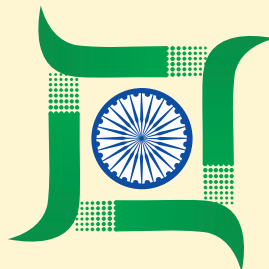




**State Finances Audit Report of the  
Comptroller and Auditor General of India  
for the year ended 31 March 2019**



लोकहितार्थ सत्यनिष्ठा  
Dedicated to Truth in Public Interest



झारखण्ड सरकार

**Government of Jharkhand**  
*Report No. 3 for the year 2020*



**State Finances Audit Report of the  
Comptroller and Auditor General of India  
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## 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 2018-19 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 (FFC) Report and the Budget Estimates of 2018-19. 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 2019. 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 departments.

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

The Reports containing the findings of Performance Audits and audit of transactions in various Departments and observations arising out of audit of Statutory Corporations, Boards and Government Companies and the Report containing observations on Revenue Receipts are presented separately.

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



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# **EXECUTIVE SUMMARY**

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## Executive Summary

### Fiscal situation of the State

Revenue receipts, revenue expenditure and capital expenditure, as a percentage of Gross State Domestic Product (GSDP), has shown a decreasing trend from 2016-17 onwards. Further, capital expenditure, as a percentage of GSDP, has decreased significantly during 2018-19.

#### *Paragraph 1.1.1*

The State has not achieved revenue surplus and Fiscal Deficit to GSDP ratio as targeted in the MTFP statement under FRBM Act. Moreover, normative projection of FFC in respect of outstanding debt to GSDP ratio for the year 2018-19 was also not achieved.

The Fiscal Deficit (₹ 6,629 crore) was 2.16 per cent of GSDP against recommended ceiling of 3.25 per cent by the FFC and 2.61 per cent targeted under MTFP.

#### *Paragraph 1.1.2*

Primary Deficit of the State improved significantly from ₹ 7,271 crore in 2017-18 to ₹ 1,777 crore during 2018-19.

#### *Paragraph 1.1.2.2*

### Resources mobilisation and application

Revenue receipts (₹ 56,152 crore) increased by ₹ 3,396 crore (6.44 per cent) over the previous year (₹ 52,756 crore) which was lower than the budget estimates (₹ 69,578 crore).

During 2018-19, Revenue expenditure (₹ 50,631 crore) decreased by ₹ 321 crore (0.6 per cent) over 2017-18 (₹ 50,952 crore). The budget estimates of Revenue expenditure for the current year was ₹ 61,523 crore.

Capital expenditure (₹ 10,712 crore) decreased by ₹ 1,241 crore (10.38 per cent) over 2017-18 (₹ 11,953 crore). The budget estimates of Capital expenditure for the current year was ₹ 13,068 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, 1.2 & 1.6*

### Adequacy of Public Expenditure

The ratio of development expenditure, economic service expenditure and capital expenditure to aggregate expenditure (AE) was significantly higher than the average for the General Category States (GCS) during 2018-19. However, Social Sector Expenditure along with expenditure on Education was less than the average of GCS during the year.

#### *Paragraph 1.7.1*

### Financial results of irrigation projects

The Thirteenth and Fourteenth Finance Commissions had prescribed cost recovery rate on irrigation projects for assessing the commercial viability of

these projects. However, no irrigation scheme was declared as commercial by the Government of Jharkhand.

During 2018-19, total capital outlay of ₹ 1,759.45 crore was provided to 11 irrigation projects and ₹ 1,480.90 crore was spent on working expenses and maintenance charges on 23 projects. During 2018-19, ₹ 38.04 crore was received as miscellaneous 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**

### **Return on Investment**

During 2014-19, the State Government incurred a notional loss of ₹ 109.53 crore on account of difference between the Government's borrowing cost and the return on investment on working PSUs.

Loans to Jharkhand State Electricity Board (JSEB) amounting to ₹ 7,222 crore continue to be depicted in the Government accounts as receivable from the Board, even though the Board was unbundled in January 2014 into separate companies. Thus, the assets of the State was inflated to the extent of ₹ 7,222 crore.

*Recommendation: The State Government should rationalise its investments and loans advanced to various entities such that the return on investment and loans at least matches the Government borrowing costs.*

**Paragraph 1.8.3 & 1.8.4**

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

The SDRF had a closing balance of ₹ 1,930.09 crore as on 31 March 2019. As required under SDRF guidelines 2010, the State Government had invested (2012-13) ₹ 400 crore from the balances under the fund.

During 2018-19, the State Government transferred the contribution from GoI along with their share into public account with a delay of 11 days (₹ 210.50 crore) and 184 days (₹ 31.58 crore) after receipt of Central share, for which the State Government was liable to pay an interest of ₹ 1.46 crore, which was not paid.

Further, as per the guidelines, the Government was required to pay interest on the uninvested balances at the rate of interest (8.25 per cent) payable on overdrafts, which is to be added to the corpus of the fund itself. However, GoJ had not paid any interest to SDRF since its creation, which works out to ₹ 535.83 crore at the applicable rates of interest for the period 2010-19. Of this, unpaid interest for 2018-19 alone amounted to ₹ 94.96 crore. Such unpaid interest since the operation of the Fund represents the unaccounted liabilities of the State.

*Recommendation: The State should ensure timely transfer of contribution received from GoI along with its share into public account and also invest the balances lying under the fund as per the SDRF guidelines.*

**Paragraph 1.9.4**



### Savings

Out of total saving of ₹ 20,224 crore, savings of ₹ 15,941 crore (79 per cent) occurred in 29 cases relating to 27 grants. In these cases, savings exceeded ₹ 100 crore and was 20 per cent or more of the grant.

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

**Recommendations:** Finance Department should prepare budget based on the actual requirements from field units and ensure optimum utilisation of the amount allocated. All anticipated savings should be surrendered on time so that the funds can be utilised for other development purposes

**Paragraph 2.3.1 & 2.3.3**

### Advances from Contingency Fund

Advances amounting ₹ 69.72 crore were withdrawn on 40 occasions from the Contingency Fund during 2018-19 out of which, an amount of ₹ 15.34 crore, drawn on 13 occasions, was utilised for meeting expenditure which were neither unforeseen nor of emergent nature.

Thus, the Contingency Fund was used by the State as an imprest account for meeting non-contingent expenditure.

**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 2.3.4**

### Excess over provisions requiring regularisation

Excess expenditure of ₹ 3,015.37 crore over provisions for the years 2001-02 to 2017-18 was yet to be regularised by the State Legislature as required under Article 205 of the Constitution of India.

**Recommendation:** The Finance Department should take immediate steps to regularise the excess expenditure of ₹ 3,015.37 crore.

**Paragraph 2.3.5**

### Rush of Expenditure

In 21 grants, expenditure of ₹ 6,342.48 crore (62.48 per cent) was incurred in the last quarter of the year against the total expenditure of ₹ 10,151.23 crore. Out of this, an expenditure of ₹ 3,691.90 crore (36.37 per cent of the total expenditure) was incurred in the month of March 2019. Further, out of total drawal in March, ₹ 35.15 crore was drawn through AC bills.

**Recommendation:** The State Government should ensure adherence of the provisions of the Budget Manual by the Drawing and Disbursing Officers to control rush of expenditure during the fag end of the financial year.

**Paragraph 2.4**

### Outstanding Utilisation Certificates against grants

Utilisation certificates (UCs) of ₹ 53,379 crore against Grants-in-aid bills drawn upto 2017-18 by different departments were outstanding as on 31 March 2019 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 in submission of UCs in time.*

**Paragraph 3.1**

**Delay in submission of Accounts of PSUs**

The accounts of 24 working PSUs (69 accounts) and 03 non-working PSUs/Corporations (three accounts) are in arrears ranging from one to nine years. Further, it was noticed that the State Government had invested ₹ 41 crore in share capital during 2018-19 in six PSUs of which three PSUs have not finalised their accounts.

**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 3.2.2**

**Outstanding Detailed Contingent bills**

At the end of March 2019, Detailed Contingent bills for an amount of ₹ 5,479 crore were outstanding against ₹ 20,679 crore drawn on AC bills during 2001-2019.

Further, out of ₹ 1,061 crore drawn on AC bill in 2018-19, ₹ 62 crore was drawn in March 2019.

Audit of the funds drawn on AC bills during the period 2001-19 by the Food, Public Distribution and Consumer Affairs Department and Labour, Employment and Training Department revealed that ₹ 524 crore was drawn through 1,410 AC bills during the period against which 827 DC bills amounting to ₹ 208 crore were outstanding as on July 2019.

**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**

**Personal Ledger Accounts (PLAs)**

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

During 2018-19, ₹ 9,875.32 crore was added in the opening balance of ₹ 13,202.66 crore leading to accumulation of ₹ 23,077.98 crore in PLAs. Further, ₹ 8,730.74 crore was spent during the year leaving a balance of ₹ 14,347.24 crore at the end of 2018-19 in the PLAs.

**Recommendation:** *The Finance Department should 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 3.5**

**Labour Cess**

As per the Finance Accounts, ₹ 473.48 crore was collected as cess from contractors executing Government projects upto 2018-19. The cess collected has not been transferred to the Labour Welfare Board (March 2019) inflating the Revenue Surplus and understating the Fiscal Deficit of the State during the relevant years and represent the unaccounted liabilities of the State.

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

**Paragraph 3.6**

**Booking under minor head '800'**

Departments of GoJ routinely operated minor head 800 which is to be operated only in rare circumstances. During 2018-19, ₹ 832.91 crore under receipts and ₹ 1,161.38 crore under expenditure was booked under minor heads 800 resulting in opaqueness of transactions.

**Recommendation:** *The Finance Department should, in consultation with the Principal 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 3.7**

**Impact on Revenue surplus and Fiscal deficit**

Incorrect accounting of expenditure and revenue resulted in overstatement of revenue surplus and understatement of fiscal deficit by ₹ 953.92. The outstanding liabilities of the State was also understated by ₹ 953.92 crore.

**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 may expedite the apportionment of Public Accounts balances, Capital Section balances and Loans and Advances balances between the two successor States.*

**Paragraph 3.11**



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**Chapter-1**

**FINANCES OF  
THE STATE GOVERNMENT**

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## CHAPTER 1

### FINANCES OF THE STATE GOVERNMENT

This chapter provides an audit perspective on the finances of the State Government during 2018-19 and analyses changes in major fiscal aggregates relative to 2017-18 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). The profile of the State is given in **Appendix 1.1-Part A**.

#### 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	2014-15	2015-16	2016-17	2017-18	2018-19
India's GDP at current prices (₹ in crore)	1,24,67,959	1,37,71,874	1,53,62,386	1,70,95,005	1,90,10,164
Growth rate of India's GDP at current prices (percentage)	10.79	10.66	11.55	11.28	11.20
State's GSDP at current prices (₹ in crore)	2,18,525	2,06,613	2,36,250	2,76,243	3,07,581
Growth rate of GSDP at current prices (percentage)	15.89	(-) 5.45	14.34	16.93	11.34
State's GSDP at constant prices (₹ in crore)	1,86,534	1,74,881	1,93,174	2,17,618	2,32,821
Growth rate of GSDP at constant prices (percentage)	12.49	(-) 6.25	10.46	12.65	6.99
Per Capita GDP of India at current prices (in ₹)	99,728	1,14,424	1,19,375	1,29,800	1,42,719
Per Capita GSDP of the State at current prices (in ₹)	62,496	58,139	65,405	75,246	82,430

Source: GDP/GSDP figures issued by MoSPI, GoI dated 01.08.2019.

The structure of Government Accounts is explained in **Appendix 1.1-Part B** and the layout of the Finance Accounts is given in **Appendix 1.1-Part C**.

##### 1.1.1 Summary of fiscal transactions in 2018-19

**Table 1.2** and **1.3** presents a comparative summary of the State Government's fiscal transactions during 2014-15 to 2018-19. **Appendix 1.2** provides an abstract of receipts and disbursements as well as the overall fiscal position during 2017-18 and 2018-19.

<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's and State's economy.

**Table 1.2: Summary of receipts during 2014-19**

(₹ in crore)

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19	Percentage increase/decrease in 2018-19 over 2017-18
<b>Section-A: Revenue</b>						
<b>Revenue Receipts (RR)</b>	<b>31,564.56</b>	<b>40,638.35</b>	<b>47,053.93</b>	<b>52,756.03</b>	<b>56,151.70</b>	<b>6.44</b>
Own Tax revenue (OTR)	10,349.81	11,478.95	13,299.25	12,353.44	14,752.04	19.42
OTR/RR (per cent)	32.79	28.25	28.26	23.42	26.27	-
Non-Tax revenue (NTR)	4,335.06	5,853.01	5,351.42	7,846.67	8,257.98	5.24
NTR/RR (per cent)	13.73	14.40	11.37	14.87	14.71	-
Share of Union Taxes and Duties	9,487.01	15,968.75	19,141.92	21,143.63	23,906.16	13.07
Grants from Government of India	7,392.68	7,337.64	9,261.35	11,412.29	9,235.52	-19.07
<b>Section –B: Capital and Others</b>						
Misc. Capital Receipts under capital section	0.00	0.00	0.00	25.09	0.00	-100.00
Recoveries of Loans and Advances	33.06	31.06	38.46	42.41	47.57	12.17
Public Debt Receipts <sup>2</sup>	6,690.12	13,244.65	7,081.42	8,136.85	7,803.43	-4.10
Inter State Settlement (Net)	0.00	0.00	0.00	0.00	0.00	
Transfers to Contingency Fund	0.00	0.00	0.00	0.00	0.00	
Public Account Receipts <sup>3</sup>	20,189.17	29,036.72	22,051.8	27,833.30	25,409.79	-8.71
Opening Cash Balance	1,285.48	444.21	1,904.72	1,947.85	550.44 <sup>4</sup>	-71.74
<b>Total</b>	<b>59,762.39</b>	<b>83,394.99</b>	<b>78,130.33</b>	<b>90,741.53</b>	<b>89,962.93</b>	<b>-0.86</b>

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

**Table 1.3: Summary of disbursements during 2014-19**

(₹ in crore)

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19	Percentage increase/decrease in 2018-19 over 2017-18
<b>Section A: Revenue</b>						
<b>Revenue Expenditure</b>	<b>31,794.90</b>	<b>36,552.83</b>	<b>45,089.04</b>	<b>50,952.07</b>	<b>50,630.73</b>	<b>-0.63</b>
General Services	10,623.45	12,002.43	13,023.76	16,558.33	17,655.66	6.63
Social Services	11,915.34	14,843.81	18,557.37	19,574.97	18,786.03	-4.03
Economic Services	9,256.11	9,706.59	13,507.91	14,818.77	14,189.04	-4.25
Grants-in-aid and Contributions	0.00	0.00	0.00	0.00	0.00	
<b>Section –B: Capital and Others</b>						
Capital Outlay	5,542.94	8,158.51	10,860.68	11,952.71	10,711.71	-10.38
Loans and Advances disbursed	823.78	7,480.00	1,335.06	1,851.67	1,485.59	-19.77
Repayment of Public Debt	1,879.88	2,245.93	2,077.88	2,949.50	3,060.1	3.75
Inter State Settlement (Net)	0.00	0.00	0.00	0.00	0.00	-
Expenditure from Contingency Fund	0.00	0.00	0.00	0.00	0.00	-
Public Account Disbursements <sup>3</sup>	19,276.68	27,053.00	16,819.82	22,885.14	23,279.41	1.72
Closing Cash Balance	444.21	1,904.72	1,947.85	150.44	795.39 <sup>4</sup>	428.71
<b>Total</b>	<b>59,762.39</b>	<b>83,394.99</b>	<b>78,130.33</b>	<b>90,741.53</b>	<b>89,962.93</b>	<b>-0.86</b>

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

<sup>2</sup> Excluding net transactions under Ways and Means advances and overdraft<sup>3</sup> Figures do not include transactions under 'Other Accounts' i.e., Departmental Cash Balance, Permanent Imprest and Cash Balance Investment in Public Accounts Receipts and Public Accounts Disbursements<sup>4</sup> Opening and closing balance includes ₹ 400 crore invested from State Disaster Response Fund during 2012-13 reported by the Finance Department, vide letter no. 554 dated 23.07.2019



Increase/ decrease in fiscal operations during 2018-19 over the previous year is given below:

- Revenue receipts increased by ₹ 3,395.67 crore (6.44 *per cent*) mainly due to increase in receipts under SGST, State Excise and Land Revenue and increase in Central Tax Transfers although grants-in-aid from GoI decreased by ₹ 2,176.77 crore (19.01 *per cent*) as analysed in **Para 1.3**.
- Revenue expenditure decreased marginally by ₹ 321.34 crore (0.63 *per cent*) while capital expenditure decreased by ₹ 1,241 crore (10.38 *per cent*) mainly due to less expenditure on Transport, Irrigation and Flood Control and Agriculture and Allied Activities. This is further discussed in **Para 1.6.1**.
- Public debt receipts declined by ₹ 333.42 crore (4.10 *per cent*) while repayment of public debt increased by ₹ 110.60 crore (3.75 *per cent*) respectively.
- Public Account receipts decreased by ₹ 2,423.51 crore (8.71 *per cent*) mainly due to decrease in deposits and advances while disbursements increased by ₹ 394.27 crore (1.72 *per cent*).
- Cash balance increased by ₹ 644.95 crore (428.71 *per cent*) as discussed in **Para 1.8.5**.

The trends in revenue receipts (RR), revenue expenditure (RE) and capital expenditure (CE) relative to GSDP at current as well as constant prices are presented in **Table 1.4** below.

**Table 1.4: Trends in RR/ RE/ CE relative to GSDP**

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
<b>Revenue receipts relative to GSDP</b>					
RR at current prices (₹ in crore)	31,565	40,638	47,054	52,756	56,152
Rate of growth of RR at current prices ( <i>per cent</i> )	20.77	28.74	15.79	12.12	6.44
RR at constant prices (₹ in crore)	26,944	34,397	38,475	41,560	42,504
Rate of growth of RR at constant prices ( <i>per cent</i> )	17.23	27.66	12.61	8.02	2.27
RR/ GSDP ( <i>per cent</i> )	14.44	19.67	19.92	19.10	18.26
<b>Revenue expenditure relative to GSDP</b>					
RE at current prices (₹ in crore)	31,795	36,553	45,089	50,952	50,631
Rate of growth of RE at current prices ( <i>per cent</i> )	35.46	14.96	23.35	13.00	(-) 0.63
RE at constant prices (₹ in crore)	27,140	30,939	36,868	40,139	38,325
Rate of growth of RE at constant prices ( <i>per cent</i> )	31.49	14.00	19.96	8.87	(-) 4.52
RE/ GSDP ( <i>per cent</i> )	14.55	17.69	19.09	18.44	16.46
<b>Capital expenditure relative to GSDP</b>					
CE at current prices (₹ in crore)	5,543	8,159	10,861	11,952	10,712
Rate of growth of CE at current prices ( <i>per cent</i> )	17.39	47.19	33.12	10.05	(-) 10.38
CE at constant prices (₹ in crore)	4,732	6,906	8,881	9,416	8,108
Rate of growth of CE at constant prices ( <i>per cent</i> )	13.95	45.96	29.46	6.03	(-) 13.89
CE/ GSDP ( <i>per cent</i> )	2.54	3.95	4.60	4.33	3.48

As evident from the table above, revenue receipts have increased whereas revenue expenditure and capital expenditure have decreased during 2018-19. The ratio of RR, RE and CE as a percentage of GSDP, also decreased

significantly during the current year. Further, there has been a steep and consistent decrease in the rate of growth of capital formation since 2015-16.

### 1.1.2 Review of the fiscal situation

The performance of the State during 2018-19 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 the legislature under Fiscal Responsibility and Budget Management (FRBM) Act, is given in **Table 1.5**.

**Table 1.5: Major fiscal variables for 2018-19**

(in per cent)

Fiscal variables	2018-19			
	FFC projection for the State	Target as prescribed in MTFP Statement	Targets as per Budget estimates	Actuals
Revenue deficit (-)/surplus (+) w.r.t GSDP	Nil	(+)2.23	(+) 2.62	(+)1.79
Fiscal deficit w.r.t. GSDP	3.25	2.61	2.11	2.16
Ratio of total outstanding debt of the Government to GSDP	26.31	29.74	-	27.20

The State achieved the targets provided in the FRBM Act by eliminating the revenue deficit in 2006-07 and turning the deficit into revenue surplus except during 2014-15<sup>5</sup>. The revenue surplus of ₹ 5,521 crore in 2018-19 was significantly higher than the previous two fiscals. However, as a percentage of GSDP (1.79 per cent) it was lower than the MTFP estimate (2.23 per cent) and the budget estimates (2.62 per cent).

During 2018-19, the fiscal deficit (₹ 6,629 crore) was 2.16 per cent of GSDP at current prices which was well within the recommended ceiling of 3.25 per cent by the FFC. Further, fiscal deficit-GSDP ratio was lower than the target set under MTFP and slightly higher than the target set in the budget estimates.

The debt-GSDP ratio of the State at 27.20 per cent during 2018-19 though lower than the MTFP estimate (29.74 per cent), was higher than the FFC projection (26.31 per cent).

Though the State has achieved revenue surplus of ₹ 5520.97 crore, the same is overstated by ₹ 953.92 crore. Similarly, the fiscal deficit is understated by ₹ 953.92 crore as detailed in **Paragraph 3.9**.

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

Fiscal deficit represents the total financing the State requires (predominantly by drawing on its cash and investment balances with the RBI and by borrowing) to meet the excess of the revenue and capital expenditure (including loans and advances) over revenue and non-debt receipts.

The financing pattern of the fiscal deficit has been shown in **Table 1.6**.

<sup>5</sup> Revenue deficit of ₹ 230 crore

**Table 1.6: Components of Fiscal Deficit and its financing pattern**

(₹ in crore)

Sl. No.	Particulars	2014-15	2015-16	2016-17	2017-18	2018-19		
	<b>Composition of Fiscal Deficit</b> (figures in brackets indicate <i>per cent</i> to GSDP)	<b>6,564</b> <b>(3.00)</b>	<b>11,523<sup>6</sup></b> <b>(5.58)</b>	<b>10,192</b> <b>(4.31)</b>	<b>11,933</b> <b>(4.32)</b>	<b>6,629</b> <b>(2.16)</b>		
1	Revenue Deficit (-)/Surplus (+)	(-)230	4,085	1,965	1,804	5,521		
2	Net Capital expenditure <sup>7</sup>	5,543	8,159	10,861	11,928	10,712		
3	Net Loans and Advances <sup>8</sup>	791	7,449	1,296	1,809	1,438		
	<b>Financing pattern of Fiscal Deficit*</b>					<b>Receipt</b>	<b>Disbursement</b>	<b>Net</b>
1	Market Borrowings	4,488	4,755	4,725	4,807	5,509	1,486	4,023
2	Loans from GoI	(-)5	(-)2	77	71	273	167	106
3	Special Securities issued to NSSF	335	573	(-)733	(-)746	0	757	(-)757
4	Loans from Financial Institutions	(-)8	5,673	934	1,054	2,021	650	1,371
5	Small Savings, PF, etc.	(-)202	(-)159	(-)121	66	1,120	1,051	69
6	Reserve Fund	275	10	383	292	421	42	379
7	Deposits and Advances	1,093	2,111	5,031	4,722	12,879	11,383	1,496
8	Suspense and Miscellaneous	(-)13	17	(-)30	(-)224	39	(-) 88	127
9	Remittances	(-)238	1	(-)30	93	10,648	10,588	60
10	Inter-State Settlement	-	-	-	-	-	-	-
11	Cash balance increase (+)/ Decrease(-)	841	(-)1,461	(-)43	1,798	550 <sup>9</sup>	795 <sup>9</sup>	(-) 245

\*All these figures are net of disbursements/outflows during the year except for 2018-19

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

During 2018-19, the fiscal deficit of ₹ 6,629 crore was mainly financed by Market Borrowings (₹ 4,023 crore), Deposits and Advances (₹ 1,496 crore) and Loans from Financial Institutions (₹ 1,371 crore).

### 1.1.2.2 Quality of Deficit/Surplus

Ideally, revenue receipts should cover the revenue expenditure (including interest payments) of the State. While revenue deficit is made up from 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>10</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.

<sup>6</sup> Includes borrowing on UDAY bonds (₹ 5,553.37 crore). The fiscal deficit during 2015-16 excluding borrowing on UDAY bonds is ₹ 5,970 crore.

<sup>7</sup> Non-debt capital expenditure *minus* non-debt capital receipts.

<sup>8</sup> Loans and advances *minus* recoveries.

<sup>9</sup> Revised and included ₹ 400 crore invested from State Disaster Response Fund during 2012-13 reported by the Finance Department, vide letter no. 554 dated 23.07.2019

<sup>10</sup> Expenditure on Revenue, Capital and Loans and Advances, but not interest payments

**Table 1.7: Components of Primary Deficit/Surplus in the State**

(₹ in crore)

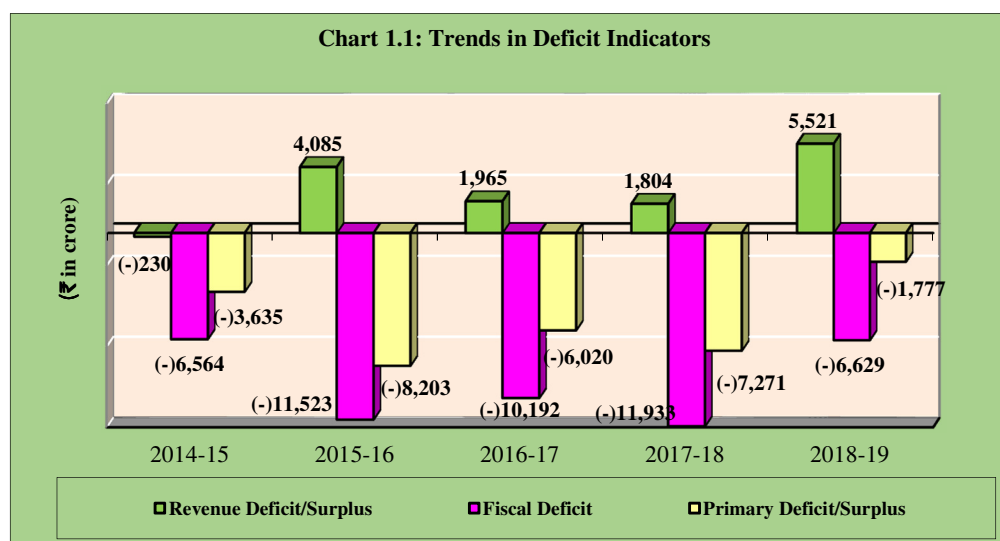
Year	Non-Debt Receipts	Primary Revenue Expenditure	Capital Expenditure	Loans and Advances	Primary Expenditure	Primary Revenue Deficit <sup>11</sup> (-) / Surplus (+)	Primary Deficit (-) / Surplus (+)
1	2	3	4	5	6 (3+4+5)	7 (2-3)	8 (2-6)
2014-15	31,598	28,866	5,543	824	35,233	(+)2,732	(-)3,635
2015-16	40,669	33,233	8,159 <sup>12</sup>	7,480	48,872	(+)7,436	(-)8,203
2016-17	47,093	40,917	10,861	1,335	53,113	(+)6,176	(-)6,020
2017-18	52,824	46,290	11,953	1,852	60,095	(+)6,534	(-)7,271
2018-19	56,199	45,779	10,712	1,485	57,976	(+)10,420	(-)1,777

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

As evident from Table 1.7, the primary deficit decreased significantly during 2018-19 due to increase in non-debt receipts of the State by ₹ 3,375 crore (6.4 per cent) and decrease in both primary revenue expenditure and capital expenditure by ₹ 511 crore (1.10 per cent) and ₹ 1,241 crore (10.38 per cent) respectively. Due to lower primary revenue expenditure and increase in non-debt receipts, the State had a primary revenue surplus of ₹ 10,420 crore during the year 2018-19.

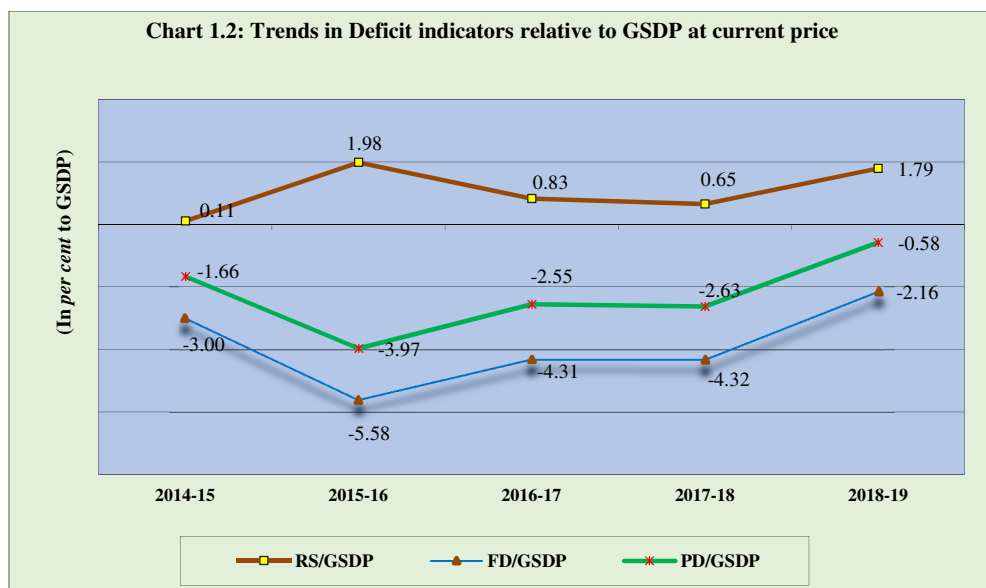
### 1.1.2.3 Trends in deficits

Chart 1.1 and Chart 1.2 present the trends of deficit indicators over the period 2014-19.



<sup>11</sup> Primary revenue deficit is the gap between non-interest revenue expenditure and non-debt receipts and indicates the extent to which the non-debt receipts are sufficient to meet the primary expenditure incurred under revenue account.

<sup>12</sup> Includes borrowings on UDAY bonds (₹ 5,553.37 crore)



The revenue surplus of ₹ 5,521 crore in 2018-19 was mainly due to lower revenue expenditure than the budget estimates (by ₹ 6,066 crore under Social Services and by ₹ 4,909 crore under Economic Services).

During 2018-19, the growth rate of revenue receipts decreased from 12.12 *per cent* in 2017-18 to 6.44 *per cent* mainly on account of decline in grants-in-aid received from GoI. This was despite the fact that the State's own revenue grew at a rate of 13.90 *per cent* in the current year against the growth rate of 8.30 *per cent* during 2017-18.

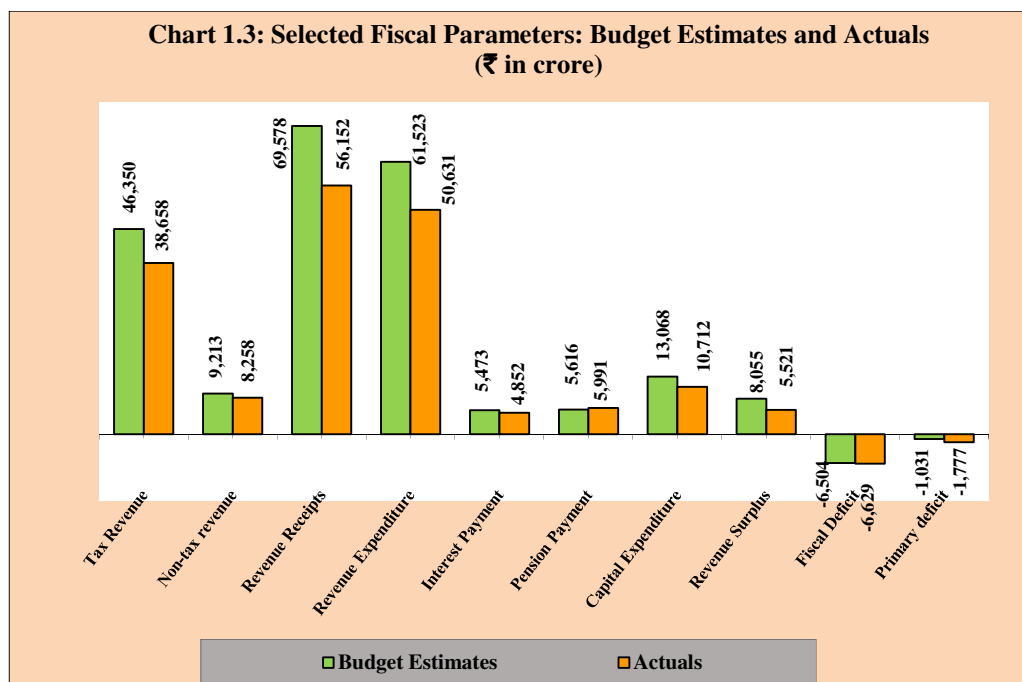
Growth rate of revenue expenditure of 13 *per cent* in 2017-18 turned negative to 0.6 *per cent* in 2018-19 resulting in increase of revenue surplus during these years. The lower growth rate of revenue expenditure was mainly due to less expenditure on services like Water Supply, Sanitation, Housing and Urban Development, Agriculture and Allied Activities, Energy etc.

**Recommendation:** *The Government should ensure optimum utilisation of budgetary provisions earmarked for developmental services like education, water supply sanitation, social welfare and agriculture.*

### 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 1.3** presents a comparative analysis of the budget estimates and actuals for some important fiscal parameters for 2018-19.



Source: Annual Financial Statement and Finance Accounts of the Government of Jharkhand for the year 2018-19  
Note: Tax revenue includes State's share of Union Taxes

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 2018-19. Revenue receipts was less than the budget estimates by ₹ 13,426 crore during the year mainly due to less collections under own tax revenue by ₹ 4,598 crore and less receipts of GIA and CTT from Government of India by ₹ 4,614 crore and ₹ 3,094 crore respectively against the budget estimate.

Less revenue expenditure (by ₹ 10,892 crore) during 2018-19, as compared to the budget estimates, was mainly due to less expenditure on Social Services (by ₹ 6,066 crore) and Economic Services (by ₹ 4,909 crore).

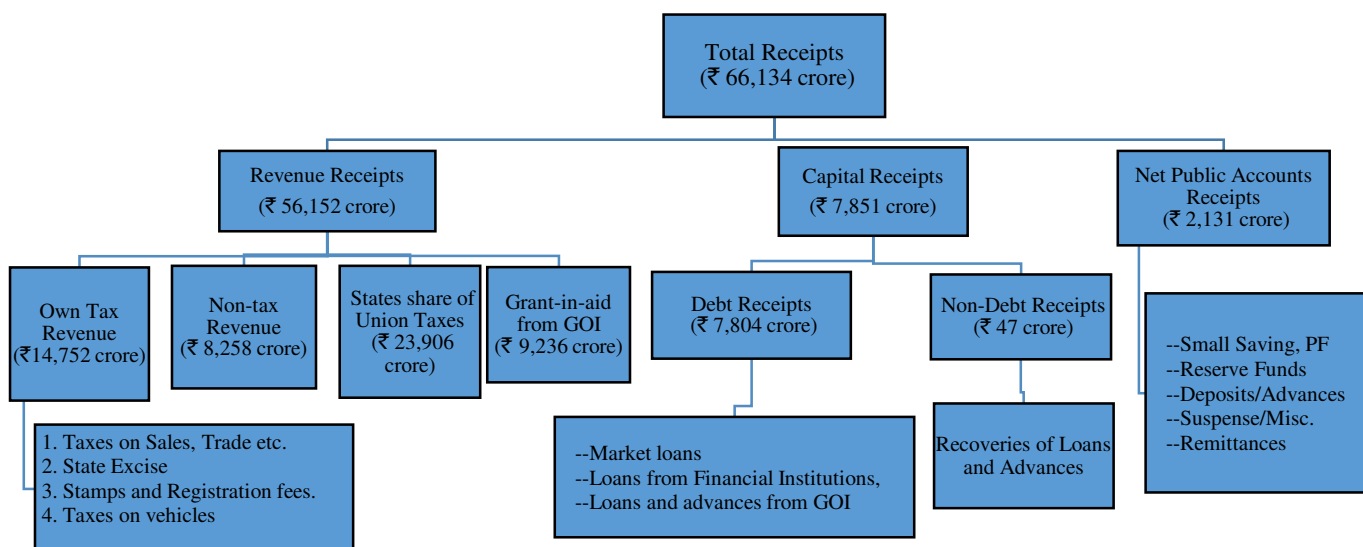
During the year, the capital expenditure of the State was less than the budget estimates by ₹ 2,356 crore mainly due to less expenditure on Economic and Social Services against the provision.

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

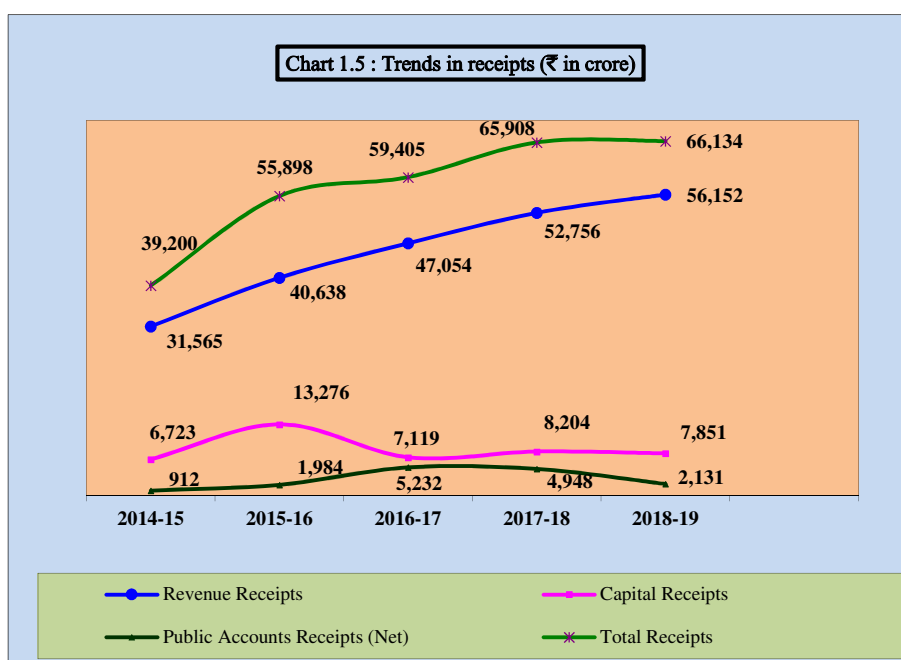
## 1.2 Resources of the State

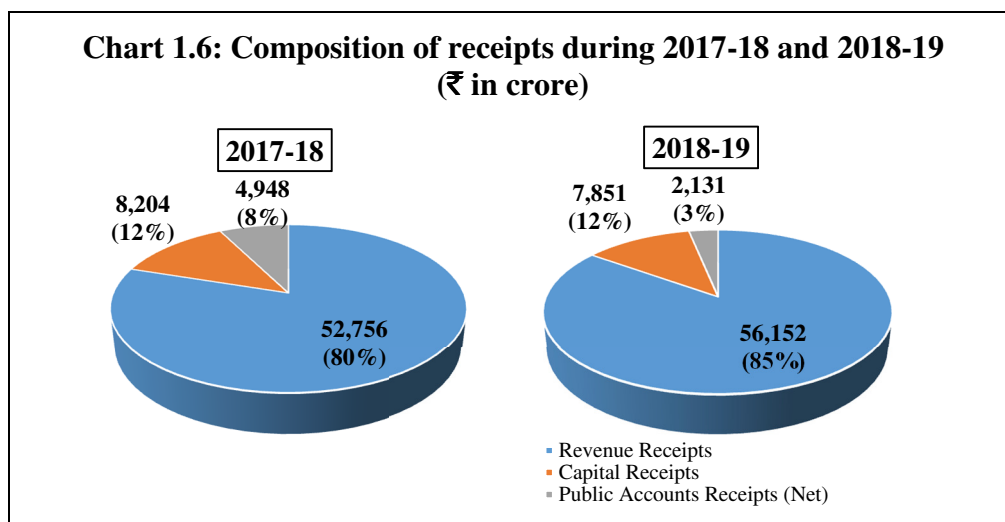
**Table 1.2** at page 2 and **Charts 1.4 to 1.6** present different perspectives of the financial resources of the State as depicted in the Finance Accounts.

