

# **Outcome Budget**

## **2016-2017**

**Ministry of Finance**

**अर्थमूलं कार्यम्**

**Outlays for Outcomes**

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## PREFACE

The “**Outcome Budget**” reflects the endeavour of the Government to convert "Outlays" into "Outcomes" by planning expenditure, fixing appropriate targets and quantifying deliverables of each scheme. The “**Outcome Budget**” is an effort of the Government to be transparent and accountable to the people.

In addition to an Executive Summary, the Outcome Budget 2016-17 contains seven separate sections relating to seven Demands under Ministry of Finance for which the Outcome Budget is to be prepared. These are Economic Affairs, Financial Services, Expenditure, Revenue, Direct Taxes, Indirect Taxes and Disinvestment. Each section discusses the statement of outlays and outcomes; reform measures; policy initiatives and programmes initiated; review of past performance; financial review for three years and a review of the performance of statutory and autonomous bodies.

## EXECUTIVE SUMMARY

The Ministry of Finance is responsible for the administration of the finances of the Central Government. It is concerned with economic and financial matters affecting the country as a whole. It mobilizes resources for development, regulates expenditure of the Central Government and deals with transfer of resources to States. It works with other Ministries/ Departments, States/ UTs, Reserve Banks of India, Public Financial Institutions and other stake holders for evolving policies for economic development, setting priorities for expenditure, seeking Parliamentary approval to the Budget and ensuring propriety in utilisation of funds. The Ministry has strategic associations with multilateral agencies and foreign Governments. The Ministry administers the following twelve Demands:

<b>DEMAND NO.</b>	<b>DEPARTMENT</b>
29	Department of Economic Affairs
30	Department of Financial Services
31	Appropriation - Interest Payments
32	Transfers to States
33	Appropriation - Repayment of Debt
34	Department of Expenditure
35	Pensions
36	Indian Audit and Accounts Department
37	Department of Revenue
38	Direct Taxes
39	Indirect Taxes
40	Department of Disinvestment

Five Demands viz; 31- Interest Payments, 32-Transfers to States, 33- Repayment of Debt, 35- Pensions and 36 - Indian Audit and Accounts Department are specifically exempted from the purview of outcome budgeting. Summary of Budgetary Provisions for all 12 Demands under the Ministry is provided in the Annexure to this Executive Summary.

A brief summary of the Outcome Budget 2016-17 of the Ministry is presented below:

### **Demand No. 29- Department of Economic Affairs**

The Department of Economic Affairs is the nodal Department of the Union Government which formulates the country's economic policies and programmes having a bearing on domestic and international aspects of economic management. This Department prepares the Annual Union Budget (excluding the Railways

Budget) and the Economic Survey. Some key activities and programmes are mentioned below:-

- The Scheme for Financial Support to PPPs in infrastructure provides Viability Gap Funding (VGF) to PPP projects up to 20 per cent of the Total Project Cost (TPC). So far, 202 projects have been granted in-principle approval and 56 projects have received final approval for a VGF Support of ₹ 5283.55 cr with Total Project Cost (TPC) of ₹ 31,796.62 crore. An amount of ₹ 672.51 crore has been disbursed in the Financial Year 2015-16 (till 20th of January, 2016) under the VGF Scheme, out of a RE Budget Provision of ₹ 1043.50 crores. A budget provision of ₹ 800.00 crore has been sought in the BE 2016-17 based on an assessment of sponsoring Authority requirements and the number of projects already granted final approval.

The Department has also developed Guidance Material for Post-Award Contract Management of PPP Concessions: "Highways, Ports, and Schools". Also, DEA is at present working on identifying the requisite modifications/amendments to the existing MCAs, identifying new clauses that need to be inserted in MCAs, as well as the regulatory and policy regimes which would be necessary to implement such recommendations

The Committee on Revisiting and Revitalising Public Private Partnership model in infrastructure, which was set up in pursuance to Budget Announcement 2014-15 has presented its report to the Government. The Committee has also recommended resolution of legacy issues, strengthening of Policy, Governance and Institutional capacities etc.

- Lines of Credit (LoCs) form an important component of India's diplomatic strategy and have been very useful in generating goodwill and building long term partnerships. The scheme also attempts to promote India's strategic political and economic interest abroad by positioning it as an emerging economic power, investor country and partner for developing countries. Indian Development and Economic Assistance Scheme(IDEAS), initially known as "India Development Initiatives(IDI)", flows from the announcement made by the Finance Minister in the Union Budget for FY 2003-04. GoI has been extending Lines of Credit to developing countries under IDEAS since 2005-06. Initially proposed to be operated for five years from 2005-06 to 2009-10, the scheme was granted first extension in 2010 from 2010-11 to 2014-15. The second extension to the scheme has been granted in 2015 for another five years i.e., 2015-16 to 2019-20.

Under the IDEA Scheme, MEA selects specific projects keeping in view diplomatic considerations and request

received from various developing countries. The proposals are discussed and deliberated upon by a Standing Committee comprising officers of MEA and DEA. After obtaining the approval of External Affairs Minister, MEA recommends the proposal to DEA for approval of Finance Minister. DEA then issues a formal letter conveying approval of the Line of Credit.

LoCs are being operated through Export-Import bank of India, which raises resources from the market and provide LoCs to recipient Governments at concessional rates. GoI backs the LoCs through a Deed of Guarantee in favour of the lending bank to guard against any default by the borrowing Government in Payment of Interest and Principal to the lending bank. GoI also extends Interest Equalisation Support(IES) to the lending bank for enabling it to lend on concessional terms.

- International Bank for Reconstruction and Development (IBRD) -India is one of the founder members of the International Bank for Reconstruction and Development (IBRD) popularly known as World Bank. India has been subscribing to various increases in the Share capital of the Bank from time to time. At its April 2010 meetings, the Development Committee endorsed Voice Reform to increase the Voting Power of Developing and Transition countries (DTC) in IBRD by 3.13%, bringing it to 47.19%. This 2010 realignment includes a General Capital Increase and Selective Capital Increase. Under, General Capital Increase, India has been allocated 14,744 shares. India has already subscribed to 3212 Shares during 2011-12, 2883 Shares in 2012-13 and 2883 Shares in 2013-14. India subscribe to 2883 shares each for another two years i.e. during FY 2014-15 and FY 2015-16.

Similarly, India has been allocated 9348 shares under Selective Capital Increase out of which India has already subscribed to 2545 Shares during 2011-12, 2268 shares in FY 2012-13 and 2268 Shares in FY 2013-14. India subscribe to 2267 shares during FY 2014-15. No SCI shares were purchased in FY 2015-16.

**Outcome:** After the completion of subscription to these shares by India and other countries, India will become the 7th largest shareholder in IBRD with voting power of 2.91%. Before this revision, India's voting power was 2.77% at 11th position among shareholders.

- **International Development Association (IDA) -** Government of India has decided to become a Donor in IDA. India will contribute US\$ 200 million as Grant to IDA 17. The payment will be made in three years starting from FY 2014-15 through creation of Promissory Notes for an amount of US\$ 66.66 million in the first year, US\$ 66.67 million in the second year and the rest US\$ 66.67 million in the last year i.e. FY 2016-17. The Promissory Notes will be encashed by IDA in 9 instalments as per the standard encashment schedule in next nine years.

**Outcome:-** The payment to IDA will assist World Bank Group to carry out programs of Poverty Reduction in IDA countries.

#### ➤ **General Capital Increase (GCI-VI) of AfDB**

India supported 200% General capital Increase -VI of AfDB, enhancing bank's capital from UA23,947 billion to UA 67.687 billion (UA-unit of Account = SDR). Resultantly, India has been allocated 9,763 new shares (586 paid up and 9177 callable) having a capital value of UA 97,630,000. It has to pay eight annual instalments of UA 732500 (US\$ 10,94,033), against which five instalments have been paid in 2011-12, 2012-13, 2013-14, 2014-15 and 2015-16. During 2015-16, India was allocated 1744 additional shares and made payment of ₹ 5.19 Crore to acquire these shares.

**Outcome:** The payment of instalments of India's subscription to the sixth General capital Increase of AfDB is to fulfil India's international obligation and to maintain India's voting share in the bank.

#### ➤ **African Development fund (AfDF)**

India's Voting Power in AfDF stands at 0.177% (as on 30th September, 2015). Out of total pledge of ₹ 104.58 Crore towards India's contributions to the AfDF-13, Promissory Note of an amount of ₹ 68.33 Crore have been issued in favour of AfDF. Third and Final installment of India's Contribution will be paid in 2015-16. This will be encashed as per the India's encashment schedule of AfDF-13.

**Outcome:** The payment to AfDF is to assist Poverty Reduction in African Countries through Projects and Programs of the AfDF.

#### ➤ **MH-2416-International Fund for Agricultural Development (IFAD)**

International Fund for Agricultural Development (IFAD) was set up in 1977 as the 13th Specialized Agency of the United Nations. 176 countries are members of the IFAD and these are grouped into three lists: List- A: Developed Countries, List- B: Oil Producing Countries and List- C: Developing Countries. India is one of the founding members of IFAD and; figures in List C.

India has so far contributed USD 134.00 million towards IFAD's Resources. India has Pledged to Contribute an amount of US\$ 37 million to the 10th Replenishment Cycle of IFAD (during 2016-18). India is also a member of the Executive Board of IFAD. India will contribute an amount of US\$ 13 million as the first instalment for the 10th Replenishment cycle by the end of December, 2016.

Since 1979, IFAD has provided Financial Assistance to 27 Projects in India in the field of Agriculture, Rural Development, Tribal Development, Women's Empowerment and Natural Resource Management with a Commitment of US\$ 875.71 million (approx.). Out of these, 18 Projects have

been completed. Presently, Nine IFAD Assisted Projects with a Total Assistance of US\$ 400.84 million, are under implementation in various states. During July 2015, the Department of Economic Affairs has posed a proposal for top-up financing for the project named "Sustainable Livelihood Programme in Coastal Rural Areas of Tamil Nadu" for an assistance of US\$ 21 million approximately to the IFAD", which has been approved by the Board of IFAD in December 2015.

Since 2013, IFAD loans are provided to India at a fixed interest rate of 1.25 percent plus a service charge of 0.75 percent per annum, and with a maturity period of 25 years including a grace period of 5 years. However, the project which were signed prior to the introduction of a new Blend Term of loan by IFAD in 2013, IFAD loans are repayable over a period of 40 years including a grace period of ten years and carry no interest charges. However, a service charge at the rate of three-fourths of one percent (0.75%) per annum is levied on loan amount outstanding.

**Outcome:** IFAD is a Specialised Agency working to enable rural poor to overcome poverty and hunger. IFAD's policies and programme have great relevance at a time when Poverty Eradication remain a major concern of the International Community. India's contribution will help further to this cause. India is also utilising the resources, and domain knowledge and expertise of IFAD in order to achieve the goal of eradication of poverty.

➤ **MH-3475-The Global Alliance for Vaccines and Immunizations**

**(GAVI Alliance)**

The GAVI Alliance (formerly the Global Alliance for Vaccines and Immunization) was founded in 2000 to reduce the historical gap in access to life saving vaccines and reduce child mortalities. GAVI's mission is to save children's lives and protect people's health by increasing access to immunization in poor countries. GAVI is estimated to have contributed to the immunization of additional 500 million children and in prevention of approximately seven million future deaths with contribution of about US\$ 12 billion till 2015.

India is not only a recipient, but also a contributor to GAVI Alliance. India has committed to contribute USD 1 million per annum for the years 2013 -14 to 2016 - 17 to the GAVI Alliance. A 'Contribution Agreement' for this purpose between Department of Economic Affairs, on behalf of Government of India, and GAVI Alliance was signed in January, 2014. During 2014, two instalments of India's contribution of USD 1 million each for 2013 - 14 and 2014 - 15, were paid to GAVI Alliance. The third instalment of India's contribution for 2015-16 has been paid in November 2015.

**Outcome:** The GAVI is a public-private global health partnership committed to saving children life by access to immunization. India is benefiting from this programme.

➤ **Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM)**

The Global Fund to Fight AIDS, Tuberculosis and Malaria (The Global Fund / GFATM) is an international financing organization that aims to attract and disburse additional resources to prevent and treat HIV and AIDS, Tuberculosis and Malaria. The organization is a public-private partnership with Secretariat at Geneva, Switzerland. The organization began operations in January 2002. GFATM supported programs have estimated to have saved 17 million lives since 2002. GFATM assisted programmes in India are implemented by Ministry Of Health and Family Welfare.

As per the 'Multi-Year Contribution Agreement' signed between Government of India, GFATM and IBRD (as Trustee of the Trust Fund for Global Fund) on 27th January 2014, India has committed USD 16.50 million to GFATM for the period 2013 - 2016. India's contributions for 2013 (USD 3 million), as also for 2014 and 2015 (USD 4.5 million each) have already been paid.

➤ **Technical Cooperation Agreement (TCA)**

India's contribution to the Trust Fund of African Development Bank is being utilized for financing consultancy services, training and other technoeconomic activities of the Bank. TCA was renewed in May, 2015 for a period of five years and India's contribution has doubled from ₹ 30 Crore to ₹ 60 Crore. A budget provision of ₹ 10.00 Crore was made during 2015-16 to be released as first tranche under the Agreement.

**Outcome:** India's grant fund is being utilized to assist AfDB and ADF in the preparation and implementation of development projects and programmes.

➤ **MH-3466- Contribution towards Asian Development Fund-11, ADB**

ADF was established in 1973, and is the oldest and largest of ADB's existing special funds. It is a multilateral source of concessional assistance dedicated exclusively to the needs of the Asia and the Pacific region. ADF is designed to Provide Loans on concessional terms and grants to ADB's developing member countries (DMCs) that have low incomes per capita and limited or low creditworthiness. Activities supported by the ADF promote poverty reduction and improvements in the quality of life in the poorer countries of the Asia and the Pacific. ADF is a partnership between ADB and its member countries. Financed mainly by contributions of ADB members, ADF supports the economic and social development of the most vulnerable countries in the region. Till date, 33 members of ADB have provided direct contributions to ADF. India has become the 34th donor of ADF w.e.f Sept 2014. India has been a major voice in the ADB. As an emerging nation in Asia, it is important for us to continue to strengthen our

voice in policy matters pertaining to the ADB. By becoming a contributor to the ADF, India not only has a stronger voice in the affairs of the ADB but now also carries greater weight with countries who are borrowers of ADF. Recognizing the tremendous challenges faced by ADF countries. ADB's ability to effectively and efficiently deliver development assistance to ADF countries, India has decided with due approval to become a contributor to ADF and contribute US\$30 million in three instalments of P/Notes to be encashed in 16 instalments. 1st instalment of P/Notes of US\$15 million has been paid in 2014-15 with two encashment of US\$2.7 million each on 1st Oct & 15 Dec 2014. As per Provision for 2015-16 payment of 2nd instalment of P/Notes for USD7.5 million was made in 1st July 2015. Further as per the agreed encashment schedule for 2015 a total of \$ 5100,000 in two instalments in August and December, 2015 was executed.

**Outcome:** India's position in ADB stands enhanced. India joined the league of other donors who influence the policies of ADB which also affect India as a major borrower. It enables India to be part of the negotiating table to steer ADF fund flow to other countries in the region. India, as an ADF Donor status, can direct ADF contributions to specific country or countries. ADF contribution can be used to augment our ongoing efforts of bilateral assistance to many countries. It signals India's firm commitment to engage with ADB and its partners in the region in a strategic way to ensure regional balance.

#### ➤ **Multilateral Debt Relief Initiative of World Bank**

India's commitment under MDRI resolution is INR 85,962,777 to be paid in 3 equal instalments (INR 28,654,259 each). The first instalment was paid in Jan. 2007 and the second instalment will be paid in 2015-16. The last instalment is due in 2026.

Outcome: The payment towards MDRI of World Bank would have the effect of increasing funds available to IDA which would benefit all IDA countries.

#### ➤ **Multilateral Debt Relief Initiatives of ADF**

India's commitment to MDRI is UA 14, 4186 million (1,011,071,238,40) over a long period from 2006-2054, against which a sum of ₹ 13,04,22,962/- has been paid during 2006-07 to 2014-15. A budget provision ₹ 2.57 Crore was made for this purpose during 2015-16.

**Outcome:** The payment towards MDRI of ADF, is to fulfil India's commitment to work towards debt relief of Heavily Indebted Poor Countries (HIPCs) in Africa.

#### ➤ **South-South Facility (Experience & Exchange)**

India became a donor/member of the SSF with a contribution of USD 500,000 in January, 2010. An additional contribution of ₹2.73 Cr. was made in two equal instalments

of ₹1.365 Cr. each during 2013-14. India will again contribute an amount of USD 500, 000 in FY 2015-16 towards replenishment of South-South facility.

**Outcome:** As of 30th October, 2014 South-South facility exchange has involved India as a knowledge provider and recipient making India one of the top 10 countries both as recipient & provider.

#### ➤ **MH 3605- The Global Environment facility (GEF)**

The GEF operates as a mechanism for international cooperation for the purpose of providing new and additional grant and concessional funding to meet the agreed incremental costs of measures to achieve agreed global environmental benefits. GEF provides grants to eligible countries in its five focal areas: Biodiversity, Climate change, Land Degradation, International Waters, Chemicals and Waste. It also serves as financial mechanism for the Convention on Biological Diversity (CBD), United Nations Framework Convention on Climate Change (UNFCCC), Stockholm Convention on Persistent Organic Pollutants (POPs), UN Convention to Combat Desertification (UNCCD), Minimart Convention on Mercury and supports implementation of the Protocol in countries with economies in transition for the Montreal Protocol on Substances that Deplete the Ozone Layer (MP).

India has been actively involved with GEF process Right from its inception. It has been one of the donors to the GEF Trust Fund. The GEF Trust Fund is replenished every four years through a process in which countries that wish to contribute to GEF Trust Fund discuss and come to agreement on a set of policy reforms to be undertaken, the programming of resources and also pledge resources. The fifth cycle of the GEF Replenishment ended on June 30, 2014 and the GEF-6 (sixth replenishment of resources of the GEF Trust Fund) will fund four years of GEF operations and activities from July 1, 2014 to June 30, 2018. An amount of US \$ 3 Million has been paid in 2015-16 towards the payment of 2nd instalment of 6th Replenishment.

**Outcome:** India itself is a large beneficiary that serves India's strategic interests. Membership of GEF shows India's commitments towards protection of Environment and Forests. Moreover it also serves India's strategic interests by way of funding of several projects in this sector.

#### **Demand No. 30- Department of Financial Services**

The Department of Financial Services is responsible for issues relating to Public Sector Banks, Financial Institutions, Agricultural Credit, Public Sector Insurance Companies and Pension Reforms. The key activities are summarized below:

- The Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) is a one year life insurance scheme, renewable from year to year, offering coverage of ₹ 2.00 lakh for death due to any

- reason and is available to people in the age group of 18 to 50 years (life cover up to the age of 55 years) having a bank account who give their consent to join and enable auto-debit. As on 31st December, 2015, Cumulative Gross enrolment reported by Banks subject to verification of eligibility, etc. is over ₹ 2.92 Crore under PMJJBY. 11,680 Claims were registered under PMJJBY as on 31st December, 2015 out of which 9306 have been disbursed.
- The Pradhan Mantri Suraksha Bima Yojana (PMSBY) is a one year personal accident insurance scheme, renewable from year to year, offering coverage for death/disability due to an accident is available to people in the age group of 18 to 70 years having a bank account who give their consent to join and enable auto-debit. By 31st December, 2015, Cumulative Gross enrolment reported by Banks subject to verification of eligibility, etc. is over 9.28 crore under PMSBY. Of the 2221 Claims registered under PMSBY as on 31st December, 2015; 1209 have been disbursed.
  - The Atal Pension Yojana (APY), a defined benefit pension scheme launched in June 2015 has a total of about 18 lakh subscribers and corpus of ₹262 crore as on 31st December, 2015. As on 31st December, 2015, 351 Banks are registered as APY - Service Providers which include Public Sector Banks, Pvt. Banks, Foreign Banks, Regional Rural Banks, District Commercial Banks, Schedule Commercial Banks, Urban Commercial Banks and Dept. of Post.
  - Varishtha Pension Bima Yojana (VPBY) meant for senior citizens aged 55 years and above was launched on 14.7.2003 and withdrawn on 08.07.2004. Under the scheme, pensioner gets an effective yield of 9% per annum on the investment. The difference between the effective yield of 9% paid to the pensioner and that earned by LIC is compensated as subsidy to LIC by the Government of India. An amount of ₹111.24 crore has been released under VPBY during 2014-15 and ₹101.79 crore has been provided in BE 2015-16.
  - Pradhan Mantri Jan Dhan Yojana was launched on 28.08.2014. Under this scheme, Bank accounts were opened and benefits were given to the Account holders. One of the benefits under the scheme is providing Life Insurance Cover of ₹30000/- on death of the life assured, due to any reason, to the deceased's family who have opened Bank account between 15.08.2014 to 31.01.2015 (subject to certain eligibility criteria).
  - Aam Aadmi Bima Yojana (AABY) was being implemented through Life Insurance Corporation of India (LIC). As per information received from LIC, a total number of 4.32 crore lives have been covered under AABY during 2014-15.
  - Interest Subvention for providing Short Term Credit to Farmers -The Government subsidizes the interest rate on loans to farmers through an Interest Subvention Scheme so that short term crop loans upto ₹ 3.00 lakh are available to farmers at an interest rate of 7% per annum. During 2015-16, an amount of ₹ 12,405.16 crore has been released upto 31st December, 2015 as against the provision of ₹13,000 crore for 2015-16.
- The Government had announced "Indradhanush" a plan to revamp Public Sector banks (PSBs) and as part of that, a programme of capitalization to ensure that PSBs remain BASEL-III compliant was also announced under which ₹70, 000 crore is supposed to be provided between 2015-2019. The criteria used was to ensure that CET-1 of all banks remains at 7.5%. Further, large banks were also given growth capital to support credit needs of the growing economy. Post Asset Quality Review (AQR) exercise by RBI to clean the balance sheets of PSBs, the numbers are being re-looked at and a revised programme of capitalization will be issued as part of "Indradhanush 2.0"
  - Contribution to Securities Redemption Fund for redeeming SLR Marketable Securities issued against subscription in the Rights Issue of equity shares of State Bank of India 2008- A sum of ₹625 crore is to be transferred annually in the 'Fund', starting from 2008-09, upto the year 2023-24 i.e. for 16 years. Accordingly, a provision of sum of ₹625 crore has been proposed in the B.E. 2016-17.
  - Stressed Assets Stabilization Fund (SASF)-SASF invested ₹9,000 crore in 20 years Non-interest bearing Government of India IDBI Special Securities, 2004. SASF transferred these Special Securities of ₹9,000 crore to IDBI, and IDBI, in turn, transferred NPAs valued at ₹9,000 crore to SASF. Upto March 2014, SASF has remitted a sum of ₹4,414/- crore out of the recoveries made by them from NPAs acquired from IDBI Bank Ltd. SASF has estimated to remit a sum of ₹150 crore during the current financial year.
  - Recapitalization of Regional Rural Banks (RRBs) - Upto 31.3.2014, an amount of ₹1086.70 crore has been released against the Central Government share of ₹1100 crore to 39 RRBs including Central Madhya Pradesh Gramin Bank (on the recommendations of NABARD to meet the requirement of minimum CRAR of 9%). The additional sum of ₹700 crore approved earlier by the Cabinet is proposed to be utilized for providing recapitalization to any RRB who is not able to maintain minimum CRAR of 9%. In BE 2015-16, an amount of ₹15 crore has been allocated. Out of this, ₹3.50 crore has been released to Manipur Rural Bank as recapitalization assistance. A further provision of ₹140 crore has been proposed for 2016-17.
  - The National Pension System (NPS) has been introduced by the Government of India with effect from 1st January, 2004 mandatorily for all new recruits to the Government

(except Armed forces), replacing the existing system of defined benefit pension system. As on 31 December 2015, a number of 2142 corporate and 4.42 lakh employees have been enrolled under this model. The AUM under NPS-Corporate Sector Model is ₹8088.84 crore.

#### Demand No.34 - Department of Expenditure

The Department of Expenditure is responsible for the overall public expenditure management system of the Union Government and matters related to State finances. It oversees the expenditure management in the Central Ministries/Departments. Its principal activities include pre-sanction appraisal of major schemes and projects (both Plan and Non-Plan), transferring substantial Central budgetary resources to States, and implementing the recommendations of the Finance Commission and Central Pay Commission. Department of Expenditure compiles the Outcome Budget relating to Social Sector flagship programmes administered by various Ministries/Departments. Key activities of the Department are summarized below :

- Releases for schemes on the Plan side are made on the recommendation of the Planning Commission now Niti Aayog/nodal Ministry concerned. Against an outlay of ₹36,000.00 crores in BE 2015-16 for Central Assistance to State Plans in Demand No.32 (formerly Grant No.37) of Department of Expenditure, ₹13,525.19 crores were released till 23.12.2015. Central assistance for State plans, including Normal Central Assistance (NCA), Special Plan Assistance and Special Central Assistance, Additional Central Assistance (ACA) for Externally Aided Projects (EAPs) and ACA for specific schemes, is also provided from Demand No.32 (formerly Grant No.37) for implementation of various programmess.
- An outlay of ₹4.00 crore under Revenue Section has been provided in 2015-16 for the Central Plan Scheme for enhancing training capacity of National Institute of Financial Management (NIFM). Out of this, the provision of ₹3.00 crore is targeted to train 120 officers of the Central/State/UT Governments for high level professional course covering basic elements of Post Graduate Diploma in Business Management (PGDBM) - Finance. In the year 2015-16, 73 candidates, were sponsored from various Central/State/UT Govts. The provision of ₹1.00 crore under Revenue Section is for providing one year training programme to 20 officers of Central/State/UT Governments in Post-Graduate Programme in Financial Markets in collaboration with National Stock Exchange.
- An outlay of ₹37.00 crore under Revenue Section has been provided in 2015-16 through 2nd batch Technical Supplementary Demand for Public Financial Management System (PFMS), formerly Central Plan Scheme Monitoring System (CPSMS). PFMS is a web based application which aims at establishing a suitable on-line Management Information System and Decision Support System for

public fund management for the Government of India. PFMS was started as a Central Sector Scheme of Niti Aayog (Planning Commission) and has been now transferred under Department of Expenditure in September, 2015 and is being implemented by the Controller General of Accounts. After the successful pilot run in 04 flagship schemes in 4 states, the Cabinet has accorded for national rollout of PFMS in January 2013. DBT through PFMS was started w.e.f. January 2013. Non Plan payments have also started in 2015-16 in 94 Pay and Account Offices on PFMS. Thus PFMS is being envisaged as Integrated Financial Management Information System (IFMIS) for Govt. of India.

#### DEMAND NO.37-DEPARTMENT OF REVENUE

- Under Demand No.37 - Department of Revenue, major expenditure is towards CST Compensation to the State Governments/Union Territories, which is budgeted at ₹10469.47 crore for 2016-17. The VAT related expenditure is budgeted at ₹0.01 crore for 2016-17. The expenditure on Government Opium & Alkaloid Works is budgeted at ₹315.65 crore for 2016-17. The other Non-Plan expenditure included in the Outcome Budget is expenditure related to implementation of VAT scheme and Special Purpose Vehicle for Goods and Services Tax Network (GSTN).
- Government decided to set up a Special Purpose Vehicle (SPV) for Goods and Service Tax Network (GSTN) to create enabling environment for smooth introduction of GST. It would provide IT infrastructure and services to various stakeholders, including the Centre and States. SPV has already been set up as a Section 25 Company. A budget provision of ₹696.69 crore has been kept in 2016-17 for GSTN: SPV.
- Government Opium & Alkaloid Works at Ghazipur and Neemuch are processing raw opium for exports, manufacturing of opium alkaloids and other related functions. They realized revenue of ₹208.80 crore in 2014-15 against the RE of ₹287.82 crore. In 2015-16, they have realized a revenue of ₹198.99. crore (prov.) against the RE of ₹312.70 crore.
- The Government has approved construction of Rajaswa Bhawan at New Delhi at an estimated cost of ₹485.16 crore. A provision of ₹50 crore has been kept for the purpose in 2016-17.
- A system of monthly report by Administrative and Coordinating Units of respective items under Outcome Budget has been introduced. Monthly and Quarterly review of trends of expenditure and progress under Outcome Budget is done at the Department/Ministry level. Project Monitoring/ Implementation Committee have been established to review the implementation of major project items. For coordinated efforts and faster decision making in massive computerization endeavours of CBDT and CBEC, an Empowered Committee is also functional where eminent experts from Private Sector are also members.

**Demand No.38 - Direct Taxes**

The Central Board of Direct Taxes (CBDT) is the apex body entrusted with the responsibility of administering direct tax laws in India. The CBDT is also assisted by a number of Directorates, assigned a specific function each, which work as its attached offices. Various Chief Commissioners of Income Tax supervise collection of direct taxes and provide taxpayer services across the country whereas Director Generals of Income Tax (Investigation) supervise the investigation machinery with the aim to curb tax evasion and unearth unaccounted money. There is also appellate machinery comprising of Commissioners of Income Tax (Appeals) who perform the quasi-judicial task of deciding appeals against orders of assessing officers. The key activities are summarized below:

Against an outlay of ₹ 505.00 crore provided in Revised Estimates 2015-16 under Information Technology, ₹ 415.44 crores has been spent during 2015-16 (upto December, 2015).

- An outlay of ₹ 536.00 Crore has been provided in Budget Estimates 2016-17 under Information Technology to be spent inter alia, on following major programmes/schemes:-
  - Perspective Plan for Phase -III of Comprehensive Computerisation Programme in the Income Tax Department.
    - System Integration
    - All India Tax network
    - Hiring of Data Centers
    - Physical Storage of arrear Pan forms of period 2003-09.
    - Scanning of arrear Pan forms of period 2003-09
  - Tax Information Network (TIN)
  - Taxpayer Services
  - Aaykar Sampark Kendras
  - E-filing of ITRs
  - E-Payment of taxes
  - On-line tracking of refunds
  - Refund Banker
  - Centralised processing Cell (CPC) TDS
    - (Both paper based & e-filed)
  - Data Warehouse and Business Intelligence (DW&B) Solution
  - Compliance Management (CPC)
- For purchase/construction of office accommodation at various places, an outlay of ₹ 148.00 crore has been provided under Capital Section in BE 2016-17. These include purchase of land for construction of New Ayakar Bhavan & Residential quarters at Civil lines, Nagpur and

purchase of land for residential quarters, office building MSTU building and Guest house etc. at Pratap Nagar, Udaipur.

- For construction of residential buildings, an outlay of ₹52.00 crore has been provided under Capital Section in BE 2016-17. These include construction of 40 flats alongwith community hall, guest hall etc. at Hadapsar, Pune and acquisition of land for construction of staff quarters Tirupati, Hyderabad.
- The initiatives and measures undertaken by the Department have focused on simplification of tax laws and procedures while providing better facilities to taxpayers and minimizing the human interface between the taxpayers and the officials. These, inter alia, include facilities for online preparation and filing of Income Tax Returns, centralized processing of returns, Refund Banker scheme which includes direct credit of refunds to taxpayer's account through ECS, e-payment of taxes, on line tracking of refunds, Tax Returns Preparer Scheme (TRPS), setting up of 60 Aaykar Sewa Kendras for single window Tax Payer Services, Aaykar Sampark Kendras (call centers) etc. Also a "Sevottam" scheme with the view to bring in excellence in public service delivery base on a newly rewritten Citizens' Charter has been initiated.

- The actual expenditure in 2014-15 under this grant was ₹4163.12 crore against the Revised Estimates of ₹ 4328.97 crore which shows a utilization of 99.53%. In FY 2015-16, actual expenditure till December 31, 2015 stands at ₹3574.90 crore against the Revised Estimates of ₹ 4752.00 crore which shows a utilization of 75.23% of RE.

**Executive Summary****Demand No.39-Indirect Taxes**

This demand relates to the establishment of field formations under the Central Board of Excise and Customs, formulation of policy relating to levy and collection of Customs and Excise Duties, Service Tax, prevention of smuggling and evasion of duties. Key activities are mentioned below:-

- A project to consolidate CBEC's IT infrastructure at a cost of ₹ 598.97 crore was approved by the CCEA in 2007. It comprised of 7 components such as Wide Area Network (WAN, Local Area Network, linking all the offices, seaports, airports, container depots etc., setting up of data warehouse (EDW), Automation of Central Excise and Service Tax (ACES), System Integration(SI), setting up Risk Management System for easy clearance of imports etc. was taken up. Contracts for the implementation of various components of Project were awarded to the selected vendors through an open tender. All the activities under the IT consolidation project have been implemented and

are in support/maintenance phase. The project has been extended upto 2016 with augmented IT infrastructure and technical support at a total cost of about ₹170 crore. The open tender process has already been adopted for support and maintenance of various IT components except Data Center and WAN beyond March 2016.

- The Risk Management system (RMS) is operational in all major Customs Ports/Airports covering more than 95% of India's international trade. A new upgraded version of RMS Import Module is in operation at 89 locations. RMS Export Module is also in operation at 89 locations.
- Procurement of 7 more Container Scanners (3 Mobile Gamma Ray Scanners and 4 Fixed X-ray Scanners) for facilitating cargo clearance is underway. Mobile and Fixed Scanners are expected to be commissioned in 2015-16. 109 Marine Vessels for strengthening anti-smuggling operations in the territorial waters have been procured. A total provision of ₹70.00 crores has been made for the year 2016-17. ₹27.42 crore, ₹99.88 crore, ₹78.64 crore, ₹33.20 crore, ₹46.52 crore, ₹ 5.45 crore, ₹ 14.80 crore and ₹ 18.29 crore have been spent for the years 2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14 and 2014-15 respectively under these schemes. During 2015-16, ₹ 16.76 crore have been spent up to December, 2015.
- Single Window Service for Large Tax Payers paying excise duty, income tax/corporate tax and service tax has been set up at Bengaluru, Chennai, Mumbai and Delhi. Any person or company who has paid income tax/corporate tax of more than ₹10 crore or excise duty of ₹5 crore or service tax of ₹5 crore during any previous year can opt to function as large taxpayer by giving consent to the concerned Large Taxpayer Unit.
- In pursuance to Department of Expenditure's guidelines/instructions on expenditure management permitting revenue generating departments to prepare scheme to utilize 1% of incremental revenue to encourage greater efforts at garnering revenue, enhancing organizational efficiency, infrastructure and wherewithal, CBEC has sanctioned/allocated ₹ 224.85 crores as on 31.03.2015 for various purposes such as Capacity building/improvement of infrastructure in Central Excise and Customs Ranges, hiring of vehicles for increasing organizational efficiency and outdoor preventive activities etc.

#### **Demand No. 40 - Department of Disinvestment**

##### **Mandate**

The Department of Disinvestment is mainly responsible for disinvestment of Government shareholding in CPSEs. Additionally, it deals with all matters relating to sale of Central Government equity through offer for sale or private placement in erstwhile CPSEs.

##### **Approach**

The current policy envisages development of people's ownership of Central Public Sector Enterprises (CPSEs) so as to share in their wealth and prosperity, while ensuring that the Government equity does not fall below 51% and Government retains management control.

The salient features of the Current Policy on Disinvestment are:

- i) In case of profit making minority stake sale disinvested (49% of equity of Central Public Sector Enterprises) management control of Central Public Sector Enterprises (CPSEs) will remain with the government;
- ii) Various factors such as different equity structure, financial strength, fund requirement, sector of operation etc, do not permit uniform pattern of disinvestment; therefore, disinvestment to be considered on merits and on a case-by-case basis;
- iii) Citizens have a right to own part of the shares of PSEs; that should result in increased retail shareholding;
- iv) The listed profitable CPSEs (not meeting mandatory public shareholding of 10% which now stand revised to 25%) to be made compliant through sale of shares by Government or by the CPSEs through issue of fresh shares or a combination of both.

##### **Advantages of Disinvestment and listing**

There are inherent advantages in the listing of shares of profitable CPSEs on the stock exchanges as it triggers multilayered oversight mechanism which enhances corporate governance as well as provides for level playing field to CPSEs vis-à-vis private companies in regard to accessing the resources through the capital market. The process enhances shareholder value in the listed CPSEs.

- (a) The listed companies are mandated by Company Law/ SEBI/Stock Exchanges to comply with higher level of disclosures. This will bring greater transparency and credibility;
- (b) With the induction of independent directors, management accountability, competencies and performance are enhanced.
- (c) Investor centric research provides on a regular basis third party professional assessment of risks as well as future prospects to management to help it benchmark its business model with the industry.
- (d) Daily trading volume and prices work as a barometer for the management and operate as a concurrent source of feedback with regard to the impact of managerial decisions as well as shop floor

- developments. The higher levels of public scrutiny promotes ethical conduct of business and improves corporate culture;
- (e) Expectations of investors (shareholders) will bring productive pressure upon the management to perform more efficiently to unlock the true value of the enterprise.
  - (f) Listing of profitable CPSEs on the stock exchanges with a mandatory public ownership of at least 25% shareholding has been observed to increase significantly the value of the Enterprise and Government's residual shareholding as well as those held by the public post-listing.
  - (g) Listing also provides development of people-ownership of CPSEs, thus encouraging participation and sharing in the prosperity of CPSEs.
  - (h) The process of listing of CPSEs on stock exchanges facilitates development and deepening of capital market and spread of equity culture.
  - (i) Raise budgetary resources for the Government.

#### **Utilization of Disinvestment proceeds**

In January 2005, the Government decided to constitute a "National Investment Fund" (NIF) into which the realisation from sale of minority shareholding of the Government in profitable CPSEs would be channelized. Pursuant to its subsequent restructuring in January-February, 2013 it has been decided that the disinvestment proceeds will be credited to the existing 'Public Account' under the head NIF with effect from the fiscal year 2013-14 and they would remain there until withdrawn /invested for the approved purpose. It was also decided that the NIF would be utilized for the following purposes:

- Subscribing to the shares being issued by the CPSEs including PSBs and Public Sector Insurance Companies, on rights basis so as to ensure 51%

ownership of the Government in those CPSEs/PSBs/Insurance Companies, is not diluted.

- Preferential allotment of shares of the CPSE to promoters as per SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 so that Government shareholding does not go down below 51% in all cases where the CPSE is going to raise fresh equity to meet its capital expenditure program.
- Recapitalization of public sector banks and public sector insurance companies.
- Investment by Government in RRBs/IIFCL/NABARD/Exim Bank;
- Equity infusion in various Metro projects;
- Investment in Bhartiya Nabhiya Vidyut Nigam Limited and Uranium Corporation of India Ltd.
- Investment in Indian Railways towards capital expenditure.

An amount of ₹ 29,438.42 crore was transferred to NIF during the year 2014-15 for meeting capital expenditure of the Ministry of Railways and re-capitalization of Public Sector Banks (PSBs).

#### **Budget target and achievement**

The CPSEs' divestment target for 2014-15 was ₹ 43,425 crore. Against this target, the Government realized an amount of ₹ 24,349 crore (including ₹ 72 crore by way of employees OFS).

The budget estimate (BE) for disinvestment during the year 2015-16 is ₹ 69,500 crore. This comprises ₹ 41,000 crore from disinvestment of Central Public Sector Enterprises (CPSEs) and ₹ 28,500 crore from "strategic disinvestment". As against this target, the Government has realized ₹ 12,701 crore (end December, 2015) through 4 issues of Rural Electrification Corporation (REC), Power Finance Corporation (PFC), Dredging Corporation of India Ltd. (DCIL) and Indian Oil Corporation (IOC).

## **SUMMARY OF BUDGETARY PROVISIONS UNDER MINISTRY OF FINANCE**

*(In Crores of Rupees)*

Description	Actuals 2014-2015			Budget Estimates 2015-2016			Revised Estimates 2015-2016			Budget Estimates 2016-2017		
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total
<b>DEMAND NO. 32</b>												
<b>TRANSFERS TO STATE</b>												
<b>Total-Revenue Section</b>	<b>54071.52</b>	<b>69060.07</b>	<b>123131.59</b>	<b>23500.00</b>	<b>100569.52</b>	<b>124069.52</b>	<b>15950.00</b>	<b>105537.52</b>	<b>121487.52</b>	<b>12350.00</b>	<b>113546.36</b>	<b>125896.36</b>
<i>Charged</i>	...	61813.32	61813.32	...	88864.52	88864.52	...	87414.52	87414.52	...	100646.36	100646.36
Voted	54071.52	7246.75	61318.27	23500.00	11705.00	35205.00	15950.00	18123.00	34073.00	12350.00	12900.00	25250.00
<b>Total-Capital Section</b>	<b>11897.32</b>	<b>...</b>	<b>11897.32</b>	<b>12500.00</b>	<b>100.00</b>	<b>12600.00</b>	<b>12500.00</b>	<b>100.00</b>	<b>12600.00</b>	<b>12500.00</b>	<b>100.00</b>	<b>12600.00</b>
<i>Charged</i>	11897.32	...	11897.32	12500.00	100.00	12600.00	12500.00	100.00	12600.00	12500.00	100.00	12600.00
Voted	...	...	...	...	...	...	...	...	...	...	...	...
<b>Total (Revenue &amp; Capital)</b>	<b>65968.84</b>	<b>69060.07</b>	<b>135028.91</b>	<b>36000.00</b>	<b>100669.52</b>	<b>136669.52</b>	<b>28450.00</b>	<b>105637.52</b>	<b>134087.52</b>	<b>24850.00</b>	<b>113646.36</b>	<b>138496.36</b>
<i>Charged</i>	11897.32	61813.32	73710.64	12500.00	88964.52	101464.52	12500.00	87514.52	100014.52	12500.00	100746.36	113246.36
Voted	54071.52	7246.75	61318.27	23500.00	11705.00	35205.00	15950.00	18123.00	34073.00	12350.00	12900.00	25250.00
<b>APPROPRIATION NO. 33</b>												
<b>REPAYMENT OF DEBT</b>												
<b>Total-Revenue Section</b>	...	...	...	...	...	...	...	...	...	...	...	...
<i>Charged</i>	...	...	...	...	...	...	...	...	...	...	...	...
Voted	...	...	...	...	...	...	...	...	...	...	...	...
<b>Total-Capital Section</b>	...	<b>3707699.65</b>	<b>3707699.65</b>	...	<b>4233227.78</b>	<b>4233227.78</b>	...	<b>3539458.57</b>	<b>3539458.57</b>	...	<b>4406431.08</b>	<b>4406431.08</b>
<i>Charged</i>	...	3707699.65	3707699.65	...	4233227.78	4233227.78	...	3539458.57	3539458.57	...	4406431.08	4406431.08
Voted	...	...	...	...	...	...	...	...	...	...	...	...
<b>Total (Revenue &amp; Capital)</b>	...	<b>3707699.65</b>	<b>3707699.65</b>	...	<b>4233227.78</b>	<b>4233227.78</b>	...	<b>3539458.57</b>	<b>3539458.57</b>	...	<b>4406431.08</b>	<b>4406431.08</b>
<i>Charged</i>	...	3707699.65	3707699.65	...	4233227.78	4233227.78	...	3539458.57	3539458.57	...	4406431.08	4406431.08
Voted	...	...	...	...	...	...	...	...	...	...	...	...
<b>DEMAND NO. 34</b>												
<b>DEPARTMENT OF EXPENDITURE</b>												
<b>Total-Revenue Section</b>	<b>3.50</b>	<b>139.22</b>	<b>142.72</b>	<b>4.00</b>	<b>152.84</b>	<b>156.84</b>	<b>44.30</b>	<b>151.73</b>	<b>196.03</b>	<b>60.00</b>	<b>166.65</b>	<b>226.65</b>
<i>Charged</i>	...	...	...	...	...	...	...	...	...	...	...	...
Voted	3.50	139.22	142.72	4.00	152.84	156.84	44.30	151.73	196.03	60.00	166.65	226.65
<b>Total-Capital Section</b>	...	...	...	...	...	...	...	...	...	...	...	...
<i>Charged</i>	...	...	...	...	...	...	...	...	...	...	...	...
Voted	...	...	...	...	...	...	...	...	...	...	...	...
<b>Total (Revenue &amp; Capital)</b>	<b>3.50</b>	<b>139.22</b>	<b>142.72</b>	<b>4.00</b>	<b>152.84</b>	<b>156.84</b>	<b>44.30</b>	<b>151.73</b>	<b>196.03</b>	<b>60.00</b>	<b>166.65</b>	<b>226.65</b>
<i>Charged</i>	...	...	...	...	...	...	...	...	...	...	...	...
Voted	3.50	139.22	142.72	4.00	152.84	156.84	44.30	151.73	196.03	60.00	166.65	226.65

Description	Actuals 2014-2015			Budget Estimates 2015-2016			Revised Estimates 2015-2016			Budget Estimates 2016-2017			Outcome Budget 2016-2017
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
<b>DEMAND NO. 35</b> <b>PENSIONS</b>													
<b>Total-Revenue Section</b>	...	<b>25297.72</b>	<b>25297.72</b>	...	<b>27285.00</b>	<b>27285.00</b>	...	<b>27785.00</b>	<b>27785.00</b>	...	<b>32070.00</b>	<b>32070.00</b>	
<i>Charged</i>	...	127.09	127.09	...	140.00	140.00	...	140.00	140.00	...	160.00	160.00	
Voted	...	25170.63	25170.63	...	27145.00	27145.00	...	27645.00	27645.00	...	31910.00	31910.00	
<b>Total-Capital Section</b>	...	...	...	...	...	...	...	...	...	...	...	...	
<i>Charged</i>	...	...	...	...	...	...	...	...	...	...	...	...	
Voted	...	...	...	...	...	...	...	...	...	...	...	...	
<b>Total (Revenue &amp; Capital)</b>	...	<b>25297.72</b>	<b>25297.72</b>	...	<b>27285.00</b>	<b>27285.00</b>	...	<b>27785.00</b>	<b>27785.00</b>	...	<b>32070.00</b>	<b>32070.00</b>	
<i>Charged</i>	...	127.09	127.09	...	140.00	140.00	...	140.00	140.00	...	160.00	160.00	
Voted	...	25170.63	25170.63	...	27145.00	27145.00	...	27645.00	27645.00	...	31910.00	31910.00	
<b>DEMAND NO. 36</b> <b>INDIAN AUDIT &amp; ACCOUNTS DEPARTMENT</b>													
<b>Total-Revenue Section</b>	...	<b>3215.36</b>	<b>3215.36</b>	...	<b>3662.39</b>	<b>3662.39</b>	...	<b>3416.09</b>	<b>3416.09</b>	...	<b>3922.77</b>	<b>3922.77</b>	
<i>Charged</i>	...	102.56	102.56	...	117.05	117.05	...	114.72	114.72	...	129.63	129.63	
Voted	...	3112.80	3112.80	...	3545.34	3545.34	...	3301.37	3301.37	...	3793.14	3793.14	
<b>Total-Capital Section</b>	...	<b>6.20</b>	<b>6.20</b>	...	<b>15.00</b>	<b>15.00</b>	...	<b>7.50</b>	<b>7.50</b>	...	<b>11.50</b>	<b>11.50</b>	
<i>Charged</i>	...	...	...	...	...	...	...	...	...	...	...	...	
Voted	...	6.20	6.20	...	15.00	15.00	...	7.50	7.50	...	11.50	11.50	
<b>Total (Revenue &amp; Capital)</b>	...	<b>3221.56</b>	<b>3221.56</b>	...	<b>3677.39</b>	<b>3677.39</b>	...	<b>3423.59</b>	<b>3423.59</b>	...	<b>3934.27</b>	<b>3934.27</b>	
<i>Charged</i>	...	102.56	102.56	...	117.05	117.05	...	114.72	114.72	...	129.63	129.63	
Voted	...	3119.00	3119.00	...	3560.34	3560.34	...	3308.87	3308.87	...	3804.64	3804.64	
<b>DEMAND NO. 37</b> <b>DEPARTMENT OF REVENUE</b>													
<b>Total-Revenue Section</b>	...	<b>11332.52</b>	<b>11332.52</b>	...	<b>16081.69</b>	<b>16081.69</b>	...	<b>17072.25</b>	<b>17072.25</b>	...	<b>11869.01</b>	<b>11869.01</b>	
<i>Charged</i>	...	...	...	...	0.02	0.02	...	0.02	0.02	...	0.02	0.02	
Voted	...	11332.52	11332.52	...	16081.67	16081.67	...	17072.23	17072.23	...	11868.99	11868.99	
<b>Total-Capital Section</b>	...	<b>0.21</b>	<b>0.21</b>	...	<b>106.00</b>	<b>106.00</b>	...	<b>10.00</b>	<b>10.00</b>	...	<b>56.00</b>	<b>56.00</b>	
<i>Charged</i>	...	...	...	...	...	...	...	...	...	...	...	...	
Voted	...	0.21	0.21	...	106.00	106.00	...	10.00	10.00	...	56.00	56.00	
<b>Total (Revenue &amp; Capital)</b>	...	<b>11332.73</b>	<b>11332.73</b>	...	<b>16187.69</b>	<b>16187.69</b>	...	<b>17082.25</b>	<b>17082.25</b>	...	<b>11925.01</b>	<b>11925.01</b>	
<i>Charged</i>	...	...	...	...	0.02	0.02	...	0.02	0.02	...	0.02	0.02	
Voted	...	11332.73	11332.73	...	16187.67	16187.67	...	17082.23	17082.23	...	11924.99	11924.99	

Description	Actuals 2014-2015			Budget Estimates 2015-2016			Revised Estimates 2015-2016			Budget Estimates 2016-2017		
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total
<b>DEMAND NO. 38</b> <b>DIRECT TAXES</b>												
<b>Total-Revenue Section</b>	...	<b>4093.25</b>	<b>4093.25</b>	...	<b>4832.36</b>	<b>4832.36</b>	...	<b>4610.00</b>	<b>4610.00</b>	...	<b>5187.00</b>	<b>5187.00</b>
<i>Charged</i>	...	...	...	...	...	...	...	...	...	...	...	...
Voted	...	4093.25	4093.25	...	4832.36	4832.36	...	4610.00	4610.00	...	5187.00	5187.00
<b>Total-Capital Section</b>	...	<b>69.87</b>	<b>69.87</b>	...	<b>576.20</b>	<b>576.20</b>	...	<b>142.00</b>	<b>142.00</b>	...	<b>202.00</b>	<b>202.00</b>
<i>Charged</i>	...	...	...	...	...	...	...	...	...	...	...	...
Voted	...	69.87	69.87	...	576.20	576.20	...	142.00	142.00	...	202.00	202.00
<b>Total (Revenue &amp; Capital)</b>	...	<b>4163.12</b>	<b>4163.12</b>	...	<b>5408.56</b>	<b>5408.56</b>	...	<b>4752.00</b>	<b>4752.00</b>	...	<b>5389.00</b>	<b>5389.00</b>
<i>Charged</i>	...	...	...	...	...	...	...	...	...	...	...	...
Voted	...	4163.12	4163.12	...	5408.56	5408.56	...	4752.00	4752.00	...	5389.00	5389.00
<b>DEMAND NO. 39</b> <b>INDIRECT TAXES</b>												
<b>Total-Revenue Section</b>	...	<b>4164.24</b>	<b>4164.24</b>	...	<b>5001.49</b>	<b>5001.49</b>	...	<b>4471.70</b>	<b>4471.70</b>	...	<b>5140.50</b>	<b>5140.50</b>
<i>Charged</i>	...	...	...	...	0.50	0.50	...	0.50	0.50	...	0.50	0.50
Voted	...	4164.24	4164.24	...	5000.99	5000.99	...	4471.20	4471.20	...	5140.00	5140.00
<b>Total-Capital Section</b>	...	<b>128.80</b>	<b>128.80</b>	...	<b>663.61</b>	<b>663.61</b>	...	<b>128.80</b>	<b>128.80</b>	...	<b>200.00</b>	<b>200.00</b>
<i>Charged</i>	...	...	...	...	...	...	...	...	...	...	...	...
Voted	...	128.80	128.80	...	663.61	663.61	...	128.80	128.80	...	200.00	200.00
<b>Total (Revenue &amp; Capital)</b>	...	<b>4293.04</b>	<b>4293.04</b>	...	<b>5665.10</b>	<b>5665.10</b>	...	<b>4600.50</b>	<b>4600.50</b>	...	<b>5340.50</b>	<b>5340.50</b>
<i>Charged</i>	...	...	...	...	0.50	0.50	...	0.50	0.50	...	0.50	0.50
Voted	...	4293.04	4293.04	...	5664.60	5664.60	...	4600.00	4600.00	...	5340.00	5340.00
<b>DEMAND NO. 40</b> <b>DEPARTMENT OF DISINVESTMENT</b>												
<b>Total-Revenue Section</b>	...	<b>22.35</b>	<b>22.35</b>	...	<b>44.00</b>	<b>44.00</b>	...	<b>35.00</b>	<b>35.00</b>	...	<b>40.00</b>	<b>40.00</b>
<i>Charged</i>	...	...	...	...	...	...	...	...	...	...	...	...
Voted	...	22.35	22.35	...	44.00	44.00	...	35.00	35.00	...	40.00	40.00
<b>Total-Capital Section</b>	...	...	...	...	...	...	...	...	...	...	...	...
<i>Charged</i>	...	...	...	...	...	...	...	...	...	...	...	...
Voted	...	...	...	...	...	...	...	...	...	...	...	...
<b>Total (Revenue &amp; Capital)</b>	...	<b>22.35</b>	<b>22.35</b>	...	<b>44.00</b>	<b>44.00</b>	...	<b>35.00</b>	<b>35.00</b>	...	<b>40.00</b>	<b>40.00</b>
<i>Charged</i>	...	...	...	...	...	...	...	...	...	...	...	...
Voted	...	22.35	22.35	...	44.00	44.00	...	35.00	35.00	...	40.00	40.00

Outcome Budget 2016-2017

(xv)

Executive Summary

## **DEPARTMENT OF ECONOMIC AFFAIRS**

### **INTRODUCTION**

The Department of Economic Affairs formulates and monitors the country's economic policies and programmes having a bearing on domestic and international aspects of economic management. One of the principal responsibilities of this Department is the preparation of the Annual Union Budget (excluding the Railway Budget) and the Economic Survey. Other key functions include:

- Formulation and monitoring of macro-economic policies including issues relating to fiscal policy and public finance, inflation, public debt management and the functioning of Capital Markets, including Stock Exchanges; ways and means to raise Internal Resources through market borrowings and mobilization of small savings;
- Monitoring and raising of external resources through Multilateral and Bilateral Official Development Assistance and Sovereign Borrowings Abroad, Foreign Investments and Monitoring of Foreign Exchange Resources including Balance of Payments;
- Production of Bank Notes and Coins of various denominations, Postal Stationery, Postal Stamps etc.

