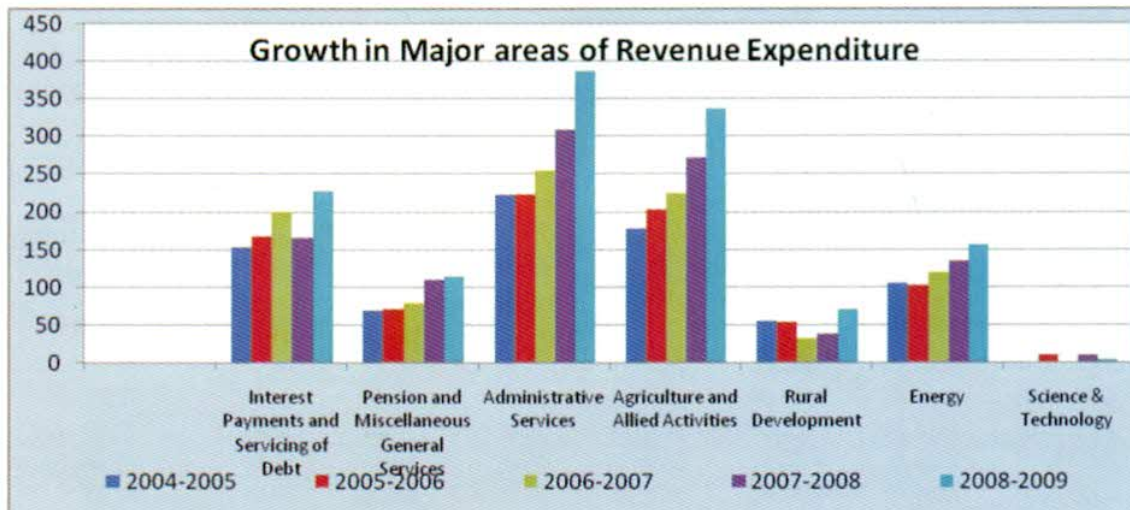




The overall increase in the Government's total expenditure during 2008-2009 when compared to 2004-2005 was Rs. 2322.25. Growth in major areas of Revenue Expenditure is shown in the following table:

(Rupees in crore)

Areas of expenditure	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	Percentage decrease (-)/ increase(+) in 2008-2009 over last year
Interest Payments and Servicing of Debt	154.30	167.53	200.52	167.34	229.54	(+) 37.17
Pension and Miscellaneous General Services	70.65	71.18	79.33	109.99	114.46	(+) 4.06
Administrative Services	224.39	224.26	255.96	309.47	387.01	(+) 25.06
Agriculture and Allied Activities	179.55	204.44	226.04	273.05	338.41	(+) 23.94
Rural Development	56.72	54.47	32.93	39.63	72.33	(+) 82.51
Energy	105.55	103.24	120.25	136.01	157.02	(+) 15.45
Science & Technology	0.35	10.35	1.50	10.74	5.33	(-) 50.37



## GOVERNMENT ACCOUNT

The total expenditure (Revenue and Capital) for the year is netted against total receipts (Revenue and non-debt Capital receipts) of the year and the surplus/deficit thereof is transferred to a separate ledger called "Government Account". In addition, net effect of Prior Period Adjustments, Miscellaneous Government Accounts, etc. are also transferred to the ledger "Government Account". Thus, the ledger "Government Account" represents the cumulative surplus/deficit of the operations of the Government. The details of the ledger "Government Account" for the past five years are given below:

(Rupees in crore)

Years	Revenue Heads			Capital Heads			Other Heads	Deficit(-)/ Surplus(+) for the year	Cumulative deficit (-)/ Surplus(+) at the end of the year
	Receipt	Disbursement	Deficit(-)/ Surplus(+)	Receipt	Disbursement	Deficit (-)	Deficit(-)/ Surplus(+)		
2004-2005	1501.84	1509.64	(-) 7.80	-	375.07	(-) 375.07	-	(-) 382.87	(-) 2012.45
2005-2006	1849.41	1667.65	(+) 181.76	-	437.61	(-) 437.61	-	(-) 255.85	(-) 2268.30
2006-2007	2592.17	1897.23	(+) 694.94	-	585.60	(-) 585.60	-	(+) 109.34	(-) 2158.96
2007-2008	3003.01	2259.55	(+) 743.46	-	753.21	(-) 753.21	-	(-) 9.75	(-) 2168.71
2008-2009	3855.96	2895.45	(+) 960.51	-	1290.23	(-) 1290.23	-	(-) 329.72	(-) 2498.43