**Chart 1.4: Components and sub-components of resources**



Source: Finance Accounts of the Government of Jharkhand 2018-19



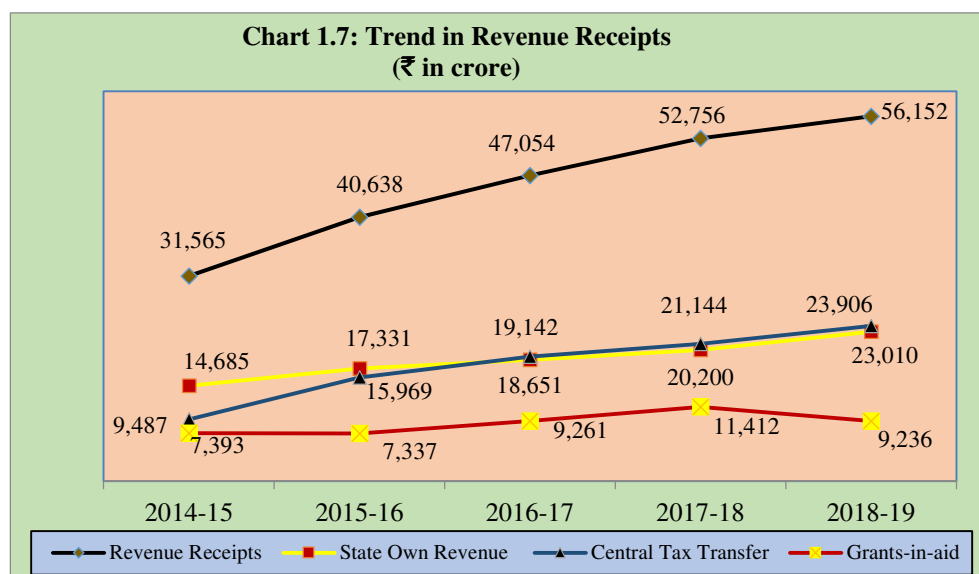


Source: Finance Accounts of the Government of Jharkhand for the years 2017-18 and 2018-19

The share of revenue receipts to total receipts (RR/TR) increased by five *per cent* whereas the share of Public Accounts receipts to total receipts decreased by five *per cent* over the previous year. Share of capital receipts to total receipts remained at the same level during 2017-19.

### 1.3 Revenue Receipts

The trends and composition of revenue receipts over the period 2014-19 are presented in **Appendix 1.3** and **Chart 1.7**.



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

Though the State's own revenues grew by 14 *per cent* over the previous year, it was less than the revenue received from GoI (CTT & GIA). Further, the substantial decrease in GIA (₹ 2,176 crore) was offset by the significant increase in CTT (₹ 2,762 crore).

The trend of revenue receipts relative to GSDP is presented in **Table 1.8**.



**Table 1.8: Trends in Revenue Receipts relative to GSDP**

(₹ in crore)

	2014-15	2015-16	2016-17	2017-18	2018-19
Revenue Receipts (RR) (₹ in crore)	31,565	40,638	47,054	52,756	56,152
Rate of growth of RR ( <i>per cent</i> )	20.77	28.74	15.79	12.12	6.44
RR/GSDP ( <i>per cent</i> )	14.44	19.67	19.92	19.10	18.26
State's Own Tax / GSDP	4.74	5.56	5.65	4.84	4.80
Growth rate of GSDP at current price	15.89	-5.45	14.34	16.93	11.34
Growth rate of GSDP at constant price	12.49	-6.25	11.46	12.65	6.99

As shown in the above table, growth rate of revenue receipts decreased consistently from the year 2015-16 onwards. However, in comparison to the GSDP, its ratio did not show any significant variation due to fluctuation in the growth of GSDP during 2015-19.

### 1.3.1 State's Own Resources

The State's actual Own Tax and Non-Tax Revenue during 2018-19 in comparison to the FFC assessment and budget estimates is given in **Table 1.9**.

**Table 1.9: Tax and Non-Tax receipts**

(₹ in crore)

	FFC projections	Budget estimates	Actual
Own Tax Revenue	22,187	19,350	14,752
Non-Tax Revenue	5,717	9,213	8,258
OTR to GSDP	7.37	6.29	4.80

Source: FFC report, Budget document and Finance Accounts for the year 2018-19

The shortfall in achievement of own tax revenue against FFC projections and budget estimates was mainly due to shortfall in collection of GST (by ₹ 2,535 crore) and Value Added Tax (by ₹ 1,475 crore). The shortfall in non-tax revenue, as compared to budget estimates, was due to shortfall in collection of revenue from Non-ferrous mining and metallurgical industries (by ₹ 1,227 crore). However, shortfall in collection of GST was partially compensated (₹ 1,029 crore) by the GoI in the form of Grants-in-aid as detailed in **Paragraph 1.3.3**.

#### 1.3.1.1 Tax Revenue

Gross collections of major taxes and duties are depicted in **Table 1.10**

**Table 1.10: Components of Tax Revenue**

(₹ in crore)

Revenue Head	2014-15	2015-16	2016-17	2017-18	2018-19	CAGR* (2014-19)	Cost of collection (2018-19) <i>per cent</i>	Cost of collection (2017-18) <i>per cent</i>	All India average of cost of collection 2017-18
Taxes on Sales, Trade, SGST**etc.	8,070	8,999	10,549	9,839	11,676	9.67	0.71	0.64	0.69
State Excise	740	912	962	841	1,083	9.99	2.03	2.35	1.83
Taxes on Vehicles	660	633	682	778	864	6.97	0.78	0.82	2.61
Stamps and Registration Fees	531	532	607	469	451	(-) 4.00	3.54	3.63	2.96
Land Revenue	84	164	240	156	389	46.70	5.56	-	-
Taxes and Duties on electricity	175	126	152	184	209	4.49	-	-	-
Other taxes on Income & Expenditure	57	83	68	74	79	8.32	-	-	-
Other taxes and duties on Commodities and Services	33	30	40	13	1	(-) 54.63	-	-	-
Taxes on Goods & Passengers	1	0	0	0	0	-	-	-	-
<b>Total Tax Revenue</b>	<b>10,351</b>	<b>11,479</b>	<b>13,300</b>	<b>12,354</b>	<b>14,752</b>	-	-	-	-

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

\* CAGR: Compound Annual Growth Rate

\*\*SGST: State Goods and Services Tax

The tax receipts of the State had increased by 19.42 *per cent* during 2018-19 in comparison to the negative growth of 7.11 *per cent* in the previous year. Moreover, Government of India provided Grants-in-Aid of ₹ 1,029 crore to the State as compensation for loss of revenue on account of implementation of GST as detailed in **Paragraph 1.3.3**. State Excise receipts increased by ₹ 242 crore during the year 2018-19 due to increase in transportation duty of liquor from godowns to retail stores. Receipts under Taxes on Vehicles increased by ₹ 86 crore during 2018-19 mainly due to introduction of new tax structure wherein Tractors, Trailers, Machinery equipped vehicles, Three wheeler (Passenger) and Three wheeler (Goods) vehicles were brought under the purview of one-time tax. Land revenue of the State increased significantly by ₹ 233 crore<sup>13</sup> during 2018-19 due to transfer of Government land to various companies, institutions, authorities etc.

### Cost of collection of own taxes

As depicted in **Table 1.10**, cost of collection of taxes in the State during 2018-19 decreased over the previous year in respect of all taxes except Sales tax including GST. During 2018-19, the cost of collection of taxes in the State was significantly high for Stamps and registration fees, State Excise and Taxes on Sales & Trade including GST in comparison to the all-India average, whereas it was lower in respect of Taxes on vehicles.

#### 1.3.1.2 Non-Tax Revenue (NTR)

Non-Tax revenue collected during 2018-19 was ₹ 8,258 crore against the normative projection of ₹ 5,717 crore by the FFC for the year but lower than the budget estimates of ₹ 9,213 crore as shown in **Table 1.9**.

Component-wise non-tax revenue collected during 2014-19 is as shown in **Table 1.11**.

**Table 1.11: Component-wise Non-Tax Revenue**

Revenue Head	₹ in crore)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Non-Ferrous Mining and Metallurgical Industries	3,473.00	4,384.43	4,094.25	5,941.36	5,934.64
Education, Sports and Culture	42.25	19.99	21.10	19.46	589.92
Major Irrigation	194.97	19.27	21.02	131.46	320.51
Interest receipts	143.04	122.44	121.34	168.88	47.20
Other non-tax receipts <sup>14</sup>	481.80	1,306.89	1,093.70	1,585.51	1,365.71
<b>Total</b>	<b>4,335.06</b>	<b>5,853.02</b>	<b>5,351.41</b>	<b>7,846.67</b>	<b>8,257.98</b>

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

The share of NTR in revenue receipts marginally decreased from 14.87 *per cent* in 2017-18 to 14.71 *per cent* in 2018-19. The growth rate of NTR in 2018-19 was 5.24 *per cent* in comparison to the growth rate of 46.64 *per cent* in 2017-18 over the previous year. This was mainly due to less growth in Non-ferrous Mining and Metallurgical Industries and less collection of interest receipts over the previous year. Interest receipts which had gone up during 2017-18 due to deposit of unutilised balances of scheme funds lying in bank accounts decreased significantly during 2018-19. However receipts under the head 'Education, Sports and Culture' increased by 2931.40 *per cent* mainly due to increase from receipts from Secondary Education and recoveries of unspent balance

<sup>13</sup> Some major depositors are Nazarath section, Deoghar (₹ 51.87 crore), CEO, Maithan Power Limited (₹ 13.24 crore), Rahul Ji Anand Ji (₹ 6.49 crore), AC, Dumka (₹ 9.31 crore) etc.

<sup>14</sup> Urban Development, Roads & Bridges, Labour and Employment, Other Administrative Services, Other Rural Development Programmes, Medium Irrigation etc.

of grants-in-aid. Similarly, receipts from 'Major irrigation' increased by 143.08 *per cent* due to more receipts under recoveries of unspent balance of grants-in-aid.

The issue of irregular deposit of recoveries of unspent balance of grants-in-aid under receipt head has been discussed in **Paragraph 1.3.5**.

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

The trend of release of Grants-in-aid by GoI is shown in **Table 1.12**.

**Table 1.12: Component-wise grants released by GoI**

Particulars	₹ in crore)				
	2014-15	2015-16	2016-17	2017-18 <sup>15</sup>	2018-19 <sup>10</sup>
Non-Plan Grants	1,780.26	1,685.82	1,875.29	-	-
Grants for State Plan Schemes	4,914.69	4,950.18	6,792.89	-	-
Grants for Central Plan Schemes	83.56	50.90	78.01	-	-
Grants for Centrally Sponsored Plan Schemes	614.17	650.74	515.16	-	-
Grants for Centrally Sponsored Schemes	-	-	-	7,985.24	6,996.85
Finance Commission Grants	-	-	-	1,583.03	1,059.89
Other Grants	-	-	-	1,844.02	1,178.78
<b>Total</b>	<b>7,392.68</b>	<b>7,337.64</b>	<b>9,261.35</b>	<b>11,412.29</b>	<b>9,235.52</b>
Percentage of increase over previous year	82.00	(-0.74)	26.21	23.22	(-19.07)
Total grants as a percentage of revenue receipts	23.42	18.06	19.68	21.63	16.45

Source: Finance Accounts of the Government of Jharkhand 2018-19

Grants from GoI decreased from ₹ 11,412.29 crore in 2017-18 to ₹ 9,235.52 crore in 2018-19 mainly due to less grants received from Central Government for Centrally sponsored schemes viz., Pradhan Mantri Gram Sadak Yojana (₹ 528 crore), Swachh Bharat Abhiyan (Gramin) (₹ 249 crore) and Basic Grants to Local Bodies (₹ 538 crore).

### 1.3.3 Central Tax Transfers

Trend of Central Tax Transfers (CTT) over the past five years are depicted in **Table 1.13**.

**Table 1.13: Central Tax Transfers**

	₹ in crore)					
	2014-15	2015-16	2016-17	2017-18	2018-19	CAGR
Central Tax Transfer (CTT)	9,487	15,969	19,142	21,144	23,906	25.99
CTT as share of RR	30.06	39.30	40.68	40.08	42.57	-

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

The increase of CTT in 2018-19 over the previous year was mainly due to transfer of Central Goods and Services Tax (₹ 5,601 crore) and Corporation Tax (₹ 1,838 crore). CTT constituted 42.57 *per cent* of the revenue receipts of the State during 2018-19 as against 40.08 *per cent* in 2017-18.

### Goods and Services Tax

State Government implemented the Goods and Services Tax (GST) Act which became effective from 1 July 2017. According to GST (Compensation to the States) Act 2017, Central Government will compensate the States for loss of revenue arising on account of implementation of GST for a period of five years. The compensation payable to the State shall be calculated for every financial year after the receipt of final revenue figures, as audited by the CAG

<sup>15</sup> Sub-major Head and nomenclature of GoI grants have been changed from 2017-18 onwards. Hence, it is shown separately in the table.

of India. A base year (2015-16) revenue figure of taxes subsumed under GST was finalised under GST Act. In the case of Jharkhand, the revenue was ₹ 6,410.51 crore during the base year (2015-16). The projected revenue for any year in a State shall be calculated by applying the projected growth rate (14 *per cent* per annum) over the base year revenue of that State.

The projected revenue for the year 2018-19 in accordance with the base year figure was ₹ 9,497.46 crore against which the revenue receipt of the State Government under GST during 2018-19 was ₹ 8,157.62 crore<sup>16</sup>. The GoI provided ₹ 1,029 crore as compensation during the year to protect the revenue collection of the State. However, compensation amount pertaining to the months of February and March 2019 was not provided during 2018-19. Hence, against the projected revenue of ₹ 9,497.46 crore, the SGST/IGST collection and compensation received was ₹ 9,186.62 crore leading to short receipt of ₹ 310.84 crore

### **Advance apportionment of IGST and its adjustment against GST compensation**

The GOI is to apportion IGST to State Governments under section 17 of the IGST Act, 2017. The State Tax Division, Ministry of Finance, Department of Revenue (GoI) sanctioned (March 2019) provisional/advance settlement of apportionment of ₹ 985.90 crore with the condition that the amount will be settled from future payments of IGST.

With automation of the collection of GST having taken place, it is essential for Audit to transition from sample checks to a comprehensive check of all transactions, to fulfil the CAG's Constitutional mandate of certifying the Accounts. The required access to data is yet to be provided. Not having access to the data pertaining to all GST transactions has come in the way of comprehensively auditing the GST receipts. The accounts for the year 2018-19 are, therefore, certified on the basis of test audit, as was done when records were manually maintained, as a one-time exception.

### **1.3.4 Revenue arrears**

As on 31 March 2019, arrears in collection of revenue was ₹ 6,522.67 crore (Commercial Tax Department and Land Revenue Department), of which ₹ 1,469.97 crore was outstanding for more than five years. Further, ₹ 1,802.90 crore was held up by the Courts and other appellate authorities. Information regarding revenue arrears from other departments was not furnished (February 2020). The total revenue arrears as on 31 March 2019 constituted 28.35 *per cent* of own resources of the State as against 31.47 *per cent* during 2017-18.

### **1.3.5 Irregular deposit under Minor Head-913**

A total amount of ₹ 1,403.12 crore (unspent balances of Grants-in-aid and unutilised scheme funds) has been deposited by the State Government under Minor head '913-recovery of unspent balance of Grants-in-aid' below 37 revenue receipt Major heads during the year 2018-19. Bifurcation of the deposited amount into those pertaining to Centrally Sponsored Schemes and State Schemes is not available. The deposited amount, not being actual

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<sup>16</sup> Includes SGST: ₹ 7171.72 crore and Provisional apportionment of IGST: ₹ 985.90 crore

revenue, is included in the revenue receipts resulting in overstatement of revenue surplus of the State Government to that extent.

## 1.4 Capital Receipts

Apart from revenue receipts, the State also received capital receipts, which comprises of 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 2014-19 are given in **Table 1.14**.

**Table 1.14: Trends in growth and composition of receipts**

(₹ in crore)					
Source of State's Receipts	2014-15	2015-16	2016-17	2017-18	2018-19
<b>Capital Receipts (CR)</b>	<b>6,723</b>	<b>13,276</b>	<b>7,120</b>	<b>8,204</b>	<b>7,851</b>
Miscellaneous Capital Receipts	0	0	0	25.09 <sup>17</sup>	0
Recovery of Loans and Advances	33.06	31.06	38.46	42.41	47.57
Public Debt Receipts	6,690	13,245	7,081	8,137	7,804
Rate of growth of debt capital receipts ( <i>per cent</i> )	42.30	98	(-) 47	15	(-) 4.10
Rate of growth of non-debt capital receipts ( <i>per cent</i> )	43.48	(-) 6.06	22.58	76.32	(-) 29

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

During 2018-19, capital receipts of the State decreased by four *per cent* over the previous year mainly due to lower borrowings under Market loans. The debt capital receipts was significantly high in 2015-16 due to one-time borrowings of ₹ 5,553.37 crore under Ujjwal DISCOM Assurance Yojana (UDAY) bonds. No borrowing was made on UDAY bonds after 2015-16.

### 1.4.1 Recoveries from loans and advances

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

**Table 1.15: Loans and Advances**

(₹ in crore)					
Years	2014-15	2015-16	2016-17	2017-18	2018-19
Opening balance of Loans	7,947	8,738	16,187	17,482 <sup>18</sup>	19,292
Loans given	824	7,480	1,335	1,852	1,485
Recovery made	33	31	39	42	47
Closing balance of loans	8,738	16,187	17,483	19,292	20,730

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

The power companies in the State were the major recipients of the loans and advances given every year but no repayment was made by these companies, leading to an outstanding balance of ₹ 19,857.29 crore at the end of 31 March 2019. An amount of ₹ 7,222.18 crore which was outstanding loan to Jharkhand State Electricity Board before its unbundling in January 2014 and kept in Government Account for final settlement, was also included in the total outstanding loans to the power companies. During 2018-19, fresh loan of ₹ 1,413.09 crore was given to two power companies<sup>19</sup>. Recoveries of

<sup>17</sup> There was a Miscellaneous Capital Receipts of ₹ 25 crore due to disinvestment of assets during 2017-18.

<sup>18</sup> Adjusted due to rounding off.

<sup>19</sup> Jharkhand Bijli Vitran Nigam Ltd.: ₹ 659.41 crore and Jharkhand Urja Sancharan Nigam Ltd.: ₹ 753.68 crore.

₹ 47 crore shown in the above table were mainly from the loans and advances given to Government servants.

#### 1.4.2 Debt receipts from internal sources

The State Government's internal debt fluctuated between ₹ 6,537 crore and ₹ 7,531 crore during 2014-19. During 2015-16, it was ₹ 13,080 crore mainly due to borrowings on UDAY bonds. No borrowing was made by the State on UDAY bonds after 2015-16.

**Table 1.16: Trends of debt receipts from internal sources**

	(₹ in crore)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Internal debt of Government	6,537	13,080	6,847	7,905	7,531 <sup>20</sup>
Total public debt and other liabilities	19,809	33,843	19,193	25,205	22,224
Internal debt as percentage to total public debt and other liabilities	33.00	38.65	35.67	31.36	33.88

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

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

### 1.5 Public Accounts receipts

Transactions in Public Accounts are not subject to vote by the State Legislature. The Public Accounts receipts of the State as at the end of the concerned financial year are given in **Table 1.17**.

**Table 1.17: Public Accounts Receipts**

	(₹ in crore)				
Resources under various heads	2014-15	2015-16	2016-17	2017-18	2018-19
<b>Public Accounts Receipts</b>	<b>20,189</b>	<b>29,037</b>	<b>22,052</b>	<b>27,833</b>	<b>25,410</b>
Small Savings, Provident Fund etc.	843	830	873	1,016	1,120
Reserve Fund	308	522	453	401	421
Deposits and Advances	12,182	19,499	11,145	16,020	13,182
Suspense and Miscellaneous	18	161	300	-163	39
Remittances	6,838	8,025	9,281	10,559	10,648

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

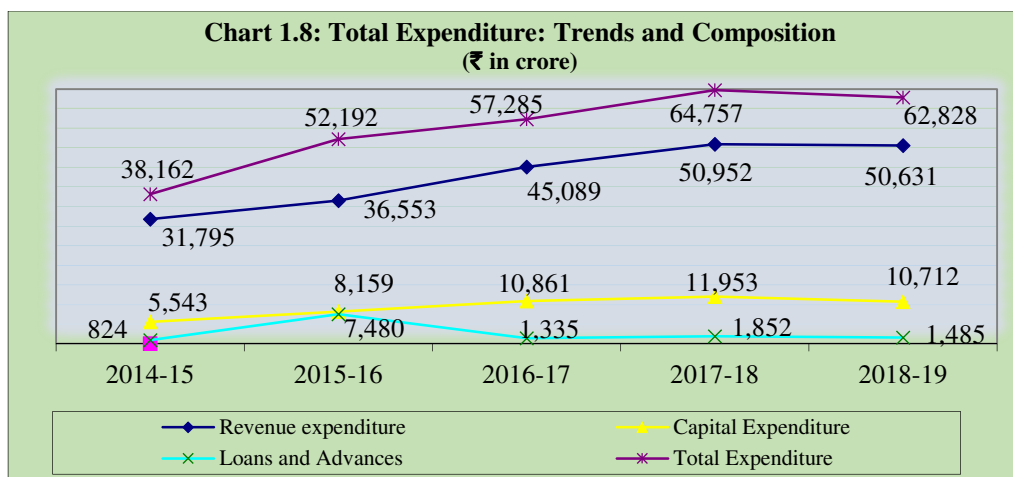
Decrease in Deposits and Advances during 2018-19 was mainly due to significant decrease in credit in the Personal Ledger Account of the power companies booked as 'State Electricity Board Working Funds' (by ₹ 2,145 crore) in comparison to the previous year.

### 1.6 Application of resources

#### Growth and Composition of Expenditure

**Chart 1.8** presents the trends in Total Expenditure and its composition over the last five years (2014-19).

<sup>20</sup> Market loans- ₹ 5,509 crore, Loans from financial institutions- ₹ 2,022 crore booked under major head - 6003



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

### 1.6.1 Capital Expenditure (CE)

There was consistent increase in capital expenditure during 2014-18 which however decreased in 2018-19 by ₹ 1,241 crore from ₹ 11,953 crore to ₹ 10,712 crore.

The major share of capital expenditure was on economic services (₹ 8,305 crore). Priority was given to expenditure on transport (₹ 3,871 crore), rural development (₹ 2,461 crore) and irrigation and flood control (₹ 1,476 crore). However, in comparison to the previous year, capital expenditure on transport and irrigation & flood control during 2018-19 decreased by ₹1,271 crore and ₹ 213 crore respectively. Capital expenditure on agriculture & allied activities also decreased by ₹ 217 crore over the previous year.

It was observed that the allocation under capital section during 2018-19 (₹ 12,306 crore) was less than the allocation during 2017-18 (₹ 12,738 crore) by ₹ 432 crore. Out of the total allocation under capital section, ₹ 1,594 crore remained unutilised during 2018-19. A major portion of the savings were under Swarnarekha project (₹ 440 crore), Chotanagpur and Santhal Pargana irrigation project (₹ 137 crore), minor irrigation projects (₹ 153 crore) and construction and expansion of runway and development of airport at Deoghar (₹ 75 crore).

### 1.6.2 Revenue Expenditure (RE)

Revenue expenditure (RE) as a percentage of total expenditure, which had remained at nearly the same level during 2016-17 and 2017-18 (79 per cent), increased to 81 per cent during 2018-19. However, revenue expenditure as a percentage of GSDP decreased from 18.44 per cent in 2017-18 to 16.46 per cent during 2018-19.

Out of total revenue expenditure of ₹ 50,631 crore during 2018-19, ₹ 26,648 crore was spent on establishment and ₹ 23,983 crore was spent on State and Central schemes.

### 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

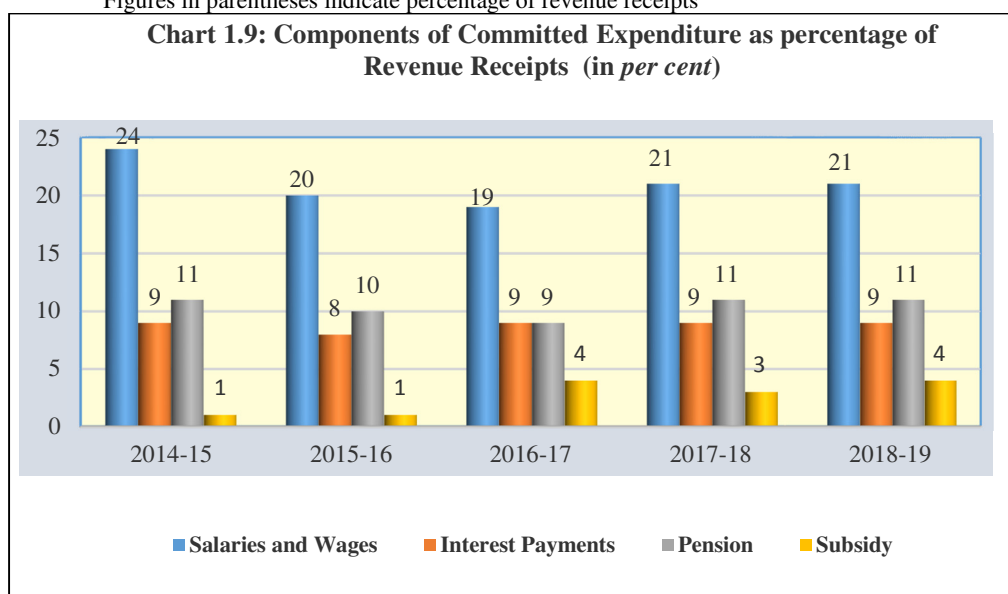
interest payments. **Table 1.18** and **Chart 1.9** present the trend in the expenditure on these components during 2014-19.

**Table 1.18: Components of Expenditure on Salaries and Wages, Subsidies, Pension and Interest Payments**

(₹ in crore)

Components of Committed Expenditure	2014-15	2015-16	2016-17	2017-18	2018-19
Salaries <sup>21</sup> and Wages, of which	7,417(24)	8,218(20)	8,927 (19)	11,221(21)	12,138(21)
<i>Establishment</i>	7,193(23)	7,943(19)	8,649 (18)	10,790(20)	11,682(20)
<i>State &amp; Central Schemes</i>	224(1)	275(1)	278(1)	431(1)	456(1)
Interest Payments	2,929(9)	3,320(8)	4,172(9)	4,662(9)	4,852(9)
Pension	3,463(11)	3,990(10)	4,135(9)	5,913(11)	5,991(11)
Subsidies	246(1)	522(1)	1,859(4)	1,440(3)	2,092(4)
<b>Total</b>	<b>14,055(45)</b>	<b>16,050(39)</b>	<b>19,093(41)</b>	<b>23,236 (44)</b>	<b>25,073(45)</b>

Source: Finance Accounts of the Government of Jharkhand for the respective years  
Figures in parentheses indicate percentage of revenue receipts



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

### Salaries

During 2018-19, Salaries & Wages (₹ 12,138 crore), Interest Payments (₹ 4,852 crore) and Pension (₹ 5,991 crore) together accounted for 45.39 per cent of the revenue expenditure and consumed 40.93 per cent of the revenue receipts.

### Pension

State Government employees recruited on or after 1 December 2004 are covered under the National Pension System (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

<sup>21</sup> \* Also includes salaries paid out of Grants-in-aid.



fund manager through the National Securities Depository Limited (NSDL)/ Trustee Bank.

During 2018-19, employer's contribution of ₹ 427.31 crore was transferred to NSDL. The State Government transferred ₹ 426.55 crore against receipt of ₹ 425.66 crore as employees' contribution to the designated fund manager through NSDL during 2018-19. A balance of ₹ 12.64 crore remained in the Public Account (Major Head 8342-117-Defined Contribution Pension Scheme) at the end of 2018-19.

### Interest Payments

The growth rate of interest payments in 2018-19 over the previous year was 4.10 *per cent* against 11.70 *per cent* in 2017-18. Percentage of interest payments to revenue receipts remained at nearly the same levels during 2017-18 (8.84 *per cent*) and 2018-19 (8.64 *per cent*) which was marginally higher than the FFC recommendation of 8.32 *per cent*. Major components of interest payments during 2017-18 and 2018-19 are given in **Table 1.19** below:

**Table 1.19: Components of Interest Payments**

(₹ in crore)

Component of debt	Outstanding Liabilities as on 31 March 2017	2017-18		Outstanding Liabilities as on 31 March 2018	2018-19	
		Interest paid	Interest paid as percentage of outstanding balance		Interest paid	Interest paid as percentage of outstanding balance
Internal debt	48,682.31	4,330.05	8.89	53,799.09	4,494.03	8.35
Loans & Advances from GoI	2,162.28	116.18	5.37	2,232.86	123.20	5.52
Small Savings, Provident fund etc.	1,075.67	213.68	19.86	1,142.18	224.82	19.68
Others	14,906.70	1.77	0.01	19,920.91	9.92	0.05
<b>Total</b>	<b>66,826.96</b>	<b>4,661.68</b>	<b>6.98</b>	<b>77,095.04</b>	<b>4,851.97</b>	<b>6.29</b>

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

### Subsidy

During 2018-19, Government of Jharkhand paid ₹ 2,092 crore<sup>22</sup> as subsidy mainly under Major Heads 3456- Civil Supplies (₹ 926 crore), 2801-Power (₹ 595 crore) and 2401-Crop Husbandry (₹ 354 crore). The increase in subsidy during 2018-19 by ₹ 652 crore over the previous year was mainly due to tariff subsidy (₹ 595 crore) for consumers through Jharkhand Bijli Vitran Nigam Limited. No subsidy was given for irrigation.

#### 1.6.4 Major programmes

During 2018-19, ₹ 11,631.10 crore was budgeted for 35 major flagship programmes under the State Plan (SP) against which ₹ 11,202.06 crore was utilised. Under the Central Plan (CP), ₹ 9,084 crore was utilised against ₹ 9,329 crore budgeted for the year.

The budget provisions and actual expenditure on some major programmes during 2018-19 under SP and CP are shown in **Table 1.20**.

<sup>22</sup> Appendix II of Finance Accounts 2018-19

**Table 1.20: Expenditure on major programmes**

(₹ in crore)

Sl. No.	Name of programme	Budget Provision	Expenditure
<b>State Plan</b>			
1	Major Roads	2,742.80	2,733.15
2	Minimum Needs Programmes-Construction of Rural Roads	1,417.64	1,404.86
3	Loan to Jharkhand Urja Sancharan Nigam Ltd. for transmission	753.68	753.18
4	Grants to Jharkhand State Rural Road Development Authority under Pradhan Mantri Gram Sadak Yojana	694.00	694.00
5	Priority Household Schemes	473.64	473.64
6	Rural Sanitation	469.72	331.47
7	Indira Gandhi National Old Age Pension Scheme	425.38	425.38
8	Rural Piped Water Supply Scheme	371.64	371.64
<b>Central Plan</b>			
1	GIA for Pradhan Mantri Awas Yojana	248.15	248.15
2	Urban Renewal Mission AMRUT	94.59	94.59
3	Rashtriya Uchhatar Shiksha Abhiyan	85.60	85.60
4	Swachh Bharat Mission (Urban)	43.89	43.89

Source: Appendix-V of Finance Accounts of the Government of Jharkhand 2018-19

**1.6.5 Financial assistance**

Details of grants and loans given by the State Government during 2014-19 are presented in **Table 1.21**.

**Table 1.21: Financial assistance to Local Bodies and other Institutions**

(₹ in crore)

Financial Assistance to Institutions	2014-15	2015-16	2016-17	2017-18	2018-19
Panchayati Raj Institutions (PRIs)	3,378.42	3,407.48	2,533.77	1,270.13	2,937.69
Urban Local Bodies (ULBs)	1,619.77	1,830.77	2,961.14	1,155.11	1,748.50
Public Sector Undertakings	3,643.86	3,987.54	0.00	0.00	0.00
Autonomous Bodies	2,512.95	5,480.60	7,942.59	11,431.05	8,853.25
Non-Governmental Organisations	684.99	0.00	0.00	0.00	0.00
Others	564.03	184.53	6,894.52	6,857.70	4,436.37
<b>Total</b>	<b>12,404.02</b>	<b>14,890.92</b>	<b>20,332.02</b>	<b>20,713.99</b>	<b>17,975.81</b>
As percentage of Revenue Expenditure	39.01	40.74	45.09	40.65	35.50

Source: Statement 10 of Finance Accounts Government of Jharkhand for the respective years

During 2018-19, financial assistance to PRIs increased by ₹ 1,667.56 crore mainly due to fresh GIA of ₹ 604.12 crore for general basic grant on recommendation of FFC and increase in GIA under MNP for strengthening and upgradation of PMGSY under Jharkhand State Rural Road Development Authority (by ₹ 999 crore). Financial assistance to ULBs increased during the year mainly due to increase in GIA for water supply, construction of sewerage and solid waste management (by ₹ 535 crore).

**1.6.5.1 Urban Local Bodies (ULBs)**

There are 50 ULBs (Nagar Nigam-9, Nagar Parishad-21, Nagar Panchayat-19, and Notified Area Committee-1) in the State.

Details of funds provided to ULBs are given in **Table 1.22** below:

**Table 1.22: Funds made available to Urban Local Bodies**

(₹ in crore)

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19	Total
Revenue Receipt (RR) of the State	31,565	40,638	47,054	52,756	56,152	2,28,165
Revenue Expenditure (RE) of the State	31,795	36,553	45,089	50,952	50,631	2,15,020
Financial Assistance given to ULBs	1,620	1,831	2,961	1,155	1,749	9,316
Financial Assistance as percentage to RR	5.13	4.51	6.29	2.19	3.11	4.08
Financial Assistance as percentage to RE	5.10	5.01	6.57	2.27	3.45	4.33
Own collection <sup>23</sup>	8.96	14.99	60.09	184.55	240.46 <sup>24</sup>	509.05

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

\*As per Annual Financial Statements

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 also not made any 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 1.4 Part-A**).

The State Government entrusted (October 2011) the C&AG with 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 read with Jharkhand Local Fund Audit (Amendment) Act 2012 (JLFA Act) provided 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 (August 2016) that 3 Deputy Controllers of Accounts and 14 Audit Officers have been appointed. The DLFA is conducting audit of accounts of ULBs as per JLFA Act. The Principal Accountant General (Audit), Jharkhand is conducting audit of local bodies on a test-check basis.

Test check audit of 11 ULBs were conducted during 2018-19. Further, under the TGS arrangements Inspection Report of DLFA was verified and suggestions intimated (April 2019) to the Director, DLFA with a request to intimate the compliance. Reply is awaited as of 31 January 2020.

#### 1.6.5.2 Panchayati Raj Institutions

There are 4,689 PRIs<sup>25</sup> in the State. Details of fund releases to PRIs during 2014-19 are given in **Table 1.23**.

<sup>23</sup> Information has not been furnished by the Urban Development Department. However, information collected during audit of various ULBs have been included.

<sup>24</sup> Information regarding funds collected by the ULBs from own sources has not been furnished by the Urban Development Department. However, information has been obtained from CA's report of 42 ULB's. Information of 8 ULB's namely, Bachra Nagar Panchayat, Badakisarai Nagar Panchayat, Basukinath Nagar Panchayat, Chhatarpur Nagar Panchayat, Domchach Nagar Panchayat, Gomia Nagar Panchayat, Harihar Ganj Nagar Panchayat, Mahgama Nagar Panchayat were not available.

<sup>25</sup> 24 Zila Parishads, 263 Panchayat Samitis and 4,402 Gram Panchayats.

**Table 1.23: Funds released to Panchayati Raj Institutions**

(₹ in crore)

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19	Total
Revenue Receipt (RR) of the State	31,565	40,638	47,054	52,756	56,152	2,28,165
Revenue Expenditure (RE) of the State	31,795	36,553	45,089	50,952	50,631	2,15,020
Financial Assistance to PRIs	3,378	3,407	2,534	1,270	2,938	13,527
Financial Assistance as percentage to RR	10.70	8.38	5.39	2.41	5.23	5.93
Financial Assistance as percentage to RE	10.62	9.32	5.62	2.49	5.80	6.29

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

The State Government issued orders of transfer of funds to Panchayats in October 2012. As depicted in **Appendix 1.4 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.

No Inspection Reports of DLFA on PRIs was provided by the Director, DLFA to PAG (Audit) under TGS arrangement.

## 1.7 Quality of expenditure

Developmental expenditure (expenditure on social and economic services) constituted 71 per cent of total expenditure in 2018-19 whereas it was 73 per cent in 2017-18.

### 1.7.1 Adequacy of public expenditure

**Table 1.24** analyses the fiscal priority of the State Government with regard to development expenditure, social sector expenditure and capital expenditure during 2018-19, taking 2014-15 as the base year.

**Table 1.24: Fiscal priority of the State in 2014-15 and 2018-19**

Fiscal Priority by the State	AE/GSDP	DE <sup>26</sup> /AE	ESE/AE	SSE/AE	CE/AE	Education/AE	Health/AE
General Category States Average (Ratio) 2014-15	15.99	68.51	32.36	36.15	14.02	16.54	4.92
Jharkhand State's Average (Ratio) 2014-15	17.46	71.26	37.60	33.66	14.52	15.27	4.24
General Category States Average (Ratio) 2018-19	16.05	67.04	30.45	36.59	14.28	14.99	5.07
Jharkhand State's Average (Ratio) 2018-19	20.43	70.56	38.06	32.51	17.05	13.05	5.41

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

Source: GSDP as available on MoSPI website as on 01 August 2019.

As evident from the table, the ratio of development expenditure, economic service expenditure and capital expenditure to aggregate expenditure (AE) was significantly higher than the average for the General Category States (GCS) during 2018-19. However, social sector expenditure and education expenditure was less than the average of GCS during the year.

**Recommendation:** The State Government should give priority to social sector expenditure with emphasis on the education sector.

<sup>26</sup> Development expenditure includes Development Revenue Expenditure, Development Capital Expenditure and Loans and Advances disbursed.

### 1.7.2 Efficiency of expenditure use

**Table 1.25** presents the trends in development expenditure relative to the aggregate expenditure of the State during 2018-19 *vis-à-vis* the budgeted amounts and the expenditure during the previous years. All three components of development expenditure decreased during 2018-19 over the previous year. Revenue expenditure decreased mainly due to less expenditure on Water supply, Sanitation, Housing and Urban development (by ₹ 1,385 crore) and Energy (by ₹ 1840 crore) which was offset by increase in some other services. Development capital expenditure decreased mainly due to less expenditure on Transport (by ₹ 1,271 crore).

**Table 1.25: Development Expenditure**

(₹ in crore)

Components of Development Expenditure	2014-15	2015-16	2016-17	2017-18	2018-19	
					BE <sup>27</sup>	Actuals
<b>Development Expenditure</b>						
Development Revenue Expenditure	21,171(55)	24,551(47)	32,065(56)	34,394(53)	43,950(58)	32,975(52)
Development Capital Expenditure	5,217(14)	7,588(15)	10,271(18)	11,146(17)	12,102(16)	9,920(16)
Development Loans and Advances	807(2)	7,431 <sup>28</sup> (14)	1,283(2)	1,796(3)	1,477(2)	1,439(2)
<b>Total</b>	<b>27,195</b>	<b>39,570</b>	<b>43,619</b>	<b>47,336</b>	<b>57,529(76)</b>	<b>44,334(71)</b>
<b>Growth of Development Expenditure</b>	<b>48.8</b>	<b>45.5</b>	<b>10.2</b>	<b>8.8</b>	<b>-</b>	<b>(-6.30)</b>

Source: Finance Accounts and budget publication of the Government of Jharkhand 2018-19  
 Figures in parentheses indicate percentage to aggregate expenditure (RE + CE + L&A)

### 1.7.3 Expenditure on selected Social and Economic Services

**Table 1.26** presents the efficiency of expenditure in selected social and economic services.

**Table 1.26: Efficiency of expenditure use in selected Social and Economic services**

(In per cent)

Social/Economic Infrastructure	2017-18			2018-19		
	Ratio of CE to TE	In RE, the share of		Ratio of CE to TE	In RE, the share of	
		S & W	O & M		S & W	O & M
<b>Social Services (SS)</b>						
General Education	0.01	49.72	0.00	0.00	54.36	0.00
Health and Family Welfare	10.83	32.17	0.00	8.05	27.68	0.00
Water Supply, Sanitation and Housing and Urban Development	10.14	3.33	0.10	14.57	5.05	0.43
<b>Total (SS)</b>	<b>7.23</b>	<b>25.94</b>	<b>0.25</b>	<b>7.91</b>	<b>28.59</b>	<b>0.62</b>
<b>Economic Services (ES)</b>						
Agriculture & Allied Activities	23.15	18.50	0.05	17.91	29.95	0.09
Irrigation and Flood Control	80.92	95.85	1.5	78.71	97.12	0.00
Power & Energy	0.00	0.00	1.47	0.00	0.00	1.44
Transport	90.64	25.52	27.53	90.91	35.39	29.15
<b>Total (ES)</b>	<b>36.71</b>	<b>10.68</b>	<b>2.84</b>	<b>34.74</b>	<b>11.76</b>	<b>1.10</b>
<b>Total (SS+ES)</b>	<b>23.55</b>	<b>19.36</b>	<b>1.37</b>	<b>22.38</b>	<b>21.35</b>	<b>0.82</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 the Government of Jharkhand 2018-19

<sup>27</sup> Both budget estimates and actuals are gross figures.

<sup>28</sup> On account of loans of ₹5,553 crore to DISCOM under UDAY.

As depicted in the above table, ratio of salary to revenue expenditure in general education increased significantly from 49.72 *per cent* in 2017-18 to 54.36 *per cent* in 2018-19, whereas in Health and Family Welfare, salary to revenue expenditure decreased from 32.17 *per cent* in 2017-18 to 27.68 *per cent* in 2018-19.