- Cadre management, Career Planning and Training of the Indian Economic Service (IES) Officers.

In this Demand, the major portion of the Budget is towards subsidy to Railways for dividend relief and reimbursement of losses to Railways on operating strategic railway lines, contribution to Railway Safety Works, investments in the International Monetary Fund (IMF), Asian Development Bank (ADB) and other financial institutions, Interest Equalisation Support to EXIM Bank for Government of India concessional Lines of Credit (LOCs) to other developing countries, NCEF and cost of supply of coins to Reserve Bank of India. Apart from this, the expenditure includes establishment related expenditure of the Department and its subordinate offices e.g., National Savings Institute (NSI), Securities Appellate Tribunal (SAT); Forward Markets Commission (FMC), GOI contributions towards International bodies. Therefore, there are very few activities/outlays for which Outcome/targets can be set in tangible, quantifiable/measureable terms. The activities under Plan and Non Plan, indicating 'Outlays' and 'Outcomes' for the financial year 2016 - 17 are depicted in the following Statements:

## STATEMENT OF OUTLAYS AND OUTCOMES 2016-2017

## DEMAND NO.29 - Department of Economic Affairs

S. No.	Name of the Scheme/ Programme	Objective/Outcome	Outlay 2016-2017 (` In Crore)			Quantifiable Deliverables/ Physical Outputs	Projected Outcomes	Processes/ Timelines	Remarks/ Risk Factors
			1	2	3				
			4(i) Non- Plan	4(ii) Plan	4(iii) CEBR				
1.	<b>Major Head : 3605-Interest equalization support to EXIM Bank of India.</b>	Indian Development and Economic Assistance Scheme(IDEAS)-Lines of Credit(LoC) form an important component of India's diplomatic strategy and have been very useful in generating goodwill and building long term relationships. The scheme also attempts to promote India's strategic political and economic interest abroad by positioning it as an emerging power, investor country and partner for developing countries.	572.00	...	...	-GoI backs the LoCs through a Deed of Guarantee in favour of the lending bank to guard against any default by the borrowing Government in payment of interest and principal to the lending bank. GoI also extends Interest Equalisation Support (IES) to the lending bank for enabling it to lend on concessional terms.	Indian Development and Economic Assistance Scheme(IDEAS)-Lines of Credit (LoC) form an important component of India's diplomatic strategy and have been very useful in generating goodwill and building long term relationships. The scheme also attempts to promote India's strategic political and economic interest abroad by positioning it as an emerging power, investor country and partner for developing countries.	The provision is to be utilised up to 31st March, 2017.	If there is default in repayment by the borrower country, GoI will pay the amount to EXIM Bank, as guarantee is given by GoI to the lender Bank for the Lines of Credit.

1	2	3	4	5	6	7	8
			4(i) Non- Plan	4(ii) Plan	4(iii) CEBR		
1.	<b>Major Head : 3605-Interest equalization support for Indian Companies.</b>	To enable EXIM Bank to offer concessional finance to any foreign Government or foreign Government owned or controlled entity if an Indian company owned by resident Indian Citizens and producing domestically, succeeds in getting contract for the execution of a project tendered by such foreign entity and the project is considered strategically important.	500.00	...	BHEL has been declared as L1 for the proposed Maitree Power Project to be set up in Bangladesh. The first outflow of money from this scheme will commence from 2016-17 to the tune of at least INR 100.00 crore.	The Scheme will be subject to review after two years and decide on the strategic importance of the project. Once the So, any further projections will be only relevant post this Review.	A Committee chaired by Secretary(DEA) will decide on the strategic importance of the project. Once the Committee gives the green signal, then the EXIM Bank will offer concessional financing under this Scheme to Indian companies who succeeds to win the bid for infrastructure projects of strategic importance abroad.
2.	<b>Major Head : 5466-India's contribution towards payment of instalment of capital subscription to AIIB.</b>	On June 24th, 2015 the Union Cabinet has approved that India may sign the Articles of Agreement(AoA) of the Asian Infrastructure Investment Bank(AIIB), and that India may make a capital contribution of USD 8.37 billion towards the capital stock of AIIB. Twenty percent of this amount is to be paid in cash in the form of US dollars or any other convertible currency in five equal instalments (USD 334.69 each).	2220.00	...	The 1st instalment of capital contribution (USD 334.69 million) has been paid before January 24, 2016 to have voting rights in BoD/BoG meeting. The Union Cabinet has approved the proposal for India to ratify the AoA of AIIB and be a funding member.	The remaining instalments of India's capital contributions (USD 334.69 crore each) will have to be paid 1 year from the entry into force of the Agreement. For 2017-18, 2018-19 and 2019-2020.	After the payment of the first instalment, the second instalment will have to be paid 1 year from the entry into force of the Agreement. For the subsequent three instalments, the payment is 1 year from the date on which the preceding instalment becomes due.

1	2	3	4	5	6	7	8
			4(i) Non- Plan	4(ii) Plan	4(iii) CEBR		
3.	<b>Major Head : 5466-India's contribution towards payment of instalment of capital subscription to BRICS - NDB.</b>	The BRICS - New Development Bank (NDB) has come into existence after the ratification of the Inter Governmental Agreement (IGA) by all the BRICS countries including India in early July, 2015. As per Article 9 of the Articles of Association of the bank, the first instalment of USD 150 million towards the paid-in capital stock of the bank has to be made by India in dollars within 6 months after entry into force of the IGA.	1652.00	...	... India will have to pay its first instalment six months post ratification.	The remaining instalments of India's first instalment, the capital contributions second instalment will to NDB will have to be paid 18 months from the entry into force of the Agreement. For the 2017-18, 2018-19 and 2019-2020, 2020-21 and 2021-22. subsequent three instalments, the payment is 1 year from the date on which the preceding instalment becomes due.	After the payment of the

## Reform Measures and Policy Initiatives

### Scheme for Financial Support to PPPs in Infrastructure (Plan)

A unique characteristic of infrastructure projects is that the positive externalities caused by projects cannot be captured by project revenues alone. Hence, a project may be economically essential but commercially unviable. Such projects, which are marginally viable or unviable, can be made financially attractive through a grant. The Government has created a ***Viability Gap Funding*** arrangement for such project in the infrastructure sector. So far, 202 projects have been granted in-principle approval and 56 projects have received final approval for a VGF Support of ₹5283.55 cr with Total Project Cost (TPC) of ₹31,796.62 crore. An amount of ₹672.51 crore has been disbursed in the Financial Year 2015-16 (till 20th of January, 2016) under the VGF Scheme, out of a RE Budget Provision of ₹1043.50 crore. A budget provision of ₹800.00 crore has been sought in the BE 2016-17 based on an assessment of sponsoring Authority requirements and the number of projects already granted final approval.

### Development of Guidance Material for Post-Award Contract Management of PPP Concessions: "Highways, Ports, and Schools"

Department of Economic Affairs (DEA) has developed Post-Award Contract Management Guidance Material for Highways, Ports and School sectors and it includes Guidelines, Manuals and Online Toolkits. While the guidelines provide key principles of Post-Award Contract Management of PPP projects, these have been further adapted to sector specific Manuals based on the contractual obligations enshrined in the concession agreements. These are further supported by an interactive web-based toolkit, easily accessible through DEA's PPP Cell website, i.e. [pppinindia.com](http://pppinindia.com), and have been designed to provide practical application-oriented assistance to Project Authorities in undertaking project management. It is expected that the Toolkits will evolve as a one-stop resource base for all Project Authorities for Post-Award Contract Management of PPP projects.

### Development of Framework for Renegotiation of PPP Contracts:

India has emerged as one of the leading Public Private Partnership (PPP) markets in the world, due to several policy and institutional initiatives taken by the Government of India (GoI). India has also developed a strong framework for the approval of PPP projects at a central government level.

Department of Economic Affairs (DEA) has developed a framework for renegotiation or amendment of PPP Agreements with a particular focus on the National Highways and Major Port Concessions (Renegotiations Report). The framework identifies and categorizes several issues that could be considered for renegotiation of PPP concessions and provides various options and recommendations (triggers) for renegotiations.

Based on the recommendations of the Renegotiations Report, DEA is at present working on identifying the requisite modifications / amendments to the existing MCAs, identifying new clauses that need to be inserted in MCAs, as well as the

regulatory and policy regimes which would be necessary to implement such recommendations.

### Committee on Revisiting and Revitalising Public Private Partnership model in infrastructure

In the Union Budget 2015-16, the Finance Minister had announced that the PPP mode of infrastructure development has to be revisited and revitalised. In pursuance of this announcement, a Committee on Revisiting & Revitalising the PPP model of Infrastructure Development was set-up which was chaired by Dr. Vijay Kelkar. The Report of the Committee has been presented to the Government. The Report inter alia delved upon achievements in infrastructure development under PPP framework and has made several recommendations to better harness the PPP route to infrastructure service delivery. The Committee has also recommended resolution of legacy issues, strengthening of Policy, Governance and Institutional capacities etc. The Report is available on the Ministry of Finance's website (<http://finmin.nic.in/reports/Report Revisiting Revitalising PPP Model.pdf>).

### Technical and Economic Cooperation with other Countries - Interest Equalisation support to EXIM Bank of India

Under the "Indian Development and Economic Assistance Scheme" (IDEAS), the part relating to extension of concessional Lines of Credit (LOCs) through Exim Bank of India is operational. Under this, GoI provides Interest Equalization Support to Exim Bank of India (i.e. the difference between Exim Bank's rate of interest and the concessional rate of interest on which LOC is extended). In most of the cases, GoI guarantee for repayment of principal and payment of interest is also given to Exim Bank. Interest Equalization Support have been provided to Exim Bank to the tune of ₹193,93,00,857/- during the period from 1st April, 2015 to 23rd December, 2015 in the current financial year 2015-16. During the period between 02.12.2014 to 23.12.2015 of the current year 2015-16, following GoI supported Exim Bank of India LOCs have been approved by this Department:

Sl. No.	Borrower	Amount of LOC (in millions of US Dollars)
1	Government of Tanzania*	92.18
2	Government of Belarus*	100.00
3	ASEAN Member State*	1000.00
4	Government of Jordan*	100.00
5	Government of Mongolia*	1000.00

*\*In-principal Approvals*

*Exim Bank of India is taking further necessary action for operationalising all the above mentioned Lines of Credit.*

### The Global Alliance for Vaccines and Immunizations (GAVI Alliance)

The GAVI Alliance (formerly the Global Alliance for

Vaccines and Immunization) was founded in 2000 to reduce the historical gap in access to life saving vaccines and reduce child mortalities. GAVI's mission is to save children's lives and protect people's health by increasing access to immunization in poor countries. GAVI is estimated to have contributed to the immunization of additional 500 million children and in prevention of approximately seven million future deaths with contribution of about US\$ 12 billion till 2015.

India is not only a recipient, but also a contributor to GAVI Alliance. India has committed to contribute USD 1 million per annum for the years 2013-14 to 2016-17 to the GAVI Alliance. A 'Contribution Agreement' for this purpose between Department of Economic Affairs, on behalf of Government of India, and GAVI Alliance was signed in January, 2014. During 2014, two instalments of India's contribution of USD 1 Million each for 2013-14 and 2014-15, were paid to GAVI Alliance. The third instalment of India's contribution for 2015-16 has been paid in November, 2015.

#### **Global Fund to Fight AIDS, Tuberculosis and Malaria(GFATM)**

The Global Fund to fight AIDS, Tuberculosis and malaria (The Global Fund/GFATM) is an international financing organisation that aims to attract and disburse additional resources to prevent and treat HIV and AIDS, Tuberculosis and Malaria. The organization is a public-private partnership with Secretariat at Geneva, Switzerland. The organization began operations in January 2002. GFATM supported programmes have estimated to have saved 17 million lives since 2002. GFATM assisted programmes in India are implemented by Ministry of Health and Family Welfare.

As per the "Multi-Year Contribution Agreement" signed between Government of India, GFATM and IBRD(as Trustee of the Trust Fund for Global Fund) on 27th January, 2014, India has committed USD 16.50 million to GFATM for the period 2013-2016. India's contributions for 2013(USD 3 million), as also for 2014 and 2015 (USD 4.5 million each) have already been paid.

## STATUS OF OUTCOME WITH REFERENCE TO OUTLAYS 2014-15

S. No.	Name of the Scheme/ Programme	Objective/Outcome	Outlay 2014-15 (₹ In Crore)	Quantifiable Deliverables/ Physical Outputs	Processes/ Timelines	Risk Factors	Status as on 31st March 2015
1	2	3	4	5	6	7	8
		4(i) BE	4(ii) RE				
1.	<b>Major Head 3054- Contribution for Railway Safety Works against additional levies on Motor Spirit and High Speed Diesel. (Plan)</b>	Under this Scheme money under Central Road Fund is used for financing construction of Road over/under bridges in lieu of busy manned level crossings and railway safety works at unmanned railway crossings to ensure safety and smooth passage for traffic.	1496.00 (Plan)	1496.00 (Plan) <ul style="list-style-type: none"> <li>- Manning at 931 (target 730) locations.</li> <li>- Progress is 198 against all manning gates to be provided with telephone, on being manned.</li> <li>- interlocking at 213 locations against target of 225.</li> <li>- Construction of 650 Nos. Subways against target of 650.</li> <li>- Construction of 128 Nos. of Road Over and Under Bridges against a target of 177.</li> </ul>	<ul style="list-style-type: none"> <li>- For manning of unmanned level crossing, gated/lifting barriers have to be erected and duty huts/gate lodges constructed for gatekeepers. Qualified/suitable willing gate keepers are to be selected and posted at the gates.</li> <li>- Process include upgrading and maintaining of smooth roads and embankment, proper gradient, hexagonal block on track for smooth passage of road vehicles.</li> <li>- Laying of cable from stations to level crossing locations and provision of equipments.</li> <li>- ROB/RUBs are provided in lieu of busy level crossing on cost sharing basis. Proposal of ROB/RUB with Train Vehicle Units (TVUs) above 1 lakh is sponsored by State Govt. /local bodies with undertakings, i.e. consent such as closure of LC after completion of ROB, 50:50 cost sharing, arrangement of encumbrance's free land, etc.</li> </ul>	<p>Construction of Road Over/Under of ₹1496.00 crore bridges is the joint work of Railway and State Government / Local Bodies achieved:</p> <ul style="list-style-type: none"> <li>- Manning at 931 is delayed due to locations.</li> <li>- Interlocking at 213 locations.</li> <li>- Telephones at 198 locations.</li> <li>- Construction of level crossing gates 650 subways.</li> <li>- Construction of 128 Road Over/portion and Under bridges approach of ROB including being constructed by two agencies.</li> </ul> <p>Contractual problems, non availability of land, delay in diversion of road traffic, shifting of fund crunch with State Govt, bridge fund crunch with State Govt, bridge 128 Road Over/portion and Under bridges approach of ROB including being constructed by two agencies.</p>	<p>The entire outlay has been released. The following output has been achieved:</p> <ul style="list-style-type: none"> <li>- Manning at 931 is delayed due to locations.</li> <li>- Interlocking at 213 locations.</li> <li>- Telephones at 198 locations.</li> <li>- Construction of level crossing gates 650 subways.</li> <li>- Construction of 128 Road Over/portion and Under bridges approach of ROB including being constructed by two agencies.</li> </ul> <p>Approaches done by the State Government.</p>

1	2	3	4	5	6	7	8	
			4(i) BE	4(ii) RE				
2.	<b>Major Head 5475-</b> <b>Assistance for Infrastructure Development through provision of Public Private Partnership (PPP) (VGF) in Infrastructure</b>	To promote Public Private Partnership (PPP) in the infrastructure sector through provision of Viability Gap Funding Partnership (PPP) (VGF).	670.00 (Plan)	520.00 (Plan)	As on date 159 proposals have been granted approval with Total Project Cost (TPC) of ₹80,894.57 crore and VGF support of ₹16,005.37 crore. However, the actual level of VGF amount of these proposals is determined once the bidding process is completed.	There is a time lag between 'in principle' approval and final disbursement and normally it takes 12 to 18 months from the process of bidding to financial closure after giving in-principle approval to a proposal.	Disbursement of fund takes place after commencement of construction work of the project, and the Private party selected through competitive bidding process invests its share of equity.	The BE 2014-15 of ₹670.00 crore was framed on the basis of requirement sought by Sponsoring Authorities and the balance VGF remaining to be disbursed for the approved projects. The RE for 2014-15 has been kept at ₹520.00 crore. Till March, 2015 an amount of ₹365.00 crore has been disbursed to 21 road projects.
3.	<b>Interest equalisation support to Exim Bank of India</b>	The objective is to project India's strategic economic interests abroad and to develop long standing economic relationship. The scheme inter-alia, provides interest equalisation support to Exim Bank of India for GOI supported Lines of credit.	450.00	450.00	Interest equalization support to Exim Bank of India is given by GOI in respect of the GOI supported Exim Bank of India Lines of Credit extended for growth of Indian exports, development of strategic and economic relationship with countries like Angola, Burkina Faso, Cambodia, Chad, Congo, Cote d' Ivoire, Djibouti, etc.	The provision was to be utilised upto 31 <sup>st</sup> March, 2015.	If the repayment is defaulted by the recipient country, GOI will have to repay the amount to EXIM Bank as counter-guarantee of GOI have been given to EXIM Bank for the lines of credit.	₹402.59 crore have been paid to Exim Bank of India as interest equalisation support during 2014-15.

## STATUS OF OUTCOME WITH REFERENCE TO OUTLAYS 2015-16

S. No.	Name of the Scheme/ Programme	Objective/Outcome	Outlay 2015-16 (₹ In Crore)			Quantifiable Deliverables/ Physical Outputs	Processes/ Timelines	Risk Factors	Status as on 31st December 2015	
1	2	3	4	4(i) BE	4(ii) RE	4(iii) CEBR	5	6	7	8
1.	<b>Major Head 3054- Contribution for Railway Safety Works against additional levies on Motor Spirit and High Speed Diesel. (Plan)</b>	Under this Scheme money under Central Road Fund is used for financing construction of road over/under bridges and railway safety works at unmanned railway crossings to provide smooth and safe passage for traffic.	1645.60	2507.60		... - manning at locations. - interlocking at locations - all manned gates to be provided telephones. - Construction of 529 Nos of Roads under bridges/subways - Construction of 130 Nos of Road Over Bridges.	- For manning of unmanned level crossing, gated/lifting barriers have to be erected and duty huts/ gate lodges constructed for delayed Nos of gate keepers. Qualified/ suitable gate keepers are to be selected and posted at the gates. - Laying of cable from stations to level crossing locations.	Construction of Road crossing, gated/lifting Local Bodies and gate lodges sometime work is contracted for delayed due to contractual problems, non availability of land, delay in diversion of road traffic, shifting of level crossing gates fund crunch with State Govt, bridge portion and approach of ROB being	An amount of ₹822.00 crore has been released up to December, 15.	

1	2	3	4(i) BE	4(ii) RE	4(iii) CEBR	5	6	7	8
2.	<b>Major Head 5475-Assistance for Infrastructure Development Public Private Partnership (PPP) in Infrastructure (Plan).</b>	To promote Public Private Partnership (PPP) in the infrastructure sector through provision of Viability Gap Funding (VGF).	412.50	1043.50 (Plan)	... So far, 202 proposals have been granted in-principle approval and 56 projects have received final approval for a VGF support of ₹ 5283.55 crore with Total Project Cost (TPC) of ₹31,796.62 crore.	Development of Disbursement of The BE 2015-16 of ₹ infrastructure fund takes 412.50 crore was framed through Public place only after on the basis of requirement Partnership mode. commencement sought by Sponsoring There is a time lag of construction Authorities and the between 'in principle' of work of the balance VGF remaining to approval and final disbursement and the be disbursed for the private party approved projects. The RE normally it takes 12 to selected through for 2015-16 has been 18 months from the competitive increased to ₹ 1043.50 bidding process crore. Till December,2015 has invested its an amount of ₹336.72 giving In- principle share of equity. crore has been disbursed.			
3.	<b>Interest equalisation support to Exim Bank of India (Non-Plan)</b>	Indian Development and Economic Assistance Scheme(IDEAS). Lines of Credit(LoCs) form an important component of India's diplomatic strategy and have been very useful in generating goodwill and building long term partnerships. The scheme also attempts to promote India's strategic political and economic interest abroad by positioning it as an emerging economic power, investor country and partner for developing countries.	582.00	515.00	... GoI backs the LoCs through a Deed of Guarantee in favour of the lending bank to guard against any default by the borrowing Government in payment of interest and principal to the lending bank. GoI also extends Interest Equalisation Support(IES) to the lending bank for enabling it to lend on concessional terms.	The provision is to be utilised up-to 31st March, 2016.	If there is default in repayment by the borrower country, GoI will pay the amount to EXIM Bank as guarantee is given by GoI to the lender Bank for the Lines of Credit.	₹241.95 crore have been paid to Exim Bank of India as interest equalisation support during 2015 - 16 upto 31st December, 15.	11

## SUMMARIZED POSITION OF SCHEMES UNDER DEMAND NO. 29 – DEPARTMENT OF ECONOMIC AFFAIRS

S.No	Scheme	(₹ in Crore)							
		2014-2015			2015-2016		2016-2017		
		BE	RE	Actual	BE	RE	Actuals Up-to December, 2015*	BE	
1.	Public Private Partnership (PPP) In infrastructure, Provision of Viability Gap Funding (VGF) (MH 5475/3475) - Plan	670.00	520.00	365.00	412.50	1043.50	336.72	800.00	
2.	Contribution for Railway Safety Works against additional levies on motor spirit and high speed diesel and ; (MH 3054) - Plan	1496.00	1496.00	1496.00	1645.60	2507.60	1644.00	0.00	
3.	Interest Equalisation Support to EXIM Bank of India (MH 3605) - Non-Plan	450.00	450.00	402.59	582.00	515.00	241.95	572.00	
4.	Technical Economic Cooperation with other Countries - Technical aid to South & South East Asia under Colombo Plan (MH 3605) Non-Plan	0.50	0.01	0.00	0.01	0.00	0.00	0.01	
<b>Total</b>		<b>2616.50</b>	<b>2466.01</b>	<b>2263.59</b>	<b>2640.11</b>	<b>3935.10</b>	<b>2222.67</b>	<b>1372.01</b>	

\*Provisional

**STATEMENT SHOWING ACTUAL EXPENDITURE VIS-A-VIS BE/RE POSITION FOR THE YEARS 2013-14, 2014-15 AND 2015-16**

**DEMAND NO. 29 - DEPARTMENT OF ECONOMIC AFFAIRS**

**GROSS**

**₹ in crore**

<b>Description</b>	<b>Major Head</b>	<b>B.E.</b>	<b>2013-14</b>		<b>2014-15</b>		<b>2015-16</b>		<b>Actuals upto Dec, 2015*</b>	
			<b>R.E.</b>	<b>Actual</b>	<b>B.E.</b>	<b>R.E.</b>	<b>Actual</b>	<b>B.E.</b>	<b>R.E.</b>	
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>
<b>PART - A NON-PLAN ITEMS</b>										
Secretariat-General Services	2052	98.26	120.65	105.24	140.22	126.74	104.63	162.45	151.69	86.87
Currency Coinage & Mint	2046	0.00	0.00	0.50	0.00	0.00	0.00	0.00	0.00	0.00
<b>Other Fiscal Services</b>										
National Savings Institute	2047	13.40	12.12	10.76	14.55	18.73	14.89	15.82	14.29	8.67
Interests on deposits under Compulsory Deposits (Income Tax Payers Scheme, 1974)	2047	0.05	0.02	0.02	0.05	0.05	0.01	0.05	0.05	0.00
Other Expenditure	2047	0.23	0.25	0.24	0.35	0.34	0.29	0.34	0.35	0.08
<b>Total</b>	<b>2047</b>	<b>13.68</b>	<b>12.40</b>	<b>11.02</b>	<b>14.95</b>	<b>19.12</b>	<b>15.19</b>	<b>16.21</b>	<b>14.69</b>	<b>8.75</b>
<b>Other Administrative Services</b>										
14th Finance Commission	2070	15.24	13.61	13.30	15.55	13.38	12.56	0.00	0.00	0.00
Financial Sector Legislative Reforms Commission (FSLRC)	2070	0.12	0.10	0.19	0.00	0.00	0.00	0.00	0.00	0.00
Other Expenditure (SAT & NSDA)	2070	4.78	4.26	4.50	24.12	23.61	11.82	7.00	8.40	3.72
<b>Total</b>	<b>2070</b>	<b>20.14</b>	<b>17.97</b>	<b>17.99</b>	<b>39.67</b>	<b>36.99</b>	<b>24.38</b>	<b>7.00</b>	<b>8.40</b>	<b>3.72</b>
<b>Miscellaneous General Services</b>										
Guarantee Redemption Fund	2075	300.00	300.00	300.00	300.00	100.00	100.00	300.00	300.00	100.00
Other Programmes	2075	0.01	0.00	0.00	0.01	0.01	0.00	0.01	0.11	0.08
<b>Total</b>	<b>2075</b>	<b>300.01</b>	<b>300.00</b>	<b>300.00</b>	<b>300.01</b>	<b>100.01</b>	<b>100.00</b>	<b>300.01</b>	<b>300.11</b>	<b>100.08</b>
<b>Social Security and Welfare</b>										
Protected Savings Schemes (other charges)	2235	0.05	0.00	0.00	0.02	0.02	0.00	0.02	0.02	0.00
Social Security Network	2235	0.00	0.00	0.00	0.00	0.00	0.00	1000.00	48.05	0.00
<b>Total</b>	<b>2235</b>	<b>0.05</b>	<b>0.00</b>	<b>0.00</b>	<b>0.02</b>	<b>0.02</b>	<b>0.00</b>	<b>1000.02</b>	<b>48.07</b>	<b>0.00</b>
International Fund for Agricultural Development [IFAD]	2416	55.00	62.00	61.90	62.00	62.00	63.35	67.00	86.00	86.32
<b>Total</b>	<b>2416</b>	<b>55.00</b>	<b>62.00</b>	<b>61.90</b>	<b>62.00</b>	<b>62.00</b>	<b>63.35</b>	<b>67.00</b>	<b>86.00</b>	<b>86.32</b>
<b>Other Transport Services</b>										
Subsidy to Railways towards dividend reliefs and other concessions	3075	2746.00	3530.00	3370.56	4059.30	4002.13	4024.46	4728.71	3720.97	3153.00

13

Department of Economic Affairs

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>Outcome Budget 2016-2017</b>
Losses on Strategic Railway Lines	3075	660.00	640.00	640.00	640.00	656.90	656.90	664.82	638.81	221.00	
<b>Total</b>	<b>3075</b>	<b>3406.00</b>	<b>4170.00</b>	<b>4010.56</b>	<b>4699.30</b>	<b>4659.03</b>	<b>4681.36</b>	<b>5393.53</b>	<b>4359.78</b>	<b>3374.00</b>	
<b>International Financial Institutions</b>											
Payment of contribution towards											
Multilateral Debt Relief Initiative (MDRI) of African Development Fund (AfDF)	3466	0.00	1.28	1.28	2.43	2.43	2.43	2.57	2.57	0.00	
Assessment Charges payable to International Monetary Fund	3466	0.39	0.18	0.18	0.39	0.25	0.25	0.39	0.61	0.61	
World Bank PPA	3466	0.00	0.00	0.00	0.00	0.00	0.00	0.00	36.26	0.00	
South Experience Exchange Trust Fund (SEETF)	3466	2.73	2.73	2.73	0.00	0.00	0.00	0.00	3.25	0.00	
Contribution towards Asian Development Fund(ADF)	3466	0.00	0.00	0.00	94.50	91.42	91.42	48.00	48.09	48.09	
Contribution towards International Development Association(IDA)	3466	0.00	0.00	0.00	0.00	433.29	417.97	419.96	446.69	0.00	
<b>Total</b>	<b>3466</b>	<b>3.12</b>	<b>4.19</b>	<b>4.19</b>	<b>97.32</b>	<b>527.39</b>	<b>512.07</b>	<b>470.92</b>	<b>537.47</b>	<b>48.70</b>	
<b>Other General Economic Services</b>											
Forward Markets Commission	3475	0.00	0.00	0.00	10.23	7.96	7.07	44.43	10.92	7.55	
International Cooperation	3475	11.23	37.23	36.73	45.18	45.03	44.04	55.03	56.58	35.47	
Other Administrative Expenses/IES/ Embassy of India,Tokyo, Beijing and Washington	3475	20.99	19.09	18.13	26.40	25.55	20.86	27.10	24.48	14.70	
Grant-in-aid-General to other institutions	3475	2.35	16.78	14.84	6.42	6.53	5.33	4.16	3.67	1.23	
Custom and Import Duties on Non- Indian personnel in UN agencies	3475	0.03	0.02	0.00	0.03	0.02	0.00	0.02	0.02	0.00	
Exchange loss under NRI Bonds	3475	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Interest equalisation support to EXIM Bank	3475	416.50	416.50	407.66	450.00	0.00	0.00	0.00	0.00	0.00	
Waiver off outstanding loan and interest on loans to Republic of Seychelles	3475	1.52	1.18	1.18	0.00	0.00	0.00	0.00	0.00	0.00	
<b>Total</b>	<b>3475</b>	<b>452.62</b>	<b>490.80</b>	<b>478.54</b>	<b>538.26</b>	<b>85.09</b>	<b>77.30</b>	<b>130.74</b>	<b>95.67</b>	<b>58.95</b>	
<b>Technical and Economic cooperation     with other countries</b>											
Contribution to UNDP	3605	23.73	28.67	28.72	28.68	28.38	28.04	28.38	29.27	28.30	
Cooperation with other countries	3605	0.56	0.58	0.83	0.60	450.10	402.68	582.11	515.10	242.04	
Global Environment Facility (GEF)	3605	12.50	14.18	14.09	14.20	18.28	19.01	18.29	20.00	19.92	
Expenditure towards hosting a High level Conference on Advancing Asia: Investing for Future	3605	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.37	0.00	
46th AGM of ADB	3605	15.00	14.17	14.04	0.04	0.04	0.00	0.02	0.01	0.00	
<b>Total</b>	<b>3605</b>	<b>51.79</b>	<b>57.60</b>	<b>57.68</b>	<b>43.52</b>	<b>496.80</b>	<b>449.73</b>	<b>628.80</b>	<b>565.75</b>	<b>290.26</b>	

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>
<b>Capital Outlay of Currency, Coinage and Mints</b>										
Purchase of Coins from SPMCIL	4046	1645.00	2000.00	1934.17	2000.00	2000.00	1905.99	2500.00	2500.00	1178.86
Capital Outlay on Miscellaneous General Services										
Purchase of Machines for Budget Press	4058	0.00	0.00	0.00	6.00	9.90	9.64	0.01	0.00	0.00
Purchase of Machines for Budget Press	4075	6.00	6.00	4.63	0.00	0.00	0.00	0.00	0.00	0.00
Investment in General Financial and Trading Institutions										
National Financial Holdings Company Limited	5465	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Security Printing and Minting Corporation of India Limited (SPMCIL)	5465	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
National Skill Development Corporation(NSDC)	5465	500.00	250.00	250.00	0.05	0.05	0.00	0.00	0.00	0.00
National Institute of Economic Policy(NIEP)	5465	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.00	0.00
National Investment and Infrastructure Fund Limited	5465	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02	0.00
National Investment and Infrastructure Fund Trustee Limited	5465	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02	0.00
<b>Total</b>	<b>5465</b>	<b>500.00</b>	<b>250.00</b>	<b>250.00</b>	<b>0.06</b>	<b>0.05</b>	<b>0.00</b>	<b>0.00</b>	<b>0.04</b>	<b>0.00</b>
<b>Investment in International Financial Institutions</b>										
Subscription to the IBRD	5466	203.20	231.15	231.23	231.10	231.10	230.33	129.37	155.18	0.00
Subscription to International Development Association	5466	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.00	0.00
Subscription to Asian Development Bank	5466	245.00	350.00	279.23	283.96	262.70	262.70	0.04	2237.00	0.00
Subscription to African Development Fund	5466	0.01	1.32	1.34	1.32	69.56	66.99	34.80	0.00	0.00
Payment of Multilateral Debt Relief Initiative of African Development Fund	5466	2.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subscription to African Development Bank	5466	6.20	7.12	6.82	7.12	6.89	6.71	6.89	12.51	12.46
Subscription to International Monetary Fund [In Securities]	5466	42000.00	0.00	0.00	0.01	0.01	0.00	0.01	52920.00	0.00
Subscription to International Monetary Fund [In Cash]	5466	14000.00	0.00	0.00	0.00	0.00	0.00	0.00	375.00	0.00
Maintenance of Value [MOV] Obligation	5466	0.01	192.79	192.79	500.00	4618.79	4618.79	0.01	0.01	0.00
India's Contribution towards lending resources of IMF	5466	0.01	0.00	0.00	0.01	0.00	0.00	0.01	0.00	0.00
Payment for International Finance Corporation towards Selective Capital Increase (SCI)	5466	118.00	139.83	132.65	0.01	0.59	0.58	0.00	0.00	0.00

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>Outcome Budget 2016-2017</b>
Subscription to Brazil, Russia, India, China and South Africa(BRICS)											
New Development Bank	5466	0.00	0.00	0.00	100.00	100.00	0.00	930.00	1000.00	992.52	
<b>Total</b>	<b>5466</b>	<b>56574.58</b>	<b>922.21</b>	<b>844.06</b>	<b>1123.53</b>	<b>5289.64</b>	<b>5186.10</b>	<b>1101.13</b>	<b>56702.70</b>	<b>1004.98</b>	
<b>Capital Outlay on Other General Economic Services</b>											
Transfer to Social & Infrastructure											
Development Capital Fund	5475	7000.00	0.00	0.00	577.91	8.80	0.00	0.01	0.00	0.00	
Activities for mainstreaming PPPs	5475	1.30	0.32	0.02	1.65	0.00	0.00	0.00	0.00	0.00	
India Infrastructure Project Development Fund (IIPDF)	5475	4.00	0.50	0.00	4.00	2.00	0.04	2.00	2.00	0.00	
<b>Total</b>	<b>5475</b>	<b>7005.30</b>	<b>0.82</b>	<b>0.02</b>	<b>583.56</b>	<b>10.80</b>	<b>0.04</b>	<b>2.01</b>	<b>2.00</b>	<b>0.00</b>	
Loans for Other Economic Services											
Loans to IMF under New Arrangements to Borrow (NAB)	7475	0.01	1830.00	1486.05	915.00	2972.08	2427.59	1486.04	1486.04	692.60	
<b>Total</b>	<b>7475</b>	<b>0.01</b>	<b>1830.00</b>	<b>1486.05</b>	<b>915.00</b>	<b>2972.08</b>	<b>2427.59</b>	<b>1486.04</b>	<b>1486.04</b>	<b>692.60</b>	
	<b>7610#</b>	<b>225.00</b>	<b>200.00</b>	<b>164.81</b>	<b>200.00</b>	<b>200.00</b>	<b>149.13</b>	<b>200.00</b>	<b>150.00</b>	<b>87.41</b>	
<b>Total Non-Plan</b>		<b>70356.56</b>	<b>10444.64</b>	<b>9731.35</b>	<b>10763.42</b>	<b>16595.66</b>	<b>15706.50</b>	<b>13465.87</b>	<b>67008.41</b>	<b>7021.50</b>	
#merged with DEA w.e.f 2016-17											
<b>PART - B - PLAN ITEMS</b>											
National Social Security Fund for Unorganized Sector workers	2235	609.55	200.00	200.00	607.00	107.00	107.00	607.00	0.00	0.00	
Nirbhaya Fund for Safety of Women	2235	0.00	1000.00	1000.00	1000.00	1000.00	1000.00	1000.00	0.00	0.00	
New and Renewable Energy	2810	1650.00	1650.00	1650.00	4700.00	4700.00	4700.00	4700.00	100.00	2174.00	
Roads and Bridges	3054	2204.90	2204.90	2204.90	2992.00	2992.00	2992.00	3291.20	5015.20	1644.00	
National Skill Certification and Monetary Reward Scheme	3465	0.00	0.00	0.00	435.00	435.00	435.00	0.00	0.00	0.00	
Forward Market Commission	3475	0.00	0.00	0.00	50.00	32.76	9.97	0.00	0.00	0.00	
National Skill Certification and Monetary Reward Scheme	3465	0.00	1000.00	1000.00	0.00	0.00	0.00	0.00	0.00	0.00	
National Investment and Infrastructure Fund(NIIF)	3465	0.00	0.00	0.00	0.00	0.00	0.00	0.00	500.00	0.00	
Initiatives for SIDF	5475	0.00	0.00	0.00	473.00	3.00	0.00	20.00	0.00	0.00	
3P India(PPP Implementation)	5475	0.00	0.00	0.00	500.00	50.00	0.00	80.00	1.00	0.00	
Assistance for infrastructure development - VGF	5475	678.00	678.00	450.00	670.00	520.00	365.00	412.50	1043.50	336.72	
<b>TOTAL PLAN</b>		<b>5142.45</b>	<b>6732.90</b>	<b>6504.90</b>	<b>11427.00</b>	<b>9839.76</b>	<b>9608.97</b>	<b>10110.70</b>	<b>6659.70</b>	<b>4154.72</b>	
<b>Grand Total</b>		<b>75499.01</b>	<b>17177.54</b>	<b>16236.25</b>	<b>22190.42</b>	<b>26435.42</b>	<b>25315.47</b>	<b>23576.57</b>	<b>73668.11</b>	<b>11176.22</b>	

**OBJECT HEAD - WISE ACTUAL EXPENDITURE VIS-À-VIS BE/RE PROVISIONS FOR THE YEARS 2013-14, 2014-15 AND 2015-16**

(Gross) ₹ in crore

Object Head	B.E.	2013-14		2014-15		2015-16		R.E. Actuals upto Dec, 2015	
		R.E.	Actual	B.E.	R.E.	Actual	B.E.		
1	2	3	4	5	6	7	8	9	10
<b>REVENUE SECTION</b>									
01 Salaries	71.53	71.53	67.81	86.27	86.27	81.41	93.31	81.41	63.66
02 Wages	0.45	0.46	0.41	0.26	0.13	0.12	0.12	0.12	0.08
03 Overtimes Allowance	0.18	0.08	0.07	0.22	0.12	0.09	0.11	0.08	0.02
06 Medical Treatment	1.38	1.24	1.23	2.10	1.71	1.00	1.83	1.62	0.95
11 Domestic Travel Expenses	2.54	2.32	2.47	4.50	4.13	3.43	4.22	3.32	2.01
12 Foreign Travel Expenses	6.95	6.10	6.38	12.46	9.75	5.47	10.15	7.80	3.49
13 Office Expenses	10.49	10.74	18.93	24.28	18.85	14.21	20.16	19.21	11.08
14 Rent,Rates & Taxes	11.79	8.05	7.90	19.64	13.54	7.49	17.75	5.56	2.61
16 Publications	5.27	4.97	4.39	5.85	5.34	4.32	6.12	6.01	3.38
20 Other Administrative Expenses	19.44	17.82	17.04	5.58	4.75	3.51	4.53	4.70	2.10
21 Supplies and Material	0.85	0.70	0.85	1.05	1.02	0.76	1.00	0.64	0.07
26 Advertising and Publicity	0.55	0.41	0.38	4.82	10.72	8.74	0.65	4.71	0.80
27 Minor Works	1.76	1.91	1.57	2.17	1.87	1.10	2.17	1.87	0.02
28 Professional Services	7.81	33.60	20.87	39.42	29.59	16.76	58.44	43.53	12.44
31 Grant-in-aid-General	0.85	15.14	13.34	21.67	21.58	9.99	2.91	1.67	0.39
32 Contribution	105.95	146.92	146.51	683.16	1116.49	1101.79	639.90	729.14	218.26
33 Subsidies	3822.50	4586.50	4418.22	5149.30	5109.03	5083.95	5973.53	4874.78	3615.95
35 Grants for Creation of Capital Assets	0.01	0.14	0.00	0.48	1.46	0.46	0.55	0.52	0.48
36 Grants - in- Aid "Salaries"	1.51	1.51	1.51	3.30	2.38	2.12	1.76	1.76	0.59
41 Secret Security Expenditure	0.00	0.00	0.00	0.01	0.01	0.00	0.01	0.01	0.00
42 Lump sum	0.01	0.00	0.00	0.01	0.01	0.00	0.01	0.10	0.08
44 Exchange variation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>
45 Interest	0.09	0.02	0.02	0.08	0.09	0.01	0.09	0.09	0.00
50 Other Charges	19.46	17.29	11.03	1522.49	1521.50	1516.44	2671.30	2578.75	835.61
51 Motor Vehicles	0.12	0.09	0.08	0.20	0.10	0.09	0.20	0.20	0.15
52 Machinery and Equipment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
53 Major Works	1102.45	1102.45	1102.45	0.00	0.00	0.00	0.00	0.00	0.00
63 Inter-account transfer	3662.00	4252.45	4252.45	8103.00	7403.00	7403.00	8252.60	3407.60	3096.00
64 Write off/Losses	1.52	1.18	1.18	0.05	0.01	0.00	0.01	0.05	0.01
50 Information Technology-Other Charges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13 Information Technology-Office Expenses	7.68	6.90	5.43	26.85	16.45	5.72	10.35	7.57	5.42
28 Information Technology-Professional Services	0.00	0.00	0.00	0.05	0.05	0.00	0.10	0.01	0.00
<b>TOTAL REVENUE SECTION</b>	<b>8865.12</b>	<b>10290.51</b>	<b>10102.52</b>	<b>15719.27</b>	<b>15379.95</b>	<b>15271.98</b>	<b>17774.88</b>	<b>11782.83</b>	<b>7875.65</b>
<b>CAPITAL SECTION</b>									
32 Contribution	500.00	250.00	1250.00	0.05	0.05	0.00	0.00	0.00	0.00
42 Lump sum Provision	678.00	678.00	450.00	670.00	520.00	365.00	412.50	1043.50	336.72
50 Other Charges	5.30	0.82	0.02	505.65	2.00	0.04	2.00	2.00	0.00
52 Machinery and Equipment	6.00	6.00	4.63	6.00	9.90	9.64	0.01	0.00	0.00
54 Investment	56574.57	1922.21	844.06	1123.53	5289.64	5186.10	1101.12	56702.74	1004.98
55 Loans and Advances	225.01	2030.00	1650.85	1115.00	3172.08	2576.72	1686.04	1636.04	780.01
60 Other Capital Expenditure	1645.01	2000.00	1934.17	2000.01	2050.00	1905.99	2580.01	2501.00	1178.86
63 Inter-Account Transfer	7000.00	0.00	0.00	1050.91	11.80	0.00	20.01	0.00	0.00
<b>TOTAL CAPITAL SECTION</b>	<b>66633.89</b>	<b>6887.03</b>	<b>6133.73</b>	<b>6471.15</b>	<b>11055.47</b>	<b>10043.49</b>	<b>5801.69</b>	<b>61885.28</b>	<b>3300.57</b>
<b>GRAND TOTAL</b>	<b>75499.01</b>	<b>17177.54</b>	<b>16236.25</b>	<b>22190.42</b>	<b>26435.42</b>	<b>25315.47</b>	<b>23576.57</b>	<b>73668.11</b>	<b>11176.22</b>

\*Provisional

## ANALYSIS OF EXPENDITURE DURING 2013-14, 2014-15 AND 2015-16

### **NON-PLAN**

#### **MH-2052 - Secretariat General Services**

The provision under this head is kept for the Secretariat expenditure of the Department of Economic Affairs and G-20 Secretariat. RE 2014-15 has been decreased mainly under Professional Services due to non receipt of bills as per expenditure expected in connection with Bilateral Investment Promotional and Protection Agreement (BIPA). The case is being defended by M/s Curtis, Mallet Prevost LLP. The Model BIPA Text was under preparation and therefore, all negotiations with Foreign Countries were put on hold, that's why there was saving in PSS and FTA. Less expenditure under FTA is due to economy measures. Less expenditure under 'OAE' is due to sponsorship for the event (Delhi Economic Conclave 2014). Fewer bills were received in Medical and Salaries. Savings under 'Maintenance' is due to surrendering of funds by CPWD in March, 2015. Actual expenditure for 2013-14 was ₹105.24 crore and for 2014-15 was ₹104.63 crore. Budget provision(2015-16) of ₹162.45 crore was reduced at RE stage to ₹151.69 on account of austerity instructions, the expenditure up to December, 2015 is ₹86.87 crore under this Head of Account.

#### **MH-2047 - Other Fiscal Services**

The provision under this head is for expenditure of National Savings Institute with its network of regional offices. It also includes provision in respect of interests on deposits under Compulsory Deposits (Income Tax Payers) Scheme, 1974; Rental cost of IMF Residents office and Indias' contribution to International Saving Bank Institutions. Budget provision (2014-15) of ₹14.95 crore was enhanced at RE stage to ₹19.12 mainly on account of salaries and Advertising and Publicity for Re-launching of Kisan Vikas Patra. Budget Estimate of ₹16.21 crore was reduced at RE stage to ₹14.69 crore. The flow of expenditure up to December, 2015 is ₹8.75 crore.

#### **MH-2070 - Other Administrative Services**

The provision under this head is for expenditure of Finance Commission(14th), Security Appellate Tribunal (SAT). Actual expenditure for 2013-14 was ₹17.99 crore. BE 2014-15 as compared to BE 2013-14 was increased substantially due to introduction of National Skill Development Agency (NSDA) in Department of Economic Affairs. Budget provision (2015-16) of ₹7.00 crore for Security Appellate Tribunal(SAT) was enhanced to ₹8.40 crore at RE stage on account of Rent, Rates and Taxes, the expenditure up to December, 2015 is ₹3.72 crore.

#### **MH-2075 - Miscellaneous General Services**

The provision is for interest payments on Central Securities in time barred cases and payment in connection with unclaimed securities credited to Government accounts. A provision of ₹300.00 crore is kept for transfer to the Guarantee Redemption Fund. During 2013-14, BE of ₹300.00 crore has been fully utilized. During 2014-15, BE of ₹300.00 crore has been reduced to ₹100.00 crore and ₹100.00 crore has been transferred to Guarantee Redemption Fund. During 2015-16, BE of ₹300.00 crore has been retained at RE level. Expenditure up to December, 2015 is ₹100.00 crore.

#### **MH-2235 - Social Security & Welfare**

The provision has been kept for Protected Savings Schemes. However, nil expenditure has been incurred against a budget provision of ₹0.05 crore during 2013-14. In the Financial year 2014-15, no expenditure has been incurred against Budget Provision of ₹0.02 crore. During 2015-16, provision of ₹1000.02 crore has been kept for Social Security Network (₹1000.00 crore) and Protected Savings Schemes (₹0.02 crore) and the same was reduced to ₹48.07 crore at RE stage. Till December, 2015, nil expenditure has been incurred on these schemes.

#### **MH-2416 - Agriculture Financial Institutions**

International Fund for Agricultural Development (IFAD): International Fund for Agricultural Development (IFAD) was set up in 1977 as the 13th specialized agency of the United Nations. 172 countries are members of the IFAD and these are grouped into three lists: List- A: Developed Countries, List- B: Oil Producing Countries and List- C: Developing Countries. India is one of the founding members of IFAD and; figures in List C.

India has so far contributed USD 124.00 million towards IFAD's resources. India has pledged to contribute an amount of USD 30 million to the 9th Replenishment as the top donor within List C-II Group of countries. A payment of USD 10 million as third and last instalment for the 9th Replenishment Cycle has been made in December 2014. The discussion for 10th Replenishment of IFAD (2016-18) has been concluded in December, 2014. With a contribution of USD 37 million for the three-year period, India has retained the top position in List C-II Group.

During 2014, agreement for a new IFAD assisted project, Meghalaya Livelihood and Access to Market Project (Megha-LAMP) for a loan amount of USD 50 million has been signed on 09.12.2014. Since 1979, IFAD has assisted in 27 projects in the agriculture, rural development, tribal development, women's empowerment, natural resources management and rural finance sector with the commitment of USD 875.71 million (approx.). Out of these, 17 projects have already been closed. Presently, ten projects with a total assistance of USD 431 million are under implementation.

IFAD Loans are repayable over a period of 40 years including a grace period to ten years and carry no interest charges. However, a service charge at the rate of three-fourths of one percent (0.75%) per annum is levied on loan amounts outstanding. However, a new blend term was approved by IFAD Governing Council in 2013 (36th Meeting). In blend term the Loans are provided at a fixed interest rate of 1.25 percent plus a service charge of 0.75 percent per annum, and with a maturity period of 25 years including a grace period of 5 years.

BE 2013-14 provision of ₹55.00 crore was enhanced to ₹62.00 crore on account of exchange rate fluctuation. Budget Estimates for 2014-15 were kept at ₹62.00 crore. However, actual expenditure is ₹63.35 crore due to exchange rate fluctuation. Budget Estimates of ₹67.00 crore was enhanced to ₹86.00 crore due to exchange rate fluctuation.

#### **MH - 3075: Other Transport Services (Subsidy to Railways towards Dividend Reliefs & Other Concessions)**

Subsidy to Railways for Dividend Relief and other concession is based on the dividend paid by the Ministry of Railways, to the General Revenues, on the entire capital (excluding dividend free capital) invested on Railways from the General Revenues. The subsidy provided towards dividend relief and other concessions is also dependent on capital work in progress. Similarly, the reimbursement of losses on operating 'strategic' lines is dependent on the working expenses of the Railways on operating such lines. As such, there are variations in the actual expenditure vis-a-vis the provisions made. During 2013-14, Budget Estimates of ₹3406.00 crore kept for subsidy to Railways towards dividend reliefs and other concession and reimbursement of losses to railways on operating Strategic Railway Lines has been enhanced to ₹4170.00 crore through supplementary grants. However, the expenditure is ₹4010.56 crore during 2013-14. During 2014-15, and expenditure of ₹4681.36 crore has been incurred against Budget provision of ₹4699.30 crore. During 2015-16, Budget provision of ₹5393.53 crore has been kept under Major Head 3075- Other Transport Services and ₹3374.00 crore has been disbursed up to December, 2015.

#### **MH - 3466 - International Financial Institutions**

The provision is for annual Assessment charges payable to International Monetary Fund, World Bank Technical assistance loan and contribution to South South Experience Exchange Trust Fund (SEETF). During 2013-14, Budget Estimates of ₹2.73 crore kept for contribution to South South Experience Exchange Trust Fund (SEETF) and fully utilized. During 2014-15 the provision was ₹97.32 crore mainly on account of Contribution towards Asian Development Fund(ADF) which was enhanced to ₹527.39 crore at RE level on account of Contribution towards International Development Association(IDA). Expenditure up to 31st March, 2015 is ₹512.07 crore. During 2015-16, Budget provision of ₹470.92 crore has been made under this head of account and expenditure of ₹48.70 crore has been incurred upto December, 2015.

#### **MH - 3475 - Other General Economic Services**

The provision under this Head includes contribution to Commonwealth Fund for Technical Cooperation (CFTC) and other international organisations, Economic Wing of the Embassy of India at Washington, Tokyo and Beijing, Training of Indian Economic Service Officers, India Trust Fund in ADB and Grants-in-Aid to Other Institutions. During 2013-14, Budget Estimates of ₹452.62 crore kept for Other General Economic Services. It was enhanced at RE stage to ₹490.80 crore. However, the expenditure is ₹478.54 crore up to 31st March, 2014. During 2014-15, Budget provision of ₹538.26 crore was reduced to ₹85.09 crore at RE stage due to shifting of provision for Interest Equalization Support to EXIM Bank form MH 3475 to MH 3605-Technical and Economic Co-operation with Other Countries. Expenditure during 2014-15 was ₹77.30 crore. During 2015-16, Budget Estimates of ₹130.74 crore has been reduced to ₹95.67 crore, however expenditure up to December, 2015 was ₹58.95 crore.

#### **MH-3605 - Technical & Economic Cooperation with Other Countries**

The provision under this Head includes contribution to

United Nations Development Programme (UNDP), Global Environment Facility(GEF) Technical Aid under Colombo Plan and for Development Assistance. During 2013-14, Budget Estimates of ₹51.79 crore kept for Other General Economic Services and enhanced to ₹57.60 crore at RE level. The expenditure during 2013-14 was ₹57.68 crore. During 2014-15, Budget provision of ₹43.52 crore was enhanced to ₹496.80 crore at RE stage due to shifting of Head of Account for Interest Equalization Support to EXIM Bank form MH 3475- Other General Economic Services to MH 3605-Technical and Economic Co-operation with Other Countries in order to set right the misclassification. Expenditure during 2014-15 was ₹449.73 crore. During 2015-16, Budget Estimates of ₹628.80 crore has been reduced to ₹565.75 crore and the expenditure up to December,2015 was ₹290.26 crore.

#### **MH-4046 - Capital Outlay of Currency, Coinage & Mint**

The provision is for purchase of coins from Security Printing and Minting Corporation of India Limited (SPMCIL). During 2013-14 Budget Estimates of ₹1645.00 crore was enhanced to ₹2000.00 crore. The actual expenditure during 2013-14 was ₹1934.17 crore. During 2014-15, the actual expenditure upto 31st March, 2014 was ₹1905.99 crore against a Budget provision of ₹2000.00 crore. During 2015-16, the actual expenditure up to December, 2015 was Rs1178.86. There is no cash outgo under this Head as the entire amount is deducted as recovery from the credit received from Reserve Bank of India on circulation of coins.

