



सत्यमेव जयते

GOVERNMENT OF JHARKHAND

ACCOUNTS AT A GLANCE

2009–2010

ACCOUNTANT GENERAL
(ACCOUNTS AND ENTITLEMENTS)

Preface

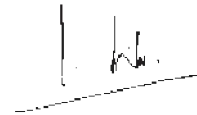
The Annual Accounts of the State Government are prepared and examined under the directions of the Comptroller and Auditor General of India (C&AG) in accordance with the requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 for being laid before the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

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

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

PLACE : RANCHI

DATE : 01 February 2011



(JAYANT SINHA)
ACCOUNTANT GENERAL (A&E)

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 intended 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 Jharkhand for the year 2009-2010 have recently been presented to the State Legislature of Jharkhand.

Finance Accounts

Finance Accounts present the accounts of receipts and outgoings of the Government of Jharkhand 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 2009-2010, total Receipts amounted to ₹ 1,81,51.26 crore comprising ₹ 1,51,18.47 crore Revenue Receipts (₹ 1,00,47.69 crore Tax Revenue including ₹ 55,47.57 crore as Central Tax Transfer, ₹ 22,54.15 crore Non-Tax Revenue and ₹ 28,16.63 crore Grants-in-aid and Contributions) and ₹ 30,32.79 crore Capital receipts.

Disbursements during the year were ₹ 1,81,51.26 crore, comprising ₹ 1,51,28.24 crore (83.35%) on Revenue account and ₹ 30,23.02 crore (16.65%) 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 52 Grants.

Appropriation Acts, 2009-2010 had projected a budget provision of ₹ 2,59,41.58 crore including the Supplementary Grants totaling ₹ 29,49.22 crore voted by the State Legislature during the year.

Appropriation Accounts 2009-2010 show disbursements aggregating ₹ 1,96,61.61 crore against the aggregate budget provision of ₹ 2,59,41.58 crore, resulting in saving of ₹ 62,79.97 crore (24.21%) against Grants and Appropriations, which were the net result of saving of ₹ 63,96.69 crore offset by excess of ₹ 1,16.72 crore against Grants and Appropriations. Out of the saving of ₹ 62,79.97 crore saving occurred mainly under the following five Grants :-

- (i) Energy Department – ₹ 3,97.74 crore (6.33% of total saving) under Revenue of Voted section and ₹ 3,83.67 crore (6.11% of total saving) under Capital of Voted section.
- (ii) Health, Medical Education and Family Welfare Department – ₹ 4,80.56 crore (7.65% of total saving) under Revenue of Voted section and ₹ 77.44 crore (1.23% of total saving) under Capital of Voted section.
- (iii) Secondary, Primary and Public Education Department – ₹ 5,15.03 crore (8.20% of total saving) under Revenue of Voted section and ₹ 3.70 crore (0.06% of total saving) under Capital of Voted section.
- (iv) Pension – ₹ 5,04.57 crore (8.03% of total saving) under Revenue of Voted section.
- (v) Welfare Department – ₹ 3,04.76 crore (4.85% of total saving) under Revenue of Voted section and ₹ 89.14 crore (1.42% of total saving) under Capital of Voted section.

Total excess of ₹ 1,16.72 crore occurred under Repayment of Loans, ₹ 1,16.72 crore (100% of total excess) under Capital of Charged section.

CHAPTER-II

HIGHLIGHTS OF ACCOUNTS

(Rupees in crore)

Sl. No.		B.E. 2009-2010	Actuals	Percentage of Actuals to B.E.	Percentage of Actuals to GSDP@
1	Tax Revenue	1,18,15.06	1,00,47.69	85.04	12.09
2	Non-Tax Revenue	30,72.59	22,54.15	73.36	2.71
3	Grants-in-aid & Contribution	30,47.95	28,16.63	92.41	3.39
4	Revenue Receipts(1+2+3)	1,79,35.60	1,51,18.47	84.29	18.20
5	Recovery of Loans & Advances	15.11	21.79	1,44.21	0.03
6	Other Receipts	--	--	--	--
7	Borrowings and other Liabilities	25,08.00	30,11.00	1,20.06	3.62
8	Capital Receipts(5+6+7)	25,23.11	30,32.79	1,20.20	3.65
9	Total Receipts(4+8)	2,04,58.71	1,81,51.26	88.72	21.85
10	Non-Plan Expenditure(NPE)	1,26,27.31	1,14,18.69	90.43	13.74
11	NPE on Revenue Account	1,25,60.65	1,13,69.76	90.52	13.69
12	NPE on Interest Payments out of 11	24,28.51	23,07.45	95.02	2.78
13	NPE on Capital Account	66.66	48.93	73.40	0.06
14	Plan Expenditure(PE)	95,55.56	67,32.57	70.46	8.10
15	PE on Revenue Account	56,52.30	37,58.48	66.49	4.52
16	PE on Capital Account	39,03.26	29,74.09	76.19	3.58
17	Total Expenditure(10+14)	2,21,82.87	1,81,51.26	81.83	21.85
18	Revenue Expenditure(11+15)	1,82,12.95	1,51,28.24	83.06	18.21
19	Capital Expenditure(13+16) !	39,69.92	30,23.02	76.15	3.64
20	Revenue Deficit (4-18 or 18-4)*	2,77.35	9.77	3.52	0.01
21	Fiscal Deficit(4+5+6-17)	42,32.16	30,11.00	71.15	3.62

@ GSDP(Gross State Domestic Product) of the State was ₹ 8,30,78 crore.