In economic services, ratio of salary to revenue expenditure increased sharply under Agriculture & allied activities and Transport from 18.50 and 25.52 in 2017-18 to 29.95 and 35.39 in 2018-19 respectively.

## 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 Thirteenth and Fourteenth Finance Commissions had prescribed cost recovery rate on irrigation projects for assessing the commercial viability of these projects. However, no irrigation scheme was declared as commercial by the Government of Jharkhand.

As per Appendix VIII (i) of the Finance Accounts, capital outlay of ₹ 1,759.45 crore was provided to 11 irrigation projects and ₹ 1,480.90 crore was spent on working expenses and maintenance charges on 23 projects during 2018-19. Further, a sum of ₹ 38.04 crore<sup>29</sup> was received as revenue from these projects during the current year.

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

### 1.8.2 Incomplete projects

Department-wise information pertaining to incomplete projects which were to be completed on or before 31 March 2019 is given in **Table 1.27**.

**Table 1.27: Department-wise profile of incomplete projects**

(₹ in crore)

Department	No. of incomplete projects	Estimated cost of projects	Cumulative expenditure as on 31.3.2019
Building Construction	30	864.53	549.25
Drinking Water and Sanitation	18	203.18	139.55
Road Construction	73	2,227.40	1,589.39
Rural Works	185	460.50	293.80
Water Resources	104	1639.19	1,269.14
<b>Total</b>	<b>410</b>	<b>5,394.80</b>	<b>3,841.13</b>

Source: Appendix IX of the Finance Accounts 2018-19-Government of Jharkhand

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 the intended benefits.

<sup>29</sup> Miscellaneous revenue.

Out of 410 projects shown in the above table, revised cost of only 11 projects<sup>30</sup> were provided which showed that estimated cost of ₹ 274.79 crore in those 11 projects escalated to ₹ 1095.40 crore due to non-completion of those projects in time. Since the details of the remaining projects were not furnished by the departments, their revised cost was not exhibited in the Finance Accounts and was thus not ascertainable.

**Recommendation:** *The State Government may evolve a mechanism to ensure timely completion of projects. The revised estimates of all incomplete projects should be prepared and approved on priority so as to have a realistic assessment of the funds required to complete these projects.*

### 1.8.3 Investment and returns

As per annual accounts of the State ending 31 March 2019, the Government had invested ₹ 432.87 crore in one Regional Rural Bank (₹ 45.73 crore), 17 Government companies (₹ 226.80 crore) and 21 co-operatives, banks and societies (₹ 160.34 crore) since inception of the State in November 2000 (Table 1.28). However, verification of PSUs accounts and sanction orders of the State during 2016-17 revealed that the Government accounts had understated investment by ₹ 124.54 crore during 2000-2016, due to erroneous budgetary categorisation, viz., not providing the investment under the appropriate minor head and depicting investment in share capital as GIA. After being pointed out by Audit, Finance Department of the State had reconciled and corrected investment figures in respect of four companies amounting to ₹ 65 crore<sup>31</sup> at the end of 2018-19 reducing the unsettled investments to ₹ 59.54 crore<sup>32</sup> against five entities at the end of the current financial year.

**Table 1.28: Returns on investments**

	(₹ in crore)				
Investment/Return/cost of borrowings	2014-15	2015-16	2016-17	2017-18	2018-19
Investment at the end of the year (₹ in crore)	241.25	261.70	320.83 <sup>33</sup>	376.87	432.87
Returns (₹ in crore)	Nil	0.47	Nil	Nil	Nil <sup>34</sup>
Returns (per cent)	Nil	0.18	Nil	Nil	Nil
Average rate of interest on Government borrowings (per cent) <sup>35</sup>	7.22	6.63	6.76	6.98	6.29
Difference between interest rate and return (per cent)	7.22	6.45	6.76	6.98	6.29
Notional loss due to difference between interest rate of market borrowing and interest received on the investments (₹ in crore)	17.42	16.88	21.69	26.31	27.23

Source: Statement 19 of Finance Accounts Government of Jharkhand 2018-19

Over the past five years, the State Government has incurred a notional loss of ₹ 109.53 crore on account of difference between the interest on Government's

<sup>30</sup> Punasi Dam, Chandil Dam, Bridge over Izari river, Bahadurpur Kasmar Khaira Chatar Road, Sonahatu Milan Chowk road, Triveni weir scheme, Construction of head regulator, Salbani Minor Irrigation, Kharkai Reservoir Main Canal (KRM), Agharma Rural Pipe Water Supply Scheme, Pratappur Rural Water Supply Scheme.

<sup>31</sup> Jharkhand Hill Area Lift Irrigation Corporation ₹ 5 crore; Jharkhand Urban Infrastructure Development Corporation ₹ 35 crore; Jharkhand Silk Textile and Handicraft Development Corporation ₹ 10 crore and Jharkhand Urban Transport Corporation Ltd.- ₹ 15 crore.

<sup>32</sup> Greater Ranchi Development Authority- ₹ 39.14 crore; Jharkhand State Agriculture Development Corporation Ltd.- ₹ 2 crore; Jharkhand Medical and health Infrastructure Development and Procurement Corporation Ltd.- ₹ 5 crore; Jharkhand Urja Vikash Nigam Ltd.- ₹ 8.40 crore and Jharkhand State Food and Civil Supplies Corporation Ltd.- ₹ 5 crore.

<sup>33</sup> Amount revised after reconciliation with records of PSUs.

<sup>34</sup> ₹15,000 only

<sup>35</sup> Category-wise (internal debt, GoI loans etc.) interest paid as percentage of opening balance of loans during the year

borrowings and the return on investment, of which the notional loss in 2018-19 was ₹ 27.23 crore. Despite no return from its investments, the State Government made investment of ₹ 41 crore in six<sup>36</sup> State PSUs in the form of equity during 2018-19.

Audit further observed that investments made by the erstwhile State of Bihar in Damodar Valley Corporation (₹ 1,781.55 crore) and Tenughat Vidyut Nigam Limited (₹ 100 crore) up to 14 November 2000 have not been apportioned between the successor States of Bihar and Jharkhand.

#### 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 to many of these entities and its employees. **Table 1.29** presents the outstanding loans and advances as on 31 March 2019 and interest receipts *vis-à-vis* interest payments during the last five years.

**Table 1.29: Loans and advances given by the State Government**

(₹ in crore)

Loans/Interest Receipts/ cost of borrowings	2014-15	2015-16	2016-17	2017-18	2018-19
<b>Opening Balance of Loans (₹ in crore)</b>	<b>7,947</b>	<b>8,738</b>	<b>16,187</b>	<b>17,482<sup>37</sup></b>	<b>19,292</b>
Amount advanced during the year (₹ in crore)	824	7,480	1,335	1,852	1,485
Amount recovered during the year (₹ in crore)	33	31	39	42	47
Recovery as percentage of outstanding L&A	0.4	0.4	0.2	0.2	0.2
<b>Closing Balance</b>	<b>8,738</b>	<b>16,187</b>	<b>17,483</b>	<b>19,292</b>	<b>20,730</b>
Net addition (₹ in crore)	791	7,449	1,297	1,809	1,438
Total interest receipts (₹ in crore)	15.72	4.33	3.88	87.66	14.72
Interest receipts as a percentage of outstanding L&A	0.20	0.05	0.02	0.50	0.08
Average rate of interest on Government borrowings ( <i>per cent</i> )	7.22	6.63	6.76	6.98	6.29
Interest in arrear	875.44	903.98	1,009.20	1,044.09	1,236.12
Interest in arrear as <i>per cent</i> of outstanding loans and advances	11.01	10.35	6.23	5.97	6.41

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

A significant portion of the total outstanding loans at the end of March 2019 (₹ 20,730 crore) was mainly outstanding with power companies (₹ 19,857 crore) and Water Supply, Sanitation, Housing and Urban Development (₹ 729 crore).

Outstanding arrears of loanee entities at the end of March 2019 amounted to ₹ 2,715 crore (principal: ₹ 1,479 crore and interest: ₹ 1,236 crore).

Loan to Jharkhand State Food and Civil Supplies Corporation Ltd. (₹ 44 crore) in 2011-12 was understated in the Government accounts due to incorrect budgetary categorisation under revenue expenditure instead of capital expenditure. Loans to Jharkhand State Electricity Board (JSEB) amounting to ₹ 7,222.18 crore continue to be depicted in the government accounts as receivable from the Board, even though the Board was unbundled in January 2014 into separate companies. Thus, the assets of the State were inflated to the extent of ₹ 7,222 crore.

<sup>36</sup> Minority Development and Finance Corporation (₹ 1 crore), Ranchi Smart City Corporation Limited (₹ 10 crore), Jharkhand Urban Infrastructure Development Corporation Limited (₹ 10 crore), Jharkhand Urban Transport Corporation Limited (₹ 10 crore), Jharkhand Rail Infrastructure Development Corporation Limited (₹ 5 crore) and Jharkhand Central Railway Project (₹ 5 crore).

<sup>37</sup> Adjusted due to rounding off



Audit further observed that loans made by the erstwhile State of Bihar to Tenughat Vidyut Nigam Limited (₹ 608 crore) before 14 November 2000 have not been apportioned between the successor States of Bihar and Jharkhand.

**Recommendation:** The State Government should rationalise its investments and loans advanced to various entities such that the return on investment and loans at least matches the Government borrowing costs.

### 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 1.30**.

**Table 1.30: Cash balances and investment of cash balances**

(₹ in crore)

Particulars	Opening balance as on 01 April 2018	Closing balance as on 31 March 2019
<b>(a) General cash balances</b>		
Cash in Treasuries	00	00
Deposits with Reserve Bank	(-) 242.16	188.30
Remittances in Transit- local	00	00
<b>Total</b>	<b>(-) 242.16</b>	<b>188.30</b>
Investment held in Cash Balance Investment Account	354.56	167.90
<b>Total (a)</b>	<b>112.40</b>	<b>356.20</b>
<b>(b) Other cash balances and investments</b>		
Cash with Departmental Officers viz., Public Works Departmental Officers, Forest Departmental Officers, District Collectors	37.90	39.05
Permanent Advances for contingency expenditure with Departmental Officers	0.13	0.13
Investment of Earmarked Funds	0.00	400.00 <sup>38</sup>
<b>Total (b)</b>	<b>38.03</b>	<b>439.18</b>
<b>Grand Total (a) + (b)</b>	<b>150.43</b>	<b>795.38</b>

The balance in the Cash Balance Investment Account as on 31 March 2019 was ₹ 167.90 crore and the interest realised on investment during 2018-19 was ₹ 31.43 crore. Earmarked funds (SDRF) amounting to ₹ 400 crore was invested in Scheduled Commercial Banks.

There was a difference of ₹ 171.81 crore (net debit) between the figures reflected in the accounts {₹ 188.30 crore (debit)} and that intimated by the RBI {(₹ 16.49 crore (credit))}. This difference in the Reserve Bank Deposit Balance has been taken up by the Principal Accountant General (A&E), Jharkhand with RBI, Ranchi for reconciliation and necessary correction.

## 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 assets created out of the expenditure incurred and the financial liabilities of the Government. **Appendix 1.5** gives an abstract of such liabilities and assets as on 31 March

<sup>38</sup> Revised and included ₹ 400 crore invested from State Disaster Response Fund during 2012-13 reported by the Finance Department, vide letter no. 554 dated 23.07.2019

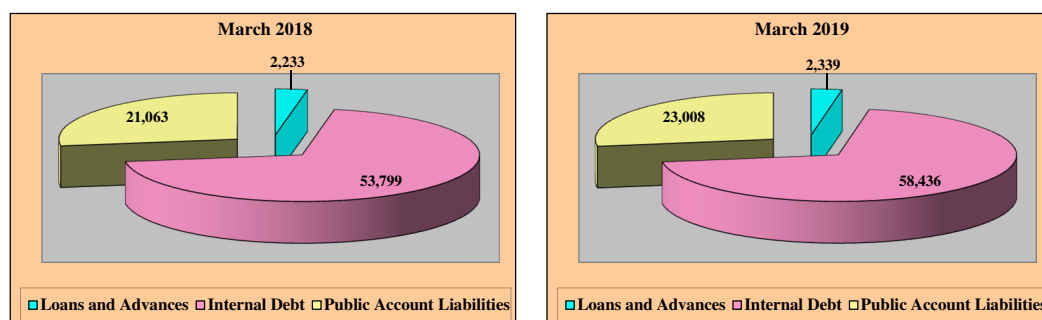
2019, compared with the corresponding position as on 31 March 2018. While the liabilities consist mainly of internal borrowings, Loans and Advances from the GoI, receipts from the Public Account and Reserve Funds, the assets comprise mainly of Capital Outlay, Loans and Advances given by the State Government 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 include 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**. The composition of fiscal liabilities during the years 2017-18 and 2018-19 is also shown in **Chart 1.10**

**Chart 1.10: Composition of Outstanding Fiscal Liabilities at the end of March 2018 and March 2019 (₹ in crore)**



Source: Finance Accounts of the Government of Jharkhand for the years 2017-18 and 2018-19

During scrutiny of accounts and related documents it was noticed that Ministry of Finance, Government of India allowed the State Government to raise open market borrowings of ₹ 5,509 crore during the year 2018-19. Accordingly, the State Government borrowed the amount through eight state development loans at interest rates ranging from 8.31 per cent to 8.84 per cent per annum.

**Table 1.31: Trends in Fiscal Liabilities: Basic parameters**

Components	₹ in crore)					
	2014-15	2015-16	2016-17	2017-18	2018-19	CAGR
(A) Public Debt						
Internal Debt	32,755	43,756	48,682	53,799	58,436	15.57
Loans and Advances from GoI	2,087	2,085	2,162	2,233	2,339	2.89
<b>Total (A)</b>	<b>34,842</b>	<b>45,841</b>	<b>50,844</b>	<b>56,032</b>	<b>60,775</b>	<b>14.92</b>
(B) Other Public Account Liabilities						
Small Savings, Provident Fund etc.	1,356	1,197	1,076	1,142	1,211	(-)2.79
Reserve Funds	867	876	1,259	1,551	1,930	22.15
Deposits and Advances	6,504	8,616	13,647	18,370	19,866	32.20
<b>Total (B)</b>	<b>8,727</b>	<b>10,689</b>	<b>15,982</b>	<b>21,063</b>	<b>23,008</b>	<b>27.42</b>
<b>Total Fiscal Liabilities (A+B)</b>	<b>43,569</b>	<b>56,530</b>	<b>66,826</b>	<b>77,095</b>	<b>83,783</b>	<b>17.76</b>
Growth of Fiscal Liabilities (per cent)	15.90	29.70	18.20	15.40	8.70	NA
Fiscal Liability to GSDP at current price (per cent)	19.90	27.40	28.40	30.20	27.20	NA
Fiscal Liabilities as percentage to Revenue Receipts	138.03	139.10	142.00	146.10	149.20	NA

Source: Finance Accounts of the Government of Jharkhand for the respective years  
NA- Not applicable

During the years 2014-15 to 2018-19, the total debt stock of the Government increased from ₹ 43,569 crore (1 April 2015) to ₹ 83,783 crore (31 March 2019). Maturity profile of public debt is detailed in **Table 1.32** under para 1.10.1.

The fiscal liabilities of undivided Bihar are yet to be apportioned between the successor States.

**Recommendation:** *The State should take steps to achieve the normative projection of FFC in respect of fiscal parameters of the State.*

### 1.9.3 Sinking Fund

Following the recommendations of the Twelfth 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., during 2016-17. Further, a minimum annual contribution of 0.50 per cent of outstanding liabilities at the beginning of the year was required to be transferred to the fund.

GoJ had an outstanding debt of ₹ 77,095 crore at the beginning of 2018-19, for which a minimum amount of ₹ 385.48 crore was required to be transferred to the Fund. Though GoJ made budget provision of ₹ 255 crore during the year, the amount was not transferred to the Fund resulting in inflating the revenue surplus and understating the fiscal deficit of the State as discussed in **Paragraph 3.9**.

### 1.9.4 State Disaster Response Fund (SDRF)

As per Para 7 of SDRF guidelines 2015, the State Government is required to transfer the contribution to the SDRF received from GoI along with its share to Public Account head within 15 days of its receipt. Any delay will require the State Government to release the amount with interest (bank rate of RBI) for the number of days of delay.

It was noticed that during 2018-19, the State Government transferred the contribution from GoI along with its share into Public Account with a delay of 11 days (₹ 210.50 crore) and 184 days (₹ 31.58 crore) after receipt of Central share, for which the State Government was liable to pay interest of ₹ 1.46 crore, which was not paid.

As per Para 19 and 20 of SDRF guidelines 2015, the balances under the funds should be invested by the State in (a) Central Government dated securities (b) auctioned treasury bills and (c) interest earning deposits and certificates of deposits with Scheduled Commercial Banks. The Finance Department of the Government of Jharkhand, had informed<sup>39</sup> (July 2019) that ₹ 400 crore was invested in Scheduled Commercial Banks during the year 2012-13.

Further, as per the guidelines, the Government was required to pay interest on the uninvested balances at the rate of interest (8.25 per cent) payable on overdrafts, which is to be added to the corpus of the fund itself. However, GoJ had not paid any interest to SDRF since its creation, which works out to ₹ 535.27 crore at the applicable rates of interest for the period 2011-19. Of this, unpaid interest for 2018-19 alone amounted to ₹ 94.96 crore, resulting in overstatement of revenue surplus and understatement of fiscal deficit for the

<sup>39</sup> vide letter no. 554 dated 23 July 2019

year as discussed in **Paragraph 3.9**. Consequently, the uninvested balances of ₹ 1,930.09 crore in the Fund as on 31 March 2019 are only book entries and do not represent actual cash balance. Such unpaid interest since the operation of the Fund represent the unaccounted liabilities of the State.

***Recommendation:** The State should ensure timely transfer of contribution received from GoI along with its share into public account and also invest the balances lying under the fund as per the SDRF 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 Twelfth 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. However, the Fund has not been created.

## **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>40</sup> of the State. This section assesses the sustainability of debt of the State Government in terms of debt stabilisation<sup>41</sup>; sufficiency of non-debt receipts<sup>42</sup>; net availability of borrowed funds<sup>43</sup>; burden of interest payments (measured by interest payments to revenue receipts ratio) and the maturity profile of State Government securities.

Maturity profile of public debt is detailed in **Table 1.32**.

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<sup>40</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>41</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>42</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>43</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.

**Table 1.32: Maturity Profile of Public Debt**

(₹ in crore)

Maturity Year	Internal Debt	Loans and Advances from GoI	Total	Per cent
2019-20	2,614	194	2,808	4.62
2020-21	1,269	206	1,475	2.43
2021-22	2,579	217	2,796	4.60
2022-23	4,925	217	5,142	8.46
2023-24	4,275	222	4,497	7.40
2024-25	6,275	224	6,499	10.69
2025-26	6,579	194	6,773	11.14
2026-27	6,247	89	6,336	10.43
2027-28	2,062	88	2,150	3.54
2028-29	6,519	87	6,606	10.87
2029-30 onwards	7,647	598	8,245	13.56
Details of maturity year not available	7,446	3	7,449	12.26
<b>Total</b>	<b>58,437</b>	<b>2,339</b>	<b>60,776</b>	<b>100.00</b>

Source: Finance Accounts 2018-19

The maturity profile of public debt revealed that the redemption pressure is likely to rise from the year 2022-23 and reach a peak in the year 2025-26 due to maturity of Jharkhand Government stock.

### 1.10.2 Debt Sustainability

Fiscal liabilities are considered sustainable if the Government is able to service the stock of these liabilities over the foreseeable future and the debt-GSDP ratio does not grow to unmanageable proportions. The Domar model is one of the models for analysis of public debts, which lays down that the debt-GDP ratio is likely to be stable if the rate of growth of the economy exceeds the rate of interest on the debt. **Table 1.33** provides the Domar sustainability condition:

**Table 1.33: Debt sustainability criteria under Domar model**

<b>g-r (g: real economic growth rate; r: real interest rate), called Domar gap</b>	<b>s&lt;0 (primary deficit)</b>	<b>s&gt;0 (primary surplus)</b>
$g-r > 0$ (strong economic growth)	Public debt as a percentage of GSDP tends towards a stable value and is therefore sustainable. Depending on the stock of debt, it will either increase or decrease in time to reach a stable level greater than zero.	Public debt as a percentage of GSDP should converge to a stable level less than zero leading to public savings.
$g-r < 0$ (slow economic growth)	Public debt as a percentage of GSDP will increase indefinitely, without converging to a stable level	Undefined situation

Applying the DOMAR analysis to Jharkhand showed that fiscal liabilities should converge to a stable level, as shown in the following **Table 1.34**.

**Table 1.34: Sustainability of debt stock of the State during 2014-19**

Year	Real economic growth (g)	Real interest rate (r)	Domar gap (g-r)	Primary deficit (-) / Surplus (+)
	(in per cent)			(₹ in crore)
2014-15	12.49	0.52	11.97	(-) 3,635
2015-16	(-) 6.25	0.73	(-) 6.98	(-) 8,203
2016-17	10.46	1.46	9.00	(-) 6,020
2017-18	12.65	3.08	9.57	(-) 7,271
2018-19	6.99	2.39	4.60	(-) 1,777

■ Real economic growth rate has been calculated for real GSDP (i.e. at constant prices).  
 ■ Real interest rate is calculated as average interest rate on fiscal liabilities minus inflation. Average inflation has been obtained from Jharkhand Economic Survey 2016-17 and 2018-19.

During 2014-19, the primary deficit of the State ranged between ₹ 1,777 crore and ₹ 8,203 crore. The Domar gap (g-r) was positive during the period from 2014-15 to 2018-19, except in 2015-16. Therefore, in view of the debt sustainability conditions under Domar model as detailed in **Table 1.34**, the fiscal liabilities of the State Government satisfied the condition of debt sustainability ( $g-r > 0$ ), except during 2015-16. It is, however, noteworthy that the Domar gap (g-r) had reduced by more than 50 per cent during 2018-19 as compared to 2017-18. The Domar gap should further be viewed with the fact that 70.60 per cent of internal debt<sup>44</sup> was borrowed at interest rates of more than eight per cent against average real interest rate of 2.39 per cent during 2018-19. Moreover, other factors such as public account liabilities, *force majeure* events<sup>45</sup> and/or any other un-inventoried losses of revenue also have to be reckoned in assessing the debt sustainability/stability of the State<sup>46</sup>.

#### ***Fiscal Deficit and Debt Sustainability***

In the above context of fiscal sustainability, the Thirteenth Finance Commission defined debt sustainability in terms of debt-GSDP ratio and also in terms of interest payments relative to revenue receipts. The Fourteenth Finance Commission (FFC) recommended for fiscal consolidation for the Central and State Government and provided limits for fiscal deficit and debt stock as a percentage of GSDP. Government of Jharkhand in its FRBM Act, 2007 decided to maintain its fiscal deficit at not more than three per cent of the estimated GSDP. In view of FRBM Act, target of debt stock to GSDP percentage were given every year in the MTFP statement submitted with the budget.

The status of debt stock vis-à-vis the FFC targets and FRBM targets were as provided in **Table 1.35**.

**Table 1.35: Debt sustainability – FRBM indicator based analysis**

Year	Fiscal Deficit to GSDP (in per cent)		Debt stock to GSDP (in per cent)		Interest Payment to Revenue Receipts (in per cent)	
	Target as per MTFP prepared under FRBM Act	Achievement	Target as per MTFP prepared under FRBM Act	Achievement	FFC targets	Achievement
2015-16	2.80	5.58	21.55	27.40	10.00	8.17
2016-17	2.16	4.31	25.16	28.30	10.00	8.87
2017-18	2.49	4.32	26.65	27.90	10.00	8.84
2018-19	2.61	2.16	29.74	27.20	10.00	8.64

Source: Finance Accounts of the respective years, MTFP and FFC Report

<sup>44</sup> Internal debt constitutes 69.75 per cent of fiscal liabilities.

<sup>45</sup> Like the current Coronavirus pandemic and its effect on GSDP.

<sup>46</sup> As these cannot be determined statistically, they have not been factored in the analysis.

The State Government was able to contain the fiscal deficit below the FRBM targets during 2018-19. Targets for ratio of interest payment to revenue receipts (burden of interest payment) were also achieved and it remained nearly constant during 2015-16 to 2018-19. The debt to GSDP ratio was not within the FRBM targets during 2015-16 to 2017-18. However, it was within the target during 2018-19.

### 1.10.3 Net availability of borrowed funds

Details of net availability of funds on account of receipts and repayments under public debt and public account liabilities during 2014-19 are given in **Table 1.36**.

**Table 1.36: Net availability of borrowed funds**

(₹ in crore)

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Receipts under public debt and other liabilities	19,808	28,482	19,193	25,206	22,224 <sup>47</sup>
Repayment (principal and interest) under public debt and other liabilities	16,762	18,841	12,969	19,599	20,388
Net fund available	3,046	9,641	6,224	5,607	1,836
Percentage of net fund available to receipts under public debt and other liabilities	15.38	33.85	32.43	22.24	8.26

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

Net availability of borrowed funds decreased gradually from ₹ 9,641 crore in 2015-16 to ₹ 1,836 crore in 2018-19. During 2018-19, the main contributors in borrowed funds was deposit not bearing interest (₹ 1,497 crore).

During 2018-19, the receipts of the State under public debt and other liabilities decreased by 12 *per cent* whereas, repayment of public debt and other liabilities including interest increased by four *per cent* over the previous year resulting in less availability of borrowed funds to the State.

As evident from **Table 1.36**, 91.74 *per cent* of borrowed funds were used for discharging existing liabilities during 2018-19. Further, the net availability of borrowed funds as percentage to receipts under borrowings decreased sharply from 22.24 *per cent* in 2017-18 to 8.26 *per cent* in 2018-19 which was indicative of less availability of borrowed funds for capital works in the State during the year.

<sup>47</sup> Small Savings, Provident Funds etc (₹ 1,120 crore); Reserve funds bearing interest (₹ 421 crore); Deposits bearing interest (₹ 426 crore) and Deposits not bearing interest (₹ 12,454 crore)





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## **Chapter-2**

# **FINANCIAL MANAGEMENT AND BUDGETARY CONTROL**

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## 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.

Audit observed large savings in several grants during 2018-19, indicating deficiencies in budget management as discussed in the succeeding paragraphs.

#### 2.2 Summary of Appropriation Accounts

The summarised position of actual expenditure during 2018-19 against 60 grants/appropriations is as given in **Table 2.1**.

**Table 2.1: Summarised position of actual expenditure vis-a-vis Original/Supplementary Grants for the year 2018-19**

(₹ in crore)

	Nature of Expenditure	Total Grant/ Appropriation	<sup>1</sup> Actual Expenditure	Saving (-)/ Excess (+)	Amount Surrendered	Amount Surrendered only in March 2019	Percentage of Savings surrendered in March (Col 6/Col 5)
	(1)	(2)	(3)	(4) = (2-3)	(5)	(6)	(7)
<b>Voted</b>	(I) Revenue	61,298.30	45,710.74	(-)15,587.56	14,113.34	14,113.34	100.00
	(II) Capital	13,326.18	10,711.71	(-)2,614.47	2,925.94	2,925.94	100.00
	(III) Loans and Advances and Inter State Settlement	2,011.13	1,485.59	(-)525.54	0.00	0.00	0.00
<b>Total Voted</b>		<b>76,635.61</b>	<b>57,908.04</b>	<b>(-)18,727.57</b>	<b>17,039.28</b>	<b>17,039.28</b>	<b>100.00</b>
<b>Charged</b>	(IV) Revenue	6,012.65	4,961.94	(-)1,050.71	255.94	255.94	100.00
	(V) Capital	0.00	0.00	0.00	0.00	0.00	0.00
	(VI) Public Debt-Repayment	3,505.56	3,060.10	(-)445.46	403.59	403.59	100.00
<b>Total Charged</b>		<b>9,518.21</b>	<b>8,022.04</b>	<b>(-)1,496.17</b>	<b>659.53</b>	<b>659.53</b>	<b>100.00</b>
<b>Grand Total</b>		<b>86,153.82</b>	<b>65,930.08</b>	<b>(-)20,223.74</b>	<b>17,698.81</b>	<b>17,698.81</b>	<b>100.00</b>

Source: Appropriation Accounts of the Government of Jharkhand for the year 2018-19

During 2018-19, the total savings of ₹ 20,223.74 crore (23.47 per cent of the total budget) was the result of savings of ₹ 16,638.27 crore in 54 voted grants and six appropriations under the Revenue Section and ₹ 3,585.47 crore in 37 grants and one appropriation under the Capital Section.

It was noticed that against the total savings of ₹ 20,223.74 crore during the year, ₹ 17,698.81 crore (87.52 per cent) was surrendered in the month of March 2019 leaving the Finance Department virtually no time to utilise the funds for other development purposes.

<sup>1</sup> The expenditure figures are in gross without taking into account the recoveries adjusted in the accounts as reduction of revenue voted expenditure (₹ 41.95 crore). Further, expenditure in respective heads was overstated to the extent of ₹ 514.74 crore drawn through AC bills during 2018-19 against which DC bills were not submitted as on 31 October 2019.

Further, it was noticed that reasons for savings/excess were furnished in respect of only 400 out of 1,598 sub-heads captured in the Appropriation Accounts of the Government of Jharkhand 2018-19, whereas reasons for savings in 1,179 sub-heads and reasons for excesses in 19 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. Monthly Civil Accounts and Monthly Appropriation Accounts sent by the Principal Accountant General (A&E) may be utilised by the Finance Department to ensure better financial management.*

### 2.3 Financial Accountability and Budget Management

#### 2.3.1 Appropriations against allocative priorities

Out of total savings of ₹ 20,223.74 crore, savings of ₹ 15,941.25 crore (79 per cent) occurred in 29 cases relating to 27 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	42-Rural Development Department (Rural Development Division)	6,273.10	4,188.42	2,084.68	33.23
2	59-School Education and Literacy Department (Primary and Adult Education Division)	7,192.62	5,420.89	1,771.73	24.63
3	10-Energy Department	4,206.48	2,742.11	1,464.37	34.81
4	48-Urban Development and Housing Department (Urban Development Division)	3,204.22	1,921.00	1,283.22	40.05
5	60-Women, Child Development and Social Security Department	3,560.16	2,582.92	977.24	27.45
6	56-Rural Development Department (Panchayati Raj Division)	1,743.93	872.87	871.06	49.95
7	1-Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	1,601.21	753.42	847.79	52.95
8	58-School Education and Literacy Department (Secondary Education Division)	1,681.45	965.17	716.28	42.60
9	51-Welfare Department (Welfare Division)	1,769.91	1,151.36	618.55	34.95
10	36-Drinking Water and Sanitation Department	1,820.13	1,365.18	454.95	25.00
11	39-Home, Jail and Disaster Management Department (Disaster Management Division)	908.14	470.33	437.81	48.21
12	18-Food, Public Distribution and Consumer Affairs Department	1,375.70	1,027.00	348.70	25.35
13	21-Higher and Technical Education Department (Higher Education Division)	1,246.70	902.26	344.44	27.63
14	35-Planning-cum-Finance Department (Planning Division)	886.46	559.87	326.59	36.84
15	19-Forest, Environment and Climate Change Department	770.39	525.07	245.32	31.84
16	2-Agriculture, Animal Husbandry and Co-operative Department (Animal Husbandry Division)	389.13	170.98	218.15	56.06
17	41-Road Construction Department	459.92	255.28	204.64	44.49
18	54-Agriculture, Animal Husbandry and Co-operative Department (Dairy Division)	319.44	143.00	176.44	55.24
19	43-Higher and Technical Education Department (Science and Technology Division)	534.11	363.67	170.44	31.91

20	23-Industries Department	458.94	308.09	150.85	32.87
21	40-Revenue, Land Reforms and Registration Department (Revenue and Land Reforms Division)	603.53	482.24	121.29	20.10
<b>Capital-Voted</b>					
22	49-Water Resources Department	1,897.65	1,164.50	733.15	38.63
23	10-Energy Department	1,890.41	1,413.09	477.32	25.25
24	50-Water Resources Department (Minor Irrigation Division)	533.90	311.96	221.94	41.57
25	20-Health, Medical Education and Family Welfare Department	468.77	273.39	195.38	41.68
26	3-Building Construction Department	548.17	403.65	144.52	26.36
27	36-Drinking Water and Sanitation Department	519.10	400.13	118.97	22.92
28	9-Agriculture, Animal Husbandry and Co-operative Department (Co-operative Division)	175.00	65.60	109.40	62.51
29	8-Transport Department (Civil Aviation Division)	119.00	12.97	106.03	89.10
<b>Total Voted</b>		<b>47,157.67</b>	<b>31,216.42</b>	<b>15,941.25</b>	<b>33.80</b>

Source: Appropriation Accounts of the Government of Jharkhand for the year 2018-19

There were significant variations between the total grant or appropriation and expenditure incurred during 2018-19 leading to savings of ₹ 6,504.19 crore under five grants (1-Agriculture, Animal Husbandry and Co-operative, 42-Rural Development, 51-Welfare, 59-School Education and Literacy and 60-Women, Child Development and Social Security), the reasons for which have not been appropriately explained in the Appropriation Accounts. Further, these grants had persistent total savings of at least ₹ 4,853.98 crore during each of the last four years.

Major instances of non-utilisation of budget allocation provided for the schemes during 2018-19 are given in **Table 2.3**. The unutilised amount was surrendered without giving any reasons for the same.

**Table 2.3: Scheme-wise major instances of savings**

(₹ in crore)					
Sl. No.	Department/Grant	Scheme	Budget Allocation	Unutilised and Surrendered	Per cent of allocation
1.	1-Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	Rashtriya Krishi Vikas Yojana	209.60	179.02	85
2.		Distribution of Agriculture Equipment to farmers, women social help group etc	180.00	130.60	73
3.		Pradhan Mantri Krishi Sinchai Yojana (Extension and Farmer's Training Programme)	114.08	77.53	68
4.	2-Agriculture, Animal Husbandry and Co-operative Department (Animal Husbandry Division):	Pig Development/Goat Development/ Broiler Poultry Development /Commercial Layer Bird Development/ Low Input Layer Bird Distribution Schemes	125.55	123.19	98
5.	10-Energy Department	Tariff Subsidy through JBVNL for consumers	2,000.00	1,405.05	70
6.		Rural Electrification	300.00	275.00	92
7.	42-Rural Development Department (Rural Development Division)	Watershed Scheme	133.67	133.67	100
8.		Over All Rural Employment Scheme-National Rural Employment Guarantee Act	1,276.00	570.62	45
9.		Shyama Prasad Mukherjee Rurban Yojana	101.30	89.66	89
10.		Smart City	200.00	200.00	100
11.	48-Urban Development and Housing Department (Urban Development Division)	Grants to Municipal Councils/ Municipalities on Recommendation of 14 <sup>th</sup> Finance Commission under General Performance Grant	96.50	96.50	100
12.		Urban Renewal Mission-AMRUT	462.59	368.00	80
13.	51-Welfare Department (Welfare Division)	Post Entrance Scholarship	297.05	216.02	73
14.	59-School Education and Literacy Department (Primary and Adult Education Division)	Strengthening of Primary and Middle Schools under Grants-in-aid to Jharkhand Education Project Council (J.E.P.C.)	120.00	120.00	100

Besides the cases detailed above, in 51 cases (37 grants/ appropriations), savings exceeded ₹ 10 crore or more 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 ₹ 17,091.91 crore. Further, in 213 sub-head/schemes under 35 grants/

appropriations, savings of ₹ 20 crore and above in each case aggregated to ₹ 16,904.69 crore (84 per cent of total savings). Details are given in **Appendix 2.2**.

**Recommendation:** The Finance Department should prepare budget based on actual requirement obtained from the field units and ensure optimum utilisation of the amount allocated.

### 2.3.2 Anticipated savings not surrendered

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

During 2018-19, out of savings of ₹ 10,821.93 crore under 25 grants/ appropriations, ₹ 2,505.80 crore (₹ one crore and above in each case) was not surrendered, as detailed in **Appendix 2.3**. Further, it was observed that during 2018-19, surrender of ₹ 72.34 crore was in excess of the actual savings in eight grants as detailed in **Table 2.4** which indicates that expenditure was made even after submission of surrender letter by the concerned department. Details of 177 cases (₹ 20 crore or more in each case) where savings amounting to ₹ 13,027.97 crore was surrendered in March 2019 are given in **Appendix 2.4**.

**Table 2.4: List of Grants indicating Excess Surrender during 2018-19**

(₹ in crore)

Sl. No.	Number and Name of Grants	Savings	Surrender	Excess Surrender
1	3-Building Construction Department	144.52	144.57	0.05
2	4-Cabinet Secretariat and Vigilance Department (Cabinet Secretariat and Co-ordination Division)	13.46	13.84	0.38
3	12-Planning-cum-Finance Department (Finance Division)	15.78	20.73	4.95
4	20-Health, Medical Education and Family Welfare Department	771.96	791.74	19.78
5	42-Rural Development Department (Rural Development Division)	2,084.68	2,131.70	47.02
6	52-Tourism, Art, Culture, Sports and Youth Affairs Department (Art, Culture, Sports and Youth Affairs Division)	18.03	18.15	0.12
7	56-Rural Development Department (Panchayati Raj Division)	871.06	871.09	0.03
8	59-School Education and Literacy Department (Primary and Adult Education Division)	1,771.73	1,771.74	0.01
<b>Total</b>		<b>5,691.22</b>	<b>5,763.56</b>	<b>72.34</b>

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

### 2.3.3 Persistent savings

In 11 cases (10 departments), there were persistent savings of 10 per cent or more of the total grants, during the last five years (**Table 2.5**).

**Table 2.5: List of Grants indicating persistent savings during 2014-19**

(₹ in crore)

Sl. No.	Number and name of the Grant	Amount of savings				
		2014-15	2015-16	2016-17	2017-18	2018-19
<b>Revenue-Voted</b>						
1	20-Health, Medical Education & Family Welfare Department	967.84(42)	947.27(34)	707.26(27)	981.45(28)	771.96 (20)
2	1-Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	552.00(58)	750.47(56)	526.05(36)	711.47(46)	847.79(53)
3	18-Food, Public Distribution and Consumer Affairs Department	439.49(34)	505.63(39)	394.96(26)	428.72(32)	348.70(25)

4	40-Revenue, Land Reforms and Registration Department (Revenue and Land Reforms Division)	99.80(26)	112.41(26)	161.11(31)	74.20(14)	121.29(20)
5	23-Industries Department	148.57(40)	132.47(31)	153.01(34)	233.69(50)	150.85(33)
6	49-Water Resources Department	87.83(25)	105.11(29)	132.77(33)	70.89(18)	89.64(22)
7	26-Labour, Employment and Skill Development Department	349.95(28)	1,088.29(73)	110.77(39)	108.09(45)	78.56(32)
8	2-Agriculture, Animal Husbandry and Co-operative Department (Animal Husbandry Division)	41.73(25)	37.66(20)	95.59(33)	159.93(43)	218.15(56)
9	43-Higher and Technical Education Department (Science and Technology Division)	21.31(15)	24.90(24)	29.27(17)	109.39(26)	170.44(32)
10	17-Commercial Tax Department	23.36(32)	18.45(27)	19.49(27)	8.08(11)	19.66(19)
<b>Capital-Voted</b>						
11	49-Water Resources Department	1,196.28(68)	544.62(33)	389.76(26)	681.00(36)	733.15(39)

Note: 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 providing 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	2016-17		2017-18		2018-19	
		Budget	Savings	Budget	Savings	Budget	Savings
1	National Food Security Mission	70.01	41.67(60)	60.00	28.22(47)	105.85	80.37(76)
2	National Horticulture Mission Programme	90.00	43.10(48)	75.00	35.17(47)	75.00	70.54(94)

Source: Appropriation Accounts of the Government of Jharkhand for the years 2016-17, 2017-18 and 2018-19  
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	2016-17		2017-18		2018-19	
		Budget	Savings	Budget	Savings	Budget	Savings
1	Mukhyamantri Dal-Bhat Yojana	25.00	11.65(47)	30.00	14.77(49)	35.00	20.34(58)

Source: Appropriation Accounts of the Government of Jharkhand for the years 2016-17, 2017-18 and 2018-19  
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	2016-17		2017-18		2018-19	
		Budget	Savings	Budget	Savings	Budget	Savings
1	Swarnajayanti Gram Swarojgar Yojana Scheme for General	362.00	86.98(24)	497.97	125.29(25)	689.11	432.80(63)

Source: Appropriation Accounts of the Government of Jharkhand for the years 2016-17, 2017-18 and 2018-19  
Figures in bracket indicate 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	2016-17		2017-18		2018-19	
		Budget	Savings	Budget	Savings	Budget	Savings
1	Rashtriya Madhyamik Shiksha Abhiyan	198.57	40.91(21)	203.33	111.99(55)	307.26	294.60(96)

Source: Appropriation Accounts of the Government of Jharkhand for the years 2016-17, 2017-18 and 2018-19  
Figures in bracket indicate 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	2016-17		2017-18		2018-19	
		Budget	Savings	Budget	Savings	Budget	Savings
1	Grants-in-aid to Sarva Siksha Abhiyan	1,699.50	635.68 (37)	1,600.00	610.15(38)	1,537.00	378.83 (25)

Source: Appropriation Accounts of the Government of Jharkhand for the years 2016-17, 2017-18 and 2018-19  
Figures in bracket indicate 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	2016-17		2017-18		2018-19	
		Budget	Savings	Budget	Savings	Budget	Savings
1	Integrated Child Development Scheme (ICDS)	400.00	148.95(37)	404.53	88.75(22)	464.90	135.41(29)
2	Integrated Child Protection Scheme (ICPS)	24.00	9.80(41)	41.35	12.68(31)	41.35	13.59(33)

Source: Appropriation Accounts of the Government of Jharkhand for the years 2016-17, 2017-18 and 2018-19  
Figures in bracket indicate percentage of savings to total budget under the head of accounts

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

#### 2.3.4 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 2018-19.

It was noticed that during 2018-19, no expenditure was made on natural calamities from the Contingency Fund.