#### **MH-4075- Capital Outlay on Miscellaneous General Services**

A provision of ₹3.00 crore was kept under BE 2012-13 for procurement of a Perfect Binding Machine. The provision has been enhanced to ₹3.91 at the RE 2012-13 stage. During 2013-14, Budget Estimates of ₹6.00 crore has been kept for purchase of machines for Budget Press. But the entire provision remained unutilized due to transfer of allocation from MH 4075 to MH 4058 for incurring expenditure towards purchase of Machines for Budget Press. However, the expenditure is ₹4.63 crore up to 31st March, 2014 under the Major Head 4058-Capital Outlay on Stationery and Printing.

#### **MH-4058- Capital Outlay on Stationery and Printing**

During 2014-15, Budget Estimates of ₹6.00 crore has been kept under this Head for purchase of machines for Budget Press, Budget Estimates were enhanced to ₹9.90 crore at Revised Estimate Stage on account of Final payment of newly purchased printing machine. Actual Expenditure up to 31st March, 2014 was ₹9.64 crore. During 2015-16, Budget Estimates of ₹0.01 crore has been reduced to Nil at RE level.

#### **MH-5465 - Investment in General Financial and Trading Institutions**

The provision for 2013-14 under this Major Head also included ₹500.00 crore towards providing additional contribution to the Corpus of National Skill Development Fund Technical Assistance, however, the actual expenditure was ₹250.00 crore during 2013-14. During 2014-15, Budget provision of ₹0.05 crore was kept under this head, however there

is NIL expenditure upto 31st March, 2014 due to transfer of work pertaining NSDC/NSDA to newly created Ministry of Skill Development and Entrepreneurship. For FY 2015-16 no requirement has been proposed for this purpose. Provision of ₹0.04 crore has been made at RE level towards National Investment and Infrastructure Fund Limited and National Investment and Infrastructure Fund Trustee Limited.

#### **MH - 5466 - Investment in International Financial Institutions**

The provision is for payment of subscription to International Bank for Reconstruction and Development (IBRD), Asian Development Bank (ADB), African Development Bank (AfDB), African Development Fund, subscription to International Monetary Fund (IMF), Maintenance of Value (MoV) Obligation

and India's Contribution towards Lending Resources of IMF. During 2013-14 Budget Estimates of ₹56000.00 crore has been kept under Investment in International Financial Institutions and the same was reduced to NIL at RE level due to non requirement of India's IMFs Quota. During 2014-15, BE of ₹500.00 crore enhanced to ₹4618.79 crore due to requirement of funds and a supplementary of ₹4118.80 crore has been obtained for this purpose. The actual expenditure against a Budget Estimates (₹1123.53) and Revised Estimates (₹5289.64 crore) under MH-5466 was ₹5186.10 up to 31st March, 2015. During 2015-16, Budget Estimates of ₹1101.13 crore has been increased to ₹56702.70 crore at RE level mainly due to subscription to Asian Infrastructure Investment Bank(AIIB) and subscription to IMF (in Securities/in cash).

Details are as follows:-

<b>Description</b>	<b>Major</b>	2013-14			2014-15			2015-16		
		<b>Head</b>	<b>BE</b>	<b>RE</b>	<b>Actual</b>	<b>BE</b>	<b>RE</b>	<b>Actual</b>	<b>BE</b>	<b>RE</b>
<b>Investment in International Financial Institutions</b>										
Subscription to the IBRD	5466		203.20	231.15	231.23	231.10	231.10	230.33	129.37	155.18
Subscription to International Development Association	5466		0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.00
Subscription to Asian Development Bank and AIIB	5466		245.00	350.00	279.23	283.96	262.70	262.70	0.04	2237.00
Subscription to African Development Fund	5466		0.01	1.32	1.34	1.32	69.56	66.99	34.80	0.00
Payment of Multilateral Debt Relief Initiative of African Development Fund	5466		2.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subscription to African Development Bank	5466		6.20	7.12	6.82	7.12	6.89	6.71	6.89	12.51
Subscription to International Monetary Fund [In Securities]	5466	42000.00		0.00	0.00	0.01	0.01	0.00	0.01	52920.00
Subscription to International Monetary Fund [In Cash]	5466	14000.00		0.00	0.00	0.00	0.00	0.00	0.00	375.00
Maintenance of Value [MOV] Obligation	5466	0.01	192.79	192.79	500.00	4618.79	4618.79	0.01	0.01	0.00
India's Contribution towards lending resources of IMF	5466	0.01	0.00	0.00	0.01	0.00	0.00	0.01	0.00	0.00
Payment for International Finance Corporation towards Selective Capital Increase (SCI)	5466	118.00	139.83	132.65	0.01	0.59	0.58	0.00	0.00	0.00
Subscription to Brazil, Russia, India, China and South Africa(BRICS)	5466	0.00	0.00	0.00	100.00	100.00	0.00	930.00	1000.00	992.52
<b>Total</b>	<b>5466</b>	<b>56574.58</b>	<b>922.21</b>	<b>844.06</b>	<b>1123.53</b>	<b>5289.64</b>	<b>5186.10</b>	<b>1101.13</b>	<b>56702.70</b>	<b>1004.98</b>

\* Provisional

### **MH-5475 - Capital Outlay on Other General Economic Services**

The provision is for India Infrastructure Project Development Fund (IIPDF) and activities for mainstreaming Public Private Partnership (PPP) projects. A budget provision of ₹4.00 crore was made during FY 2013-14. Of this, an amount of ₹32,885/- has been disbursed. A Budget provision of ₹4.00 crore was made for FY 2014-15 of which an amount of ₹4.28 lakh has been disbursed till 31st March, 2014, as no further request was received. Considering the number of projects granted approval for IIPDF support the BE for 2015-16 has been made at ₹2.00 crore. Since no payment has been made in the FY 2013-14, an amount of ₹98,11,945/- has been surrendered from the approved budget of ₹1.00 crore in the FY 2013-14. For FY 2014-15 an amount of ₹1.00 crore has been allocated under Other Activities for Promoting PPPs. However, no amount has been spent under this head, as the funds have been sourced from Multilateral Agencies. For FY 2014-15, no requirement has been proposed under Other Activities for Promoting PPPs. During 2013-14, A lump sum provision of ₹7000.00 crore was made to facilitate implementation of a number of new and innovative ideas to translate into viable projects/schemes. However, due to procedural delays and lack of support the innovative ideas could not be translated into viable schemes/projects at the fag end of the tenure of previous Government and the whole amount was surrendered. During 2014-15, an expenditure of ₹0.04 crore has been incurred against Revised Estimates of ₹10.80 crore. During 2015-16, Budget Estimates of ₹2.01 crore has been kept under this head of account, however, no expenditure has been incurred up to December, 2015.

### **MH-7475: Loans to Other Economic Services**

During 2012-13, a provision of ₹11294.60 crore has been obtained through supplementary Demands for Grants for NAB and the actual transaction during 2012-13 was ₹914.63 crore. During 2013-14, a provision of ₹1830.00 crore was made at RE 2013-14 through supplementary Demands for Grants for providing loans to the International Monetary Fund (IMF) under New Arrangements to Borrow (NAB) and transactions amounting to ₹1486.05 crore took place under NAB. During 2014-15, Budget provision of ₹915.00 crore has been enhanced to ₹2972.08 at RE stage through supplementary grants, however, the actual expenditure was ₹2427.59 crore up to 31st March, 2015. During 2015-16, Budget Estimates of ₹1486.04 crore has been made and the actual expenditure up to December, 2015 was ₹692.60 crore.

## **PLAN**

### **MH-2235- Social Security and Welfare**

As a follow up to the Unorganized Sector Workers Social Security Act, 2008, the National Social Security Fund for Unorganized sector workers has been setup with an initial allocation of ₹1000.00 crore at BE 2010-11. During 2013-14, only ₹200.00 crore has been transferred against a budget provision of ₹609.55 crore. During 2014-15, Budget Estimates of ₹607.00 crore reduced to ₹107.00 crore at RE stage and ₹107.00 crore has been transferred to the Fund. During

2015-16, Budget Estimates of ₹607.00 crore has been reduced to Nil at RE level.

### **MH-2810- New and Renewable Energy**

A provision of ₹1066.46 crore has been obtained through the First supplementary Demand for Grants 2011-12 for initial transfer to the 'National Clean Energy Fund' to be maintained in the Public account of India for meeting expenditure to finance various new projects relating to research in clean energy, etc to be implemented by different Ministries/departments. A provision of ₹1500.00 crore has been kept for 2012-13 and provision of ₹1650.00 crore has been kept for 2013-14 and the entire provision was transferred to the 'National Clean Energy Fund'. During 2014-15, BE of ₹4700.00 crore has been kept for this purpose and the entire provision was transferred to the 'National Clean Energy Fund'. During 2015-16, Budget Estimates of ₹4700.00 crore has been reduced to ₹500.00 crore at RE level.

### **MH-3054 -Roads & Bridges**

The provision is for Railway Safety Work. The cess being levied on petrol and diesel is allocated in terms of the Central Road Fund Act , 2000 for financing construction of Railway over/under bridges and other safety works. The provision is made strictly as per requirements from Railways and their share of cess collections. An equivalent amount is transferred to Central Road Reserve Fund as Inter Account transfer. The gross BE 2012-13 provision is ₹2204.90 crore and fully utilized. During 2013-14 funds were fully utilized against a budget provision of ₹2204.90 crore up to March, 2014. During 2014-15, against a Budget provision of ₹2992.00 crore, expenditure of ₹2992.00 crore has been incurred up to 31st March, 2015. During 2015-16, Budget Estimates of ₹3291.20 crore has been increased to ₹5015.20 crore at RE level, and upto December, 2015 an amount of ₹1644.00 crore has been booked under this head of account.

### **MH-3465-General Financial and Trading Institutions**

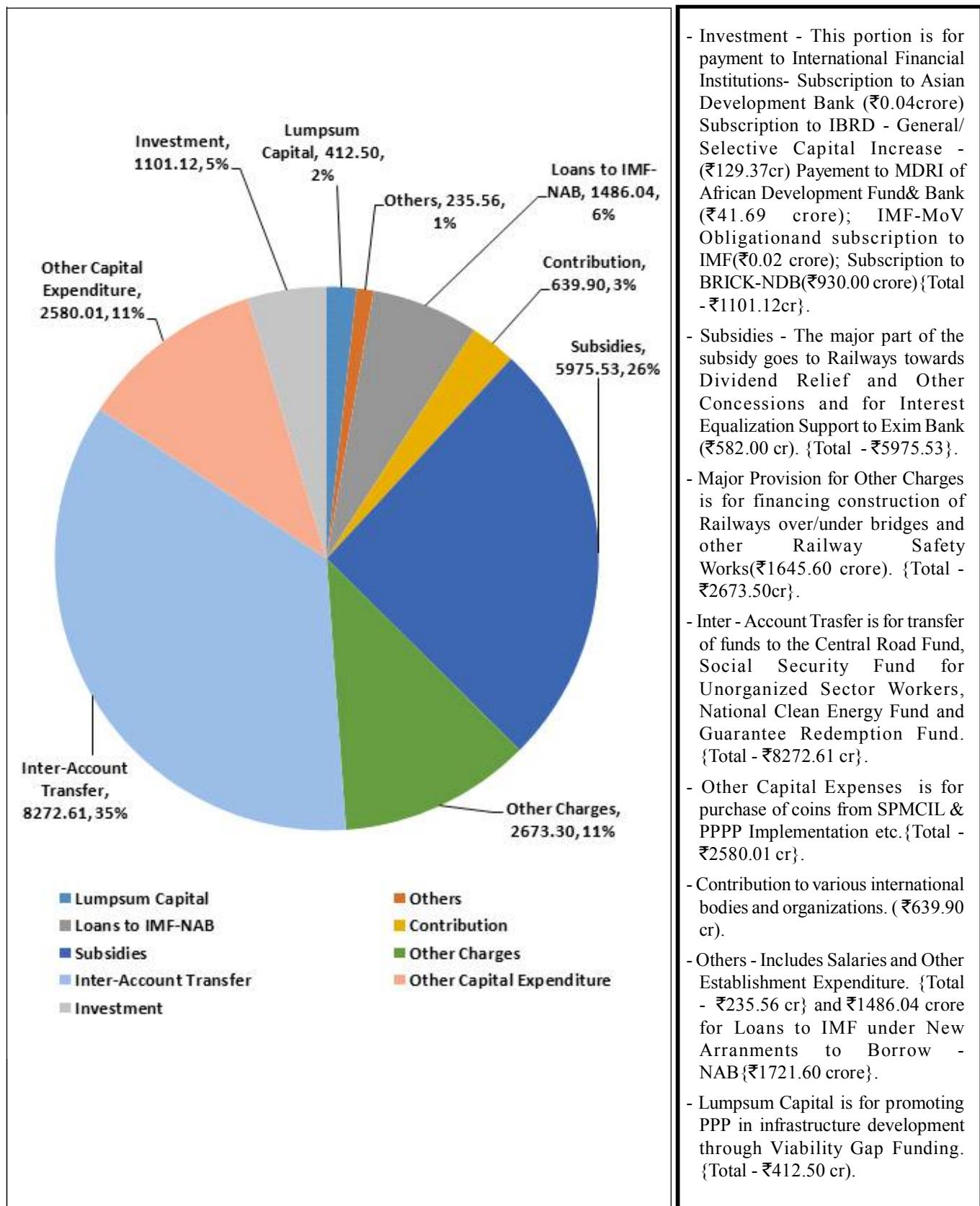
The NSDC is also leading the implementation of the National Skill Certification and Rewards Scheme, (Standard Training Assessment and Reward). STAR envisages a monetary reward that will in essence financially help those who wish to acquire a new skill or upgrade their skills to a higher level. The STAR scheme was launched on August 16th 2013 and with a budget outlay of ₹1000 crores and is expected to motivate 1 million youth to acquire a vocational skill during the first year of its implementation. NSDC is the designated implementing agency of the scheme and is working through various Sector Skill Councils, Training Providers and Assessment Agencies. ₹1000.00 crore has been transferred to the NSDC. During 2014-15, ₹435.00 crore has been kept for this purpose, however, and an expenditure of ₹435.00 crore has been incurred up to 31st March, 2014. The work pertaining to NSDA has been transferred to Ministry of Skill Development and Entrepreneurship in the middle of financial year 2014-15 and there is no provision for NSDA in the BE 2015-16 under Demand NO.29-Department of Economic Affairs. ₹500.00 crore has been kept at RE level during 2015-16 towards corpus of National Investment and Infrastructure Fund(NIIF).

**MH-5475 - Capital Outlay on Other General Economic Services**

The provision is for Assistance for Infrastructure Development - Viability Gap Funding (VGF). During the year 2012-13(April-December 2012), an amount of ₹378.04 crore has been disbursed to 12 road projects totalling 492 kms and 110 km of Power Transmission line. An amount of ₹450.00 crore has been disbursed during 2013-14(April-March 2013) to

21 road projects under VGF Scheme out of the approved budget of ₹678.00 crores. During the year 2014-15(April-March 2014), an amount of ₹365.00 crore has been disbursed to 8 road projects and 1 power transmission line. During 2015-16, Budget Estimates of ₹412.50 crore has been increased to ₹1043.50 crore at RE level, and up to December, 2015 an expenditure of ₹336.72 crore has been booked under this head of account towards Assistance for Infrastructure Development.

### OBJECT HEAD WISE MAJOR CONSTITUENTS OF GRANT OF DEA 2015-16



### **STATEMENT ON SURRENDER AND SAVING DURING THE FINANCIAL YEAR 2014-15**

During the Financial Year 2014-15, the original grant was ₹21990.42 crore. This was augmented to ₹28673.38 crore by obtaining supplementary grant of ₹6682.96 crore. Against this, the actual expenditure was ₹25166.34 crore, resulting in net savings of ₹3507.04 crore.

2. The savings of ₹3507.04 crore was the net effect of total savings of ₹3936.86 crore and total excess of ₹429.82 crore under the various sub heads of the grant.

Major Savings have been categorized into the following categories:-

#### **(i) Normal savings due to economical usage of the resources**

(₹ in crore)

S. No.	Sub Head/ Scheme/ Programme	Savings	Remarks/ Reasons
1.	Department of Economic Affairs (Secretariat)	29.84	Saving was due to non receipt of bills as per expenditure expected in connection with Bilateral Investment Promotional and Protection Agreement (BIPA). The case is being defended by M/s Curtis, Mallet Prevost LLP. The Model BIPA Text was under preparation and therefore, all negotiations with Foreign Countries were put on hold.
2.	G-20 Secretariat	2.13	Saving was due to non-finalization of tour programmes of the officers and non-settlement of rent invoice and the payment could not be released to UNDP & NIPFP under PSS. Whereas under IT. Head: This had earlier been proposed that payment of Bloomberg IDs will be made by G 20 India Secretariat, but these payments have been made by DEA from its main budget.
3.	National Savings Institute	4.51	Saving was due to non-payment of arrears of rent to ICCW Trust, Delhi, pending renewal of lease deed and on account of pending sanctions in process under Minor Works.
4.	Fourteenth Finance Commission	2.98	The saving under this Head is primarily due to requirement of fewer funds towards salaries owing to winding up of 14th Finance Commission and economy measures.
5.	National Skill Development Agency	11.02	Savings was due to requirement of less funds by National Skill Development Agency as the work pertaining to NSDA has been transferred to Ministry of Skill Development and Entrepreneurship in the middle of financial year 2014-15.
6.	Guarantee Redemption Fund	200.00	Saving was due to requirement of less funds towards transfer to Guarantee Redemption Fund.
7.	National Social Security Fund for Unorganised Sector Workers	500.00	Saving was due to no requirement of expenditure from the Fund during 2014-15 and in view of the available balances in the Fund.
8.	Subsidy to Railways towards Dividend Relief	34.84	The saving was due to requirement of fewer funds towards subsidy to the Railways for dividend relief owing to less than anticipated construction works which qualifies for subsidy from general Revenues.
9.	Training of IES Officers	3.84	Saving was mainly due to (i)The bills from International Training Programme such as Civil Services College, Singapore, International Component of Mid Career Training are less than the estimated figures because of exchange rate variation. (ii) Officers could not be nominated for some of the International training Programmes such as International attachment with BIRD and one of the two programmes meant to be conducted by DUKE (iii) Some training programmes were dropped due to non-availability of suitable nominations. (iv)Final pre-receipted bills from various training institutes was less than the expected (v)Some of the Departments have not raised the claim from DEA.
10.	Purchase of Coins form SPMCIL	94.01	Saving was due to non-receipt of bills from SPMCIL pertaining to last week of March, 2015.

## (ii) Savings due to non-implementation/delay in execution of projects/schemes

(₹ in crore)

S. No.	Sub Head/ Scheme/ Programme	Savings	Remarks/ Reasons
1.	BRICS-New Development Bank	100.00	The amount of ₹100.00 crore could not be utilized because of the delay in establishment and appointment of technical secretariat and President for BRICS, NDB.
2.	India Infrastructure Project Development Fund	3.96	Saving was due to late finalization of Infrastructure projects.
3.	Assistance for Infrastructure - Viability Gap Funding	305.00	Saving was due to receipt of less claims from the sponsoring authorities for various projects.
4.	PPP Implementation (3P India)	500.00	As part of the Budget Announcement 2014-15, a provision of ₹500.00 crore was made at BE stage. After due inter-ministerial consultation, a Cabinet Note was finalized and submitted to the Cabinet Secretariat. The Note has not yet been considered by the Cabinet and hence the amount could not be utilized during 2014-15.
5.	Lump sum provision for funding initiatives for social and infrastructure development	1050.91	A lumpsum provision was made to facilitate implementation of a number of new and innovative ideas to translate into viable projects/schemes. However, due to procedural delays and lack of support the innovative ideas could not be translated into viable schemes/projects at the fag end of the tenure of previous Government.
6.	Loans to IMF under New Arrangements to Borrow (NAB)	544.50	Projections were based on calls and estimates furnished by IMF and RBI. However, actual calls and drawing by the Fund on India were lower, leading to savings.

## (iii) (ii) Surrender/Savings due to obsolete/defunct projects/scheme or due to completion of project/scheme - Nil

**Note :-** This annexure is included in compliance of O.M. No. 7(I)-B(AC)/2011 dated 23rd March, 2012 of Budget Division regarding segregation of savings due to normal savings, Under/non - utilization, & surrender of funds for the financial year 2011-12 as desired by the Standing Committee on Finance in its 33rd Report.

**SECURITY PRINTING AND MINTING CORPORATION OF INDIA LIMITED (SPMCIL)**
**ANNEXURE A**
**1.1 Security Printing and Minting Corporation of India Limited (SPMCIL)**

- Security Printing & Minting Corporation of India Limited (SPMCIL) was incorporated on 13.1.2006 with its headquarters at 16th Floor Jawahar Vyapar Bhawan, New Delhi. Commencement of business was approved w.e.f. 6th February, 2006.
- It has successfully completed the compilation of accounts for the years 2006-07 to 2014-15. This has been done in accordance with the provisions of Companies Act,1956 and Accounting Standards prescribed by Institute of Chartered Accountants of India from time to time and other applicable laws. These accounts, prepared on commercial lines have been audited by the C&AG of India and duly approved in the AGMs of the company. As on 31-3-2015, SPMCIL has an asset base of Rs 6973 crore and reserves and surplus of Rs 2472 crores. Sales turnover of the Company has increased to Rs 4408 crores in 2014-15 from Rs 3798 crores in 2013-14 registering a growth of 16.08% over the previous year. Despite increase in physical sale and total revenue, the Company has registered a net loss of Rs 352 crores during the year 2014-15 as against a net profit of Rs 215 crores in the previous year due to price adjustments for coins from the year 2008-09 to 2012-13 and for defered payment for postal items from the year 2006-07 to 2013-14 with net impact of 710 crores. The reason for price adjustment is due to change in pricing of coins for 2008-09 to 2010-11 from cost plus 10% mark up to cost plus reasonable return on capital employed after the annual reports of these years have been prepared and laid on the table of the Parliament and also due to the inadequate return on capital employed from 2008-09 to 2011-12. In addition to above, other statutory requirements of registration with different agencies have also been completed. Payment of taxes due has been made in time as and when it has become due.
- SPMCIL is keeping pace with changed business environment and after notification of new Companies Act,2013, the Company is making initiatives to comply with all compliances and legal obligations imposed on the company by the new Act and has finalized its annual accounts for Financial year 2014-15 in accordance with the provision of new Companies Act,2013 which are more stringent and strict with regard to disclosure and compliance requirements.
- Keeping in view the thrust of the Government on indigenization of the critical inputs for manufacture of the currency, the Company has commissioned a new paper line at Hoshangabad with capacity of 6000 MT per year in May 2015. A JV Project in the name of Bank Note Paper Mill India Private Limited (BNPMIPL) at Mysore with an installed capacity of 12000 MT per annum to bring two state of the art technology paper lines is at advanced stage and production trials are under progress.
- SPMCIL has achieved all targets in production of bank notes, coins, security Products(Passports, NJSPs, Postal Products and other security products) and production of raw materials (security inks and security paper) during the year 2014-15. While achieving the highest targets, the Company has also increased productivity per employee considerably.
- SPMCIL has produced 8358 million pieces of Bank Notes and supplied 8143 million pieces to RBI. Production of the Bank Notes per employee has increased to 2.12 million pieces as against 2.01 million pieces achieved during the previous year.
- SPMCIL has produced 7929 million pieces of Circulating Coins. This is 3.65 % higher than the production of 7650 million pieces of the Circulating Coins during the last year. Production of the Circulating Coins per employee has increased to 2.47 million pieces as against 2.12 million pieces achieved during the previous year.
- SPMCIL has produced 525 metric tonnes (MT) of the security inks in 2014-15 at Ink factory at Dewas against 604 MT of inks produced during 2013-14. This is 13.08% lower than the production of the previous year on account of implementation of Phase -II modernization of ink factory. The security paper mill in Hoshangabad has produced 3266 MT of the security paper and has supplied to the presses at Dewas, Nahik and Hyderabad .
- Nine units of SPMCIL are engaged in the production of security paper, printing of currency & security documents and minting of coins, medals etc. Details of the production of major products during the current year is as under:

Details of Production for the period from 01.04.2015 to 31.12.2015.

<b>Sl. No.</b>	<b>Products</b>	<b>Production (in million pieces) unaudited</b>
1.	Bank Notes	5472
2.	Coins	6537
3.	Post Cards	85
4.	Envelopes	34
5.	Inland Letter Cards	28
6.	Postage Stamps & Indian Postal Orders	48
7.	Adhesive Stamps	10
8.	N.J & Allied Stamps	240
9.	Saving Instruments	39
10.	MICR Cheques	40
11.	Misc. Security Forms & Court fee stamps	87
12.	Passport & Allied Booklets	11
13.	Stickers/Labels/ I.Cards/ Seals	688
<b>TOTAL</b>		<b>13317</b>

Details of Sales of major products for the period from 01.04.2015 to 31.12.2015

S. Main Products No.	Sales (₹in Crore ) unaudited
1. Bank Notes	1005
2. Coins	1469
3. Other Security Products	729
4. Misc.	1
<b>TOTAL</b>	<b>3204</b>

The Company has also taken a major step for Indigenization of currency paper in India by entering into a joint venture with Bank Note Paper Mill India Private Limited (BNPMIPL) at Mysore . The total cost of the project is Rs 1570 crore and it is targeted to be completed by March 2016. On implementation of the project the Company will meet its major requirement of currency paper indigenously and reduce the import of Bank Note Paper considerably.

During the year, the Company has also implemented R&D projects in the field of security paper, security printing, bank note printing and coin metallurgy and innovative CSR projects undertaken in the field of education, health & family welfare, environment and social development, rain water harvesting, sanitation, renewable energy, roads, water supply and skill enhancement of the MSME personnel.

The indent for the coins is provided by RBI and pricing is decided by Ministry of Finance. The indent for bank notes is given by RBI which is distributed in Production Planning Meeting by Ministry of Finance between BRBNMPL and SPMCIL, generally in ratio of 60:40. The indents for postal stationery is provided by Department of Post, which is generally not well in time and the prices are intimated by SPMCIL units to postal authorities which is not being paid in full to SPMCIL as there has been differences about the prices of postal items.

During September 2014, RBI has substantially raised the indents of Coins for 2014-15 to 2018-19 ranging from about 13.45 billion pieces in 2014-15 to more than 16.10 billion pieces in 2018-19. This is more than double the average production of the Coins during the last three years of about 6.8 billion pieces. SPMCIL had earlier got the study done to establish the feasibility of increasing capacity in existing Mints by utilizing the existing land and buildings thereby to economize on the cost and shorten the project implementation time. The project estimates have been firmed up and are under the consideration of SPMCIL Board for decision.

Similarly during September, 2014, RBI has given the indents of Bank Notes for 2014-15 to 2018-19 which are about 40% to 50% higher. It will require investments for replacement of the old Printing Lines and creation of additional capacity both in Bank Note Press, Dewas and Currency Note Press, Nashik. Board has already sanctioned two Printing Lines on replacement account and also two new printing lines for BNP, Dewas and CNP, Nashik have been approved by the Board in December, 2015.

In the case of travel documents MEA has also given indents in September, 2014 for the next five years with indents increased to more than three times of the last year. SPMCIL has capacity to print about 1.50 crore passports/year. SPMCIL will firm up the expansion proposal for additional capacity in the coming months. Similarly, Postal department has also given their indent forecasts for the next five years in September 2014, which are quite on the higher side of the last year's indents. SPMCIL is firming up investments for postal machinery also.

There has been a substantial decrease in the indents for the Non-Judicial Stamp Papers (NJSP) during the last year and this trend is continuing on account of few of the States shifting to the e-stamping. SPMCIL is preparing itself to meet the challenges of decline in NJSP indent from the States by diversifying in other products.

#### Pricing of coins, bank notes & postal products

Delays in the fixation of costs of coins, bank notes and postal Stamps & Stationery has been affecting the profitability of SPMCIL which is evident from financial statements of the Company of last few years reflecting declining trend of profitability.

#### Modernization/ Indigenization

Continuing its momentum of modernization and indigenization, the Company has taken up various capital works as given below:

One Bank Note Printing Line each at Currency Note Press (CNP), Nashik & Bank Note Press, Dewas on replacement basis has been sanctioned by SPMCIL Board and the procurement is in progress. In order to meet the enhanced demand of coins projected by RBI, the modernization of Mints with 32 coining presses and finishing lines has been approved by the Board and the procurement is in progress. Two Electronic Numbering Control (ENC) Systems have been installed on Super Numerota machine at CNP, Nashik leading to reduction in wastage. CNP, Nashik has procured Spectro Densitometer for quality improvement of banknotes according to ISO Standards. Bank note simulation testing equipment has been installed for estimating life of banknotes at CNP, Nashik. One indigenously developed Gravimetric filling machine has been installed and commissioned at Bank Note Press (BNP), Dewas. Two Viscometers and one Tack-o-Scope have been installed and commissioned at BNP, Dewas. India Govt. Mint (IGM), Noida has commissioned the technology for PVD coating of dies for circulating coins for increasing life of dies. IGM, Noida has also introduced TC Collars successfully which has improved the serrations of coins and life of collar has been nearly doubled. Polishing lines have been installed and commissioned at IGM, Hyderabad and IGM, Kolkata which are capable to pickle and polish with the single chemical as compared to three chemicals in existing machines. ERP-SAP has been implemented across all Units of SPMCIL.

The list of important projects undergoing as on date is at Annexure B.

### Security Printing and Minting Corporation of India Limited

#### Details of Important projects under implementation/to be undertaken in the year 2016-2017

(₹ in crore)

Sl. No.	Name of project	Sanctioned Cost	Scheduled date of completion	Total cumulative exp. till beginning of the year	Total exp. planned during 2016-2017	Likely date of completion	Output/Outcome	Remarks
1	2	3	4	5	6	7	8	9
<b>A) Paper mill/presses</b>								
1	Bank Note Printing Line Machine (BNP)	200	31.03.2018	0	-	31.03.2018		
2	Bank Note Printing Line Machine (CNP)	200	31.03.2018	0	-	31.03.2018		
3	CTIP (Computer to Intaglio Plate Making) (CNP)	20	31.03.2017	0	20	31.03.2017		
4	Replacement of old 1 ENC & 2 CRN System (CNP)	17	31.03.2017	0	17	31.03.2017		
5	On Line inspection system for offset machine (7 Nos for CNP & 3 Nos. of BNP)	20	31.03.2017	0	20	31.03.2017		
<b>Total Capex of Presses &amp; Paper Mill (A)</b>		<b>456</b>		-	<b>56</b>			
<b>B) Mints</b>								
1	Mint Expansion Plan	350	31.03.2018	0	40	31.03.2018		
<b>Total Capex of Mints (B)</b>		<b>350</b>			<b>40</b>			
<b>Grand Total (A+B)</b>		<b>806</b>		-	<b>96</b>			

#### MH 4046 - Capital Outlay of Currency, Coinage & Mint

The provision is for purchase of coins from Security Printing and Minting Corporation of India Limited (SPMCIL). The BE for 2014-15 was ₹2000 crore for purchase of coins from SPMCIL. The RE for 2014-15 was ₹2000 crore for supply of coins by SPMCIL to RBI. Out of this, the total expenditure incurred was ₹1905.9918 crore. There was a saving of ₹94,00,82,000/- . The saving was due to late receipt of bills from SPMCIL pertaining to the last week of March, 2015. The BE for 2015-16 is ₹2500 crore for purchase of coins from SPMCIL.

Out of this, a total amount of ₹1178,85,71,429/- has been released for payment. A total amount of ₹327,37,47,622/- for bills for the months of October & November, 2015 has been sanctioned for payment. The bill for December, 2015 amounting to ₹147,79,79,4335/- have been received from SPMCIL for release of payment for purchase of coins. There is no Cash outgo under this Head as the entire amount is deducted as recovery from the credit received from Reserve Bank of India on circulation of coins.

## DEPARTMENT OF FINANCIAL SERVICES

### INTRODUCTION

The Department of Financial Services (DFS) is mainly responsible for policy issues relating to Public Sector Banks (PSBs) and Financial Institutions including their functioning, Banking Sector reforms, including formation of Key Advisory Groups on Chit Fund/ Nidhi Companies, Setting up of Central KYC Registry, standardization of account opening form, Financial Inclusion, Implementation of Government sponsored schemes and KYC guidelines, automation of State Government treasuries; appointment of Chairman-cum-Managing Directors (CMDs) and Executive Directors (EDs), legislative matters, international banking relations, appointment of Governor/ Deputy Governor of Reserve Bank of India, matter relating to National Bank for Agriculture and Rural Development (NABARD), Agriculture Finance Corporation, Co-operative Banks, Regional Rural Banks (RRBs), Rural/Agriculture Credit, matters relating to Insurance Sector and performances of Public Sector Companies, administration of various insurance acts, policy matters relating to pension reforms including National Pension System (NPS), legislative proposals and administrative issues concerning the Pension Fund Regulatory and Development Authority (PFRDA) etc.

#### **Major Schemes Administered by Department of Financial Services**

##### **From Jan Dhan to Jan Suraksha**

Government through the Budget Speech announced three ambitious Social Security Schemes pertaining to the Insurance and Pension Sectors, namely **Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY)**, **Pradhan Mantri Suraksha Bima Yojana (PMSBY)** and **Atal Pension Yojana (APY)** to move towards creating a universal social security system, targeted especially for the poor and the under-privileged. Hon'ble Prime Minister launched PMJJBY, PMSBY and APY schemes nationally in Kolkata on 9<sup>th</sup> May, 2015.

##### **1. Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY)**

The Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) is a one year life insurance scheme, renewable from year to year, offering coverage of ₹2.00 lakh for death due to any reason and is available to people in the age group of 18 to 50 years (life cover up to age of 55 years) having a bank account who give their consent to join and enable auto-debit. It involves convenient bank account linked enrolment with implementation in IT mode, and premium payment through auto-debit from the bank account of the subscriber. Implementation of this scheme enables

affordability and targeting in favour of the poor and the under-privileged and would address the situation of low penetration of life insurance in the country.

#### **Features:**

- Convenient bank account linked enrolment with implementation in IT mode.
- Premium payment through auto-debit.
- Annual renewable ₹2.00 lakh term life insurance cover for death due to any reason, through one bank account only.
- Bank account holders between the age of 18 to 50 years are eligible to enroll.
- Cover up to age of 55 years, subject to continued premium payment.
- Annual premium of ₹330.
- Cover period: 1<sup>st</sup> June to 31<sup>st</sup> May
- Initial enrolment period up to 31.05.2015; extended up to 31.05.2016.
- Administered through tie ups between Banks and Life Insurance Companies; Banks nodal points and master policy holders.
- Individuals who exit the scheme at any point of time may re-join the scheme in future years by paying the annual premium and submitting a self-declaration of good health.

#### **Implementation Status:**

- As on 31<sup>st</sup> December, 2015, Cumulative Gross enrolment reported by Banks subject to verification of eligibility, etc. is over 2.92 crore under PMJJBY.
- 11680 Claims were registered under PMJJBY as on 31<sup>st</sup> December, 2015 out of which 9306 have been disbursed.

##### **2. Pradhan Mantri Suraksha Bima Yojana (PMSBY)**

The Pradhan Mantri Suraksha Bima Yojana (PMSBY) is a one year personal accident insurance scheme, renewable from year to year, offering coverage for death/disability due to an accident is available to people in the age group of 18 to 70 years having a bank account who give their consent to join and enable auto-debit. Under the said scheme, risk coverage available will

be ₹2.00 lakh for accidental death and permanent total disability and ₹1.00 lakh for permanent partial disability. It involves convenient bank account linked enrolment with implementation in IT mode, and premium payment through auto-debit from the bank account of the subscriber. Implementation of this scheme enables affordability and targeting in favour of the poor and the under-privileged and would address the situation of low penetration of accident insurance in the country.

#### **Features:**

- Annual, renewable insurance cover for accidental death / permanent disability through one account only.
- ₹2.00 Lakh payable on death or permanent total disability and ₹1.00 Lakh on permanent partial disability
- Bank account holders between the age of 18 to 70 years are eligible to enroll.
- Annual premium is ₹12.
- Cover period: 1<sup>st</sup> June to 31<sup>st</sup> May.
- Initial enrolment period extended from 31.05.2015 to 30.11.2015; now extended beyond 30.11.2015.
- Administered through tie ups between Banks and General Insurance Companies; Banks nodal points and master policy holders.
- Individuals who exit the scheme at any point of time may re-join the scheme in future years by paying the annual premium, subject to conditions.

#### **Implementation Status:**

- By 31st December, 2015, Cumulative Gross enrolment reported by Banks subject to verification of eligibility, etc. is over 9.28 Crore under PMSBY.
- Of the 2221 Claims registered under PMSBY as on 31<sup>st</sup> December, 2015; 1209 have been disbursed.

### **3. Atal Pension Yojana (APY)**

The APY, a defined benefit pension scheme launched in June 2015 has a total of about 18 lakh subscribers and corpus of ₹262 crore as on 31<sup>st</sup> December, 2015. As on 31<sup>st</sup> December, 2015, 351 Banks are registered as APY – Service Providers which include Public Sector Banks, Pvt. Banks, Foreign Banks, Regional Rural Banks, District Commercial Banks, Schedule Commercial Banks, Urban Commercial Banks and Dept. of Post.

<i>Employer/ Sector</i>	<i>No. of subscribers</i>	<i>Corpus (₹ in crore)</i>	<i>Asset Under Management (AUM) (₹ in crore)</i>
Atal Pension Yojana	1813547	260	262

Given the poor financial education/literacy in majority of the people in the unorganized sector and the fact that contribution to a pension fund is long term commitment, people do take time to understand the basic features of the scheme and then decide about joining it.

### **4. Varishtha Pension Bima Yojana (VPBY)**

Varishtha Pension Bima Yojana (VPBY) meant for senior citizens aged 55 years and above was launched on 14.7.2003 and withdrawn on 08.07.2004. Under the scheme, pensioner gets an effective yield of 9% per annum on the investment. The difference between the effective yield of 9% paid to the pensioner and that earned by LIC is compensated as subsidy to LIC by the Government of India. An amount of ₹111.24 crore has been released under VPBY during 2014-15 and ₹101.79 crore has been provided in BE 2015-16.

### **5. Revived - Varishtha Pension Bima Yojana (VPBY) -2014**

For the welfare of Senior Citizens aged 60 years and above, the Government revived the Varishtha Pension Bima Yojana (VPBY) in 2014, which was launched by Hon'ble Finance Minister on 14<sup>th</sup> August, 2014. The VPBY-2014 scheme is also administered through Life Insurance Corporation of India (LIC) broadly on the same lines as the VPBY-2003 scheme. Subscribers on payment of an initial lump sum amount get an assured pension based on a guaranteed rate of return of 9% per annum on monthly basis on the initial subscription with the pension payable on monthly/ quarterly/half yearly or yearly basis. The scheme was opened from 15<sup>th</sup> August, 2014 to 14<sup>th</sup> August, 2015. As per LIC, a total number of 3,23,128 policies with corpus amount of ₹9073.20 crore have been subscribed to the scheme.

### **6. Pradhan Mantri Jan Dhan Yojana (PMJDY)**

Pradhan Mantri Jan Dhan Yojana was launched on 28.08.2014. Under this scheme, Bank accounts were opened and benefits were given to the Account holders. One of the benefits under the scheme is providing Life Insurance Cover of ₹30000/- on death of the life assured, due to any reason, to the deceased's family who have opened Bank account between 15.08.2014 to 31.01.2015 (subject to certain eligibility criteria). For availing Life Insurance coverage of ₹30,000/- under this scheme, a person should be between 18 to 59 years of age and he/she should have been enrolled under PMJDY between the

above specified periods. The scheme through the envisaged exclusions, aims to provide security to families from economically weaker sections who cannot afford direct purchase of such insurance. The premium subscription for the life cover under PMJDY is borne by the Government of India. The scheme is being implemented through Life Insurance Corporation of India (LIC) in the country.

## **7. Aam Aadmi Bima Yojana (AABY)**

The Social Security Insurance Scheme viz. Aam Aadmi Bima Yojana (AABY) was monitored by this Department and was being implemented through Life Insurance Corporation of India (LIC). As per information received from LIC, a total number of 4.32 crore lives have been covered under AABY during 2014-15. The AABY scheme has been transferred to Ministry of Labour & Employment (MoLE) on 10.07.2015. A brief on the salient features of AABY is as follows:-

'Aam Aadmi Bima Yojana (AABY)' extends life and disability cover to persons between the age of 18 to 59 years under 47 identified vocational / occupational groups. The member should be head of the family or one earning member of the family under the eligible groups. In addition to this, AABY is also extended to all Rashtriya Swasthya Bima Yojana (RSBY) beneficiaries, provided they meet the other eligibility conditions under the AABY scheme.

AABY provides insurance cover for a sum of ₹30,000/- on natural death, ₹75,000/- on death due to accident, ₹37,500/- for partial permanent disability (loss of one eye or one limb) due to accident and ₹75,000/- total permanent disability (loss of two eyes or two limbs or loss of one eye and one limb) due to accident. The Scheme also provides an add-on-benefit, wherein Scholarship of ₹100 per month per child is paid on half-yearly basis to a maximum of two children per member, studying in 9<sup>th</sup> to 12<sup>th</sup> Standard.

The total annual premium under the Scheme is ₹200/- per beneficiary of which 50 per cent is contributed from the Social Security Fund created by the Central Government and maintained by LIC. The balance 50 per cent of the premium is contributed by the State Government /UTs in case of 'Rural Landless Households' and for other groups, it is contributed by the State Government / Nodal Agency / Individual as the case may be. The Central Ministries Dept. /State Government/Union Territories/any other institutionalized arrangement/registered NGOs may act as nodal agencies under the Scheme. However in case of 'Rural Landless Households' category, it is State Government / UT which will be he Nodal Agency.

## **8. Interest Subvention (IS) for providing Short Term Credit to Farmers**

The Government subsidizes the interest rate on loans to farmers through an Interest Subvention Scheme so that short

term crop loans upto ₹3.00 lakh are available to farmers at an interest rate of 7% per annum. This scheme has been under implementation since 2006-07 and it is continued year after year. NABARD implements the scheme in respect of Cooperative Banks and Regional Rural Banks and RBI implements the scheme in respect of Commercial Banks. Under IS Scheme, in addition to Interest Subvention to provide short term crop loans to farmers upto ₹3.00 lakh @ 7% p.a., additional interest subvention of 3% to those farmers who repay on time and Interest Subvention to small and marginal farmers having Kisan Credit Cards for a further period of six months post-harvest, on the same rate as available for short term crop loan against Negotiable warehouse Receipts for keeping their produce in warehouses is also provided. Further, from 2014-15, in order to provide relief to farmers affected by natural calamities, Interest Subvention of 2% has been made available to banks for the first year on the restructured amount and such restructured loans would attract normal rate of interest from the second year onwards.

During 2012-13, an amount of ₹5400 crore and during 2013-14, a sum of ₹6000 crore was released under the Scheme. An amount of ₹6000 crore was released under the scheme during 2014-15. Further, during 2015-16, an amount of ₹12,405.16 crore has been released upto 31<sup>st</sup> December, 2015 as against the provision of ₹13,000 crore for 2015-16.

## **9. Capital requirement of Public Sector Banks (PSBs) during 2016-17.**

The Government had announced "Indradhanush" a plan to revamp Public Sector banks (PSBs) and as part of that, a programme of capitalization to ensure that PSBs remain BASEL-III complaint was also announced under which ₹70,000 crore is supposed to be provided between 2015-2019. The criteria used was to ensure that CET-1 of all banks remains at 7.5%. Further, large banks were also given growth capital to support credit needs of the growing economy. Post Asset Quality Review (AQR) exercise by RBI to clean the balance sheets of PSBs, the numbers are being re-looked at and a revised programme of capitalization will be issued as part of "Indradhanush 2.0"

## **10. Contribution to Securities Redemption Fund for redeeming SLR Marketable Securities issued against subscription in the Rights Issue of equity shares of State Bank of India – 2008**

While approving subscription of around ₹10,000 crore by the Government in the Rights Issue – 2008 of the State Bank of India (SBI), Cabinet had also approved creation of a 'Securities Redemption Fund' for redeeming the Government Securities - 2024 issued to SBI towards subscription to its Rights Issue 2008, on due date. A sum of ₹625 crore is to be transferred annually

in the ‘Fund’, starting from 2008-09, upto the year 2023-24 i.e. for 16 years. Accordingly, a provision of sum of ₹625 crore has been made in the B.E. 2016-17.

### **11. Stressed Assets Stabilization Fund (SASF): Transfer of funds to IDBI Bank Ltd. and simultaneous redeeming Special Securities issued to the Bank.**

To address the issue of stressed assets of IDBI Bank Ltd. (previously IDBI Ltd.) Government of India (GoI) had set up a Special Purpose Vehicle called Stressed Assets Stabilization Fund (SASF) to take care of the bad assets of IDBI. SASF invested ₹9,000 crore in 20 years Non-interest bearing Government of India IDBI Special Securities, 2004. SASF transferred these Special Securities of ₹9,000 crore to IDBI, and IDBI, in turn, transferred NPAs valued at ₹9,000 crore to SASF. Upto March 2014, SASF has remitted a sum of ₹4,414/- crore out of the recoveries made by them from NPAs acquired from IDBI Bank Ltd. SASF has estimated to remit a sum of ₹150 crore during the current financial year and hence Budget Division has been requested to make provision of ₹150 crore in the Revised Estimate (RE).

Budgetary provision under this head is demanded through supplementary demands for grant, on the basis of recovery made during first two quarters of the FY.

### **12. Recapitalization of Regional Rural Banks (RRBs)**

With a view to bring the capital to risk weighted assets ratio (CRAR) of RRBs to at least 9%, Dr. K. C. Chakrabarty Committee, inter-alia, recommended recapitalization support to the extent of ₹2,200 crore to 40 RRBs in 21 States, to be shared by the stakeholders in proportion to their shareholding in RRBs i.e. 50% by the Central Government, 15% by the State Government and 35% by the concerned sponsor banks. The Central Government share worked out to be ₹1,100 crore. After approval of the Cabinet, the recapitalization process started in 2010-11 and was to be completed by 2011-12. The Cabinet decision required that the Government of India release its share upon release of the proportionate share by the concerned State Government and the Sponsor Bank.

Upto 31.3.2014, an amount of ₹1086.70 crore has been released against the Central Government share of ₹1100 crore to 39 RRBs including Central Madhya Pradesh Gramin Bank (on the recommendations of NABARD to meet the requirement of minimum CRAR of 9%).

Further, the Government has approved the proposal to continue the process of recapitalization of RRBs for next three years beyond 2013-14 i.e. upto 2016-17 for the RRBs who are unable to maintain minimum CRAR of 9%. The additional sum of ₹700 crore approved earlier by the Cabinet is proposed to be utilized for providing recapitalization to any RRB who is not able to maintain minimum CRAR of 9%.

In BE 2015-16, an amount of ₹15 crore has been allocated. Out of this, an amount of ₹3.50 crore has been released to Manipur Rural Bank as recapitalization assistance. A further provision of ₹140 crore has been proposed during 2016-17.

### **13. National Pension System (NPS)**

The National Pension System (NPS) has been introduced by the Government of India with effect from 1<sup>st</sup> January, 2004 mandatorily for all new recruits to the Government (except Armed forces), replacing the existing system of defined benefit pension system. Based on individual choice, it is envisaged as a low-cost and efficient pension system backed by sound regulation. As a pure “Defined Contribution” product with no defined benefit element, returns would be totally market-related. The NPS provides various investment options and choices to individuals to switch over from one investment option to another or from one fund manager to another, subject to certain regulatory restrictions.

The process of making NPS available to all citizens entailed the appointment of NPS intermediaries, including Sixty Four institutional entities as Points of Presence (POPs) that will serve as pension account opening and collection centers, a Centralised Record Keeping Agency (CRA) and eight Pension Fund Managers to manage the pension wealth of the investors. PFRDA adopted a transparent, non-discretionary, competitive bidding process for selection of NPS intermediaries including PFM in line with best international practice, which ensured high quality service delivery for NPS subscribers at optimum cost.

In order to facilitate the organised entities to move their existing and the new employees to NPS architecture, a customised version of the core NPS Model, known as the “NPS-Corporate Sector Model” has been introduced since December, 2011. As on December 31, 2015, 2142 corporate and 4.42 lakh employees have been enrolled under this model. The AUM under NPS-Corporate Sector Model is ₹8088.84 crore. (DVC though registered as a State Government in NPS considered as Corporate).

**Statement of Outlays and Outcomes 2016 - 17**

S. No.	Name of the Scheme/ Programme	Objective/Outcome	Outlay 2016-17 (` in Crore)			Quantifiable Deliverables/ Physical Outputs	Projected Outcomes	Processes/ Timelines	Remarks/ Risk Factors	
1	2	3	4	4(i) Non- Plan	4(ii) Plan	4(iii) CEBR*	5	6	7	8
1.	Major Head 2235Grants-in-aid under Atal Pension Yojana	i. To extend the coverage under APY Scheme to around 12 lakh Subscribers. ii. Funding Support to PFRDA for payment of Incentive to aggregator under the scheme. iii. For promotional and developmental activities under Atal Pension Yojana	-	120.00	-	APY provides a defined pension, depending on the contribution, and its period.	It is proposed that out of 15 lakh eligible subscribers of GoI co-contribution during FY 2015-16, as per the past experience under Swavalamban Scheme and the features of auto debit facility under APY, the persistence will be around 80%, 10% more than Swavalamban Scheme, 12 lakh persistent subscribers will be eligible for GoI co-contribution on the base of 15 lakh subscribers.	March,2017	The projected outcome under the scheme is subject to the market conditions, income status, financial knowledge of the prospective subscribers and performance of PoPs.	
2.	Major Head 2235Grants-in-aid under Swavalamban Scheme	i. To extend the coverage under Swavalamban Scheme to 19 lakh Subscribers ii. For promotional and developmental activities	190.00	-	-	The scheme is aimed at encouraging the people from unorganized sector to voluntarily save for their retirement by enrolling themselves under the NPS	To enroll 19 lakh subscribers under Swavalamban Scheme.	March, 2017	The projected outcomes are subject to Informal labour market conditions, low intermittent income and low financial knowledge, performance of Aggregators and PoPs.	

\*CEBR - Complementary Extra Budgetary Resources i.e., expenditures committed for the purpose by entities other than the Central Government.

1	2	3	4	5	6	7	8
			4(i) Non- Plan	4(ii) Plan	4(iii) CEBR		
3.	Major Head “2235” under Swavalamban –Payment to Life Scheme I n s u r a n c e Subsidized Pension Plan Corporation of India for Senior Citizens Varishtha Pension Bima Yojana (VPBY) 2003 is a G o v e r n m e n t supported scheme for person who aged 55 years and above and had subscribed to the scheme. The scheme introduced in July, 2003 and has been discontinued w.e.f. 09.07.2004. For the welfare of Senior Citizens aged 60 years and above, the G o v e r n m e n t revived the VPBY in 2014. The scheme was opened from 15.8.2014 to 14.8.2015.	171.90	-	-	Under the Scheme pensioners get an effective yield of 9% p.a.	Approximately 03 lakh senior citizens, who had enrolled during the currency of the scheme, are being provided benefits under the VPBY 2003 scheme. Number of policies under VPBY 2014 is 3.23 lakh senior citizens.	One Year  Under the Scheme the subscribers a guaranteed rate of return @ 9% per annum. Any gap in the guaranteed return over the return generated by the LIC on the fund is compensated by Government of India by way of subsidy payment in the scheme.
4.	Pradhan Mantri Jan Dhan Yojana (Life cover `30,000/-)	The scheme extends cover of `30,000/- to people who have opened bank account between 15.08.2014 to 31.01.2015 subject to certain eligible condition.	100.00	-	During the launch of `30000/- Life Cover PMJDY scheme, Hon'ble Prime Minister has announced a life cover of `30,000/- for those account holders who have opened Bank account with a Rupay debit card before 26 <sup>th</sup> January, 2015 (subject to certain eligibility criteria.)	—	G o v e r n m e n t required to replenish the Fund maintained by LIC for this Scheme from time to time.

1	2	3	4	5	6	7	8
			4(i) Non- Plan	4(ii) Plan	4(iii) CEBR		
5.	Major Head 2885 Grants to ICICI Bank has been granted Lines of Credit by ICICI Bank for the Kreditanstalt Fur External Aided Wiederaufbau (KfW) Components: Grant under the bilateral credit in aid	0.01	-	-	It is based on the demand made by ICICI Bank as per the scheme, subject to confirmation by Controller of Aid Accounts and Audit (CAAA).	No risk factor is involved as it is an reimbursement against the actuals certified by the O/o CAAA.	
6.	Major Head 3465 – Contribution to Securities Redemption Fund for redeeming SLR Marketable Securities issued against subscription in the Rights Issue of equity shares of State Bank of India – 2008.	625.00	N.A.	-	It is a contribution to the Securities Redemption Fund created for redeeming the Government Securities – 2024 issued to SBI towards subscription to its Rights Issue 2008, on due date.	SLR Marketable Securities issued against subscription in the Rights Issue of the Government Securities – 2024 issued to SBI towards subscription to its Rights Issue 2008, on due date. A sum of `625 crore is to be contributed by the Government to this Fund created for redeeming these Securities.	No risk factor is involved as it is only a contribution to the Securities Redemption Fund already created for the purpose.
7.	Major Head 4416- To bring Capital to Risk Recapitalization of Weighted Assets Ratio Regional Rural (CRAR) of RRBs to 9%. Banks	-	140.00	-	To recapitalize the RRBs who are unable to maintain capital to risk weighted assets ratio of 9%.	Improvement in The Government has approved the proposal to increase their lending capacity. It is a Government financial health of RRBs so as to reduce their losses and recapitalization of RRBs involved. No RRBs continue the process of risk factor beyond 2013-14 i.e. upto 2016-17 for the RRBs	

1	2	3	4	5	6	7	8
		4(i) Non- Plan	4(ii) Plan	4(iii) CEBR			
8.	Major Head 4416 – Augmenting the capital Subscription to base of the National Bank Share Capital of for Agriculture and Rural NABARD.	-	500.00	-	No release as on It will enhance Period of implementation 31.12.2015. The matter is N A B A R D ' s is one year. under process.	The infusion of this capital would help NABARD to enhance its borrowing capacity in order to meet the growing refinance needs of the banks as well as to undertake other development activities in rural areas.	who are unable to maintain minimum CRAR of 9%. The additional sum of `700 crore approved earlier by the Cabinet is proposed to be utilized for providing recapitalization to any RRB who is not able to maintain minimum CRAR of 9%.
9.	Major Head 4885- Strengthening the equity Export- Import base of EXIM Bank Bank of India.	-	500	-	Grow the bank's Promotion of India's disbursements under project exports. Exports Lines of Credit during 2016-17 to USD 413 mn (10% growth over the projected disbursements of USD 375 mn during 2015-16)	1 year	Credit risk, liquidity risk, interest rate risk and foreign exchange rate.