! Expenditure on Capital Account consists of Capital Expenditure (₹ 27,03.04 crore) and Loans and Advances disbursed (₹ 3,19.98 crore).

* Revenue Deficit for the year 2009-10 is understated to the extent of ₹ 2,26.84 crore as expenditure on account of release of Grants-in-Aid has been classified under 'Capital Section' instead of the 'Revenue Section'. Also, the Revenue Deficit is overstated to the extent of ₹ 54.48 crore as expenditure on Major Works has been classified under 'Revenue Section' instead of the 'Capital Section'. As a result, there is a net understatement of Revenue Deficit by ₹ 1,72.36 crore.

Receipts and Disbursements

Total receipts during the year were ₹ 1,81,51.26 crore against which total disbursements were ₹ 1,81,51.26 crore.

(Rupees in crore)

Total Receipts	1,81,51.26	Total Disbursements	1,81,51.26
Revenue Receipts	1,51,18.47 (83.29%)	Revenue Disbursements	1,51,28.24 (83.35%)
Capital Receipts	30,32.79 (16.71%)	Capital Disbursements	30,23.02 (16.65%)

RECEIPTS

Revenue Receipts

Tax Receipts of ₹ 1,00,47.69 crore which comprises of ₹ 55,47.57 crore as State's Share of Union Taxes received from the Central Government and ₹ 45,00.12 crore raised by the State Government, formed 12.09 per cent of the GSDP. Non-Tax Revenue of ₹ 22,54.15 crore formed 2.71 per cent of the GSDP. Major contribution to Non-Tax Revenue was ₹ 17,33.15 crore under Non-ferrous Mining & Metallurgical Industries (2.09 per cent of GSDP).

Tax receipts were less than budget estimate (₹ 1,18,15.06 crore) by ₹ 17,67.37 crore mainly due to less collection of "Taxes on Sales, Trade etc." (₹ 8,02.80 crore), "Stamps and Registration Fees" (₹ 1,11.80 crore), "Taxes on Vehicles" (₹ 2,65.79 crore) and "State Excise Duty" (₹ 2,27.25 crore) under "Taxes on Commodities and Services".

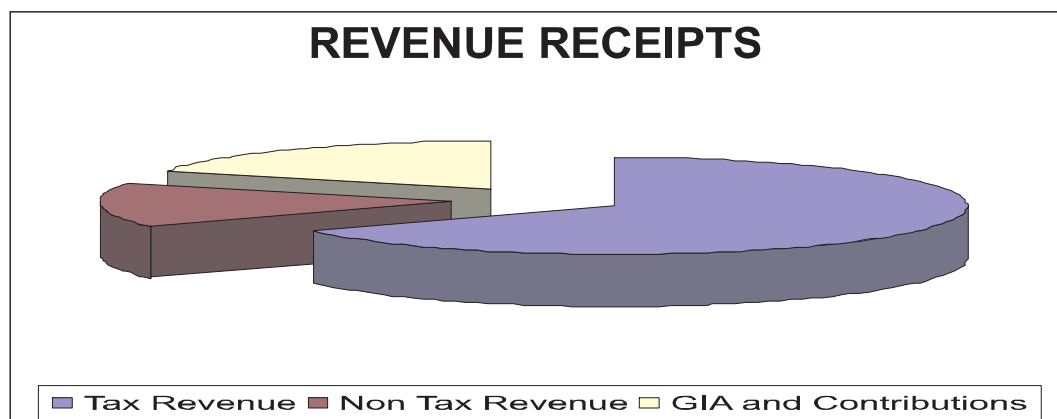
Non-Tax Revenue were less than Budget Estimate (₹ 30,72.59 crore) by ₹ 8,18.44 crore mainly on account of less receipts under "Non-ferrous Mining and Metallurgical Industries" (₹ 3,93.32 crore), "Major Irrigation" (₹ 1,85.88 crore), "Crop Husbandry" (₹ 86.08 crore), "Forestry and Wild Life" (₹ 56.43 crore), "Medium Irrigation" (₹ 32.46 crore) under "Economic Services", "Medical and Public Health" (₹ 69.17 crore) and "Education, Sports, Art & Culture" (₹ 31.21 crore) under "Social Services".

REVENUE RECEIPTS AND GRANTS- IN -AID AND CONTRIBUTIONS

(Rupees in crore)

Components	Actual	Percentage to total Revenue Receipts
A. Tax Revenue	1,00,47.69	66.46
Taxes on Income and Expenditure *	35,54.83	23.51
Taxes on Property and Capital Transactions	2,84.65	1.88
Taxes on Commodities and Services	62,08.21	41.07
B. Non-Tax Revenue	22,54.15	14.91
Fiscal Services	0.06	...
Interest Receipts, Dividends and Profits	1,53.20	1.01
General Services	1,63.23	1.08
Social Services	68.31	0.45
Economic Services	18,69.35	12.37
C. Grants-in-Aid and Contributions	28,16.63	18.63
TOTAL -REVENUE RECEIPTS	1,51,18.47	1,00.00

*Share of Income Tax received from Union Government.



Capital Receipts

Compared to the Revised estimates of ₹ 28,56.89 crore, Capital Receipts were ₹ 30,32.79 crore. These comprised ₹30,11.00 crore on account of borrowings (against Revised budget estimate of ₹ 25,08.00 crore) and ₹ 21.79 crore on account of Loans and Advances (against Revised budget estimate of ₹ 15.11 crore).

DISBURSEMENT

Revenue Disbursements

Revenue Disbursements were 18.21 per cent of GSDP. These were less than the Budget Estimate (₹ 1,82,12.95 crore) by ₹ 30,84.71 crore (i.e. a shortfall of 16.94 per cent), ₹ 18,93.82 crore less under Plan expenditure and ₹ 11,90.89 crore less under Non-Plan expenditure.