Further, it was noticed that during 2018-19, ₹ 69.72 crore was drawn on 40 occasions from the Contingency Fund. Out of the total drawal, ₹ 15.34 crore withdrawn on 13 occasions was for meeting expenditure that should have been foreseen at the time of preparation of the budget estimates and were therefore, neither unforeseen nor of emergent nature as detailed in **Table 2.6**.

**Table 2.6: Expenditure from Contingency Fund of the State**

Sl. No.	Head of account	Detail of work	Advance (₹ in crore)
1	2011-02-101-09	Medical expenses of Ex-MLAs	0.15
2	2011-02-101-01	Salary and allowances	0.03
3	2013-00-108-01	Tour expenses of Ministers	0.75
4	2013-00-105-02	Discretionary Grant	2.00
5	2040-00-001-04	Information, communication and transmission services	0.51
6	2055-00-003-07	Contractual Allowance	0.45
7	2055-00-101-08	Contractual Allowance	0.28
8	2055-00-001-04	Contractual Allowance	1.96
9	2055-00-001-04	Expenses on Training	0.10
10	2055-00-104-02	Games Incentives	0.25
11	2235-60-200-14	Grants-in-aid	0.69
12	2070-00-800-11	Jharkhand State Foundation Day Celebration	8.00
13	2215-01-102-03	Purchase of New Motor Vehicle	0.17
<b>Total</b>			<b>15.34</b>

Source: Data compiled by Principal Accountant General (A&E) Jharkhand

Thus, the Contingency Fund was used by the State as an imprest account for meeting non-contingent expenditure. However, utilisation of Contingency



Fund for meeting non-contingent expenditure decreased significantly from ₹ 226.17 crore in 2017-18 to ₹ 15.34 crore in 2018-19.

The total withdrawal from the fund during 2018-19 was recouped through supplementary budgets.

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

### 2.3.5 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 disbursement over grant/appropriation amounting to ₹ 3,015.37 crore pertaining to the years 2001-02 to 2017-18 is yet to be regularised by the State Legislature as detailed in **Appendix 2.5**. This is in violation of Article 205 of the Constitution which provides for regularisation of the excess grants by the State Legislature. This vitiates the system of budgetary and financial control and encourages financial indiscipline in management of public resources.

The year-wise amount of excess expenditure pending regularisation is summarised in **Table 2.7**.

**Table 2.7: 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		<sup>2</sup>
2006-07	38		<sup>3</sup>
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
2016-17	32	14	10.75
2017-18	15	13	265.50
<b>Total</b>			<b>3,015.37</b>

Source: Appropriation Accounts of the Government of Jharkhand for the year 2018-19

**Recommendation:** *The Finance Department should take immediate steps to regularise the excess expenditure of ₹ 3,015.37 crore.*

### 2.3.6 Avoidable/excessive Supplementary Provision

Rule 117 of the Bihar Budget Manual (as adopted by Jharkhand) states that 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.

Supplementary provisions aggregating ₹ 3,495.01 crore (59 per cent) obtained in 44 cases (₹ one crore or more in each case) during the year, out of total supplementary budget provision of ₹ 5,953.81 crore, proved unnecessary as

<sup>2</sup> Excess amount was ₹ 1,072 only

<sup>3</sup> Excess amount was ₹ 81,665 only

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 large savings had occurred under these sub-heads.

### **2.3.7 Excessive/Insufficient re-appropriation of funds**

Injudicious re-appropriation under 22 sub-heads during 2018-19 as detailed in **Appendix 2.7** proved excessive or insufficient. As shown in the said appendix, under 18 schemes/sub-heads, additional funds of ₹ 16.14 crore were provided through re-appropriation leading to savings of ₹ 142.47 crore while in two schemes/sub-heads, ₹ 1.30 crore was re-appropriated to other schemes/sub-heads resulting in excess expenditure of ₹ 0.53 crore in those schemes/sub-heads at the end of year.

### **2.3.8 Substantial surrender of funds**

In 127 cases, 100 *per cent* of the provision (₹ five crore and above in each case) amounting to ₹ 2,667.76 crore were surrendered, resulting in non-implementation of schemes/programmes as detailed in **Appendix 2.8**.

*Recommendation: The Government should ensure that excessive, unnecessary supplementary provision and injudicious surrender is avoided.*

## **2.4 Rush of expenditure**

Rule 113 of the Bihar Budget Manual (as adopted by Jharkhand) stipulates that rush of expenditure in the closing months of the financial year will ordinarily be regarded as a breach of financial regularity. Uniform flow of expenditure is essential to ensure that the primary requirement of budgetary control is maintained.

It was, however, observed that in 21 grants, expenditure of ₹ 6,342.48 crore (62.48 *per cent*) was incurred in the last quarter of the year against the total expenditure of ₹ 10,151.23 crore as detailed in **Appendix 2.9**. Of this, an expenditure of ₹ 3,691.90 crore (36.37 *per cent* of the total expenditure) was incurred in the month of March 2019. Further, it was observed that ₹ 35.15 crore was drawn through AC bills in March 2019 by Tourism, Welfare and Home, Jail & Disaster Management Departments as shown in the Appendix.

Rush of expenditure in the closing month of the financial year is against the provision of the Budget Manual and entails risk of misuse of public money and unhealthy practices.

*Recommendation: The State Government should ensure adherence of the provisions of the Budget Manual by the Drawing and Disbursing Officers to control rush of expenditure during the fag end of the financial year.*

## **2.5 Departmental figures not reconciled**

Every year, the Principal Accountant General (Accounts & Entitlements) reiterates to Budget Controlling Officers, the requirements of the Bihar Budget Manual (as adopted by Jharkhand) to reconcile their monthly and quarterly figures of receipts and expenditure with the books of the Principal Accountant General (A&E).

Audit observed that the Departments did not reconcile receipts amounting to ₹ 29,024.83 crore (45.35 *per cent*) against the total receipts of ₹ 64,002.70 crore during 2018-19. Similarly, out of the total expenditure of ₹ 65,888.13

crore during the year 2018-19, ₹ 37,817.51 crore (57.40 per cent) was not reconciled. Details of un-reconciled expenditure exceeding ₹ 10 crore or more in each case aggregating to ₹ 25,632.56 crore during 2018-19 are given in **Appendix 2.10**.

**Recommendation:** The Finance Department should evolve a mechanism making it mandatory for the Controlling Officers to reconcile, on a monthly basis, their receipt and expenditure with the PAG (A&E).

## 2.6 Audit of Budgetary Process of Grant No. 26 – Labour, Employment and Training Department

### 2.6.1 Introduction

The Government of Jharkhand through the Department of Labour, Employment and Training is committed to provide social security and protect the interest of its working class in the organised and unorganised sectors. In addition, it is mandated to effectively implement various labour laws to enhance ease of doing business. To offer vocational training, the State is in the process of establishing Industrial Training Institutes (ITIs) in every block and Women ITIs in every sub-division.

The Directorate of Employee's State Insurance Scheme (ESIS) under the Department provides medical and health benefits including primary, speciality and super-speciality treatment to nearly 3.45 lakh insured persons and their families.

To meet the above responsibilities, the State Government had provided a budget of ₹ 345.71 crore to the Department during 2018-19. Budget provision and its utilisation is given in **Table 2.8**.

**Table 2.8: Details of budget provision, expenditure and savings during 2018-19**

(₹ in crore)

Details	Capital Voted	Revenue Voted	Total
Original Grant	65.83	242.85	<b>308.68</b>
Supplementary Grant	34.69	2.34	<b>37.03</b>
<b>Total Grant</b>	<b>100.52</b>	<b>245.19</b>	<b>345.71</b>
Expenditure	13.21	166.63	<b>179.84</b>
Savings	87.31	78.56	<b>165.87</b>
Surrender	87.31	78.40	<b>165.71</b>
Lapse	0.00	0.16	<b>0.16</b>

Source: Appropriation Accounts of the Government of Jharkhand for the year 2018-19

### Scope of Audit

Departmental Secretariat, Labour Employment Directorate and 31<sup>4</sup> units in eight<sup>5</sup> districts were selected for audit of the budgetary process.

<sup>4</sup> 1. Bokaro- (i) Deputy Labour Commissioner, (ii) Executive Engineer (BCD) , (iii) ITI, (iv) Employees State Insurance (ESI) Dispensary; 2. Chaibasa- (i) Labour Superintendent, (ii) Labour Superintendent (Agriculture Labour), (iii) ITI; 3. Deoghar-(i) ITI, (ii) ESI Dispensary, (iii) Asstt. Labour Commissioner, 4. Dhanbad- (i) Asstt. Labour Commissioner, (ii) ESI Dispensary Joraphatak and (iii) ESI Dispensary Maithan, (iv) Sub-regional Employee Exchange (SREE), (v) ITI; 5. Garhwa- (i) Labour Superintendent, 6. Ranchi-(i) Asstt. Director (Training), (ii) Managing Director (Jharkhand State Building Construction Corporation Limited), (iii) ITI (General), (iv) ITI (welfare), (v) Under Secretary (Labour Commissioner), (vi) Deputy Labour Commissioner, (vii) Under Secretary (Labour & Training Deptt.), (viii) Asstt. Director (Employment, Hqr), (ix) ESI Dispensary, (x) SREE, (xi) Deputy Commissioner (Agriculture Labour); 7. Saraikela- (i) ITI, (ii) ESI Dispensary, (iii) Labour Superintendent; 8. Simdega- (i) Labour Superintendent.

<sup>5</sup> Bokaro, Chaibasa, Deoghar, Dhanbad, Garhwa, Ranchi, Saraikela and Simdega

## Audit findings

### 2.6.2 Persistent Savings

A study of the Department's budget and expenditure trend for the last four years (2015-19) revealed that the Department had persistent savings during the period and the percentage of savings in comparison to the budget estimates remained significantly high as detailed in **Table 2.9**.

**Table 2.9: Trend of savings during last four years in Labour, Employment and Training Department**

(₹ in crore)

Years		Original	Supple- mentary	Total	Actual Expenditure	Saving	Percentage of saving
2015-16	Revenue	1456.87	35.26	1492.13	403.84	1088.29	73.42
	Capital	71.20	3.98	75.18	12.81	62.37	
	Total	1528.07	39.24	1567.31	416.65	1150.66	
2016-17	Revenue	253.07	28.36	281.43	170.66	110.77	40.62
	Capital	45.87	0.95	46.82	24.27	22.55	
	Total	298.94	29.31	328.25	194.93	133.32	
2017-18	Revenue	229.41	12.28	241.69	133.60	108.09	47.61
	Capital	70.22	9.21	79.43	34.62	44.81	
	Total	299.63	21.49	321.12	168.22	152.90	
2018-19	Revenue	242.85	2.34	245.19	166.63	78.56	47.98
	Capital	65.83	34.69	100.52	13.21	87.31	
	Total	308.68	37.03	345.71	179.84	165.87	

Source: Appropriation Accounts 2015-19

As shown in the above table the Department had persistent savings ranging between 41 *per cent* and 73 *per cent* during the last four years which indicated non-completion of a number of schemes during the year.

### 2.6.3 Delay in submission of Budget Estimates

Rule 62 of Bihar Budget Manual (as adopted by Jharkhand) provides the calendar for correct and timely preparation of the budget of the State. In October 2017, the Finance Department (FD), GoJ revised the scheduled common submission date from 01 October every year to 01 November for estimates of Establishment Expenditure and 24 November for the General Budget (State, Central and Centrally Sponsored Schemes).

Scrutiny of records of the Department revealed that the General Budget for the year 2018-19 was submitted (23 January 2018) with a delay of 60 days to the FD.

Delayed submission of Budget Estimates gave little time for scrutiny of estimates by the Finance Department.

### 2.6.4 Budget Estimates prepared without obtaining requirements from Disbursing Officers (DOs).

According to Rule 65 of Bihar Budget Manual (as adopted by Jharkhand) (BM), the Controlling Officer (CO) should examine the budgets received from the DOs to see that they are correct, that all details/explanations have been given and the explanations given are adequate.

It was noticed during audit that provisions of BM were not followed and the budget estimates for General Budget (State, Central and Centrally Sponsored Schemes) were prepared at the Department level without obtaining/ assessing the actual requirements from the DOs who are finally responsible to execute the work and utilise the fund. In view of huge savings of ₹ 87.31 crore (87 *per*

cent) against the budget provision of ₹ 100.52 crore under capital section during the year 2018-19 non-observance of provisions of BM was a serious negligence.

### 2.6.5 Non-Preparation of Outcome and Gender Budget

As per instructions (October 2017) of Planning-cum-Finance Department, GoJ, Outcome budget in Proforma-X was to be prepared separately for all the Schemes executed under State schemes and Centrally Assisted State schemes indicating primary targets and other quantifiable information of those schemes. Proforma-Y was to be submitted indicating details of Gender Budget along with amount required for schemes (where 30 per cent or more was to be spent on schemes for welfare of women) and fundamental goals set for qualitative reforms during 2018-19.

Scrutiny of records of the Department revealed that the above instructions were not followed and the Outcome and Gender budget for the year 2018-19 were not prepared and submitted in the prescribed proforma. Thus, the result of outcome budget of Central and State Schemes could not be assessed.

Further scrutiny revealed that during 2018-19, a sum of ₹ 13.30 crore was provided under the Gender Budget for three schemes (Aam Aadmi Bima Yojana, Jharkhand; Un-organised Workers Social Security Scheme and Distribution of Blankets among BPL women) for welfare of women. However, the records of expenditure on women specific works were not maintained in the prescribed proforma. Thus, the achievement and outcome of Gender budgeting could not be assessed.

### 2.6.6 Avoidable Supplementary Provision

As per comments below Rule 57 of Bihar Budget Manual (as adopted by Jharkhand), the officer responsible for preparing estimates should be sure that there is no provision for a greater sum than that which can be spent.

It was noticed that during 2018-19, out of 61 schemes (45 revenue and 16 capital), additional fund amounting to ₹ 37.03 crore was provided through supplementary provisions to 14 schemes (10 revenue & four capital) in spite of non-utilisation of the original provisions amounting to ₹ 33.80 crore as detailed in **Appendix 2.11**.

### 2.6.7 Non-utilisation of entire budget provision

A few cases where Rule 57 of Bihar Budget Manual (as adopted by Jharkhand) was not followed are detailed below.

(a) Under the scheme 'Construction of ITIs and allied buildings', Women ITIs were to be established in all sub-divisions and General ITIs were to be established in all blocks of Jharkhand, for which 105 backward blocks were selected in the first phase. An amount of ₹ 25.61 crore was provided during 2018-19 under three<sup>6</sup> heads of accounts for the work.

It was noticed that out of the allocation of ₹ 25.61 crore during 2018-19, ₹ eight crore was provided to Other Sub-plan (OSP) and ₹ 17.61 crore to Tribal Area Sub-plan (TSP) and Special Component Plan for Scheduled

<sup>6</sup> Capital section of Other Social Services viz., 4250-00-203-01 (₹ 8.00 crore), 4250-00-789-01 (₹ 5.00 crore) and 4250-00-796-01 (₹ 12.61 crore)

Castes (SCSPs). Of the total allocation to OSP, ₹ seven crore was transferred (December 2018) to Jharkhand State Building Construction Corporation Limited (JSBCCL) for construction of seven ITIs which remained unutilised and was lying in the PL Account of JSBCCL as of January 2020. The balance amount of ₹ one crore was surrendered by the Department.

The Department failed to utilise the provision of ₹ 17.61 crore to TSP and SCSPs and surrendered the entire amount.

(b) During the year 2018-19, the entire budget provision of ₹ 0.15 crore for setting up of Model Career Centre under the scheme 'National Career Service (Central Scheme), GoI' was surrendered by the Department without assigning any reason, except ₹ 0.05 crore which was stated to have been surrendered due to failure of treasury software.

(c) In seven<sup>7</sup> out of eight test-checked districts, the entire budget provision of ₹ 7.51 crore provided for 37 schemes was surrendered mainly due to reasons like failure of treasury software, non-requirement of fund, pending decision at higher level etc., as detailed in **Appendix 2.12**.

(d) It was observed that during the year 2018-19, ₹ 17.81 crore was provided for three schemes, of which ₹ 9.32 crore (52 per cent) was spent and balance amounting to ₹ 8.49 crore was surrendered without giving any reasons as detailed in **Table 2.10**.

**Table 2.10: Details of Allocation and Expenditure in three schemes**

(₹ in crore)

Sl. No.	Name of scheme	Allocation	Expenditure	Target	Achievement
1	Establishment of new canteens in Jharkhand Assembly	1.00	0.14	Establishment of new canteens in Jharkhand Assembly and Secretariat's buildings	Expenditure has been incurred only on Material & Supply
2	Aam Admi Bima Yojana	1.81	1.21	Aim to provided insurance cover to 1,02,820 persons	Details not available
3	Jharkhand Un-organised workers Social Security Scheme	15.00	7.97	No target was fixed by the Department	No records was found regarding achievement
<b>Total</b>		<b>17.81</b>	<b>9.32 (52%)</b>		

It was further noticed that out of the provision for Aam Aadmi Bima Yojana, ₹ 1.21 crore was transferred (August 2018) to LIC as premium for renewal of insurance of 80,048 beneficiaries covered under the schemes Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Pradhan Mantri Suraksha Bima Yojana (PMSBY). However, the beneficiaries did not get the insurance cover under the schemes due to non-availability of Aadhar numbers, and the fund was blocked with LIC as of January 2020.

#### **2.6.7.1 Surrender of fund due to delayed action by the department**

Under the Skill Development Scheme for youths in Left-Wing Extremism (LWE) districts, one ITI and two Skill Development Centres in each district were to be established in 10 identified districts<sup>8</sup>. Six additional districts<sup>9</sup> were

<sup>7</sup> Chaibasa, Deoghar, Dhanbad, Garhwa, Saraikela, Simdega and Ranchi

<sup>8</sup> Bokaro, Chatra East Singhbhum, Garhwa, Gumla, Hazaribagh, Latehar, Lohardaga, Palamu and West Singhbhum

<sup>9</sup> Dumka, Giridih, Khunti, Ramgarh, Ranchi and Simdega

subsequently included by the GoI for establishing one ITI in each. The budgetary support to all these schemes was to be provided by the Centre and the State in the ratio of 60:40.

During 2018-19, revised budget of ₹ 64.68 crore (₹ 38.51 crore for Central share and ₹ 26.17 crore for State share) was provided under the Scheme for construction of ITIs and purchase of machineries.

It was observed that out of the total provision, ₹ 2.41 crore (3.7 *per cent*) was spent and the balance of ₹ 62.27 crore was surrendered by the Department. Out of the total surrender of ₹ 62.27 crore, ₹ 24.79 crore (Central share) provided for construction of six ITIs and Hostels under the Skill Development scheme in LWE districts<sup>10</sup> was surrendered on the pretext of non-receipt of Technical Sanction (TS) from Jharkhand Building Construction Corporation Limited, Ranchi. However, it was noticed during audit that the TS was not received during the year due to late submission of request (February 2019) by the Department.

### 2.6.8 Surrender of fund on the last day of the financial year

As per Rule 112 of Budget Manual, all anticipated savings should be surrendered to Government immediately as soon as 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 surrender manifests itself, the Controlling Officer should carefully estimate the amount that he can surrender.

It was observed that out of the total provision of ₹ 345.71 crore, ₹ 165.70 crore was surrendered (₹ 87.30 crore under capital section and ₹ 78.40 crore under revenue section) by the Department on the last day of the financial year.

Further, in the eight test-checked districts, it was noticed that surrender of ₹ 26.18 crore (42 *per cent* of total provisions under these schemes) were made on the last three days of the financial year for reasons like non-requirement of fund by the district units, failure of treasury software, complicated registration process on GeM portal etc., as detailed in **Appendix 2.13**.

Surrender of funds at the fag end of the financial year left no scope for its utilisation on other important schemes.

### 2.6.9 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.

Audit observed that during the year 2018-19, expenditure during March in 16 out of 61 heads (Capital and Voted) ranged between 50 and 100 *per cent* of the total expenditure. Further, in seven<sup>11</sup> out of eight test-checked districts, it was noticed that the expenditure under various heads ranged between 40 and 100 *per cent* in the month of March as detailed in **Appendix 2.14**. Rush of expenditure particularly in the last month of the financial year is against the provisions of the Budget Manual.

<sup>10</sup> Dumka, Giridih, Khunti, Ramgarh, Ranchi and Simdega vide letter 08.02.2019.

<sup>11</sup> Bokaro, Chaibasa, Deoghar, Dhanbad, Ranchi, Saraikela and Simdega

**2.6.10 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 the Principal Accountant General (A&E) on a monthly basis to avoid misclassification of expenditure and receipts.

It was observed that during 2018-19, out of total expenditure of ₹ 179.84 crore, expenditure of ₹ 68.94 crore was not reconciled by the Controlling Officer of the Department with the books of the Principal Accountant General as detailed in **Table 2.11**.

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

(₹ in crore)

Sl. No	Major Heads	Total Expenditure (As per appropriation)	Reconciled amount	Un-reconciled amount
1	2210	17.72	6.61	11.11
2	2230	118.04	98.88	19.16
3	2235	27.70	2.47	25.23
4	2251	3.16	2.94	0.22
5	4059	1.78	0.00	1.78
6	4250	11.44	0.00	11.44
<b>Total</b>		<b>179.84</b>	<b>110.90</b>	<b>68.94</b>

Further, in seven out of eight test-checked districts, ₹ 32.30 crore, out of total expenditure of ₹ 43.21 crore was not reconciled during the year 2018-19, as detailed in **Appendix 2.15**.

**2.6.11 Parking of funds in Deposit Accounts**

Rule 174 of Jharkhand Treasury Code stipulates that money should not be withdrawn from Treasury unless it is required for immediate payment.

It was observed that ₹ 6.14 crore was provided to the EE, BCD Bokaro between February 2011 and March 2019 for construction and allied works of Joint Labour Building, ITIs and Skill Development Centres at Bokaro, of which ₹ 0.80 crore was spent by the EE on construction of two Skill Development Centres and balance amounting to ₹ 5.35 crore was kept in Public Works Deposit (PWD) Accounts. The amount kept in PWD accounts was not utilised as of August 2019 as detailed in the **Table 2.12**.

**Table 2.12: Details of fund parked in Deposit Accounts**

(₹ in crore)

Sl. No.	Name of scheme/work under which fund was allotted	Date of allotment	Total allotment	Total Expenditure	Balance Amount
1	Construction of Joint Labour Building, Bokaro	28.02.11 06.03.19	1.75	0.00	1.75
2	Construction of ITI & Skill Development Buildings, Bokaro	08.09.12 05.01.13 04.01.19	4.17	0.80	3.38
3	Additional work of ITI, Kasmar, Bokaro	29.03.16	0.22	0.00	0.22
<b>Total</b>			<b>6.14</b>	<b>0.80</b>	<b>5.35</b>

In reply (August 2019), it was stated that the revised estimates are being prepared and the work will be started soon.



### **2.6.12 Incomplete Insurance Coverage to Jharkhand Un-organised Workers Social Security Scheme (JUWSSS)**

An amount of ₹ 15 crore was sanctioned (July 2018) for JUWSSS during 2018-19, of which ₹ 3.50 crore was allotted to the eight test-checked districts.

Scrutiny of records of test-checked districts revealed that ₹ 2.11 crore was spent on PMJJBY and PMSBY under JUWSSS and the balance of ₹ 1.39 crore was surrendered as detailed in **Appendix 2.16**.

Further, it was noticed that out of total number of registered (5,04,663) un-organised workers for PMJJBY/PMSBY, only 1,12,562 workers (22 per cent) were covered under the Scheme. Other workers were not covered due to incomplete documents viz., Aadhar Number, Bank Details etc. Though premium of ₹ 1.92 crore (₹ 171.00 each) for the 1,12,562 workers was transferred between September 2018 to February 2019 to LIC by the concerned Labour Officers, coverage of the beneficiaries under the Scheme had not been confirmed by LIC as February 2020.

### **2.6.13 Non-interlinking of Employment Exchange with National Career Service (NCS) portals**

As per National Career Service-2016 guidelines issued by the Ministry of Labour & Employment, all employment exchanges were to be interlinked with the National Career Service (NCS) portal, so that all job fairs conducted under the Scheme could be tracked/monitored by the State.

Scrutiny of records revealed that during 2017-18, ₹ 2.74 crore was released<sup>12</sup> to the Directorate, Employment and Training, Government of Jharkhand for the Scheme, of which ₹ 0.88 crore was spent by March 2018 and the balance amounting to ₹ 1.86 crore was surrendered by the Department. Utilisation Certificate for ₹ 0.88 crore was also submitted (May 2019) to GoI.

The amount surrendered during 2017-18 (₹ 1.86 crore) was reallocated during 2018-19, of which ₹ 0.14 crore was spent during the year. A proposal for revalidation of the balance amount of ₹ 1.72 crore for utilisation during 2019-20 forwarded (May 2019) to GoI has not been approved (January 2020). Thus, the interlinking of employment exchange with National Career Service Portal remained incomplete.

It was observed that in spite of availability of funds in two consecutive years, the Department failed to link State employment exchange with the National Career Service Portal which was required to provide latest information on job opportunities to the unemployed youth of the State.

The Joint Director (Employment) stated that interlinking of employment exchange portals with NCS portal is under process without specifying the reasons for non-utilisation of fund for two consecutive years.

### **2.6.14 Distribution of blankets/clothes to unknown/unidentified beneficiaries**

As per Government's decision blankets/clothes were to be distributed among people below the poverty line (BPL), beggars, disabled and other destitute persons. Accordingly, ₹ 30.64 crore (₹ 14.32 crore for Other Sub Plan,

<sup>12</sup> 10 February 2017: ₹ 2.05 crore and 12 April 2017: ₹ 0.69 crore

₹ 14.32 crore for Tribal Sub Plan and ₹ two crore for special component plan for SCs (SCSP) was provided during 2018-19, of which ₹ 27.70 crore was spent on the Scheme and ₹ 2.94 crore was surrendered by the Department.

Further, in eight test-checked districts, it was observed that out of ₹ 10.71 crore (₹ 300 per blanket) provided, ₹ 9.77 crore was spent and ₹ 0.94 crore remained as balance as shown in **Appendix 2.17**.

The Department instructed (January 2019) the DDOs to purchase additional blankets from the balance amount at the tendered rate. But due to change in weather and refusal of suppliers to supply the blankets, ₹ 0.94 crore was surrendered.

It was observed that 3,80,879 blankets costing ₹ 9.77 crore were purchased and shown as distributed among the beneficiaries in the test-checked units. However, a list containing details of only 69,895 beneficiaries was available on record. Thus, evidence that the remaining 3,10,984 blankets (costing ₹ 8.16 crore) were distributed to beneficiaries was not available with these units.

Beneficiary survey conducted in six offices in three districts revealed that a list containing details of only 5,375 beneficiaries was available even though blankets were shown as distributed to 44,613 beneficiaries. Stock registers were also not maintained by these units. Hence, misutilisation of fund cannot be ruled out. Result of joint verification is shown in **Table 2.13**.

**Table 2.13: Position of distribution of blankets noticed during Joint verification**

Sl. No.	District	Name of Offices (Blocks/Circles and Corporation)	No. of blankets distributed	Available list of beneficiaries against distributed blankets
1	Dhanbad	BDO, Govindpur	6,866	121
		BDO, Nirsa	4,800	666
2	Ranchi	CO, Kanke	4,480	880
		Municipal Corporation, Ranchi	8,258	3,464
3	Bokaro	BDO, Chandankiyari	11,075	38
		BDO, Chas	9,134	206
<b>Total</b>			<b>44,613</b>	<b>5,375</b>

### 2.6.15 Non-maintenance of Cash Book and Bill Book

As per Note below Rule 19 of JTC, a complete record of transactions relating to the Treasury will be kept in the Accountant's Cash Book either in a manual register or on the computer system.

Scrutiny of records of the office of Labour Superintendent, Simdega revealed that an expenditure of ₹ 1.11 crore was incurred between October 2016 and August 2019. However, Cash Book and Bill Book were not being maintained in the office since October 2016. Therefore, the actual receipts, expenditure and balance in the accounts of Labour Superintendent, Simdega could not be ascertained by Audit.

Due to non-maintenance of Cash Book and Bill Book by the DDO, misappropriation/ misutilisation of Government money cannot be ruled out.

## 2.7 Audit of budgetary process for Grant No. 18 – Food, Public Distribution and Consumer Affairs Department

### 2.7.1 Introduction

The primary objective of the Department is to ensure food security for the State through timely and efficient procurement and distribution of food grains, maintenance of food stocks, monitoring of production, stock and price levels of food grains, incentivising farmers, strengthening the system of State Food Commission, State Consumer Disputes Redressal Commission, District Consumer Forum and the Weights and Measures Division.

### Scope of Audit

Departmental Secretariat, Food & Public Distribution and Consumer Affairs and 27 units<sup>13</sup> of eight<sup>14</sup> districts were selected for audit of the budgetary process.

### 2.7.2 Budgetary position of the Department during last four years

Audit noticed that the Department had persistent savings ranging between 27 and 39 *per cent* of the budget provision during the last four years which was indicative of the Department's inability to utilise the allocated fund leading to non-completion/non-commencement of schemes as detailed in **Table 2.14**.

**Table 2.14: Budgetary position of the department during last four years**

(₹ in crore)

Year		Original	Supple- mentary	Total	Actual Expenditure	Saving	Percentage of saving
2015-16	Revenue	1,234.11	50.32	1,284.43	778.8	505.63	38.76
	Capital	20.31	0.00	20.31	20.23	0.08	
	<b>Total</b>	<b>1,254.42</b>	<b>50.32</b>	<b>1,304.74</b>	<b>799.03</b>	<b>505.71</b>	
2016-17	Revenue	1,338.10	177.43	1515.53	1,120.57	394.96	25.31
	Capital	52.70	0.00	52.70	50.71	1.99	
	<b>Total</b>	<b>1,390.80</b>	<b>177.43</b>	<b>1,568.23</b>	<b>1,171.28</b>	<b>396.95</b>	
2017-18	Revenue	1,311.19	35.15	1,346.34	917.62	428.72	33.81
	Capital	80.00	0.00	80.00	26.54	53.46	
	<b>Total</b>	<b>1,391.19</b>	<b>35.15</b>	<b>1,426.34</b>	<b>944.16</b>	<b>482.18</b>	
2018-19	Revenue	1,311.12	64.58	1,375.70	1,027.00	348.70	26.90
	Capital	31.00	3.50	34.50	3.86	30.64	
	<b>Total</b>	<b>1,342.12</b>	<b>68.08</b>	<b>1,410.20</b>	<b>1,030.86</b>	<b>379.34</b>	

Source: Appropriation Account of respective years

<sup>13</sup> (i) Ranchi- Director, Food , Public Distribution and Consumer Affairs, (ii)Secretary, Jharkhand State Consumer Dispute Redressal Commission (iii) Secretary, District Consumer Forum (DCF), (iv) Chairman, State Consumer Commission (v) Joint Director Agriculture Weights & Measures (W&M) (vi) Deputy Director Agriculture cum Assistant Joint Controller W&M (vii) Nazarat Deputy Collector, Office (viii) Special Rationing Officer (SRO) (ix) District Supply Officer (DSO) , (2) Giridih- (i) DSO (ii) Secretary, District Consumer Forum (iii) Asstt. Controller, W & M (3) Dhanbad- (i) DSO (ii) SRO (iii) Secretary, DCF (iv) Asstt. Controller (W&M) (4) Dumka- (i)DSO (ii) Asstt. Agriculture Director cum Dy. Controller W&M (iii) Secretary, DCF (iv) Assitt. Controller W&M , (5) Hazaribagh – (i)DSO (ii) DCF (6) Ramgarh- (i) DSO (7) ) Jamshedpur- (i)DSO (ii) SRO (8) Gumla- (i) DSO (ii) Secretary, DCF

<sup>14</sup> Dhanbad, Dumka, Giridih, Gumla, Hazaribagh, Jamshedpur, Ramgarh and Ranchi

### **2.7.3 Provision for preparation of Budget Estimate not followed**

Rule 62 of the Budget Manual provides the calendar for correct and timely preparation of the budget of the State. In October 2017 the Finance Department (FD), GoJ revised the scheduled common submission date from 01 October every year to 01 November for estimates of Establishment Expenditure and 24 November for the General Budget (State, Central and Centrally Sponsored Schemes).

### **2.7.4 Avoidable Supplementary Provision**

As per comments below Rule 57 of Budget Manual, the officer responsible for preparing the estimates should be sure that there is no provision for a greater sum than that which can be spent.

It was noticed that during 2018-19, additional funds were provided for 15 out of 75 schemes (revenue heads) through the supplementary budgets despite the original provisions for those schemes remaining unutilised.

As shown in the **Appendix 2.18**, provision of additional fund of ₹ 17.93 crore through supplementary budgets proved unnecessary as expenditure was only ₹ 55.27 crore against the original provision of ₹ 68.13 crore.

Further, in five test-checked District units<sup>15</sup>, it was observed that excess fund of ₹ 7.39 crore was provided through supplementary budget which remained unutilised at the end of the financial year as detailed in **Appendix 2.19**.

### **2.7.5 Surrender on the last day of the financial year**

As per Rule 137 of the Budget Manual, no object is served by keeping back savings, which should be surrendered. For this reason, appropriations which are likely to remain unspent must be reported for surrender as early as possible. If it is not done, other officers connected with the spending department are deprived of funds which they could have utilised.

It was observed that out of the provision of ₹ 1,342.00 crore during 2018-19, ₹ 256.52 crore was surrendered by the Department on 31 March 2019, leaving no scope for its utilisation on other schemes. In six test-checked districts units, ₹ 105.47 crore was surrendered on the last two days of the financial year as detailed in **Appendix 2.20**.

### **2.7.6 Rush of expenditure**

It was observed that the provisions of the Budget manual were not followed by the Department and the expenditure during March 2019 ranged between 26 and 100 *per cent* of the total expenditure in 15 out of 75 heads of account (Capital and Voted), as detailed in **Appendix 2.21**.

In four test-checked districts, it was noticed that the expenditure by these units during March 2019 ranged between 34 to 100 *per cent* under various heads as detailed in **Appendix 2.22**.

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<sup>15</sup> Dhanbad, Dumka, Giridih, Hazaribagh and Ramgarh

### 2.7.7 Non-reconciliation of departmental expenditure figures

It was noticed that out of total expenditure of ₹ 1,030.86 crore, expenditure of ₹ 705.96 crore (68 per cent) was not reconciled by the Department with the books of the Principal Accountant General (A&E) during the year 2018-19 as detailed in **Table 2.15**.

**Table 2.15: Non-reconciliation of departmental expenditure figures**

(₹ in crore)

Sl. No.	Major Heads	Total Expenditure (As per appropriation)	Reconciled amount	Un-reconciled amount
1	4408	3.86	0.00	3.86
2	3451	3.72	0.00	3.72
3	3475	3.02	0.00	3.02
4	3456	1,020.26	324.90	695.36
<b>Total</b>		<b>1,030.86</b>	<b>324.90</b>	<b>705.96</b>

Further, in eight test-checked districts units, the entire expenditure of ₹ 319.83 crore (**Appendix 2.23**) during 2018-19 was not reconciled with the books of the Principal Accountant General (A&E).

### 2.7.8 Surrender of entire budget provision

According to Rules 65 and 133 of the Budget Manual, the Controlling Officer should examine the budget estimates received from the Disbursing Officer to see that they are correct and all details and explanations are adequate; if inadequate, the provision should be altered. As regards defective control over expenditure, the statements for supplementary demands, surrenders and re-appropriation are generally based on eight and nine-monthly revised estimates to estimate the expenditure during the remaining portion of the year. Thus the scope for occurrence of any abnormal event is considerably reduced.

It was observed that under 12 Heads of account relating to the public welfare schemes of the Department, entire budget provision of ₹ 51.57 crore (100 per cent) was surrendered during 2018-19 as detailed in **Appendix 2.24**.

In eight test-checked districts units, the entire budget provision of ₹ 12.40 crore (100 per cent) provided for welfare schemes like Annapurna Yojana, Ujjwala Yojana, Kerosene Oil distribution etc., was stated to have been surrendered due to non-requirement of fund, late receipt of fund, non-receipt of bill on time etc., during 2018-19 as detailed in **Appendix 2.25**.

### 2.7.9 Non-submission of Outcome and Gender Budget

Audit observed that Government orders were not followed and the Outcome and Gender budget for the year 2018-19 were not prepared and submitted in the prescribed proforma. Thus, the achievement under welfare schemes for women could not be assessed. Further, due to lack of information in the prescribed proforma, the goals of Central and State Schemes achieved through qualitative reforms could not be assessed.

### 2.7.10 Non-utilisation of Consumer Welfare Fund

Consumer Affairs Department, Govt. of India intimated (February 2010) the State Government to establish a Consumer Welfare Fund of ₹ 10.00 crore with contribution of 75 and 25 per cent by the Central and State Government respectively.

Accordingly, a non-lapsable fund was constituted (July 2016) for consumer awareness and other allied activities. An amount of ₹ 10.00 crore was deposited in savings bank account during 2016-17 and the Director of Food and Consumer Affairs, Ranchi was appointed as DDO. The interest earned on this corpus fund was to be used on consumer awareness and other allied activities.

It was observed that during 2016-19, though bank interest of ₹ 1.06 crore<sup>16</sup> was earned, it was not utilised by the Department till February 2020.

### 2.7.11 Implementation of Schemes announced in the budget

It was observed that during 2018-19, only ₹ 18.17 crore (26 per cent) was spent on three important schemes for social benefit against the budget allocation of ₹ 69.41 crore and balance amount was surrendered. Thus, due to negligible expenditure (ranging between 5 per cent and 49 per cent) on important schemes, the intended objectives were not achieved as detailed in Table 2.16.

**Table 2.16: Implementation of Schemes announced in budget**

Sl. No.	Name of Scheme	Budget Allocation (₹ in crore)	Expenditure (₹ in crore)	Expenditure as a per cent to allocation	Objective
1	Annapurna Yojana	4.41	2.16	49	54,939 aged persons were to be covered under the Scheme.
2	Goddam Nirman/ Mrammati Yojana	30.00	1.35	5	Provision for additional storage of 1.44 lakh MT of food grains.
3	Mukhyamantri Dal-Bhat Yojana	35.00	14.66	42	376 Centres were to be started to provide basic food to the poor.
<b>Total</b>		<b>69.41</b>	<b>18.17</b>	<b>26</b>	

**Recommendation:** While preparing budget estimates, the departments of the State Government should adhere to the provisions as contained in the Budget Manual to make it more realistic. Provisions of Jharkhand Treasury Code and Financial Rules should be followed by the departmental officers.

Further, the trend of expenditure during the year must be monitored by the Finance Department so that savings are minimised, funds are not retained unnecessarily and are surrendered in time by the departments.

<sup>16</sup> 2016-17: ₹ 0.01, 2017-18: ₹0.37, 2018-19: ₹0.68

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## **Chapter-3**

# **FINANCIAL REPORTING**

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## 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 2018-19.

#### 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 Principal Accountant General (A&E), Jharkhand within 12 months of drawal of the grant.

Audit observed that 25,231 UCs due in respect of grants aggregating to ₹ 53,379.00 crore, paid up to 2017-18, were outstanding at the end of March 2019. A significant part of these UCs were outstanding against five departments, viz., Urban Development Department (6,931 UCs aggregating ₹ 12,232.71 crore), Human Resource Department (3,120 UCs aggregating ₹ 11,781.58 crore), Health and Family Welfare Department (301 UCs aggregating ₹ 4,772.79 crore), Welfare Department (8,714 UCs aggregating ₹ 2,071.84 crore) and Agriculture, Animal Husbandry and Co-operative Department (958 UCs aggregating ₹ 1,250.65 crore). Department-wise break-up of outstanding UCs is given in **Appendix 3.1**.

The number and amount of outstanding UCs as on 31 March 2019 is shown in **Table 3.1**.

**Table 3.1: Outstanding Utilisation Certificates as on 31.03.2019**

(₹ in crore)

Year in which GIA disbursed	Year in which UCs due	Utilisation Certificates Outstanding	
		Number	Amount
Up to 2015-16	Up to 2016-17	16,097	19,101.92
2016-17	2017-18	4,915	14,731.75
2017-18	2018-19	4,219	19,545.33
<b>Total Number of UCs awaited</b>		<b>25,231</b>	<b>53,379.00</b>

Source: Finance Accounts of Government of Jharkhand 2018-19

During the year 2018-19, 4,219 Utilisation Certificates amounting to ₹ 19,545.33 crore, which had become due, were not submitted by the bodies and authorities of the State against the grants-in-aid provided by 16 departments. Therefore, there is no assurance that the amount of ₹ 19,545.33 crore has actually been incurred during the financial year for the purpose for which it was sanctioned/authorised by the Legislature.