1	2	3	4	5	6	7	8	
			4(i) Non- Plan	4(ii) Plan	4(iii) CEBR			
10.	Major Head 5465 – Recapitalization of Public Sector Banks	The Government had announced “Indradhanush” a plan to revamp Public Sector banks (PSBs) and as part of that, a programme of capitalization to ensure that PSBs remain BASEL-III complaint was also announced under which ₹70,000 crore is supposed to be provided between 2015-2019. The criteria used was to ensure that CET-1 of all banks remains at 7.5%. Further, large banks were also given growth capital to support credit needs of the growing economy. Post Asset Quality Review (AQR) exercise by RBI to clean the balance sheets of PSBs, the numbers are being relooked at and a revised programme of capitalization will be issued as part of “Indradhanush2.0”	25000	-	To enable the public sector banks (PSBs) to maintain public sector banks to their Tier I CRAR at a comfortable level as on 31.3.2017 and to comply with regulatory norms of capital adequacy under Basel III.	This enables the banks to achieve their targeted growth and remain compliant with regulatory norms of capital adequacy under Basel III as well as to meet the needs of the productive sectors of the economy.		It is an investment by the Government in the PSBs to enable them to respond positively and effectively to the growing credit needs of the country and to maintain CRAR at a comfortable level in terms of BASEL - III Norms.
11.	Major Head 6885 - IDA 5283-IN Low Income Housing Finance Project	To provide access to sustainable housing finance for low income households, to purchase, build or upgrade their dwellings.	-	200.00	-	The flow of concessional IDA funds to NHB through NHB's efforts to provide term housing finance to low income borrowers. NHB will largely be refinancing the primary lending institutions (PLIs) against their individual borrowers' loan portfolio	The Funds would help Project is being implemented over a long period of 5 years (2013-2018). The risk is that Government would help and develop a market for people in low income segment. The NHB's effort to provide term housing finance to low income households with informal sector income could be hampered if parallel efforts by GoI to provide an identity for these	

1	2	3	4	5	6	7	8
		4(i) Non- Plan	4(ii) Plan	4(iii) CEBR			
				meeting the eligibility criteria under the project. This will improve the availability of housing finance to borrowers in EWS/LIG segments especially those with informal source of income sector and/or informal title right over property.			households stall. Supporting demand without adequate market infrastructure may lead to over-indebtedness. Project risk increases as NHB lends to primary lenders that reach poorer households (EWS and LIG). There is a greater degree of informality in terms of primary borrowers (less documentary evidence of income, residency, tax payments, etc.) and a greater degree of informality in terms of property collateral for the financing (notified or regularized slums).

## REFORM MEASURES AND POLICY INITIATIVES

### REFORM MEASURES AND POLICY INITIATIVES

#### 1. e-DRT project

**E.Governance Activities:** e-DRT project was introduced with the aim to make the functioning of Debt Recovery Tribunals & Debt Recovery Appellate Tribunals transparent to the general public. The e-DRT project is currently under progress and is expected to be completed soon.

There are multiple facets of the e-DRT project which includes DRT portal, Scanning and Digitization of old records and e-Filing process. Provision has been made in DRT portal ([www.drt.gov.in](http://www.drt.gov.in)) to enable Debt Recovery Tribunals & Debt Recovery Appellate Tribunals to daily upload and update Cause lists, Judgments, and Daily Orders to the DRT portal for the convenience of the general public. The portal will also enable the general public to get information about the provisions of the Recovery of Debts due to Banks and Financial Institutions Act, 1993 (RDBFI Act) and various rules related to Debt Recovery Tribunals and Debt Recovery Appellate Tribunals.

Scanning and digitization of old records is already under progress. The e-filing process in Debt Recovery Tribunals and Debt Recovery Appellate Tribunals is under active consideration at the moment.

#### 2. The Negotiable Instruments (Amendment) Act, 2015

The Negotiable Instruments (Amendment) Act, 2015 has been enacted and notified in the official Gazette on 29th December, 2015. The Amendment Act, is focused on clarifying the jurisdiction related issues for filing cases for offence committed under Section 138 of the Negotiable Instruments Act (NI Act). The Amendment Act facilitates filing of cases only in a court within whose local jurisdiction the bank branch of the payee, where the payee delivers the cheque for payment through his account, is situated, except in case of bearer cheques, which are presented to the branch of the drawee bank and in that case the local Court of that branch would get jurisdiction. The Amendment Act, provides for retrospective validation for the new scheme of determining the jurisdiction of a court to try a case under Section 138 of the NI Act. The Amendment Act, also mandate centralization of cases against the same drawer.

The clarification of jurisdictional issues may be desirable from the equity point of view as this would be in the interests of the complainant and would also ensure a fair trial. Further, the clarity on jurisdictional issue for trying the cases of cheque bouncing would increase the credibility of the cheque as a financial instrument. This is expected to help the trade and commerce in general and allow the lending institutions, including banks. To continue to extend financing to the productive sectors of economy, as the process of pursuing the cheque bouncing cases

relating to loan default has been made simpler and efficient through the proposed amendments to the Negotiable Instruments Act, 1881.

#### 3. Pension Reforms

The pension sector reforms were initiated in India to establish a robust and sustainable social security arrangement in the country against the backdrop that only about 12-13 per cent of the total workforce was covered by any formal social security system. The National Pension System (NPS) has been introduced by the Government of India with effect from 1<sup>st</sup> January, 2004 mandatorily for all new recruits to the Government (except Armed forces), replacing the existing system of defined benefit pension system. Based on individual choice, it is envisaged as a low-cost and efficient pension system backed by sound regulation. As a pure “Defined Contribution” product with no defined benefit element, returns would be totally market-related. The NPS provides various investment options and choices to individuals to switch over from one investment option to another or from one fund manager to another, subject to certain regulatory restrictions.

#### Scope of the National Pension System

The process of making NPS available to all citizens entailed the appointment of NPS intermediaries, including Sixty Four institutional entities as Points of Presence (POPs) that will serve as pension account opening and collection centers, a Centralised Record Keeping Agency (CRA) and eight Pension Fund Managers to manage the pension wealth of the investors. PFRDA adopted a transparent, non-discretionary, competitive bidding process for selection of NPS intermediaries including PFM in line with best international practice, which ensured high quality service delivery for NPS subscribers at optimum cost.

In order to facilitate the organised entities to move their existing and the new employees to NPS architecture, a customised version of the core NPS Model, known as the “NPS- Corporate Sector Model” has been introduced since December 2011. As on 31<sup>st</sup> December 2015, a number of 2142 corporate and 4.42 lac employees have been enrolled under this model. The AUM under NPS-Corporate Sector Model is ₹8088.84 crore. (DVC though registered as a State Government in NPS considered as Corporate)

A number of changes have been introduced to energize NPS, in the current year;

i. **Seven Annuity Service Providers (ASPs) have been empanelled to offer annuity schemes to subscribers on maturity of NPS account. These are:-**

1. Life Insurance Corporation of India
2. SBI Life Insurance Co. Ltd.

3. ICICI Prudential Life Insurance Co. Ltd.
4. Bajaj Allianz Life Insurance Co. Ltd.
5. Star Union Dai-ichi Life Insurance Co. Ltd.
6. Reliance Life Insurance Co. Ltd.
7. HDFC Standard Life Insurance Co. Ltd.

**ii. Exit guidelines under National Pension System – Option for Complete withdrawal of accumulated pension wealth by subscriber**

It has been decided to provide an option to withdraw the entire accumulated pension wealth to subscribers other than the subscribers of NPS Lite – Swavalamban Scheme, subject to the condition that:

The accumulated pension wealth in the subscribers permanent retirement account is equal to or less than ₹2,00,000/- at the time of superannuation for government employee subscribers or upon attaining the age of 60 years for subscribers falling under All citizen model and Corporate model.

“Swavalamban Yojana” was announced in the budget of 2010-11 with the objective of encouraging people from the unorganized sector to voluntarily save for their retirement. In order to incentivize voluntary participation and lower the cost of savings for the workers of the unorganized sector, Government of India makes a contribution of ₹1000/- p.a to all eligible NPS Swavalamban accounts where the subscribers own contribution is between ₹1000/- to ₹12000/- pa.

**iii. Registration of Government employees aged 60 years and above under National Pension System (NPS)**

PFRDA has decided to enroll all eligible Government employees (central & state) who are on the rolls of the government in to NPS, irrespective of the age at the time of entry, subject to the condition that the total period of contribution to NPS account shall not be more than 42 years. The NPS applications of such subscribers need to be submitted through the appropriate nodal officer of the Govt/ Deptt, in line with the procedure adopted for NPS registration for Government employees aged below 60 years. Also, the responsibility for ensuring that the employee is eligible for being covered under NPS and that the NPS contribution is not paid beyond 42 years during the entire service period for such an employee, lies with the department submitting the subscriber registration form. PFRDA Act, passed by the parliament has become effective from 1<sup>st</sup> Feb, 2014 and as provided under the Act, the regulations are being framed by the

Authority and the same are being notified in stages.

**iv. Portability of PRAN – NPS Lite/Swavalamban to NPS – All Citizen Model and other sectors**

A subscriber under the platform NPS Lite/Swavalamban desirous of joining the All citizen model can now join the NPS Regular platform under All Citizen model. This has been done to meet the demands for NPS Lite/Swavalamban subscribers who one joined the NPS lite platform but wanted to shift to NPS Regular model due to various reasons seeking porting of their PRANs from NPS Lite/Swavalamban to the All Citizen Model of NPS (UOS) through an Inter platform shift process.

**v. The following steps have been taken to popularize the Atal Pension Yojana:**

- Simplification of charging of overdue interest on arrears.
- The mode of payment has been changed from monthly to monthly, quarterly and half yearly keeping in consideration the seasonal income earners.
- Removal of closure of account clause after 24 months and continuation of the account till the time corpus is available in the account.

To create awareness about the scheme, PFRDA has taken the following steps:

- Periodic advertisements in print and electronic media.
- Capacity building of bank branch officials through various training programs. A total of 1443 trainings have been completed covering 72483 bank and DPO officials.
- Participating in town hall meetings, SLBC meetings.
- Conducting meetings with state governments.
- Chief Secretary , Government of Telangana
- Chief Secretary , Government of Kerala
- Chief Minister , Government of Gujarat
- Chief Secretary , Government of Maharashtra
- Chief Secretary, Government of Orissa
- Meeting with Secretary of Ministry of Agriculture, Rural Development, WCD, Panchayati Raj, Health etc with a view to get their unorganized workforce like MNREGA workers, SHG, Asha workers, Aanganwadi workers etc under APY.

## REVIEW OF PAST PERFORMANCE

### **National Pension System (NPS)**

With a view to providing adequate retirement income, National Pension System (NPS) was introduced by the government of India and made mandatory for all new recruits in the Government (except Armed Forces) with effect from 1 January, 2004. 27 States have notified and joined NPS. Of these, 26 states have already signed agreement with NPS Trust and CRA for carrying forward the implementation of NPS. In addition, over 44.42 lakh employees of the Central and various state governments are already a part of NPS. The Assets under management (AUM) in NPS – Govt. sector as on 31.12.2015 are ` 96,664.42cr.. To extend the benefit of NPS to the people from unorganized sector, ‘Swavalamban Scheme’ has been launched by the Government in pursuance of the announcement made in the Budget Speech of 2010-11. The scheme operates through 61 (as on 31<sup>st</sup> December 2015) Aggregators. A total of 3,01,922 subscribers during 2010-11, 6,43,979 subscribers have been enrolled in 2011-12, 11,01,079 Swavalamban eligible subscribers in 2012-13 and 15,90,610 subscribers in 2013-14 are eligible for Swavalamban benefit of ₹1000/- by GoI. 6,07,996 subscribers are eligible for FY 2014-15 till 31st December, 2014. For all citizens including workers of unorganized sector, NPS was available through nearly 55,350 service provider branches of 66 Points of Presence (PoPs) (as on Dec 31, 2015).

### **Debts Recovery Tribunal (DRTs)/ Debt Recovery Appellate Tribunals (DRATs)**

The Central Government has established 33 Debts Recovery Tribunals (DRTs) and 5 Debts Recovery Appellate Tribunals (DRATs) all over the country under the provisions of the Recovery of Debts Due to Banks & Financial Institutions Act, 1993 for expeditious adjudication and speedy recovery of debts due to banks & financial institutions and matters connected therewith. The Government has approved establishment of six new DRTs at Bengaluru, Chandigarh, Dehradun, Ernakulam, Hyderabad and Siliguri to bring down the pendency of cases in the existing DRTs.

The role of DRTs has been further enhanced by enactment of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002, which provides for aggrieved parties to make appeals before the DRTs.

To remove certain difficulties being faced by the banks in conduct of the recovery proceedings under the above two Acts, the Enforcement of Security Interest and Recovery of Debts Laws (Amendment) Act, 2012 has been enacted on 04<sup>th</sup> January, 2013.

As per data made available by DRTs, a total number of 19,595 cases (Original Application) involving ₹ 40,004.05 crores approximately were disposed off by the DRTs during the period of 01/01/2015 to 31/12/2015.

## Statement of Outcome with reference to Outlays - 2014 - 15

S. No.	Name of the Scheme/ Programme	Objective/Outcome	Outlay 2014-15 (₹ in Crore)	Quantifiable Deliverables/ Physical Outputs	Processes/ Timelines	Risk Factors	Achievements as on 31st March 2015
1	2	3	4	5	6	7	8
		4(i) BE	4(ii) RE				
1	Major Head 2235 - Swavalamban Scheme	i. To extend the coverage under Swavalamban Scheme to 17.5 lakh Subscribers  ii. For promotional and developmental activities under Swavalamban Scheme.	175.00  20.00	175.00 To enroll 17.5 lakh subscribers under Swavalamban Scheme.  20.00	March, 2015.	The projected outcomes are subject to Informal labour market conditions, low eligible under the intermittent income and low financial knowledge, performance of Aggregators and PoPs.	A total of 13,30,853 subscribers were
2	Major Head "2235" – Payment to Life Insurance Corporation of India for Pension Plan for Senior Citizen.	Subsidized Pension Plan for Senior Citizen.	111.49	111.24 Under the Scheme beneficiaries get an effective yield of 9% p.a.	Scheme has been discontinued since 2004. However, as on 31.3.14, there were total number of 3,05,632 senior citizens, who had enrolled during the currency of the scheme and are being provided an assured return of 9% p.a.	No risk involved.	A total number of 2,94,740 beneficiaries, who had enrolled during the currency of the scheme, are being provided benefits under the scheme.
3	Major Head 2235 - Pradhan Mantri Jan Dhan Yojana (PMJDY)	The Scheme extends Life Cover under ₹30,000/- life insurance cover who have opened a bank account for the first time between 28.8.2014 to 31.1.2015 subject to certain specified ineligible category.	-	100.00 All PMJDY Account holders opening account between specified dates (Subject to certain eligibility conditions ).	During the launch of PMJDY scheme, Hon'ble Prime Minister has announced a life cover of ₹30,000/- for those subscribing to a bank account with a Rupay debit card before 26 <sup>th</sup> January, 2015.	Government required to replenish the Fund in the year maintained by LIC for this Scheme for time to time.	New lives covered by premium of ₹90/- per member per annum

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
4	Major Head 2235 - Government contribution to the Social Security Fund' under Aam Aadmi Bima Yojana	The Scheme extends life and disability cover to persons living below and marginally above the poverty line.	0.01	0.01	The premium under the Persons between age Government required to A total number of Scheme is ₹200/- per group 18 to 59 years replenish the Social 4,32,08,152 lives beneficiary of which 50 per cent is contributed from the members of the Scheme from time to under AABY as on Social Security Fund identified 47 time. 31.03.2015.		
5	Major Head 2235 - 'Government contribution to the 'Scholarship Fund' under Aam Aadmi Bima Yojana.	The Scheme provides an add-on benefit, wherein Scholarship of ₹100 per month per child is paid on a half-yearly basis to a maximum of two children per member, studying in 9 <sup>th</sup> to 12 <sup>th</sup> Standard.	149.99	174.99	A free add-on benefit of Government is required A total number of scholarship to the children of scholarship to the to replenish the 30,41,921 scholars of beneficiaries amounting children of Scholarship fund for ship amounting to to ₹100 per month per child beneficiaries amoun- granting scholarship to ₹276 crore have is payable on a half yearly ting to ₹100 per month the children of been disbursed basis to a maximum of two per child is payable on beneficiaries under the under AABY children per member, a half yearly basis to a scheme from time to time. during 2014-15 studying in 9 <sup>th</sup> to 12 <sup>th</sup> maximum of two Standard. A total number of children per member,		

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
				30,41,921 scholarship studying in 9 <sup>th</sup> to 12 <sup>th</sup> amounting to ₹276 crore Standard have been disbursed under AABY during 2014-15.			
6	Major Head 2885 Grants to ICICI Bank for the Kreditanstalt Fur External Aided Wiederaufbau (KfW) Components: Grant under the bilateral credit in aid.	46.02	46.02	For the purpose of Grants to ICICI Bank under bilateral credit arrangement a provision of ₹46.02 crore in the Budget for the year 2014-15 (Non-Plan) has been made.	-	No risk factor is involved Entire funds were as it is reimbursement released in time. against the actuals certified by the O/o CAAA.	
7	Major Head 2885 – To take care of the bad Liability restructuring of IDBI Bank Assets Stabilization Fund Ltd. – Interest has been created. subsidy claim.	0.00	250.00	SASF had estimated to recover a sum of ₹250 crore from the NPAs acquired from IDBI Bank Ltd. Accordingly, budgetary provision of ₹250 crore was made in RE -2014-15.	-	No risk factor is involved Finally, SASF as the remittance to IDBI could recover a Bank will be made out of sum of ₹105 crore the recoveries made by only and the SASF. securities of ₹105 crore were redeemed.	
8	Major Head 3465 – To contribution to Contribution to Securities Redemption Securities Fund for redeeming SLR Redemption Fund. Marketable Securities issued against subscription	625.00	625.00	It is a contribution to the Securities Redemption Fund created for redeeming the Government Securities – 2024 issued to SBI	-	No risk factor is involved <b>Entire funds were</b> as it is only a contribution <b>released in time.</b> to the Securities Redemption Fund already created for the purpose.	

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
		in the Rights Issue of equity shares of State Bank of India – 2008.		towards subscription to its Rights Issue 2008, on due date.			
9	Major Head 5465 – To provide capital Recapitalization of assistance to PSBs to Public Sector Banks augment their Tier-I CRAR so as to maintain their Tier-I CRAR at comfortable level and to ensure that they remain compliant with the capital adequacy norms under BASEL-III as well as to support internationally active PSBs for their national and international banking operations undertaken through their subsidiaries and associates.	11,200	6990.00	To enable the public sector banks (PSBs) to maintain their Tier I CRAR at a comfortable level as on 31.3.2015 and to comply with regulatory norms of capital adequacy under Basel III.	-	It is an investment by the Government in the PSBs crore in 9 PSBs to enable them to respond was infused. It positively and effectively helped the banks to the growing credit to adequately meet needs of the country. the credit requirements of productive sector of our economy as well as to maintain CRAR at comfortable level.	
10	Major Head 6416 - To implement the Scheme Scheme for Revival for Revival of Unlicensed of unlicensed DCCBs	-	673.29	₹562.07 crore had been released for revival of Unlicensed District Central Cooperative Banks (DCCBs) in 3 states viz 16 in Uttar Pradesh, 3 in Maharashtra and 1 in West Bengal.	-	No risk involved	It will help in revival of these cooperative banks thereby resulting in protecting the interests of the depositors and catering to the credit needs of the farmers.

## Statement on Outlays and Outcomes - 2015 - 16

S. No.	Name of the Scheme/Programme	Objective/Outcome	Outlay 2015-16 (₹ in Crore)	Quantifiable Deliverables/ Physical Outputs	Processes/ Timeliness	Risk Factors	Achievements as on 31 <sup>st</sup> December, 2015
1	2	3	4	5	6	7	8
		4(i) BE	4(ii) RE				
1	Major Head 2235Swavalamban Scheme.	i. To extend the coverage under Swavalamban Scheme to 28 lakh Subscribers ii. For promotional and developmental activities under Swavalamban Scheme.	500.00 81.90	280.00 28.00	To enroll 28 lakh subscribers under Swavalamban Scheme.	March,2016	The projected outcomes are subject to Informal labour market conditions, intermittent income and low financial knowledge, performance of Aggregators and PoPs.
2	Major Head 2235 Atal Pension Yojna	i. To extend the coverage under APY Scheme to around 15 lakh Subscribers ii. For promotional and developmental activities under Swavalamban Scheme.	- -	173.00 23.00	To enroll 18 lakh subscribers under APY Scheme.	March,2016	The projected outcome under the scheme is a total of subject to the market conditions, income eligible under the status, financial knowledge of the prospective subscribers and performance of PoPs.
3	Major Head "2235" – Payment to Life Insurance Corporation of India for Pension Plan for Senior Citizen.	Subsidized Pension Plan for Senior Citizen.	101.79	101.79	As on 31.03.2015, a total number of 2,94,740 beneficiaries have been provided annuity at assured return of 9% p.a.	Varishtha Pension Bima Yojana (VPBY) 2003 is a Government supported scheme for person who aged 55 years and above and had subscribed to the scheme. The scheme remained open from July, 2003 to July, 2004. For the welfare of Senior Citizens	No risk involved.
							A total number of 2,94,740 beneficiaries as on 31.03.2015, for VPBY 2003 and 3,23,128 in VPBY 2014, who had enrolled during the currency of the scheme, are being provided benefits under the scheme.

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
					aged 60 years and above, the Government revived the VPBY in 2014. The scheme was opened from 15.8.2014 to 14.8.2015. Both the schemes have been discontinued since. However senior citizens, who had enrolled during the currency of the scheme, are being provided an assured return of 9% p.a.		
4	Major Head 2235 - Life Cover under Pradhan Mantri Jan Dhan Yojana (PMJDY).	The Scheme extends 100.00 life insurance cover who have opened a bank account for the first time between 28.8.2014 to 31.1.2015 subject to certain specified ineligible category.	10.00	All PMJDY Account holders opening account between specified dates (Subject to certain eligibility conditions )	₹30000/- Life Cover to all PM Jan Dhan Account Holders who have opened Bank account between 15.08.2014 to 31.01.2015 (subject to certain eligibility criteria.)	No risk involved	A total number of 1593 claims amounting ₹4.77 crore has been settled under the scheme.
5	Major Head 2235 - Government contribution to the Social Security Fund' under Aam Aadmi Bima Yojana	The Scheme extends life and disability cover to persons living below and marginally above the poverty line.	0.01	The premium under the Persons between age 18 to 59 years beneficiary of which 50 per cent is contributed from the members of the Social Security Fund identified created by the Central Government and maintained by LIC. The balance 50 per cent of the premium is contributed by the State (RSBY) are provided Government/UTs in the case of 'Rural Landless	Government required to replenish the Social Security Fund for this Scheme is ₹200/- per group 5,34,53,756 lives beneficiary of which 50 per cent is contributed from the members of the Social Security Fund identified created by the Central Government and maintained by LIC. The premium under the Persons between age 18 to 59 years beneficiary of which 50 per cent is contributed from the members of the Social Security Fund identified created by the Central Government and maintained by LIC. The balance 50 per cent of the premium is contributed by the State (RSBY) are provided Government/UTs in the case of 'Rural Landless	A total number of 5,34,53,756 lives beneficiary of which 50 per cent is contributed from the members of the Social Security Fund identified created by the Central Government and maintained by LIC. The balance 50 per cent of the premium is contributed by the State (RSBY) are provided Government/UTs in the case of 'Rural Landless	49

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
					Households' and for the other groups, it is contributed by the State Government / Nodal agency/ Individual. The Central Ministerial Dept./ State Government/Union Territories/ any other institutionalized arrangement/registered NGOs may act as nodal agencies under the Scheme. As on 31.3.15, a total number of 4,32,08,152 lives have been covered under AABY .		
6	Major Head 2235 - 'Government contribution to the 'Scholarship Fund' under Aam Aadmi Bima Yojana.	The Scheme provides an add-on benefit, wherein Scholarship of Rs100 per month per child is paid on a half-yearly basis to a maximum of two children per member, studying in 9 <sup>th</sup> to 12 <sup>th</sup> Standard.	437.50	A free add-on benefit of ₹100 per month per child is payable on a half yearly basis to a maximum of two month per child per member, payable on a half yearly basis to a Standard. During 2014-15, maximum of two total number of 30,41,921 children per member, scholarship amounting to ₹276 crore have been paid under AABY .	A free add-on benefit of scholarship to the children of beneficiaries amounting to ₹100 per month per child is payable on a half yearly basis to a maximum of two month per child per member, payable on a half yearly basis to a Standard. During 2014-15, maximum of two total number of 30,41,921 children per member, scholarship amounting to ₹276 crore have been paid under AABY .	Government is required to replenish the total number of beneficiaries amounting to ₹100 per month per child is payable on a half yearly basis to a maximum of two month per child per member, payable on a half yearly basis to a Standard. During 2014-15, maximum of two total number of 30,41,921 children per member, scholarship amounting to ₹276 crore have been paid under AABY .	During 2014-15, Government is required to replenish the total number of beneficiaries amounting to ₹100 per month per child is payable on a half yearly basis to a maximum of two month per child per member, payable on a half yearly basis to a Standard. During 2014-15, maximum of two total number of 30,41,921 children per member, scholarship amounting to ₹276 crore have been paid under AABY .
7	Major Head 2416 – Grants in aid for revitalization of Long Term Cooperative Credit Structure (LTCCS)	Revival of Long Term Cooperative Credit Structure (LTCCS) in the country.	-	-	To provide revival Due to uncertain assistance for stakeholder ownership revitalization of Long Term Cooperative Credit Structure (LTCCS).	This is a proposed subsidy to the Co operative Credit Structure in the country.	

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
8	Major Head 2416-	Interest relief to farmers on 13,000 Interest subvention short term production for providing short term credit. term credit to farmers.		13,000	-	₹12,405.16 crore Farmers will benefit from Period released upto the much needed interest implementation is 31.12.2015. To provide short term production credit at 7% interest rate to the farmer's upto an amount of ₹3.00 lakh. Additional subvention of 3% will be provided to those farmers who repay their crop loans on time.	
9	Major Head 2885 –	To take care of the bad Liability restructuring of IDBI Bank Ltd. – Interest has been created. subsidy claim.	-	150.00	-	Estimates are given on the basis of recovery made by SASF during first two quarters of the FY.	No risk factor is involved as the remittance to IDBI Bank will be made out of the actual recoveries made by SASF.
10	Major Head 2885 Grants to ICICI Bank for External Aided Components: Grant in aid	ICICI Bank has been granted Lines of Credit by the Kreditanstalt Fur Wiederaufbau (KfW) under the bilateral credit agreement between Germany and India. A part of the interest payable to ICICI Bank to KfW is to be deposited with GoI every half year i.e. 30 <sup>th</sup> June & 31 <sup>st</sup> Dec. According to Agreement between GoI & KfW, the interest so deposited with the GoI, known as 'Interest Differential Fund' is made available to ICICI Bank	-	37.73	For the purpose of Grants to ICICI Bank under bilateral credit agreement a provision of ₹37.74 crore in the Supplementary Demand for Grants 2015-16 (Non-Plan) has been made.	-	No risk factor is involved Process for as it is an reimbursement releasing the funds against the actuals has been initiated certified by the O/o so that the work CAAA. can be completed well in time.

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
11	Major Head 2885- 1%Interest Subvention Scheme.	Provision is for the settlement of the pending claims received from the Primary Lending Institutions, which are eligible for subsidy under the 1% Interest Subvention Scheme on Housing Loans upto ₹15.00 Lakh through Nodal Agency i.e. National Housing Bank.	-	85.00	-	-	The Scheme was in effect from October 01, 2009 to March 31, 2013.
12	Major Head 3465 – Contribution to Securities Redemption Fund for redeeming SLR Redemption Fund.	To contribution to Securities Redemption Fund for redeeming SLR Redemption Fund. Marketable Securities issued against subscription in the Rights Issue of equity shares of State Bank of India – 2008.	625.00	625.00	It is a contribution to the Securities Redemption Fund created for redeeming the Government Securities – 2024 issued to SBI towards subscription to its Rights Issue 2008, on due date.	SLR Marketable Securities issued against subscription in the Rights Issue of the Government Securities – 2024 issued to SBI towards subscription to its Rights Issue 2008, on due date.	-
13	Major Head 4416 –	Augmenting the capital Subscription to base of the National Bank Share Capital of for Agriculture and Rural NABARD.	300.00	300.00	-	No release as on It will enhance Period of 31.12.2015. The NABARD's borrowing implementation is matter is under capacity in order to meet one year. the growing refinance needs of the banks as well as to undertake other development activities in rural areas.	
14	Major Head 5465 –	To provide capital Recapitalization of assistance to PSBs to Public Sector Banks augment their Tier-ICRAR so as to maintain their Tier-I CRAR at comfortable	7940.00	25000.00	To enable the public sector banks (PSBs) to maintain their Tier I CRAR at a comfortable level as on 31.3.2016 and to comply	This enables the It will help in revival of ₹19,950.00 crore public sector banks these cooperative banks has been infused in to achieve their thereby resulting in 13 PSBs during targeted growth and protecting the interests of the period October remain compliant the depositors and – December 2015.	

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
			level and to ensure that they remain compliant with the capital adequacy norms under BASEL-III as well as to support internationally active PSBs for their national and international banking operations undertaken through their subsidiaries and associates.	with regulatory norms of capital adequacy under Basel III.	with regulatory norms of capital adequacy under Basel III as well as to meet the needs of the productive sectors of the economy.	regulatory catering to the credit norms of capital needs of the farmers.	
15	Major Head 6416 - To implement the Scheme Scheme for Revival for Revival of Unlicensed of unlicensed District Central DCCBs Cooperative Banks (DCCBs) in the State of Jammu & Kashmir.	-	111.22	-	₹111.20 crore has since been released as on 31.12.2015. For revival of 3 cooperative banks in the State of Jammu & Kashmir, thereby making them eligible for obtaining license from RBI for continuing their operations in rural areas and enabling these DCCBs to achieve CRAR requirement prescribed by RBI	-	Funds have been released as interest free loan to NABARD for onward release to the State of Jammu & Kashmir, which will be converted into grant on fulfillment of the conditions / deliverables outlined in the MoU governing the Scheme.

**Statement on Net Profits earned and Dividends paid by Public Sector Enterprises under Department of Financial Services**

(₹ in crore)

S.No.	Name of the Bank/Insurance Company	Total paid up capital as on 31.03.2015	Govt. share in paid up capital as on 31.03.2015	Profit After Tax 2014-15	Dividend paid for 2014-15	BE for payment of Dividend 2015-16	RE for payment of Dividend 2015-16	BE for payment of Dividend 2016-17	Outcome Budget 2016-2017
1	Allahabad Bank	571.38	347.57	620.90	56.65	183.00	...	...	
2	Andhra Bank	602.85	367.85	638.44	73.57	140.00	20.87	41.73	
3	Bank of Baroda	442.30	254.46	3398.44	407.13	437.00	...	501.54	
4	Bank of India	665.65	428.37	1708.92	214.19	498.00	...	...	
5	Bank of Maharashtra	1063.18	848.37	450.69	67.87	155.00	...	77.64	
6	Canara Bank	475.20	332.20	2702.62	348.81	463.00	133.26	145.85	
7	Central Bank on India	1658.27	1350.83	606.45	67.54	349.00	...	...	
8	Corporation Bank	167.54	106.11	584.26	74.27	175.00	...	67.00	
9	Dena Bank	561.15	335.30	265.48	30.17	99.00	...	13.00	
10	Indian Bank	480.29	394.34	1005.17	165.62	192.00	...	165.66	
11	Indian Overseas Bank	1235.35	911.71	-454.33	...	295.00	...	...	
12	Oriental Bank of Commerce	299.85	177.30	497.08	58.51	188.00	...	69.84	
13	Punjab National Bank	370.91	222.01	3061.58	366.32	94.00	...	...	
14	Punjab & Sind Bank	400.41	318.82	121.35	19.13	472.00	31.85	39.81	
15	Syndicate Bank	662.06	458.39	1522.93	215.45	184.00	...	115.00	
16	UCO Bank	1075.59	783.33	1137.79	156.67	194.00	...	...	
17	Union Bank of India	635.78	384.44	1781.64	230.65	297.00	27	122.00	
18	United Bank of India	839.52	688.43	255.99	...	116.00	...	...	
19	Vijaya Bank	859.12	636.25	439.41	95.44	108.00	...	...	
20	State Bank of India	746.57	437.46	13101.57	1566.28	1847.00	1019.57	1143.42	
21	IDBI Bank Ltd.	1603.96	1227.02	873.39	92.03	444.00	...	175.00	
22	Bharatiya Mahila Bank	1000.00	1000.00	19.79	...	...	...	...	
23	EXIM Bank	5059.37	5059.37	725.87	433.00	160.00	160.00	160.00	
24	IIFCL	3900.00	3900.00	753.40	282.54	...	...	...	
25	IFCI	...	...	...	...	92.30	138.51	138.51	
26	IDFC	...	...	...	...	67.96	37.00	42.00	
27	Life Insurance Corporation of India	100.00	100.00	...	1803.05	2021.74	1997.30	2215.67	
28	General Insurance Corporation of India	430.00	430.00	2693.72	540.00	580.00	870.00	900.00	
29	National Insurance Co. Ltd.	100.00	100.00	970.11	193.53	150.00	60.00	150.00	
30	New India Assurance Co. Ltd.	200.00	200.00	1431.22	300.00	190.00	360.00	390.00	
31	United India Insurance Co. Ltd.	150.00	150.00	300.57	61.00	130.00	150.00	180.00	
32	Oriental Insurance Co. Ltd.	200.00	200.00	392.10	110.00	111.00	90.00	120.00	
<b>Total</b>		<b>26556.30</b>	<b>21927.92</b>	<b>41109.47</b>	<b>8029.42</b>	<b>10433.00</b>	<b>5095.36</b>	<b>6973.67</b>	

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**Summarised Position of Schemes under Demand No. 35 - Department of Financial Services**

(₹ in Crore)

S.No.	Schemes/Programmes	2014-15			2015-16			2016-17 (upto December 2015) BE
		BE	RE	Actual	BE	RE	Actual	
<b>NON-PLAN</b>								
1	Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Pradhan Mantri Suraksha Bima Yojana (PMSBY) (MH-2235)	...	...	...	...	0.01	...	50.00
2	Agricultural Debt Waiver and Debt Relief Scheme (ADWDRS), 2008 – Transfer to Farmers' Debt Relief Fund (MH-2235)	0.01	0.01	...	0.01	...	...	...
3	Interest subsidy to Life Insurance Corporation (LIC) of India for Pension Plan for Senior Citizens (MH-2235)	111.49	111.24	111.24	101.79	101.79	...	171.90
4.	Swavalamban scheme to encourage people from unorganized sector to join New Pension System (NPS)							
4.1	Government's co-contribution to subscribers of the New Pension System (NPS)under Swavalamban Scheme (MH-2235)	175.00	175.00	175.00	500.00	280.00	81.29	190.00
4.2	Funding support for promotional and developmental activities for enrolment and contribution under Swavalamban Scheme (MH-2235)	20.00	20.00	20.00	81.90	28.00	4.35	19.00
5	Government contribution towards Premium subscription under Pradhan Mantri Jan Dhan Yojana (PMJDY) (MH- 2235)	...	100.00	1.00	100.00	10.00	...	100.00
6	Government's contribution to Aam Aadmi Bima Yojana (MH- 2235)	150.00	175.00	174.99	437.51	437.51	...	...
7	Grants in aid towards NABARD Producers Organisation Development Fund (MH-2416)	200.00	200.00	200.00	...	...	...	...
8	Interest Subvention for providing short term credit to farmers (MH-2416)	6000.00	9476.71	6000.00	13000.00	13000.00	12405.16	...
9	Revival of Long Term Cooperative Credit Structure (LTCCS) (MH-2416)	0.01	0.01	...	0.01	0.01	...	...
10	Grant to NABARD to settle the claims under Indo-Swiss Cooperation-VI NABARD Indo-Swiss Project Agreement (MH 2416)	...	...	...	...	5.39	...	0.88

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S.No.	Schemes/Programmes	2014-15			2015-16			2016-17 BE	Outcome Budget 2016-2017 56
		BE	RE	Actual	BE	RE	Actual		
		(upto December 2015)							
11	Payment of Subsidy to Nodal Agency i.e., National Housing Bank as 1% subsidy for Housing Loan (MH-2885)	50.00	50.00	50.00	0.01	85.00	...	...	
12	Grants to ICICI Bank for External Aided Component (MH – 2885)	46.02	46.02	46.02	...	37.73	...	0.01	
13	Transfer to Securities Redemption Fund towards subscription in the Rights Issue of equity shares of SBI (MH- 3465)	625.00	625.00	625.00	625.00	625.00	625.00	625.00	
14	Contribution towards India's Membership in Consultative Group to Assist Poor (CGAP) (MH 3475)	...	...	...	...	0.62	...	...	
15	World Bank Assistance to Small Industries Development Bank of India (SIDBI) to improve access to Microfinance in India under World Bank assisted Microfinance Project. (MH- 6885)	0.01	60.00	4.19	...	49.82	...	...	
16	Loans to NABARD for revival of unlicenced District Central Cooperative Banks (DCCBs) (MH-6416)	...	673.29	562.07	...	111.22	111.20	...	
<b>TOTAL NON-PLAN</b>		<b>7377.54</b>	<b>11712.28</b>	<b>7969.51</b>	<b>14846.23</b>	<b>14772.08</b>	<b>13227.00</b>	<b>1156.79</b>	
<b>PLAN</b>									
17	Government's contribution to Aam Aadmi Bima Yojana (MH- 2235)	...	...	...	...	...	...	450.00	
18	Atal Pension Yojana (APY) (MH 2235)	...	...	...	...	...	...	...	
18.1	Funding Support to PFRDA for promotional campaign under Atal Pension Yojana (APY) (MH 2235)	...	...	...	...	5.00	...	8.00	
18.2	Funding Support to PFRDA for Incentive to aggregator under Atal Pension Yojana (APY) (MH 2235)	...	...	...	...	18.00	...	72.00	
18.3	Government's co-contribution to Subscribers under Atal Pension Yojana (APY) (MH 2235)	...	...	...	...	150.00	...	120.00	
19	Grants-in-aid to National Bank for Agriculture and Rural Development (NABARD) for creation of Womens Self Help Groups (SHGs) Development Fund (MH-2416)	50.00	50.00	...	...	...	...	...	
20	Financial Support to NCGTC to set up Credit Guarantee Fund for Factoring (MH-3465)	50.00	250.00	250.00	250.00	40.00	...	135.00	

S.No.	Schemes/Programmes	2014-15			2015-16			2016-17 BE
		BE	RE	Actual	BE	RE	Actual	
21	Assistance to National Credit Guarantee Trust Company (NCGTC) for Skill Development (MH-3465)	500.00	...	...	...	...	...	...
22	Assistance to NCGTC for Credit Guarantee Fund for providing Guarantees to loans extended under Pradhan Mantri MUDRA Yojana (MH-3465)	...	...	...	...	500.00	...	1500.00
23	Assistance to NCGTC to set up Stand Up India Guarantee Fund (MH 3465)	...	...	...	...	...	...	500.00
24	Financial support to Small Industries Development Bank of India (SIDBI) for creating an India Microfinance Equity Fund(MH-3465)	50.00	50.00	...	...	...	...	...
25	Subscription to share capital of Export Import Bank of India (MH-4885)	1300.00	1300.00	1300.00	1300.00	1300.00	1300.00	500.00
26	Subscription to share capital of NABARD (MH-4416)	300.00	300.00	300.00	300.00	300.00	...	500.00
27	Contribution towards Recapitalisation of Regional Rural Banks (RRBs) (MH-4416)	50.00	50.00	...	15.00	15.00	3.50	140.00
28	Equity support to India Infrastructure Finance Co. Ltd. (IIFCL) (MH-4885)	600.00	600.00	600.00	...	...	...	...
29	Subscription to Industrial Finance Corporation of India (IFCI) (MH 4885)	...	60.00	60.00	...	...	...	...
30	Recapitalisation of Public Sector Banks (MH - 5465)	11200.00	6990.00	6990.00	7940.00	25000.00	19950.00	25000.00
31	Equity Capital to MUDRA Bank (MH 5465)	...	...	...	...	100.00	...	900.00
32	Equity Capital for India Aspiration Fund (IAF) for Start-Up Companies through Small Industries Development Bank of India (SIDBI) (MH 5465)	...	...	...	...	500.00	...	600.00
33	World Bank Assistance to National Housing Bank to access to 'Low Income Housing Finance in India'. (MH- 6885)	...	85.00	...	...	190.00	...	200.00
<b>TOTAL PLAN</b>		<b>14100.00</b>	<b>9735.00</b>	<b>9500.00</b>	<b>9805.00</b>	<b>28118.00</b>	<b>21253.50</b>	<b>30625.00</b>
<b>GRAND TOTAL</b>		<b>21477.54</b>	<b>21447.28</b>	<b>17469.51</b>	<b>24651.23</b>	<b>42890.08</b>	<b>344805.00</b>	<b>31781.79</b>

**Statement showing actual expenditure vis-a-vis BE/RE provisions for the years 2013-14, 2014-15 and 2015-16**

(₹ in Crore)

S.No.	Description of Items/Schemes	Major Head	2013-14			2014-15			2015-16		
			BE	RE	Actual	BE	RE	Actual	BE	RE	Actual (upto December 2015)
<b>Part A- Non Plan Items</b>											
1	Secretariat - General Services	2052	19.81	18.58	18.45	27.59	29.60	26.94	33.99	34.59	16.89
	<b>Other Fiscal Services</b>										
2	Other Expenditure (Special Court & Office of Custodian)	2047	7.32	7.72	7.19	9.71	10.11	8.12	11.22	9.97	6.92
	<b>Other Administrative Services</b>										
3	Appellate Authority for Industrial and Financial Reconstruction (AAIFR)	2070	2.50	2.66	2.28	2.85	3.34	2.35	4.43	3.86	1.79
4	Board for Industrial and Financial Reconstruction (BIFR)	2070	11.82	11.34	11.26	14.78	14.71	14.53	13.95	14.71	5.88
5	Debt Recovery Tribunals (DRTs)	2070	67.50	52.18	52.25	77.00	75.55	67.06	102.28	77.03	55.75
6	Pension Fund Regulatory and Development Authority (PFRDA)	2070	25.30	18.25	18.25	25.50	32.50	32.50	49.00	30.50	20.99
	<b>Total - Other Administrative Services</b>		<b>107.12</b>	<b>84.43</b>	<b>84.04</b>	<b>120.13</b>	<b>126.10</b>	<b>116.44</b>	<b>169.66</b>	<b>126.10</b>	<b>84.41</b>
	<b>General Education</b>										
7	Interest subsidy on Education Loans to bright and needy students	2202	... 2600.00	2600.00	...	...	...	...	...	...	...
	<b>Total General Education</b>		<b>... 2600.00</b>	<b>2600.00</b>		<b>...</b>	<b>...</b>	<b>...</b>	<b>...</b>	<b>...</b>	<b>...</b>
	<b>Other General Economic Services</b>										
8	Other Expenditure (Office of Court Liquidator, Kolkata)	3475	0.47	0.40	0.38	1.13	0.42	0.58	0.70	0.51	0.37
9	Contribution towards India's Membership in Consultative Group to Assist Poor (CGAP)	3475	... 0.47	0.40	0.38	... 1.13	0.42	0.58	0.70	0.62	...
	<b>Total - Other General Economic Services</b>		<b>0.47</b>	<b>0.40</b>	<b>0.38</b>	<b>1.13</b>	<b>0.42</b>	<b>0.58</b>	<b>0.70</b>	<b>0.62</b>	<b>...</b>
10	Payment of Subsidy to Nodal Agency i.e. National Housing Bank	2885	200.00	80.00	80.00	50.00	50.00	50.00	0.01	85.00	...
11	Redemption of Securities issued to SASF	2885	... 300.00	250.00	...	250.00	105.00	...	...	150.00	...
12	Grants to ICICI Bank for External Aided Component	2885	0.01	0.01	...	46.02	46.02	46.02	...	37.73	...
	<b>Total - Industrial Financial Institutions</b>		<b>200.01</b>	<b>380.01</b>	<b>258.00</b>	<b>96.02</b>	<b>346.02</b>	<b>201.02</b>	<b>0.01</b>	<b>272.73</b>	<b>...</b>
	<b>Agricultural Financial Institutions</b>										

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S.No.	Description of Items/Schemes	Major Head	2013-14			2014-15			2015-16		
			BE	RE	Actual	BE	RE	Actual	BE	RE	Actual (upto December 2015)
13	Interest Subvention for providing Short Term Credit to Farmers	2416	6000.00	6000.00	6000.00	6000.00	9476.71	6000.00	13000.00	13000.00	12405.16
14	Revival of Long Term Cooperative Credit Structure (LTCCS).	2416	0.01	0.01	...	0.01	0.01	...	0.01	0.01	...
15	Grants to NABARD Producers Organisation Development Fund	2416	...	...	...	200.00	200.00	200.00	...	...	...
16	Grant to NABARD to settle the claims under Indo-Swiss Cooperation-VI NABARD Indo-Swiss Project Agreement	2416	...	...	...	...	...	...	...	5.39	...
17	Loans to NABARD as Govt.'s share towards revival of unlicenced District Central Cooperative Banks	6416	...	...	...	...	673.29	562.07	...	111.22	111.20
	<b>Total - Agricultural Financial Institutions</b>		<b>6000.01</b>	<b>6000.01</b>	<b>6000.00</b>	<b>6200.01</b>	<b>6873.30</b>	<b>6762.07</b>	<b>13000.01</b>	<b>13116.62</b>	<b>12516.36</b>
	<b>General Financial and Trading Institutions</b>										
18	Transfer to Securities Redemption Fund for redeeming Securities issued against subscription in the Rights issues of Equity Shares of State Bank of India	3465	625.00	625.00	625.00	625.00	625.00	625.00	625.00	625.00	625.00
19	World Bank Assistance to Small Industries Development Bank of India (SIDBI) to improve access to Microfinance in India under World Bank assisted Microfinance Project.	6885	12.40	0.22	0.22	0.01	60.00	4.19	...	49.82	...
	<b>Total- General Financial and Trading Institutions</b>		<b>637.40</b>	<b>625.22</b>	<b>625.22</b>	<b>625.01</b>	<b>770.00</b>	<b>629.19</b>	<b>625.00</b>	<b>674.82</b>	<b>625.00</b>
	<b>Social Security and Welfare</b>										
20	Transfer to Farmers Debt Relief Fund	2235	0.01	0.01	...	0.01	0.01	...	0.01	...	...
21	Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Pradhan Mantri Suraksha Bima Yojana (PMSBY)	2235	...	...	...	...	...	...	0.01	...	...
22	Interest Subsidy to LIC for Pension Plan for Senior Citizens	2235	134.23	115.81	115.81	111.49	111.24	111.24	101.79	101.79	...
23	Swavalamban Scheme to encourage people from unorganised sector to join New Pension System (NPS)										
24.01	Government's co-contribution to subscribers of the New Pension System (NPS) under Swavalamban Scheme	2235	150.00	135.00	135.00	175.00	175.00	175.00	500.00	280.00	81.29

S.No.	Description of Items/Schemes	Major Head	2013-14			2014-15			2015-16			Outcome Budget 2016-2017
			BE	RE	Actual	BE	RE	Actual	BE	RE	Actual (upto December 2015)	
24.02	Funding support for promotional and developmental activities for enrolment and contribution under Swavalamban Scheme.	2235	20.00	20.00	17.90	20.00	20.00	20.00	81.90	28.00	4.35	
25	Government's contribution to Social Security and Scholarship Fund under Aam Aadmi Bima Yojana	2235	5.01	4.51	4.50	150.00	175.00	174.99	437.51	437.51	...	
26	Government's Contributions to LIC towards Premium subscription under Pradhan Mantri Jan Dhan Yojana (PMJDY)	2235	...	...	...	...	100.00	1.00	100.00	10.00	...	
<b>Total - Social Security and Welfare</b>			<b>309.25</b>	<b>275.33</b>	<b>273.21</b>	<b>456.50</b>	<b>581.25</b>	<b>482.23</b>	<b>1221.21</b>	<b>857.31</b>	<b>85.64</b>	
<b>TOTAL NON - PLAN</b>			<b>7281.39</b>	<b>9991.70</b>	<b>9866.49</b>	<b>7536.10</b>	<b>8736.80</b>	<b>8226.59</b>	<b>15061.80</b>	<b>15093.27</b>	<b>13335.59</b>	
<b>PART B - Plan Items</b>												
1	Subscription to share capital of Export-Import Bank of India	4885	700.00	700.00	700.00	1300.00	1300.00	1300.00	1300.00	1300.00	1300.00	60
2	India Infrastructure Finance Company Limited. (IIFCL)	4885	400.00	400.00	400.00	600.00	600.00	600.00	...	...	...	
3	Subscription to share capital of Industrial Finance Corporation Of India		...	...	..	...	60.00	60.00	...	...	...	
4	Grants-in-aid to National Bank for Agriculture and Rural Development (NABARD) for creation of Women's Self Help Group (SHGs) Development Fund	2416	100.00	100.00	84.18	50.00	50.00	...	...	...	...	
5	Subscription to share capital of National Bank for Agriculture and Rural Development (NABARD).	4416	700.00	700.00	700.00	300.00	300.00	300.00	300.00	300.00	...	
6	Government's contribution towards Recapitalisation of Regional Rural Banks (RRBs)	4416	88.00	88.00	82.78	50.00	50.00	...	15.00	15.00	3.50	
7	Recapitalization of Public Sector Banks	5465	14000.00	14000.00	14000.00	11200.00	6990.00	6990.00	7940.00	25000.00	19950.00	
8	Financial Support to Small Industries Development Bank of India (SIDBI) for creating an India Microfinance Equity Fund	3465	100.00	200.00	200.00	50.00	50.00	...	...	...	...	
9	Financial Support to National Credit Guarantee Trustee Company (NCGTC) to set up Credit Guarantee Fund for Factoring	3465	...	500.00	...	50.00	250.00	250.00	250.00	40.00	...	