Capital Disbursements

Capital Disbursements of ₹ 30,23.02 crore were 3.64 per cent of the GSDP. These were less than the Budget estimate (₹ 39,69.92 crore) by ₹ 9,46.90 crore (i.e. 23.85%). This was caused by less expenditure of ₹ 17.73 crore (26.60% of budget estimate) in Non-Plan expenditure and a less expenditure of ₹ 9,29.17 crore (23.80% of budget estimate) on Plan.

Plan Disbursements

During the year 2009-2010, Plan Disbursements were ₹ 67,32.57 crore consisting of ₹ 62,01.19 crore under State Plan, ₹ 4,13.59 crore under Centrally Sponsored Schemes and ₹ 1,17.79 crore under Central Plan Schemes shared by Center and State.

Non-Plan Disbursements

Non-Plan Disbursements during 2009-2010 were ₹ 1,14,18.69 crore, consisting of ₹ 1,13,69.76 crore under Revenue and ₹ 48.93 crore under Capital. Sectoral distribution of expenditure and its percentage to total revenue expenditure is given in the following table.

(Rupees in crore)		
Components	Amount	Percentage to Total Revenue Expenditure
A. Fiscal Services	2,13.34	1.41
(i) Collection of Taxes on Income and Expenditure
(ii) Collection of Taxes on Property and Capital transactions	1,61.08	1.07
(iii) Collection of Taxes on Commodities and Services	50.22	0.33
(iv) Other Fiscal Services	2.04	0.01
B. Organs of State	2,91.04	1.92
C. Interest Payments and Servicing of Debt	23,07.45	15.25
D. Administrative Services	21,12.71	13.97
E. Pensions and Miscellaneous General Services	16,80.83	11.11
F. Social Services	56,10.30	37.09
G. Economic Services	29,12.38	19.25
H. Grants-in-aid and contributions	0.19	...
TOTAL EXPENDITURE (REVENUE ACCOUNT)	1,51,28.24	1,00.00

Sectoral Distribution of Expenditure



- A. Fiscal Services
- B. Organs of State
- C. Interest Payments and Servicing of Debt
- D. Administrative Services
- E. Pensions and Miscellaneous General Services
- F. Social Services
- G. Economic Services
- H. Grants-in-aid and Contributions

TREND OF EXPENDITURE

STATEMENT OF EXPENDITURE IN SELECTED SECTORS

(Rupees in crore)

	2006-2007 % to B.E/R.E	2007-2008 % to B.E/R.E	2008-2009 % to B.E/R.E	2009-2010 % to B.E/R.E
A. Social Services				
i) Education, Sports, A rt & Culture	1739 83/82	2300 99/92	3146 109/92	3171 83/94
ii) Health & Family Welfare	396 47/47	392 57/56	567 81/71	600 57/68
B. Economic Services				
i) Agriculture and Allied Activities	507 78/75	585 72/70	623 57/54	632 68/76
ii) Rural Development	509 46/44	606 79/76	805 123/88	745 82/81
iii) Irrigation & Flood Control	163 119/89	163 107/89	223 115/91	263 81/97
iv) Energy	239 166/56	119 17/17	200 46/68	463* 61/72
v) Transport	293 87/87	275 79/67	334 68/87	335 95/70
vi) General Economic Services	83 81/81	101 99/90	219 138/83	301 78/82

* Compared to the year 2008-2009 increase in expenditure is due to more expenditure mainly towards Grants-in-aid to Jharkhand State Electricity Board.

DEBTS AND LIABILITIES

Outstanding Public Debt at the end of 31 March, 2010 was ₹ 2,21,51.51 crore, comprising Internal Debt of ₹ 1,98,80.00 crore and Loans and Advances from Central Government ₹ 22,71.51 crore.

The State also acts as a banker and trustee in respect of deposits like small savings collections, provident funds, etc. There was an overall increase of ₹ 2,72.40 crore in respect of such liabilities of State Government during 2009-2010, bringing an amount of ₹ 13,53.41 crore as balance outstanding on 31 March, 2010.

Interest payments on debt and other liabilities totaling ₹ 23,07.45 crore constituted 15.25 per cent of revenue expenditure of ₹ 1,51,28.24 crore. These Interest Payments were comprised of interest on Internal Debt ₹ 17,91.64 crore. Interest on Loans and Advances from Central Government ₹ 1,91.10 crore and ₹ 3,24.53 crore interest on Small Savings, Provident Fund and 0.18 crore on other obligations etc.

Expenditure on account of interest payments increased from previous year by ₹ 4,20.58 crore during 2009-2010. The interest on General Provident Fund maintained by the District Provident Fund Authorities was ₹ 3,02.53 crore.

Internal debt of ₹ 33,79.47 crore raised during 2009-2010 was mainly used for discharge of debt obligations ₹ 10,67.61 crore.