In addition to this, 21,012 UCs involving ₹ 33,833.67 crore due for submission upto 2017-18 were also outstanding as on 31 March 2019. Thus, a total of 25,231 UCs involving ₹ 53,379 crore were due for submission as of March 2019. High pendency of UCs is fraught with risk of misappropriation of fund and fraud.

The updated status of the last four years in six departments having major outstanding UCs as on 31 July 2019 is given in **Table 3.2**:

**Table 3.2: Major departments with outstanding Utilisation Certificates (as on 31.07.2019)**

(₹ in crore)

Sl. No.	Name of Department	2014-15		2015-16		2016-17		2017-18	
		No. of UCs	Amount	No. of UCs	Amount	No. of UCs	Amount	No. of UCs	Amount
1	Human Resources	88	1,148.89	513	2,049.97	1,579	4,374.78	893	3,660.12
2	Rural Development	01	0.90	171	242.88	194	399.90	126	2,138.95
3	Panchayati Raj & NREP	823	1,040.17	119	665.29	129	3,341.23	166	5,361.60
4	Health and Family Welfare	03	160.00	13	656.03	73	806.11	209	3,147.25
5	Urban Development	819	844.79	688	2,147.96	1,128	3,856.64	873	3,927.36
6	Welfare	215	226.26	6,505	1,038.08	545	195.81	971	234.17
<b>Grand Total</b>		<b>1,949</b>	<b>3,421.01</b>	<b>8,009</b>	<b>6,800.21</b>	<b>3,648</b>	<b>12,974.47</b>	<b>3,238</b>	<b>18,469.45</b>

It was noticed that after relaxation of the Treasury Code rules 329-331 by the GoJ in March 2015 which discontinued the requirement of authority letter from Principal Accountant General (A&E) for drawal of grants-in-aid, the amount of outstanding utilisation certificates (as on 31 July 2019) increased from ₹ 19,086.13 crore upto 2016-17 to ₹ 53,228.19 crore in 2018-19.

Non-receipt of UCs against the GIA bills indicates failure of the departmental officers to comply with the rules and procedures to ensure timely submission of utilisation of grants for the intended purposes.

### 3.1.1 Inflated Utilisation Certificate sent to the Government

Scrutiny of records of the Mission Director, Jharkhand Skill Development Mission revealed that grants-in-aid amounting to ₹ 30 crore was allotted (February 2016) by the Labour, Employment and Training Department, of which ₹ 1.27 crore was forwarded to various Jharkhand Skill Development Mission Societies (JSDMS) as advance.

The Mission Director forwarded UCs amounting to ₹ 30 crore to the Department in June 2018 without obtaining expenditure report of ₹ 1.27 crore from the concerned societies. Further, expenditure of ₹ 1.27 crore was not confirmed by JSDMS even as of October 2019. Thus, submission of UCs without confirming actual expenditure was against the provisions of the Government financial rules and fraught with the risk of misutilisation of public money.

**Recommendation:** The Finance Department should prescribe a time frame within which administrative departments releasing grants, collect UCs pending beyond 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 officers who defaulted in submission of UCs in time.

## 3.2 Submission of accounts and audit of 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 70 such bodies and authorities in the State.

Scrutiny revealed that out of 70 bodies/authorities, no body/authority had submitted their updated accounts as of 20 February 2020, whereas four<sup>1</sup> bodies/authorities have not submitted their accounts to audit since inception. Audit of 66 bodies and authorities have been completed as detailed in **Appendix 3.2**.

**Recommendation:** State Government needs to take appropriate measures to ensure that the pending 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 Delay in submission of accounts of Public Sector Undertakings (PSUs)

The Companies Act, 2013 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.

**Table 3.3** below provides the details of progress made by the PSUs in finalisation of accounts as of 31 December 2019.

**Table 3.3: Position relating to finalisation of accounts of working and non-working PSUs**

Sl. No.	Particulars	Working	Non-working	Total
1	Number of PSUs	27	3	30
2	Number of PSUs having accounts in arrears	24	03	27
3	Number of accounts in arrear	69	03	72
4(a)	Number of PSUs with arrears of more than six years	03	00	03
4(b)	Number of accounts in arrear in the above PSUs	24	00	24
5(a)	Number of PSUs with arrears between three to five years	09	00	09
5(b)	Number of accounts in arrear in the above PSUs	32	00	32
6(a)	Number of PSUs with arrears between one to two years	14	01	15
6(b)	Number of accounts in arrear in the above PSUs	14	02	16
7	Extent of arrears (in years)	1 to 9	1 to 2	1 to 9

Source: Data compiled from the information furnished by the companies

Due to non-finalisation of accounts, the C&AG has been unable to perform supplementary audit of these companies as stipulated in the Companies Act.

<sup>1</sup> (i) Jharkhand State Hindu Religion Trust Council (ii) Executive Director, Waste Land Development Board, Jharkhand, (iii) CAMPA and (iv) Forest Development Authority

The above position reflects the failure of the concerned administrative departments and specifically of the Finance Department to ensure that the defaulting companies comply with the provisions of the Companies Acts. Further, it was noticed that the State Government had invested ₹ 41.00 crore in share capital during 2018-19 in six PSUs of which three PSUs<sup>2</sup> have not finalised their accounts.

**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.*

### 3.2.3 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 latest finalised accounts, four companies earned a total profit of ₹ 26.58 crore<sup>3</sup> during 2018-19.

**Recommendation:**

*The State Government should formulate a 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) should be submitted to the Principal Accountant General (A&E) within six months from the date of drawal of the AC bill.

Year-wise details of pending DC bills as on 31.03.2019 are given in **Table 3.4**.

**Table 3.4: Details of pending DC bills**

Year	AC bills drawn		DC bills submitted		Outstanding DC bills		Percentage of outstanding amount of DC bills
	Number	Amount	Number	Amount	Number	Amount	
Upto 2015-16	56,188	17,140.40	38,742	13,193.24	17,446	3,947.17	23.03
2016-17	459	1,267.80	116	820.19	343	447.61	35.31
2017-18	335	1,209.12	59	768.24	276	440.88	36.46
2018-19	243	1,061.32	21	418.47	222	642.85	60.57
<b>Total</b>	<b>57,225</b>	<b>20,678.64</b>	<b>38,938</b>	<b>15,200.14</b>	<b>18,287</b>	<b>5,478.51</b>	<b>26.49</b>

Seventeen departments of the State had drawn ₹ 1,061.32 crore from Government accounts against 243 Abstract Contingent (AC) bills during the

<sup>2</sup> Minority Development and Finance Corporation, Jharkhand Urban Infrastructure Development Corporation Limited and Jharkhand Rail Infrastructure Development Corporation Limited.

<sup>3</sup> JHARCRAFT: ₹ 13.04 crore, Greater Ranchi Development Agency: ₹ 8.86 crore, Jharkhand Police Housing Corporation Limited: ₹ 3.47 crore and Jharkhand Industrial Infrastructure Development Corporation Ltd.: ₹1.21 crore

financial year 2018-19 but did not submit 222 Detailed Contingent (DC) bills amounting to ₹ 642.85 crore before the close of the financial year. Therefore, there is no assurance that the amount of ₹ 642.85 crore has actually been incurred during the financial year for the purpose for which it was sanctioned/authorised by the Legislature. This is a possible overstatement of expenditure in the year 2018-19.

In addition to this, 18,065 AC bills amounting to ₹ 4,836 crore drawn up to 2017-18 were also outstanding as on 31 March 2019. Advances drawn and not accounted for increases the possibility of wastage/misappropriation/malfeasance etc.

Out of ₹ 1,061 crore drawn on AC bills in 2018-19, ₹ 62 crore was drawn in the month of March 2019. However, in comparison to the drawal in March 2018 (₹ 233 crore) the drawal in March 2019 decreased significantly. Significant expenditure through AC bill in March 2019 indicates that the drawal was primarily to exhaust the budget and reveals inadequate budgetary control.

Departments with maximum amount of pending DC bills along with comparative details are given in **Table 3.5**.

**Table 3.5: Department-wise comparative details of outstanding DC bills**

(₹ in crore)

Sl. No.	Name of Department	Outstanding amount of DC bills as on 28.06.2019					Total
		upto 2014-15	2015-16	2016-17	2017-18	2018-19	
1	Rural Development Department (Rural Development Division)	606.63	124.29	120.72	212.30	304.66	1,368.60
2	Welfare Department (Welfare Division)	394.76	18.41	22.23	5.12	5.65	446.17
3	Women, Child Development and Social Security Department	450.04	83.72	0.00	0.00	0.45	534.21
4	Health, Medical Education and Family Welfare Department	446.49	66.94	15.65	5.14	20.47	554.69
5	Home, Jail and Disaster Management Department (Home Division)	95.76	25.47	29.65	56.56	175.70	383.14
<b>Total</b>		<b>1,993.68</b>	<b>318.83</b>	<b>188.25</b>	<b>279.12</b>	<b>506.93</b>	<b>3,286.81</b>

As shown in the above table in respect of Rural Development Department, the outstanding DC bills increased significantly since 2017-18.

During scrutiny of records of two departments (Food, Public Distribution and Consumer Affairs Department and Labour, Employment and Training Department), it was observed that ₹ 524.03 crore was drawn on 1,410 AC bills under seven Major heads, of which 827 DC bills amounting to ₹ 207.94 crore were outstanding as of July 2019 as detailed in **Appendix 3.3**.

Further, out of total outstanding amount of ₹ 207.94 crore, DC bills amounting to ₹ 206.32 crore (99 per cent) were outstanding for more than two years. During the years 2017-18 and 2018-19, the pendency of DC bills was 83 and 100 per cent respectively of the total drawal on AC bills.

Scrutiny of records of 17 units of test-checked districts revealed that ₹ 205.95 crore was drawn on 131 AC bills under three Major heads (2230, 3456 & 4059) during the period 2000-01 to 2018-19, of which an amount of ₹ 52.44 crore was outstanding as of 31 July 2019 as detailed in **Appendix 3.4**.

### 3.3.1 Delay in submission of DC bills

Rule 187 of Jharkhand Treasury Code provides that DC bills shall be sent to the Accountant General (A&E) within six months following the month in which the abstract bill was drawn from the treasury. No AC bill shall be cashed after the end of this period unless DC bill has been submitted in accordance with the rules.

During scrutiny of records of five test-checked districts under Grant No. 18 - Food, Public Distribution and Consumer Affairs Department, it was noticed that DC bills amounting to ₹ 60.67 crore against AC bills drawn during 2003-04 to 2016-17 (**Appendix 3.5**) were submitted to Pr. Accountant General (A&E) with delays ranging from 3 to 75 months.

Further, during scrutiny of the records of seven out of eight test-checked district units of Labour, Employment and Training Department (Grant No. 26), it was noticed that 52 DC bills against the AC bills amounting to ₹ 21.23 crore drawn between 2001-02 and 2017-18, were submitted to the Principal Accountant General (A&E) with delays up to 16 years and 08 months as detailed in **Appendix 3.6**. No specific reason for delay was given by the Department.

Drawal of funds on AC bills and 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. Moreover, drawal of funds on AC bills on the last day of the financial year is fraught with the risk of mis-utilisation of public money.

***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 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 defalcation 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 and these must not be delayed while enquiries are made.

Despite audit requisitions (03 December 2019), no information in this regard has been received from the Finance Department (March 2020).

However, in response to Audit request during the previous years, the Finance Department had directed the departments to provide the information who in turn had instructed the DDOs to provide the same to Audit. This indicates that the Finance Department has no information as required under Rule 31 to monitor such cases. Thus, the Finance Department is not aware of the number of such cases and its status at any point of time.

***Recommendation:** Finance Department should develop a mechanism so that it can monitor cases of misappropriation, losses etc.*

### 3.5 Funds drawn and kept in Personal Ledger 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 2018-19 revealed that there were 187 Personal Ledger Accounts (PLAs) operated by various agencies of the State Government as of 31 March 2019.

During 2018-19, ₹ 9,875.32 crore was added to the opening balance of ₹ 13,202.66 crore leading to accumulation of ₹ 23,077.98 crore in the PLAs, of which ₹ 8,730.74 crore was spent during the year leaving a balance of ₹ 14,347.24 crore at the end of 2018-19 in the PLAs. Year-wise details of balances in PLAs are given below:

**Table 3.6: Funds in Personal Ledger Accounts**

(₹ in crore)

Year	Opening balance	Receipts	Disbursement	Closing Balance
2016-17	5,217.97	8,406.87	4,136.44	9,488.40
2017-18	9,488.40	12,694.02	8,979.76	13,202.66
2018-19	13,202.66	9,875.32	8,730.74	14,347.24

It is evident from **Table 3.6** that every year, a substantial amount was added in the PLAs leading to a sharp increase in the closing balance. It was noticed that in 2018-19, the net addition had decreased significantly in comparison to the previous year.

It was noticed that ₹ 1,144.58 crore was added (net addition) to Personal Ledger Account during 2018-19 leading to overstatement of the expenditure of the State to that extent during the year. Thus, a total sum of ₹ 14,347.24 crore was kept outside the Consolidated Fund beyond the direct control of the Government which is against the provisions of budgetary control system.

Further, Rule 334 of JTC stipulates that 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 verification of PL Accounts, it was observed that in 10 out of 25 Administrators test-checked, the above rules were not followed and ₹ 365.39 crore was blocked in their PL accounts for more than three years (**Appendix 3.7**). It was also observed that ₹ 314.88 crore was surrendered by one administrator from the PLA balance under his control during the last three years, of which ₹ 138.81 crore pertains to Central Share.

Unspent balances lying in PLAs, 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 should 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.*

### 3.6 Labour Cess

As per section 5 of the Building and other Construction Workers' Welfare Cess Rules 1998, amounts collected as labour cess from contractors was required to be transferred to the Labour Welfare Board.

As per the Finance Accounts, ₹ 473.48 crore was collected as cess from contractors executing government projects upto 2018-19. The cess collected has not been transferred to the Labour Welfare Board (January 2020) thereby inflating the revenue surplus and understating the fiscal deficit of the State during the relevant years and represent the unaccounted liabilities of the State as discussed in **Paragraph 3.9**.

#### 3.6.1 Accounting and Utilisation of Labour Cess

It was observed that the Labour Welfare Board has finalised its accounts only upto 2012-13. However, receipts and utilisation of funds till 2018-19, as furnished by the Board, is shown in **Table 3.7**:

**Table 3.7: Details of amounts received by the Board and its utilisation**  
(₹ in crore)

Year	Amount provided by the Government as Grant-in-aid	Cess received directly by the Board	Total Receipt	Amount spent by the Board on schemes <sup>4</sup>	Amount spent on establishment	Total Expenditure	Unutilised balance amount
(1)	(2)	(3)	{(2+3)=4}	(5)	(6)	{(5+6)=7}	{(4-7)=8}
Upto 2015-16	5.08	252.16	257.24	104.08	1.66	105.74	151.50
2016-17	0	70.26	70.26	48.33	1.29	49.62	20.64
2017-18	0	74.01	74.01	41.64	0.90	42.54	31.47
2018-19	0	90.19	90.19	59.19	0.90	60.09	30.10
<b>Total</b>	<b>5.08</b>	<b>486.62</b>	<b>491.70</b>	<b>253.24</b>	<b>4.75</b>	<b>257.99</b>	<b>233.71</b>

Source: statement provided by Jharkhand Building and Other Construction Workers Welfare Board

During the period 2009-10 to 2018-19, ₹ 253.24 crore was spent on 22 welfare schemes while ₹ 4.75 crore was spent on establishment. As shown in **Table 3.7**, the Board was able to utilise only 51.50 per cent of available funds for various schemes. As stated by the Board, some schemes<sup>5</sup> were closed on the decision of the Board under Article 22<sup>6</sup> of the Building & Other Construction Workers' (Regulation of Employment and Conditions of Service) Act, 1996 resulting in non-utilisation of funds.

**Recommendation:** *The Jharkhand Building and other Construction Workers' (BOCW) Welfare Board should take steps for timely preparation of annual accounts and its submission to the Principal Accountant General (Audit) for audit.*

*The GoJ should ensure transfer of Labour Cess to the Labour Welfare Board as early as possible and ensure proper utilisation of the available fund so that*

<sup>4</sup> 22 schemes are running under the Welfare Board as per statement dated 16.01.2020 provided by them.

<sup>5</sup> Silai Machine Sahayata, Saraswati Yojana, Bal Shram Shiksha Protsahan Yojana, Rojgar Prashikchhan Yojana, Parivar Pension Yojana, NPS Yojana etc.

<sup>6</sup> The Board may provide assistance in case of accident, payment of pension to beneficiary above 60 years old, loans and advances for construction of houses, group insurance scheme, financial assistance for education of children, treatment of major ailments, maternity benefits. However, provision and improvements of other welfare schemes may be decided by the Board.



*the Board can fulfil its objectives of improving the working conditions of building and other construction workers and providing adequate financial assistance to them.*

### 3.7 Booking under minor head “800”

Minor Head 800 relating to Other Receipts and Other Expenditure is intended to be operated only when the appropriate minor head has not been provided in the accounts. Routine operation of minor head 800 is to be discouraged since it renders the accounts opaque.

During 2018-19, ₹ 1,161.38 crore was booked under the minor head “800-Other Expenditure” in 11 Major Heads, of which expenditure (more than 10 per cent of total expenditure in each case) aggregating ₹ 1,091.58 crore (37.94 per cent of the total expenditure of ₹ 2,876.86 crore in these heads) under five Major Heads was booked under the minor head “800-Other Expenditure” as detailed in **Appendix 3.8**.

Similarly, ₹ 832.91 crore was booked under the minor head “800-Other Receipts” in 47 Major Heads, of which revenue receipts (more than 30 per cent of total receipts in each case) aggregating ₹ 581.55 crore (46.22 per cent of the total receipt of ₹ 1,258.29 crore in these heads) under 18 Major Heads were classified under minor head “800-Other Receipts”. The entire receipts in four Major Heads were classified under the omnibus minor head “800-Other Receipts” as detailed in **Appendix 3.9**.

**Recommendation:** *The Finance Department should, in consultation with the Principal 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.*

### 3.8 Important factors affecting accuracy of accounts

- **Outstanding balances under major suspense accounts**

Suspense heads are operated when transactions of receipts and payments 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 remaining uncleared 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 3.8**.

**Table 3.8: Position of balances under Suspense Head (8658)**

(₹ in crore)

Name of the Minor Head	2016-17		2017-18		2018-19	
	Debit	Credit	Debit	Credit	Debit	Credit
101 Pay and Accounts Office Suspense	46.06	24.77	70.90	45.38	150.67	138.66
<b>Net</b>	<b>Dr. 21.29</b>		<b>Dr. 25.52</b>		<b>Dr. 12.01</b>	
102 Suspense Account (Civil)	160.19	11.59	196.54	17.27	28.67	23.33
<b>Net</b>	<b>Dr. 148.60</b>		<b>Dr. 179.27</b>		<b>Dr. 5.34</b>	

Source: Finance Accounts of Government of Jharkhand 2018-19

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 PAG (A&E) is yet to adjust. On settlement of the net debit balance under this head (₹12.01 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

### 3.9 Impact on Revenue surplus and Fiscal deficit

The impact of incorrect booking/accounting of expenditure and revenue resulted in overstatement of Revenue Surplus and understatement of Fiscal Deficit as discussed earlier in the Report Paragraphs 1.9.3, 1.9.4 and 3.6 is shown in Table 3.9.

**Table 3.9: 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
Non-transfer of Labour Cess to the Board (Paragraph 3.6)	473.48	0.00	0.00	473.48	473.48
Non- transfer to the Sinking Fund (Paragraph 1.9.3)	385.48	0.00	0.00	385.48	385.48
Non-credit of interest bearing Reserve Funds and Deposits (SDRF) (Paragraph 1.9.4)	94.96	0.00	0.00	94.96	94.96
<b>Total</b>	<b>953.92</b>			<b>953.92</b>	<b>953.92</b>
<b>Net Impact</b>	<b>Over Statement of ₹953.92</b>		<b>Under Statement of ₹ 953.92</b>		

Source: Finance Accounts of Government of Jharkhand 2018-19

In view of the above, the revenue surplus and fiscal deficit of the State which are ₹ 5,520.97 crore and ₹ 6,628.74 crore as projected in the Finance Accounts would actually be ₹ 4,567.05 crore and ₹ 7,582.66 crore respectively due to overstatement of revenue surplus by ₹ 953.92 crore and understatement of fiscal deficit by ₹ 953.92 crore as given in Table 3.9. It is also evident from the above table that the liabilities of the State was understated to the extent of ₹ 953.92 crore.

### 3.10 Follow up on Audit Report on State Finances

Public Accounts Committee (PAC) had 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 ₹ 8,120.12 crore out of ₹ 8,120.63 crore was regularised (13.01.2014) on the recommendation of PAC. No excess expenditure over provisions was regularised after that date as no recommendation has been made by the PAC in this regard.

### 3.11 Apportionment of balances on reorganisation of the State

Balances amounting to ₹ 7,443.90 crore under Public Account 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 of Bihar and Jharkhand, almost two decades after the reorganisation of the erstwhile State of Bihar with effect from November 2000. Government of Jharkhand made payment of ₹ 1,493.95 crore (₹ 557.13 crore during 2018-19) against ₹ 4,805.75 crore claimed by the Government of Bihar in respect of pension liability. The State Government had filed a suit in the Supreme Court of India in May 2012 challenging the claim of Government of Bihar which is still sub judice.

Further, a list of 52 items was prepared which are yet to be apportioned between the successor states as the matter is sub judice. The position of the various pending court cases are not available with PAG (A&E).

**Recommendation:** *The State Government may expedite the apportionment of Public Accounts balances, Capital Account balances and Loans and Advances balances between the two successor States.*

Ranchi  
The: 5 August 2020



(INDU AGRAWAL)  
Pr. Accountant General (Audit), Jharkhand

Countersigned

New Delhi  
The: 7 August 2020



(RAJIV MEHRISHI)  
Comptroller and Auditor General of India



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# APPENDICES

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**Appendix 1.1 Part A**  
(Reference: 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> (2011-12) (All India Average = 21.9%)				36.90 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% )			66.40 per cent		
6	Infant mortality <sup>4</sup> 2017 (per 1000 live births) (All India = 33 per 1000 live births)				32		
7	Human Development Index <sup>5</sup>						
	a.	2017 ( All India = 0.643 )			NA		
	b.	2018 ( All India = 0.647)			NA		
8	Gross State Domestic Product (GSDP) at current prices in 2018-19 taking as base year 2011-12				₹ 3,07,581 crore		
9	Per capita GSDP CAGR (2011-12 to 2018-19)		Jharkhand		8.92 per cent		
			General Category States		10.99 per cent		
10	GSDP CAGR (2011-12 to 2018-19) <sup>6</sup>		Jharkhand		10.71 per cent		
			General Category States		12.23 per cent		
11	Population Growth <sup>7</sup> (2009 to 2019)		Jharkhand		13.80 per cent		
			General Category States		12.46 per cent		
<b>B. Financial Data</b>							
Sl. No.	Particulars			Figures (in per cent)			
				2009-10 to 2017-18		2017-18 to 2018-19	
	CAGR			General Category States	Jharkhand	General Category States	Jharkhand
1	a.	of Revenue Receipts		15.03	16.91	12.77	6.44
2	b.	of Tax Revenue		14.84	16.24	12.72	15.41
3	c.	of Non Tax Revenue		9.88	16.87	19.78	5.24
4	d.	of Total Expenditure		14.20	17.23	12.73	(-2.98)
5	e.	of Capital Expenditure		13.53	20.42	11.93	(-10.38)
6	f.	of Revenue Expenditure on Education		13.44	11.36	9.38	(-3.05)
7	g.	of Revenue Expenditure on Health		16.50	19.82	11.09	22.52
8	h.	of Salaries & Wages		11.72	9.72	11.03	8.17
9	i.	of Pension		16.12	17.03	14.31	1.32

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

<sup>2</sup> Economic Survey Report 2018-19 (Vol. II), Page A 168-169, Table 9.8

<sup>3</sup> Economic Survey Report 2018-19 (Vol. II), Page A 164, Table 9.4

<sup>4</sup> Economic Survey Report 2018-19 (Vol. II), Page A 160, Table 9.1

<sup>5</sup> HDI: Human Development Report 2019 brought out by UNDP

<sup>6</sup> GSDP and Per Capita GSDP downloaded from MoSPI website dated 01.08.2019.

<sup>7</sup> Census of India 2001 (Population Projection 2001-2026, Table 14, Page 104 to 115).

**Appendix 1.1 Part B**  
**Structure and Form of Government Accounts**  
**(Reference: Paragraph 1.1; Page 1)**

<p><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.</p> <p><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.</p> <p><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.</p> <p><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.</p>
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**Appendix 1.1 Part C**  
**Layout of Finance Accounts**

Statement	Layout
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 note 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 2018-19.
Statement No.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 2019.
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 2018-19.
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**  
**Abstract of Receipts and Disbursements for the year 2018-19**  
(Reference: paragraph 1.1.1; Page 1)

(₹ in crore)

Abstract of Receipts and Disbursements for the year 2018-19									
Receipts				Disbursements					
2017-18		2018-19		2017-18		2018-19			
Section-A: Revenue						Estt.	State & Central Scheme	Total	
52,756.03	<b>I. Revenue Receipts</b>		56,151.70	50,952.07	<b>I. Revenue Expenditure</b>	2,6647.59	23,983.14	50,630.73	50,630.73
12,353.44	Tax Revenue		14,752.07	16,558.33	<b>General Services</b>	16,984.42	671.24	17,655.66	
				19,574.97	<b>Social Services</b>	6,567.50	12,218.53	18,786.03	
7,846.67	Non-tax Revenue		8,257.98	7,965.74	Education, Sports, Art and Culture	4,839.19	3,004.83	7,844.02	
				2,548.72	Health and Family Welfare	1,034.69	2,088.31	3,123.00	
21,143.63	State's share of Union Taxes		23,906.13	4,683.77	Water supply, Sanitation, Housing and Urban Development	296.44	3,002.65	3,299.09	
1,583.03	Non-plan Grants	Finance Commission Grants	1,059.89	185.66	Information and Broadcasting	102.14	57.91	160.05	
1,844.02	Grants for State Plan Schemes	Other Grants to State	1,178.78	1,084.97	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	155.45	991.00	1,146.45	
7,985.24	Grants for Central and Centrally Sponsored Plan Schemes	Centrally sponsored schemes	6,996.85	110.90	Labour and Labour Welfare	61.01	57.04	118.05	
				2,963.61	Social Welfare and Nutrition	46.82	3,016.79	3,063.61	
				31.60	Others	31.76	0	31.76	
				14,818.77	<b>Economic Services</b>	3,095.67	11,093.37	14,189.04	
				2,016.85	Agriculture and Allied Activities	638.53	1,150.97	1,789.50	
				6,044.87	Rural Development	535.04	6,896.59	7,431.63	
				0	Special Areas Programmes	0	0	0	
				398.19	Irrigation and Flood Control	393.33	6.09	399.42	
				4,530.12	Energy	1,094.95	1,595.27	2,690.22	
				264.83	Industry and Minerals	67.96	276.59	344.55	
				530.93	Transport	257.85	129.00	386.85	
				0	Science, Technology and Environment	0	0	0	
				1,032.98	General Economic Services	108.01	1,038.86	1,146.87	
				0	<b>Grants-in-aid and Contributions</b>	0	0	0	
				50,952.07	<b>Total</b>	2,6647.59	23,983.14	50,630.73	
0	<b>II. Revenue Deficit carried over to Section B</b>			1,803.96	<b>II. Revenue Surplus Section B</b>				5,520.97
52,756.03	<b>Total</b>		56,151.70	52,756.03	<b>Total</b>				56,151.70

State Finances Audit Report for the year ended 31 March 2019

Receipts				Disbursements						
2017-18		2018-19		2017-18		2018-19				
<b>Section B</b>										
1,947.85	III. Opening Cash Balance including		550.44*	0	III. Opening Over Draft from Reserve Bank of India					0
25.09	IV. Miscellaneous Capital Receipts		0	11,952.71	IV. Capital Outlay	42.30	10,669.41	10,711.71	10,711.71	
				807.11	General Services	40.28	750.76	791.04		
				1,528.07	Social Services	0.88	1,614.57	1,615.45		
				360.27	Education, Sports, Art and Culture	0.63	355.75	356.38		
				309.49	Health and Family Welfare	0.25	273.14	273.39		
				532.20	Water supply, Sanitation, Housing and Urban Development	0	566.82	566.82		
				10.90	Information and Broadcasting	0	12.83	12.83		
				265.29	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	0	394.59	394.59		
				16.53	Social Welfare and Nutrition	0	0	0		
				33.39	Others	0	11.44	11.44		
				<b>9,617.53</b>	Economic Services	1.14	8,304.08	8,305.22		
				607.33	Agriculture and Allied Activities	0	390.34	390.34		
				2092.79	Rural Development	0	2,460.87	2,460.87		
				0	Special Areas Programme	0	0	0		
				1,689.15	Irrigation and Flood Control	0	1,476.46	1,476.46		
				0	Energy	0	0	0.00		
				15.50	Industry and Minerals	0	6.50	6.50		
				5,141.76	Transport	0	3,870.54	3,870.54		
				71.00	General Economic Services	1.14	99.37	100.51		
42.41	V. Recoveries of Loans and Advances		47.57	1,851.67	V. Loans and Advances Disbursed	72.50	1,413.09	1,485.59	1,485.59	
0	From Power Projects	0		1,760.67	For Power Projects	0	1,413.09	1,413.09		
40.89	From Govt. Servants	47.07		55.59	To Government Servants	46.88	0	46.88		
1.52	From Others	0.50		35.41	To Others	25.62	0.00	25.62		
1,803.96	VI Revenue Surplus brought down		5,520.97	0	VI Revenue Deficit brought down	0	0	0	0	
8,136.85	VII Public Debt Receipts		7,803.43	2,949.50	VII Repayment of Public Debt					3,060.10
0	External Debt	0			External Debt					
7,905.24	Internal Debt other than Ways and Means Advances and Over Draft	7,530.52		2,788.46	Internal Debt other than Ways and Means Advances and Over Draft			2,893.42		
0	Transaction under Ways and Means Advances	0		0	Transaction under Ways and Means Advances			0		
0	Net Transaction under Over	0		0	Net Transaction under Over Draft			0		

Draft.									
Receipts				Disbursements					
2017-18		2018-19		2017-18		2018-19			
231.61	Loans and Advances from Central Government	272.91		161.04	Repayments of Loans and Advances to Central Government			166.68	
0	VIII Appropriation to Contingency Fund				VIII Appropriation to Contingency Fund				
0	IX Amount transferred to Contingency Fund		0		IX Expenditure from Contingency Fund				
<b>27,833.30</b>	<b>X Public Accounts Receipts</b>		<b>25,409.79</b>	<b>22,885.14</b>	<b>X Public Accounts Disbursements</b>				<b>23,279.41</b>
1,016.43	Small Savings and Provident Funds	1,120.04		949.91	Small Savings and Provident Funds			1,051.11	
401.00	Reserve Funds	421.00		109.17	Reserve Funds			41.95	
(-)163.21	Suspense and Miscellaneous	38.72		61	Suspense and Miscellaneous			(-)87.99	
10,558.88	Remittances	10,647.59		10,466.40	Remittances			10,587.99	
16,020.20	Deposits and Advances	13,182.44		11,298.66	Deposits and Advances			11,686.35	
0	Inter State Settlement		0	0	Inter-state Settlement			0	
	XI Closing Over Draft from Reserve Bank of India		0	150.44	XI Cash Balance at the end of the Year			395.39	<b>795.39</b>
				0	Cash in Treasuries and Local Remittances			0	
				(-)242.16	Deposits with Reserve Bank			188.3	
				38.04	Departmental Cash Balance including Permanent Advances			39.19	
				0	Investment of Earmarked Fund			400	
				354.56	Cash Balance Investment			167.9	
<b>92,545.49</b>	<b>Total</b>		<b>95,483.90</b>	<b>92,545.49</b>	<b>Total</b>				<b>95,483.90</b>

\* Revised and included, ₹400 crore invested from SDRF, during 2012-13, reported by the Finance Department vide letter No. 554 dated 23.07.2019

**Appendix 1.3****Time series data on the State Government finances  
(Reference: Paragraph 1.3 & 1.9.2; Page 3 & 26)**

(₹ in crore)

	2014-15	2015-16	2016-17	2017-18	2018-19
<b>Part A. Receipts</b>					
<b>1. Revenue Receipts</b>	<b>31,565(83)</b>	<b>40,638(75)</b>	<b>47,054(87)</b>	<b>52,756(87)</b>	<b>56,152(88)</b>
<b>(i) Tax Revenue</b>	<b>10,350(33)</b>	<b>11,478(28)</b>	<b>13,299(28)</b>	<b>12,353(23)</b>	<b>14,752(23)</b>
Goods and Services Tax	-	-	-	4,124(34)	8,201(56)
Taxes on Agricultural Income	-	-	-	-	-
Taxes on Sales, Trade, etc.	8,070(78)	8,999(78)	10,549(80)	5,715(46)	3,475(24)
State Excise	740(7)	912(8)	962(7)	841(7)	1,083(7)
Taxes on Vehicles	660(6)	633(6)	682(5)	779(6)	864(5)
Stamps and Registration fees	531(5)	532(5)	607(5)	469(4)	451(3)
Land Revenue	84(1)	164(1)	240(2)	156(1)	389(3)
Taxes on Goods and Passengers	1(0)	1(0)	0(0)	0(0)	0(0)
Other Taxes	264(3)	237(2)	259(2)	270(2)	289(2)
<b>(ii) Non Tax Revenue</b>	<b>4,335(14)</b>	<b>5,853(14)</b>	<b>5,351(11)</b>	<b>7,847(15)</b>	<b>8,258(15)</b>
<b>(iii) State's share of Union taxes and Duties</b>	<b>9,487(30)</b>	<b>15,969(39)</b>	<b>19,142(41)</b>	<b>21,144(40)</b>	<b>23,906(43)</b>
<b>(iv) Grants-in-aid from Government of India</b>	<b>7,393(23)</b>	<b>7,338(18)</b>	<b>9,262(20)</b>	<b>11,412(22)</b>	<b>9,236(16)</b>
<b>2. Miscellaneous Capital Receipts</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25</b>	<b>0</b>
<b>3. Recoveries of Loans and Advances</b>	<b>33</b>	<b>31</b>	<b>38</b>	<b>42</b>	<b>47</b>
<b>4. Total Revenue and Non-debt capital receipts (1+2+3)</b>	<b>31,598</b>	<b>40,669</b>	<b>47,092</b>	<b>52,824</b>	<b>56,199</b>
<b>5. Public Debt Receipts</b>	<b>6,690(17)</b>	<b>13,245(25)</b>	<b>7,081(13)</b>	<b>8,137(13)</b>	<b>7,804(12)</b>
Internal Debt (excluding Ways and Means Advances and Overdrafts)	6,537	13,080	6,847	7,905	7,531
Net transactions under Ways and Means Advances and Overdrafts	0	0	0	0	0
Loans and Advances from Government of India	153	165	234	232	273
<b>6. Total Receipts in the Consolidated Fund (4+5)</b>	<b>38,288</b>	<b>53,914</b>	<b>54,174</b>	<b>60,960</b>	<b>64,002</b>
<b>7. Contingency Fund Receipts</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>8. Public Account Receipts</b>	<b>20,189</b>	<b>29,037</b>	<b>22,052</b>	<b>27,833</b>	<b>25,410</b>
<b>9. Total Receipts of the State (6+7+8)</b>	<b>58,477</b>	<b>82,951</b>	<b>76,225</b>	<b>88,794</b>	<b>89,412</b>
<b>Part B. Expenditure/Disbursement</b>					
<b>10. Revenue Expenditure</b>	<b>31,795(83)</b>	<b>36,553(70)</b>	<b>45,088(79)</b>	<b>50,952(79)</b>	<b>50,631(81)</b>
Plan/State Schemes, CASC, CSS	12,436(39)	15,793(43)	22,193(49)	22,999(45)	23,983(47)
Non Plan/Establishment	19,359(61)	20,760(57)	22,895(51)	27,953(55)	26,648(53)
General Services (including interest payments)	10,624(33)	12,002(33)	13,024(29)	16,558(32)	17,656(35)
Social Services	11,915(37)	14,844(41)	18,557(41)	19,575(39)	18,786(37)
Economic Services	9,256(29)	9,707(26)	13,507(30)	14,819(29)	14,189(28)
Grants-in-aid and contributions	Nil	Nil	Nil	Nil	Nil
<b>11. Capital Expenditure</b>	<b>5,543(15)</b>	<b>8,159(16)</b>	<b>10,861(19)</b>	<b>11,953(18)</b>	<b>10,712(17)</b>
Plan/State Schemes, CASC and CSS	5,520(100)	8,087(99)	10,814(99)	11,884(99)	10,669(99)
Non Plan/Establishment	23(0)	72(1)	47(1)	69(1)	42(1)
General Services	326(6)	571(7)	590(6)	807(7)	791(7)
Social Services	910(16)	1,024(13)	15,32(14)	1,528(13)	1,615(15)
Economic Services	4,307(78)	6,564(80)	87,39(80)	9,618(80)	8,305(78)
<b>12. Disbursement of Loans and Advances</b>	<b>824(2)</b>	<b>7,480<sup>8</sup>(14)</b>	<b>1,335(2)</b>	<b>1,852(3)</b>	<b>1,485(2)</b>
<b>13. Total Expenditure (10+11+12)</b>	<b>38,162</b>	<b>52,192</b>	<b>57,284</b>	<b>64,756</b>	<b>62,828</b>
<b>14. Repayments of Public Debt</b>	<b>1,880</b>	<b>2,246</b>	<b>2,078</b>	<b>2,950</b>	<b>3,060</b>
Internal Debt (excluding Ways and Means Advances and Overdrafts)	1,722(92)	2,079(93)	1,920(92)	2,788(95)	2,893

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

	2014-15	2015-16	2016-17	2017-18	2018-19
Net transactions under Ways and Means Advances and Overdraft	Nil	Nil	Nil	Nil	Nil
Loans and Advances from Government of India	158(8)	167(7)	158(8)	161(5)	167
<b>15. Appropriation to Contingency Fund</b>	Nil	Nil	Nil	Nil	Nil
<b>16. Total disbursement out of Consolidated Fund (13+14+15)</b>	<b>40,042</b>	<b>54,438</b>	<b>59,362</b>	<b>67,706</b>	<b>65,888</b>
<b>17. Contingency Fund disbursements</b>	Nil	Nil	Nil	Nil	Nil
<b>18. Public Account disbursements</b>	19,277	27,053	16,820	22,885	23,279
<b>19. Total disbursement by the State (16+17+18)</b>	<b>59,319</b>	<b>81,491</b>	<b>75,851</b>	<b>90,591</b>	<b>89,167</b>
<b>Part C. Deficits</b>					
<b>20. Revenue Deficit(-)/Revenue Surplus (+) (1-10)</b>	-230	4,085	1,966	1,804	5,521
<b>21. Fiscal Deficit (-)/Fiscal Surplus (+) (4-13)</b>	-6,564	-11,523 <sup>9</sup>	-10,192	-11,933	-6,629
<b>22. Primary Deficit(-)/Surplus(+) (21-23)</b>	-3,635	-8,203	-6,020	-7,271	-1,777
<b>Part D. Other data</b>					
<b>23. Interest Payments (included in revenue expenditure)</b>	2,929	3,320	4,172	4,662	4,852
<b>24. Financial Assistance to local bodies etc.</b>	12,404	14,891	20,332	20,714	17,976
<b>25. Ways and Means Advances/Overdraft availed (days)</b>	-	0	3	7	68
Ways and Means Advances availed (days)	-	0	3	7	58
Overdraft availed (days)	-	0	0	0	10
<b>26. Interest on Ways and Means Advances/Overdraft</b>	-	0	0	0.21	6.23
<b>27 (a) Gross State Domestic Product at current price (GSDP)<sup>®</sup></b>	2,18,525	2,06,613	2,36,250	2,76,243	3,07,581
<b>27 (b) Gross State Domestic Product at constant price (GSDP)<sup>®</sup></b>	1,86,534	1,74,881	1,94,475	2,03,358	2,32,821
<b>28 Outstanding Fiscal liabilities (year end)</b>	43,569	56,530	66,827	77,095	83,783
<b>29. Outstanding guarantees (year-end) (including interest)</b>	-	157	157	157	607
<b>30. Maximum amount guaranteed (year end)</b>	-	157	157	157	450
<b>31. Number of incomplete projects (value ₹ 1 crore and above)</b>	402	195	280	113	410
<b>32. Capital blocked in incomplete Projects</b>	1,824	2,089	4,778	1,403	3,841
<b>Part E. Fiscal Health Indicators</b>					
<b>I Resource Mobilisation</b>					
Own Tax revenue/GSDP at current price	4.74	5.56	5.63	4.47	4.80
Own Tax revenue/GSDP at constant price	5.55	6.56	6.88	5.68	6.34
Own Non-Tax Revenue/GSDP at current price	2.0	2.8	2.3	2.8	2.7
Own Non-Tax Revenue/GSDP at constant price	2.32	3.35	2.77	3.61	3.55
Central Transfers/GSDP at current price	4.34	7.73	8.10	7.65	7.77
Central Transfers/GSDP at constant price	3.96	4.20	4.79	5.24	3.97
<b>II Expenditure Management</b>					
Total Expenditure/GSDP at current price	17.46	25.26	24.25	23.44	20.43
Total Expenditure/GSDP at constant price	20.46	29.84	29.65	29.76	26.99
Total Expenditure/Revenue Receipts	120.9	128.4	121.7	122.7	111.89
Revenue Expenditure/Total Expenditure	83.3	70.0	78.7	78.7	80.59
Expenditure on Social Services (including L&A)/Total Expenditure	33.7	30.5	35.2	32.6	32.51
Expenditure on Economic Services (including L&A)/Total Expenditure	37.6	45.3	41.0	40.5	38.13