S.No.	Description of Items/Schemes	Major Head	2013-14			2014-15			2015-16		
			BE	RE	Actual	BE	RE	Actual	BE	RE	Actual (upto December 2015)
10	Assistance to National Credit Guarantee Trustee Company (NCGTC) to set up Credit Guarantee Fund for Skill Development	3465	...	500.00	500.00	500.00	...	...	...	...	...
11	Equity Capital to Bharatiya Mahila Bank Limited	5465	...	1000.00	1000.00	...	...	...	...	...	...
12	World Bank Assistance to National Housing Bank (NHB) to improve access to Microfinance in India under World Bank assisted Microfinance Project on Low Income Housing Finance.	6885	...	...	...	...	85.00	...	190.00	...	...
13	Atal Pension Yojana (APY)										
13.01	Funding Support to PFRDA for promotional campaign under Atal Pension Yojana (APY)	2235	...	...	...	...	...	...	...	5.00	...
13.02	Funding Support to PFRDA for Incentive to aggregator under Atal Pension Yojana (APY)	2235	...	...	...	...	...	...	...	18.00	...
13.03	Government's co-contribution to Subscribers under Atal Pension Yojana (APY) (MH 2235)	2235	...	...	...	...	...	...	...	150.00	...
14	Assistance to NCGTC for Credit Guarantee Fund for providing Guarantees to loans extended under Pradhan Mantri MUDRA Yojana	3465	...	...	...	...	...	...	...	500.00	...
15	Equity Capital to MUDRA Bank	5465	...	...	...	...	...	...	...	100.00	...
<b>TOTAL PLAN</b>		<b>16088.00</b>	<b>18188.00</b>	<b>17666.96</b>	<b>14100.00</b>	<b>9735.00</b>	<b>9500.00</b>	<b>9805.00</b>	<b>27618.00</b>	<b>21253.50</b>	
<b>GRAND TOTAL</b>		<b>23369.39</b>	<b>28179.70</b>	<b>27533.45</b>	<b>21636.10</b>	<b>18471.80</b>	<b>17726.59</b>	<b>24866.80</b>	<b>42711.27</b>	<b>34589.09</b>	
<b>Percentage w.r.t RE</b>			<b>97.70%</b>			<b>95.96%</b>			<b>80.98%</b>		

**Object head-wise actual Expenditure vis-a-vis BE/RE provisions for the years 2013-14, 2014-15 and 2015-16**

(₹ in Crore)

S.No.	Description	2013-14			2014-15			2015-16		
		BE	RE	Actual	BE	RE	Actual	BE	RE	Actual (upto December, 2015)
<b>Revenue Section</b>										
1	Salaries	57.95	59.77	59.91	69.78	74.55	67.41	89.93	73.67	60.65
2	Wages	0.63	0.63	0.58	0.53	0.35	0.30	0.32	0.33	0.20
3	OTA	0.09	0.07	0.05	0.09	0.07	0.05	0.08	0.06	0.03
4	Medical Treatment	1.00	0.86	0.84	1.19	1.46	1.16	1.20	1.33	0.78
5	Domestic Travel Expenses	1.43	1.16	1.13	1.37	1.22	1.08	1.60	1.37	0.77
6	Foreign Travel Expenses	0.40	0.20	0.15	0.30	0.27	0.25	0.30	0.15	0.05
7	Office Expenses	27.52	10.72	10.86	28.51	19.28	16.41	32.68	21.91	11.00
8	Rent, Rates & Taxes	17.21	15.33	14.73	26.65	30.10	28.34	35.00	38.00	12.77
9	Publications	0.29	0.24	0.21	0.27	0.27	0.19	0.27	0.18	0.11
10	Other Administrative Exp.	0.28	0.21	0.24	0.30	0.27	0.20	0.30	0.45	0.18
11	Advt. & Publicity	0.36	0.20	0.10	0.35	0.22	0.20	0.32	0.08	0.02
12	Minor Works	0.52	0.10	0.09	1.03	1.74	0.87	1.31	0.97	0.07
13	Professional Services	1.27	1.16	1.07	1.56	3.51	2.55	2.56	1.66	0.57
14	Grants-in-Aid (General)	238.01	1331.26	813.33	933.52	639.02	539.02	365.90	657.12	19.85
15	Contribution	155.01	139.51	139.50	325.00	450.00	350.99	1037.51	878.13	81.29
16	Subsidy	6334.24	8795.82	8795.81	6161.50	9637.96	6161.24	13101.81	13186.79	12405.16
17	Grants-in-Aid (Salaries)	7.30	7.00	7.00	8.00	9.50	9.50	15.00	7.50	5.49
18	Lumpsum	0.47	0.40	0.38	1.13	0.42	0.58	0.70	0.51	0.37
19	Exchange Variation	...	...	...	...	...	...	...	...	...
20	Interest	...	...	...	...	...	...	...	...	...
21	Other charges	...	300.00	250.00	...	250.00	105.00	...	150.00	...
22	Office Expenses (Information Technology)	...	1.83	1.47	...	...	...	16.32	6.71	1.38
22	Inter Account Transfer	625.01	625.01	625.00	625.00	625.00	625.00	625.01	625.00	...
<b>Total Revenue Section</b>		<b>7468.99</b>	<b>11291.48</b>	<b>10722.45</b>	<b>8186.09</b>	<b>11745.22</b>	<b>7910.33</b>	<b>15328.12</b>	<b>15651.92</b>	<b>12600.74</b>
<b>Capital Section</b>										
23	Investments	15888.00	16888.00	16882.78	13450.00	9300.00	9250.00	9555.00	27215.00	21253.50
24	Loans	12.40	0.22	0.22	0.01	8.18	566.26	...	351.04	111.20
25	Inter Account Transfer	14000.00	...	...	11200.00	6990.00	1253.30	7940.00	1000.00	...
<b>Total Capital Section</b>		<b>29900.40</b>	<b>16888.22</b>	<b>16883.00</b>	<b>24650.01</b>	<b>17108.29</b>	<b>11069.56</b>	<b>17495.00</b>	<b>28566.04</b>	<b>21364.70</b>
<b>Grand Total (Gross)</b>		<b>37369.39</b>	<b>28179.70</b>	<b>27605.45</b>	<b>32836.10</b>	<b>28853.51</b>	<b>18979.89</b>	<b>32823.12</b>	<b>44217.96</b>	<b>33965.44</b>

### **ANALYSIS OF BUDGET PROVISIONS AND ACTUAL EXPENDITURE DURING 2013-14, 2014-15 AND 2015-16**

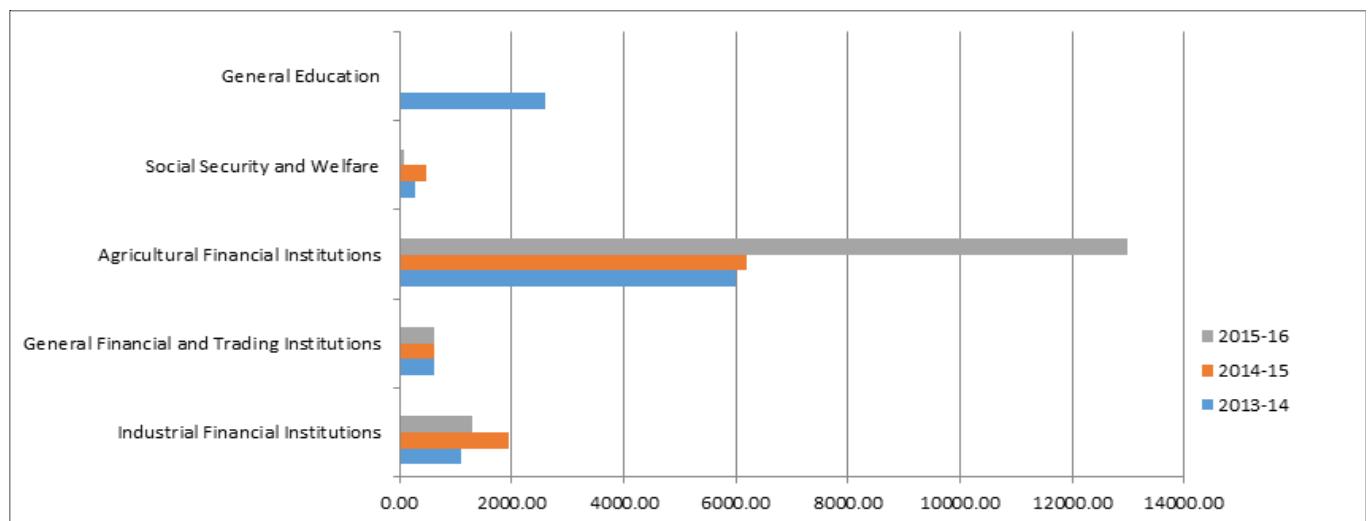
During 2013-14, the provision was ₹37,369.39 crore in BE (₹7,468.99 crore under Revenue and ₹29,900.40 crore under Capital Section). This was reduced to ₹28,179.70 crore in RE (Revenue Section was increased to ₹11,291.48 crore and Capital Section reduced to ₹16,888.22 crore). Actual Expenditure was ₹27,605.45 crore (₹10,722.45 crore under Revenue and ₹16,883.00 crore under Capital Section). In 2013-14 also, more than 99% of the funds were allocated towards different subsidy programmes and capitalization initiatives in respect of Industrial Financial Institutions, Agricultural Financial Institutions, General Financial & Trading Institutions and Social Security and Welfare measures.

During 2014-15, the provision was ₹32,836.10 crore in BE (₹8,186.09 crore under Revenue and ₹24,650.01 crore under Capital Section). This was reduced to ₹28,853.51 crore in RE (Revenue Section was increased to ₹16,640.00 crore and Capital Section reduced to ₹12,213.51 crore). Actual Expenditure was ₹27,605.45 crore (₹5,309.49 crore under Revenue and ₹2,200.00 crore under Capital Section). In 2014-15 also, more than 99%

of the funds were allocated towards different subsidy programmes and capitalization initiatives in respect of Industrial Financial Institutions, Agricultural Financial Institutions, General Financial & Trading Institutions and Social Security and Welfare measures.

During 2015-16, the provision was ₹32,806.80 crore in BE (₹15,311.80 crore under Revenue and ₹17,495.00 crore under Capital Section). This was increased to ₹44,211.25 crore in RE (Revenue Section was decreased to ₹14,932.21 crore and Capital Section increased to ₹28,566.04 crore). Actual Expenditure up to December, 2015 was ₹33,964.09 crore (₹12,599.39 crore under Revenue and ₹21,364.70 crore under Capital Section). In 2015-16 also, more than 99% of the funds were allocated towards different subsidy programmes and capitalization initiatives in respect of Industrial Financial Institutions, Agricultural Financial Institutions, General Financial & Trading Institutions and Social Security and Welfare measures.

Overall trends of expenditure (₹ in crore) relating to various programmes during last three years (2013-14 to 2015-16) are depicted in the following Bar Chart:



### **STATEMENT ON SURRENDER AND SAVINGS DURING THE FINANCIAL YEAR 2014-15**

During the financial year 2014-15, original provision was ₹32,836.10 crore (₹8,186.09 crore under Revenue and ₹24,650.01 crore under Capital Section). This was augmented to ₹36,540.28 crore by obtaining Supplementary Grant of

₹3,704.18 crore (₹3,559.16 crore under Revenue and ₹145.02 crore under Capital Section). Against this, expenditure of ₹18,979.89 crore was incurred resulting in net savings of ₹17,560.39 crore. Categorisation of major savings (more than Rupees one crore) is indicated below:

**(i) Normal Savings: Savings resulting from economic use of resources:**

(₹ in crore)

S.No.	Sub Head/Scheme/Programme	Savings	Remarks/Reasons
1.	Secretariat General Services - Department of Financial Services	2.19	Savings was due to less requirement of funds under 'Salaries', 'Minor Works (Maintenance)', 'Office Expenses (Information Technology)', 'Professional Services', 'Medical Treatment', 'Publication, Advertising & Publicity' and 'Other Administrative Expenses', which could not be anticipated in advance.
2.	Debt Recovery Tribunals (DRTs)	5.53	Savings was due to less requirement of funds under 'Salaries', 'Medical Treatment' and 'Office Expenses' which could not be anticipated in advance. Savings under these heads due to delay in setting up of six new DRTs during the year which could not be anticipated in advance.
3.	Office Custodian	1.72	Savings was due to less requirement of funds under 'Rent, Rates & Taxes' and 'Professional Services'. Savings is due to non-finalisation/renewal of lease agreement for office premises and non-receipt of legal fee bills from advocate which could not be anticipated in advance.

**(ii) Under/Non Utilisation: Savings due to Non-implementation/delay in execution of projects/schemes:**

(₹ in crore)

S.No.	Sub Head/Scheme/Programme	Savings	Remarks/Reasons
1.	Women's Self Help Groups (SHGs) Development Fund	50.00	NABARD is managing this fund has an unspent balance of ₹143.05 core as on 30.09.2014 for this scheme. Hence, it has been decided to surrender the entire provision of ₹50.00 crore.
2.	Financial Support to Small Industries Development Bank of India (SIDBI) for India Microfinance Equity Fund	50.00	Out of ₹300.00 crore released by the Government to SIDBI for the purpose since 2011-12, the cumulative disbursement are ₹108.55 crore. As sufficient balance are available with SIDBI, it has been decided to surrender the entire provision of ₹50.00 crore.

S.No.	Sub Head/Scheme/Programme	Savings	Remarks/Reasons
3.	Contribution of Government's Share for recapitalisation of Regional Rural Banks (RRBs)	50.00	Release of Central Government's share to Regional Rural Banks (RRBs) was contingent upon release of proportionate share by the concerned State Government and Sponsor Banks. As the State Government of Uttar Pradesh and Sponsor Banks did not release their proportionate share of recapitalization assistance to 2 RRBs, the Central Government's share of recapitalization assistance could not be released resulted in stated savings.
4.	Recapitalisation of Public Sector Banks (PSBs)	3,476.73	Government has approved infusion of only ₹6990.00 crore in 9 Public Sector Banks during the financial year 2014-15 to enable them to maintain their Tier I CRAR at a comfortable level. This resulted in the savings.
5.	Transfer to National Investment Fund (NIF)	9,946.70	This provision was made to recapitalization of Public Sector Banks through National Investment Fund from the disinvestment receipt of the Government keeping in view the less disinvestment receipt during the year 2014-15. The provision was brought down to ₹1253.30 crore at RE stage. This resulted in savings.
6.	World Bank Assistance to National Housing Bank (NHB) to improve access to low income housing in India	85.00	The provision was towards World Bank Assistance to National Housing Bank to improve access to Microfinance in India for low income housing finance project (Credit No.5283-IN). Due to some administrative reasons the approval of the competent authority has not been obtained. This resulted in Savings.
7	World Bank Assistance to SIDBI to improve access to Microfinance in India	55.81	The provision is to pass through loan to SIDBI from International Development Association (IDA) to improve access to Microfinance in India. The savings was due to non receipt of necessary funds by CAAA from IDA. This resulted in Savings.
8.	Assistance to National Credit Guarantee Trustee Company (NCGTC) to set up a Credit Guarantee Fund for Skill Development	123.73	Savings is due to transfer of the scheme to Ministry of Skill Development and Entrepreneurship. This resulted in Savings.
9.	Premium Subscription under Pradhan Mantri Jan Dhan Yojana (PMJDY)	99.00	The scheme has been launched during the year 2014-15, the exact calibrations of the requirement of funds to run the life cover under PMJDY has not been assessed properly. This resulted in Savings.
10.	Redemption of Securities Issued to Stressed Assets Stabilisation Fund (SASF)	21.00	Savings was due to less requirement of funds by SASF for redemption of Securities. This resulted in Savings.
11.	Central Government's Share for revival of unlicensed District Central Cooperative Banks (DCCBs)	111.22	Necessary Memorandum of Understanding (MoU) could not be signed with the State Government of Jammu & Kashmir. Therefore, the Central Government's share has not been released in respect of unlicensed DCCBs of Jammu & Kashmir. This resulted in Savings.

(iii) **Surrenders: Savings due to obsolete/defunct project/scheme or due to completion of a project/scheme and the funds are no more required:**

(₹ in crore)

S.No.	Sub Head/Scheme/Programme	Savings	Remarks/Reasons
--- NIL ---			

**Note:-** This annexure is included in compliance of O.M.No.7(1)-B(AC)/2011 dated 23rd March, 2012 of Budget Division regarding segregation of savings due to normal savings, under/non-utilization & surrender of funds for the financial year 2011-12 as desired by the Standing Committee on Finance in its 33rd Report.

## REVIEW OF PERFORMANCE OF STATUTORY AND AUTONOMOUS BODIES

1. The National Pension System (NPS) has been introduced by the Government of India with a view to develop the pension sector.
2. The NPS architecture is transparent and web-enabled. It allows a subscriber to monitor his/her investments and returns. The subscriber has the choice of choosing his / her Fund Manager and investment options, apart from being able to switch his / her investment options / Pension Fund Managers, over time. The facility for seamless portability is designed to enable subscribers to maintain a single pension account throughout the saving period.
3. Pension Fund Regulatory and Development Authority (PFRDA), set up as a regulatory body for the pension sector, is engaged in consolidating the initiatives taken so far regarding the full NPS architecture and expanding the reach of NPS distribution network. The process of making NPS available to all citizens entailed the appointment of NPS intermediaries, including Sixty four institutional entities as Points of Presence (POPs) that will serve as pension account opening and collection centers, a Centralised Record Keeping Agency (CRA) and eight Pension Fund Managers to manage the pension wealth of the investors. PFRDA adopted a transparent, non-discretionary, competitive bidding process for selection of NPS intermediaries, in line with best international practice, which ensured high quality service delivery for NPS subscribers at optimum cost.
4. As of date, 27 States have notified NPS and 26 have already signed agreement with CRA & NPS Trust for carrying forward the implementation of the National Pension System. The other States are at different stages of preparation for roll out of NPS. In addition, over 44.42 lakh employees of the Central and various states Government are already a part of the NPS. The Assets Under Management (AUM) in NPS- Govt. sector as on 31.12.2015 are ₹96,664.42 crore.
5. Under the NPS for all citizens, a subscriber has the facility to open NPS account at any of the registered branches (55,350

branches as on 31<sup>st</sup> December, 2015) of the Sixty Six (66) Points of Presence (PoPs) appointed by PFRDA.

6. It is important that the pension reforms in India are carried forward. Substantial interest has been generated in the defined contribution pension schemes and market related investments, notwithstanding the turbulence in the financial sector. Pension funds, with their long investment horizons, have the inherent advantage of providing the stabilising force to the financial markets. It is felt that as the pension sector in India grows; it will play an important role in providing socio-economic stability as well as in meeting the long term financing needs of the economy.

### **Review of Performance of Statutory and Autonomous Bodies- NABARD**

NABARD promotes integrated rural development by providing credit for agriculture, small-scale, cottage and village industries and allied activities in rural areas, refinance loans for agricultural development by State Cooperative Banks (StCBs), State Cooperative Agriculture and Rural Development Banks (SCARDBs), Scheduled Commercial Banks and Regional Rural Banks (RRBs) and provides direct financial assistance to certain types of institutions as approved by the Government. of India.

Short term credit is refinanced by NABARD to Cooperative Banks and Regional Rural Banks to finance Seasonal Agricultural Operations, marketing of crops, marketing and distribution of agricultural inputs, production, procurement, marketing activities of cottage, village and small scale industrial cooperative societies, individual weavers, master weavers, handloom weavers groups, primary and apex weaver societies and State Handloom and Handicrafts Development Corporations. Short term refinance is also extended to Commercial Banks for meeting the working capital requirement of State Handloom Development Corporations.

The short term refinance disbursed during the last three years and current year (as on 23.12.2015) is furnished as under:

<b>Agency</b>	<b>2012-13</b>		<b>2013-14</b>		<b>2014-15</b>		<b>2015-16 (as on 23.12.2015)</b>	
	Max. O/S		Max. O/S	Sanct.	Max. O/S	Sanct.	Max. O/S	
Coop. Banks	44955.54		54266.38	60433.89	60146.04	53773.29	35757.40	
RRBs	21139.55		26592.93	30186.00	30004.81	15053.00	12740.35	
<b>Total</b>	<b>66095.09</b>		<b>80859.31</b>	<b>90619.89</b>	<b>90150.85</b>	<b>68826.29</b>	<b>48497.75</b>	

Medium Term Conversion loans are also provided to Cooperative Banks and Regional Rural Banks to support farmers who due to natural calamities are unable to repay production credit dues to the banks.

Medium/ Long term refinance is provided to Commercial Banks, Regional Rural Banks, Cooperative Banks, NBFCs etc for investment purposes in farm and off farm activities leading to increased production and incremental income to farmers and

entrepreneurs. The investments financed include minor irrigation, land development, farm mechanization, plantation and horticulture, storage and market yards, allied agricultural activities such as dairy, poultry, sheep/goat/piggery, fishery, rural housing, nonfarm sector activities, SelfHelp Groups(SHGs) etc. These investments lead to capital formation in rural areas. The refinance provided for such purposes during the last three years and current year (as on 25.12.2015) are as under:-

<b>Agency</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>		<b>2015-16 (as on 25.12.2015)</b>	
	<b>Disb.</b>	<b>Disb.</b>	<b>Target</b>	<b>Disb</b>	<b>Target</b>	<b>Disb.</b>
CBs	8708.77	13254.62	9900.00	13675.20	20000.00	18633.54
RRBs	4753.66	4303.66	8000.00	10220.91	13699.00	9678.28
StCBs	2071.06	1713.32	3500.00	3818.09	5000.00	4036.39
SCARDBs	1741.31	1814.95	2600.00	2923.97	3200.00	2286.87
Others	399.49	399.62	990.00	789.13	3100.00	2323.89
<b>Total</b>	<b>17674.29</b>	<b>21486.17</b>	<b>24990.00</b>	<b>31427.30</b>	<b>44999.00</b>	<b>36958.97</b>

During 2014-15, as against the farm credit target of ₹8,00,000 crore, Commercial Banks, Cooperative Banks and Regional Rural Banks disbursed farm credit to the tune of ₹8,45, 328.23 crore (Provisional). As against the farm credit target of ₹8,50,000 crore during 2015-16, the credit disbursed by Public Sector Banks, Cooperative Banks and Regional Rural Banks together amounts to ₹5,03,861.88 crore as on 30 September, 2015 (Provisional).

### Debts Recovery Tribunal

The Central Government has established 33 Debts Recovery Tribunals (DRTs) and 5 Debts Recovery Appellate Tribunals (DRATs) all over the country under the provisions of the Recovery of Debts Due to Banks & Financial Institutions Act, 1993 for expeditious adjudication and speedy recovery of debts due to banks & financial institutions and matters connected therewith. The Government has approved establishment of six

new DRTs at Bengaluru, Chandigarh, Dehradun, Ernakulam, Hyderabad and Siliguri to bring down the pendency of cases in the existing DRTs.

2. The role of DRTs has been further enhanced by enactment of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002, which provides for aggrieved parties to make appeals before the DRTs.
3. To remove certain difficulties being faced by the banks in conduct of the recovery proceedings under the above two Acts, the Enforcement of Security Interest and Recovery of Debts Laws (Amendment) Act, 2012 has been enacted on 04<sup>th</sup> January, 2013.
4. As per data made available by DRTs, a total number of 19,595 cases (Original Application) involving ₹ 40,004.05 crores approximately were disposed off by the DRTs during the period of 01/01/2015 to 31/12/2015.

## DEPARTMENT OF EXPENDITURE

### INTRODUCTION

#### **Organization and Functions**

The Department of Expenditure is the nodal Department for overseeing the public financial management system in the Central Government and the matters connected with State finances. Its principal activities include pre-sanction appraisal of major schemes and projects (both Plan and non-Plan), transferring substantial Central budgetary resources to States and implementing the recommendations of the Finance and Central Pay Commissions.

2. Department of Expenditure (DoE) oversees expenditure management in the Central Ministries through its interface with Financial Advisors, who head the Integrated Finance Divisions in various Ministries, rendering advice on overall financial management to the Secretaries of Administrative Ministries, within the ambit of Financial Rules and Orders notified by DoE.

3. The Department manages financial aspects of personnel management in the Central Government, such as matters relating to pay, creation of posts, cadre reviews etc. The Office of Controller General of Accounts (CGA) and Chief Adviser Cost are two attached offices of Department of Expenditure. The Office of Chief Advisor Cost (CAC) assists Central Ministries in assessing the costs and prices of public goods and services. The Controller General of Accounts is primarily responsible for preparation of Central Government accounts, and assists ministries in making releases through its cadre of Controller Accounts and Pay and Accounts Officers. Service matters pertaining to Indian Audit and Accounts Service, Indian Civil Accounts Service and Indian Cost Accounts Service are dealt with by DoE. DoE has, under its administrative control, two autonomous institutions: the National Institute of Financial Management (NIFM) and Institute of Government Accounts and Finance (INGAF).

4. DoE carries out its business through its Establishment Division, Procurement Policy Division, Plan Finance-I and Plan Finance-II Divisions, Finance Commission Division, Staff Inspection Unit, Cost Accounts Branch, Controller General of Accounts and the Central Pension Accounting Office.

5. DoE examines large value capital acquisition proposals relating to Ministry of Defence and other security agencies such as NTRO and NIA as also matters relating to Department of Atomic Energy and Department of Space. A public procurement cell has been recently set up in DoE, which deals with procurement policy.

6. DoE examines, from expenditure angle, action taken by various ministries/departments for implementation of recommendations of the Expenditure Reforms Commission.

7. DoE compiles and brings out the Outcome Budget relating to social sector Flagship Programmes administered by various Ministries/Departments.

#### **Administration Division**

The Administration Division, comprising of Finance Minister's Office, Cadre Administration Section, Accounts and Budget, General and Personnel Administration and the Official Language Section, looks after the secretariat work of the Department. It is also responsible for administrative matters concerning the Department of Expenditure.

#### **Establishment Division**

The Establishment Division works under the Joint Secretary (Personnel) and deals with matters related to determination of salary structure and service conditions of all Central Government employees, wage policy determination, up gradation of pay scales, creation of posts, basic principles of fixation of pay, house rent allowance, travelling/daily allowance, dearness allowance & various other compensatory allowances in respect of Central Govt. employees, General Financial Rules, Delegation of Financial Power Rules, economy instructions etc.

#### **Central Public Procurement Portal & e-Procurement**

Pursuant to the recommendations of the Committee on Public Procurement (CoPP) a Central Public Procurement Portal (CPP Portal) has been set up for providing comprehensive information and data relating to public procurement and is accessible at [www.eprocure.gov.in](http://www.eprocure.gov.in). It is being used at present by various Ministries/Departments, CPSEs and autonomous/statutory bodies. e-Publishing of tender enquiries, corrigenda thereto and details of contracts awarded thereon on the Portal, has been made mandatory in a phased manner w.e.f. 1<sup>st</sup> January, 2012.

#### **SWACHH BHARAT KOSH (SBK):**

SWACHH BHARAT KOSH (SBK) has been set up to attract Corporate Social Responsibility (CSR) from Corporate Sector and contribution from individuals and philanthropists in response to the call given by Hon'ble Prime Minister on 15<sup>th</sup> August, 2014 to achieve the objective of Clean India (Swachh Bharat) by the year 2019.

#### **State Finances Division**

The State Finances (Plan Finance-I) Division of Department of Expenditure looks after all matters relating to finances of the State Governments, including releases of Central Assistance to State Plans and Non-Plan releases on the recommendation of Finance Commissions. Assessment of borrowing requirements of State Governments is also made by this Division which involves fixing of borrowing ceiling, issue of permission for borrowings under Article 293(3) of the Constitution of India, monitoring of ways and means position of States in close co-ordination with the RBI etc. This Division operates Demand No. 32 (formerly Demand No. 37) of the Ministry of Finance from which funds are released for both Plan and Non Plan purposes.

### **Plan Finance – II Division**

Primarily concerned with matters relating to the Central Plan and serves as a window within the Finance Ministry, which has an overview of the entire canvas of development activity of the Central Government, both at the project level and sectoral policy level. The focus has been on improving the quality of development expenditure through better project formulation, emphasis on outputs, deliverables, impact assessment, projectisation (Mission approach) and convergence. The Division also deals with financial restructuring of Central PSUs on the recommendations of Bureau for Restructuring of Public Sector Enterprises (BRPSE). It is also actively involved in working out modalities for financial assistance to CPSEs, quantification of I&EBR generation for preparation of budget, finalizing modernization of plants and equipment to ensure greater efficiency in production. At micro level, Plan Finance-II Division deals with issues relating to Food, Fertilizers and Petroleum subsidies, including their quantification and extension of assistance to the stake holders. At micro level, the division is actively involved, along with the concerned Department/Ministry, in shaping up future subsidy policy of the Government so as to ensure effective targeting.

### **Integrated Finance Unit**

Deals with the expenditure and Budget related proposals under Demand No.34 – Department of Expenditure (formerly Demand No.40) which includes Secretariat General Services and Other Administrative Services and in respect of three other Demands, namely Demand No.32 - Transfer to State and Union Territory Governments (formerly Demand No.36), Demand No.35 – Pensions (formerly Demand No.41) which includes provision for various retirement benefits and Demand No. 36 - Indian Audit and Accounts Department (formerly Demand No.42), the budgetary estimates are directly dealt with by the respective divisions. However, the overall monitoring is done by the Integrated Finance Unit. This Unit is also responsible for monitoring and control over expenditure of the Department and implementing the economy instructions for compliance by various organizations of the Department.

### **Miscellaneous Divisions**

Functions under Financial Adviser (Finance) as associate finance to President's Secretariat, Vice-President's Secretariat, Supreme Court of India, Lok Sabha Secretariat, Rajya Sabha Secretariat and Ministry of Parliamentary Affairs.

### **Pay Research Unit**

Mainly responsible for collection, compilation and analysis of data on actual expenditure incurred on pay and various types of allowances as well as data pertaining to the strength of the Central Government Civilian employees and employees of Union Territory Administrations.

### **Staff Inspection Unit**

The Staff Inspection Unit (SIU) was set up in 1964 with the objective of securing economy in the staffing of Government organizations consistent with administrative efficiency and evolving performance standards and work norms. The Scientific and Technical Organizations are not within the purview of the

SIU but a Committee constituted by the Head of Department, with representative from SIU as a core member, conducts staffing studies of such organizations.

In the changed scenario and keeping in view the Government emphasis on better governance and improved delivery of services, the role of SIU has been redefined. The SIU has been positioned to act as catalyst in assisting the line Ministries and Autonomous Organizations in improving their organizational effectiveness and to suggest ideal organizational structure, re-engineering of processes, optimum utilization of resources and overcome the delays besides exploring the possibilities of outsourcing some of the activities in order to achieve enhanced output with the minimum expenditure. As per the new mandate, SIU would now also conduct the studies of organizational analysis in five distinct fields viz. Organizational System, Financial Management System, Delivery System, Client-Customer satisfaction and Employees concerns etc.

### **Cost Accounts Branch**

An independent agency set up to verify the cost of production and to determine the fair selling price for all Government purchases including Defence purchases and to fix prices for a number of products covered under the Essential Commodities Act, such as, Petroleum, Steel, Coal, Cement, etc. under the Administered Price Mechanism (APM). It renders professional assistance to different Ministries and Government agencies in cost management and financial accounting in the Government.

### **Controller General of Accounts (CGA)**

Controller General of Accounts is the principal accounts adviser to the Government of India and is responsible for establishing and maintaining a technically sound management accounting system. CGA is the apex accounting authority of the Central Government exercising the powers of the President under Article 150 of the Constitution for prescribing the form of accounts of the Union and State Governments on the advice of Comptroller and Auditor General of India. CGA is responsible for prescribing general principles of Government Accounting relating to Union and State Governments and the form of accounts, framing and revision of rules and manuals relating thereto and to lay down and maintain sound receipt and payment system under Article 283 of the Constitution. CGA prepares the Annual Appropriation Accounts (Civil) of Union Government and Union Finance Accounts, including summarized Accounts at a Glance for presentation to the Parliament under Article 150 of the Constitution. CGA prepares a critical analysis of expenditures, revenues, borrowings and the deficit for the Finance Minister every month. CGA ensures the establishment of a sound and effective internal control and internal audit system in the Civil Ministries. CGA is the cadre controlling authority of Indian Civil Accounts Service having cadre strength of 248 Group-A officers as on 01<sup>st</sup> April, 2015.

### **Monitoring Cell**

Works under the Office of Controller General of Accounts. It is responsible for co-ordination, collection and monitoring the submission of corrective/remedial Action Taken Notes (ATNs) on various paras contained in Comptroller & Auditor General (C&AG)'s Reports. It also monitors the settlement of paras/ recommendations included in their reports of the Public Accounts Committee (PAC).

### **Central Pension Accounting Office**

Administers the “Scheme for payment of Pensions to Central Government Civil Pensioners by Authorized Banks”. It is primarily responsible for preparation of budget for the Pension Grant and accounting thereof; issue of Special Seal Authorities (SSAs) and audit of pension payment made by Banks.

### **Chief Controller of Accounts (CCA)**

The Chief Controller of Accounts is in overall charge of the payment and accounting set up of the Ministry. Budget related works for five grants of Department of Economic Affairs, Department of Financial Services, Department of Expenditure, Department of Revenue and Department of Disinvestment are integrated with the Office of CCA. CCA oversees the payments, accounting and internal audit functions of these five Departments of Ministry of Finance. Another important function of the CCA is financial reporting to Chief Accounting Authority (i.e. the Secretary of the respective Department) and to the Controller General of Accounts. The monthly accounts and annual accounts of five Departments which comprise 9 Demands/Appropriations of the Ministry of Finance are sent to the Office of the Controller General of Accounts for consolidation into accounts of Government of India. CCA prepares monthly and quarterly reviews of receipt and expenditure for the information of the Secretaries of each Department. The summary statements are also uploaded on the Ministry’s official website. Other functions include providing support staff to Controller Aid, Accounts and Audit (CAAA); pension authorization under the Pension Rules to the officials retiring on superannuation; facilitating of pension payment to foreign pensioners residing in India on behalf of Sri Lanka, Singapore, UK and Myanmar; accounting and monitoring of Loans advanced to foreign countries; overseeing the settlement of C&AG audit Paras; Transfer of funds to and from CGI to Public Account of India in the case of 14 Funds in the Department of Economic Affairs, 2 in Department of Revenue, and one each in Department of Expenditure and Department of Disinvestment; formulation of detailed accounting procedures in respect of the Funds maintained under Public Account of India and settlement of the cases relating to combined pension, pro-rata pension, leave encashment, leave salary and pension contributions, revision of pre-2006 pension cases etc. of the absorbed employees of SPMCIL.

### **Institute of Government Accounts and Finance (INGAF)**

Headquartered at New Delhi and with four Regional Training Centers located at Kolkata, Chennai, Navi Mumbai and Aizawl

INGAF imparts in-service training to the Accounts personnel and Civil Ministries/Departments in various disciplines of Financial Management and Govt. Accounts and Finance. Since 1995 it has started public financial management programmes for officials from other countries.

### **Implementation Cell of 7<sup>th</sup> CPC**

An Implementation Cell for processing and implementing the accepted recommendations of the 7<sup>th</sup> Central Pay Commission has been set up in the Department of Expenditure, Ministry of Finance with the approval of Hon’ble Finance Minister, for a period of one year w.e.f. 20<sup>th</sup> November, 2015 with a complement of 09 Officers & Staff.

### **Public Financial Management System (PFMS)**

Public Financial Management System, PFMS (formerly CPSMS-Central Plan Scheme Monitoring System) which is a web based application, was started as a Central Sector Scheme of Niti Aayog for monitoring Plan schemes in 2008. On the recommendations of the Cabinet Secretariat, the PFMS has been transferred under Department of Expenditure, Ministry of Finance w.e.f. 01<sup>st</sup> Sept., 2015. The Scheme aims to establish an online financial management information and decision support system for tracking of funds released and real time reporting of expenditure at all levels of programme implementation through Treasury and Bank interface. The application is integrated with COMPACT and e-Lekha; the core accounting applications and the e-payment gateway of CGA which has led to significant efficiency gains in movement of funds to recipient agencies and beneficiaries. PFMS is thus able to provide various reports on geographical distribution of scheme-wise, sector-wise funds on a Central Platform. The system links financial networks of Central and State governments and gives real time reporting of expenditure at all levels of programme implementation by providing the utilities for e-Payments and capturing component-wise utilization of funds. PFMS has also developed an interface with the Core Banking Solution of 94 banks (all Public Sector, 09 Private and Regional Rural banks) whereby bank balances and transaction details of implementing agencies receiving grants from Government is available on real time basis.

The purpose of PFMS is to provide greater transparency to the Govt. functioning at various levels and track funds upto the last level thus minimizing intermediary delays and provide direct benefit to the beneficiaries.

**STATEMENT OF OUTLAYS AND OUTCOMES 2016-17**

S. No.	Name of the Scheme/ Programme	Objective/ Outcome	Outlay 2016-17 (₹ In Crore)			Quantifiable Deliverables/Physical Outputs	Projected Outcomes	Processes/ Timelines	Remarks/Risk Factors
			4(i) Non Plan	4(ii) Plan	4(iii) CEBR Plan				
1	2	3	4	5	6	7	8		
1.	<b>MH 2070 - Other Administrative Services.</b>  Central Plan Scheme for enhancing training capacity of National Institute of Financial Management	(i) High Level Professional Course covering basic elements of Post Graduate Diploma in Business Management (Finance) for the officers dealing with Accounts & Finance matters being offered by the National Institute of Financial Management Society.	3.33	0.00	-	Training will be imparted to 120 Officers of Central/ State Govts./ UTs. The programme consists of six trimesters having 12-14 weeks duration each. This is a combination of class room teaching & project work.	Capacity building in financial managerial skills and in areas such as Commercial and Govt. Accounting, Public Finance, Budgeting, Financial Policy Formulation/ Decision Making and Project Management. In 2016, 120 officers are targeted for training under this scheme.	Two years	Rs 3.33 crore under Revenue Section which will cover the programme fee component.
		(ii) Post Graduate Programme in Financial Markets for officers of Central/State/UT Governments.	0.95	0.00	-	In collaboration with the 20 officers of Central/ State Govts./ UTs. The programme is of one year duration. This is a combination of class room teaching & project work.	Will give exposure in the area of financial Markets and Public Private Partnership. In 2016, 20 officers are targeted for training.	One year	Rs 0.95 crore under Revenue Section towards fee component.
		(iii) MDPs on Public Procurement and	5.70	0.00	-	Training is to be imparted to 2000 participants	Will give the officers engaged in public procurement process	One week	Rs.5.70 crore under Revenue Section towards fee component.

### STATEMENT OF OUTLAYS AND OUTCOMES 2016-17

S. No.	Name of the Scheme/ Programme	Objective/ Outcome	Outlay 2016-17 (₹ In Crore)			Projected Outcomes	Processes/ Timelines	Remarks/Risk Factors
			4(i) Non Plan	4(ii) Plan	4(iii) CEBR Plan			
1	2	3	4	5	6	7	8	
		Integrated Finance Division.						
2.	<b>MH-3475- Other General Economic Services.</b>	Development of a Management Information System/Decision Support System for Central Plan Schemes	- 60.00	-	1. Bank Interface	Approx 58 cooperative Standard banks to be interfaced integration plus on more private exists through Banks.	Readiness of banks and their technical vendor	
		Public Financial Management System			2. Dissemination of information in public domain.	Citizen information portal Changes and has been developed for upgrades based making information on clearance available to public. Suitable authority to publish specific information is to be made available by concerned ministry. Mandate from divisions.	Revise/Changes as per rules/clearance Dependent on receipt of mandate.	
					3. Security audit of the web	The application security audit is conducted	Availability of resources from NICSI/Tendering.	

**STATEMENT OF OUTLAYS AND OUTCOMES 2016-17**

S. No.	Name of the Scheme/ Programme	Objective/ Outcome	Outlay 2016-17 (₹ In Crore) 4(i) 4(ii) 4(iii) Non Plan CEBR Plan	Quantifiable Deliverables/Physical Outputs	Projected Outcomes	Processes/ Timelines	Remarks/Risk Factors
1	2	3	4	5	6	7	8
				based application developed for PFMS.	regularly enhancements.	with audit conducted by cyber security Division of NIC.	
				4. Strengthening of Data warehouse.	Reassessment of DC and DR environment has been completed by completed and related H/ W and S/W to be procured.	To be completed by Sept, 2016 after following all codal provisions.	Business intelligence will made be available as soon as hardware is available dependent on sanctions and approvals.
				5. Integration with AGs & Treasury.	Sanction orders and Reports related to State- wise disbursements of funds and expenditure details up to DDO and beneficiary level will be available to all the stakeholders including AG for the funds devolved through State treasuries.	The interface developed for funds clearance memo for Ministry of Finance which is the only pending Ministry. The interface application changes are under development.	Reports will be available only for the schemes for which data is shared by State Govt. on SFTP sever. Manpower at State SPMU is not there to support Central team for speeding up the process of developing interface. No centralized treasury operations in certain States.

### STATEMENT OF OUTLAYS AND OUTCOMES 2016-17

S. No.	Name of the Scheme/ Programme	Objective/ Outcome	Outlay 2016-17 (₹ In Crore)	Quantifiable Deliverables/Physical Outputs	Projected Outcomes	Processes/ Timelines	Remarks/Risk Factors
1	2	3	4 4(i) 4(ii) 4(iii) Non Plan CEBR Plan	5	6	7	8
			6. Direct Benefit Transfer (DBT) through PFMS (Direct Transfer to Accounts of beneficiaries)	DBT is presently being done for various social welfare schemes & ABPS/NEFT/ scholarship schemes of NACH as per Govt. and same state standard schemes. Further procedure expansion to include all central and state schemes and UTs is under process.	i) Readiness of host Ministries/departments/agencies/systems. ii) Technical issues in payment system/Banks are areas of concern. iii) Reasons of rejection are not properly administered and clear reasons not available.		
			7. Integration with RBI System	IGAA related integration Enhancements is functional. Further & upgrades are expansion is planned for based on 100% coverage of IGAA, requirements IAAA/CAAA.	Continued availability of RBIs technical vendor		
			8. Agency Registration & Implementation	17.86 lakhs Agencies registered on PFMS so far and 19.40 lakhs Bank accounts registered	Continuous process depending on user requirement	Availability of resource persons and readiness of User	

\* CEBR/Complementary Extra Budgetary Resources i.e. expenditure committed for the purpose by entities other than the Central Government.

## REFORM MEASURES AND POLICY INITIATIVES

### **Department of Expenditure**

The Department of Expenditure has taken a number of measures to improve the systems and procedures of public financial management, thereby promoting the cause of good governance. The Prime Minister's thrust areas included five planks of institutional reforms, viz., Decentralization, Simplification, Transparency, Accountability and e-Governance. These were echoed in the initiatives on Expenditure Management announced by the Finance Minister's Fiscal Policy Strategy Statement (FPSS) prepared under the Fiscal Responsibility and Budget Management (FRBM) Act in Budget 2005-06 and became the guiding principles of setting the work plan.

### **Guidelines for Outcome Budget/Performance Budget**

The Department of Expenditure and the Planning Commission had jointly prepared the first ever Outcome Budget for the year 2005-06, which was presented to the Parliament on August 25, 2005. Thereafter, fresh guidelines were issued (vide OM. No.2(1)Pers/E-Coord/OB/2005 dated 12th December, 2006) for integration of Outcome Budget and Performance Budget documents into a single document. Outcome Budget has become an integral part of the budgeting process since 2005-06. Latest guidelines in this respect were issued on 29<sup>th</sup> January, 2015.

### **Rationalization of Expenditure**

Ministry of Finance from time to time issues guidelines on Expenditure Management, Economy Measures and Rationalization of Expenditure with a view to promote fiscal discipline, without restricting operational efficiency of the Government. The last set of instructions were issued vide OM No.7(1)/E.Coord/2014 dated 29<sup>th</sup> Oct., 2014. These measures include, inter alia, a 10% cut in Non Plan expenditure (excluding interest payment, repayment of debt, Defence capital, salaries, pension and the Finance Commission grants to the States), restrictions on holding of seminars and conferences, foreign travel, ban on creation of posts and observance of discipline in fiscal transfer to states etc. and instructions on balance pace of expenditure. Financial Advisers are expected to exercise due economy while conveying their concurrence to various expenditure proposals.

### **State Finances Division**

The State Finances (Plan Finance-I) Division of Department of Expenditure looks after all matters relating to finances of the State Governments, including releases of central assistance to State Plans and Non-Plan releases on the recommendation of Finance Commissions. Assessment of borrowing requirements of State Governments is also made by this Division which involves fixing of borrowing ceiling, issue of permission for borrowings under Article 293(3) of the Constitution of India, monitoring of ways and means position of States in close co-ordination with the RBI, debt write-offs (as recommended by the 12<sup>th</sup> and 13<sup>th</sup> Finance Commissions) etc. This Division operates Demand No. 32 (formerly Demand No. 37) of the Ministry of Finance from which funds are released for both Plan and Non Plan purposes.

### **I. Grants under Central Assistance to State Plan**

Till 2014-15 Annual Plans of States were funded by States' own resources, borrowings by States and Central assistance by the

Central Government. Central assistance for States' plans includes Normal Central Assistance (NCA), Special Plan Assistance and Special Central Assistance. Additional Central Assistance (ACA) for Externally Aided Projects (EAPs) and ACA for specific schemes were also provided from Demand No. 32 (formerly Demand No. 37) for implementation of various programme. From 01.04.2015 onwards, all untied block grants to States have been subsumed in "higher devolution of taxes". This has resulted in discontinuance of schemes like SCA for Hill Areas Development Programme (HADP), Western Ghats Development Programme (WGDP), Backward Regions Grants Fund (BRGF), Additional Central Assistance for Left Wing Extremist (ACE for LWE) affected Districts etc.; only the assistance under ACA for Externally Aided Projects (BE of Rs. 16,000 cr) continues under Block Grants. Moreover, BE of Rs. 20,000 cr is a new budget line introduced in 2015-16 in Demand No. 37(presently Demand No.32) which is earmarked for need based assistance to the States, depending upon requirements due to varying socio-economic-geographical factors, for which preparation of guidelines is underway.

Releases for schemes on the Plan side are made on the recommendation of the NITI Aayog/O/o CAAA in case of Special Assistance and ACAEAPs respectively. Against an outlay of Rs. 36,000.00 crore in BE 2015-16 in Demand No. 37 of Department of Expenditure, Rs. 13,525.19 crore has been released till 23.12.2015.

### **II. Non-Plan grants**

The States are supported from Demand No. 32 (formerly Demand No. 37) through Non-plan grants as per recommendations of Finance Commissions. The Fourteenth Finance Commission has recommended the following grants for its award period 2015-20:

(Rs. in Crore)	
Post-Devolution Revenue Deficit Grant	194821
Local Bodies	287436
Disaster Management	55097

The recommendations of Fourteenth Finance Commission (FFC), as accepted by the Government, are being implemented in the award period 2015-20 in accordance with the guidelines. The year 2015-16 is the first year of the award period of FFC. During this year, a sum of Rs. 62310.31 crore has been released to the States so far (up to 23.12.2015) as Grants-in-aid for Post Devolution Revenue Deficit, Local Bodies (Urban & Rural) & State Disaster Response Fund (SDRF). This constitutes 70.12 % of the budget provision of Rs. 88864.52 crore for 2015-16. In addition, grant of Rs. 5632.64 crore has been released from National Disaster Response Fund (NDRF) till 23.12.2015 against the budget provision of Rs. 5690 crore.

### **Borrowings:-**

The methodology for determining annual borrowing ceilings of States during the period 2015-20 has been devised in line with the recommendations of Fourteenth Finance Commission (14th

FC). The borrowing limits of States are worked out by Ministry of Finance (MoF) in accordance with the prescribed fiscal reform path for each State. Compliance with the prescribed fiscal parameters has contributed in bringing down aggregate Debt to GSDP ratio to 24.9% (2014-15 RE) as against the target of 30.3% of GSDP by the end of the year 2014-15.

### **States' Fiscal Consolidation (2015-20)**

The Thirteenth Finance Commission (FC-XIII) had worked out a fiscal consolidation road map for States requiring them to eliminate revenue deficit and achieve a fiscal deficit of 3 per cent of their respective Gross State Domestic Product (GSDP), latest by 2014-15. It had also recommended a combined States' debt target of 30.3 per cent of GSDP to be reached during this period. All States have Fiscal Responsibility and Budget Management Acts (FRBMAs) in place. Fiscal position of States, in aggregate, for 2014-15(Re) is summarized as follows:

- i. Aggregate revenue deficit is 0.2% of GSDP.
- ii. Aggregate fiscal deficit is 3.3% of GSDP.
- iii. Aggregate debt is 24.9% of GSDP.

Fourteenth Finance Commission (FFC) for its award period 2015-20 has also recommended a fiscal consolidation glide path for States to remain in revenue balance and anchor their fiscal deficit at 3 per cent of GSDP. FFC has further recommended for additional fiscal space upto 0.5 percent of GSDP subject to States fulfilling the eligibility criteria of maintaining their IP/TRR ratio within 10 per cent, Debt/GSDP ratio within 25 per cent and remaining in revenue balance. The additional space will allow States to incur more capital expenditure without deviating from the fiscal glide path. Fiscal position of States, in aggregate, as gleaned from 2015-16 (BE) is as under:

- i. Aggregate revenue surplus is 0.3% of GSDP.
- ii. Aggregate fiscal deficit is 2.8% of GSDP.
- iii. Aggregate debt is 24.4% of GSDP.

### **Debt Relief recommended by FC XIII**

FC-XIII, inter-alia, has recommended that States' enactment/amendment of their FRBM Acts, incorporating the fiscal targets specified for them, will be a pre-condition for debt relief measures (reset of interest rates on NSSF loans and write off of Central loans from Ministries other than MoF) and release of all State specific grants.

FC-XIII has also recommended reset of interest rates on loans from National Small Savings Fund (NSSF), contracted up to 2006-07 and outstanding at the end of the year preceding the year of enactment/amendment of the States' FRBMAs, at a common rate of 9% per annum. From 2012-13, continued compliance of the fiscal targets as laid down in their respective States' FRBM Acts is necessary for extending interest relief on NSSF loans. Accordingly, the interest relief on NSSF loans is being extended to the eligible States.

### **Central Public Procurement Portal & e-Procurement**

A decision has been taken to implement e-Procurement in Ministries/Departments of the Central Government and instructions have also been issued to all Ministries/Departments to commence e-Procurement in respect of all procurements with estimated value of Rs.10 lakh or more in a phased manner. The limit of Rs.10 lakhs was reduced to Rs.5 lakhs w.e.f. 1.4.2015 and 2 lakhs w.e.f. 1.4.2016.

2. It is also informed that the data-base on the major contracting firms has been created as decision taken in the review meeting of Infrastructure Targets for 2014-15 taken by Hon'ble Prime Minister. The data-base has been hosted on website [www.eprocure.gov.in](http://www.eprocure.gov.in) under the sub-heading "Sector-wise list of bidders" under heading "Documents" on the home page.

3. It is imperative that the executives/officers engaged in public procurement process have thorough knowledge of all the relevant rules, regulations and procedures of public procurement. For this purpose, one week Training Programme on Public Procurement is conducted through National Institute of Financial Management (NIFM) with a view to educate and familiarize the concerned executives/officers with all the relevant rules, regulations and procedures of public procurement. Around 2000 officers are expected to be trained in NIFM in the current year.

### **Public Financial Management System**

Public Financial Management System (PFMS) Scheme has been approved for PAN India roll-out by the Cabinet in December, 2013. The Scheme aims to establish an online Financial Management Information and Decision Support System for tracking of funds released and real-time reporting of expenditure at all levels of programme implementation through Treasury and Bank interface.

The system links financial networks of Central and State governments and giving real time reporting of expenditure at all levels of programme implementation by providing the utilities for e-Payments and capturing component-wise utilization of funds. PFMS has also developed an interface with the Core Banking Solution of 94 banks (all Public Sector, 09 Private and Regional Rural banks) whereby bank balances and transaction details of implementing agencies, receiving grants from Government is available on real time basis.

The purpose of PFMS is to provide greater transparency to the Govt functioning at various levels and track funds upto the last level, thus minimizing intermediary delays and provide direct benefit to the beneficiaries. It has brought reform in the social sector and provided end level monitoring that has not existed until now. The system has the potential to bring improvement in the existing fund transfer system to keep minimum float with the implementing agencies.

PFMS has been initiated in all Civil Ministries of Government of India. Plan funds are released through the web based application that requires mandatory registration of recipient agencies along with their bank details. The application is integrated with COMPACT and e-Lekha, the core accounting applications and the e-payment gateway of CGA which has led to significant efficiency gains in movement of plan funds to recipient agencies and beneficiaries. PFMS is thus able to provide various reports on geographical distribution of scheme-wise, sector-wise funds on a Central Platform.

DBT through PFMS was started w.e.f. 01.01.2013 and so far about 6.50 Crore beneficiaries have been paid Rs. 3633.00 crores through PFMS portal in various Social Sector Schemes.

Non-Plan expenditure has also been brought under PFMS w.e.f. 1<sup>st</sup> October, 2015 in 94 PAO's across 62 Ministries. Further, this office has also developed a Non Tax Receipt Portal (NTRP) for accounting all non-tax receipts of Government of India.

**STATUS OF OUTCOME WITH REFERENCE TO OUTLAYS - 2014-15**

S. No.	Name of the Scheme	Objective/ Outcome	Outlay 2014-15 (₹ In Crore)			Quantifiable Deliverables/ Physical Outputs	Processes/ Timelines	Status as on 31 <sup>st</sup> March, 2015
			B.E. (i)	R.E. (ii)	Actual (iii)			
1	2	3	4	5	6	7		
1.	<b>Major Head 2070- Other Administrative Services</b>	High level professional course covering basic elements of MBA dealing with Management and infrastructural development of the Institute.	4.00 (Plan) (Rev) (Cap.)	3.50 (Plan) (Rev) (Cap.)	3.50 (Plan) (Rev) (Nil)	Training to 80 officers of Central/State/ UT programme consists of 12-14 trimesters having weeks duration each. This is a combination of class room teaching and project work.	Two years	(i) Under Revenue Section, 83 candidates joined the course at NIFM, Faridabad.

**STATUS OF OUTCOME WITH REFERENCE TO OUTLAYS - 2014-15**

S. No.	Name of the Programme/ Scheme and Objective/ Outcome	Plan Outlay 2014-15 (₹ In Crore)	Quantifiable Deliverables/ Physical Output	Projected Outcome	Achievements	Reasons for Variations
1	2	3	4	5	6	7
2.	MH-3475-Other Economic Services.	General 369.57 80.00 64.49	1) PAN-INDIA Rollout of CPSMS in all States for all Plan Schemes.  Plan Accounting & Public Finance Management System (PA &PFMS)  Development of a Management Information System/Decision Support System for Central Plan Schemes	1) To capture releases and tracking of funds at each implementation level from implementation level state to district level.  2)Bank interface	1) To capture releases and tracking of funds at each expenditure filing at each District level. Initial action will start to capture releases and utilization upto District level.  2) CPSMS-CBS interface 2) The Banking interface would facilitate one to one is now functional with all validation of accounts Public Sector Banks, number, visibility of funds in majority of Regional the bank accounts and daily Rural Banks and some Transaction details major private sector uploaded by the banks banks. 68 RRBs have been integrated, 26 Nationalized and 7 Private banks have been integrated.	No Significant variation

### STATUS OF OUTCOME WITH REFERENCE TO OUTLAYS - 2014-15

S. No.	Name of the Programme/ Scheme and Objective/ Outcome	Plan Outlay 2014-15 (₹ In Crore)	Quantifiable Deliverables/ Physical Output	Projected Outcome	Achievements	Reasons for Variations
1	2	3	4	5	6	7
			4) Dissemination of Information in public domain.	4) The scheme wise details of Gross Budgetary Support including viewing & expenditure would be protocols would be made available in public domain.	4) A detailed roadmap worked out for putting the system in public domain. A citizen information portal has been developed and is under finalization.	
			5) Security audit of the web-based application developed for CPSMS.	5) It is essential for the safeguard of the system to meet all the security from different risks in requirements of operation.	5) Redesigning of system application.	
			6) Strengthening of Data warehouse.	6) This would provide support system and requirement for incorporation for establishment of implementation of just in time payment system.	6) The data warehousing system and requirement for incorporation for establishment of dedicated data centre for CPSMS. Orders have been placed for procurement of relevant hardware and software.	
			7) Integration with treasury.	7) The integration of treasuries is underway and has been successfully has been in testing phase in the States of Maharashtra, Bihar, Rajasthan, and Bihar.	7) The treasury interface piloted in Maharashtra, Bihar, Rajasthan, Meghalaya, Odisha, M.P	

## STATUS OF OUTCOME WITH REFERENCE TO OUTLAYS - 2014-15

S. No.	Name of the Programme/ Scheme and Objective/ Outcome	Plan Outlay 2014-15 (₹ In Crore)	Quantifiable Deliverables/ Physical Output	Projected Outcome	Achievements	Reasons for Variations
1	2	3	4	5	6	7
					<p>State-wise disbursement etc. and same is to be of funds report will be replicated in all other shared with State governments.</p> <p>8) Direct Benefit Transfer (DBT) through CPSMS (Direct Transfer to Accounts of beneficiary) 8) Direct benefit transfer (DBT) has been implemented successfully in Transfer of funds to the Bihar under MGNRES bank account of covering over 40,000 beneficiaries under beneficiaries. PFMS is MGNRES, NRHM and linked with NPCI and has NSAP scholarship successfully effected the payments has successfully first Aadhaar based payment been implemented under Janani Suraksha Yojana (JSY) in Puducherry.</p>	

**STATUS OF OUTCOME WITH REFERENCE TO OUTLAYS - 2015-16**

S. No.	Name of the Scheme	Objective/ Outcome	Outlay 2015-16 (₹ In Crore)			Quantifiable Deliverables/ Physical Outputs	Processes/ Timelines	Status as on 31 <sup>st</sup> December, 2015
1	2	3	4 B.E.	5 R.E.	6 Actual	5	6	7
1.	<b>Major Head 2070- Other Administrative Services.</b>	High level professional course covering basic elements of MBA dealing with Management and infrastructural development of the Institute.	4.00	4.00	3.59	Training to 120 officers of Central/State/ UT programme consists of trimesters having 12-14 weeks duration each. This is a combination of class room teaching and project work.	Two years	(i) Under Revenue Section, 73 candidates joined the course at NIFM, Faridabad.