INVESTMENTS AND RETURNS

Investments are made out of the Capital Outlay by the Government to promote developmental, manufacturing, marketing and social activities. The investments made by the Composite State of Bihar upto 14 November, 2000 in Statutory Corporations, Government Companies, Joint Stock Companies and Co-operative Societies aggregated to ₹ 6,58.13 crore. Its allocation between the successor State of Bihar and Jharkhand has not so far (September, 2010) been made. During 2001-2002 the State of Jharkhand has invested ₹ 2.00 crore in Jharkhand State Police Building Construction Corporation from Revenue Account, ₹ 6.99 crore in the Regional Rural Banks, ₹ 5.00 crore in Jharkhand Hill Area Lift Irrigation Corporation Limited. During 2002-03 the State of Jharkhand has invested ₹ 0.20 crore in Credit Co-operatives, ₹ 1.11 crore in Co-operative Societies / Institutions under Tribal Area Sub-Plan and ₹ 0.75 crore in Jharkhand Tourism Development Corporation Limited. An investment of ₹ 1.00 crore was made in Co-operative Banks and Societies during 2003-2004 and ₹ 1.45 crore during 2004-2005 from Revenue Account. During 2005-06 the State of Jharkhand has invested ₹ 7.00 crore in Government Companies (₹ 5.00 crore under Tenughat Vidyut Nigam and ₹ 2.00 crore under Mines Development Corporation). During 2006-2007 the State Government of Jharkhand has invested ₹ 2.00 crore in Government Companies (JIIDCO) and ₹ 3.15 crore in Co-operative Banks and Societies. During 2007-08 the State Government has invested ₹ 12.97 crore in Government Companies (Regional

Rural Banks : ₹ 11.97 crore and Share Capital to JIIDCO: ₹ 1.00 crore) and ₹ 55.29 crore in Co-operative Banks and Societies. During 2008-09 the State Government has invested ₹ 2.01 crore in Government Companies (Regional Rural Banks : ₹ 0.01 crore, Share Capital to JIIDCO : ₹ 1.00 crore, Minority Development and Finance Corporation : ₹ 0.50 crore; Jharkhand Tourist Development Corporation: ₹ 0.50 crore) and ₹ 11.50 crore in Co-operative Banks and Societies. During 2009-2010, the State Government has invested ₹ 16.26 crore in Government Companies (Regional Rural Banks : ₹ 12.06 crore, Share Capital of Minority Development and Finance Corporation: ₹ 0.25 crore, Tribal Co-operative Development Corporation: ₹ 0.50 crore, Co-operative Societies/Institutions under Tribal Area Subplan : ₹ 0.30 crore, Lac Production and Marketing Union : ₹ 0.20 crore, Share Capital of Co-operative Societies for Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes: ₹ 0.25 crore, Share Capital of Co-operative Fruits and Vegetables Development Union Limited (VEGFED) : ₹ 0.50 crore, Share Capital of Jharkhand State Minor Forest Produce Marketing and Development Co-operative Union : ₹ 0.50 crore, Share Capital of I.C.D.P. financed by N.C.D.C. : ₹ 1.50 crore and Share Capital of special type of Co-operative Societies for the Welfare of Women of Scheduled Castes/Tribes/Backward Classes : ₹ 0.20 crore).

LOANS AND ADVANCES BY THE STATE GOVERNMENT

The Government gives loans and advances to Government Companies, Corporations, Local Bodies, Autonomous Bodies, Co-operative Societies, Non-Government Institutions etc. for developmental and non-developmental activities. Allocation of balances as on 14.11.2000 between the successor State of Bihar and Jharkhand is yet to be done (September, 2010).

COMMITMENTS ON ACCOUNT OF INCOMPLETE CAPITAL WORKS

As on 31 March, 2010 Gross expenditure of ₹ 10,01.42 crore was tied up only in one Irrigation Project (Swarnarekha Project) which was although initiated about a decade ago but yet to be completed. Out of this, recovery of receipts of ₹ 2,24.56 crore was taken as reduction of expenditure. Net total expenditure on the project up to the year 2009-10 is ₹ 7,76.86 crore.

APPROPRIATION ACCOUNTS

The Appropriation Accounts of the Government of Jharkhand for the year 2009-2010 present the accounts of sums expended in the year ended 31 March 2010, 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 2009-2010, there was actual expenditure of ₹ 1,96,61.61 crore, comprising Revenue Expenditure : ₹ 1,53,86.54 crore and Capital Expenditure : ₹ 42,75.07 crore including Repayment of Debt : ₹ 11,90.22 crore, Loans and Advances : ₹ 3,19.98 crore

by the State Government. The savings/excesses under Revenue/Capital/Public Debt/ Loans and Advances with reference to total grants/appropriations allocated by the State Legislature are shown below:-

SAVINGS / EXCESS DURING 2009-2010

(Rupees in crore)

Sl. No	Nature of Expenditure	Original Grant	Supplementary Grant	Re-appropriation	Total	Actual Expenditure	Savings(-) Excesses (+)
1	Revenue Voted Charged	1,57,35.26	18,29.15	...	1,75,64.41	1,30,37.94	(-) 45,26.47
		24,77.69	0.61	...	24,78.30	23,48.60	(-) 1,29.70
2	Capital Voted Charged	35,30.66	5,85.18	...	41,15.84	27,64.87	(-) 13,50.97
	
3	Public Debt Charged	8,09.50	2,64.00	...	10,73.50	11,90.22	(+) 1,16.72
4	Loans and Advances Voted	4,39.26	2,70.27	...	7,09.53	3,19.98	(-) 3,89.55
5	Total	2,29,92.37	29,49.21	...	2,59,41.58	1,96,61.61	(-) 62,79.97

TREND OF EXPENDITURE ON SELECTED GRANTS SHOWING PERSISTENT SAVINGS

Revenue Expenditure

(Rupees in crore)