<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

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	2014-15	2015-16	2016-17	2017-18	2018-19
Capital Expenditure/Total Expenditure	14.5	15.6	19.0	18.5	17.05
Capital Expenditure on Social and Economic Services/Total Expenditure.	13.7	14.5	17.9	17.2	15.79
<b>III Management of Fiscal Imbalances</b>					
Revenue deficit (surplus)/GSDP at current price	-0.11	1.98	0.83	0.65	1.79
Revenue deficit (surplus)/GSDP at constant price	-0.12	2.34	1.02	0.83	2.37
Fiscal deficit/GSDP at current price	-3.00	-5.58	-4.31	-4.32	-2.16
Fiscal deficit/GSDP at constant price	-3.52	-6.59	-5.28	-5.48	-2.85
Primary Deficit (surplus) /GSDP at current price	-1.66	-3.97	-2.55	-2.63	-0.58
Primary Deficit (surplus) /GSDP at constant price	-1.95	-4.69	-3.12	-3.34	-0.76
Revenue Deficit/Fiscal Deficit	-3.5	-35.5	-19.3	-15.1	-83.29
Primary Revenue Balance/GSDP at current price	1.25	2.60	2.61	2.37	3.39
Primary Revenue Balance/GSDP at constant price	1.46	4.25	3.20	3.00	4.48
<b>IV Management of Fiscal Liabilities</b>					
Fiscal Liabilities/GSDP at current price	19.94	27.36	28.29	27.91	27.24
Fiscal Liabilities/GSDP at constant price	23.36	32.32	34.59	35.43	35.99
Fiscal Liabilities/RR	138.03	139.1	142.0	146.1	149
Primary deficit vis-à-vis quantum spread	-376	-13,468	-1,734.91	-288.19	2,315.52
Debt redemption (Principal + interest)/Total debt receipt	Nil	Nil	Nil	Nil	Nil
<b>V Other Fiscal Health Indicators</b>					
Return on Investment	Nil	Nil	Nil	Nil	*
Balance from Current Revenue (₹ in crore)	6,593	14,226	16,773	N.A.	N.A.
Financial Assets/Liabilities	103	109	111	111	118
Loans and Advances On General Services	0	0	0	0	0
Loans and Advances On Social Services	20	43	47	31.7	23
Loans and Advances On Economic Services	787	7,388	1,236	1,764.4	1,416
Assets		57,153	67,419	77,635	84,382
Liabilities		62,291	74,522	86,542	99,210

**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)).

\* ₹ 15,000 only

**Appendix 1.4 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 21)**

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, conservation 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 1.4 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 22)**

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 schools	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 1.5**  
**Summarised financial position of the Government of Jharkhand as on 31 March 2019**  
**(Reference: Paragraphs 1.9.1; Page 27)**

(₹ in crore)

As on 31.03.2018	Liabilities		As on 31.03.2019
<b>53,799.09</b>	<b>Internal Debt -</b>		<b>58,436.19</b>
33,087.68	Market Loans bearing interest	37,110.68	
0.07	Market Loans not bearing interest	0.07	
6.30	Loans from Life Insurance Corporation of India	6.30	
11,622.17	Loans from other Institutions	12,993.27	
0	Ways and Means Advances	0	
9,082.87	Special securities issued to NSS Fund of Central Government	8,325.87	
0	Overdrafts from Reserve Bank of India	0	
<b>2,232.86</b>	<b>Loans and Advances from Central Government -</b>		<b>2,339.07</b>
0	Pre 1984-85 Loans	0	
17.57	Non-Plan Loans	15.79	
2,215.29	Loans for State Plan Schemes	2,323.28	
<b>500.00</b>	<b>Contingency Fund</b>		<b>500.00</b>
<b>1,142.18</b>	<b>Small Savings, Provident Funds etc.</b>		<b>1,211.11</b>
<b>18,369.87</b>	<b>Deposits</b>		<b>19,866.47</b>
<b>1,551.04</b>	<b>Reserve Funds</b>		<b>1,930.09</b>
<b>39.68</b>	<b>Remittance Balances</b>		<b>99.27</b>
<b>0</b>	<b>Suspense and Miscellaneous Balances</b>		<b>0</b>
<b>8,907.21</b>	<b>Cumulative excess of receipts over expenditure</b>		<b>14,828.18</b>
<b>86,541.93</b>	<b>Total</b>		<b>99,210.38</b>
	<b>Assets</b>		
<b>66,961.60</b>	<b>Gross Capital Outlay on Fixed Assets -</b>		<b>77,673.31</b>
275.15	Investments in shares of Companies, Corporations, etc.	331.19	
66,686.45	Other Capital Outlay	77,342.12	
<b>0</b>	<b>Inter State Settlement</b>		<b>0</b>
<b>19,291.97</b>	<b>Loans and Advances -</b>		<b>20,730.00</b>
18,444.20	Loans for Power Projects	19,857.29	
823.36	Other Development Loans	848.49	
24.41	Loans to Government servants and Miscellaneous loans	24.22	
<b>5.78</b>	<b>Advances with departmental officers</b>		<b>6.28</b>
<b>132.14</b>	<b>Suspense and Miscellaneous Balances</b>		<b>5.41</b>
<b>150.44</b>	<b>Cash -</b>		<b>795.38</b>
0	Cash in Treasuries and Local Remittances	0	
-242.16	Deposits with Reserve Bank	188.3	
0	Reserve Fund Investments	400*	
38.04	Departmental Cash Balance including Permanent Advances	39.18	
354.56	Cash Balance Investments	167.9	
<b>0</b>	<b>Remittance Balances</b>		<b>0</b>

0	Deficit on Government Account -		0
	(i) Revenue Deficit/surplus of the current year		
	(ii) Miscellaneous Deficit		
	Accumulated deficit/surplus at the beginning of the year		
<b>86,541.93</b>	<b>Total</b>		<b>99,210.38</b>

\* Revised and included ₹ 400 crore invested from State Disaster Response Fund during 2012-13 reported by the Finance Department, vide letter no. 554 dated 23.07.2019

#### 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 surplus on Government account, as shown in **Appendix 1.2 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 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 2.3.1; Page 37)

(₹ 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 Voted</b>					
1	1	Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	1,601.21	847.79	52.95
2	2	Agriculture, Animal Husbandry and Co-operative Department (Animal Husbandry Division)	389.14	218.15	56.06
3	3	Building Construction Department	134.01	41.34	30.85
4	4	Cabinet Secretariat and Vigilance Department (Cabinet Secretariat and Co-ordination Division)	62.75	13.46	21.45
5	9	Agriculture, Animal Husbandry and Co-operative Department (Co-operative Division)	241.08	81.03	33.61
6	10	Energy Department	4,206.48	1,464.37	34.81
7	12	Planning-cum-Finance Department (Finance Division)	64.17	15.78	24.59
8	18	Food, Public Distribution and Consumer Affairs Department	1,375.70	348.70	25.35
9	19	Forest, Environment and Climate Change Department	770.39	245.32	31.84
10	21	Higher and Technical Education Department (Higher Education Division)	1,246.69	344.44	27.63
11	23	Industries Department	458.94	150.85	32.87
12	26	Labour, Employment and Skill Development Department	245.19	78.56	32.04
13	29	Mines and Geology Department	83.45	41.59	49.84
14	35	Planning-cum-Finance Department (Planning Division)	886.46	326.59	36.84
15	36	Drinking Water and Sanitation Department	1,820.13	454.96	25.00
16	39	Home, Jail and Disaster Management Department (Disaster Management Division)	908.14	437.81	48.21
17	40	Revenue, Land Reforms and Registration Department (Revenue and Land Reforms Division)	603.53	121.29	20.10
18	41	Road Construction Department	459.92	204.64	44.49
19	42	Rural Development Department (Rural Development Division)	6,273.10	2,084.68	33.23
20	43	Higher and Technical Education Department (Science and Technology Division)	534.10	170.44	31.91
21	45	Information Technology and e-Governance Department	181.54	48.56	26.75
22	48	Urban Development and Housing Department (Urban Development Division)	3,204.22	1,283.22	40.05
23	49	Water Resources Department	413.42	89.64	21.68
24	50	Water Resources Department (Minor Irrigation Division)	113.89	30.50	26.78
25	51	Welfare Department (Welfare Division)	1,769.91	618.55	34.95
26	52	Tourism, Art, Culture, Sports and Youth Affairs Department (Art, Culture, Sports and Youth Affairs Division)	82.63	18.03	21.82
27	53	Agriculture, Animal Husbandry and Co-operative Department (Fishery Division)	82.92	29.15	35.15
28	54	Agriculture, Animal Husbandry and Co-operative Department (Dairy Division)	319.44	176.44	55.23
29	56	Rural Development Department (Panchayati Raj Division)	1,743.93	871.06	49.95
30	58	School Education and Literacy Department (Secondary Education Division)	1,681.44	716.28	42.60
31	59	School Education and Literacy Department (Primary and Adult Education Division)	7,192.62	1,771.73	24.63
32	60	Women, Child Development and Social Security Department	3,560.16	977.24	27.45

State Finances Audit Report for the year ended 31 March 2019

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 Charged</b>					
33	14	Repayment of Loans	255.00	255.00	100.00
<b>Capital</b>					
34	1	Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	343.01	82.59	24.08
35	2	Agriculture, Animal Husbandry and Co-operative Department (Animal Husbandry Division)	30.45	21.48	70.54
36	3	Building Construction Department	548.17	144.52	26.36
37	8	Transport Department (Civil Aviation Division)	119.00	106.03	89.10
38	9	Agriculture, Animal Husbandry and Co-operative Department (Co-operative Division)	175.00	109.40	62.51
39	10	Energy Department	1,890.41	477.32	25.25
40	12	Planning-cum-Finance Department (Finance Division)	69.00	21.67	31.41
41	18	Food, Public Distribution and Consumer Affairs Department	34.50	30.64	88.81
42	20	Health, Medical Education and Family Welfare Department	468.77	195.38	41.68
43	26	Labour, Employment and Skill Development Department	100.52	87.30	86.85
44	30	Welfare Department (Minorities Welfare Division)	96.00	35.26	36.73
45	36	Drinking Water and Sanitation Department	519.10	118.97	22.92
46	49	Water Resources Department	1,897.65	733.15	38.63
47	50	Water Resources Department (Minor Irrigation Division)	533.90	221.94	41.57
48	52	Tourism, Art, Culture, Sports and Youth Affairs Department (Art, Culture, Sports and Youth Affairs Division)	49.20	13.43	27.30
49	57	Urban Development and Housing Department (Housing Division)	20.00	20.00	100.00
50	58	School Education and Literacy Department (Secondary Education Division)	56.07	56.07	100.00
51	60	Women, Child Development and Social Security Department	39.57	39.57	100.00
<b>TOTAL (Revenue + Capital)</b>			<b>49,956.02</b>	<b>17,091.91</b>	<b>34.21</b>

## Appendix 2.2

Sub-head wise details where substantial savings (₹ 20 crore and above) occurred during the year 2018-19  
(Reference: Paragraph: 2.3.1; Page 38)

(₹ in crore)

Sl. No.	Number and Name of Grant/Appropriation	Head of Account	Provision	Amount of Savings	Reasons furnished by the Department as per Appropriation Accounts
1	1-Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	2401-00-113-BA	54.00	38.89	Reasons have not been intimated
2		2401-00-796-28	27.00	24.34	Non-release of fund by GOI
3		2401-00-796-A1	35.35	24.35	Reasons have not been intimated
4		2401-00-796-AF (CASC)	86.40	76.05	Non-release of fund by GOI
5		2401-00-796-AF (CASS)	57.60	50.81	Non-release of fund by GOI (₹ 22.94 crore) and reasons have not been intimated (₹ 27.87 crore)
6		2401-00-796-BA	108.00	76.97	Reasons have not been intimated
7		2401-00-800-AF (CASC)	43.20	35.04	Non-release of fund by GOI
8		2401-00-800-AF (CASS)	28.80	23.53	Non-release of fund by GOI (₹ 9.52 crore) and reasons have not been intimated (₹ 14.01 crore)
9		4402-00-796-01	180.00	31.64	Reasons have not been intimated
10	2- Agriculture, Animal Husbandry and Co-operative Department (Animal Husbandry Division)	2403-00-101-99	64.10	62.43	Non-completion of selection process of beneficiaries based schemes, 15 per cent ceiling on drawal of fund and implementation of code of conduct.
11		2403-00-789-99	24.70	24.29	Non-completion of selection process of beneficiaries based schemes, 15 per cent ceiling on drawal of fund and Implementation of code of conduct.
12		2403-00-796-99	36.75	36.47	Non-completion of selection process of beneficiaries based schemes, 15 per cent ceiling on drawal of fund and implementation of code of conduct.
13	3-Building Construction Department	4059-01-051-39	25.00	20.22	Reasons have not been intimated
14		4059-01-796-39	25.00	20.80	Reasons have not been intimated
15		4059-01-796-59	89.00	43.74	Reasons have not been intimated
16	8-Transport Department (Civil Aviation Division)	5053-02-102-05	55.00	50.13	Reasons have not been intimated
17		5053-02-102-09	25.00	25.00	Reasons have not been intimated
18	9- Agriculture, Animal Husbandry and Co-operative Department (Co-operative Division)	2425-00-796-62	25.00	25.00	Reasons have not been intimated
19		4425-00-108-16	52.50	32.96	Reasons have not been intimated
20		4425-00-789-16	35.00	21.93	Reasons have not been intimated
21		4425-00-796-16	87.50	54.50	Reasons have not been intimated
22	10- Energy Department	2059-80-001-10	59.03	25.54	Economy measures
23		2801-01-789-10	36.00	33.00	Economy measures
24		2801-01-796-10	78.00	71.50	Reasons have not been intimated
25		2801-01-800-10	186.00	170.50	Economy measures
26		2801-80-004-16	49.92	27.41	Non-receipt of proposal
27		2801-80-101-15	2000.00	1405.05	(i) Providing fund for payment of current and pending electric bills to JBVNL (₹ 500.00 crore) and (ii) partial utilization of fund in tariffs subsidy for consumer (₹ 905.05 crore)
28	6801-00-789-37	121.32	30.88	Non-demand of fund	
29	6801-00-796-37	262.86	66.90	Non-demand of fund	
30	6801-00-800-37	626.82	159.54	Non-demand of fund	
31	6801-00-796-38	200.00	200.00	Reasons have not been intimated	

Sl. No.	Number and Name of Grant/Appropriation	Head of Account	Provision	Amount of Savings	Reasons furnished by the Department as per Appropriation Accounts
32	13-Interest Payment	2049-01-101-01	3152.00	409.36	Reasons have not been intimated
33		2049-01-200-02	430.00	169.15	Reasons have not been intimated
34		2049-01-200-08	125.00	38.73	Reasons have not been intimated
35		2049-01-200-11	70.00	30.76	Reasons have not been intimated
36		2049-03-104-01	280.00	55.61	Reasons have not been intimated
37		2049-04-109-01	94.46	31.49	Reasons have not been intimated
38		2049-01-200-14	500.00	500.00	Reasons have not been intimated
39		14-Repayment of Loan	2048-00-101-01	255.00	255.00
40	6003-00-105-01		750.00	318.10	Reasons have not been intimated
41	6004-01-109-01		200.00	73.01	Reasons have not been intimated
42	6004-02-105-01		125.95	20.99	Reasons have not been intimated
43	6003-00-101-72		195.45	195.45	Reasons have not been intimated
44	6003-00-101-73		248.10	248.10	Reasons have not been intimated
45	6003-00-101-74		400.00	400.00	Reasons have not been intimated
46	15-Pension	2071-01-104-04	800.00	354.53	Reasons have not been intimated
47		2071-01-115-02	30.00	29.12	Reasons have not been intimated
48	18- Food, Public Distribution and Consumer Affairs Department	3456-00-102-48	31.75	26.77	Delay in policy decision and tender process
49		3456-00-789-39	72.20	21.91	Exclusion and inclusion of beneficiaries
50		3456-00-796-02	97.26	20.08	Exclusion and inclusion of beneficiaries
51		3456-00-796-39	254.58	38.72	Exclusion and inclusion of beneficiaries
52		3456-00-796-48	42.20	35.66	Delay in policy decision and tender process
53	19- Forest, Environment and Climate Change Department	2406-01-101-01	159.42	34.42	Mainly non-payment of fund, non-verification of pay fixation and implementation of 15 per cent ceiling on drawal of fund
54		2406-01-796-58	49.69	28.09	Mainly non-receipt of sanction of fund (₹ 27.81 crore)
55		2406-01-796-48	25.00	25.00	Reasons have not been intimated
56	20- Health, Medical Education and Family Welfare Department	2210-01-102-54	186.00	49.95	Non-receipt of demand
57		2210-03-103-01	237.36	29.14	Reasons have not been intimated
58		2210-03-103-03	140.47	43.89	Reasons have not been intimated
59		2210-05-105-06	264.73	80.00	Reasons have not been intimated
60		2210-02-105-21 (CASC)	112.83	26.63	Non-release of fund by GOI
61		2210-05-105-21 (CASS)	242.06	33.88	Non-receipt of demand
62		2210-01-001-64	20.00	20.00	Non-sanction of scheme
63		2210-01-103-56	113.36	113.36	Non-release of fund by GOI
64		4210-01-110-45	62.00	41.21	Non-sanction of scheme
65		4210-01-110-48	75.00	34.45	Non-sanction of scheme
66		4210-01-796-48	60.00	39.73	Non-sanction of scheme
67	21- Higher and Technical Education Department (Higher Education Division)	2202-03-102-BA	65.00	40.59	Non-passing of bill by treasury
68		2202-03-796-B5	65.00	29.16	Non-passing of bill by treasury
69		2202-03-796-B7	45.00	44.55	Non-submission of proposal by university (₹ 17.55 crore) and reasons not intimated (₹ 27.00 crore)
70		2202-03-796-BA	65.00	50.78	Non-passing of bill by treasury
71		2202-03-102-B7	33.00	33.00	Non-submission of proposal by university (₹ 20.00 crore) and reasons not intimated (₹ 13.00 crore)
72		2202.03.796-BB	25.00	25.00	Non-submission of proposal by University

Sl. No.	Number and Name of Grant/Appropriation	Head of Account	Provision	Amount of Savings	Reasons furnished by the Department as per Appropriation Accounts
73	22- Home, Jail and Disaster Management Department (Home Division)	2055-00-110-01	251.57	34.53	Reasons have not been intimated
74	23- Industries Department	2852-80-796-10	45.00	25.36	Reasons have not been intimated
75	26-Labour, Employment and Training Department	4250-00-796-04	24.75	24.11	Reasons have not been intimated
76	27-Law Department	2014-00-105-01	361.55	36.96	Economic measures
77	35- Planning-cum-Finance Department (Planning Division)	2053-00-796-43	300.00	196.48	Reasons have not been intimated
78		2053-00-800-43	100.00	100.00	Reasons have not been intimated
79	36- Drinking Water and Sanitation Department	2215-01-789-11	123.06	87.22	Reasons have not been intimated
80		2215-01-796-11 (CASC)	123.78	34.47	Reasons have not been intimated
81		2215-01-796-11 (CASS)	64.98	20.16	Reasons have not been intimated
82		2215-02-107-13	32.00	32.00	Non-sanction of plan
83		2215-02-107-11	441.86	238.62	Reasons have not been intimated
84		4215-01-102-02	159.20	25.54	Reasons have not been intimated
85		4215-01-796-02	228.11	68.48	Reasons have not been intimated
86		39- Home, Jail and Disaster Management Department (Disaster Management Division)	2245-01-102-03	114.36	94.36
87	2245-02-113-02		35.00	33.54	Reasons have not been intimated
88	2245-80-101-16		21.05	20.60	Reasons have not been intimated
89	2245-80-102-01		30.00	27.91	Reasons have not been intimated
90	2245-80-102-02		42.10	41.42	Reasons have not been intimated
91	2245-01-101-07		122.00	122.00	Reasons have not been intimated
92	2245-01-282-01		20.00	20.00	Reasons have not been intimated
93	40- Revenue, Land Reforms and Registration Department (Revenue and Land Reforms Division)	2029-00-104-01	262.63	40.55	Reasons have not been intimated
94	41- Road Construction Department	2053-00-093-01	109.11	25.51	Reasons have not been intimated
95		3054-01-337-01	30.00	29.48	Reasons have not been intimated
96		3054-03-337-01	150.00	37.75	Reasons have not been intimated
97		3054-80-797-01	120.00	120.00	Reasons have not been intimated
98		5054-03-101-03	149.00	43.27	Reasons have not been intimated
99		5054-03-337-02	75.00	23.44	Reasons have not been intimated
100		5054-03-796-02	45.00	34.00	Reasons have not been intimated
101		5054-03-796-03	199.00	35.42	Reasons have not been intimated
102	42- Rural Development Department (Rural Development Division)	2501-06-101-05 (CASC)	178.25	114.63	Reasons have not been intimated
103		2501-06-101-05 (CASS)	118.83	72.00	Reasons have not been intimated
104		2501-06-789-05 (CASC)	105.62	50.17	Reasons have not been intimated
105		2501-06-789-05 (CASS)	70.41	26.94	Reasons have not been intimated
106		2501-06-796-05 (CASC)	129.60	102.55	Reasons have not been intimated
107		2501-06-796-05 (CASS)	86.40	66.51	Reasons have not been intimated
108		2505-01-702-02	978.22	508.52	Reasons have not been intimated
109		2505-01-789-02	299.46	30.28	Reasons have not been intimated
110		2505-01-796-02	718.69	262.44	Reasons have not been intimated
111		2505-02-101-04 (CASC)	492.40	228.72	Reasons have not been intimated
112		2505-02-101-04 (CASS)	109.60	27.24	Reasons have not been intimated
113		2505-02-101-05	24.00	23.96	Reasons have not been intimated
114		2505-02-789-04	150.20	69.75	Reasons have not been intimated
115		2505-02-796-04	360.80	167.55	Reasons have not been intimated
116		2505-02-796-05	25.00	24.96	Reasons have not been intimated
117	2501-02-101-06	48.12	48.12	Reasons have not been intimated	

Sl. No.	Number and Name of Grant/Appropriation	Head of Account	Provision	Amount of Savings	Reasons furnished by the Department as per Appropriation Accounts
118	42- Rural Development Department (Rural Development Division)	2501-02-789-06	20.05	20.05	Reasons have not been intimated
119		2501-02-796-06	65.50	65.50	Reasons have not been intimated
120		2501-06-101-14	34.63	34.63	Reasons have not been intimated
121		2501-06-796-14	24.95	24.95	Reasons have not been intimated
122	43- Higher and Technical Education Department (Science and Technology Division)	2203-00-003-AB	185.00	100.00	Reasons have not been intimated
123	45- Information Technology and e-Governance Department	2203-00-796-A8	45.00	30.01	Reasons have not been intimated
124	48-Urban Development and Housing Department (Urban Development Division)	2217-80-191-76	166.56	100.73	Reasons have not been intimated
125		2217-80-191-81	243.48	149.20	Reasons have not been intimated
126		2217-80-191-89	70.00	36.57	Reasons have not been intimated
127		2217-80-192-82	74.50	40.54	Reasons have not been intimated
128		2217-80-796-56	350.00	85.00	Reasons have not been intimated
129		2217-80-796-76	70.03	41.27	Reasons have not been intimated
130		2217-80-796-89	75.00	39.67	Reasons have not been intimated
131		2217-80-191-65	50.00	50.00	Reasons have not been intimated
132		2217-80-191-76	160.20	160.20	Reasons have not been intimated
133		2217-80-191-83	69.10	69.10	Reasons have not been intimated
134		2217-80-191-84	21.14	21.14	Reasons have not been intimated
135		2217-80-789-89	25.00	25.00	Reasons have not been intimated
136		2217-80-796-75 (CASC)	100.00	100.00	Reasons have not been intimated
137		2217-80-796-75 (CASS)	100.00	100.00	Fund for Smart city (₹ 25.00 crore) and reasons not intimated (₹ 75.00 crore)
138		2217-80-796-76	65.80	65.80	Reasons have not been intimated
139		2217-80-796-80	35.00	35.00	Reasons have not been intimated
140	49-Water Resources Department	2700-01-001-02	198.12	37.74	Reasons have not been intimated
141		2701-03-001-06	83.55	28.96	Mainly retirement and transfer (₹ 27.63 crore)
142		4700-80-789-12	125.00	21.05	Non-receipt of fund from GOI (₹ 1.81 crore) and reasons not intimated (₹ 19.24 crore)
143		4700-80-796-13	350.00	275.31	Closing of e-payment
144		4701-80-789-64	40.00	21.48	Non-completion of implementation of Konark irrigation scheme
145		4701-80-800-65	40.00	38.00	Reasons have not been intimated
146		4701-80-800-71	110.00	104.60	Ceiling of 15 per cent drawal in March (₹ 98.60 crore) and reasons not intimated (₹ 6.00 crore)
147		4701-80-789-63	20.00	20.00	Reasons have not been intimated
148		4701-80-789-65	20.00	20.00	Reasons have not been intimated
149		4701-80-796-63	20.00	20.00	Reasons have not been intimated
150		4700-80-789-13	164.70	164.70	Reasons have not been intimated
151	50-Water Resources Department (Minor Irrigation Division)	2702-02-005-01	107.29	29.99	Reasons have not been intimated
152		4702-00-101-18	158.00	109.14	Ceiling of 15 per cent drawal in March
153		4702-00-796-18	140.00	44.10	Ceiling of 15 per cent drawal in March
154		4702-00-796-20	110.00	34.44	Ponding in restoring water bodies
155	51- Welfare Department (Welfare Division)	2225-01-789-59	53.00	43.23	Reasons have not been intimated
156		2225-01-789-61	28.00	22.55	Reasons have not been intimated
157		2225-02-277-59	24.00	22.63	Reasons have not been intimated
158		2225-02-796-59	112.05	105.86	Reasons have not been intimated
159		2225-02-796-61	46.00	33.81	Reasons have not been intimated
160		2225-03-277-12	108.00	44.30	Reasons have not been intimated
161		2225-03-796-23	124.00	65.26	Reasons have not been intimated



Sl. No.	Number and Name of Grant/Appropriation	Head of Account	Provision	Amount of Savings	Reasons furnished by the Department as per Appropriation Accounts
162	54- Agriculture, Animal Husbandry and Co-operative Department (Dairy Division)	2204-00-102-05	48.00	48.00	Reasons have not been intimated
163		2404-00-102-68	61.70	23.82	Reasons have not been intimated
164		2404-00-796-05	21.60	21.60	Reasons have not been intimated
165	55- Rural Development Department (Rural Works Division)	2515-00-001-28	125.00	71.31	Reasons have not been intimated
166		4515-00-789-04	150.00	73.03	Reasons have not been intimated
167		4515-00-789-10	52.93	43.87	Reasons have not been intimated
168		4515-00-796-10	288.00	45.32	Reasons have not been intimated
169	56- Rural Development Department (Panchayati Raj Division)	2515-00-001-03	183.12	40.08	Reasons have not been intimated
170		2515-00-198-44	1208.24	604.12	Reasons have not been intimated
171		2515-00-198-45	164.24	152.38	Reasons have not been intimated
172	58- School Education and Literacy Department (Secondary Education Division)	2202-02-109-01	408.34	97.26	Reasons have not been intimated
173		2202-02-109-35	92.10	83.48	Reasons have not been intimated
174		2202-02-789-35	31.30	29.95	Reasons have not been intimated
175		2202-02-796-35	60.78	58.40	Reasons have not been intimated
176		2202-03-103-01	168.03	24.00	Reasons have not been intimated
177		2202-05-200-04	51.21	35.87	Reasons have not been intimated
178		2202-02-109-35	61.39	61.39	Reasons have not been intimated
179		2202-02-109-64	32.00	32.00	Reasons have not been intimated
180		2202-02-789-35	20.87	20.87	Reasons have not been intimated
181		2202-02-796-35	40.52	40.52	Reasons have not been intimated
182		2202-02-796-64	21.12	21.12	Reasons have not been intimated
183		4202-02-796-78	40.00	40.00	Reasons have not been intimated
184	59- School Education and Literacy Department (Primary and Adult Education Division)	2201-01-101-01	3691.26	468.07	Reasons have not been intimated
185		2202-01-101-55	90.00	45.00	Reasons have not been intimated
186		2202-01-104-01	90.77	34.63	Reasons have not been intimated
187		2202-01-111-25 (CASC)	477.00	86.50	Reasons have not been intimated
188		2202-01-111-25 (CASS)	318.00	57.66	Reasons have not been intimated
189		2202-01-112-03 (CASC)	236.50	52.72	Reasons have not been intimated
190		2202-01-112-03 (CASS)	232.97	112.48	Reasons have not been intimated
191		2202-01-789-03	55.60	26.23	Reasons have not been intimated
192		2202-01-796-03 (CASC)	156.18	63.89	Reasons have not been intimated
193		2202-01-796-03 (CASS)	153.85	84.47	Reasons have not been intimated
194		2202-01-796-25 (CASC)	315.00	124.98	Reasons have not been intimated
195		2202-01-796-25 (CASS)	210.00	83.32	Reasons have not been intimated
196		2202-01-796-55	96.75	36.75	Reasons have not been intimated
197		2202-01-101-52	32.00	32.00	Reasons have not been intimated
198		2202-01-101-57	48.00	48.00	Reasons have not been intimated
199	2202-01-789-57	20.40	20.40	Reasons have not been intimated	
200	2202-01-796-52	34.40	34.40	Reasons have not been intimated	
201	2202-01-796-57	51.60	51.60	Reasons have not been intimated	
202	60- Women, Child Development and Social Security Department	2235-01-102-51 (CASC)	119.57	33.25	Reasons have not been intimated
203		2235-02-102-51 (CASS)	104.32	31.71	Reasons have not been intimated
204		2235-02-102-97	68.00	31.24	Reasons have not been intimated
205		2235-02-102-AS	22.22	21.11	Reasons have not been intimated
206		2235-02-796-51 (CASC)	125.58	39.89	Reasons have not been intimated
207		2235-02-796-51 (CASS)	115.43	30.56	Reasons have not been intimated
208		2235-02-796-97	68.00	32.11	Reasons have not been intimated

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Sl. No.	Number and Name of Grant/Appropriation	Head of Account	Provision	Amount of Savings	Reasons furnished by the Department as per Appropriation Accounts
209	60- Women, Child Development and Social Security Department	2235-02-796-AS	24.47	22.44	Reasons have not been intimated
210		2236-02-101-02 (CASC)	169.78	43.91	Reasons have not been intimated
211		2236-02-101-02 (CASS)	169.78	38.61	Reasons have not been intimated
212		2236-02-796-02 (CASC)	198.76	83.82	Reasons have not been intimated
213		2236-02-796-02 (CASS)	198.76	80.74	Reasons have not been intimated
<b>Grand Total</b>			<b>37,918.52</b>	<b>16,904.69</b>	

**Appendix 2.3**  
**Details of savings of ₹ one crore and above not surrendered**

(Reference: Paragraph 2.3.2; Page 38)

(₹ in crore)

Sl. No.	Number and Name of Grants/Appropriation	Saving	Surrender	Savings not surrendered
1	2	3	4	5
<b>Revenue Voted</b>				
1	1-Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	847.79	728.70	119.09
2	2-Agriculture, Animal Husbandry and Co-operative Department (Animal Husbandry Division)	218.15	214.76	3.39
3	6-Cabinet (Election) Department	9.46	8.06	1.40
4	10-Energy Department	1,464.37	1,264.37	200.00
5	18-Food, Public Distribution and Consumer Affairs Department	348.70	344.67	4.03
6	19-Forest, Environment and Climate Change Department	245.32	229.14	16.18
7	21-Higher and Technical Education Department (Higher Education Division)	344.44	339.38	5.06
8	22-Home, Jail and Disaster Management Department (Home Division)	187.04	182.81	4.23
9	23-Industries Department	150.85	103.22	47.63
10	35-Planning-cum-Finance Department (Planning Division)	326.59	319.91	6.68
11	39-Home, Jail and Disaster Management Department (Disaster Management Division)	437.81	0.44	437.37
12	40-Revenue, Land Reforms and Registration Department (Revenue and Land Reforms Division)	121.29	120.27	1.02
13	41-Road Construction Department	204.64	54.29	150.35
14	43-Higher and Technical Education Department (Science and Technology Division)	170.44	147.06	23.38
15	45-Information Technology and e-Governance Department	48.56	47.48	1.08
16	51-Welfare Department (Welfare Division)	618.55	502.07	116.48
17	54-Agriculture, Animal Husbandry and Co-operative Department (Dairy Division)	176.44	159.16	17.28
18	55-Rural Development Department (Rural Works Division)	71.78	65.32	6.46
19	58-School Education and Literacy Department (Secondary Education Division)	716.28	495.35	220.93
20	60-Women, Child Development and Social Security Department	977.24	903.22	74.02
<b>Revenue Charged</b>				
21	13-Interest Payment	781.07	242.27	538.80
22	14-Repayment of Loans	255.00	0.00	255.00

Sl. No.	Number and Name of Grants/Appropriation	Saving	Surrender	Savings not surrendered
1	2	3	4	5
<b>Capital Voted</b>				
23	1-Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	82.59	75.59	7.00
24	20-Health, Medical Education and Family Welfare Department	195.38	193.63	1.75
25	22-Home, Jail and Disaster Management Department (Home Division)	69.89	10.59	59.30
26	30-Welfare Department (Minorities Welfare Division)	35.26	12.36	22.90
27	41-Road Construction Department	156.99	115.62	41.37
28	49-Water Resources Department	733.15	730.50	2.65
29	51-Welfare Department (Welfare Division)	46.92	26.02	20.90
30	54-Agriculture, Animal Husbandry and Co-operative Department (Dairy Division)	9.20	7.60	1.60
31	55-Rural Development Department (Rural Works Division)	229.64	217.08	12.56
32	58-School Education and Literacy Department (Secondary Education Division)	56.07	25.00	31.07
33	60-Women, Child Development and Social Security Department	39.57	26.60	12.97
<b>Capital Charged</b>				
34	14-Repayment of Loans	445.46	403.59	41.87
<b>Total</b>		<b>10,821.93</b>	<b>8,316.13</b>	<b>2,505.80</b>

**Appendix 2.4****Cases of surrender of funds in excess of ₹ 20 crore in March 2019**

(Reference: Paragraph 2.3.2; Page 38)

(₹ 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)	2401-00-113-BA	29.89
2		2401-00-796-28	24.34
3		2401-00-796-A1	24.35
4		2401-00-796-AF (CASC)	76.05
5		2401-00-796-AF (CASS)	22.94
6		2401-00-796-BA	58.97
7		2401-00-800-AF	35.04
8		4402-00-796-01	31.64
9	2-Agriculture, Animal Husbandry and Co-operative Department (Animal Husbandry Division)	2403-00-101-99	62.43
10		2403-00-789-99	24.29
11		2403-00-796-99	36.47
12	3- Building Construction Department	4059-01-051-39	20.22
13		4059-01-796-39	20.80
14		4059-01-796-59	43.74
15	8-Transport Department (Civil Aviation Division)	5053-02-102-05	50.13
16	9-Agriculture, Animal Husbandry and Co-operative Department (Co-operative Division)	2425-00-796-62	25.00
17		4425-00-108-16	32.96
18		4425-00-789-16	21.93
19		4425-00-796-16	54.50
20	10-Energy Department	2059-80-001-10	25.54
21		2801-01-789-10	33.00
22		2801-01-796-10	71.50
23		2801-01-800-10	170.50
24		2801-80-004-16	27.41
25		2801-80-101-15	1405.05
26		6801-00-789-37	30.88
27		6801-00-796-37	66.90
28		6801-00-800-37	159.54
29		6801-00-796-38	200.00
30	13-Interest Payment	2049-01-200-08	38.73
31		2049-01-200-11	30.76
32	14-Repayment of Loans	6003-00-105-01	318.10
33		6004-01-109-01	73.01
34	18-Food, Public Distribution and Consumer Affairs Department	3456-00-102-48	26.77
35		3456-00-789-39	21.91
36		3456-00-796-02	20.08
37		3456-00-796-39	38.72
38		3456-00-796-48	35.66

Sl. No.	Number and name of the Grant/Appropriation	Major Head	Amount of Surrender
39	19-Forest, Environment and Climate Change Department	2406-01-101-01	34.35
40		2406-01-796-58	27.81
41		2406-01-796-48	25.00
42	20-Health, Medical Education and Family Welfare Department	2210-01-102-54	49.95
43		2210-03-103-01	26.95
44		2210-03-103-03	41.27
45		2210-05-105-06	80.00
46		2210-05-105-21 (CASC)	26.63
47		2210-05-105-21 (CASS)	33.88
48		2210-01-001-64	20.00
49		2210-01-103-56	113.36
50		4210-01-110-45	41.21
51		4210-01-110-48	34.45
52		4210-01-796-48	39.73
53	21-Higher, Technical Education and Skill Development Department (Higher Education Division)	2202-03-102-BA	40.59
54		2202-03-796-B5	29.16
55		2202-03-796-B7	44.55
56		2202-03-796-BA	50.78
57		2202-03-796-BB	25.00
58		2202-03-102-B7	33.00
59	22-Home, Jail and Disaster Management Department (Home Division)	2055-00-110-01	33.89
60	26-Labour, Employment and Training Department	4250-00-796-04	24.11
61	35- Planning-cum-Finance Department (Planning Division)	2053-00-796-43	196.48
62		2053-00-800-43	100.00
63	36-Drinking Water and Sanitation Department	2215-01-789-11	66.91
64		2215-02-107-13	32.00
65		2215-02-107-11	238.62
66		4215-01-102-02	25.54
67		4215-01-796-02	68.47
68	40-Revenue, Land Reforms and Registration Department (Revenue and Land Reforms Division)	2029-00-104-01	40.54
69		2053-00-093-01	25.50
70	41-Road Construction Department	3054-03-337-01	34.38
71		5054-03-101-03	28.77
72		5054-03-337-02	22.67
73		5054-03-796-02	34.00
74	42-Rural Development Department (Rural Development Division)	2501-06-101-05 (CASC)	114.63
75		2501-06-101-05 (CASS)	72.00
76		2501-06-789-05 (CASC)	50.17
77		2501-06-789-05 (CASS)	26.94
78		2501-06-796-05	66.51
79		2505-01-702-02	508.52
80		2505-01-789-02	30.28
81		2505-01-796-02	262.44
82		2505-02-101-04 (CASC)	228.72
83	2505-02-101-04 (CASS)	27.24	

Sl. No.	Number and name of the Grant/Appropriation	Major Head	Amount of Surrender
84	42-Rural Development Department (Rural Development Division)	2505-02-101-05	23.96
85		2505-02-789-04	69.75
86		2505-02-796-04	167.55
87		2505-02-796-05	24.96
88		2501-02-101-06	48.12
89		2501-02-789-06	20.05
90		2501-02-796-06	65.50
91		2501-06-101-14	34.63
92		2501-06-796-14	24.95
93	43-Higher, Technical Education and Skill Development Department (Science and Technology Division)	2203-00-003-AB	100.00
94	45-Information Technology and e-Governance Department	2203-00-796-A8	30.01
95	48-Urban Development and Housing Department (Urban Development Division)	2217-80-191-76	100.73
96		2217-80-191-81	149.20
97		2217-80-191-89	36.57
98		2217-80-192-82	40.54
99		2217-80-796-56	85.00
100		2217-80-796-76	41.27
101		2217-80-796-89	39.67
102		2217-80-191-65	50.00
103		2217-80-191-76	160.20
104		2217-80-191-83	69.10
105		2217-80-192-84	21.14
106		2217-80-789-89	25.00
107		2217-80-796-75 (CASC)	100.00
108		2217-80-796-75 (CASS)	100.00
109		2217-80-796-76	65.80
110	2217-80-796-80	35.00	
111	49-Water Resources Department	2700-01-001-02	37.74
112		2701-03-001-06	28.96
113		4700-80-796-13	275.31
114		4701-80-789-64	21.48
115		4701-80-800-65	38.00
116		4701-80-800-71	98.60
117		4701-80-789-63	20.00
118		4701-80-789-65	20.00
119		4701-80-796-63	20.00
120		4701-80-789-13	164.70
121	50- Water Resources Department (Minor Irrigation Division)	2702-02-005-01	29.98
122		4702-00-101-18	109.14
123		4702-00-796-18	44.10
124		4702-00-796-20	34.42
125	51-Welfare Department (Welfare Division)	2225-01-789-59	41.73
126		2225-02-277-59	22.39
127		2225-02-796-59	104.59
128		2225-02-796-61	26.74
129		2225-03-277-12	40.00
130		2225-03-796-23	60.00