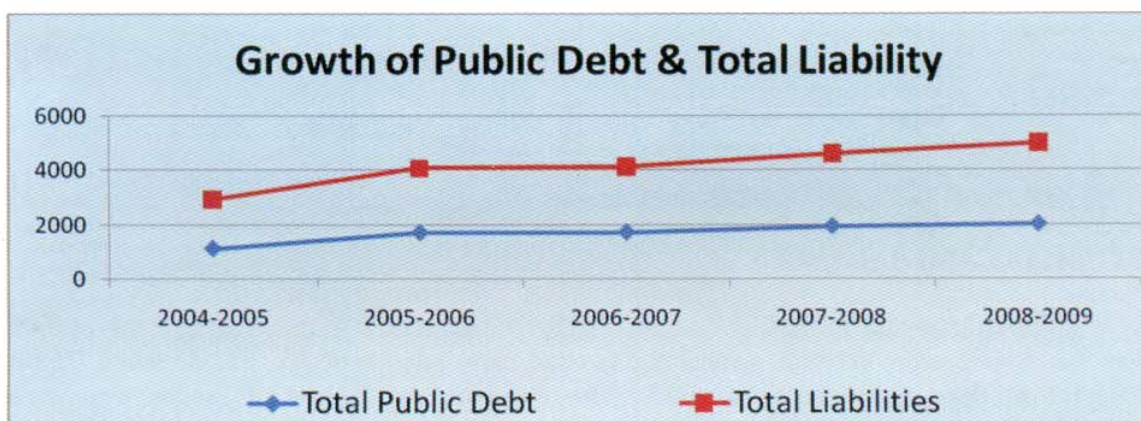
## LIABILITIES

Liabilities of the State Government increased by Rs.1177.11 crore from Rs. 1777.55 crore in 2004-2005 to Rs. 2954.66 crore during 2008-2009. Public debt comprising internal debt of the State Government and loans and advances from the Central Government increased by Rs. 905.05 crore from Rs. 1131.74 crore in 2004-2005 to Rs. 2036.79 crore at the end of 2008-2009. Article 293 of the Constitution of India empowers the State Government to borrow on the security of the Consolidated Fund of the State within such limits, if any, as may be from time to time fixed by the State Legislature. Details of the Public Debt and total liabilities of the State Government are as under:

(Rupees in crore)

Year	Internal Debt	Loans & Advances from Central Govt.	Total Public Debt	Small Savings	Provident Funds	Other Obligations	Total Liabilities	GSDP	% of total liabilities to GSDP
(1)	(2)	(3)	(4) (2+3)	(5)	(6)	(7)	(8) [4+5+6+7]	(9)	(10)
2004-2005	627.69	504.05	1131.74	170.94	354.50	120.37	1777.55	2853.49	62.29
2005-2006	1231.89	492.62	1724.51	45.51	418.87	148.31	2337.20	2918.34	80.09
2006-2007	1277.84	464.60	1742.44	48.75	478.58	101.51	2371.28	3412.88	69.48
2007-2008	1507.87	448.50	1956.37	52.80	517.23	112.16	2638.56	3888.25	67.86
2008-2009	1592.01	444.78	2036.79	57.34	591.24	269.29	2954.66	4536.45	65.13

\* GSDP - Gross State Domestic Product have been taken according to Revised Time Series Data.