## STATUS OF OUTCOME WITH REFERENCE TO OUTLAYS - 2015-16

S. No.	Name of the Programme/ Scheme and Objective/ Outcome	Plan Outlay 2015-16 (₹ In Crore)	Quantifiable Deliverables/ Physical Output	Projected Outcome	Achievements	Reasons for Variations
1	2	3	4	5	6	7
2.	<b>MH-3475- Other General Economic Services</b>  Public Financial Management System.  Development of a Management Information System/Decision Support System for Central Plan Schemes	37.00* 40.30 13.29**	1) Bank interface	1) CPSMS-CBS interface would facilitate one to one validation of accounts in the bank accounts and daily Transaction details uploaded by the banks	1) The Banking interface is now functional and expanded to cover DBT number, visibility of funds and other payments with 26 Public Sector Banks and Bhartiya Mahila Bank is yet to be integrated. 09 Major Private Banks and 56 Regional Rural Banks (RRBs) which is reduced from 56 due to mergers of RRBs. Integration with India Post is functional. RBI interface is also functional and expanding. NPCI integration is used for confirmation of aadhaar seeding.	No significant variation

\* Under Grant 40 - DoE (w.e.f. 01.09.2015) by 2nd batch Tech. Supplementary

\*\* Actual expenditure upto December, 2015.

3) Dissemination of Information in public domain.

3) The scheme-wise details of Gross Budgetary Support & expenditure would be made available in public domain.

3)A Citizen information portal is under review after consolidation of schemes and also in context of information sharing to the public.

Continuous Process.

Yet to be finalized due to lack of mandate from ministries.

## **STATUS OF OUTCOME WITH REFERENCE TO OUTLAYS - 2015-16**

S. No.	Name of the Programme/ Scheme and Objective/ Outcome	Plan Outlay 2014-15 (₹ In Crore)	Quantifiable Deliverables/ Physical Output	Projected Outcome	Achievements	Reasons for Variations
1	2	3	4	5	6	7
			4) Security audit of the web based application developed for CPSMS.	4) It is essential for the safeguard of the system from different risks in requirements of operation.	4) Redesigning of the system to meet all security requirements of application is a continuous process and is being done by Cyber Security Division of NIC.	Continuous Process.
			5) Strengthening of Data Warehouse.	5) This would provide support system and of data warehousing incorporation for requirement for PFMS has implementation of just in time payment system.	5) The revised assessment support system and of data warehousing incorporation for requirement for PFMS has implementation of just in time payment system. and DR environment.	Reassessment required due to enhancement of scope of PFMS & workload.
			6) Integration with AGs and treasury.	6) The integration of treasuries is underway and has been successfully has been in testing phase in piloted in 8 States and the States of Maharashtra and Bihar.	6) The treasury interface integration is under with State Governments.	State-wise disbursements of funds report will be shared with State Governments. efforts are on to bring all states who are prepared to bring on board. RBI expansion to cover IAAA and direct transaction of Ministry of Food with RBI.
			7) Direct Benefit Transfer Transfer to Accounts of beneficiary)	7) Direct benefit transfer (DBT) has been implemented successfully in fellowship schemes of	7) e-Payment through PFMS for NSAP, NHM, Bihar under MGNRES AICTE, fellowship covering over 40,000 schemes of UGC, Merit	

**STATUS OF OUTCOME WITH REFERENCE TO OUTLAYS - 2015-16**

S. No.	Name of the Programme/ Scheme and Objective/ Outcome	Plan Outlay 2015-16 (₹ In Crore)	Quantifiable Deliverables/ Physical Output	Projected Outcome	Achievements	Reasons for Variations
1	2	3	4	5	6	7

beneficiaries. PFMS is cum means scholarship, linked with NPCI and has Post Matric Scholarship successfully effected the for Minorities, National first Aadhaar based payment Means Cum Merit under Janani Suraksha scholarship and National Yojana (JSY) in Puducherry. Scheme for incentive for the girl child. NREGA Payments are under process of migration to PFMS. MP state has already started as first state to migrate. Total number of beneficiaries paid in financial year 2015-16 is around 6.5crores. Some State schemes are also operated through PFMS. For other than DBT Schemes beneficiaries have been paid directly from PFMS for MGNREGA and MCTS. Reports are available on PFMS portal for each beneficiary.

**FINANCIAL REVIEW**

**STATEMENT SHOWING ACTUAL EXPENDITURE VIS-A-VIS BE/RE PROVISIONS FOR THE YEAR  
2013-14, 2014-15 and 2015-16**

(Rs in crore)											
			2013-14			2014-15			2015-16		
Sl. No.	Description	Major Head	BE	RE	Actuals	BE	RE	Actuals	BE	RE	Actuals (upto 31.12.2015)
1.	<b>Secretariat – General Services</b>	<b>2052</b>	93.91	88.69	83.50	93.99	87.51	87.61	92.17	91.96	65.07
2.	<b>Other Admn. Services</b>	<b>2070</b>	46.21	44.31	41.13	61.91	57.00	55.11	64.67	63.77	27.15
	i) Training Centre for Civil Accounts Organization (INGAF)		4.80	4.00	3.95	4.59	4.54	4.29	4.91	5.05	2.96
	ii) Scheme for enhancing training capacity of NIFM Society		5.40	4.40	4.40	5.40	4.90	4.90	5.40	5.40	4.29
	iii) Contribution		0.01	0.01	0.00	0.01	0.01	0.01	0.01	0.01	0.00
	iv) Service Charges to National Securities Depository Limited under New Pension Scheme		36.00	32.40	32.56	39.00	34.65	34.56	38.00	37.00	8.99
	v) Seventh Central Pay Commission		0.00	3.50	0.22	11.91	10.76	9.51	11.54	9.61	6.68
	vi) Expenditure Management Commission		0.00	0.00	0.00	1.00	2.14	1.84	4.81	6.70	4.23
3.	<b>Other General Economic Services – Public Financial Management System</b>	<b>3475</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	40.30	13.29
	<b>TOTAL</b>		<b>140.12</b>	<b>133.00</b>	<b>124.63</b>	<b>155.90</b>	<b>144.51</b>	<b>142.72</b>	<b>156.84</b>	<b>196.03</b>	<b>105.51</b>

## OBJECT HEAD-WISE EXPENDITURE VIS-A-VIS BE/RE FOR THE YEARS 2013-14, 2014-15 AND 2015-16

(Rs. in crore)

S. No.	Description	2013-14			2014-15			2015-16		
		BE	RE	Actuals	BE	RE	Actuals	BE	RE	Actuals upto Dec., 15
<b>Revenue Section</b>										
1	Salaries	59.45	59.00	54.26	64.57	60.33	61.31	64.56	71.76	56.46
2	Wages	0.00	0.02	0.00	0.12	0.01	0.00	0.28	0.06	0.02
3	Overtime Allowance	0.11	0.11	0.07	0.14	0.08	0.06	0.12	0.07	0.04
4	Medical Treatment	0.93	0.91	0.76	1.19	1.21	0.78	1.42	1.30	0.61
5	Domestic Travel Expenses	1.76	1.58	1.26	2.06	1.89	1.56	2.10	2.48	1.13
6	Foreign Travel Expenses	1.18	1.11	0.77	1.26	0.96	0.76	1.21	1.85	0.46
7	Office Expenses	13.02	14.83	13.39	19.03	16.51	16.29	15.95	19.58	9.48
8	Rent, Rates & Taxes	0.00	0.13	0.10	0.90	6.16	5.46	8.53	25.59	10.93
9	Publication	0.39	0.41	0.32	0.44	0.48	0.35	0.62	0.55	0.17
10	Other Admn. Expenses	37.46	33.99	33.96	40.62	36.55	36.46	39.81	41.57	12.28
11	Advertising and Publicity	1.25	1.12	0.00	1.25	0.12	0.00	0.08	0.20	0.00
12	Minor Works	3.08	3.82	2.86	3.71	2.46	2.72	3.57	1.57	0.24
13	Professional Services	2.16	1.57	1.04	4.34	2.15	1.51	1.74	11.68	6.10
14	Grants-in-aid	5.40	4.40	4.40	5.40	4.90	4.90	5.40	5.40	4.29
15	Contribution	0.01	0.01	0.00	0.01	0.01	0.01	0.01	0.01	0.00
16	Other Charges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.00
17	Information Technology (OE)	13.92	9.99	11.44	10.86	10.69	10.55	11.44	12.34	3.30
18	Information Technology (OAE)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.00
	<b>Total</b>	<b>140.12</b>	<b>133.00</b>	<b>124.63</b>	<b>155.90</b>	<b>144.51</b>	<b>142.72</b>	<b>156.84</b>	<b>196.03</b>	<b>105.51</b>

**ANNEXURE****Grant No.34 (formerly Grant No.40)****Statement on Surrender and Savings during the Financial Year 2014-15**

During the Financial Year 2014-15, against a budgetary

provision of Rs.155.90 crore including the Supplementary Grants, an expenditure of Rs.142.72 was incurred, resulting in savings and surrender of Rs.13.18 crore under Revenue Section.

These savings have been segregated into the following categories:

**i) Normal Savings : Savings resulting from economic use of resources**

(Rs. in crore)

Sl.No.	Sub head/Scheme/Programme	Savings (Net)	Remarks/Reasons
1.	Department of Expenditure	5.18	Less requirement for administrative expenses
2.	Training Centre in the Civil Accounting Department (Institute of Govt. Accounts & Finance)	0.30	Less requirement for IT hardware consultants & economy measures

**(ii) Under/Non utilization : Saving due to non-implementation/delay in execution of projects/schemes.**

1.	Department of Expenditure	3.26	Non filling up of vacant posts
2.	Service charges to NSDL for New Pension Scheme	4.44	Less receipt of claims

**Note:-** This annexure is included in compliance of O.M. No.7(1)-B(AC)/2011 dated 23<sup>rd</sup> March, 2012 of Budget Division regarding segregation of savings due to normal savings, under/non-utilization & surrender of funds for the financial year 2014-15 as desired by the Standing Committee on Finance in its 33<sup>rd</sup> Report.

## NATIONAL INSTITUTE OF FINANCIAL MANAGEMENT: REVIEW OF PERFORMANCE

### **OBJECTIVES**

The National Institute of Financial Management (NIFM) is an autonomous body (Society) registered under the Societies Registration Act 1860 headed by Finance Minister, Government of India. This institute has been set up with a view to establish itself as a premier knowledge partner in the country for Training, Research and Consultancy in Financial, Accounts & Audit, Public Economics, Human Resource Management and Information Technology. It is also mandated to organize training & continuing professional education to Group 'A' officers of participating Services.

### **PERFORMANCE**

The Institute is functional since January, 1994 and has been conducting the following programmes:

#### **Professional Training Course:**

So far twenty two batches of probationers of various accounts, audit and finance services have been successfully trained for 44 weeks training course. The 23<sup>rd</sup> batch of probationers will commence from 1<sup>st</sup> week of January, 2016 in which 40 probationers are likely to join.

#### **Management Development Programmes:**

The NIFM conducts Management Development Programmes of varying duration every year. Some of these programmes are sponsored by different Government Department, Foreign Government, World Bank etc. In addition, various Govt. Departments, PSUs etc. sponsor candidates for the specialized courses conducted by the Institute. During the year 2015-16, the focus of Management Development Programmes (MDPs) is in the following areas:

- (a) Budgeting & Public Expenditure Management
- (b) Accounting System & Financial Management in Government
- (c) Procurement of Goods & Services
- (d) Tendering & Contracting
- (e) Public Financial Management
- (f) Standard Rules & Procedures of the World Bank for Procedure of Goods, Works & Services
- (g) Cyber Crime & Forensics
- (h) Public Procurement
- i) Project and Risk Management under TCS Colombo Plan
- j) Public Procurement – During the current Financial Year 42 programmes on Public Procurement scheduled with an aim to train 2000 officers of Govt. of India. Till Dec., 2015, 32 Programmes were conducted and 1677 officers attended training. Ministry of Finance has also approved to continue this programme for the FY 2016-17 covering about 2000 officers. NIFM is going to launch an e-Learning Web Portal with the help of World Bank Team for distance learning.

#### **Post Graduate Diploma in Management (Financial Management):**

The NIFM has been conducting Post Graduate Diploma in Management (Financial Management) since the year 2002. The present batch of PGDM (FM) commenced in July, 2015 in which 72 candidates have joined from various Central/State/UT govt. The new batch of PGDM (FM) shall be starting in July, 2016 wherein the target is for 120 candidates.

#### **Diploma in Govt. Accounting & Internal Audit:**

The Diploma in Accounting & Internal Audit Programme for one year is to upgrade the technical skills of officers of the organized Accounts Services of the Union Government. The Course is designed to equip the newly recruited/promoted officers for taking up higher responsibilities in the field of Public Financial Administration. The new batch of DGA&IA has started in June, 2015 with 34 participants and the new batch shall be starting from June, 2016 wherein the target is for 35 participants.

#### **Fellow Programme in Management:**

This is an open programme to pursue research work to produce competent researchers, teachers and consultants. The Programme is duly approved by AICTE.

#### **Executive Programme in Financial Market in collaboration with NISM**

The NIFM in collaboration with NISM has launched one year weekend Executive Programme and one year Regular Programme, which focuses in developing trained professionals capable of occupying positions of responsibility in stock exchanges, commodity exchanges, regulatory bodies, market intermediaries, banks, mutual funds and asset management companies and other similar entities covering all financial markets like cash equity, equity derivatives, currency derivatives, commodities and foreign exchanges. The first batch of the programme commenced in July, 2015 with 20 participants in the weekend Executive Programme and 20 participants in the Regular Programme. The next batch of the programme will commence in May/June, 2016.

#### **Consultancy Projects:**

The consultancy projects awarded/ completed/in progress during the year are as under: -

- (i) Study of unaccounted income/ wealth inside and outside India.
- (ii) Study on Autonomous Bodies.
- (iii) Drafting of Accounts Code/Finance Manual - CSIR
- (iv) Konkan Railways
- (v) Independent Evaluation of Implementation of Infrastructure, Deptt. of Pension & Pensioner's Welfare.

**Financial Statement**

The Income & Expenditure Accounts as on 31<sup>st</sup> March, 2015 are as under:

	(Amount i n ₹)	
<b>Income</b>	<b>31.03.2015</b>	<b>31.03.2014</b>
Income from Services	18,14,33,369	12,21,11,410
Grant	1,40,00,000	1,40,00,000
Interest Earned	77,14,631	1,18,68,541
Other Income	22,83,194	43,84,001
<b>Total(A)</b>	<b>20,54,31,194</b>	<b>15,23,63,952</b>
<b>Expenditure</b>		
Establishment Expenses	5,44,96,449	4,92,84,405
Other Administrative Expenses	11,50,66,821	9,09,65,197
Depreciation	1,90,87,221	1,82,59,080
<b>Total(B)</b>	<b>18,86,50,491</b>	<b>15,85,08,682</b>
<b>Balance being Surplus/Deficit of Income over Expenditure (A-B)</b>	<b>1,67,80,703</b>	<b>-61,44,730</b>
Less: Prior Period adjustments(Net)	14,13,460	0
Add: Amount transferred from Capital asset Fund Representing depreciation (for the year) on Assets acquired out of Govt. Grant	96,20,543	97,98,871
<b>Balance being Surplus/Deficit carried over to Balance-Sheet</b>	<b>2,49,87,786</b>	<b>36,54,141</b>

## DEPARTMENT OF REVENUE

### INTRODUCTION

1. The Department of Revenue exercises controls in respect of matters relating to all the Direct and Indirect Taxes through two Statutory Boards, namely, the Central Board of Direct Taxes (CBDT) and the Central Board of Excise and Customs (CBEC). A Chairman who is also ex-officio Special Secretary to the Government of India heads each Board. Matters relating to the levy and collection of all the Direct Taxes are looked after by CBDT, whereas those relating to levy and collection of customs and central excise duties and service tax fall within the purview of CBEC. The two Boards were constituted under the Central Board of Revenue Act, 1963. Both CBDT and CBEC have six Members each. The Members are also ex-officio Special Secretaries to the Government of India.

2. The Department of Revenue is mainly responsible for the following functions:-

- All matters relating to levy and collection of Direct Taxes.
- All matters relating to levy and collection of Indirect Taxes.
- Investigation into economic offences and enforcement of economic laws.
- Framing of policy for cultivation, processing, export and fixation of price of Opium etc.
- Prevention and combating abuse of Narcotic drugs and psychotropic substances and illicit traffic therein.
- Enforcement of FEMA and recommendations of detention under COFEPOSA.
- Work relating to forfeiture of property under Smugglers and Foreign Exchange Manipulators (Forfeiture of Property) Act, 1976 and Narcotics Drugs and Psychotropic Substances Act, 1985.
- Levy of Taxes on sales in the course of inter-state trade or commerce.
- Matters relating to consolidation/reduction/exemption from payment of Stamp duty under Indian Stamp Act, 1899.
- Residual work of Gold Control Act.

3. The Department of Revenue administers the following Acts: -

- Income Tax Act, 1961;
- Wealth Tax Act, 1958;
- Expenditure Tax Act, 1987; \*

- Benami Transactions (Prohibition) Act, 1988;
  - Super Profits Act, 1963;\*
  - Companies (Profits) Sur-tax Act, 1964;\*
  - Compulsory Deposit (Income Tax Payers) Scheme Act, 1974;\*
  - Chapter VII of Finance (No.2) Act, 2004 (Relating to Levy of Securities Transactions Tax);
  - Chapter VII of Finance Act 2005 (Relating to Banking Cash Transaction Tax);
  - Chapter V of Finance Act, 1994 (Relating to Service Tax);
  - Central Excise Act, 1944 and related matters;
  - Customs Act, 1962 and related matters;
  - Medicinal and Toilet Preparations (Excise Duties) Act, 1955;
  - Central Sales Tax Act, 1956;
  - Narcotic Drugs and Psychotropic Substances Act, 1985;
  - Prevention of Illicit Traffic in Narcotic Drugs and Psychotropic Substances Act, 1988;
  - Smugglers and Foreign Exchange Manipulators (SAFEM) (Forfeiture of Property) Act, 1976;
  - Indian Stamp Act, 1899 (to the extent falling within jurisdiction of the Union);
  - Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974;
  - Foreign Exchange Management Act, 1999; and
  - Prevention of Money Laundering Act, 2002.
- \* The administration of these Acts are limited to the cases pertaining to the period when these laws were in force.

4. The department looks after the matters relating to above mentioned Acts through divisions and attached/subordinate offices whose functions are as follows :-

**■ Central Board of Direct Taxes:**

All matters relating to levy and collection of direct taxes.

**■ Central Board of Excise and Customs:**

All matters relating to levy and collection of indirect taxes.

**■ States Taxes Wing:**

Administration of Sales Tax Laws (Validation) Act, 1956, Central Sales Tax, State-level Value Added Tax (VAT), Indian Stamp Act, 1989 etc.

**■ Narcotics Control Division:**

Framing of licensing policy for cultivation of opium poppy, production of opium and export and pricing of opium & alkaloids. Coordination of the working of Committee of Management (COM) and issues relating to UN and International Organizations.

**■ Committee of Management (COM):**

Administering the Departmental Undertakings viz. Government Opium and Alkaloid work Neemuch (M.P.) and Ghazipur (U.P.) which are engaged in processing of raw opium for export purposes and also for extraction of alkaloids from opium, which are used by the pharmaceutical industry.

**■ Administration Division :**

All administrative matters of Department of Revenue. Maintenance of CR Dossiers of the staff and officers of the Secretariat proper of the Department IRS (Group-A), IRS (Customs & Central Excise) (Group-A). Coordination work and work relating to translation of languages and implementation of Hindi.

**■ Revision Application Unit:**

Work relating to revision applications filed against the orders of Commissioners of Customs (Appeals) and Commissioners of Central Excise (Appeals) and the cases filed before 11.10.1982 against CBEC.

**■ Integrated Finance Unit:**

Tendering advice in all financial matters pertaining to Department of Revenue and its constituent units & field formations under CBDT & CBEC. Deals with expenditure and financial proposals. Prepares & examines expenditure budget for grants relating to Department of Revenue, Direct Taxes & Indirect Taxes.

**■ Competent Authorities:**

Work relating to forfeiture of property under Smugglers and Foreign Exchange Manipulators (Forfeiture of property) Act, 1976 and Chapter V-A of Narcotics Drugs and Psychotropic Substances Act, 1985.

**■ Appellate Tribunal for Forfeited Property:**

Adjudication of appeals filed by persons against orders of forfeiture of properties passed by Competent Authorities under the SAFEM (FOP) Act, 1976 and Chapter V A of NDPS Act, 1985.

**■ Customs, Excise, Service Tax Appellate Tribunal:**

appeals against the orders of Executive Commissioners and Commissioners (Appeals).

**■ National Committee for Promotion of Social and Economic Welfare:**

Recommending projects of social and economic welfare to the Central Government for issuance of notification under section 35 AC of the Income Tax Act, 1961.

**■ Authority for Advance Rulings:**

Giving advance rulings on a question of law or fact specified in an application filed by Non-Residents in relation to transaction, which has been undertaken or proposed to be undertaken by the applicant.

**■ Customs and Central Excise Settlement Commission:**

Settlement of applications filed by the assessees under the Customs Act and Central Excise Act.

**■ Settlement Commission (IT/WT):**

Settlement of applications filed by the assessees under the Income Tax Act, 1961 and the Wealth Tax Act, 1957.

**■ Central Economic Intelligence Bureau:**

Coordinating and strengthening of the intelligence gathering activities, the investigative efforts and enforcement action by various agencies concerned with investigation into economic offences and enforcement of economic laws.

**■ Enforcement Directorate:**

Responsible for enforcement of the provisions of Foreign Exchange Regulation Act. Recommending cases for detention under the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974. Under Foreign Exchange Management Act, 1999, the Enforcement Directorate is mandated primarily as the investigation and adjudicating agency. Powers have also been conferred on the Director of Enforcement under the relevant provisions of the Prevention of Money Laundering Act, 2002.

**■ Financial Intelligence Unit:**

To coordinate and strengthen collection and sharing of financial intelligence through an effective national, regional and global network to combat money laundering and related crimes. Powers have been conferred on the Director, Financial Intelligence Unit- India under the relevant provision of Prevention of Money Laundering Act, 2002

**■ Adjudicating Authority under PMLA:**

To exercise jurisdiction, powers and authority conferred by or under the Prevention of Money Laundering Act, 2002. The

Authority is empowered to confirm the provisional attachment after hearing the aggrieved parties to ensure that property is not disposed-off during the pendency of trial for scheduled offence or offence of money laundering.

#### **■ Income Tax Ombudsman:**

Income Tax Ombudsmen have been posted in seven cities to look into taxpayers' grievances.

#### **■ Indirect Tax Ombudsman:**

The Indirect Tax Ombudsman in four cities to resolve the complaints relating to public grievances against the Customs, Central Excise and Service Tax Department have been appointed.

### **5. DIRECT TAXES**

The Central Board of Direct Taxes (CBDT) is the apex body entrusted with the responsibility of administering direct tax laws in India, viz. income tax, wealth tax, banking cash transaction tax, securities transaction tax etc. The CBDT consists of a Chairman and six Members and is the cadre controlling authority for the Income Tax Department. In its functioning, the CBDT is also assisted by the following attached offices in Delhi:

- (i) Directorate General of Income Tax (Administration)
  - (a) Directorate of Income Tax (Public Relations, Printing, Publication and Official Languages)
  - (b) Directorate of Income Tax (Recovery)
  - (c) Directorate of Income Tax (Income Tax & Audit)
- (ii) Directorate General of Income Tax (Systems)
- (iii) Directorate General of Income Tax (Legal & Research)
- (iv) Directorate of Income Tax (Organization & Management Services)
- (v) Directorate of Income Tax (Infrastructure)
- (vi) Directorate of Income Tax (Business Process Re-engineering)
- (vii) Directorate of Income Tax (Human Resource Development)
- (viii) Directorate General of Income Tax (Exemption)
- (ix) Directorate General of Income Tax (International Taxation & Transfer Pricing)

Various Chief Commissioners of Income Tax, stationed all over the country, supervise collection of direct taxes and provide taxpayer services. Directors General of Income Tax

(Investigation) supervises the investigation machinery, with the aim to curb tax evasion and unearth unaccounted money. Chief Commissioners of Income Tax / Directors General of Income Tax are assisted by Commissioners of Income Tax / Directors of Income Tax within their jurisdictions. There is also first appellate machinery comprising Commissioners of Income Tax (Appeals), who perform the task of disposal of appeals against the orders of assessing officers. The Principal Chief Controller of Accounts, CBDT with the assistance of the local Pay & Accounts Officers is responsible for accounting the revenue collections as well as expenditure incurred by the Department.

### **6. INDIRECT TAXES**

The Central Board of Excise and Customs is the apex body in the Indirect Taxes set up. The Board discharge its various functions through its field organizations which includes 23 Chief Commissioners' Zones for Central Excise and Service Tax, 11 Chief Commissioners' Zones for Customs, 12 Directorates General, 6 Directorates, & a Chief Departmental Representative's setup for Customs, Excise and Service Tax Appellate Tribunal. In its functioning, CBEC is assisted by the following offices:-

- (i) Directorate of Revenue Intelligence
- (ii) Directorate General of Safeguards
- (iii) Directorate General of Central Excise Intelligence
- (iv) Directorate General of Inspection
- (v) Directorate General of Vigilance
- (vi) Directorate General of Service Tax
- (vii) Directorate General of Audit
- (viii) Directorate General of Export Promotion
- (ix) Directorate General of Valuation
- (x) Directorate General of Systems & Data Management
- (xi) Directorate General of Human Resource Development
- (xii) Directorate of Logistics

The Principal Chief Controller of Accounts, CBEC with the assistance of the local Pay and Accounts Offices is responsible for accounting the revenue collections as well as expenditure incurred by the Department.

### **7. Department of Revenue has three Demands for Grants:**

**Demand No. 37 –Department of Revenue**

**Demand No. 38 —Direct Taxes and**

**Demand No. 39 —Indirect Taxes.**

## CONVERTING OUTLAYS INTO OUTCOMES

(₹. in crore)

	Actuals 2014-15		Budget Estimates 2015-16		Revised Estimates 2015-16		Budget Estimates 2016-17		
	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan	Total
<b>Total-Revenue Section</b>		<b>11332.52</b>	-	<b>16081.69</b>	-	<b>17072.25</b>		<b>11869.01</b>	<b>11869.01</b>
Charged	-	0	-	0.02	-	0.02	-	0.02	0.02
Voted	-	11332.52	-	16081.67	-	17072.23		11868.99	11868.99
<b>Total- Capital Section</b>	-		- -	<b>106.00</b>	-	<b>10.00</b>	-	<b>56.00</b>	<b>56.00</b>
Charged	-	0		-		-		-	-
Voted	-	0.21	-	106.00	-	10.00	-	56.00	56.00
<b>Total(Revenue &amp; Capital)</b>	-	<b>11332.73</b>	-	<b>16187.69</b>	-	<b>17082.25</b>		<b>11925.01</b>	<b>11925.01</b>
Charged	-	0		0.02	-	0.02	-	0.02	0.02
Voted	-	11332.73	-	16187.67	-	17082.23		11924.99	11924.99

**STATEMENT OF OUTLAYS AND OUTCOMES 2016-17**

S. No.	Name of the Scheme/ Programme	Objective/ Outcome	Outlay 2016-17 (₹ In Crore)		Physical Outputs/ Quantifiable Deliverables	Projected Outcomes	Processes/ Timelines	Remarks/ Risk Factors
			Non-Plan	Plan				
			1	2	3	4	5	6
						4(i)	4(ii)	
1.	<b>Major Head 2052 – Internship Programme Implementation of VAT Scheme</b> (The Budget provision is for VAT related expenditure)	Internship Programme Implementation of GST	1.00		Implementation of GST is expected with effective from 1 <sup>st</sup> April, 2017 and accordingly training of the officials of States/ consultation with stake holders and internship programme for smooth implementation of GST.	Effective/ Smooth implementation of GST.	Regular training/ consultation with stake holders and internship programme will be conducted.	
2.	<b>Major Head 2047 – Special Purpose Vehicle (SPV) for Goods &amp; Service Tax Network (GSTN)</b> (The budget provision is for providing grants-in-aid to the SPV for GSTN)	Special Purpose Vehicle for Goods & Service Tax Network	696.69	—	To create enabling environment for smooth introduction of GST.	GSTN:SPV will provide IT infrastructure and services to various stakeholders, including the Centre and the States.	The SPV is now functional as a Non-Government Section 25 Company.	
3.	<b>Major Head -3601/ 3602 Compensation to States/ UTs for other VAT related expenditure</b> (The Budget Provision is for setting up/ upgradation of two Institutes for taxation studies in States/UTs)	Smooth and effective implementation of State VAT.	0.01	—	Setting up/ upgradation of two Institutes for Taxation Studies in States/UTs.		As a part of support for institutional capacity building and upgradation into national level Institutes of public finance and policy, the Centre for Taxation Studies, Kerala and the Centre for Studies in Social Science, Kolkata have been provided ₹14 crore and ₹22 crore respectively till March, 15. Kerala Govt. has revised the cost of GIFT upgradation and demanded Central share of	An addl. Addl. amount will be released on account of increased cost of construction to GIFT, Kerala.

1	2	3	4	5	6	7	8
			4(i)      4(ii)				
4.	<b>Major Head -3601/ Grants-in-aid to 10469.47</b> <b>3602 Compensation to States/ UTs for CST</b> <b>UTs for revenue losses due to compensation to facilitate introduction of Goods &amp; Services Tax</b> (The Budget Provision is for providing grant-in-aid to States/ UTs for CST compensation.)		— Implementation by all States/ UTs.- phasing out of CST	smooth and CST was planned to be phased out in three years time with implementation of effect from 1.4.2007. Rate of phasing out of CST was reduced from 4% to 3% in 2007-08 and to 2% in 2008-09. As per agreed formula, CST compensation was provided to the States till 2009-10. CST Compensation has also been paid for 2010-11 by reducing the amount of revenue gain to the States due to increase in VAT rate from 4% to 5%. Further, considering the delay in implementation of GST, Central Government has agreed, in principle, to pay CST compensation (100% for 2010-11, 75% for 2011-12 and 50% for 2012-13) as per the recommendation of the Empowered Committee of State Finance Ministers. Accordingly, CST Compensation claims for 2010-11 have been paid to the States in 2014-15. The States have furnished their updated claims for the year 2011-12 and 2012-13. First instalment of CST Compensation for 2011-12 has been released and the second instalment will also be released	₹24.92 crore due to cost escalation and price index etc. including balance Central share of ₹1.64 crore as per original cost. The proposal is under consideration of the Govt.		

1	2	3	4	5	6	7	8
			4(i)	4(ii)			
5.	<b>Major Head 2875 Govt. Opium &amp; Alkaloid Works</b>	The Govt. Opium & Alkaloid Factories in Ghazipur and Neemuch are two departmental undertakings functioning under the Department of Revenue. Each of these undertakings has two separate units viz. Opium Factory and Alkaloid Plant. The Opium Factories are engaged in catering to the demand of opium and the major portion of raw opium received from the field is exported.	<b>315.65</b>	— Procurement of 327 MTs of raw opium Import of 20 MTs of Codeine Phosphate Export of Opium (170 MT) and Sale of Alkaloids (74.10 MT).	Revenue Realization of ₹312.70 crore	The progress of revenue realization vis-à-vis realization and expenditure will be reviewed monthly/ quarterly.	during the current financial year. The claims for 2012-13 will be settled in 2016-17 for which a provision of ₹10469.47 crore has been made.  The revenue expenditure incurred depends upon a number of factors like demand of Indian opium in the international market, fluctuation in rate of foreign exchange, production of alkaloids, quantity of opium for procurement, import of codeine phosphate etc.
							99

## REFORM MEASURES AND POLICY INITIATIVES

### **Implementation of Value Added Tax (VAT) Scheme**

1. Introduction of State VAT is the most significant tax reform measure taken at State level in recent times. The decision to implement State VAT was taken in the meeting of the Empowered Committee of State Finance Ministers (EC) held on 18.06.2004, where a broad consensus was arrived at amongst the States to introduce VAT w.e.f. 01.04.2005. Accordingly, VAT has been introduced by all States/UTs, except the Union Territories of Andaman & Nicobar Islands and Lakshadweep which do not have Sales Tax/ VAT, and an amount of ₹19002.82 crore has been paid as compensation related to loss due to introduction of VAT to the States/UTs on account of claims of States for the FYs 2005-08.

### **Phasing Out of Central Sales Tax**

This is a logical corollary of State VAT implementation. The Central Sales Tax, being a non-rebatable origin-based tax, is inconsistent with VAT and needs to be phased out. The phasing out of CST is also extremely important in the context of the plan to introduce a unified national level Goods and Service Tax (GST) w.e.f. 1.4.2010. At the stage of discussions regarding phasing out of the CST, the States had insisted that they should be compensated for revenue loss on this account. A broad consensus had eventually been arrived at with the States for phasing out the CST over 3 years i.e. reducing it by 1% every year so as to abolish it by 31.3.2010. As part of this, the CST rate was reduced from 4% to 3% w.e.f 01.04.2007 and further from 3% to 2% w.e.f. 1.6.2008.

A package of compensation to the States for revenue loss on account of phasing out of CST had been mutually agreed to. The States have been compensated through a combination of revenue enhancing measures and budgetary support. As measures for enhancing revenue and thereby compensating the States for CST revenue loss, the facility of inter-state purchases by Government Departments at concessional CST rate against Form-D had been withdrawn from 01.04.2007. Also, enabling provisions had been made for States to levy VAT on Tobacco and Tobacco products without losing any part of the devolution of Central Taxes to the States. For the residual losses thereafter, the Central Government released an amount of ₹32860.42 crore to the States/UTs as CST compensation for the loss due to reduction of rate of CST for the claim years 2007-08, 2008-09, 2009-10 and 2010-11. Further, an amount of ₹1940.51 crore was released to Haryana and Uttar Pradesh towards arrears relating to years 2007-10 in the year 2013-14. Government has also agreed for payment of CST compensation to the States/UTs for the period 2010-11, 2011-12 and 2012-13 as per the recommendation of the Empowered Committee of State Finance Ministers. The Union Cabinet in its meeting held on 17<sup>th</sup> March, 2015, decided for payment of 100% CST compensation, for the year 2010-11, 75% CST compensation for year 2011-12 and 50% CST compensation for 2012-13 to be worked out as per 22<sup>nd</sup> August, 2008, guidelines.

Accordingly, ₹10724.08 crore has been released to States/UTs in March, 2015 towards balance CST compensation for year 2010-11 and as such total amount of ₹17118.93 crore (including

earlier release of ₹6393.94 crore) has been released to the States/UTs towards CST compensation for 2010-11 and ₹7696.53 crore towards 1<sup>st</sup> installments of CST compensation for the year 2011-12 in August, 2015. 2<sup>nd</sup> installments towards balance payment of CST compensation for the year 2011-12 is likely to be released before March, 2016. Further, provision of ₹10469.47 crore has been made for 2016-17 for release of CST Compensation to the States/ UTs for 2012-13.

### **Goods & Service Tax (GST)**

The proposal to introduce a national level Goods and Service Tax (GST) was first mooted in the Budget Speech for the financial year 2006-07. Since then, detailed deliberations and negotiations have been held with the Empowered Committee of State Finance Ministers (EC) on the topic. The 115<sup>th</sup> Constitutional (Amendment) Bill, 2011, for the introduction of GST was first introduced in the Lok Sabha in March 2011. The Bill, however, lapsed with the dissolution of the 15<sup>th</sup> Lok Sabha. Thereafter, several meetings have been held between the Central Government and the States to resolve the outstanding contentious issues on the introduction of GST. In terms of the broad consensus arrived at in the last few meetings, the Government introduced on 19.12.2014 the Constitution (122<sup>nd</sup> Amendment) Bill, 2014 in the Parliament, which was passed by the Lok Sabha in April 2015 and is pending with Rajya Sabha for amending the Constitution of India to facilitate the introduction of Goods and Services Tax (GST) in the country w.e.f. 1<sup>st</sup> April, 2016.

### **Setting up of Special Purpose Vehicle for Goods & Service Tax Network**

GST is recognized internationally as a destination based consumption tax which is least distortionary. The broad objectives of introducing the Goods & Service Tax (GST) in India are to expand the tax base through wider coverage of economic activities and reduction in exemptions; mitigate cascading and double taxation and enable better compliance through lowering of overall tax burden on goods and services. By removing hidden or embedded taxes, it would improve the competitiveness of domestic industry vis-a-vis imports and in international markets. This reform would also lead to the development of a common national market for goods and services.

Success of GST will also depend upon the robust IT infrastructure. The Government has accordingly approved setting up of a Special Purpose Vehicle (SPV) for Goods & Service Tax Network (GSTN:SPV) to create enabling environment for smooth introduction of GST. GSTN:SPV will provide IT infrastructure and services to various stakeholders, including the Centre and the States.

The GSTN:SPV has been set up as a Section 25 (not-for-profit) Non-Government Private Limited Company, in which the Government retains strategic control. It has an equity capital of ₹10 crore, with the Centre and States having equal stakes of 24.5% each. Non-Governmental Institutions hold 51% equity. No single Institution holds more than 10% equity.

GSTN SPV has a self-sustaining revenue model, based on levy of user charges on tax payers and tax authorities availing its services. While the SPV's services would be critical to actual rollout of GST at a future date, it is also expected to render valuable services to the Centre/State tax administrations prior to the implementation of GST.

#### **Support for upgradation to National level Institute of Public Finance & Policy**

Government had decided to provide financial assistance for upgradation of Centre for Taxation Studies, Thiruvananthapuram as the Centre of Excellence and setting up a new similar Regional Centre in eastern India.

The proposal for upgradation of Centre for Taxation Studies into Gulati Institute of Finance & Taxation (GIFT) at a total cost of ₹33.13 crore was approved by the Government. Department of Revenue agreed to provide grant-in-aid to the extent of ₹23.63 crore out of this. A tripartite Memorandum of Understanding was also signed between Centre and State Government and the Institute and an amount of ₹22 crore, as Centre's share of assistance, has been released to the Institute till 31<sup>st</sup> March, 2015. Government of Kerala has made the request for release of additional Central share of ₹23.92 crore, including existing balance Central share of ₹1.64 crore, towards the additional cost of construction of new building as well as ₹9.40 crore (approx.) towards the additional cost of the building due to increase in project cost after the signing of the aforesaid tripartite MoU. Foundation stone of the new building of the Institute was laid by Finance Minister in January, 2011. The construction of new GIFT building has been completed and has been inaugurated on 18<sup>th</sup> August, 2015. The request of Kerala Government for additional funds is also under consideration of the Government.

A proposal for providing funds to the Centre for Social Science and Studies (CSSS), Kolkata for creating a corpus and running identified set of activities was also approved by the Government. A Memorandum of Understanding was signed

between the Central Government and Director, CSSS, Kolkata and ₹14 crore have been released to the Government of West Bengal for this purpose.

#### **Government Opium & Alkaloid Works**

The Government Opium & Alkaloid Works (GOAWs) at Ghazipur (U.P.) and Neemuch (M.P.) are responsible for processing of raw opium for exports, manufacturing of opiate alkaloids and other related functions through its two factories at Ghazipur (U.P.) and Neemuch (M.P.). Some of the major reforms and initiatives undertaken by GOAWs are as follows –

- a) A Project at National Botanical Research Institute, Lucknow is being undertaken for development of high yielding varieties of opium poppy and installation of climate control chamber. The objective of this project is to commercially develop and cultivate those varieties of opium poppy which would have a higher alkaloid content to facilitate production of higher quantities of alkaloids. This may lead to increase in revenue receipts and lesser dependence on imports. This may also lead to increased compensation/income for opium cultivators.
- b) A Committee has been constituted to identify the roadmap for cultivation of opium poppy for production of CPS (Concentrate Poppy Straw).

#### **Monitoring Mechanism for Outcome Budget**

A system of monthly report by Administrative and Coordinating Units of respective items under Outcome Budget has been introduced. Monthly and Quarterly review of trends of expenditure and progress under Outcome Budget is done at the Department/Ministry level. Project Monitoring/Implementation Committee have been established to review the implementation of major project items. For coordinated efforts and faster decision making in massive computerization endeavors of CBDT & CBEC, an Empowered Committee is also functional where eminent experts from Private Sector are also members.

## STATUS OF OUTCOME WITH REFERENCE TO OUTLAYS - 2014-15

S. No.	Name of the Scheme/ Programme	Objective/ Outcome	Outlay 2014-15 (₹ In Crore) B.E.      R.E.	Quantifiable Deliverables	Processes/ Timelines	Status as on 31 <sup>st</sup> March, 2015
1	2	3	4	5	6	7
1	<b>Major Head 2052 Setting up of Tax Information Exchange System (TINXSYS)</b>	Effective tracking of inter-State transactions through TINXSYS and smooth functioning of the Empowered Committee(EC) and VAT computerization of HP and J&K	8.00      6.34	- Implementation of TINXSYS Project for effective tracking of inter-State transactions.	HP and J&K VAT computerization Project: An amount of ₹22.33 crore has so far been released. The project activities are being reviewed at regular intervals. The project with total outlay of ₹40.49 crore, with Central share of ₹25.33 crore, was approved. EC is implementing the project.	
2	<b>Major Head 3601/3602 Compensation to States/UTs for revenue loss due to implementation of VAT and other VAT related expenditure</b>	Grant-in-aid to States for (i) VAT compensation and (ii) other VAT related expenditure	1.01      4.00	To compensate States/UTs for revenue loss due to introduction of VAT with a view to ensure VAT implementation of all States/UTs as well as for meeting other VAT related expenditure of States/UTs	Support for modernization of State VAT administration	The Mission Mode Project for Commercial Taxation (MMP-CT) for modernization of State VAT Administrations was approved by the Cabinet. Project proposals of all the States/UTs were approved with overall cost of ₹1133 crore, of which Central share was about ₹725 crore. An amount of ₹622.22 crore (₹145 crore in 2009-10 and ₹206.32 crore in 2010-11, ₹102.83 crore in 2011-12, ₹98.07 crore in 2012-13 and ₹70 crore in 2013-14) was released as Central share. The project has ended on 31 <sup>st</sup> March, 2014 and the same is now funded by the State Government from their own resources.

1	2	3	4	5	6	7	
					Setting up/ upgradation of two Institutes for Taxation to the Centre for Studies in Social Sciences, (CSSS) Kolkata was also approved and an amount of ₹14 crore was released to the Institute through Govt. of West Bengal. No funds during the current year were released.		
3	<b>Major Head 3601/3602 Compensation to States/UTs for revenue loss due to phasing out of CST</b>	Grant-in-aid to States/UTs for CST compensation	0.01	11000.00	To compensate States/UTs for revenue loss due to phasing out of CST	As per agreed formula, CST compensation need to be provided to the States till 2009-10. Later, on the request of the States and in order to keep GST negotiations going, Govt. agreed to payment of CST compensation for 2010-11, 2011-12 & 2012-13 as per the recommendations of EC.	
4	<b>Major Head 2875 Government Opium &amp; Alkaloid Works</b>	To cater the demand of opium and alkaloids for domestic consumption as well as international market.	267.52	301.99	Procurement of Opium (300 MTs) Procurement of 20 MTs of Codeine Phosphate Export of Opium (214 MTs) and Sale of alkaloids (56.200 MTs)	The progress of revenue realization vis-à-vis expenditure was to be reviewed monthly/ quarterly. This will result into revenue receipt of ₹287.82 crore.	Against the projected quantity, 255 MTs of opium and 15.491 MTs of Codeine Phosphate was procured in 2014-15. The opium export was 150.55 MTs against the targeted export of 300 MTs. The sale of Alkaloids was 55.819 MTs against the target of 56.200 MTs.  Revenue Receipts in 2014-15 were ₹255.38 crore against projected revenue receipt of ₹287.82 crore. The expenditure up to March, 2015 on Govt. Opium & Alkaloid Works was ₹267.59 crore.

## STATUS OF OUTCOME WITH REFERENCE TO OUTLAYS - 2015-16

S. No.	Name of the Scheme/ Programme	Objective/ Outcome	Outlay 2015-16 (₹ In Crore) B.E.      R.E.	Quantifiable Deliverables	Processes/ Timelines	Status as on 31 <sup>st</sup> December, 2015
1	2	3	4	5	6	7
1	<b>Major Head 3601/3602 Compensation to States/UTs for revenue loss due to implementation of VAT and other VAT related expenditure</b>	Grant-in-aid to States for (i) VAT compensation and (ii) implementation of VAT and other VAT related expenditure	9.40      9.40	To meet other VAT related expenditure of States/UTs	Setting up/ upgradation of two Institutes for Taxation Studies in States/UTs	The project proposal for financial assistance for upgradation of the Centre for Taxation Studies into Gulati Institute for Finance & Taxation (GIFT) at a total cost of ₹23.63 crore was approved and four instalments of grant of ₹4 crore, ₹10 crore, ₹4 crore and ₹4 crore have been released to the Institute. The Institute has made an additional demand of ₹23 crore approx.. due to increase in the cost of construction etc., which is under consideration of the Government.
2	<b>Major Head 3601/3602 Compensation to States/UTs for revenue loss due to phasing out of CST</b>	Grant-in-aid to States/UTs for CST compensation	15028.00      16315.25	To compensate States/UTs for revenue loss due to phasing out of CST	As per agreed formula, CST Compensation claims of the States/UTs up to 2010-11 have already been provided to the States till settled. First instalment of CST 2009-10. Later, on the request of States and in amounting to ₹7696.53 crore has been order to keep GST released and the second instalment will be released before March, 2015. Government has agreed, in principle, to the payment of CST compensation to States for 2010-11, 2011-12 & 2012-13 as per the recommendation of EC.	Another proposal to provide corpus fund to the Centre for Studies in Social Sciences, (CSSS) Kolkata was also approved. An amount of ₹14 crore has been released to the Institute through Govt. of West Bengal.

1	2	3	4	5	6	7
3	<b>Major Head 2047 Special Purpose Vehicle for Goods &amp; Service Tax Network (GSTN)</b>	Setting up of Special Purpose Vehicle for Goods and Service Tax Network (GSTN)	292.00 130.00	To create enabling environment for smooth introduction of GST. GSTN:SPV will provide IT infrastructure and services to various stakeholders, including the Centre and States.	Cabinet has approved a provision of ₹315 crore towards the expenditure for current financial year, an amount of ₹130 crore has been released.	An amount of ₹23.78 crore was released to GSTN till 31 <sup>st</sup> March, 2015. In the functioning of the GSTN for a three years period after incorporation.
4	<b>Major Head 2875 Government Opium &amp; Alkaloid Works</b>	To cater the demand of opium and alkaloids for domestic consumption as well as international market.	350.17 268.53	Procurement of Opium (326 MTs)  Procurement of 20 MTs of Codeine Phosphate  Export of Opium (316 MTs) and Sale of alkaloids(67.13 MTs)  This will result into revenue receipt of ₹400.43 crore.	The progress of revenue realization vis-à-vis expenditure was to be reviewed monthly/quarterly.	Against the projected quantity, 302 MTs of opium and 7.5 MTs of Codeine Phosphate has been procured till December, 2015. The opium export has been 51.575 MTs against the targeted export of 326 MTs. The sale of Alkaloids has been about 47.794 MTs against the target of 67.13 MTs till December, 2015. Revenue Receipts of ₹198.99 crore have been collected till December, 2015 against the Revised revenue receipts of ₹312.70 crore at RE stage. The expenditure up to December, 2015 on Govt. Opium & Alkaloid Works is ₹148.52 crore (prov.).