Sl. No.	Number and name of the Grant/Appropriation	Major Head	Amount of Surrender
131	54-Agriculture, Animal Husbandry and Co-operative Department (Dairy Division)	2404-00-102-05	46.80
132		2404-00-102-68	23.82
133		2404-00-796-05	21.06
134	55-Rural Development Department (Rural Works Division)	2515-00-001-28	71.31
135		4515-00-789-04	64.37
136		4515-00-789-10	43.87
137		4515-00-796-10	45.32
138	56-Rural Development Department (Panchayati Raj Division)	2515-00-001-03	40.08
139		2515-00-198-44	604.12
140		2515-00-198-45	152.38
141	58-School Education and Literacy Department (Secondary Education Division)	2202-02-109-01	97.05
142		2202-02-109--35	55.58
143		2202-02-789-35	21.96
144		2202-02-796-35	44.12
145		2202-03-103-01	24.00
146		2202-05-200-04	35.87
147		2202-02-109-35	40.88
148		2202-02-796-35	30.35
149		2202-02-110-03	23.68
150	59-School Education and Literacy Department (Primary and Adult Education Division)	2202-01-101-01	468.07
151		2202-01-101-55	45.00
152		2202-01-104-01	34.63
153		2202-01-111-25 (CASC)	86.50
154		2202-01-111-25 (CASS)	57.66
155		2202-01-112-03 (CASC)	52.72
156		2202-01-112-03 (CASS)	112.48
157		2202-01-789-03	26.23
158		2202-01-796-03 (CASC)	63.89
159		2202-01-796-03 (CASS)	84.47
160		2202-01-796-25 (CASC)	124.98
161		2201-01-796-25 (CASS)	83.32
162		2202-01-796-55	36.75
163		2202-01-101-52	32.00
164		2202-01-101-57	48.00
165		2202-01-789-57	20.40
166		2202-01-796-52	34.40
167	2201-01-796-57	51.60	
168	60-Women, Child Development and Social Security Department	2235-02-102-51 (CASC)	33.25
169		2235-02-102-51 (CASS)	31.71
170		2235-02-102-97	30.76
171		2235-02-796-51 (CASC)	39.89
172		2235-02-796-51 (CASS)	30.56
173		2235-02-796-97	31.67
174		2236-02-101-02 (CASC)	43.91
175		2236-02-101-02 (CASS)	38.61
176		2236-02-796-02 (CASC)	83.82
177		2236-02-796-02 (CASS)	80.74
<b>Grand Total</b>			<b>13,027.97</b>



**Appendix 2.5**  
**Excess over provisions of previous years requiring regularisation**  
(Reference: Paragraph 2.3.5; Page 41)

Year	Number of Grant/ Appropriation	Grant/ Appropriation /Department name	Amount of excess (₹ in crore)
2001-02	25	Institutional Finance and Programme Implementation 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 and Programme Implementation 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
2016-17	14	Repayment of Loans	10.42
2016-17	32	Legislative Assembly	0.33
2017-18	13	Interest Payment	193.69
2017-18	15	Pension	71.81
<b>Total</b>			<b>3,015.37</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 2.3.6; Page 42)

(₹ in crore)

Sl. No.	Number and name of the grant	Original Provision	Actual Expenditure	Savings out of Original Provision	Supplementary provision
<b>Revenue (Voted)</b>					
1	1-Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	1,483.72	753.42	730.30	117.49
2	2-Agriculture, Animal Husbandry and Co-operative Department (Animal Husbandry Division)	367.90	170.98	196.92	21.23
3	4-Cabinet Secretariat and Vigilance Department (Cabinet Secretariat and Co-ordination Division)	51.04	49.29	1.75	11.71
4	9-Agriculture, Animal Husbandry and Co-operative Department (Co-operative Division)	236.42	160.05	76.37	4.66
5	10-Energy Department	4,006.43	2,742.11	1,264.32	200.05
6	12-Planning-cum-Finance Department (Finance Division)	59.84	48.39	11.45	4.33
7	18-Food, Public Distribution and Consumer Affairs Department	1,311.12	1,027.00	284.12	64.58
8	19-Forest, Environment and Climate Change Department	701.85	525.07	176.78	68.54
9	20-Health, Medical Education and Family Welfare Department	3,483.50	3,109.16	374.34	397.63
10	21-Higher and Technical Education Department (Higher Education Division)	1,219.96	902.26	317.70	26.73
11	23-Industries Department	456.57	308.09	148.48	2.37
12	26-Labour, Employment and Skill Development Department	242.85	166.63	76.22	2.35
13	27-Law Department	367.06	350.94	16.12	37.02
14	32-Legislative Assembly (Revenue Voted)	94.02	88.50	5.52	3.21
15	33-Personnel, Administrative Reforms and Rajbhasha Department (Personnel and Administrative Reforms Division)	28.74	26.59	2.15	2.22
16	35-Planning-cum-Finance Department (Planning Division)	675.87	559.87	116.00	210.59
17	36-Drinking Water and Sanitation Department	1,754.71	1,365.18	389.53	65.43
18	38-Revenue, Land Reforms and Registration Department (Registration Division)	25.06	22.08	2.98	2.36
19	39-Home, Jail and Disaster Management Department (Disaster Management Division)	713.08	470.33	242.75	195.06
20	40-Revenue, Land Reforms and Registration Department (Revenue and Land Reforms Division)	567.40	482.25	85.15	36.13
21	42-Rural Development Department (Rural Development Division)	6,170.43	4,188.42	1,982.01	102.67
22	43-Higher and Technical Education Department (Science and Technology Division)	507.45	363.67	143.78	26.65
23	45-Information Technology and e-Governance Department	179.73	132.98	46.75	1.81
24	47-Transport Department (Transport Division)	143.98	138.90	5.08	4.37
25	48-Urban Development and Housing Department (Urban Development Division)	2,819.96	1,921.00	898.96	384.26

Sl. No.	Number and name of the grant	Original Provision	Actual Expenditure	Savings out of Original Provision	Supplementary provision
<b>Revenue (Voted)</b>					
26	51-Welfare Department (Welfare Division)	1,586.24	1,151.36	434.88	183.66
27	56-Rural Development Department (Panchayati Raj Division)	1,659.19	872.88	786.31	84.74
28	58-School Education and Literacy Department (Secondary Education Division)	1,656.83	965.17	691.66	24.61
29	59-School Education and Literacy Department (Primary and Adult Education Division)	7,099.48	5,420.89	1,678.59	93.14
30	60-Women, Child Development and Social Security Department	3,392.22	2,582.92	809.30	167.94
<b>Revenue Charged</b>					
31	13-Interest Payment	5,631.04	4,851.97	779.07	2.00
32	28-High Court of Jharkhand	96.68	89.72	6.96	2.20
<b>Capital (Voted)</b>					
33	1-Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	339.00	260.41	78.59	4.01
34	3-Building Construction Department	511.17	403.65	107.52	37.00
35	10-Energy Department	1,523.69	1,413.09	110.60	366.72
36	18-Food, Public Distribution and Consumer Affairs Department	31.00	3.86	27.14	3.50
37	20-Health, Medical Education and Family Welfare Department	328.77	273.39	55.38	140.00
38	26-Labour, Employment and Skill Development Department	65.83	13.21	52.62	34.69
39	30-Welfare Department (Minorities Welfare Division)	93.50	60.74	32.76	2.50
40	40-Revenue, Land Reforms and Registration Department (Revenue and Land Reforms Division)	55.00	52.79	2.21	1.14
41	42-Rural Development Department (Rural Development Division)	544.64	519.72	24.92	10.18
42	49-Water Resources Department	1,564.50	1,164.50	400.00	333.15
43	50-Water Resources Department (Minor Irrigation Division)	529.00	311.96	217.04	4.90
44	53-Agriculture, Animal Husbandry and Co-operative Department (Fishery Division)	56.80	51.49	5.31	5.48
<b>Grand Total (Revenue + Capital)</b>		<b>54,433.27</b>	<b>40,536.88</b>	<b>13,896.39</b>	<b>3,495.01</b>

**Appendix 2.7**  
**Excess/Insufficient re-appropriation of funds**  
(Reference: Paragraph 2.3.7; Page 42)

(₹ in lakh)

Sl. No.	Number and Name of Grant	Head of Account	Plus Re-appropriation	Minus Re-appropriation	Saving (-)/ Excess(+)
1	2- Agriculture, Animal Husbandry and Co-operative Department (Animal Husbandry Division)	2403-00-001-02	(+) 6.10	---	(-) 18.83
2		2403-00-102-06	(+) 2.13	---	(-) 66.67
3		3451-00-090-08	(+) 3.52	---	(-) 8.59
4	10-Energy Department	2059-80-001-10	(+) 30.67	---	(-) 2,553.74
5	17-Commercial Tax Department	2040-00-001-04	(+) 200.00	---	(-) 320.78
6	19-Forest, Environment and Climate Change Department	2406-01-001-01	(+) 1.47	---	(-) 500.38
7		2406-01-101-01	(+) 2.00	---	(-) 3,442.18
8		3451-00-090-06	(+) 3.53	---	(-) 67.57
9	20-Health, Medical Education and Family Welfare Department	2210-01-110-13	(+) 220.63	---	(-) 1,589.45
10		2210-03-101-02	(+) 300.00	---	(-) 982.22
11		2210-03-103-01	(+) 450.00	---	(-) 2,914.35
12	22-Home, Jail and Disaster Management Department (Home Division)	2055-00-001-04	(+) 5.00	---	(-) 238.21
13		2055-00-114-01	(+) 20.00	---	(-) 83.65
14		2056-00-001-01	(+) 12.40	---	(-) 209.39
15	30-Welfare Department (Minorities Welfare Division)	2251-00-090-13	(+) 3.84	---	(-) 16.86
16	32-Legislative Assembly	2011-02-103-01	(+) 8.00	---	(-) 255.55
17	48-Urban Development and Housing Department	2217-80-191-89	(+) 300.00	---	(-) 911.42
18	52-Tourism, Art, Culture, Sports and Youth Affairs Department (Art, Culture, Sports and Youth Affairs Division)	2205-00-796-39	(+) 45.00	---	(-) 66.97
<b>Sub-Total</b>			<b>1,614.29</b>		<b>(-) 14,246. 81</b>
19	22-Home, Jail and Disaster Management Department (Home Division)	2055-00-104-02	---	(-) 126.76	(+) 52.64
20	36-Drinking Water and Sanitation Department	2215-01-101-01	---	(-) 3.50	(+) 0.37
<b>Sub-Total</b>				<b>(-) 130.26</b>	<b>(+) 53.01</b>
21	17-Commercial Tax Department	2040-00-101-02	(+) 56.00	(-) 279.00	(-) 1547.12
22	22-Home, Jail and Disaster Management Department (Home Division)	2055-00-109-01	(+) 790.00	(-) 870.00	(-) 6,220.98
<b>Sub-Total</b>			<b>846.00</b>	<b>(-)1,149.00</b>	<b>(-)7,768.10</b>

**Appendix 2.8****Results of review of 100 per cent Substantial Surrenders made during the year**

(Reference: Paragraph 2.3.8; Page 42)

(₹ in lakh)

Sl. No.	Name of Grant and Number	Head	Name of Scheme	Provision	Amount of Surrender
1.	1-Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	2401-00-105-B7	Scheme for Soil Reclamation, Soil Management for Acidic Soil	6.00	6.00
2.		2401-00-105-B8	Soil Health Kit and Refill	9.00	9.00
3.		2401-00-109-28	National Horticulture Mission Programme (CASC)	13.50	13.50
4.		2401-00-109-28	National Horticulture Mission Programme (CASS)	9.00	9.00
5.		2401-00-796-B7	Scheme for Soil Reclamation, Soil Management for Acidic Soil	12.00	12.00
6.		2401-00-796-B8	Soil Health Kit and Refill	18.00	18.00
7.	2-Agriculture, Animal Husbandry and Co-operative Department (Animal Husbandry Division)	2403-00-106-A2	Animal Breeding Form Development in KVK under integrated Farming System	15.50	15.50
8.		2403-00-796-84	Integrated Poultry Development	12.00	12.00
9.		2403-00-796-A2	Animal Breeding Form Development in KVK under integrated Farming System	11.00	11.00
10.		4403-00-796-06	State Running Farm	9.10	9.10
11.	8-Transport Department (Civil Aviation Division)	5053-02-102-01	Land Acquisition for extension of Birsa Munda Airport	10.00	10.00
12.		5053-02-102-08	Shifting of Transmission Lines for Extension of Deoghar Airport	5.50	5.50
13.		5053-02-102-09	Expansion and Development of Deoghar Airport	25.00	25.00
14.		5053-02-102-10	Regional Connectivity Scheme (RCS) and Development of Airport	7.00	7.00
15.	10-Energy Department	2801-05-052-04	Shifting of Transmission Lines for JUSNL	5.25	5.25
16.		2801-80-796-10	Grants-in-aid for Construction of New Building to JSERC	5.00	5.00
17.		6801-00-201-24	Pollution Control Measures	5.00	5.00
18.		6801-00-202-01	Coal Blocks and Power Plant-New Scheme	15.00	15.00
19.		6801-00-796-38	Land to Jharkhand Bijli Vitran Nigam Ltd.(JBVNL)	200.00	200.00
20.	18-Food, Public Distribution and Consumer Affairs Department	3456-00-102-44	Distribution of Digital Weighing Machine to PDS Dealers	7.40	7.40
21.		3456-00-796-17	Commission for Distribution of Kerosene	6.13	6.13
22.		3456-00-796-43	Price Stabilisation Fund	5.00	5.00
23.		3456-00-796-44	Distribution of Digital Weighing Machine to PDS Dealers	10.00	10.00
24.	19-Forest, Environment and Climate Change Department	2406-01-796-48	Consolidation of Forest Boundaries	25.00	25.00
25.	20-Health, Medical Education and Family Welfare Department	2210-01-001-63	Jharkhand Health Systems Strengthening Project from World Bank Assistance	5.00	5.00
26.		2210-01-001-64	Grants-in-Aid to National Health Mission	20.00	20.00
27.		2210-01-103-56	Rashtriya Swasthya Bima Yojana (CASC)	113.36	113.36
28.		2210-01-109-40	Human Resources in Health and Medical Education (ANM/GNM School) (CASC)	12.00	12.00

Sl. No.	Name of Grant and Number	Head	Name of Scheme	Provision	Amount of Surrender
29.		2210-01-109-40	Human Resources in Health and Medical Education (ANM/GNM School) (CASS)	8.00	8.00
30.		2010-01-110-55	Incentive for Establishing Private Medical Colleges	10.00	10.00
31.		2210-01-110-71	Purchase of Drugs, Machine Equipment, Materials Supply etc. upto District level Health Facilities & Health related Institute, Offices (except medical college)	8.00	8.00
32.		2210-01-789-56	Rashtriya Swasthya Bima Yojana (CASC)	7.00	7.00
33.		2010-01-789-68	Renovation, Repair, Alteration etc. in Medical Colleges and Health related institutes/Facilities	5.00	5.00
34.		2210-01-796-55	Incentive for Establishing Private Medical Colleges	10.00	10.00
35.		2210-01-796-56	Rashtriya Swasthya Bima Yojana (CASC)	16.00	16.00
36.		2210-01-796-63	Jharkhand Health Systems Strengthening Project from World Bank Assistance	5.00	5.00
37.		2210-01-796-64	Grant-in-Aid to National Health Mission	15.00	15.00
38.		2210-01-796-71	Purchase of Drugs, Machine Equipment, Materials Supply etc. upto District level Health Facilities & Health related Institute, Offices (except medical college)	8.00	8.00
39.		2210-02-200-27	Grants-in-Aid to National Ayush Mission (CASC)	14.96	14.96
40.		2210-02-200-27	Grants-in-Aid to National Ayush Mission (CASS)	9.01	9.01
41.		2210-05-105-16	Human Resources in Health and Medical Education (PG courses in Medical College )	6.87	6.87
42.		2210-06-112-19	Three year B.Sc. Community Health Course	10.00	10.00
43.		4210-01-110-43	Tertiary Care Programme (CASC)	7.65	7.65
44.		4210-01-110-43	Tertiary Care Programme (CASS)	5.10	5.10
45.		4210-03-796-09	ANM/GNM Schools construction & upgradation	8.00	8.00
46.	21-Higher, Technical Education and Skill Development Department (Higher Education Division)	2202-03-102-B7	Grant-in-Aid to Universities for Library, Laboratory, Computer Centers, entrepreneurship development Centre ICT infrastructure	33.00	33.00
47.		2202-03-102-B8	Grants-in-Aid to University for free education to Girls, Distance Learning, establishment of Coaching Centre & conducting classes in two shifts	10.00	10.00
48.		2202-03-796-B8	Grants-in-Aid to University for free education to Girls, Distance Learning, establishment of Coaching Centre & conducting classes in two shifts	14.00	14.00
49.		2202-03-796-BB	Grants-in-Aid for Land Acquisition of ISM, Dhanbad & Central University of Jharkhand	25.00	25.00
50.	23-Industries, Mines and Geology Department (Industries Division)	2851-00-796-43	Development of Handicraft Establishment of Handloom Development Institute with the help of N.I.D Ahmadabad	5.00	5.00
51.		2852-80-102-86	Startup Capital Voucher Fund	15.00	15.00
52.		4885-60-796-01	Startup Capital JIDCO	5.00	5.00
53.	26-Labour Employment and Training Department	4250-00-789-01	Consolidation of ITIs and Allied Buildings	5.00	5.00
54.		4250-00-796-01	Consolidation of ITIs and Allied Buildings	12.61	12.61

Sl. No.	Name of Grant and Number	Head	Name of Scheme	Provision	Amount of Surrender	
55.	35-Planning-cum-Finance Department (Planning Division)	2053-00-800-43	Special Programme for six Backward Districts	100.00	100.00	
56.	36-Drinking Water and Sanitation Department	2215-01-789-13	Grants for Rural Sanitation	13.00	13.00	
57.		2215-01-796-13	Grants for Rural Sanitation	19.00	19.00	
58.		2215-02-107-13	Grants for Rural Sanitation	32.00	32.00	
59.	42-Rural Development Department (Rural Development Division)	2501-02-101-06	Watershed Scheme NABARD	48.12	48.12	
60.		2501-02-101-07	Irrigation Scheme	9.80	9.80	
61.		2501-02-101-08	Neerachal Scheme(CASC)	8.82	8.82	
62.		2501-02-101-08	Neerachal Scheme(CASS)	5.88	5.88	
63.		2501-02-101-09	Grant to Watershed Development Programme	9.80	9.80	
64.		2501-02-789-06	Watershed Scheme NABARD	20.05	20.05	
65.		2501-02-796-06	Watershed Scheme NABARD	65.50	65.50	
66.		2501-02-796-07	Irrigation Scheme	7.20	7.20	
67.		2501-02-796-08	Neerachal Scheme(CASC)	6.48	6.48	
68.		2501-02-796-09	Grant to Watershed Development Programme	7.20	7.20	
69.		2501-06-101-14	Shyama Prasad Mukherjee Rurban Yojana	34.63	34.63	
70.		2501-06-796-11	Initiative for Horticulture Intervention on Micro drip Irrigation Scheme	5.40	5.40	
71.		2501-06-796-14	Shyama Prasad Mukherjee Rurban Yojana	24.95	24.95	
72.		2501-06-800-11	Initiative for Horticulture Intervention on Micro drip Irrigation Scheme	7.35	7.35	
73.		2515-00-102-60	Grant to Deendayal Gram Swawlamban Yojana	19.60	19.60	
74.		2515-00-789-60	Grant to Deendayal Gram Swawlamban Yojana	6.00	6.00	
75.		2515-00-796-60	Grant to Deendayal Gram Swawlamban Yojana	14.40	14.40	
76.		4515-00-796-43	Construction of the Building for CLFs	5.50	5.50	
77.		48-Urban Development and Housing Department (Urban Development Division)	2217-80-191-65	Grants-in-Aid for Jharkhand Urban Development Fund (State Fund)	50.00	50.00
78.			2217-80-191-76	Urban Renewal Mission-AMRUT	160.20	160.20
79.	2217-80-191-80		Implementation of PPP Projects	15.00	15.00	
80.	2217-80-191-83		Grants to Municipal Corporations on Recommendation of 14th Finance Commission under General Performance Grant	69.10	69.10	
81.	2217-80-192-84		Grants to Municipal Councils/ Municipalities on Recommendation of 14th Finance Commission under General performance Grant	21.14	21.14	
82.	2217-80-193-85		Grant to Panchayat/NAC on Recommendation of 14th Finance Commission Under General performance Grant	6.26	6.26	
83.	2217-80-789-56		Grant-in-Aid for Urban Land Management and Acquisition	15.00	15.00	
84.	2217-80-789-89		Grant-in-Aid for Pradhan Mantri Awas Yojana (PMAY) (CASC)	25.00	25.00	
85.	2217-80-796-61		Grant-in-Aid for Schemes Sponsored by MOEF,GOI-NRCP (incl.NLCP) & NGRBA (State Share) including Namami Gange (CASC)	5.35	5.35	
86.	2217-80-796-75		Smart City (Central Share) (CASC)	100.00	100.00	
87.	2217-80-796-75		Smart City (Central Share) (CASS)	100.00	100.00	
88.	2217-80-796-76		Urban Renewal Mission(Central Share) (CASS)	65.80	65.80	
89.	2217-80-796-80		Implementation of PPP Projects	35.00	35.00	

Sl. No.	Name of Grant and Number	Head	Name of Scheme	Provision	Amount of Surrender
90.	49-Water Resources Department	4701-80-789-63	Construction of New Schemes under Medium Irrigation Project	20.00	20.00
91.		4701-80-789-65	Construction of New Schemes under Chhotanagpur and Santhal Pargana Irrigation Project	20.00	20.00
92.		4701-80-796-63	Construction of New Schemes under Medium Irrigation Project	20.00	20.00
93.		4700-80-789-13	Swarnarekha project	164.70	164.70
94.	51-Welfare Department (Welfare Division)	2225-02-796-50	Grant-in-Aid to T.C.D.C	5.00	5.00
95.		2225-02-796-91	Support for Income Generating Activities	5.00	5.00
96.	56-Rural Development Department (Panchayati Raj Division)	2515-00-101-06	Maintenance of Panchayat Building (Estt. Exp.)	5.00	5.00
97.	57-Urban Development and Housing Department (Housing Division)	6216-02-201-05	Loans to J.S.H. Board for development of acquired land and construction of HIG/MIF/LIG & EWS flats	5.00	5.00
98.		6216-02-796-05	Loans to J.S.H. Board for development of acquired land and construction of HIG/MIF/LIG & EWS flats	5.00	5.00
99.		6216-02-796-08	Construction of Commercial Complex near Sahajanand Chowk, Hamu, Ranchi	10.00	10.00
100.	59-School Education and Literacy Department (Primary and Adult Education Division)	2202-01-101-15	Free Course Book to General and Other Backward Castes Students	9.60	9.60
101.		2202-01-101-51	Mukhyamantri Vidyalakshmi Yojana	8.80	8.80
102.		2202-01-101-52	Jharkhand Balika Awasiya Vidyalaya Yojana Grant to JEPC	32.00	32.00
103.		2202-01-101-57	Grant-in-Aid to J.E.P.C for Strengthening of Primary and Middle Schools	48.00	48.00
104.		2202-01-789-52	Jharkhand Balika Awasiya Vidyalaya Yojana Grant to JEPC	13.60	13.60
105.		2202-01-789-57	Grant-in-Aid to J.E.P.C for Strengthening of Primary and Middle Schools	20.40	20.40
106.		2202-01-796-15	Free Course Book to General and Other Backward Castes Students	10.32	10.32
107.		2202-01-796-44	Grants-in-Aid to State Literacy Mission Authority (S.L.M.A) (Central Share 75:State Share 25)	8.75	8.75
108.		2202-01-796-44	Grants-in-Aid to State Literacy Mission Authority (S.L.M.A) (Central Share 75:State Share 25)	5.88	5.88
109.		2202-01-796-51	Mukhyamantri Vidyalakshmi Yojana	9.46	9.46
110.		2202-01-796-52	Jharkhand Balika Awasiya Vidyalaya Yojana Grant to JEPC	34.40	34.40
111.		2202-01-796-57	Grants-in-Aid J.E.P.C for Strengthening of Primary and Middle School	51.60	51.60
112.		2202-01-800-44	Grants-in-Aid to State Literacy Mission Authority (S.L.M.A) (Central Share 75:State Share 25) (CASC)	13.25	13.25
113.	2202-01-800-44	Grants-in-Aid to State Literacy Mission Authority (S.L.M.A) (Central Share 75:State Share 25) (CASS)	8.90	8.90	
114.	60-Women, Child Development and Social Security Department	2235-02-102-48	Pre School Education Kits	5.53	5.53
115.		2235-02-102-A8	Strengthening of AWC	9.60	9.60
116.		2235-02-103-AO	Tejeshwani Yojana (Socio-economic Empowerment of Adolescent Girls and Young Women)	14.00	14.00
117.		2235-02-796-48	Pre School Education Kits (CASC)	6.00	6.00



Sl. No.	Name of Grant and Number	Head	Name of Scheme	Provision	Amount of Surrender
118.		2235-02-796-93	Social Mobilization under State Nutrition Mission	5.00	5.00
119.		2235-02-796-AO	Tejeshwani Yojana (Socioeconomic Empowerment of Adolescent Girls and Young Women)	16.00	16.00
120.		2235-02-796-A4	Renovation and Supply of Material to School/Rehabilitation Centre/Hostels/Homes etc.	5.20	5.20
121.		2235-02-796-A8	Strengthening of AWC	10.40	10.40
122.		2235-02-796-AD	Construction/Maintenance UP-Gradation of AWCs under ICDS	5.05	5.05
123.		2236-02-101-06	Scheme for Adolescent Girls (SAG)(CASC)	6.85	6.85
124.		2236-02-796-06	Scheme for Adolescent Girls (SAG)(CASC)	8.00	8.00
125.		2336-02-796-06	Scheme for Adolescent Girls (SAG)(CASS)	8.00	8.00
126.		4235-02-106-74	Construction of School/Rehabilitation Centre/Hostels/Homes etc.	12.00	12.00
127.		4235-02-796-74	Construction of School/Rehabilitation Centre/ Hostels/Homes etc.	8.00	8.00
<b>Total</b>				<b>2,667.76</b>	<b>2,667.76</b>

**Appendix 2.9**  
**Rush of expenditure at the end of the year**  
(Reference: Paragraph 2.4; Page 42)

(₹ in crore)

Sl. No.	Name of Grants	Expenditure incurred during January to March 2019	Expenditure incurred in March 2019	Total expenditure	Percentage to total expenditure during		AC Bill Drawn in March 2019	Amount transferred in PD Account in March 2019
					Jan-March 2019	March 2019		
1	10-Energy Department	199.99	194.41	199.99	100.00	97.21	0.00	194.41
2	2- Agriculture, Animal Husbandry and Co-operative Department (Animal Husbandry Division)	8.97	8.24	8.97	100.00	91.86	0.00	0.00
3	23-Industries, Mines and Geology Department (Industries Division)	6.50	6.50	6.50	100.00	100.00	0.00	0.00
4	57- Urban Development and Housing Department (Housing Division)	15.01	8.14	17.23	87.12	47.24	0.00	0.00
5	20- Health, Medical Education and Family Welfare Department	234.23	30.29	273.39	85.68	11.08	0.00	38.33
6	1- Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	82.29	47.39	102.89	79.98	46.06	0.00	0.00
7	53- Agriculture, Animal Husbandry and Co-operative Department (Fishery Division)	40.01	13.60	51.49	77.70	26.41	0.00	0.87
8	9- Agriculture, Animal Husbandry and Co-operative Department (Co-operative Division)	50.69	17.92	65.60	77.27	27.32	0.00	0.00
9	46- Tourism, Art, Culture, Sports and Youth Affairs Department (Tourism Division)	76.56	58.77	99.37	77.05	59.14	0.00	25.96
10	42-Rural Development (Rural Development Division)	357.33	302.30	485.37	73.62	62.28	0.00	0.00
11	48- Urban Development and Housing Department (Urban Development Division)	1,376.20	891.32	1,902.30	72.34	46.85	0.00	559.59
12	52- Tourism, Art, Culture, Sports and Youth Affairs Department (Art, Culture, Sports and Youth Affairs Division)	10.36	6.18	14.66	70.67	42.16	0.00	1.35
13	54- Agriculture, Animal Husbandry and Co-operative Department (Dairy Division)	95.19	82.07	142.99	66.57	57.40	0.00	0.00
14	43-Higher, Technical Education and Skill Development Department (Science and Technology Division)	321.69	268.15	491.93	65.39	54.51	0.00	197.19
15	6-Cabinet (Election) Department	67.73	43.70	105.63	64.12	41.37	0.10	0.00
16	1- Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	294.31	120.02	467.74	62.92	25.66	0.00	0.00
17	9- Agriculture, Animal Husbandry and Co-operative Department (Co-operative Division)	98.92	84.99	157.33	62.87	54.02	0.00	0.00

Sl. No.	Name of Grants	Expenditure incurred during January to March 2019	Expenditure incurred in March 2019	Total expenditure	Percentage to total expenditure during		AC Bill Drawn in March 2019	Amount transferred in PD Account in March 2019
					Jan-March 2019	March 2019		
18	1- Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	161.75	97.85	260.41	62.11	37.58	0.00	17.00
19	46- Tourism, Art, Culture, Sports and Youth Affairs Department (Tourism Division)	27.11	18.80	47.40	57.19	39.66	0.05	20.75
20	36-Drinking Water and Sanitation Department	228.02	41.14	400.13	56.99	10.28	0.00	0.00
21	51-Welfare Department (Welfare Division)	224.63	73.16	394.59	56.93	18.54	5.65	21.24
22	39- Home, Jail and Disaster Management Department (Disaster Management Division)	240.75	237.85	426.60	56.43	55.75	22.60	0.01
23	10- Energy Department	1,327.54	712.16	2,490.23	53.31	28.60	0.00	1,371.25
24	49-Water Resources Department	232.45	59.73	437.10	53.18	13.67	0.00	0.00
25	40-Revenue, Registration and Land Reforms Department	357.33	111.33	695.81	51.35	16.00	0.00	14.27
26	1- Agriculture, Animal Husbandry and Co-operative Department (Agriculture Division)	85.00	84.64	165.55	51.34	51.13	0.00	83.00
27	22- Home, Jail and Disaster Management Department (Home Division)	97.36	59.01	190.92	51.00	30.91	0.00	0.00
28	52- Tourism, Art, Culture, Sports and Youth Affairs Department (Art, Culture, Sports and Youth Affairs Division)	24.56	12.24	49.11	50.01	24.92	6.30	6.69
<b>Total</b>		<b>6,342.48</b>	<b>3,691.90</b>	<b>10,151.23</b>	<b>62.48</b>	<b>36.37</b>	<b>35.15</b>	<b>2,551.91</b>

**Appendix 2.10****List of Controlling Officers where expenditure remained un-reconciled during 2018-19  
(Amounts exceeding ₹ 10 crore in each case)**

(Reference: Paragraph 2.5; Page 43)

(₹ in crore)

Sl. No.	Controlling Officers/ Departments	Amount not reconciled
1	Registrar, Co-Operation Society Co-Operation Department Ranchi.	62.78
2	Secretary, Finance Department, Revenue & L.R Jharkhand, Ranchi.	311.92
3	Secretary, Finance Department, Jharkhand, Ranchi.	16.17
4	Secretary, Board of Revenue Department	679.45
5	Deputy Secretary, Primary & Adult Education Ranchi	6,457.89
6	Dy. Secretary, Science & Technology Department, Ranchi	278.04
7	Dy. Secretary, Art Culture and Youth Department Ranchi	48.90
8	Dy. Secretary, Welfare Department Ranchi.	2,087.06
9	1. Dy. Secretary, Jharkhand, Ranchi. 2. Secretary Minority Welfare Department Jharkhand Ranchi	967.53
10	Secretary, Urban Dev. Jharkhand, Ranchi.	1,250.79
11	Secretary, Food Supplies Department Jharkhand	695.36
12	Secretary, Minor Irrigation Department, Jharkhand	312.10
13	Director, Panchayati Raj Department Jharkhand, Ranchi.	5,998.59
14	Dy. Secretary Rural Dev. Department Jharkhand, Ranchi	16.65
15	Commissioner of Labour, Ranchi	19.15
16	Director, Planning & Evaluation Department	13.40
17	Electoral Commissioner, Election Department, Ranchi	104.13
18	Sec., Food & Nutrition Department, Jharkhand	225.87
19	Director, Dairy Development Department	221.39
20	Joint Secretary, Water Resources Department	130.66
21	Commissioner-Cum-Secretary, Water Resources Department	65.10
22	Chief Engineer, Road Construction (PWD) Department	149.01
23	1. Addl. Secretary, Home (Police) Department Section IV Village Police, 2. Commissioner, South C.N Division, Ranchi 3. Commissioner, South C.N Division, Hazaribagh	4,372.97
24	1. D.G.P Home Guard, Ranchi 2. Commissioner, Civil Defiance, Jharkhand. 3. Registrar, Cabinet (Vigilance) Department Ranchi 4. Divisional Commissioner, Rajbhasha Vibhag, Ranchi.	76.58
25	Director of Industries, Department Of Industries & Minerals, Jharkhand.	23.26
26	Director of Industries, Department Of Industries & Minerals, Jharkhand.	65.57
27	Under Secretary, Health & Family, Welfare Department Jharkhand	105.77
28	1. Under Secretary, BC & Housing & PWD Division Department 2. Chief Engineer, BC & Housing PWD Division Department	125.85
29	Secretary, Law Department Jharkhand	223.17
30	Secretary, Minor Irrigation, Jharkhand, Ranchi	49.04
31	Secretary, Agriculture Department Jharkhand, Ranchi.	467.52
32	Secretary, Agriculture Research.	10.89
<b>Total</b>		<b>25,632.56</b>

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

**Appendix 2.11**  
**Avoidable Supplementary Provision**  
(Reference: Paragraph 2.6.6; Page 45)

(₹ in crore)

Sl. No.	Heads	Sub-heads	Original	Expenditure during 2018-19	Savings	Supplementary Provision
1	2210-01-102-21	21-Employee State Insurance Scheme	18.17	17.72	0.45	0.03
2	2230-01-001-01	01-Labour Commissioner	4.69	3.36	1.33	0.23
3	2230-01-101-05	05-Labour Conciliation Board for Industrial Disputes	3.44	2.80	0.64	0.05
4	2230-01-101-06	06-Enforcement & Administration of Labour Laws	5.63	4.74	0.89	0.40
5	2230-01-101-07	07-Implementation of Minimum Wages Act in Agriculture	8.89	7.50	1.39	0.26
6	2230-01-102-01	01-Inspector of Steam Boiler	0.71	0.68	0.03	0.20
7	2230-01-102-02	02-Inspector of Factories	6.17	5.49	0.68	0.95
8	2230-01-103-01	01-Education, Health & Entertainment	2.85	2.14	0.71	0.10
9	2230-03-003-05	05-Establishment of Headquarter	0.41	0.40	0.01	0.05
10	2251-00-090-08	08-Labour, Employment & Training Department	3.02	2.93	0.09	0.07
11	4250-00-203-04	04-Scheme for Skilled Development of Youth in LWE Districts	8.00	0.45	7.55	5.76
12	4250-00-203-04	04-Scheme for Skilled Development of Youth in LWE Districts	4.00	0.30	3.70	5.51
13	4250-00-796-04	04-Scheme for Skilled Development of Youth in LWE Districts	10.00	0.64	9.36	14.75
14	4250-00-796-04	04-Scheme for Skilled Development of Youth in LWE Districts	8.00	1.03	6.97	8.67
<b>Total</b>			<b>83.98</b>	<b>50.18</b>	<b>33.80</b>	<b>37.03</b>

Source: Appropriation Accounts of the Government of Jharkhand for the year 2018-19

**Appendix 2.12**  
**Non-utilisation of entire budget provision**  
(Reference: Paragraph 2.6.7; Page 46)

(₹ in crore)

Sl. No.	Districts	Secretariat/Offices	No. of schemes under which amount was surrendered	Allotment	Surrendered
1	Ranchi	The Under Secretary, Labour & Training Department (Govt. Side)	3	0.76	0.76
		The Assistant Director Employment (HQ), (Training Side)	2	3.82	3.82
		Asstt. Director (Employment) Hqr. O/o the Directorate, Employment & Training (Semi Unit)	2	0.56	0.56
		Secretary to Labour Commissioner	3	0.05	0.05
		The Deputy Labour Commissioner (Agriculture labour)	1	0.02	0.02
		The Deputy Labour Commissioner	2	0.22	0.22
		Sub-Regional Employment Exchange	3	1.42	1.42
2	Dhanbad	Sub-Regional Employment Exchange	6	0.29	0.29
3	Chaibasa	Labour Superintendent	2	0.06	0.06
		Labour Superintendent (Agriculture)	3	0.03	0.03
4	Deoghar	Asstt. Labour Commissioner	2	0.08	0.08
5	Saraikela	Labour Superintendent	2	0.04	0.04
6	Simdega	Labour Superintendent	3	0.06	0.06
7	Garhwa	Labour Superintendent	3	0.10	0.10
<b>Total</b>			<b>37</b>	<b>7.51</b>	<b>7.51</b>

**Appendix 2.13**

Surrender of fund on the last day of the financial year  
(Reference: Paragraph- 2.6.8; Page 47)

(₹ in crore)

Sl. No.	Districts	Secretariat/Offices	No. of scheme where surrenders made	Allotment	Expenditure	Surrender	Date of Surrender
1	Ranchi	The Under Secretary, Labour & Training Deptt.(Govt. Side)	2	4.02	3.07	0.95 (24%)	31.03.19
		The Assistant Director Employment (HQ), Training Side	8	24.37	13.35	11.02 (45%)	31.03.19
		Directorate, Employment & Training,(Semi Unit)	3	3.60	1.81	1.79 (50%)	31.03.19
		Secretary to Labour Commissioner	6	5.73	3.53	2.20 (38%)	31.03.19
		Industrial Training Institute, Hehal	5	9.25	5.56	3.69 (40%)	31.03.19
		Sub-Regional Employment Exchange	5	3.63	1.74	1.89 (52%)	31.03.19
2	Dhanbad	Sub-Regional Employment Exchange	3	1.31	0.17	1.14 (87%)	31.03.19
3	Chaibasa	Labour Superintendent (Agriculture Labour)	3	0.94	0.55	0.39 (41%)	29.03.19
		Labour Superintendent	4	2.30	1.64	0.66 (29%)	30.03.19
4	Bokaro	Deputy Labour Commissioner	5	1.46	1.05	0.41 (28%)	29.03.19
5	Deoghar	Asstt. Labour Commissioner	5	2.25	1.64	0.61 (27%)	30.03.19
6	Saraikela	Labour Superintendent	4	1.60	1.23	0.37 (23%)	31.03.19
7	Simdega	Labour Superintendent	4	1.40	0.90	0.50 (36%)	30.03.19
8	Garhwa	Labour Superintendent	3	0.72	0.16	0.56 (78%)	31.03.19
<b>Total</b>			<b>60</b>	<b>62.58</b>	<b>36.40</b>	<b>26.18 (42%)</b>	

**Appendix 2.14**  
**Rush of expenditure**  
**(Reference: Paragraph- 2.6.9; Page 48)**

(₹ in crore)

Districts	Secretariat/Offices	Head of accounts/ No of Schemes	Total Expenditure	Expenditure in March	Percentage of Expenditure in March
Ranchi	Secretariat	2230-02-789-01	0.20	0.10	50
		2235-60-200-07	13.66	6.79	50
		2230-01-796-35	0.20	0.10	50
		4059-01-001-55	1.43	0.75	52
		2235-60-789-07	1.75	1.04	59
		2235-60-796-07	12.29	7.99	65
		2230-03-796-39	5.51	4.13	75
		4250-00-796-06	0.14	0.11	78
		4250-00-796-04	1.03	0.81	79
		2230-03-003-39	3.94	3.71	94
		2230-02-101-37	0.09	0.09	100
		2230-03-789-39	2.90	2.90	100
		4059-01-796-55	0.35	0.35	100
		4250-00-203-04	0.45	0.45	100
		4250-00-203-04	0.30	0.30	100
4250-00-203-06	0.14	0.14	100		
	<b>Sub-total</b>		<b>44.38</b>	<b>29.76</b>	<b>67</b>
Ranchi	The Under Secretary, Labour & Training Deptt.(Govt. Side)	3	0.20	0.10	42 to 100
	The Assistant Director Employment (HQ), Training Side	4	6.79	6.44	62 to 100
	Principal, ITI, Hehal	5	0.41	0.34	50 to 100
	Sub-Regional Employment Exchange	1	0.01	0.006	60
	ESI Dispensary, Dhurwa	1	1.77	0.77	44
	The Deputy Labour Commissioner	8	1.24	1.23	46 to 100
Dhanbad	Principal, ITI	8	0.21	0.14	44 to 100
	Sub-Regional Employment Exchange	9	0.17	0.16	40 to 100
	Asstt. Labour Commissioner	6	1.76	1.75	71 to 100
Bokaro	Principal, ITI	8	0.10	0.09	68 to 100
Chaibasa	Principal, ITI	2	0.64	0.33	49 & 72
	Labour Superintendent	3	1.07	1.06	46 to 100
	Labour Superintendent (Agriculture)	2	0.005	0.005	100
Deoghar	Principal, ITI	6	1.05	0.94	48 to 100
	Asstt. Labour Commissioner	2	0.99	0.99	100
	ESI Dispensary, Madhupur	4	0.004	0.004	100
Saraikela	Principal, ITI	4	0.76	0.50	51 to 100
	Labour Superintendent	5	0.066	0.065	41 to 95
Simdega	Labour Superintendent	3	0.70	0.69	74 to 100
	<b>Sub-total</b>		<b>17.95</b>	<b>15.61</b>	
	<b>Grand Total</b>		<b>62.33</b>	<b>45.37</b>	