Year	Grant Nos. and Departments	Allocation	Percentage of Savings to total grant
2006-07	1.Agriculture Department	1,99.17	23.61
2007-08	1.Agriculture Department	3,77.34	43.82
2008-09	1.Agriculture Department	7,14.46	69.93
2009-10	1.Agriculture Department	4,05.40	43.93
Average Utilisation			54.68
2006-07	3.Building Construction Department	1,29.02	51.97
2007-08	3.Building Construction Department	89.56	14.48
2008-09	3.Building Construction Department	1,08.76	15.14
2009-10	3.Building Construction Department	90.72	9.49
Average Utilisation			77.23
2006-07	9.Co-operative Department	1,36.85	21.80
2007-08	9.Co-operative Department	1,52.87	39.85
2008-09	9.Co-operative Department	1,11.52	38.19
2009-10	9.Co-operative Department	98.45	40.84
Average Utilisation			64.83

2006-07	10.Energy Department	4,37.86	43.64
2007-08	10.Energy Department	7,04.91	81.73
2008-09	10.Energy Department	4,45.15	52.67
2009-10	10.Energy Department	8,75.58	45.43
Average Utilisation			44.13
2006-07	12.Finance Department	20.44	15.36
2007-08	12.Finance Department	5,49.67	0.58
2008-09	12.Finance Department	53.74	8.15
2009-10	12.Finance Department	62.27	18.18
Average Utilisation			89.43
2006-07	18.Food, Supply & Consumer Forum Department	71.26	17.34
2007-08	18.Food, Supply & Consumer Forum Department	77.87	10.67
2008-09	18.Food, Supply & Consumer Forum Department	1,88.15	18.16
2009-10	18.Food, Supply & Consumer Forum Department	3,58.31	27.54
Average Utilisation			81.57
2006-07	19.Forest & Environment Department	2,17.06	16.00
2007-08	19.Forest & Environment Department	2,05.75	14.39
2008-09	19.Forest & Environment Department	2,48.01	16.27
2009-10	19.Forest & Environment Department	2,67.32	23.05
Average Utilisation			82.57
2006-07	20.Health, Medical Education & Family Welfare Department	8,40.15	53.52
2007-08	20.Health, Medical Education & Family Welfare Department	6,89.67	43.78
2008-09	20.Health, Medical Education & Family Welfare Department	7,91.39	23.29
2009-10	20.Health, Medical Education & Family Welfare Department	10,71.04	44.87
Average Utilisation			58.64
2006-07	29.Mines & Geology Department	19.93	43.20
2007-08	29.Mines & Geology Department	45.33	65.81
2008-09	29.Mines & Geology Department	53.39	65.72
2009-10	29.Mines & Geology Department	25.16	25.72
Average Utilisation			49.89
2006-07	30.Minority Welfare Department	1.27	35.40
2007-08	30.Minority Welfare Department	1.02	35.29
2008-09	30.Minority Welfare Department	71.01	92.83
2009-10	30.Minority Welfare Department	1.33	53.68
Average Utilisation			45.70
2006-07	41.Road Construction Department	1,27.81	15.73
2007-08	41.Road Construction Department	1,17.61	13.03
2008-09	41.Road Construction Department	1,89.92	15.41
2009-10	41.Road Construction Department	2,00.55	40.97
Average Utilisation			78.72

2006-07	42.Rural Development Department	12,95.86	58.98
2007-08	42.Rural Development Department	10,39.01	33.08
2008-09	42.Rural Development Department	10,58.67	11.14
2009-10	42.Rural Development Department	11,04.71	23.96
	Average Utilisation		68.21
2006-07	43.Science & Technology Department	1,16.10	59.47
2007-08	43.Science & Technology Department	1,47.38	33.92
2008-09	43.Science & Technology Department	1,54.07	49.81
2009-10	43.Science & Technology Department	1,11.17	59.43
	Average Utilisation		49.34
2006-07	49.Water Resources Department	1,50.83	14.15
2007-08	49.Water Resources Department	1,50.16	11.16
2008-09	49.Water Resources Department	1,98.21	8.84
2009-10	49.Water Resources Department	2,66.99	21.67
	Average Utilisation		86.05
2006-07	50.Minor Irrigation Department	38.77	7.20
2007-08	50.Minor Irrigation Department	35.96	7.07
2008-09	50.Minor Irrigation Department	51.16	8.80
2009-10	50.Minor Irrigation Department	64.51	9.17
	Average Utilisation		91.94

The table above indicates that in the grants dealing with Energy, Mines and Geology, Minority Welfare and Science and Technology departments, the average utilization of budget allocations have been found less than 50 per cent during last four years ending 31 March 2010 which may be on account of either incorrect budgeting or incorrect implementation or the allocations being made without linking to requirement.

Capital Expenditure

(Rupees in crore)

Year	Grant Nos. and Departments	Allocation	Percentage of Savings to total grant
2006-07	1.Agriculture Department	4.10	26.83
2007-08	1.Agriculture Department	4.10	75.61
2008-09	1.Agriculture Department	5.00	40.00
2009-10	1.Agriculture Department	2.50	100.00
	Average Utilisation		39.39
2006-07	30.Minority Welfare Department	12.70	16.46
2007-08	30.Minority Welfare Department	11.37	18.05
2008-09	30.Minority Welfare Department	19.01	24.57
2009-10	30.Minority Welfare Department	14.08	12.73
	Average Utilisation		82.04