**FINANCIAL REVIEW**  
**ANALYSIS OF OVERALL TRENDS IN EXPENDITURE VIS-À-VIS BUDGET ESTIMATES/REVISED ESTIMATES**

(₹ in crore)

	Major Head	2013-14			2014-15			2015-16			Outcome Budget 2016-2017
		B.E.	R.E.	Actual	B.E.	R.E.	Actual	B.E.	R.E.	Actual (Prov.)	
		2052	178.97	148.04	139.44	175.55	174.64	161.67	184.78	168.12	114.05
Secretariat-General Services	2052	178.97	148.04	139.44	175.55	174.64	161.67	184.78	168.12	114.05	
<b>Total</b>	<b>2052</b>	<b>178.97</b>	<b>148.04</b>	<b>139.44</b>	<b>175.55</b>	<b>174.64</b>	<b>161.67</b>	<b>184.78</b>	<b>168.12</b>	<b>114.05</b>	
<b>Other Fiscal Services</b>											
Enforcement Directorate	2047	70.86	59.34	60.57	81.01	85.20	75.89	107.44	87.68	65.78	
National Institute of Public Finance & Policy	2047	10.03	8.38	8.16	10.99	8.39	8.18	11.67	11.21	5.74	
International Cooperation	2047	1.01	1.17	1.07	1.17	1.17	0.10	1.17	1.99	0.98	
Other Expdtr.(ATFP/CESTAT)	2047	20.69	21.72	21.55	27.38	29.27	25.51	37.81	28.94	22.10	
GSTN:SPV	2047	100.00	58.84	2.78	100.00	100.00	19.26	292.00	130.00	130.00	
<b>Total</b>	<b>2047</b>	<b>202.59</b>	<b>149.45</b>	<b>94.13</b>	<b>220.55</b>	<b>224.03</b>	<b>128.94</b>	<b>450.09</b>	<b>259.82</b>	<b>224.60</b>	
<b>Other Administrative Services</b>											
Narcotics Control	2070	39.35	37.08	32.51	40.66	40.82	39.25	43.86	41.11	28.72	
International Cooperation etc.	2070	2.74	6.13	5.69	6.10	6.11	4.16	6.12	7.56	2.64	
Transfer to National Fund for Control of Drug Abuse	2070	1.00	0.00	0.00	1.00	0.00	0.00	1.00	0.00	0.00	
Tax Admn. Reform Commission	2070	0	2.58	0.61	5.16	3.11	1.55	0.18	0.05	0.04	
Special Investigation Team	2070	0	0	0	8.93	4.92	1.04	7.74	2.11	0.94	
<b>Total</b>	<b>2070</b>	<b>43.09</b>	<b>45.79</b>	<b>38.81</b>	<b>61.85</b>	<b>54.96</b>	<b>46.00</b>	<b>58.90</b>	<b>50.83</b>	<b>32.34</b>	106
<b>Opium &amp; Alkaloids Factories</b>											
Revenue Expenditure	2875	259.59	341.71	319.33	266.92	301.38	266.98	349.57	267.66	148.01	
Chief Controller, Govt. Opium & Alkaloid Factories	2875	0.55	0.56	0.65	0.60	0.61	0.61	0.60	0.87	0.37	
<b>Total</b>	<b>2875</b>	<b>260.14</b>	<b>342.27</b>	<b>319.98</b>	<b>267.52</b>	<b>301.99</b>	<b>267.59</b>	<b>350.17</b>	<b>268.53</b>	<b>148.38</b>	
<b>Collection of Taxes on Income &amp; Expenditure</b>											
Other Charges	2020	0.40	0.30	0.24	0.40	0.30	0.24	0.35	0.30	0.17	
<b>Total</b>	<b>2020</b>	<b>0.40</b>	<b>0.30</b>	<b>0.24</b>	<b>0.40</b>	<b>0.30</b>	<b>0.24</b>	<b>0.35</b>	<b>0.30</b>	<b>0.17</b>	
Grant in Aid to States (VAT)	3601	131.00	70.00	70.00	1.01	4.00	0.00	9.40	9.40	0.00	
Grant in Aid to UTs (VAT)	3602	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.00	0.00	

(₹ in crore)

	Major Head	2013-14			2014-15			2015-16		
		B.E.	R.E.	Actual	B.E.	R.E.	Actual	B.E.	R.E.	Actual (Prov.)
Grant-in-Aid to States (CST)	3601	9300.00	1940.51	1940.51	0.01	10758.43	10724.08	14929.00	14370.60	7696.53
Grant-in-Aid to UTs (CST)	3602	1.00	4.00	4.00	0.00	241.57	4.00	99.00	1944.65	0.00
<b>Total</b>		<b>9432.00</b>	<b>2014.51</b>	<b>2014.51</b>	<b>1.03</b>	<b>11004.00</b>	<b>10728.08</b>	<b>15037.40</b>	<b>16324.65</b>	<b>7696.53</b>
<b>Total (Revenue Section)</b>		<b>10117.19</b>	<b>2700.36</b>	<b>2607.11</b>	<b>726.90</b>	<b>11759.92</b>	<b>11332.52</b>	<b>16081.69</b>	<b>17072.25</b>	<b>8216.07</b>
<b>Capital Section</b>										
Capital outlay for GSTN:SPV	4047	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Capital Expenditure on GOAWs	4875	0.70	0.50	0.00	6.00	0.86	0.20	6.00	6.00	0.00
Purchase of Ready-built Accommodation										
Residential Building	4216	0.01	0.01	0.01	0.01	0.01	0.01	0	0.00	0.00
Capital Outlay on Public Works	4059	100.00	13.00	13.00	100.00	50.00	0.00	100.00	4.00	0.00
<b>Total (Capital Section)</b>		<b>100.71</b>	<b>13.51</b>	<b>13.01</b>	<b>106.01</b>	<b>50.87</b>	<b>0.21</b>	<b>106.00</b>	<b>10.00</b>	<b>0.00</b>
<b>Grand Total</b>		<b>10217.90</b>	<b>2713.87</b>	<b>2620.12</b>	<b>832.91</b>	<b>11810.79</b>	<b>11332.73</b>	<b>16187.69</b>	<b>17082.25</b>	<b>8216.07</b>
Less										
(I) Revenue Receipts		347.73	316.47	347.55	338.97	287.82	208.80	400.43	312.70	0.00
(ii) Recoveries		52.09	52.26	0.00	56.04	77.37	1.07	78.26	54.57	0.00
Net		9818.08	2345.14	2272.57	437.90	11445.60	11122.86	15709.00	16714.98	8216.07

**STATEMENT SHOWING ACTUAL EXPENDITURE VIS-À-VIS BE/RE FOR THE YEARS 2013-14, 2014-15 AND 2015-16 - OBJECT HEAD-WISE**

Head										(₹ in crore)	
	2013-14			2014-15			2015-16				
	B.E.	R.E.	Actual	B.E.	R.E.	Actual	B.E.	R.E.	Actual (Prov.)		
<b>Revenue Section</b>											
Salary	202.52	182.13	181.36	221.92	217.00	203.03	252.19	206.51	173.21		
Wages	1.12	0.40	0.13	0.98	0.08	0.06	0.07	0.06	0.03		
Overtime Allowance	1.67	1.40	1.29	1.53	2.28	2.10	1.81	1.64	1.13		
Pensionary Charges	0.87	0.93	0.90	0.91	0.90	0.91	0.85	0.80	0.00		
Rewards	0.13	0.12	0.02	0.12	0.10	0.04	0.12	0.23	0.05		
Medical Treatment	3.24	3.17	2.74	4.01	4.45	2.95	4.34	4.51	1.93		
Domestic Travel Expenses	8.67	8.19	7.69	11.43	12.29	10.36	13.22	11.76	5.59		
Foreign Travel Expenses	6.27	5.19	4.11	6.41	5.69	3.57	5.92	7.37	4.05		
Office Expenses	33.85	30.34	30.49	38.83	50.36	48.18	51.14	50.15	30.07		
Rent, Rates & Taxes	24.54	24.08	20.62	34.15	31.75	27.29	40.37	35.91	22.23	108	
Publications	0.69	0.59	0.44	0.69	0.75	0.61	0.85	0.88	0.38		
Banking Transaction Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Other Administrative Services	3.42	3.50	3.38	4.96	4.41	3.71	4.84	5.42	3.29		
Supplies & Material(Voted)	157.28	208.70	170.64	152.95	159.27	140.04	204.99	145.41	112.00		
Supplies & Material(Charged)	0.00	26.50	26.45	0.00	0.00	0.00	0.00	0.00	0.00		
Advertising & Publicity	0.34	0.29	0.14	0.38	0.33	0.19	0.37	0.48	0.09		
Minor Works	1.63	1.25	1.18	1.61	1.67	1.26	2.18	3.74	0.79		
Professional Services	19.03	20.17	18.57	23.34	22.44	19.14	23.97	22.71	15.28		
Other Contractual Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Grant-in-Aid General	9522.10	2076.30	2024.67	83.18	11084.49	10756.75	15091.93	16368.00	7707.49		
Grant for creation of Capital assets	30.00	7.04	0.00	30.00	30.00	0.63	242.00	90.93	120.00		
Grant-in-Aid Salaries	8.19	6.54	8.16	8.99	6.39	6.38	9.56	9.34	4.78		
International Contribution	3.76	7.30	6.76	7.34	7.34	4.31	7.35	9.61	3.67		

(` in crore)

Head	2013-14			2014-15			2015-16		
	B.E.	R.E.	Actual	B.E.	R.E.	Actual	B.E.	R.E.	Actual (Prov.)
Secret Service Expenditure	4.30	2.26	2.27	2.16	2.19	2.18	2.90	2.91	2.37
Interest on Capital	9.20	12.11	12.11	9.87	16.58	15.78	15.08	18.25	0.00
Other Charges									
Charged	0.02	0.02	0.00	0.02	0.02	0.00	0.02	0.02	0.00
Voted	1.06	1.01	0.91	1.42	1.35	0.84	2.36	2.11	0.58
Machinery & Equipment	0.05	0.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Inter Account Transfer	52.90	52.69	66.75	57.31	77.52	64.35	79.69	54.09	0.00
Information Technology	20.34	18.10	15.33	22.39	20.27	17.86	23.57	19.41	7.05
<b>Total - Revenue Section</b>	<b>10117.19</b>	<b>2700.36</b>	<b>2607.11</b>	<b>726.90</b>	<b>11759.92</b>	<b>11332.52</b>	<b>16081.69</b>	<b>17072.25</b>	<b>8216.06</b>
Charged	0.02	0.02	0.00	0.02	0.02	0.00	0.02	0.02	0.00
Voted	10117.17	2700.34	2607.11	726.88	11759.90	11332.52	16081.67	17072.23	8216.06
Capital Section									
Machinery & Equipment	0.25	0.10	0.00	5.58	0.60	0.00	5.58	5.44	0.00
Major Works	100.45	13.40	13.01	100.43	50.27	0.21	100.42	4.56	0.01
Investment	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total - Capital Section</b>	<b>100.71</b>	<b>13.51</b>	<b>13.01</b>	<b>106.01</b>	<b>50.87</b>	<b>0.21</b>	<b>106.00</b>	<b>10.00</b>	<b>0.01</b>
<b>Grand Total</b>	<b>10217.90</b>	<b>2713.87</b>	<b>2620.12</b>	<b>832.91</b>	<b>11810.79</b>	<b>11332.73</b>	<b>16187.69</b>	<b>17082.25</b>	<b>8216.07</b>
Charged	0.02	0.02	26.45	0.02	0.02	0.00	0.02	0.02	0.00
Voted	10217.88	2713.85	2593.67	832.89	11810.77	11332.73	16187.67	17082.23	8216.07

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Department of Revenue

**FINANCIAL REVIEW-ANALYSIS OF OVERALL TRENDS IN EXPENDITURE VIS-À-VIS BUDGET ESTIMATES/REVISED ESTIMATES**

The position of expenditure in three years in respect of Demand No.37 – Department of Revenue has been, in nut-shell, as under:-

	2013-14			2014-15			2015-16			(₹ in crore)
	B.E.	R.E.	Actuals	B.E.	R.E.	Actuals	B.E.	R.E.	Actuals (Prov.)	
VAT* - MH2052	15.80	6.18	6.13	0.03	6.34	6.34	0.01	0.50	0	
VAT/CST** - 3601/3602	9432.00	2014.51	2014.51	1.03	11004.00	10728.08	15037.40	16324.65	7696.53	
Non-VAT/CST	770.10	693.18	599.48	831.85	800.45	598.31	1150.28	757.10	519.54	
Total	10217.90	2713.87	2620.12	832.91	11810.79	11332.73	16187.69	17082.25	8216.07	
CCF(GOAWs)										
2875	260.14	342.27	319.98	267.52	301.99	267.59	350.17	268.53	148.38	
4875	0.70	0.50	0.00	6.00	0.86	0.20	6.00	6.00	0.00	
Others *** – Non-VAT/CST and Non –GOAWs	509.26	350.41	319.98	558.33	503.60	330.52	794.11	482.57	371.15	
<b>Total-Salary</b>	<b>202.52</b>	<b>182.13</b>	<b>181.20</b>	<b>221.92</b>	<b>217.00</b>	<b>203.03</b>	<b>252.19</b>	<b>206.51</b>	<b>173.21</b>	
<b>Non-Salary</b>	<b>10015.38</b>	<b>2531.74</b>	<b>2438.92</b>	<b>610.99</b>	<b>11593.79</b>	<b>11129.70</b>	<b>15935.50</b>	<b>16875.74</b>	<b>8042.86</b>	

\* The budget provision is for Implementation of VAT Scheme and TINSXYS Project and grants to Empowered Committee of State Finance Ministers for its establishment expenditure.

\*\* The budget provision is for Compensation to States/UTs for revenue loss due to Introduction of VAT and phasing out of CST & VAT related expenditure.

\*\*\* The budget provision is for establishment related expenditure on various constituents of the Department of Revenue including Central Bureau of Narcotics.

#### Trends in Expenditure

Salary expenditure increased in 2014-15 by 12.05% over 2013-14 due to payment of additional DA, increments, creation of new posts etc. whereas non-salary expenditure increased by 356.34% during the same period mainly on account of payment of CST Compensation of ₹10724.08 crore to the State Governments for the year 2010-11. During 2014-15, the expenditure of ₹10728.04 crore on CST Compensation and VAT related expenditure constituted the major portion of expenditure i.e. 94.66% of total expenditure under Grant No.37 – Department of Revenue, as against 76.88% expenditure in the previous year.

In 2014-15, there was substantial increase of 1260.62% in the actual expenditure as compared to BE as against the provision of ₹0.01 crore kept for CST Compensation, an amount of ₹10724.08 crore was actually utilized to settle the CST claims of State Governments/UTs for the financial year 2010-11. In 2015-16, there is considerable increase in BE as Government has decided to provide CST Compensation to the States for 2011-12 also.

So far, total VAT Compensation of ₹19002.82 crore and CST Compensation amounting to ₹43,525.01 crore has been provided to the State Governments/UTs.

The overall financial performance during 2013-14, 2014-15 and 2015-16 has been as under:-

Scheme	(₹ in crore)								
	2013-14			2014-15			2015-16		
	B.E.	R.E.	Actuals	B.E.	R.E.	Actuals	B.E.	R.E.	Actuals (Prov.)
Implementation of VAT Scheme	0.19	0.18	0.13	0.03	0	0	0	0.50	0
Setting up of Tax Information Exchange System etc.	15.61	6.00	6.00	8.00	6.34	6.34	0.01	0	0
Compensation to States/UTs for revenue losses due to introduction of VAT and other VAT related expenditure	132.00	74.00	74.00	1.02	4.00	4.00	9.40	9.40	0
Compensation to State/UTs for revenue losses due to phasing out of CST	9300.00	1940.51	1940.51	0.01	11000.00	10724.08	15028.00	16315.25	7696.53
GSTN:SPV	100.00	58.84	2.84	100.00	100.00	20.00	292.00	130.00	130.00
<b>Total</b>	<b>9547.80</b>	<b>2079.53</b>	<b>2023.48</b>	<b>109.06</b>	<b>11110.34</b>	<b>10754.42</b>	<b>15329.41</b>	<b>16455.15</b>	<b>7826.53</b>

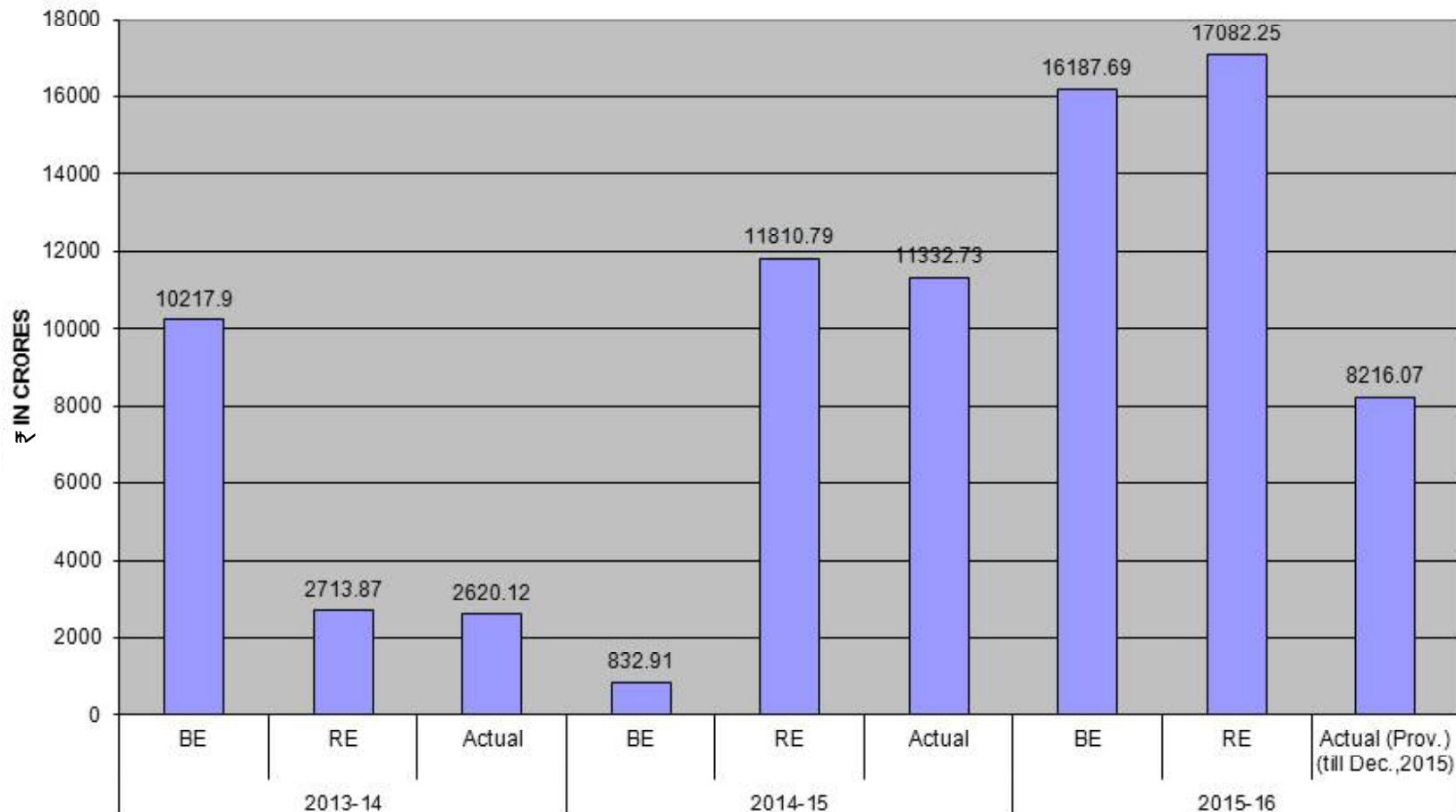
#### Government Opium and Alkaloid Works:

The position of actual expenditure in 2013-14, 2014-15 and 2015-16 on gross expenditure and revenue receipts has been as under:

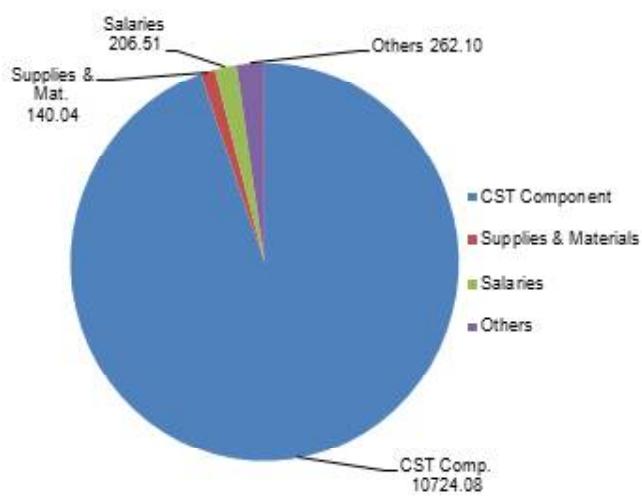
	Expenditure			Receipts		
	B.E.	R.E.	Actuals	B.E.	R.E.	Actuals
2013-14	260.14	342.27	319.98	347.73	316.47	347.55
2014-15	267.52	301.99	267.59	338.97	287.82	208.80
2015-16	350.17	268.53	148.38 (Dec.,15)	400.43	312.70	198.99 (Dec.,15)

In 2014-15, the expenditure on Government Opium & Alkaloid Works constituted 2.36% of total expenditure. Increase at R.E. stage in 2014-15 was due to payment of Purchase Tax to Government of Uttar Pradesh and import of codeine phosphate. Against the estimated revenue receipt of ₹287.82 crore for 2014-15 at RE stage, the revenue amounting to ₹208.80 crore was collected. The revenue receipts are expected to be around ₹312.70 crore in the current financial year 2015-16.

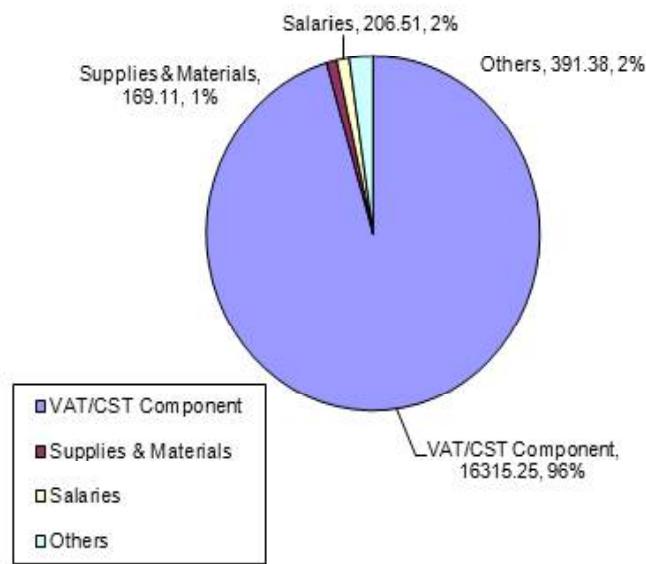
**DETAILS OF ALLOCATION MADE AND ACTUAL EXPENDITURE INCURRED  
DURING 2013-14, 2014-15 & 2015-16**



ACTUAL EXPENDITURE 2014-15 (₹ in crore)



REVISED ESTIMATES 2015-16 (₹ in crore)



The actual expenditure under the Grant in 2014-15 amounted to ₹11332.73 crore. The Compensation to State Governments on account of Revenue loss due to introduction of CST and VAT related expenditure amounted to ₹10724.08 crore constituting 94.63% of the expenditure. On Supplies and Materials, an expenditure of ₹140.04 crore was incurred constituting 1.24% of the total expenditure. This expenditure is mainly on account of procurement of opium and import of Codeine Phosphate. The expenditure on salaries was 1.82% of the total expenditure whereas other items constituted 2.29% of the total expenditure.

The RE 2015-16 is ₹17082.25 crore, out of which the CST Compensation and VAT related provision has been kept at ₹16315.25 crore constituting 95.50% of the total budget. The next major component is Salaries amounting to ₹206.51 crore which constitutes 1.21% of the total budget. The provision on Supplies & Material amounting to ₹169.11 crore constitutes 0.99% and other items constitute 2.29% of the total budget.

## REVIEW OF PERFORMANCE OF STATUTORY AND AUTONOMOUS BODIES UNDER MINISTRY OF FINANCE

### NATIONAL INSTITUTE OF PUBLIC FINANCE AND POLICY

The National Institute of Public Finance and Policy, New Delhi was established in 1976 as a joint initiative of Ministry of Finance, Planning Commission, several major State Governments, distinguished academicians and eminent persons as an independent, non-profit organization and was registered as a Society under the Societies Registration Act, 1860. It is an independent Research and Training organization. It provides research, advisory and capacity building support on macro-economics, fiscal policy, and inter-governmental finance at both national and international levels. The vision of the Institute is to “promote stable and sustainable development”.

The details of the Grant/Income of National Institute of Public Finance & Policy from various sources and expenditure incurred during the year 2014-15 are as under:-

Sl. No.	Source of Funding	Grant/Income (₹ in Crore)	Expenditure (₹ in Crore)
1	Ministry of Finance	7.86	7.86
2	Other Sources	10.08	9.08
3	<b>Total</b>	<b>17.94</b>	<b>16.94</b>

Details of the Grants provided by the Ministry of Finance since 2009-10 are as follows:-

	(₹ In Crore)
2009-10	10.17
2010-11	7.10
2011-12	7.66
2012-13	18.65*
2013-14	9.83
2014-15	10.79
Budget Estimates 2015-16	11.21
Revised Estimates 2016-17	11.69

\*Including Corpus Grant of ₹ 10 crore.

The constituents of grants and objectives thereof are as follows:-

- a) The Institute has entered into a new Memorandum of Understanding (MOU) with the Ministry of Finance, Government of India on May 2, 2012.

- b) As per MOU, salary grant to meet 90% of the expenditure on salary allowances like D.A., H.R.A. and transport allowance or any other allowances or pay revision of the core staff of the Institute following release of D.A. Installments/or pay revision of Central Government employees or/and UGC as per the recommendations of the Pay Commission, is provided. Computation of 90% of the salary to be covered by this recurring-grant is based on the total expenditure on salary and allowances, calculated on the mid point of the Pay Scale attached to the Core Staff as indicated in Annexure 1 to IV without reference to the salary and allowances of core staff charged to various sponsored projects of the Institute.
- c) At the end of the Financial Year, any surplus/deficit of salary grant over 90% of the actual salary expenditure may be adjusted in the grant of succeeding financial years.
- d) A core grant equivalent to 20% of the salary grant as calculated in para 3(a) to cover the non-salary expenditure of the Institute.
- e) A Tax Research Cell (TRC) has been set up in the Institute with effect from June 9, 2005 with financial assistance of ₹20.00 lakh per annum from Ministry of Finance.

The following are some of the completed/on-going studies/ Working Papers of the Institute:

### STUDIES/RESEARCH PROGRAMMES COMPLETED (2014-15)

1. Tax Policy and Enterprise Development in South Asia.
2. NIPFP-UIDAI Study on Pricing the UIDAI Authentication and eKYC Services.
3. Consultation Project of UIDAI: Developing various models of business plan for continuous enrolment, update and other services offered/ to be offered by UIDAI
4. Financing for Infrastructure Investment Multilateral in G-20 Countries.
5. Macroeconomic Policy Simulations for the Fourteenth Finance Commissioner.
6. Mid-Term Appraisal for the 12<sup>th</sup> Plan Period.
7. The Review of Compliance of the Government of Odisha to the FRBM Act – 2012-13.

8. Inter-Government Finance in Five Emerging Market Economies.
9. Understanding High Unspent Balances and Fund Flow Mechanism in Major Rural Development Programme.

**ON GOING STUDIES/RESEARCH PROGRAMMES (2014-15)**

1. Study on Development of an Analytical Model for Widening of the Taxpayers' Base Asia.
2. Estimating RNR for GST for the year 2013-14.
3. 4<sup>th</sup> NIPFP-DEA Research Programme.
4. Research on Business Cycles.
5. Foreign Borrowing by Indian Firms: Implications for Growth and Macroeconomic Stability.
6. Level and Composition of Subsidies in India: 1987-88 to 2011-12.
7. Macroeconomic Policy Simulations Model.
8. Governance as Service Delivery: Performance of Indian States.
9. MDG Report for Madhya Pradesh.
10. Medium-term fiscal Policy of Goa for 2015-16.
11. The Review of Compliance of the Government of Sikkim to the FRBM Act 2012-13.
12. Medium-term Fiscal Plan under FRBM Act of Sikkim 2015-16.
13. What is Quality of Governance across Indian States, and does it Matter?
14. Study on Bihar State Finances: Policy Options for Tax Rationalization and Mobilization of Revenue.
15. Have Newly-created Indian States Promoted inclusive Development? Comparison of Jharkhand and Chhattisgarh.
16. Fiscal Research on Mining in Newly Created States- Jharkhand & Chhattisgarh.
17. Award of the Assignment Pertaining to Assessment of the Riskiness of the Airport Sector and Estimating Fair Rate of Return of Equity (RoE).
18. Understanding High Unspent Balances and Fund Flow Mechanism in Major Rural Development Programmes.
19. Strengthening Research and Capacity Development in the Department Training and Assistance Programme for the Comptroller and Auditor General (CAG) of India.
20. Macroeconomic Policy for Mining Sector in India.
21. 25 Country Study on Gender Budgeting in Asia-Pacific.

22. Study on : 5<sup>th</sup> NIPFP DEA Programme.
23. Updating the classification of Public Expenditure for the National Health Accounts as SHA 2011.
24. Preparing Medium Terms Fiscal Plan 2015-16 Goa.
25. Expenditure Management Commission.
26. Sikkim FRBM Act 2010.
27. UNICEF: Understanding Governance and Public Finance Bottlenecks in achieving development goals in MP.
28. Review of Compliance of FRBM Act 2012-13 Sikkim.
29. Study Strengthening Natural Resource Management.
30. Study of Assam Finance to Recommend 10 Years Perspective planning and concomitant in the Public Finance Management.
31. Bill and Melinda Gates Foundation – Grant Agreement for improving Research and Policies on Health and its Financing.
32. Estimation of Revenue Neutral Rate for 2013-14.
33. Financial Investigation for South Asia – ICSSR.
34. The Implementation of WDRA Transformation Programme.
35. Study on How disclosure affect financial choices? The Cases of Life Insurance in India.

**WORKING PAPER SERIES**

1. Developmental Disability Index for Hill States in India (No.134, April, 2014).
2. Room at the Top: An Overview of Fiscal Space, Fiscal Policy and Inclusive Growth in Developing Asia (No.135, April, 2014).
3. Exploring Policy Options to Include Petroleum, Natural Gas and Electricity under the Proposed Goods and Services Tax (GST) Regime in India (No.136, May 2014).
4. Dependence of states on Central Transfers: State-wise Analysis (No.137, May 2014).
5. Modelling India's External Sector: Review and Some Empirics (Paper No.138, May 2014).
6. Three Decades of Human Development across Indian States: Inclusive Growth or Perpetual Disparity? (No.139, June 2014).
7. Groundwater Irrigation in Punjab: Some Issues and Way Forward (No.140, August 2014).
8. Finance Commission of India's Assessment: A Political Economy Contention between Expectations and Outcomes (No.141, September 2014).

9. Designing Policies in the Presence of Hawala Markets (No.142, January 2015).
10. Financial Access – Measurement and Determinants: A Case Study of Unorganized Manufacturing Enterprises in India (No.143, January 2015).
11. Financing for Infrastructure Investment in G-20 Countries (No.144, February 2015).
12. Factors Influencing Unincorporated Enterprises to Register under Value Added Tax (VAT): An Analysis with Enterprises Survey Data (No.145, April, 2015).
13. Estimation of Unaccounted Income Using Transport as a Universal Input: A Methodological Note (No.146, April, 2015).
14. Role of Fiscal Instruments in Promoting Low-carbon Technology Innovation (No.147, May 2015).
15. Targeting Debt and Deficits in India: A Structural Macro Econometric Approach (No.148, May 2015).
16. Productive Public Expenditure and Debt Dynamics: An Error Correction Representation using Indian Data (No.149, May 2015).
17. Minimizing Selection Failure and Measuring Tax Gap: An Empirical Model (No.150, May 2015).
18. Food Inflation in India: Causes and Consequences (No.151, July 2015).
19. Does Introduction of Bureaucratic Competition Reduce Corruption in Public Service Delivery? (No.152, July 2015).
20. Efficacy of New Monetary Framework and Determining Inflation in India: An Empirical Analysis of Financially Deregulated Regime (No.153, August, 2015).
21. Present State of Goods and Services Tax (GST) Reform in India (No.154, September 2015).
22. China's One Belt One Road Strategy: The New Financial Institutions and India's Options (No.155, September 2015).
23. Fiscal Seignior age “Laffer-cum effect” on Central Bank Autonomy in India (No.156, October 2015).
24. Towards 2030 UN Agenda on Sustainable Development Goals: Technical Challenges in Measuring Gender Inequality in Asia Pacific (No.157, October 2015).
25. Inequality Effects for Fiscal Policy: Analysing the Benefit Incidence on Health Sector in India (No.158, December 2015).
26. Where is India's Growth Headed (No.159, January 2016).

27. Seasonal adjustment of Indian Macroeconomic Time-Series (No.160, January 2016).
28. Cashing in on Mining: The Political Economy of Mining Regulations and Fiscal Policy Practices in India (No.161, January 2016).

#### **TRAINING PROGRAMMES/WORKSHOPS (up to March 2015)**

1. Cashless and Paperless Field Enrollments by Low-Income Individuals on May 27, 2014 by Gautam Bhardwaj, Invest India Micro Pension Services.
2. Inflation Target at the Zero Lower Bound on June 11, 2014 by Siddhartha Chattopadhyay, Faculty, IIT, Kharagpur.
3. China-India Relations and Economic Cooperation in Modi Era on June 16, 2014 by Liu Zongyi, Research Fellow, Shanghai Institute of International Studies.
4. Kinley Development: Fund, but not Productive on June 16, 2014 by Lant Pritchett, Professor, Harvard University.
5. Capital Market Financing, Firm, Growth, and Firm Size Distribution: Evidence from China-India and the Rest of the World on July 22, 2014 by Sergio Schmukler, Lead Economist, Development Research Group, The World Bank, Washington.
6. Fiscal Space and Budget Management on December 9, 2014 by Richard Hemming, Visiting Professor, Duke Centre for International Development.
7. The Effect of Privatization on Economic Performance in Transitional Economies on January 29, 2015 by S. Numura, Professor, Osaka School of International Public Policy, Osaka University.
8. An OECD –India Policy Dialogue on New Approaches to Economic Challenges on February 24, 2015.
9. 13<sup>th</sup> Research Meeting of NIPFP-DEA Research Programme on Mar4ch 6-8, 2015.
10. Five Institutions Union Budget Seminar 2015-16 on Reform and Development Perspectives on March9, 2015.
11. Papers in Public Economics and Policy on (March 12, 2015).
12. Issues in India's External Sector on March 13, 2015.
13. Training Programmes in Public Finance for Officer Trainees of Indian Audit and Accounts Service (IA&AS) during February 2013, 2015.
14. Training Programme in Public Finance for Officer Trainees on Indian Statistical Services during March 23-27, 2015.

### Statement on Surrender and Savings during the Financial Year 2014-15

(₹ in Crore)

During the Financial Year 2014-15, against a budgetary provision of ₹11865.94 crore including the Supplementary Grant of ₹11033.03, an expenditure of ₹11332.73 crore was incurred, resulting into savings and surrender of ₹533.21 crore. These savings are the net effect of the total savings of ₹591.21 crore and total excess of ₹58 crore under various sub heads of the Revenue and Capital Section of the Grant.

These savings have been segregated into the following categories:

**i) Normal Savings due to economical usage of the resources**

During the year, an overall savings to the tune of ₹289.33 crore was achieved due to better and efficient use of resources and less requirement for administrative expenses. Some of the schemes/programmes in this category are as follows:

(₹ in Crore)

Sl	Sub-Head/Scheme/ No Programme	Savings (Net)	Remarks/Reasons
1	National Institute of Public Finance & Policy	2.80	Due to adjustment of the unspent balance from the earlier grants.
2	Compensation to States for the revenue loss due to phasing out of CST	274.90	Requirement of funds was less as the amount claimed by the State Govts. was less than what was estimated.
3	Tax Admn. Reform Commission (TARC)	3.74	Due to expiry of the term of the Commission.
4	Special Investigation Team (SIT)	7.89	Due to non-hiring of accommodation and economy measures.

**(ii) Savings due to non-implementation/delay in execution of projects/schemes**

During the FY 2014-15, there were delays in execution/implementation of few schemes/projects which led to a savings of ₹ 244.66 crore. Some of the schemes where these savings were observed are as follows:

Sl	Sub-Head/Scheme/ No Programme	Savings (Net)	Remarks/Reasons
1	Special Purpose Vehicle for Goods & Services Tax Network	80.74	Due to delay in full functioning of the GSTN.
2	Construction of Rajaswa Bhawan	100.00	Non-finalisation of the tender.
3	Income Tax Overseas Units	7.09	Non-filling of vacant posts and delay in setting up of ITOUs
4	Enforcement Directorate	5.13	Due to non-filling up of newly sanctioned posts and setting up of new zonal/sub-zonal offices.
5	Financial Intelligence Unit	6.79	Due to less requirement of funds for FINnet Project and economy measures.
6	Neemuch Opium Factory – Purchase of Opium	21.72	Due to less procurement of opium .
7	Neemuch Alkaloid Works –Other Expenditure	22.99	Due to shifting of 8.5 MT of imported codeine phosphate from Neemuch to Ghaziabad

**(iii) Surrenders/Savings due to obsolete/defunct project/scheme or due to completion of project/scheme**

Funds were needed to be surrendered in some cases where there was a delay on non-finalization of the schemes or the scheme was on the verge of completion leading to lesser requirements of funds by the States/UTs. Overall an amount of ₹ 1 crore was surrendered. These schemes are summarized below:

(₹ in Crore)

Sl	Sub-Head/Scheme/ No Programme	Savings (Net)	Remarks/Reasons
1	Compensation to States for Revenue loss due to Introduction of VAT	1.00	Funds were surrendered as the e-stamping & e-registration scheme could not be finalised

## DIRECT TAXES

### INTRODUCTION

1.1 The Central Board of Direct Taxes (CBDT), created by the Central Boards of Revenue Act 1963, is the apex body entrusted with the responsibility of administering direct tax laws in India. The CBDT consists of a Chairman and six Members. It is the cadre controlling authority for the Income Tax Department. In its functioning, the CBDT is assisted by the following Directorates:

- (i) Principal Directorate General of Income Tax (Administration)
  - a) Directorate of Income Tax (PR, PP&OL)
  - b) Directorate of Income Tax (Recovery)
  - c) Directorate of Income Tax (Income Tax)
  - d) Directorate of Income Tax (TDS)
  - e) Directorate of Income Tax (Audit)
- (ii) Principal Directorate General of Income Tax (Systems)
- (iii) Principal Directorate General of Income Tax (Logistics)
  - a) Directorate of Income Tax (Expenditure Budget)
  - b) Directorate of Income Tax (Infrastructure)
- (iv) Principal Directorate General of Income Tax (Legal & Research)
- (v) Principal Directorate General of Income Tax (Training)
- (vi) Principal Directorate General of Income Tax (HRD)
  - (a) Directorate of Income Tax (HRD)
  - (b) Directorate of Income Tax (O&MS)
- (vii) Principal Directorate General of Income Tax (Vigilance)
- (viii) Directorate General of Income Tax (Risk Assessment)

1.2 Various Principal Chief Commissioners of Income Tax stationed all over the country supervise collection of direct taxes and provide taxpayer services. Director Generals of Income Tax

(Investigation) supervise the investigation machinery, which is tasked to curb tax evasion and unearth unaccounted money. DGIT (Intelligence and Criminal Investigation) supervises the intelligence gathering and investigation in tax related crimes. CCIT (Exemptions) supervises the work of exemption and non-profit sector across the country and Principal CCIT (International Taxation) supervises the work in the field of International Tax and Transfer Pricing. Principal Chief Commissioners of Income Tax are assisted by Chief Commissioners, Principal Commissioners and Commissioners of Income Tax and Principal Director Generals/Director Generals of Income Tax are assisted by Principal Directors/ Directors of Income Tax within their jurisdictions. Commissioners of Income Tax posted as CIT (Appeals) perform appellate functions, adjudicating disputes between taxpayers and assessing officers. The Income Tax department has its presence in 530 cities and towns across India, having a taxpayer base of around 5.16 crore.

1.3 With modern information technology as a key driver, the CBDT is implementing a comprehensive computerization programme in the Income Tax Department. The programme is aimed to establish a taxpayer friendly regime, increase the tax-base, improve supervision and generate more revenue for the Government.

1.4 The National Academy of Direct Taxes (NADT) stationed at Nagpur along with Regional Training Institutes at different locations functions under overall supervision of a Director General of Income Tax (Training) to cater to the training needs of officers and officials.

1.5 The Principal Chief Controller of Accounts, CBDT with the assistance of Zonal Accounts Officers is responsible for accounting the revenue collections as well as expenditure incurred by the Income Tax Department.

**STATEMENT OF OUTLAYS AND OUTCOMES 2016 - 17**

<b>Sl. No.</b>	<b>Name of the Scheme/Programme</b>	<b>Objective/Outcome</b>	<b>Outlay 2016-17 (₹ in crore)</b>	<b>Quantifiable Deliverables/ Physical Outputs</b>	<b>Projected Outcomes</b>	<b>Processes/ Timelines</b>	<b>Remarks/ Risk Factors</b>
<b>1.</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
			<b>4(i) Non-Plan Budget</b>	<b>4(ii) Plan Budget</b>			
	<b>Major Head 2020-</b> <b>Collection of Income Tax; Information Technology</b>		<b>536.00</b> (Projected)	-			
I.	Perspective Plan for TAXNET Phase-III of Comprehensive Computerization			Network of Income Tax Offices across the country	Efficiency in operations	Ongoing	Proposal for extension of existing contract upto 31.12.2016 has been sent for approval. Selection of New Vendor is underway. Estimated expenditure for F.Y. 2016-17 is Rs. 28.40 crores (approx.)
	Hiring of Data Centres for Primary, BCP and DR Sites.				Efficient running of Network		Estimated expenditure for F.Y. 2016-17 is Rs. 7.44 crores (approx.)
	Physical Storage of PAN forms of the period 2003-09 & e-storage of scanned data.				Archival of original PAN Forms		Estimated expenditure for F.Y. 2016-17 is Rs. 14.74 crores (approx.)
II.	Tax Information Network (TIN) Acceptance of physical returns & its digitization, OLTAS, e-Payment, NMS, e-Sahyog			Enhancing customer centric approach.		Ongoing	Estimated expenditure for F.Y. 2016-17 is Rs. 22.38 crores (approx.)
III.	Tax payer services -Aayakar Sampark Kendra (ASK)			Call Centre Services	Easy and convenient dissemination of information	Ongoing	Estimated expenditure for F.Y. 2016-17 is Rs. 6 crores (approx.)

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Direct Taxes

1	2	3	4	5	6	7	8
			4(i) Non-Plan Budget	4(ii) Plan Budget			
IV.	Refund Banker	Make the refund process completely automated, speedy and transparent		<ul style="list-style-type: none"> <li>Determine, generate, issue, dispatch, credit and safe delivery of Income Tax refunds.</li> <li>A web based status tracking facility</li> </ul>	State Bank of India (SBI) designated as Refund Banker.	Ongoing	Estimated expenditure for F.Y. 2016-17 is Rs. 33 crores (approx.)
V.	Centralized Processing Cell (CPC) TDS	Centralized Processing Cell (TDS) is a technology driven transformational initiative on ‘Tax Deduction at Source’.		CPC (TDS) undertakes bulk processing of TDS statements to generate ‘Annual Tax Credit’ statements for each taxpayer (PAN holder) in Form 26AS, TDS certificates in Form 16 / 16A & identifies TDS defaults of short payment, short deduction, interest etc.	<ul style="list-style-type: none"> <li>Accurate matching of Tax credit</li> <li>Defaulter Accounting and Correction.</li> </ul>	Ongoing	The projected expenditure on this project for F.Y. 2016-17 is Rs. 70 crores (approx.)
VI.	Centralized Processing Centre (CPC) Bangalore	Centralized processing of both paper based and e-filed Income Tax Returns (ITRs).		Capacity of CPC skilled up to process over 3.30 crore returns.	<ul style="list-style-type: none"> <li>Better Taxpayer Services and reduced grievances.</li> </ul>	Ongoing	Estimated expenditure for F.Y. 2016-17 is Rs. 176.02 crores (approx.)
VII.	Data Warehouse and Business Intelligence (DW&BI) Project	Develop a comprehensive platform for effective utilisation of information to promote voluntary compliance, deter noncompliance and impart confidence that all eligible persons pay appropriate tax		Utilisation of information technology and data analytics to promote voluntary compliance and deter noncompliance.	<ul style="list-style-type: none"> <li>(i) Widen and deepen tax base</li> <li>(ii) Improve compliance with tax laws</li> <li>(iii) Detect fraud and leakage of revenue</li> <li>(iv) Support Investigation</li> <li>(v) Increase effectiveness of tax collection</li> <li>(vi) Monitor high risk scenarios</li> </ul>	The selected RFP issued with the Service Provider approval of the Competent will implement Authority. Evaluation the project within process of bids completed 30 months of and L1 vendor finalized. signing the Proposal has been sent for contract CNE approval.	Estimated expenditure for F.Y. 2016-17 is Rs. 108.80 crores (approx.)

1	2	3	4	5	6	7	8
			4(i) Non-Plan Budget	4(ii) Plan Budget			
VIII. E-filing of Returns and Forms & Web Enabled Services	To improve e-delivery of taxpayer services			a. Single interface for e-delivery of Taxpayers Services b. E enable all direct taxes Forms c. Pre-filling and personalization of Forms	All forms to be e-enabled.	Other than TDS Forms, all Forms, F.Y. 2016-17 is Rs. 42.25 as approved and crores (approx.) notified have been e-enabled.	Estimated expenditure for Forms, all Forms, F.Y. 2016-17 is Rs. 42.25 crores (approx.)
IX. New ITD Application (ITBA)	Re-writing of new ITD application with latest technology with new Hardware and also to maintain old application			New ITD application would cover various functionalities of Department for all types of users.	1. Operation & Maintenance of old legacy application. 2. Final Acceptance Testing of New ITBA Application. 3. Go-Live of ITBA application. 4. Trainings on new application. 5. Operation & Maintenance of new application.		Estimated expenditure for F.Y. 2016-17 is Rs. 46.25 crores (approx.)
1. Revenue Accounting Management Software	Compilation of Revenue Accounts, Data transfer to centralized Database Server at NIC Hyderabad & operationalising the B.I Application to generate various MIS in 28 newly created ZAOs.	0.30		BI application has been procured and it is implemented	Generation of various MIS reports on Revenue A/C of Direct Taxes & automating the whole process	One year	Implementation of B.I application would result in generation of various reports of Revenue Collection and various other customized reports
2. e-Refund	Electronic refund to all assesses	0.30				Phased manner	To eliminate paper refund completely in phase manner
3. Public Financial Management System (PFMS)	To implement an online monitoring system for revenue as well as expenditure for the Income Tax Department	0.50		All Payments through electronic mode	Proper management of the expenditure	Phased Manner	For networking and purchase of equipment's
4. e-PAO	Remittance of e-receipt to RBI on day to day basis	0.50		Daily remittance of the receipts to the Govt. A/c at RBI CAS, Nagpur on a day to day basis.	e-collection deposited in Govt. A/c on daily basis.	One Year	For Purchase of Servers and equipments

1	2	3	4	5	6	7	8
			4(i) Non-Plan Budget	4(ii) Plan Budget			
<b>Major Head 4059- Capital outlay on public works - office buildings.</b>		<b>148.00</b>	-				
1	Construction of office cum residential building at Srinagar	To mitigate the shortage of office space and residential accommodation	Construction of office and residential quarters	This would ease shortage of office space / residential accommodation and would provide better working environment for the officers/officials of the department resulting in better tax payer services	36 months	Proposal sanctioned on 31.07.2015. Work is expected to start in the next year. Budget provision of Rs. 7 crore in B.E. 2016-17 is expected to be utilized.	
2	Construction of office building at Noida	To mitigate the shortage of office space	Office building at Noida	This would provide better working atmosphere for the officers	24 Months	Proposal sanctioned on 24.03.2011. Cost of the project originally sanctioned was Rs. 24.20 crore. The NBCC has furnished the final bill for the project at Rs. 26.94 crore. The bill is being examined by CIT, Noida office and detailed requirement of grant will be sent after verifying the expenditure from NBCC.	
3	Installation of 100 kwp grid connected solar rooftop PV plant at NCR Building, Jaipur	To fulfill the need of substantial electric power of the Income Tax Office at Jaipur	Installation of 100 kwp grid connected solar rooftop PV plant	To fulfill the need of substantial electric power of the Income Tax Office at Jaipur.	6 months	Project is yet to be sanctioned. However, after receipt of clarification from the Pr. CCIT, Jaipur proposal would be put up and the projected budget is expected to be utilized in F.Y 2016-17.	

1	2	3	4	5	6	7	8
			4(i) Non-Plan Budget	4(ii) Plan Budget			
4	Furnishing of purchased ready built office space at Metro Walk from MP Housing Board, Bhopal	To mitigate the shortage of office space	Furnishing of ready built office space.	This would ease shortage of office space and would provide better working environment for the officers/officials of the department resulting in better tax payer services.	12 months	As per original sanction Rs. 7.27 cr. was sanctioned for furnishing. However, a proposal for enhancement of furnishing cost to the extent of Rs. 11.64 cr is under consideration in the Department.	
	<b>Major Head 4216 - Capital outlay on public works - Housing.</b>	<b>52.00</b>	-				
1	Construction of residential quarters at Pollachi	To mitigate shortage of residential quarters at residential accommodation	Construction of residential complex	To mitigate shortage of residential accommodation	18 months	Project was sanctioned on 31.07.2015. Budget provision of Rs. 2.20 crore is expected to be utilized during financial year 2016-17.	125
2	Construction of 6 Type-VI quarters at Chandigarh.	To mitigate the shortage of Type-VI quarters at residential accommodation	Construction of 6 Type-VI quarters at Chandigarh.	To mitigate the shortage of residential accommodation	12 months	Project was sanctioned on 04.09.2014. DPC work is completed and further the work is in progress. Budget provision of Rs. 2.31 crore is expected to be utilized during financial year 2016-17.	
3	Construction of 38 Nos. Type VI quarters in Multi storied Unit at Nungambakkam, Chennai	To mitigate the shortage of residential quarters	Construction of 38 Nos. Type VI quarters in Multi storied Unit at Nungambakkam	To mitigate the shortage of residential quarters	36 months	The proposal was sanctioned on 24.09.2013. Budget provision of Rs. 10 crore in B.E 2016-17 is expected to be utilized during financial year 2016-17.	Direct Taxes

## REFORM MEASURES AND POLICY INITIATIVES

### **REFORM INITIATIVES IN INCOME TAX DEPARTMENT**

In the last few years a number of initiatives have been undertaken by harnessing latest technology to enable a System driven business environment in the Department. These measures have ensured qualitative improvement in Tax Payer services and also introduced objectivity due to reduction in interface between the Taxpayer and the Department, to minimize grievance(s).

#### **1. Project Name: E-filing of Income Tax Returns**

The e-filing project is an eminent e-governance and e-delivery measure taken by the Income Tax Department for providing web-enabled services to the taxpayers. It was introduced for the first time in 2006-07. The procedure for online filing of Income Tax Returns has been further simplified by introducing Electronic Verification Code to reduce time taken for completion of the filing process. E- verification of electronically filed returns may be made through OTP sent on Aadhaar linked Mobile No. besides other options viz. Net banking, ATM.

Electronic filing of I-T returns picked up from AY 2006-07 and the number of returns filed electronically has risen from around 4 Lakh in Financial Year, 2006-07 to 341.73 Lakh in Financial Year 2014-15. In Financial Year, 2015-16, nearly 309.53 Lakh returns were received up to 31<sup>st</sup> December, 2015 as compared to 243.31 Lakh returns during the corresponding period in Financial Year 2014-15, representing a growth of around 27.22%.

During FY 2015-16, 58.12 Lakh audit forms were e-filed (up to 31<sup>st</sup> December 2015)

#### **2. Project Name: Centralized Processing Center (CPC) for Income Tax Returns**

CPC has achieved following landmarks:-

- CPC has processed 3.07 crore returns of income during Financial Year 2014-15 with a growth rate of 26% over 2.44 crores returns processed during Financial Year 2013-14. Till 31<sup>st</sup> December 2015, CPC has processed 3.27 crore returns during Financial Year 2015-16.
- CPC has achieved a peak processing capacity of 5.48 lakh returns per day.
- CPC has processed in excess of 6.59 crore E- Returns till the 5<sup>th</sup> Year of operations against the projected 2.7 crore e-filed returns that CPC was to process in 5 years.
- Electronic Verification Code (EVC) process implemented in April 2015 is successful and more than 50 lakh taxpayers have adopted this Green Initiative. CPC has already processed 44 lakhs returns validated through EVC.
- Average processing time is reduced to 61 days, which is less than the period specified in citizen's charter (6 months).

#### **3. Non-filers Monitoring System (NMS) Pilot Project**

Non filers monitoring System (NMS) project was implemented as part of Data Warehouse and Business Intelligence (DW& BI) Project to take focused action on non filers with potential tax liabilities. Salient features of this initiative are:

- a. Data analysis was conducted to identify PAN holders who had not filed Income tax returns despite conducting high value transaction as reported in AIR, CIB data and TDS/ TCS Returns. Bulk Data matching exercise was carried out with the Financial Intelligence Unit (FIU) to include non filers who had conducted high value cash transactions.
- b. An online monitoring system was implemented to ensure that information related to non-filers is effectively used by the field formation.

- c. The number of non-filers with potential tax liabilities identified in various NMS cycles is as under:

- NMS cycle 1 (2013): **12.19 lakh**
- NMS Cycle 2 (2014): **22.09 lakh**
- NMS Cycle 3 (2015): **44.07 lakh**

NMS Cycle 4 has identified **58.95 lakh** potential non-filers for AY 2014-15. These cases have been pushed to the compliance module.

#### **4. NEW APPLICATION FOR BUSINESS PROCESS OF INCOME TAX DEPARTMENT**

Income Tax Business Application (ITBA) is the flagship project of the Department for automating all the processes of the Department in the foreseeable future. The project involves re-writing of the existing application, adding yet untouched processes and automating the Human Resource related aspects of the Department. The project is distinct in so far as a single Vendor is responsible for Hardware application as well as its performance and the performance is calibrated against strict Service Level Agreements.

The new application is being designed especially keeping the end user experience and the efficiency of tax administration in mind. Some of the features of the new application illustrating this shift are workflow based management system, alert and notification services, consolidated view of tax payers, capability to generate a large number of standard and customized reports for all (authorized users), a uniform mailing solution to all, a full scale HRMS etc. To ensure that the services to users do not get interrupted, the service provider performance will be monitored through a separate EMS (Enterprise Management Solution) tool.

**Project Timelines:** The new application is scheduled to be rolled out by mid 2016 and has been currently envisaged to be run for 5 years with the same technology.

#### **5. Project Name: Project Insight**

The Income Tax Department has initiated '**Project Insight**' on Data Warehouse and Business Intelligence (DW&BI) platform to strengthen the non-intrusive information driven approach for improving compliance and effective utilization of information in all areas of tax administration. The Project goals are:

- i. Promote voluntary compliance and deter noncompliance
- ii. Impart confidence that all eligible persons pay appropriate tax
- iii. Promote fair and judicious tax administration

The Project will integrate enterprise data warehouse, data mining, web mining, predictive modelling, data exchange, master data management, centralised processing, compliance risk management and case analysis capabilities. A Compliance Management Centralised Processing Centre (CMCPC) will also be set up under the Project to handle resource intensive repetitive tasks and ensure optimum resource mobilisation within ITD for high skill work. The Project is also envisaged to meet the requirements relating to Foreign Account Tax Compliance Act (FATCA), Common Reporting Standard (CRS) and Automatic Exchange of Information.

The project is expected to be rolled out in 2016 and would be operational by 2018.

**6. Centralised Processing Cell TDS (CPC TDS)** – It processes TDS returns to enable end-to-end reconciliation of tax paid and tax credits claimed. The CPC (TDS) processes TDS statements within average turn around time of 4 days from the date of receipt in CPC-TDS system. Highlights of CPC TDS project are:

- a. **15.58 lakh** deductors have registered on the CPC-TDS portal to avail various online facilities.

- b. **2.75 Crore** TDS statements involving **165 crore** number of transactions have been processed till date since financial year 2013-14 issuing more than **1.56 Crore** intimations to the deductors
- c. More than 9.78 lakh online rectification statements have been processed with a turn around time of 24 hours.
- d. More than 51 crore TDS certificates have been downloaded by deductors.

**7. Aavakar Seva Kendras (ASKs)** – These were set up under Sevottam as a single window computerized service mechanism for centralized receipt and distribution of dak. More than 189 ASKs are operational. 35 ASKs have been accredited with IS:15700:2005 by BIS.

**8. Aavakar Sampark Kendra**- A National Call Centre and 4 Regional Call Centers are operational from 8 AM to 10 PM from Monday to Saturday for furnishing information related to tax queries.

**9. OLTAS (Online Tax Accounting System)**- During Financial Year 2015-16 (till December 29,2015) the count and amount of tax payment challans handled through OLTAS were 3.32 crore and Rs 5,83,059.16 crore respectively.

**10. THE REFUND BANKER SCHEME** – This Scheme ensures that taxpayer gets his refunds upto Rs. 50,000/- directly into his bank account through ECS/NEFT and in remaining cases, paper-refunds are issued by the Refund Banker directly to the tax-payer. This scheme now accounts for 99% of the refunds (in count) received by the taxpayer without any direct interaction with the Department.

**11. Project Name: E-Payment**- E-payment of taxes has been enabled through Net Banking and ATMs and more than 80% of tax is collected through this mode facilitating payment to taxes anytime from home/ office without having to go to a bank branch.

**12. e-Sahyog**- This project was launched in October, 2015 on a pilot basis. It aimed at reducing compliance cost, especially for small taxpayers. The objective of “e-Sahyog” is to provide an online mechanism to resolve any mismatch or discrepancy in information as per Income-tax return of the taxpayer vis-à-vis third party information collected by the Department. Under this initiative the Department will provide an end to end e-service using SMS, e-mails to inform the taxpayers of the mismatch. The taxpayer has to login to the e-filing portal to view mismatch related information and submit online response on the issue. Based on the responses by the taxpayers, the issue may be closed or processed for further action. The taxpayer can also check the updated status. The tax payers would also be informed of closure of cases through SMS & e-mail.

## **CONCLUSION**

1. Income Tax Department (ITD) has been able to leverage information technology to provide taxpayer services of the highest order to improve tax-payer services, reduce compliance cost, and promote voluntary compliance.
2. The Department is also sensitizing the Officers and Officials to re-orient their role as facilitators while functioning as Tax Collectors. E-enablement continues to be the running theme in all the initiatives with the objective for having a system driven business environment with minimum discretion, reduction in interface between the taxpayer

and the Department to minimize grievances so as to usher in a more taxpayer friendly administration.