**Appendix 2.15**  
**Non-reconciliation of departmental expenditure figures**  
**(Reference: Paragraph- 2.6.10; Page 48)**

(₹ in crore)

Sl. No.	Districts	Offices	Total Expenditure	Reconciled amount	Un-reconciled amount
1	Ranchi	The Under Secretary, Labour & Training Deptt.(Govt. Side)	3.07	0	3.07
		The Assistant Director Employment (HQ), Training Side	13.35	0	13.35
		Secretary to Labour Commissioner	4.50	0	4.50
		The Deputy Labour Commissioner	3.43	0	3.43
		The Deputy Labour Commissioner (Agriculture labour)	1.58	0	1.58
		Industrial Training Institute (General), Hehal	5.56	5.38	0.18
2	Bokaro	ESI dispensary	1.33	1.13	0.20
3	Dhanbad	Industrial Training Institute	4.59	4.40	0.19
4	Deoghar	Asstt. Labour Commissioner	1.64	0	1.64
5	Saraikela	ESI dispensary	1.46	0	1.46
6	Simdega	Labour Superintendent	0.90	0	0.90
7	Garhwa	Labour Superintendent	1.80	0	1.80
<b>Total</b>			<b>43.21</b>	<b>10.91</b>	<b>32.30</b>

**Appendix 2.16****Incomplete insurance cover to Jharkhand Un-organised Workers Social Security Scheme  
(Reference: Paragraph- 2.6.12; Page 49)**

(₹ in crore)

Sl. No.	Test-checked Units	Allotment	Expenditure (Including compensation of death/disability, scholarship, critical illness etc)	Surrendered Amount	No. of registered unorganised workers	No. of unorganised workers to be covered under the scheme PMJJBY/PMSBY sent to LIC for payment of premium	No. of unorganised workers not covered under the scheme PMJJBY/PMSBY
1	Deputy Labour Commissioner, Ranchi	0.50	0.21	0.29 (58%)	1,72,741	12,050	1,60,691
2	Asstt. Labour Commissioner, Dhanbad	0.45	0.45	0.00	70,390	25,000	45,390
3	Deputy Labour Commissioner, Bokaro	0.44	0.44	0.00	53,094	24,207	28,887
4	Asstt. Labour Commissioner, Deoghar	0.42	0.23	0.19 (45%)	83,147	8,381	74,766
5	Labour Superintendent, Chaibasa	0.47	0.32	0.15 (32%)	38,077	18,456	19,621
6	Labour Superintendent, Saraikela	0.40	0.31	0.09 (23%)	40,472	17,039	23,433
7	Labour Superintendent, Simdega	0.40	0.09	0.31 (78%)	23,576	3,686	19,890
8	Labour Superintendent, Garhwa	0.42	0.06	0.36 (86%)	23,166	3,743	19,423
<b>Total</b>		<b>3.50</b>	<b>2.11</b>	<b>1.39 (40%)</b>	<b>5,04,663</b>	<b>1,12,562 (22%)</b>	<b>3,92,101</b>

**Appendix 2.17**  
**Distribution of Blankets/Clothes to unknown/unidentified beneficiaries**  
**(Reference: Paragraph- 2.6.14; Page 50)**

(₹ in crore)

Sl. No.	Test-checked Units	Allotment	Expenditure	Surrendered Amount	Rate (in ₹) per blanket (As per tender)	Total purchased blanket	Beneficiaries in list	Unknown beneficiaries	Total amount against unknown beneficiaries
1	Deputy Labour Commissioner, Ranchi	1.58	1.21	0.37	229	52,777	139	52,638	1.21
2	Asstt. Labour Commissioner, Dhanbad	1.70	1.70	0	244.60	69,635	30	69,605	1.70
3	Deputy Labour Commissioner, Bokaro	1.90	1.90	0	297	63,982	162	63,820	1.90
4	Asstt. Labour Commissioner, Deoghar	1.03	0.99	0.04	289.50	34,278	0	34,278	0.99
5	Labour Superintendent, Chaibasa	1.40	1.05	0.35	229	46,019	42,026	3,993	0.09
6	Labour Superintendent, Saraikela	0.77	0.60	0.17	231	25,777	24,267	1,510	0.04
7	Labour Superintendent, Simdega	0.68	0.67	0.01	217	31,488	0	31,488	0.68
8	Labour Superintendent, Garhwa	1.65	1.65	0	289	56,923	3,271	53,652	1.55
<b>Total</b>		<b>10.71</b>	<b>9.77</b>	<b>0.94</b>	<b>2,026.10</b>	<b>3,80,879</b>	<b>69,895</b>	<b>3,10,984</b>	<b>8.16</b>

**Appendix 2.18**  
**Avoidable Supplementary Provision for the year 2018-19**  
(Reference: Paragraph 2.7.4; Page 52)

(₹ in crore)

Sl. No	Major Heads	Original	Expenditure	Supplementary Provision
1	3456-00-001-02	20.96	19.05	2.00
2	3456-00-001-53	12.53	8.81	0.28
3	3456-00-102-50 (Central)	0.37	0.0082	1.35
4	3456-00-102-50(State)	0.37	0.0079	1.35
5	3456-00-102-58	0.00	0.00	0.063
6	3456-00-789-50(Central)	0.13	0.00	0.49
7	3456-00-789-50(State)	0.13	0.00	0.49
8	3456-00-789-51	29.12	23.71	5.00
9	3456-00-789-58	0.00	0.00	0.063
10	3456-00-796-50(Central)	0.50	0.33	1.90
11	3456-00-796-50(State)	0.50	0.33	1.90
12	3456-00-796-58	0.00	0.00	0.15
13	3456-00-796-59	0.00	0.00	0.38
14	3475-00-106-08	3.52	3.02	0.01
15	3475-00-106-09	0.00	0.00	2.50
<b>TOTAL</b>		<b>68.13</b>	<b>55.2661</b>	<b>17.93</b>

(Source: Appropriation Accounts of the Government of Jharkhand for the year 2018-19)

**Appendix 2.19**  
**Details showing provision of excess fund**  
(Reference: Paragraph 2.7.4 ; Page 52)

(₹ in lakh)

District	Scheme	Head	Letter no.	Date	Allotment head-wise	Total Allotment	Total expenditure	Surrender on 31.03.2019	Avoidable Supplementary grant
Ramgarh	PHH (SCSP)	Original	3672	08.11.2018	145.43	290.86	16.06	274.79	145.43
		Supplementary-I	1396	07.05.2018	145.43				
	Antodaya (SCSP)	Original	3671	08.11.2018	57.65	115.3	4.67	110.64	57.65
		Supplementary-I	1463	14.05.2018	57.65				
	PTG Dakiya (OSP)	Original	1514	17.05.2018	0.25	1.16	0.17	0.99	0.91
		Supplementary-I	3899	10.12.2018	0.91				
		<b>Total</b>			<b>407.32</b>	<b>407.32</b>	<b>20.9</b>	<b>386.42</b>	<b>203.99</b>
Dumka	Iodine Namak (TSP)	Original	411	05.02.2019	4.07	7.04	3.29	3.75	2.97
		Supplementary-I	595	18.02.2019	2.97				
			<b>Total</b>			<b>7.04</b>			<b>2.97</b>
Dhanbad	PHH (SCSP)	Original	1396	07.05.2018	514.19	1,028.38	464.09	564.3	514.19
		Supplementary-I	3672	08.11.2018	514.19				
	Iodine Namak (SCSP)	Original	411	05.02.2019	1.33	2.65	0.00	2.65	1.32
		Supplementary-I	595	18.02.2019	1.32				
		<b>Total</b>			<b>1,031.03</b>	<b>1,038.07</b>	<b>467.38</b>	<b>570.70</b>	<b>515.51</b>
Giridih	PTG Dakiya Yojana (OSP)	Original	1514	17.05.2018	0.28	0.56	0.07	0.49	0.28
		Supplementary-I	3900	10.12.2018	0.28				
	PTG Dakiya Yojana (SCSP)	Original	1514	17.05.2018	0.16	0.32	0.03	0.28	0.16
		Supplementary-I	3900	10.12.2018	0.16				
	Machine and equipment	Original	1825	11.06.2018	0.10	1.10	0.09	1.00	1.00
		Supplementary-I	2530	03.08.2018	1.00				
		<b>Total</b>			<b>1.98</b>	<b>1.98</b>	<b>0.19</b>	<b>1.77</b>	<b>1.44</b>
Hazaribagh	PHH (OSP)	Original	1396	07.05.2018	1,097.68	2,210.81	2,096.85	113.96	15.45
		Supplementary-I	3672	08.11.2018	1,097.68				
		Supplementary-II	593	18.02.2019	15.45				
			<b>Total</b>			<b>2,210.81</b>	<b>2,210.81</b>	<b>2,096.85</b>	<b>15.45</b>
<b>Grand Total</b>									<b>739.36</b>

**Appendix 2.20**

**Unit-wise amount surrender report on the last date of the financial year**

(Reference: Paragraph 2.7.5 ; Page 52)

(₹ in crore)

Sl. No.	Name of DSO	Date of Surrender	Surrender Amount
1.	DSO, Ramgarh	31.03.19	4.65
2.	DSO, Jamshedpur	31.03.19	8.34
3.	DSO, Gumla	31.03.19	1.54
4.	DSO, Dumka	31.03.19	2.87
5.	DSO, Hazaribag	30.03.19	2.51
6.	DSO, Ranchi	31.03.19	45.46
7.	DSO, Dhanbad	31.03.19	7.56
8.	DSO, Giridih	31.03.19	8.13
9	SRO, Dhanbad	30.03.19	0.06
10	Directorate, Food, PDS and Consumer Affairs, Ranchi	30.03.19	24.35
<b>TOTAL</b>			<b>105.47</b>

**Appendix 2.21**  
**Sub-head wise expenditure in the month of March 2019**  
(Reference: Paragraph 2.7.6 ; Page 52)

(₹ in crore)

Sl. No.	Heads	Total Expenditure during 2018-19	Expenditure in March 2019	Percentage of expenditure in March 2019
1.	3456-00-102-03	0.85	0.84	98.82
2.	3456-00-789-03	0.27	0.27	100.00
3.	3456-00-796-03	1.04	1.00	96.15
4.	4408-02-796-02	2.50	1.50	60.00
5.	3456-00-102-48	4.98	4.60	92.37
6.	3456-00-789-48	1.69	1.56	92.31
7.	3456-00-796-48	6.54	6.05	92.51
8.	3456-00-796-50	0.33	0.33	100.00
9.	3456-00-796-50	0.33	0.33	100.00
10.	4408-02-101-01	0.97	0.69	71.13
11.	3456-00-102-52	10.00	10.00	100.00
12.	3456-00-789-52	5.00	5.00	100.00
13.	3456-00-796-52	15.00	15.00	100.00
14.	3456-00-102-51	115.09	30.20	26.24
15.	3456-00-789-20	0.25	0.08	32.00

**Appendix 2.22****DDO-wise and scheme-wise rush of expenditure in the month of March 2019**

(Reference: Paragraph 2.7.6; Page 52)

(₹ in lakh)

DDO Name	Name of Scheme	Total expenditure (2018-19)	Exp. In March 2019	Rush of exp. (In per cent)
DSO, Ranchi	3456-PHH (TSP)	2,776.14	938.75	33.82
	3456-PTG Dakiya (TSP)	1.24	1.24	100.00
	3456-Annapurna Anna Yojana (TSP)	0.40	0.40	100.00
	3456-Namak Vitran (TSP)	1.28	1.28	100.00
DSO, Giridih	3456-PTG Dakiya (OSP)	0.07	0.07	100.00
	3456-PTG Dakiya(SCSP)	0.03	0.03	100.00
	3456-Namak Vitran Yojana (OSP)	4.71	4.71	65.93
	3456- Namak Vitran Yojana (SCSP)	1.58	1.58	63.48
	3456-Computerisation (GEN)	5.99	2.13	35.51
DSO, Hazaribagh	3456-PTG Dakiya (OSP)	1.84	0.63	34.51
	3456-Iodine Namak (OSP)	5.40	5.40	100.00
	3456-Annapurna Yojana (OSP)	0.15	0.15	100.00
DSO, Jamsshedpur	3456-Mukhyamantri Dal Bhat Yojana (TSP)	67.38	23.37	34.68
Directorate, Ranchi	3456-Printing (SCSP)	24.79	8.46	34.15
	3456 Namak Vitran (TSP)	635.26	590.00	92.87
	3456 Namak Vitran (OSP)	481.89	444.80	92.30
	3456 Namak Vitran (SCSP)	167.32	154.42	92.29
	3456 Annapurna Anna Yojana (TSP)	99.44	99.44	100.00
	3456 Annapurna Anna Yojana (OSP)	84.10	84.10	100.00
	3456 Annapurna Anna Yojana (SCSP)	27.42	27.42	100.00
	3456-Prachar Prasar (TSP)	7.94	4.50	56.70



**Appendix 2.23**  
**Un-reconciled amount of DDO's expenditure**  
(Reference: Paragraph 2.7.7; Page 53)

(₹ in crore)

Sl. No.	Name of District	Offices	Heads	Total Expenditure	Reconciled amount	Un-reconciled amount
1	Gumla	District Consumer Forum, Gumla	3456- Estt.	0.25	0	0.25
		DSO, Gumla	3456- Plan	21.27	0	21.27
			3456- Estt.	0.73	0	0.73
2	Hazaribagh	DSO, Hazaribagh	3456- Plan	38.58	0	38.58
			3456- Estt.	1.09	0	1.09
		District Consumer Forum, Hazaribagh	3456- Estt.	0.47	0	0.47
3	Dumka	DSO, Dumka	3456- Plan	29.95	0	29.95
			3456- Estt.	0.31	0	0.31
		Asstt. Agriculture Director, Dumka	3456- Estt.	0.52	0	0.52
		Asstt. Controller, W & M Dumka	3456- Estt.	0.05	0	0.05
		District Consumer Forum, Dumka	3456- Estt.	0.45	0	0.45
4	Ranchi	Secretary, Jharkhand State Consumer Commission, Ranchi	3456- Estt.	1.15	0	1.15
		Joint Director Agriculture, Ranchi	3456- Estt.	0.30	0	0.30
		DSO, Ranchi	4408 - Capital	28.35	0	28.35
			3456- Plan	42.62	0	42.62
			3456- Estt.	0.42	0	0.42
		Deputy Director Agriculture, Ranchi	3456- Estt.	0.63	0	0.63
		Special Rationing Officer Ranchi	3456- Estt.	1.93	0	1.93
District Consumer Forum, Ranchi	3456- Estt.	0.52	0	0.52		
5	Giridih	District Consumer Forum, Giridih	3456- Estt.	0.36	0	0.36
		Asstt. Controller, W & M Giridih	3456- Estt.	0.15	0	0.15
		DSO, Giridih	3456- Plan	48.38	0	48.38
			3456- Estt.	0.98	0	0.98
6	Dhanbad	DSO, Dhanbad	3456- Plan	43.43	0	43.43
			3456- Estt.	0.83	0	0.83
		District Consumer Forum, Dhanbad	3456- Estt.	0.48	0	0.48
		Special Rationing Officer Dhanbad	3456- Estt.	0.90	0	0.90
		Asstt. Controller, W & M Dhanbad	3456- Estt.	0.32	0	0.32
7	Jamshedpur	Special Rationing Officer Jamshedpur	3456- Estt.	1.38	0	1.38
		DSO, Jamshedpur	3456- Plan	39.74	0	39.74
			3456- Estt.	0.61	0	0.61
8	Ramgarh	DSO, Ramgarh	3456- Plan	12.05	0	12.05
			3456- Estt.	0.63	0	0.63
<b>Total</b>				<b>319.83</b>		<b>319.83</b>

**Appendix 2.24**  
**Surrender of whole budget in different heads**  
(Reference: Paragraph 2.7.8; Page 53)

(₹ in crore)

Sl. No.	Head	Original	Supplementary	Total Budget	Expenditure	Surrender
1	3456-00-102-17	4.53	0.00	4.53	0.00	4.53
	3456-00-789-17	1.59	0.00	1.59	0.00	1.59
	3456-00-796-17	6.13	0.00	6.13	0.00	6.13
2	3456-00-796-46	0.01	0.00	0.01	0.00	0.01
3	3475-00-796-08	0.35	0.00	0.35	0.00	0.35
	3475-00-106-10	0.21	0.00	0.21	0.00	0.21
	3475-00-789-08	0.11	0.00	0.11	0.00	0.11
4	3456-00-796-54	0.06	0.00	0.06	0.00	0.06
	3456-00-789-54	0.01	0.00	0.01	0.00	0.01
	3456-00-102-54	0.03	0.00	0.03	0.00	0.03
5	3456-00-102-43	3.70	0.00	3.70	0.00	3.70
	3456-00-789-43	1.30	0.00	1.30	0.00	1.30
	3456-00-796-43	5.00	0.00	5.00	0.00	5.00
6	3456-00-102-44	7.40	0.00	7.40	0.00	7.40
	3456-00-789-44	2.60	0.00	2.6	0.00	2.60
	3456-00-796-44	10.00	0.00	10.00	0.00	10.00
7	3456-00-789-41	0.25	0.00	0.25	0.00	0.25
8	4408-02-789-35	3.90	0.00	3.90	0.00	3.90
9	3456-00-789-50	0.13	0.49	0.62	0.00	0.62
	3456-00-789-50	0.13	0.49	0.62	0.00	0.62
10	3456-00-789-58	0.00	0.06	0.06	0.00	0.06
	3456-00-796-58	0.00	0.15	0.15	0.00	0.15
	3456-00-102-58	0.00	0.06	0.06	0.00	0.06
11	3456-00-796-59	0.00	0.38	0.38	0.00	0.38
12	3456-00-106-09	0.00	2.50	2.50	0.00	2.50
<b>TOTAL</b>		<b>47.44</b>	<b>4.13</b>	<b>51.57</b>	<b>0.00</b>	<b>51.57</b>

**Appendix 2.25**  
**Surrender of whole Budget Provision**  
(Reference: Paragraph 2.7.8 ; Page 53)

(₹ in lakh)

Sl. No.	Name of DDO	Scheme	Total Allotment	Total expenditure	Surrender on 30/31.03.19
1	DSO Ramgarh	PTG Dakiya (OSP)	0.46	0.00	0.46
		Iodine Namak (OSP)	2.25	0.00	2.25
		Iodine Namak (SCSP)	0.79	0.00	0.79
		Kerosene Tail (OSP)	17.46	0.00	17.46
		Kerosene Tail (SCSP)	6.05	0.00	6.05
		Annapurna Yojana (OSP)	0.99	0.00	0.99
		Annapurna Yojana (SCSP)	0.32	0.00	0.32
		Telephone (Estt.)	0.08	0.00	0.08
		Uniform (Estt.)	0.05	0.00	0.05
		Machine & Equip (Estt.)	0.10	0.00	0.10
		LTC (Estt.)	0.12	0.00	0.12
	<b>Total</b>	<b>28.67</b>	<b>0.00</b>	<b>28.67</b>	
2	DSO Dhanbad	Mukhya Mantri Dal Bhat Yojana (SCSP)	36.83	0.00	36.83
		Annapurna Yojana (SCSP)	0.66	0.00	0.66
		Namak Vitran Yojana (SCSP)	2.65	0.00	2.65
		Ujjwala (OSP)	7.68	0.00	7.68
		Ujjwala (SCSP)	2.32	0.00	2.32
		Kerosene oil anudan (OSP)	46.38	0.00	46.38
		Kerosene oil anudan (SCSP)	16.08	0.00	16.08
		Mudran (OSP)	3.00	0.00	3.00
		Mudran (SCSP)	1.32	0.00	1.32
	<b>Total</b>	<b>116.92</b>	<b>0.00</b>	<b>116.92</b>	
3	DSO Hazaribagh	Iodine Namak (SCSP)	1.93	0.00	1.93
		Annapurna Yojana (SCSP)	0.66	0.00	0.66
		Kerosene Tail (OSP)	38.00	0.00	38.00
		Kerosene Tail (SCSP)	13.18	0.00	13.18
		Kaushal Vikas Yojana (OSP)	10.75	0.00	10.75
		Kaushal Vikas Yojana (SCSP)	3.25	0.00	3.25
			<b>Total</b>	<b>67.77</b>	<b>0.00</b>
4	DSO Dumka	Annapurna Yojana (TSP)	2.16	0.00	2.16
		Ujjwala (TSP)	10.00	0.00	10.00
		Kerosene oil anudan (OSP)	40.32	0.00	40.32
		Telephone (Estt.)	0.08	0.00	0.08
		Uniform (Estt.)	0.05	0.00	0.05
			<b>Total</b>	<b>52.61</b>	<b>0.00</b>
5	DSO Gumla	Kerosene Tail (TSP)	26.64	0.00	26.64
		Annapurna Yojana (TSP)	1.67	0.00	1.67
		Telephone (Estt.)	0.08	0.00	0.08
			<b>28.39</b>	<b>0.00</b>	<b>28.39</b>
6	DSO Jamshedpur	Computerisation of PDS system (Central) TSP	1.45	0.00	1.45
		Computerisation of PDS system (State) TSP	1.45	0.00	1.45
		Kerosene Tail (TSP)	68.22	0.00	68.22
		Machine & Equip. (Estt.)	0.10	0.00	0.10
		Telephone (Estt.)	0.08	0.00	0.08
			<b>71.30</b>	<b>0.00</b>	<b>71.30</b>

Sl. No.	Name of DDO	Scheme	Total Allotment	Total expenditure	Surrender on 30/31.03.19
7	DSO Giridih	Annapurna Yojana (OSP)	2.83	0.00	2.83
		Annapurna Yojana (SCSP)	0.92	0.00	0.92
		Kaushal Vikas Prachar Prasar Seminar (OSP)	13.05	0.00	13.05
		Kaushal Vikas Prachar Prasar Seminar (SCSP)	3.95	0.00	3.95
		Kerosene Oil Anudan (OSP)	48.25	0.00	48.25
		Kerosene Oil Anudan (SCSP)	16.73	0.00	16.73
		<b>Total</b>	<b>85.73</b>		<b>85.73</b>
8	DSO Ranchi	Nirwachan	1.00	0.00	1.00
		Kerosene oil commission (TSP)	733.38	0.00	733.38
		Kaushal Vikas Yojana (TSP)	16.00	0.00	16.00
		Telephone (TSP.)	0.08	0.00	0.08
		Uniform (TSP)	0.05	0.00	0.05
		Mach. & Equip (TSP)	0.10	0.00	0.10
		<b>Total</b>	<b>750.61</b>	<b>0.00</b>	<b>750.61</b>
9	Directorate	State Food Commission (TSP)	<b>3.75</b>	<b>0.00</b>	<b>37.50</b>
<b>Grand Total</b>					<b>1,239.50</b>

**Appendix 3.1**  
**Utilisation certificates outstanding as on 31 March, 2019**  
(Reference: Paragraph 3.1; Page 55)

(₹ in crore)

Department	Up to 2017-18 (GIA sanctioned upto 2016-17)		During 2018-19 (GIA sanctioned during 2017-18)		Total UCs awaited	
	Items	Amount	Items	Amount	Items	Amount
Industry	839	486.04	106	30.67	945	516.71
Agriculture, Animal Husbandry and Co-operative	646	616.37	312	634.28	958	1,250.65
Health and Family Welfare	89	1,622.14	212	3,150.65	301	4,772.79
Welfare	7,743	1,837.67	971	234.17	8,714	2,071.84
Land Revenue	1	0.21	2	6.78	3	6.99
Human Resource	2,218	8,066.45	902	3,715.13	3,120	11,781.58
Urban Development	6,055	8,299.18	876	3,933.53	6,931	12,232.71
Others	3,421	12,905.61	838	7,840.12	4,259	20,745.73
<b>Total</b>	<b>21,012</b>	<b>33,833.67</b>	<b>4,219</b>	<b>19,545.33</b>	<b>25,231</b>	<b>53,379.00</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 57)

Sl. No.	Department	Name of the office	District	Audited upto
1	Health	District Rural Health Society	Bokaro	2018-19
2	Health	District Rural Health Society	Chatra	2018-19
3	Health	District Rural Health Society	Deoghar	2012-13
4	Health	District Rural Health Society	Dhanbad	Dec 2019
5	Health	District Rural Health Society	Dumka	2013-14
6	Health	District Rural Health Society	East Singhbhum (Jamshedpur)	Aug 2015
7	Health	District Rural Health Society	Garhwa	2017-18
8	Health	District Rural Health Society	Giridih	2013-14
9	Health	District Rural Health Society	Godda	2015-16
10	Health	District Rural Health Society	Gumla	2010-11
11	Health	District Rural Health Society	Hazaribagh	2014-15
12	Health	District Rural Health Society	Jamtara	2011-12
13	Health	District Rural Health Society	Khunti	Oct 2016
14	Health	District Rural Health Society	Koderma	2013-14
15	Health	District Rural Health Society	Latehar	2015-16
16	Health	District Rural Health Society	Lohardaga	2013-14
17	Health	District Rural Health Society	Pakur	2018-19
18	Health	District Rural Health Society	Palamu	2013-14
19	Health	District Rural Health Society	Ranchi	2008-09
20	Health	District Rural Health Society	Ramgarh	2015-16
21	Health	District Rural Health Society	Saraikela Kharsawan	2013-14
22	Health	District Rural Health Society	Simdega	2013-14
23	Health	District Rural Health Society	West Singhbhum (Chaibasa)	2018-19
24	Health	District Rural Health Society	Sahibganj	2013-14
25	Rural Development	DRDA	Bokaro	2011-12
26	Rural Development	DRDA	Chatra	Dec 2015
27	Rural Development	DRDA	Deoghar	2015-16
28	Rural Development	DRDA	Dhanbad	2012-13
29	Rural Development	DRDA	Dumka	2016-17
30	Rural Development	DRDA	Jamshedpur	2016-17
31	Rural Development	DRDA	Garhwa	2016-17
32	Rural Development	DRDA	Giridih	2016-17
33	Rural Development	DRDA	Godda	2016-17
34	Rural Development	DRDA	Gumla	2016-17
35	Rural Development	DRDA	Hazaribagh	2015-16
36	Rural Development	DRDA	Jamtara	Oct 2011
37	Rural Development	DRDA	Khunti	2016-17
38	Rural Development	DRDA	Koderma	2015-16
39	Rural Development	DRDA	Latehar	2014-15
40	Rural Development	DRDA	Lohardaga	2015-16
41	Rural Development	DRDA	Pakur	2015-16
42	Rural Development	DRDA	Medininagar	Sep 2015
43	Rural Development	DRDA	Ranchi	2016-17
44	Rural Development	DRDA	Ramgarh	2015-16
45	Rural Development	DRDA	Saraikela	2015-16
46	Rural Development	DRDA	Simdega	2015-16

Sl. No.	Department	Name of the office	District	Audited up to
47	Rural Development	DRDA	Chaibasa	2015-16
48	Rural Development	DRDA	Sahibganj	2016-17
49	Health	Jharkhand State Health Mission Rural Society, Ranchi (JSHMRS)	Ranchi	2015-16
50	Health	Jharkhand AIDS Control Society, Ranchi	Ranchi	2002-03 (Covered under PA)
51	Education	Birla Institute of Technology, Mesra	Ranchi	2014-15
52	Education & Research	Birsa Agriculture University	Ranchi	2004-05
53	Science & Technology	Science & Technology Council, Govt. of Jharkhand	Ranchi	2006-07
54	Health	Director, R.K. Mission, TB sanatorium, Tipudana	Ranchi	2005-06
55	Agriculture	National Horticulture Mission, Ranchi	Ranchi	2014-15
56	Forest	Jharkhand Bio-Diversity Council, Doranda, Ranchi	Ranchi	2016-17
57		Executive Director, Waste Land Development Board, Jharkhand	Ranchi	Not audited since inception
58	Forest	CAMPA	Ranchi	Not audited since inception
59	Forest	Forest Development Authority	Ranchi	Not audited since inception
60	Industry	Chief Executive Officer, Jharkhand State Khadi and Village Industries Board, Ranchi	Ranchi	2015-16
61		Jharkhand Public Service Commission, Ranchi	Ranchi	10/2013
62		State Information Commission	Ranchi	12/2016
63		Jharkhand State Hindu Religion Trust Council	Ranchi	Not audited since inception
64		Jharkhand Staff Selection Commission	Ranchi	01/2017
65	Animal Husbandry	Bacon Factory, Kanke, Ranchi	Ranchi	2009-10
66	Energy	Jharkhand Renewable Energy Development Agency	Ranchi	2015-16
67	Education	Jharkhand Education Project Council, Ranchi	Ranchi	2015-16
68	Education	Netarhat Residential School	Latehar	Nov 2016
69	Social Welfare	Director, R.K. Mission Ashram, Morabadi	Ranchi	2007-08
70	Social Welfare	Jharkhand Mahila Samakshya Society, Kadru	Ranchi	2005-06

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

**Appendix 3.3**  
**Details of Head-wise outstanding DC Bills**  
(Reference: Paragraph 3.3; Page 59)

(₹ in crore)

Year→	Head		2000-16	2016-17	2017-18	2018-19	Grand Total
AC bills drawn	2230	No. of AC bills	604	6	7	2	<b>619</b>
		AC Amount	140.42	0.80	0.60	1.02	142.84
	2235	No. of AC bills	45	0	0	0	<b>45</b>
		AC Amount	4.85	0.00	0.00	0.00	4.85
	2251	No. of AC bills	23	0	0	0	<b>23</b>
		AC Amount	0.12	0.00	0.00	0.00	0.12
	3451	No. of AC bills	43	0	0	0	43
		AC Amount	0.16	0.00	0.00	0.00	0.16
	3456	No. of AC bills	660	7	0	1	668
		AC Amount	210.70	159.44	0.00	0.10	370.24
	4059	No. of AC bills	2	0	0	0	<b>2</b>
		AC Amount	0.97	0.00	0.00	0.00	0.97
	4250	No. of AC bills	3	7	0	0	<b>10</b>
		AC Amount	1.40	3.45	0.00	0.00	4.85
	<b>Total</b>	<b>No. of AC bills</b>	<b>1,380</b>	<b>20</b>	<b>7</b>	<b>3</b>	<b>1,410</b>
		<b>AC Amount</b>	<b>358.62</b>	<b>163.69</b>	<b>0.60</b>	<b>1.12</b>	<b>524.03</b>
DC bills submitted	2230	No. of DC bills	300	3	1	0	<b>304</b>
		DC Amount	85.36	0.79	0.10	0.00	86.25
	2235	No. of DC bills	13	0	0	0	<b>13</b>
		DC Amount	2.89	0.00	0.00	0.00	2.89
	2251	No. of DC bills	15	0	0	0	<b>15</b>
		DC Amount	0.09	0.00	0.00	0.00	0.09
	3451	No. of DC bills	27	0	0	0	27
		DC Amount	0.13	0.00	0.00	0.00	0.13
	3456	No. of DC bills	219	3	0	0	222
		DC Amount	135.81	89.73	0.00	0.00	225.54
	4059	No. of DC bills	1	0	0	0	<b>1</b>
		DC Amount	0.92	0.00	0.00	0.00	0.92
	4250	No. of DC bills	1	0	0	0	<b>1</b>
		DC Amount	0.27	0.00	0.00	0.00	0.27
	<b>Total</b>	<b>No. of DC bills</b>	<b>576</b>	<b>6</b>	<b>1</b>	<b>0</b>	<b>583</b>
		<b>DC Amount</b>	<b>225.47</b>	<b>90.52</b>	<b>0.10</b>	<b>0.00</b>	<b>316.09</b>
<b>Outstanding</b>	<b>No. of DC bills</b>	<b>804</b>	<b>14</b>	<b>6</b>	<b>3</b>	<b>827</b>	
	<b>Amount</b>	<b>133.15</b>	<b>73.17</b>	<b>0.50</b>	<b>1.12</b>	<b>207.94</b>	
Percentage of outstanding amount			37.13	44.70	83.33	100.00	39.68



**Appendix 3.4**  
**District-wise Outstanding DC Bills**  
 (Reference: Paragraph 3.3; Page 59)

(₹ in crore)

Sl. No.	Name of Districts	No. of units	Amount drawn on AC bills	Amount of DC bill submitted	Amount of outstanding DC Bills
1	Ranchi	6	194.65	149.35	45.30
2	Dhanbad	1	0.10	0.00	0.10
3	Chaibasa	2	0.05	0.00	0.05
4	Bokaro	1	0.39	0.00	0.39
5	Deoghar	2	0.08	0.03	0.05
6	Simdega	1	0.28	0.21	0.07
7	Gumla	1	0.19	0.06	0.13
8	Jamshedpur	1	4.17	0.00	4.17
9	Hazaribagh	2	6.04	3.86	2.18
<b>Total</b>		<b>17</b>	<b>205.95</b>	<b>153.51</b>	<b>52.44</b>

**Appendix 3.5**  
**Details showing delay in submission of DC Bills by DDO's**  
(Reference: Paragraph 3.3.1; Page 60)

Sl. No.	Name of Offices	No. of DC bills	DC Amount (in crore)	Range of delay	Period of Drawal of AC Amount
1	Director, Food, Public Distribution and Consumer Affairs Dhurwa, Ranchi	4	35.83	01 year 9 months 10 days to 03 years 08 months 09 days	2013-14 to 2016-17
2	Najarat Deputy Collector, Ranchi	6	5.91	10 months 19 days	2011-12
3	DSO, Dhanbad	17	9.39	03 years 01 month 16 days to 04 years 03 months 07 days	2003-04 to 2011-12
4	DSO, Giridih	5	3.45	04 months 22 days to 03 years 04 months 28 days	2010-11 to 2011-12
5	DSO, Dumka	1	0.14	01 year 03 months 12 days	2011-12
6	DSO, Gumla	5	0.32	03 months 10 days to 05 years 04 months 02 days	2003-04 to 2011-12
7	DSO, Hazaribagh	15	5.63	05 months 09 days to 06 years 03 months 08 days	2003-04 to 2011-12
<b>Total</b>			<b>60.67</b>		

**Appendix 3.6**  
**Delayed submission of DC bills (Selected districts under Grant 26)**  
(Reference: Paragraph 3.3.1; Page 60)

(₹ in crore)

Sl. No.	Name of Offices	No. of units	No. of DC bills Adjusted (with delay)	DC Amount (with delay)	Range of delay	Period of Drawal of AC Amount
1	Dhanbad	1	1	0.01	6 months	2013-14
2	Chaibasa	1	4	0.26	12 days to 1 year 1 month 19 days	2012-13 to 2015-16
3	Bokaro	1	7	0.33	29 days to 1 year 7 months 16 days	2007-08 to 2015-16
4	Deoghar	1	4	0.03	6 years 5 months 15 days to 11 years 9 months 15 days	2005-06 to 2007-08
5	Simdega	1	2	0.08	4 months 2 days to 4 years 2 months 21 days	2009-10 & 2013-14
6	Ranchi	8	29	20.26	26 days to 16 years 8 months 4 days	2001-02 to 2017-18
7	Saraikela	1	5	0.26	13 days to 5 years 11 months 27 days	2011-12 to 2015-16
<b>Total</b>		<b>14</b>	<b>52</b>	<b>21.23</b>		

(Source: VLC database, O/o the AG (A&amp;E), Jharkhand, Ranchi)

**Appendix 3.7****Fund kept in PL Accounts for more than three years**

(Reference: Paragraph 3.5; Page 61)

(₹ in crore)

Sl. No.	Name of Office	Allotment	Closing Balance as of 31.03.2019	Amount kept in PLAs more than last three years
1	Zila Parishad, Godda	27.70	22.41	3.95
2	Zila Parishad, Sahebganj	13.71	13.71	0.65
3	Zila Parishad, Simdega	3.26	3.21	88.91
4	Zila Parishad, Chatra	34.12	18.32	3.82
5	Zila Parishad, Garhwa	45.77	26.65	9.81
6	Zila Parishad, Lohardaga	9.44	9.29	0.06
7	Zila Parishad, Dumka	3.29	3.29	3.29
8	Zila Parishad, Pakur	5.47	3.30	0.81
9	Jharkhand State Scheduled Caste Co-operative Development Corporation, Ranchi *	421.39	206.54	248.10
10	Jharkhand Skill Development Mission	6.00	6.00	6.00
<b>Total</b>		<b>570.15</b>	<b>312.72</b>	<b>365.39</b>

\* Balance under selected schemes in which fund kept in PL A/c for more than three years

**Appendix 3.8**  
**Operation of minor head '800 – Other Expenditure' (10 per cent and above)**  
(Reference: Paragraph 3.7; Page 63)

(₹ 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	2053	District Administration	695.81	129.66	18.64
3	4047	Capital Outlay on Other Fiscal Services	54.66	37.37	68.37
4	4070	Capital Outlay on Other Administrative Services	4.13	1.32	31.86
5	4701	Capital Outlay on Medium Irrigation	709.17	336.48	47.45
6	6801	Loans for Power Projects	1,413.09	586.75	41.52
<b>Total</b>			<b>2,876.86</b>	<b>1,091.58</b>	

**Appendix 3.9**  
**Operation of minor head '800 – Other Receipts' (30 per cent and above)**  
(Reference: Paragraph 3.7; Page 63)

(₹ 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	0220	Information and Publicity	0.01	0.01	100.00
2	0575	Other Special Area Programmes	0.00	0.00	100.00
3	0702	Minor Irrigation	3.27	3.27	100.00
4	0801	Power	42.47	42.47	100.00
5	0059	Public Works	9.55	9.55	99.98
6	0701	Medium Irrigation	21.05	20.96	99.57
7	0215	Water Supply and Sanitation	8.45	8.34	98.70
8	0057	Supplies and Disposals	0.09	0.09	95.66
9	1054	Roads and Bridges	143.31	124.37	86.78
10	0515	Other Rural Development Programmes	27.05	18.54	68.54
11	0425	Co-operation	1.64	1.05	64.02
12	1055	Road Transport	0.01	0.01	58.18
13	0023	Hotel Receipts Tax	0.00	0.00	44.16
14	0070	Other Administrative Services	69.91	27.57	39.44
15	0041	Taxes on Vehicles	863.94	303.56	35.14
16	0406	Forestry And Wild Life	14.79	5.18	35.02
17	0071	Contributions and Recoveries towards Pension	5.55	1.86	33.51
18	0049	Interest Receipts	47.20	14.72	31.19
<b>Total</b>			<b>1,258.29</b>	<b>581.55</b>	<b>46.22</b>

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

Terms	Basis of calculation and explanation
Rate of Growth (ROG)	$[(\text{Current year Amount} / \text{Previous year Amount}) - 1] * 100$
Development Expenditure	Social Services + Economic Services
Average interest paid by the State	$\text{Interest payment} / [(\text{Amount of previous year's Fiscal Liabilities} + \text{Current year's Fiscal Liabilities}) / 2] * 100$
Interest spread	GSDP growth – Average Interest Rate
Interest received as <i>per cent</i> to Loans Outstanding	$\text{Interest Received} / [(\text{Opening balance} + \text{Closing balance of Loans and Advances}) / 2] * 100$
Revenue Deficit	Revenue Receipt – Revenue Expenditure
Fiscal Deficit	Revenue Expenditure + Capital Expenditure + Net Loans and Advances – Revenue Receipts – Miscellaneous Capital Receipts
Primary Deficit	Fiscal Deficit – Interest payments
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..

<b>Terms</b>	<b>Basis of calculation and explanation</b>
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 Agency	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 Abhiyan 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 at least 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.

<b>Acronyms</b>	<b>Full Form</b>
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
GOI	Government of India
GSDP	Gross State Domestic Product
FRBM	Fiscal Responsibility and Budget Management Act, 2005
O&M	Operation and Maintenance
PAC	Public Accounts Committee
RE	Revenue Expenditure
RR	Revenue Receipts
S&W	Salaries and Wages
SSE	Social Sector Expenditure
TE	Total Expenditure
FFC	Fourteenth Finance Commission
UC	Utilisation Certificate
VAT	Value Added Tax



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