2006-07	41.Road Construction Department	5,20.10	75.17
2007-08	41.Road Construction Department	5,42.47	44.47
2008-09	41.Road Construction Department	6,35.07	13.86
2009-10	41.Road Construction Department	7,37.29	31.22
	Average Utilisation		58.82
2006-07	42.Rural Development Department	6,03.43	21.62
2007-08	42.Rural Development Department	7,11.79	16.91
2008-09	42.Rural Development Department	6,37.57	1.80
2009-10	42.Rural Development Department	6,96.36	0.53
	Average Utilisation		89.79
2006-07	43.Science & Technology Department	31.12	2.01
2007-08	43.Science & Technology Department	39.43	8.81
2008-09	43.Science & Technology Department	70.00	8.47
2009-10	43.Science & Technology Department	62.05	13.44
	Average Utilisation		91.82
2006-07	46.Tourism Department	21.00	24.57
2007-08	46.Tourism Department	20.04	2.49
2008-09	46.Tourism Department	1,26.50	29.71
2009-10	46.Tourism Department	25.15	79.56
	Average Utilisation		65.92
2006-07	47.Transport Department	45.15	99.27
2007-08	47.Transport Department	11.66	44.34
2008-09	47.Transport Department	6.90	58.80
2009-10	47.Transport Department	3,75.47	9.93
	Average Utilisation		46.92
2006-07	48.Urban Development & Housing Department	1,32.20	49.55
2007-08	48.Urban Development & Housing Department	3,29.70	45.77
2008-09	48.Urban Development & Housing Department	5,82.84	28.95
2009-10	48.Urban Development & Housing Department	6,24.66	44.53
	Average Utilisation		57.80
2006-07	49.Water Resources Department	3,64.50	38.70
2007-08	49.Water Resources Department	7,49.93	19.75
2008-09	49.Water Resources Department	5,34.60	47.57
2009-10	49.Water Resources Department	4,98.20	55.70
	Average Utilisation		59.57
2006-07	50.Minor Irrigation Department	1,37.64	64.26
2007-08	50.Minor Irrigation Department	1,67.80	38.86
2008-09	50.Minor Irrigation Department	1,04.30	25.59
2009-10	50.Minor Irrigation Department	84.20	44.94
	Average Utilisation		56.59

The table above indicates that in the grants dealing with Agriculture and Transport departments, the average utilization of budget allocations have been found less than 50 per cent during last four years ending 31 March 2010 which may be on account of either incorrect budgeting or incorrect implementation or the allocations being made without linking to requirement.

RECONCILIATION OF ACCOUNTS

Accuracy and reliability of accounts depend, among other things, on timely reconciliation of departmental figures with the accounts figures. As per Rule 475 (viii) under Jharkhand Financial Rule, all Controlling Officers are required to reconcile the Receipt and Expenditure of the Government with the figures accounted for by the Accountant General. Such reconciliation has been completed in respect of 49 per cent of COs/DDOs for a value of ₹ 28,55.48 crore of expenditure against the total expenditure of the Government amounting to ₹ 1,78,31.27 crore and 31 per cent of COs/DDOs for ₹ 17,88.19 crore of receipts were reconciled against the total receipts of the Government amounting to ₹ 1,51,18.47 crore during the year 2009-2010.

RENDITION OF ACCOUNTS

The accounts of the State Government compiled in Accounts Office are mainly based on the initial accounts rendered by Treasuries, Public Works and Forest Divisions. Delayed receipt of accounts hinders consolidation of accounts and causes delay in preferring claims of the State Government or to effect monetary settlement at an early date. This also adversely affects certification of plan expenditure and reconciliation of Cash balance shown in the books of Reserve Bank of India. Delay in receipt of account from different accounts rendering units in the financial year 2009-2010 is shown in table below:-

Sl. No.	Range of Delay	No. of Treasury Accounts	No. of Public Works Accounts	No. of Forest Accounts
1.	2 to 15 days	58	915	626
2.	> 15 days to 30 days	Nil	54	284
3.	> 30 days	Nil	16	76

The non-submission of accounts in time leads to exclusion of the monthly accounts submitted to the State Government. As a result, the accounts figures do not reflect the actual expenditure or receipt of the month which may adversely affect decisions, based on incomplete figures. The late submission of accounts is fraught with the possibility of fraud, misappropriation etc. remaining undetected for extended periods.

CHAPTER-III

TRENDS IN GOVERNMENT REVENUE AND EXPENDITURE

Revenue Receipts

(Rupees in crore)

Year	Tax Revenue	Non-Tax Revenue	Grants-in-aid and contributions	Gross Revenue Receipt	GSDP	Percentage of gross revenue receipts to GSDP
2006-07	72,39.40	12,50.40	15,20.02	1,00,09.82	6,32,29*	15.83
2007-08	85,83.38	16,01.40	18,41.77	1,20,26.55	6,92,53*	17.37
2008-09	91,45.32	19,51.74	21,15.78	1,32,12.84	7,57,11	17.45
2009-10	1,00,47.69	22,54.15	28,16.63	1,51,18.47	8,30,78	18.20