## STATE PROVIDENT FUND

The details of transactions from the State Provident Fund during the period 2003-2004 to 2007-2008 are shown in the following table:

(Rupees in crore)

Year	Opening Balance	Receipts	Payments	Net accretion for the year	Closing Balance	Interest charged on balance of P.F
2004-2005	316.96	87.64	50.10	37.54	354.50	30.82
2005-2006	354.50	123.89	59.52	64.37	418.87	33.40
2006-2007	418.87	127.13	67.42	59.71	478.58	35.07
2007-2008	478.58	116.20	77.55	38.65	517.23	36.82
2008-2009	517.23	150.91	76.90	74.01	591.24	49.07

## GUARANTEES

The position of guarantees given by the State Government for the payment of loans and capital and payment of interest thereon raised by Statutory Corporations, Government companies, Corporations, Co-operative Societies, etc. is given below:

(Rupees in Crore)

At the end of the year	Amount Guaranteed (Principal only) (a)	Amount outstanding	
		Principal	Interest
2004-2005	14.00	7.96	0.90
2005-2006	24.00	5.56	0.13
2006-2007	23.99	13.15	0.17
2007-2008	12.00	0.78	0.20
2008-2009	12.00	0.47	0.14

(a) Information not furnished by State Government.

## WAYS AND MEANS ADVANCES

The State Government, in order to maintain and sustain its liquidity position, takes Ways and Means Advances from the Reserve Bank of India and thereafter, draws upon overdraft whenever there is shortfall in the agreed minimum cash balance in its account with the Reserve Bank of India. The State Government is required to maintain the minimum cash balance of Rs.26 lakh with Reserve Bank of India. The larger the amount and greater the number of times such ways and means advances are taken or drawals made, the more it reflects on the adverse position of the cash balance of the State Government.

	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
(i) Number of days on which minimum balance was maintained	365	365	365	366	365
a) Without obtaining any advance	271	--	--	--	--
b) By obtaining Ways and Means Advance	59	--	--	--	--
(ii) Number of days on which overdraft was taken	35	--	--	--	--

## GENERAL CASH BALANCES

The closing cash balance as on 31st March 2008 according to the Reserve Bank of India was Rs. 464.95 crore (Debit), against the general cash balance of Rs. 382.42 crore (Debit) reflected in State Government accounts. The difference of Rs. 847.37 crore was under reconciliation.

Investments held in the \*Cash Balance Investment Account as on 31<sup>st</sup> March 2009 were Rs. 3655.70 crore.

Other Cash Balances and Investment comprising Cash with Departmental Officers (Rs. 2.94 crore), Permanent Advances with Departmental Officers (Rs. 0.01 crore) and Investment of Earmarked Funds (Rs. 58.90 crore) as on 31st March 2009 were Rs. 61.85 crore.

\*Cash Balance Investment Account is intended for the record of transactions connected with temporary investments of Cash Balance in short term loans or other Government securities.



The cash balance with Reserve Bank of India decreased from Rs (-) 366.68 crore at the beginning of the year 2008-2009 to Rs. (-) 439.44 crore at the end of the year, the details of sources and application of funds being as follows: -

(Rupees in crore)

SOURCES			APPLICATION				
Sl.No.	Items	Amount	Sl. No.	Items	Amount		
1.	Opening cash balance	(-) 366.68	1.	Revenue expenditure	Non-plan 1752.80	Plan 1142.65	Total 2895.45
2.	State's share of Union Taxes	462.09	2.	Capital expenditure	Non-plan 10.62	Plan 1279.61	Total 1290.23
3.	State's own revenue collection	908.24	3.	Loans and advances repaid	To Central Govt. 3.71	To Others 59.75	Total 63.46
4.	Central grants/ assistance other than loans	2485.64	4.	Loans and advances given	27.24		
5.	Miscellaneous receipts	...	5.	Net effect of adjustment of suspense and remittance balances and increase/decrease of reserve funds.	-		
6.	Receipts from public debt, small savings, deposits and advances (Other than Central loans)	375.88	6.	Closing cash balance	(-) 439.44		
7.	Receipts from Central loans	...					
8.	Recoveries from borrowers	2.78					
9.	Net contribution from Contingency Fund	...					
10.	Net effect of adjustment of suspense and remittances balances and increase/decrease of reserve funds	(-) 31.01					
<b>Total</b>		<b>3836.94</b>	<b>Total</b>		<b>3836.94</b>		

### CONTINGENCY FUND

Contingency Fund of the State is designed to meet contingencies. During the last five years there was no transaction under Contingency Fund.

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