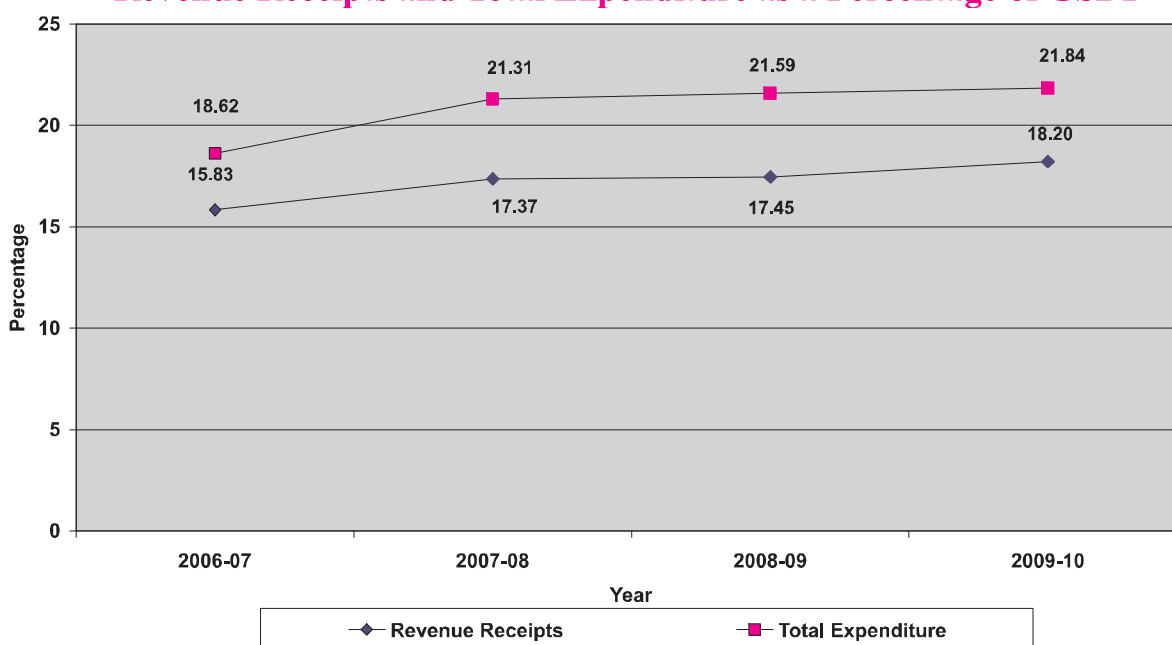
* The GSDP figure as revised by the State Government.

Revenue Expenditure

(Rupees in crore)

Year	Revenue Expenditure (Actuals)	Total Expenditure	GSDP	Percentage increase over 2006-2007 to 2009-2010			Percentage of Government Expenditure to GSDP
				Revenue Expenditure	Total Expenditure	GSDP	
2006-07	90,63.94	1,17,72.19	6,32,29	6.75	-18.01	15.22	18.62
2007-08	1,08,31.97	1,47,60.55	6,92,53	19.51	25.38	9.53	21.31
2008-09	1,28,76.90	1,63,46.36	7,57,11	18.88	10.74	9.33	21.59
2009-10	1,51,28.24	1,81,51.26	8,30,78	17.48	11.04	9.73	21.84

Revenue Receipts and Total Expenditure as a Percentage of GSDP



The overall increase in the Government's total expenditure during 2009-2010 compared to 2006-2007 has been ₹ 63,79.07 crore.

Growth in major areas of revenue expenditure is shown in the following table.

GROWTH IN MAJOR AREAS OF REVENUE EXPENDITURE

(Rupees in crore)

Areas of Expenditure	2006-07	2007-08	2008-09	2009-10
Interest Payments and Servicing of Debt	16,13.38	17,58.03	18,86.87	23,07.45
Pension and Miscellaneous General Services	6,78.97	8,18.32	9,88.40	16,80.83
Administrative Services	13,01.08	17,72.27	17,20.75	21,12.71
Agriculture and Allied Activities	5,07.38	5,84.75	6,23.46	6,32.29
Rural Development	5,08.98	6,05.97	8,04.82	7,44.90
Energy	2,39.45	1,18.62	1,99.93	4,63.17

In “Rural Development Department”, there was decrease of 7.44% in 2009-10 as compared to 2008-09.

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. is 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 year are given below.

(Rupees in crore)

Year	Revenue Heads			Capital Heads			Other Heads	Deficit for the year	Cumulative deficit at the end of the year
	Receipts	Disbursements	Deficit(-) Surplus(+)	Receipts	Disbursements	Deficit(-) Surplus(+)			
2006-07	1,00,09.82	90,63.94	(+) 9,45.88	...	14,61.34	(-) 14,61.34	...	5,15.46	72,50.35
2007-08	1,20,26.55	1,08,31.97	(+)11,94.58	...	25,83.54	(-) 25,83.54	...	13,88.96	86,39.31
2008-09	1,32,12.84	1,28,76.90	(+) 3,35.94	...	30,51.27	(-) 30,51.27	...	27,15.33	1,13,54.64
2009-10	1,51,18.47	1,51,28.24	(-) 9.77	...	27,03.04	(-) 27,03.04	...	27,12.81	1,40,67.45

LIABILITIES

Liabilities of the State Government increased by ₹ 77,47.64 crore (39.90%) from ₹ 1,94,17.37 crore in 2006-2007 to ₹ 2,71,65.01 crore in 2009-2010. Public debt comprising Internal Debt of the State Government and Loans and Advances from the Central Government increased by ₹ 50,27.68 crore (29.36%) from ₹ 1,71,23.83 crore in 2006-2007 to ₹ 2,21,51.51 crore at the end of the year 2009-2010. 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 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 Government	Total Public Debt	Small Savings	Provident Funds	Other Obligation	Total Liabilities	GSDP	% of total liability to GSDP
(1)	(2)	(3)	(4=2+3)	(5)	(6)	(7)	(8=4+5+6+7)	(9)	(10)
2006-07	1,44,22.62	27,01.21	1,71,23.83	-1,29.85	8,49.36	15,74.03	1,94,17.37	6,32,29	30.71
2007-08	1,58,58.86	25,40.26	1,83,99.12	-1,53.01	10,34.41	23,34.07	2,16,14.59	6,92,53	31.21
2008-09	1,75,68.14	24,04.14	1,99,72.28	-1,72.64	12,53.66	30,30.68	2,40,83.98	7,57,11	31.81
2009-10	1,98,80.00	22,71.51	2,21,51.51	-2,28.95	15,82.36	36,60.09	2,71,65.01	8,30,78	32.69

STATE PROVIDENT FUND

The details of transactions from the State Provident Fund are shown in the following table-

Year	Opening Balances @	Receipts	Payments	Net accretion for the year	Closing Balance	Interest charged on balance of P.F*
2006-07	6,09.45	4,32.27	1,92.37	2,39.90	8,49.36	2,28.13
2007-08	8,49.36	4,51.22	2,66.17	1,85.05	10,34.41	2,30.00
2008-09	10,34.41	5,43.37	3,24.11	2,19.26	12,53.67	2,75.00
2009-10	12,53.67	6,64.34	3,35.65	3,28.69	15,82.36	3,02.53

@ The allocation of balances as on 14-11-2000 between the successor state of Bihar and Jharkhand has not been made so far.

* Expenditure on account of interest payments increased from previous year by ₹ 4,20.58 crore during 2009-2010. Interest on General Provident Fund and Insurance and Pension Fund has been provided on the basis of trend of outgoings of General Provident Fund on an average and also considering un-apportioned amount from composite state of Bihar.

GUARANTEES

The Guarantees given by the Composite State of Bihar upto 14.11.2000 has not been allocated between the successor States, Bihar and Jharkhand so far (September 2010). Fiscal Correction Path of the State Government revealed that at the end of March 2010, ₹ 500 crore was outstanding in the shape of guarantees given by the 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 ₹ 0.45 crore (w.e.f. 15 November 2000) 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 the adverse position of the cash balance of the State Government.

LIQUIDITY POSITION OF THE STATE GOVERNMENT

	2006-2007	2007-2008	2008-2009	2009-2010
i) Number of days on which minimum balance was maintained	365	366	365	365
a) Without obtaining any advance	336	Nil	Nil	Nil
b) By obtaining Ways and Means Advance	29	Nil	Nil	Nil
ii) Number of days on which overdraft was taken	Nil	Nil	Nil	Nil

GENERAL CASH BALANCES

The closing cash balance according to the Reserve Bank of India was. ₹ 6,86.29 crore (Debit) against the general cash balance of ₹ 7,53.10 crore (Credit) as reflected in State Government accounts.

The Cash Balance Investment Account is an account maintained by the Reserve Bank of India on behalf of the State Government for investment of surplus cash. At the end of daily transactions of the State Government, surplus funds are invested in Treasury Bills and in securities of the Government of India or other State Governments through this account. Conversely, whenever there is a shortfall, it is met through disinvestments of these bills and securities. Investments held in the Cash Balance Investment Account as on 31 March, 2010 were ₹ 13,59.39 crore.

Other cash balances and investments comprising Cash with Departmental Officers (₹ 34.50 crore), Permanent Advances with Departmental Officers (₹ 0.11 crore) and Investment of Earmarked Funds (₹ 1,16.22 crore) were ₹ 1,50.83 crore as on 31 March, 2010.

The Cash Balance (Deposits with Reserve Bank) decreased from ₹ -4,82.49 crore at the beginning of the year 2009-2010 to ₹ -7,53.10 crore at its end, the details of sources and application of funds being as shown in the following table:-

(Rupees in crore)

SOURCE			APPLICATION				
Sl. No.	Items	Amount	Sl. No.	Items	Amount		
1	Opening Cash Balance (Deposit with Reserve Bank)	(-) 4,82.49	1	Revenue Expenditure	Non-plan	Plan	Total
					1,13,69.76	37,58.48	1,51,28.24
2	State's share of Union Taxes	55,47.57	2	Capital Expenditure	Non-plan	Plan	27,03.04
					21.00	26,82.04	
3	State's own revenue collection	67,54.27	3	Loans and Advances Repaid	To Central Govt.	To Others	11,90.22
					1,22.60	10,67.62	
4	Central grants/ assistance other than loans	28,16.63	4	Loans and Advances given	27.93	2,92.05	3,19.98
			4a	Adjustment of Inter State Settlement
5	Miscellaneous receipts	...	5	Disbursements under small Savings and Deposits and Advances	42,91.25		
6	Receipts from Public Debt, Small Savings, Deposits and Advances (other than Central loans)	82,15.61	6	Closing cash balance (Deposits with Reserve Bank)	(-) 7,53.10		
7	Receipts from Central loans	-10.03					
8	Recoveries from borrowers	21.79					
9	Net contribution from contingency fund	...					
10	Net effect of adjustment of suspense and remittance balances and increase/ decrease of reserve funds	16.28					
11	Total	2,28,79.63		Total	2,28,79.63		

CONTINGENCY FUND

Contingency Fund of the State is designed to meet contingencies. The following details indicate the extent of use of this fund during the year.

USE OF CONTINGENCY FUND

	2006-07	2007-08	2008-09	2009-10
Number of withdrawals from Contingency Fund	49	60	41	69
Total withdrawals from Contingency Fund (₹ in crore)	74.92	1,36.26	59.87	5,74.02*
Withdrawals from Contingency Fund as a percentage of Total Budget Provision	0.46	0.72	0.27	1,14.80

* In terms of the Jharkhand Contingency Fund (Amendment) Act, 2009 (No. 37 of 2009) dated 23.12.2009, the permanent corpus of the Jharkhand Contingency Fund was temporarily raised from ₹ 1,50.00 crore to ₹ 5,00.00 crore till 31 March 2010.

Printed at National Printers, Industrial Area, Namkum, Ranchi - 834010
Phone: (0651) 2261902, 2261949
E-mail : nppranchi@yahoo.com