## **INITIATIVES IN THE O/o Pr. CCA, CBDT, NEW DELHI:**

**1. E-refund Project** : Currently e-refunds are done only in cases where assesee opts for it and “Refund” amount is not more than Rs.50,000/- . To avoid delay in issuance of refunds it was felt that efforts are to be made to achieve 100% e-refunds in a phased manner, thereby, eliminating paper refunds completely. Currently the project is under roll in collaboration with Department of Income Tax, O/o Pr.CCA, CBDT and PFMS cell, O/o CGA for developing a utility to migrate form paper refund to electronic refunds-validation of bank account numbers of the tax assesses with PAN number.

**2. E-PAO** : The process of e-Payment is to facilitate tax payer, providing him the convenience of paying taxes, at anytime, anywhere, and with a choice at any authorized bank. A single branch of each and every agency bank has been authorized for collection reporting, accounting & reconciliation of direct tax collection received through “Internet”. These nominated & accredited “e-Focal Point Branches (e-FPB's)” report the PAN India e-Collection through the Nodal Branch of the bank (for physical calculation) to the concerned, ZAO, CBDT. Tax collection through the Internet banking system is reported on daily basis to the Bank's link cell for remittance of the e-Receipts to the Government Account at RBI CAS, Nagpur.

**3. Direct Tax Information System (DTIS):** A Direct Tax Information system is being developed, where consolidated data of all ZAO would be available for analysis. Test run of the prototype is going on. Salient features of the system are:

- Process of transferring data from ZAO consolidated database to Direct Tax Information system database;
- Developing Graphs/Reports/Dashboards on various analysis area as required;
- Setting up process, by which daily data refresh can take place to Direct Tax Information Server;

**Analysis Area of Direct Tax Information System:** Complete Direct Tax Information System can be divided into various analysis areas. Each analysis area would offer complete analysis on the subject area and will have a set of 4-5 graphs to analyze the data pertaining to Receipt Details, Refund Details, Collection type wise Receipt and RBI Put Through.

**4. Public Financial Management System (PFMS):** PFMS is software application developed by Ministry of Finance for online processing of all Payments and reconciliation of Government Accounts and integration of various existing standalone systems. PFMS was initially started as a Central Sector Scheme of Planning Commission with the objective of establishing an online Financial Management Information and Decision Support System for tracking funds released under all Plan Schemes of government of India and real time reporting of expenditure at all levels of programme implementation through treasury interface and bank interface. It has now been decided to expand the scope of PFMS to integrate various existing standalone system being used by DDO and PAO for online processing of sanctions, bills and payments for all types of expenditure except salaries, Pension and GPF through PFMS in all ZAOs of this office in phase manner.

## STATEMENT OF OUTLAYS AND OUTCOMES 2014 - 15

Sl. No.	Name of the Scheme/Programme	Objective/Outcome	Outlay 2014-15 (₹ In Crore)	Quantifiable Deliverables/Physical Outputs	Processes/ Timelines	Remarks/ Risk Factors	Status as on 31st December, 2015 (Provisional)
2	3	4	5	6	7	8	
<b>Non-Plan Budget</b> <b>B.E.      R.E.</b>							
<b>Major Head 2020- Collection of Income Tax; Information Technology</b>							
		448.54	448.54				
I.	Perspective Plan for A) Systems Integration Phase-III of Comprehensive Computerisation along with software procurement		Computing capacity to handle the workload through Network of Income Tax offices across the country.	Ongoing	For SI services Department has appointed SP for ITBA project which has taken over SI services from incumbent SI M/s IBM. FMS services is now under Taxnet project, where service provider is yet to be identified. 1 year FMS services extension is given to IBM.		
	B) Establishment, Monitoring and Implementation of All India Tax Network		Network of Income Tax office across the Country.	Ongoing	Contract with vendor extended till 31.12.2015. The process for selection of new MSP through open tendering process is under progress. The expenditure for F.Y. 2014-15 was Rs. 36.82 crores.		
	C) Hiring of Data Centers for primary, BCP & DR sites		• Co-location of Hardware equipments in Data Centres meeting industry standards.	Ongoing	All the three data centers PDC, BCP and DR are operational. The proposal for extension for data centers for a period of one more year is in progress. The total expenditure on running three Data centers during the F.Y. 2014-15 was Rs. 6.61 crs.		

1	2	3	4	5	6	7	8
<b>Non-Plan Budget</b> <b>B.E.            R.E.</b>							
II.	Tax Information Network (TIN)	Being hosted by National Security Depository Limited (NSDL) as a depository of information.		<ul style="list-style-type: none"> <li>Facilitating Accurate and quick credit of TDS deductions, identification of non-filers/stop-filers and cases of short deductions</li> <li>Facilities to view tax payments.</li> <li>Dashboard facilities to the senior management of the Department for effective monitoring and collection of taxes.</li> </ul>	Ongoing		Process of identification & selection of a new Service Provider is ongoing. The expenditure for F.Y 2014-15 was Rs.8.3 crores (approx.).
III.	Refund Banker	Make the refund process completely automated, speedy and transparent.		<ul style="list-style-type: none"> <li>A system driven process for determination, generation, issue, dispatch and credit of refunds.</li> <li>A web based status tracking facility for delivery of refund.</li> </ul>	Ongoing		<p>The number of refunds sent through Refund Banker Scheme in F.Y 2013-14 is over 1,03,06,814.</p> <p>The number of refunds for F.Y. 2014-15 was 1.55 crore approx.</p>
IV.	Centralized Processing Cell (CPC) TDS	Centralized Processing Cell (CPC) for Tax Deducted at Source (TDS) enables easy filing of TDS/TCS correction statements by deductors/ collectors.		In the First Phase, functionalities previously handled by NSDL have been operationalized at CPC- TDS.	Ongoing		<p>During the current Financial Year a total payment of Rs. 66.08 crores has been made. Therefore, out of sanctioned budget of Rs 136 crores, Rs 120.89 crores has been paid and the Rs 15.10 crores is the leftover balance.</p> <p>The expenditure incurred during F.Y. 2014-15 was Rs. 54.04 crs.</p>
V.	Centralized Processing Centre (CPC) Bangalore	Centralized processing of both paper based and e-filed Income Tax Returns (ITRs).		The CPC at Bangalore has scalability to process 20 lakh paper returns and 60 lakh e-filed returns.	Ongoing		<p>CPC went live in September 2009 CPC has processed over 5.1 crore e-filed returns till date.</p> <p>The expenditure incurred for F.Y. 2014-15 was Rs. 197.90 crs.</p>

1	2	3	4	5	6	7	8
<b>Non-Plan Budget</b>							
<b>B.E.            R.E.</b>							
VI.	Data Warehouse and Business Intelligence Project	Develop a comprehensive platform for effective utilisation of information to promote voluntary compliance, deter noncompliance and impart confidence that all eligible persons pay appropriate tax		Utilisation of information technology and data analytics to promote voluntary compliance and deter noncompliance.	To be Sanctioned		RFP issued with the approval of the Competent Authority. Evaluation process of bids completed and L1 vendor finalized. Proposal has been sent for CNE approval. Estimated expenditure for F.Y. 2016-17 is Rs. 108.80 crores (approx.)
VII.	E-filing of Returns & Enabled Services	To Allow e-filing of all Forms and Web Forms of the Income tax act in addition to ITRs		Quantifiable deliverables of the projects through multiple interfaces Public IP/Mobile/VPN. All forms to be e-enabled.	Ongoing		During F.Y. 2014-15, 4 crores (approx) ITRS/ Forms was e-filed and the projected outflow was Rs. 44.27 crores. The expenditure incurred for F.Y. 2014-15 was Rs. 39.63 crs.
VIII.	New ITD Application	Re-writing of new ITD application with latest technology with new Hardware & also to maintain old application		New ITD application would cover various functionalities of Department for all types of users.	1. Operation & Maintenance of old legacy application. 2. Final Acceptance Testing of New ITBA Application. 3. Go-Live of ITBA application 4. Trainings on new application. 5. Operation & Maintenance of new application.		M/s TCS raised a bill of amount Rs. 9.69 crore in current financial year. Payment of Rs 3.50 lakh plus taxes paid to M/s Bharati for broadband connectivity at PDC.

**STATEMENT OF OUTLAYS AND OUTCOMES 2014 - 15**

<b>Sl. No.</b>	<b>Name of the Scheme/Programme</b>	<b>Objective/Outcome</b>	<b>Outlay 2014-15 (₹ In Crore)</b>	<b>Quantifiable Deliverables/Physical Outputs</b>	<b>Processes/ Timelines</b>	<b>Remarks/ Risk Factors</b>
<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
<b>Non-Plan Budget</b>						
B.E.      R.E.						
	<b>Major Head 4059- Capital Outlay on public works - office buildings.</b>	<b>700.00</b>	<b>98.50</b>			
1.	Construction of Advanced Centre, Hostel Mess NADT, Nagpur	To fulfill the need of having a training centre for advance course including training of foreign officials and to meet the increasing needs of accommodation arising at NADT, Nagpur		Construction of ATC, Hostel -II Ongoing with mess at NADT, Nagpur		The proposal was sanctioned on 04.08.2010. The work of Hostel Mess has been completed. The work of Advance Training Centre is nearing completion. Nearly 90% of the construction has already been completed and remaining work is likely to be completed very soon.
2.	Construction of RTI Building Mohali	To mitigate the shortage of office space		Construction of RTI building at Mohali	Project was supposed to be completed in 18 to 24 months after award of work. However, the project yet to be approved.	Original proposal needed revision. Fresh proposal is yet to be received
3.	Construction of office building at Infantry Road, Bangalore	To mitigate the shortage of office space		Construction of office building at Bangalore	Project was supposed to be completed in 24 months. However, the project yet to be approved.	CNE Proposal pending for sanction due to IFU query.

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Direct Taxes

1	2	3	4	5	6	7	8
<b>Non-Plan Budget</b>							
			B.E.	R.E.			
4.	Construction of office cum residential building at Lucknow	To mitigate the shortage of office space and residence	The office space of 16138 sq.mtr. proposed to be constructed within 24 months, after granting A/A & F/S	Project was supposed to be completed in 24 months. However, the project yet to be sanctioned.	Proposal yet to be sanctioned.		
5.	Construction of office cum residential building at Srinagar	To mitigate the shortage of office space and residence	The office space of 11031 sq. mtr. proposed to be constructed within 46 months, after granting A/A & F/S	Project was supposed to be completed in 46 months. However, the project is expected to start in the next year.	Proposal sanctioned on 31.07.2015. Work is expected to start in the next year.		
6.	Land purchase and constructing of office building at Belgaum	To mitigate the shortage of office space	Construction of office building at Belgaun	The project was supposed to be completed within 18 months. However, the proposal may have to be dropped in light of Govt. of Karnataka' Notification mentioned in column 8.	As informed by the Pr.CCIT, Karnataka & Goa the land can't be used for building office /residential premises as Karnataka Govt. has notified Belgavi Fort as National Monument.		
7.	Construction of office building (Basement + 5 floor) at Navsari	To mitigate the shortage of office space	Office and residential accommodation at Navsari	The project was supposed to be completed in 30 months. However, the project is expected to start shortly.	Project was sanctioned on 15.05.2015. Work is expected to start shortly.		
8.	Purchase of land for construction of office building Pathankot	To mitigate the shortage of office space	Purchase of land for construction of office building at Pathankot	Ongoing	Project was sanctioned on 27.03.2015. Full payment of Rs. 10.43 crore made.		
9.	Up-gradation of AayakarBhawan at Basheerbagh		To improve the infrastructure	Ongoing	Initial project sanctioned on 06.12.2013 for Rs. 9.57 Cr. 65% work completed and as informed the remaining work will be completed by March 2016.		

1	2	3	4	5	6	7	8
<b>Non-Plan Budget</b>							
		B.E.	R.E.				
10.	Acquisition of land for construction of office building at Guntur	To mitigate the shortage of office space	To purchase land for constructing office building	The project may have to be dropped.	Proposal for purchase of land for Rs. 6,41,15,300/- sanctioned on 21.04.2015. It has been informed by the office of Pr.CCIT, that the State Govt. has increased the cost of land five times. Therefore, as of now the land cannot be acquired.		
11.	Construction of office building Saket, Delhi	To mitigate the shortage of office space	Construction of new Income Tax Office Building at Delhi	The project is yet to be sanctioned.	Proposal yet to be sanctioned.		
12.	Purchase of land for construction of office and residences at Mohali	To mitigate the shortage of office space and residences at residence	Purchase of land for office and residential building at Mohali	Ongoing	The proposal was sanctioned on 09.10.2014 and land has been purchased.		
<b>Major Head 4216 - Capital outlay on public works - Housing.</b>		<b>50.00</b>	<b>50.00</b>				
1.	Construction of residential complex at Hadapsar, Pune	To mitigate the shortage of residential accommodation	Residential complex along with Guest house at Hadapsar, Pune	The project was supposed to be completed in 30 months. However, the project has been held up on account of certain issues in Master Plan of Pune.	This is a sanctioned project of F.Y 2013-14. Approximately Rs. 14 Cr has been utilized out of total cost of Rs. 37, 78,32,506/-. Further progress has been held up on account of certain issues in Master Plan of Pune.		
2.	38 nos. (G + 19) Type-VI quarters at M.G Road Chennai	To fulfill the requirement of Accommodation for staff member	To construct residences for staff	The project was supposed to be completed in 30 months. However, the project is yet to be commence.	The project was supposed to be completed in 30 months for execution. However, the project is yet to commence due to the reason that the cost of project has escalated and has moved a fresh proposal for sanction of enhanced estimates.	The proposal was sanctioned on 24.09.2013. However, the project is yet to commence due to the reason that the cost of project has escalated and has moved a fresh proposal for sanction of enhanced estimates.	

## STATEMENT OF OUTLAYS AND OUTCOMES 2015 - 16

Sl. No.	Name of the Scheme/Programme	Objective/Outcome	Outlay 2015-16 (₹ in crore)	Quantifiable Deliverables/ Physical Outputs	Processes/ Timelines	Remarks/ Risk Factors	Status as on 31st December, 2015 (Provisional)
1.	2	3	4	5	6	7	8
<b>Non-Plan Budget</b>							
B.E.      R.E.							
		<b>Major Head 2020-</b>	<b>525.00</b>	<b>505.00</b>			
		<b>Collection of Income Tax; Information Technology</b>					
I.	Perspective Plan for TAXNET Phase-III of Comprehensive Computerization	Hiring of Data Centres for Primary, BCP and DR Sites.	Physical Storage of PAN forms of the period 2003-09 & e-storage of scanned data.	Network of Income Tax Offices across the country	Ongoing	Efficiency Operations	in Estimated expenditure for F.Y. 2015-16 is Rs. 40.77 crores (approx.)
II.	Tax Information Network (TIN)	Acceptance of physical returns & its digitization, OL TAS, e-Payment, NMS, e-Sahyog	Enhancing customer centric approach.		Ongoing	Archival of original PAN Forms	Estimated expenditure for F.Y. 2015-16 is Rs. 27.90 crores (approx.)
III.	Tax payer services	-Aayakar Sampark Kendra (ASK)	Call Centre Services		Ongoing	Easy and convenient dissemination of information	Estimated expenditure for F.Y. 2015-16 is Rs. 6.80 crores (approx.)

1	2	3	4	5	6	7	8
<b>Non-Plan Budget</b> <b>B.E.            R.E.</b>							
IV.	Refund Banker	Make the refund process completely automated, speedy and transparent	<ul style="list-style-type: none"> <li>Determine, generate, issue, dispatch, credit and safe delivery of Income Tax refunds.</li> <li>A web based status tracking facility</li> </ul>	Ongoing	State Bank of India (SBI) designated as Refund Banker.	Estimated expenditure for F.Y. 2015-16 is Rs. 29.91 crores (approx.)	
V.	Centralized Processing Cell (CPC) TDS	Centralized Processing Cell (TDS) is a technology driven transformational initiative on ‘Tax Deduction at Source’.	CPC (TDS) undertakes bulk processing of TDS statements to generate ‘Annual Tax Credit’ statements for each taxpayer (PAN holder) in Form 26AS, TDS certificates in Form 16 / 16A & identifies TDS defaults of short payment, short deduction, interest etc.	Ongoing	<ul style="list-style-type: none"> <li>Accurate matching of Tax credit</li> <li>Defaulter Accounting and Correction.</li> </ul>	The projected expenditure on this project for F.Y. 2015-16 is Rs. 70 crores	
VI.	Centralized Processing Centre (CPC) Bangalore	Centralized processing of both paper based and e-filed Income Tax Returns (ITRs).	Capacity of CPC scaled up to process over 3.30 crore returns.		Better Taxpayer Services and reduced grievances.	Estimated expenditure for F.Y. 2015-16 is Rs. 221.05 crores (approx.)	
VII.	Data Warehouse and Business Intelligence (DW&BI) Project	Develop a comprehensive platform for effective utilisation of information to promote voluntary compliance, deter noncompliance and impart confidence that all eligible persons pay appropriate tax	<p>Key deliverables expected from the Consultant are as under:</p> <ul style="list-style-type: none"> <li>Project Plan</li> <li>Detailed Project Report</li> <li>RFP for selecting Implementation Agency</li> <li>High level Design Document</li> <li>Final Appraisal Report</li> </ul> <p>Deliverables are finalised in the RFP for selecting Implementation Agency</p>	<p>The selected Service Provider will implement the project within 30 months of signing the contract</p>	<ul style="list-style-type: none"> <li>(i) Widen and deepen tax base</li> <li>(ii) Improve compliance with tax laws</li> <li>(iii) Detect fraud and leakage of revenue</li> <li>(iv) Support Investigation</li> <li>(v) Increase effectiveness of tax collection</li> <li>(vi) Monitor high risk scenarios</li> </ul>	Estimated expenditure for F.Y. 2015-16 is Rs. 63 lakhs	

1	2	3	4	5	6	7	8
<b>Non-Plan Budget</b> <b>B.E.            R.E.</b>							
VIII. E-filing of Returns and Forms & Web Enabled Services	To improve e-delivery of taxpayer services		a. Single interface for e-delivery of Taxpayers Services b. E enable all direct taxes Forms c. Pre-filling and personalization of Forms	Other than TDS Forms, all Forms, as approved and notified have been e-enabled.	All forms to be e-enabled.	Estimated expenditure for F.Y. 2015-16 is Rs. 40.56 crore (approx.).	
IX. New ITD Application	Re-writing of new ITD application with latest technology with new Hardware & Also to maintain old application		New ITD application would cover various functionalities of Department for all types of users.		1. Operation & Maintenance of old legacy application. 2. Final Acceptance Testing of New ITBA Application. 3. Go-Live of ITBA application. 4. Trainings on new application. 5. Operation & Main-tenance of new application.	New ITD Application Project has dependencies on various factors including testing & certification. Any delay in this regard can impact timelines. The estimated expenditure would be ₹ 10.15 crores (approx.) for F.Y. 2015-16.	
1. Implementation & Compilation of Revenue Accounting Management Software	Running of Revenue Accounting on daily basis	0.40	-	Compilation of Revenue Accounting on daily basis	Ongoing	Servers, Computers and Printers for implementation of RAMS in ZAOs have been purchased and installed in all ZAOs Modification/ Up gradation/ Customization of RAMS software successfully implemented in 52 ZAOs.	
2. Implementation of e-payment as mandated by Finance Minister in all 52 ZAOs	Implementing electronic payment in all 52 ZAO's.	1.20	-	e-Payment in all 52 ZAO's.	Ongoing	Funds have been utilized for purchase of Servers, Computers and Printers for implementation of e-Payment in all ZAOs Modification/ Up gradation/ Customization of e-Payment software successfully implemented in 52 ZAOs.	

**STATEMENT OF OUTLAYS AND OUTCOMES 2015 - 16**

<b>Sl. No.</b>	<b>Name of the Scheme/Programme</b>	<b>Objective/Outcome</b>	<b>Outlay 2015-16 (₹ in crore)</b>	<b>Quantifiable Deliverables/ Physical Outputs</b>	<b>Processes/ Timelines</b>	<b>Remarks/ Risk Factors</b>	<b>Status as on 31st December, 2015 (Provisional)</b>
<b>1.</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
<b>Non-Plan Budget</b>							
<b>B.E.      R.E.</b>							
	<b>Major Head 4059 - Capital Outlay on public works - office buildings.</b>		<b>323.72    84.00</b>				
1.	Upgradation of Aayakar Bhawan, Basheerbagh, Hyderabad	To improve the structural aspects of the building and to provide better facilities for employees and tax payers		To improve the infrastructure	Ongoing		Project sanctioned on 06.12.2013 for Rs. 9.57 Cr. 65% work completed and the remaining work will be completed by March 2016.
2.	Renovation of Takshila Hostel and new Lawn Tennis Court at NADT, Nagpur	To provide adequate facilities at Takshila Hostel and Lawn Tennis Court at NADT		To improve upon the accommodation facilities as well as facilities for extra-curricular activities.	Project has been completed.		The proposal was sanctioned on 19.05.2015. The work of renovation of Takshila Hostel has been completed.
	<b>Major Head 4216 - Capital outlay on public works - Housing.</b>		<b>250.48    56.00</b>				
1.	Construction of Type-VI quarters at Chandigarh	To mitigate the shortage of residential accommodation		To improve upon the living conditions by increasing the availability of government owned residential accommodation	Ongoing		This is a sanctioned project. DPC work has been completed and further work is in progress.
2.	Construction of residential complex along with community hall, guest house etc. at Hadapsar, Pune	To mitigate shortage of residential accommodation		To improve upon the living conditions by increasing the availability of government owned residential accommodation and other immunities.	Ongoing		This is a sanctioned project of F.Y 2013-14. Approximately Rs. 14 Cr has been utilized out of total cost of

1	2	3	4	5	6	7	8
<b>Non-Plan Budget</b> <b>B.E.            R.E.</b>							
3.	Renovation of staff quarters at Krishana Nagar, Pune	To prolong life of staff quarters and maintain it in good condition	To improve upon the living conditions.	Ongoing	Rs. 37,78,32,506/- The project has been delayed on account of certain issues in Master Plan of Pune.		
					The total cost of the project is Rs. 2,08,37,560/-. Out of this amount Rs. 60 lakh has been released to the executing agency. The construction has commenced in June 2014. Rs. 15 crore sought in B.E 2015-16 is expected to be utilized		

**FINANCIAL REVIEW**

**STATEMENT SHOWING ACTUAL EXPENDITURE VIS-A-VIS BE/RE PROVISIONS FOR THE YEARS 2013-14, 2014-15 AND 2015-16**

(₹ in crore)

Description	Major Head	2013-14			2014-15			2015-16		
		B.E	R.E.	Actual	B.E	R.E.	Actual	B.E	R.E.	Actual upto 31.12.2015
<b>REVENUE SECTION</b>										
Collection of taxes on income and expenditure	<b>2020</b>	3677.61	3563.18	3544.23	4234.32	4074.48	3990.72	4711.54	4494.75	3557.95
Collection of Estate Duty, Taxes on Wealth and Gift Tax	<b>2031</b>	94.30	91.36	91.04	108.57	104.49	102.53	120.82	115.25	0.00
<b>TOTAL REVENUE SECTION</b>		<b>3771.91</b>	<b>3654.54</b>	<b>3635.27</b>	<b>4342.89</b>	<b>4178.97</b>	<b>4093.25</b>	<b>4832.36</b>	<b>4610.00</b>	<b>3557.95</b>
<b>CAPITAL SECTION</b>										
Purchase of ready built office building	<b>4059</b>	546.98	500.00	430.25	700.00	98.50	42.38	323.72	84.00	14.08
Purchase of ready built residential building	<b>4216</b>	41.00	23.00	14.65	50.00	50.00	26.52	250.48	56.00	1.91
Acquisition of immovable property under Income Tax Act	<b>4075</b>	2.00	2.00	1.10	2.00	1.50	0.97	2.00	2.00	0.95
<b>TOTAL CAPITAL SECTION</b>		<b>589.98</b>	<b>525.00</b>	<b>446.00</b>	<b>752.00</b>	<b>150.00</b>	<b>69.87</b>	<b>576.20</b>	<b>142.00</b>	<b>16.94</b>
<b>GRAND TOTAL</b>		<b>4361.89</b>	<b>4179.54</b>	<b>4081.27</b>	<b>5094.89</b>	<b>4328.97</b>	<b>4163.12</b>	<b>5408.56</b>	<b>4752.00</b>	<b>3574.89</b>

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Direct Taxes

**OBJECT HEAD-WISE EXPENDITURE VIS-A-VIS BE/RE FOR THE YEARS 2013-14, 2014-15 AND 2015-16**

**Outcome Budget 2016-2017**

Description	(₹ in crore)								
	2013-14			2014-15			2015-16		
	B.E.	R.E.	Actual	B.E.	R.E.	Actual	B.E.	R.E.	Actual Upto 31.12.2015
<b>Revenue Section</b>									
Salaries	2162.25	2178.57	2187.63	2600.00	2520.99	2455.50	2797.46	2660.00	2220.26
Wages	19.61	21.00	20.85	21.00	25.00	24.51	30.00	24.90	18.12
Overtime Allowance	0.50	0.45	0.43	0.50	0.50	0.40	0.60	0.60	0.24
Medical Treatment	28.00	24.00	24.12	28.00	28.00	25.98	34.00	24.50	17.57
Domestic Travel Expenses	55.00	55.00	48.31	70.00	56.00	48.20	70.00	47.70	34.47
Foreign Travel Expenses	2.50	1.00	0.77	2.00	1.00	0.85	1.20	1.05	0.45
Office Expenses (Charged)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Office Expenses (Voted)	686.00	613.80	653.84	750.00	710.74	715.25	867.70	835.35	536.29
Rent Rates&Taxes	150.00	149.77	153.56	162.00	172.00	170.65	210.00	240.00	156.64
Publications	3.00	2.70	2.35	2.70	2.35	2.23	3.00	2.70	1.33
BCTT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Administrative Expenses	61.42	48.42	44.88	62.45	55.45	50.41	74.25	69.65	53.73
Adv. & Publicity	110.00	90.00	88.46	110.00	83.00	82.41	115.00	112.00	63.47
Minor Works	13.23	13.23	12.57	15.00	15.00	13.02	28.00	28.00	5.99
Professional Services	40.00	40.00	39.02	51.30	46.00	43.32	58.00	40.90	25.22
Contributions	1.40	1.00	0.96	1.40	0.40	0.42	0.75	0.75	0.21
Secret Service Expenses	14.00	12.00	12.53	14.00	12.00	11.32	14.00	14.00	7.11
Other Charges	4.00	3.60	3.14	4.00	2.00	1.36	3.40	2.90	1.41
Information Technology	421.00	400.00	341.85	448.54	448.54	447.42	525.00	505.00	415.44
<b>TOTAL REVENUE SECTION</b>	<b>3771.91</b>	<b>3654.54</b>	<b>3635.27</b>	<b>4342.89</b>	<b>4178.97</b>	<b>4093.25</b>	<b>4832.36</b>	<b>4610.00</b>	<b>3557.95</b>

Summarized Position of Schemes under Outcome Budget 2016-17

(₹ in crore)

<b>Description</b>	<b>2013-14</b>			<b>2014-15</b>			<b>2015-16</b>		
	B.E	R.E.	Actual	B.E	R.E.	Actual	B.E	R.E	Actual Upto 31.12.2015
<b>Capital section</b>									
<b>MH-4059</b> Purchase of ready built office building	546.98	500.00	430.25	700.00	98.50	42.38	323.72	84.00	14.08
<b>MH-4216</b> Purchase of ready built residential building	41.00	23.00	14.65	50.00	50.00	26.52	250.48	56.00	1.91
<b>MH-4075</b> Acquisition of immovable property under Income Tax Act	2.00	2.00	1.10	2.00	1.50	0.97	2.00	2.00	0.95
<b>TOTAL CAPITAL SECTION</b>	<b>589.98</b>	<b>525.00</b>	<b>446.00</b>	<b>752.00</b>	<b>150.00</b>	<b>69.87</b>	<b>576.20</b>	<b>142.00</b>	<b>16.94</b>
<b>GRAND TOTAL</b>	<b>4361.89</b>	<b>4179.54</b>	<b>4081.27</b>	<b>5094.89</b>	<b>4328.97</b>	<b>4163.12</b>	<b>5408.56</b>	<b>4752.00</b>	<b>3574.89</b>

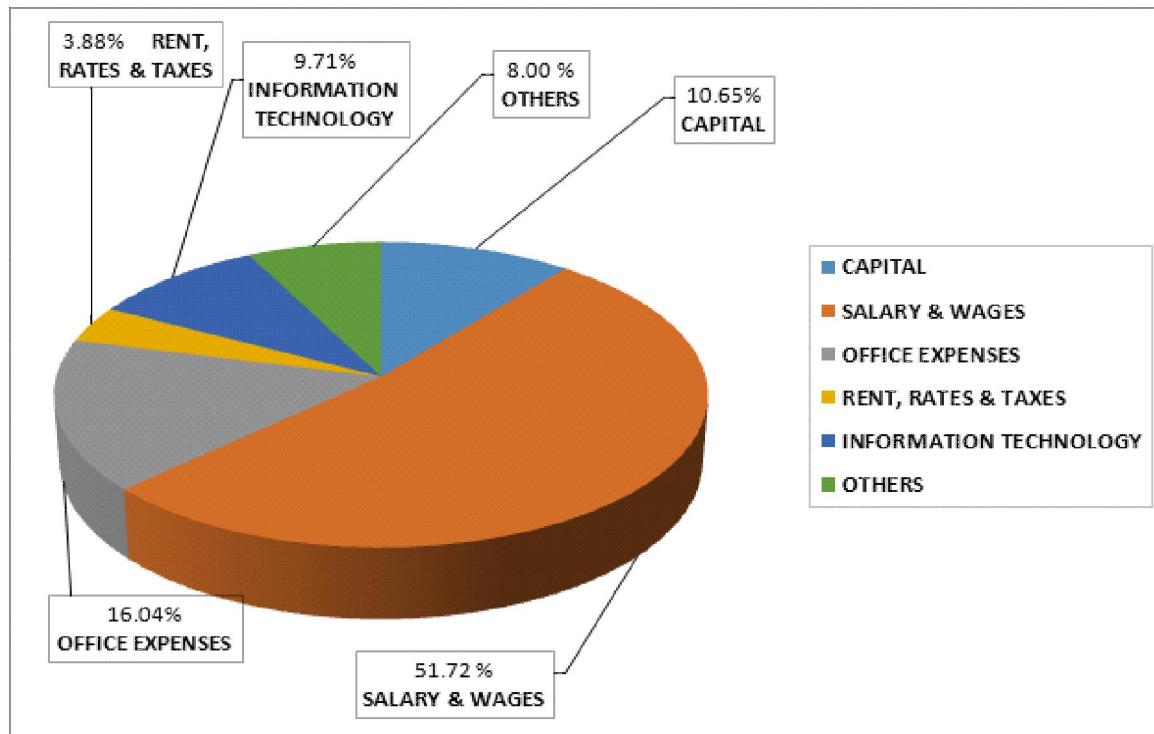
## Analysis of Expenditure Trends

During F.Y. 2015-16 total expenditure incurred upto 31<sup>st</sup> December, 2015 is Rs. 3574.89 crore which works out to be 66.10% of total BE Provision 2015-16 i.e. 5408.56 crore. Out of this, the expenditure under Revenue Section is Rs. 3557.95 crore which is 73.63% of BE Provision 2015-16. Provision for Salaries was Rs. 2797.46 crore against which the expenditure upto 31<sup>st</sup> December is Rs. 2220.26 crores (79.37%). Another major Constituent of expenditure under Revenue Section is 'Office Expenditure' with a BE Provision of Rs.867.70 crores against

which expenditure incurred upto 31<sup>st</sup> December, 2015 is Rs. 536.29 crores. Information Technology (O.E) is other important constituent for which provision of Rs. 525.00 crores has been made in B.E. against which the expenditure upto 31<sup>st</sup> December, 2015 is Rs. 415.44 crores. Under the capital section expenditure upto December, 2015 is Rs. 16.95 crore which works out to be 2.94% of B.E Provision under this section. The major constituents of B.E 2015-16 are tabulated and Pie graphed as below:-

(₹ in crore)

PARTICULARS	B.E.2015-16	PERCENTAGE (%)
CAPITAL	576.20	10.65
SALARY & WAGES	2797.46	51.72
OFFICE EXPENSES	867.70	16.04
RENT, RATES & TAXES	210.00	3.88
INFORMATION TECHNOLOGY	525.00	9.71
OTHERS	432.20	8.00
<b>TOTAL</b>	<b>5408.56</b>	<b>100</b>



**Statement on Surrender and Savings during the Financial Year 2014-15**

During the Financial Year 2014-15, against a budgetary provision of Rs. 5094.90 crores including Supplementary Grant, an expenditure of Rs. 4163.12 crores was incurred during the year resulting into a saving of Rs. 931.78 crores. These savings

are the net effect and there are no excess under various sub heads of Revenue and Capital Section of the grant.

Major savings have been segregated into the following categories:

**i) Normal Savings : Savings resulting from economic use of Resources**

Sl. No.	Sub Head/Scheme/Programme	Savings	Remarks /Reasons
1	Research, Statistics and Publication	31.20	Less requirement of expenses under this head. Rs. 17.18 crores has been re-appropriated to other heads.
2.	Organisation and Management Service	29.29	Less requirement of expenses under this head.
3.	Commissioner and their Offices	158.24	Less requirement of expenses under this head.

**(ii) Under/Non utilization : Saving due to non-implementation/delay in execution of projects/schemes and  
(₹ in Crore)**

Sl. No.	Sub Head/Scheme/Programmed	Savings	Remarks /Reasons
1	Capital Outlay on Public Works (Office Building)	657.63	Saving was due to postponement of various projects, slow pace of completion of projects by Central Public Works Department, non finalization of some proposals for purchase/construction of properties, local issues involved and also to adhere to 10%cut on expenditure as Economy measures by Government of India.
2	Capital Outlay on Housing	23.47	The saving was due to non clearance of some proposals for purchase/construction of properties, slow pace of completion of projects by Central Public Works Department and also to adhere to 10%cut on expenditure as Economy measures by Government of India.

**(iii) Surrenders : Savings due to obsolete/defunct project/scheme or due to completion of a project/scheme and funds are no more required: NIL**

**Note :** This annexure is included in compliance of O.M. No. 7(1)-B(AC)/2011 dated 23<sup>rd</sup> March, 2012 of Budget Division regarding segregation of savings due to normal savings, under/non-utilization & surrender of funds for the financial year 2011-12 as desired by the Standing Committee on Finance in its 33<sup>rd</sup> Report.

## INDIRECT TAXES INTRODUCTION

This Demand deals with the establishments of field formations under Central Board of Excise & Customs which is responsible for formulation of policy concerning levy and collection of Customs and Central Excise duties, Service Tax, prevention of smuggling and evasion of duties. The assigned task is done with the help of 156 Commissionerates of Central Excise, 60 Commissionerates of Customs and 30 Commissionerates of Service Tax. There is Appellate and Tax Recovery Machinery for performing quasi-judicial task of deciding appeals against orders passed by the officers lower in rank than the Commissioner. In its functioning, the Board is assisted by the following attached/subordinate offices:-

- i. Directorate General of Central Excise Intelligence
- ii. Directorate General of Revenue Intelligence
- iii. Directorate General of Performance Management
- iv. Directorate General of Human Resource Development
- v. Directorate General of National Academy of Customs, Excise and Narcotics
- vi. Directorate General of Vigilance
- vii. Directorate General of Systems
- viii. Directorate of Data Management
- ix. Directorate General of Audit

- x. Directorate General of Safeguards
- xi. Directorate General of Export Promotion
- xii. Directorate General Goods & Service Tax
- xiii. Directorate General of Valuation
- xiv. Directorate of Publicity and Public Relations
- xv. Directorate of Logistics
- xvi. Directorate of Legal Affairs
- xvii. Tax Payers Services
- xviii. Office of Chief Departmental Representative
- xix. Central Revenues Control Laboratory
- xx. Settlement Commission
- xxi. Authority for Advance Rulings

The Principal Chief Controller of Accounts for CBEC is responsible for accounting the revenue collections as well as expenditure incurred by the Department.

The Demand covers provision for a work force of 90400 officers and staff, of which 31.87% are gazetted officers and the remaining are non-gazetted employees.

The activities indicating 'outlays' and 'outcomes' for the financial year 2016-17 are given in the subsequent statement.

**STATEMENT OF OUTLAYS AND OUTCOMES 2016-17**

S. No.	Name of the Scheme/ Programme	Objective/Outcome	Outlay 2016-17 (₹ In Crore)	Quantifiable Deliverables/ Physical Outputs	Projected Outcomes	Processes/ Timelines	Remarks/ Risk Factors
1	2	3	4	5	6	7	8
		4(i) Non- Plan	4(ii) Plan				
1.	Major Head 2037 and 2038 - Information Technology	Strengthening of IT capability for e-governance	245.00	NIL	Setting up of an All India Wide Area Network	Provisioning of WAN connectivity alongwith maintenance and support at over 1700 CBEC sites.	Provisioning of WAN connectivity at new sites; Provisioning of fibre/OFC at locations of CBEC.
				S Y S T E M S INTEGRATION (SI)	Upgradation and augmentation of infrastructure alternate network connectivity and services will enable the hosting of new initiatives such as the Goods & Services Tax (GST) and Indian Customs single window applications.		
				Installation of Central servers (hardware, storage and security infrastructure, etc.)			
				Provision of local area network to all departmental users	Provisioning of LAN connectivity at 150 new LAN locations and replacement of Thin clients and switches at 1210 existing LAN locations is now covered under the System Integration Project.	This would include installation of LAN equipments - Desktops/laptops, Mobiles, Network equipments, Printers, including AMC and spares.	

1	2	3	4	5	6	7	8
			4(i) Non- Plan	4(ii) Plan			
			Establishment of Data Warehouse	The outcome of the project in 2016-17 cannot be commented upon as the contract for the current service provider is expiring on 31.03.2016 and the department will be facing a Request for proposal (RFP) for services for the period FY 2016-17 onwards.			
			Automation of Central Excise & Service Tax (ACES) Project.	The ACES project is under technical support and maintenance. Additional functionalities such as detailed MIS Reports covering, Returns & Refunds, are planned.	Ensuring transparency and reduced interface with Central Excise and Service Tax assesses through automation.	ACES has been implemented in all 146 Central Excise and Service Tax Commissionerates (119 CE , 22 ST and 5 LTU Commissionerates, after Cadre Re-organization 2014-2015)	148
			Gateway Project for Customs Up-gradation		The upgraded version of ICEGATE for ICES 1.5 application like is now operational at 136 RMS, ICES, EDI Customs locations. It shares huge amount of data with the help of 151 GST) would be types of messages exchanged with various trade partners and Govt. departments. More location will be integrated with customs EDI	Internal process & application like ICEGATE and ACES ( in future integrated making exchange with various the processing trade partners and Govt. more user friendly.	

1	2	3	4	5	6	7	8
			4(i) Non- Plan	4(ii) Plan			
			Setting up of Risk Management System (RMS)	RMS seeks to provide trade facilitation and effective enforcement through intelligent interdiction of only high risk cargo for customs along with an assured customs clearance procedure for special clients having good track record and who meet specified criteria.	A new version of Risk Management System (RMS 3.1) compatible with the ICES 1.5 version has been implemented.	It is planned that during 2016-17 the RMS in Imports with the ICES 1.5 version will be rolled at RMS in imports is remaining ICES operational in 107 locations where locations and in exports sizeable BEs/SBs at total 117 locations.	
			ICES development/maintenance of ICES 1.0 & 1.5 versions	Design, development, testing, deployment and maintenance of ICES 1.0 & 1.5 versions	New Module Development will be taken up as per the Indian Customs EDI priority approved by the CBEC.	Module	
			EASIEST for challan processing in FY 2015-16	Under this project data through all modes of payment including e-payment is captured by banks in the agreed format and uploaded in electronic form and made available to the Department.		Efforts are being made to ensure 100% challan upload by the banks into NSDL.	
2.	Major Head 4047 - Preventive Functions - Acquisition of ships and fleets	Strengthening Anti-smuggling capability and improved coastal security	6.00	NIL	-	To meet the objectives set at Col.-3 (Sl.No.2)	The payment of 50% of spare parts in respect of Category-I and II vessels is likely to be processed in financial year 2016-17

1	2	3	4	5	6	7	8
		4(i) Non- Plan	4(ii) Plan				
3.	Major Head 4047 Acquisition of Anti-smuggling Equipments	Facilitate cargo clearance, efficient handling of increased volume of container traffic, improved Customs control through non-intrusive examination. To prevent smuggling of radiation material, the non-intrusive examination of vehicles and other cargo trucks shall be carried out in place of physical examination.	64.00	NIL	Installation of 2 Fixed X-Ray scanners, 3 Drive through Container Scanners (Road), Installation of 130 Nos. Personal Radiation Detectors (PRD) and 26 Nos. Radio Isotope Identifiers (RID), 76 Nos. XBIS, 90 Nos. Videoscopes.	To meet the objectives set at Col. 3.	and an amount of Rs.6.00 crores is proposed for 50% spare parts of Cat I and Cat II vessels.
4.	Major Head 4059 - Acquisition of Office Accommodation.	To meet shortfall in Office Accommodation	110.00	NIL	The purchase of office accommodation will bridge the shortfall in requirement of office space.	The availability of adequate own office space would increase the efficiency of the department.	The provision has been made for procurement of land, ready-built accommodation and construction of various offices buildings. The proposals involve Payment in such cases depends on various formalities involved in consultation with different concerned authorities.

1	2	3	4	5	6	7	8
			4(i) Non- Plan	4(ii) Plan			
5.	Major Head 4216 - Acquisition of Residential Accommodation	To meet shortfall in residential accommodation	20.00	NIL	The purchase of residential accommodation will bridge the shortfall in requirement. The availability of Purchase of ready built residential accommodation at Vijayawada will involve obtaining clearance from lead to higher staff satisfaction resulting in enhanced construction motivation and productivity. The proposals for lump sum provision prescribed in GFRs. less than five crore.	obtaining clearance from CPWD, Ministry of Urban Development, SFC etc after following the due procedure prescribed in GFRs.	

## REFORM MEASURES AND POLICY INITIATIVES

### CENTRAL BOARD OF EXCISE & CUSTOMS

#### **Initiatives on Computerization and Automation**

A futuristic and ambitious project of computerisation was taken up in 2007-08 to consolidate CBEC's IT infrastructure at a total cost of Rs. 598.97 crores. The objective was to bring all the systems on a single network/platform, to set up a Data Warehouse and Disaster recovery. The project has been implemented and is in support/maintenance phase. The project has been extended upto March 2016 with augmented IT infrastructure involving expenditure of about Rs. 170 crores with the aim of enhancing the quantity of services.

The above measures, intended to provide benefit to both the Department and its clients, are to facilitate the assessment and collection of duty and to further consolidate the strength of Department in the following ways:

- a) Speedier Clearance of Cargo.
- b) Reduction in number of stages, transaction time and costs.
- c) E-filing of customs documents through the Gateway, on line assessment, duty payment and clearance procedures.
- d) E-payment of customs duty through Nationalised banks with Core Banking Solution.
- e) Electronic Credit of drawback into the bank.
- f) Interactive voice response systems like tele-enquiry, touch screen kiosks, SMS etc.
- g) Encouraging Voluntary Compliance.
- h) Simplification of procedures.
- i) Synergy between various tax systems.
- j) Transparency.
- k) Minimization of manual interface.

A Risk Assessment/Management software has been developed for identification of potential duty evaders/smugglers and facilitates compliant trade. A Risk Management Division has been established to give focussed and specified attention to this area.

#### **Container Scanners**

- The Central Board for Excise and Customs (CBEC) and its various officers located in different parts of the country are mandated to collect statutory duties after proper assessment and examination of goods; and also to discharge duties required under various Acts/ rules to check smuggling of contrabands. With the growing global trade, the volume of containerized cargo has increased significantly. Thus, it has become increasingly difficult to physically examine the containerized cargo and there is a need to expeditiously clear the cargo without much delay. Container scanner is an important tool which helps in non - intrusive

examination of cargo, thus expediting clearance of containers from the port. This reduces dwell time contributing to lesser costs to importer / exporter and avoids congestion at the ports and is also effective from the security point of view.

- Presently there are seven container scanners which are operational. Two container scanners- i.e., one Mobile Gamma Rays scanner and one Fixed 9MeV X-ray scanner at Nhava Sheva were installed in 2004 and 2005 respectively as a part of Pilot Project. Out of seven Container Scanners approved by CCEA in 2006, three Mobile Gamma Ray Container scanners commissioned at Tuticorin Customs in March, 2014 and at Chennai Customs in the month of June, 2014 and at Kandla Customs in March 2015. One Fixed X-ray Container Scanner has been installed in Mumbai in September 2015 and one at Tuticorin in December 2015.

- Four (4) fixed X-ray scanners at Mumbai, Chennai, Tuticorin and Kandla, are being supplied by M/s BEL, Bangalore. As per the contracts signed, the scanners should have been installed by September 2013, but there has been delay because of inadequate deployment of manpower, material and machinery. Now the remaining two Fixed X-ray Container Scanners at Chennai and Kandla Ports are expected to be installed by May- June, 2016.

- Meanwhile, there has been significant advancement in the technology of the container scanners, and there exist Drive Through Container Scanners, which can scan about hundred containers per hours in drive through mode. In this light, it has been decided to install drive-through container scanners (road), which can scan about hundred containers per hour in drive through mode, at Mundra, JNPT. The tender has been floated for procurement and installation of these three Drive-through container scanners (Road) . The technical bids have been opened and evaluation is likely to be completed very shortly. All three Drive through Container scanners (Road) are expected to be installed in 2016-17.

- Further, the process of procurement of PRDs, RIDs . XBIS, X-Ray mail scanner/ Videoscopes is also underway and is lightly to be completed in the FY 2016-17. The procurement of these anti-smuggling equipment's will help in detention in cases of irregularities. This will also result in increased Revenue collection, fast clearance of cargo and also address security concerns.

#### **● Marine Fleet**

The strategic importance of Customs Maritime Fleet along the Coast as a preventive arm of the Department to protect the country's maritime trade and to enforce Import/Export provisions of Customs Act has been duly acknowledged, especially in view of the growing threats of smuggling of narcotics drugs and arms and ammunition for terrorism and anti-national activities. Marine Wing of the Department also associate with Indian Navy and

Coast Guard for Joint Patrolling for coastal security. Department has procured and deployed 109 modern vessels of different categories for the following purpose:-

<b>Category of Vessels</b>	<b>Purpose</b>
Category-I (24 vessels)	Coastal patrolling and surveillance
Category-II (22 vessels)	Immediate interception Immediate interception of suspected vessels. Joint Patrolling with Indian Navy and Coast Guard for Coastal security.
Category-III-A (30 vessels)	Useful in shallow waters, creeks and harbours. Joint Patrolling with Indian Navy and Coast Guard for Coastal security.
Category-III-B (33 vessels)	

#### **Utilization of 1% Incremental Revenue as Incentive Provision**

In pursuance to Department of Expenditure's guidelines/instructions on expenditure management permitting revenue generating departments to prepare scheme to utilize 1% of

incremental revenue to encourage greater efforts at garnering revenue, enhancing organizational efficiency, infrastructure and wherewithal. CBEC has sanctioned/allocated Rs. 274.85 crores upto 31.03.2016 for various purposes viz:

- Capacity building/improvement of infrastructure in Central Excise and Customs Ranges.
- Capacity building towards training facilities at NACEN.
- Capacity building for PAOs.
- Provision of Laptops to officers in the field formations towards improvement in monitoring of tax collection, investigation and intelligence work.
- Hiring of vehicles for increasing organisational efficiency and outdoor preventive activities.

Further, a decision has been taken by the competent authority to discontinue hiring of operational vehicles and reimbursement of mobile call charges under 1% scheme and to shift the expenditure thereon to the regular OE from FY 2016-17. Accordingly a less provision of Rs.20.00 crore has been made under the 1% incremental revenue scheme during FY 2016-17.

**Review of Past Performance**  
**STATUS OF OUTCOME WITH REFERENCE TO OUTLAYS 2014-15**

S. No.	Name of the Scheme/ Programme	Objective/Outcome	Outlay 2014-15 (₹ In Crore)	Quantifiable Deliverables/ Physical Outputs	Processes/ Timelines	Risk Factors	Status as on 31st March 2015
1	2	3	4	5	6	7	8
		4(i) BE	4(ii) RE				
1.	Major Head 2037 and 2038 - Information Technology	Strengthening of IT capability for e-governance Infrastructure	221.31	187.00	Setting up of a Pan India Wide Area Network, Central Servers, hardware at sites and at data centres.	Maintenance and support services are being provided by BSNL and TCL for alternate network connectivity. TCS is providing support and maintenance at data centre for system integration project.	Projects are implemented and are in support and maintenance phase. The actual expenditure was Rs.188.19cr.
		Applications		1. Maintenance and support of EDW application, creation of dashboards etc. 2. ACES is under technical support and maintenance. 3. ICEGATE platform links all the custom stakeholders with a single electronic platform. 4. RMS seeks to provide trade facilitation and effective enforcement through intelligent interdiction of only high risk cargo. 5. ICES application is concerned with maintenance of Custom EDI System and roll out of new modules.	Projects are implemented and are in support and maintenance phase. Except EASIEST-CENVAT Verification which was under consideration but has to be dropped due to overlapping with the proposed GST.		

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
2.	Major Head 4047 - Preventive Functions - Acquisition of ships and fleets	Strengthening Anti-smuggling capability and improved coastal security	20.00	11.00	6. Under the EASIEST Project, data through all modes of payment including e-payment is captured by banks in the agreed format and uploaded in electronic form and made available to the Department.  7. CENVAT Verification Projects aims at 'Cenvat Credit Matching' in Central Excise and Service Tax to be made as part of the EASIEST project so that all the payments (Cash and Cenvat credit utilization) can be captured in EASIEST.	All vessels have been formations with 109 received and modern vessels.	The spare parts of the vessels could not be procured in the FY 2014-15.
3.	Major Head 4047 - Acquisition of Anti-smuggling equipments	Facilitate cargo clearance, efficient handling of increased volume of container traffic, improved Customs control through non-intrusive examination.	112.72	19.00	The installation of Mobile Gamma Ray Scanners, Fixed X-Ray Scanners and drive-through container scanners (road)/XBIS will help in detection of cases of irregularities. This will also result in increased revenue collection, fast clearance of cargo and also address security concerns.	Progress of project is monitored by Project Implementation Committee.	One Mobile Scanner each has been commissioned at Tuticorin and Chennai .

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
4.	Major Head 4059 - Acquisition of Office Accommodation	To meet shortfall in Office Accommodation	133.59	115.00	Acquisition of new office accommodation will bridge the shortfall in requirement of office space. It will increase the efficiency of the department.	Payment in such cases depends on various formalities involving consultation with different concerned authorities. The proposals involved obtaining clearance from CPWD, Ministry of Urban Development, SFC etc after following the due procedure prescribed in GFRs.	The actual expenditure was 108.86 cr.
5.	Major Head 4216 - Acquisition of Residential Accommodation	To meet shortfall in residential accommodation	4.50	5.00	The purchase of residential accommodation will bridge the shortfall in requirement. The availability of residential accommodation will lead to higher staff satisfaction resulting in enhanced motivation and productivity.	The proposals involved obtaining clearance from CPWD, Ministry of Urban Development, SFC etc after following the due procedure prescribed in GFRs.	Expenditure to the extent of Rs. 1.65 crore was incurred during financial year 2014-15.

**STATUS OF OUTCOME WITH REFERENCE TO OUTLAYS 2015-16**

S. No.	Name of the Scheme/ Programme	Objective/Outcome	Outlay 2015-16 (₹ In Crore)	Quantifiable Deliverables/ Physical Outputs	Processes/ Timelines	Risk Factors	Status as on 31st Dec., 2015 (Provisional)
1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
1.	Major Head 2037 and 2038 - Information Technology	Strengthening of IT capability for e-governance Infrastructure	245.00	215.00	Setting up of a Pan India Wide Area Network, Central Servers, hardware at sites and at data centres.	Maintenance and support services are being provided by BSNL and TCL for alternate network connectivity. TCS is providing support and maintenance at data centre for system integration project.	Projects are implemented and are in support and maintenance phase. The actual expenditure till 31st December 2015 is 132.05 cr.
		Applications			1. Maintenance and support of EDW application, creation of dashboards etc. 2. ACES is under technical support and maintenance. 3. ICEGATE platform links all the custom stakeholders with a single electronic platform. 4. RMS seeks to provide trade facilitation and effective enforcement through intelligent interdiction of only high risk cargo. 5. ICES application is concerned with maintenance of Custom EDI System and roll out of new modules.	Projects are implemented and are in support and maintenance phase. Except EASIEST-CENVAT Verification which was under consideration but has to be dropped due to overlapping with the proposed GST.	

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
					6. Under the EASIEST Project, data through all modes of payment including e-payment is captured by banks in the agreed format and uploaded in electronic form and made available to the Department. 7. CENVAT Verification Projects aims at 'Cenvat Credit Matching' in Central Excise and Service Tax to be made as part of the Easiest project so that all the payments (Cash and Cenvat credit utilization) can be captured in EASIEST.		
2.	Major Head 4047 - Preventive Functions - Acquisition of ships and fleets	Spare Parts for proper upkeep and maintenance of vessels/boats.	8.00	2.00	The spare parts for the smooth operation of the modern custom vessels.	The list of spare parts required to be procured from the vessel builder has been finalized.	The spare parts of the parts are likely to be procured in the financial year 2015-16.
3.	Major Head 4047 - Acquisition of Anti-smuggling equipments	Facilitate cargo clearance, efficient handling of increased volume of container traffic, improved Customs control through non-intrusive examination.	255.61	40.00	Installation and procurement of fixed X-ray scanners, Drive-through scanners, Personal radiation detectors, Radio isotope identifiers, XBIS, Videoscopes, Mail-scanners etc will help in detection of large number of cases of irregularities. This will also result in	These anti-smuggling equipments will be procured through the open tender process. Progress of the project is monitored at regular intervals.	Two fixed and three mobile scanners have already been installed. The bids for the Drive-through container scanners are likely to be evaluated. The procurement of XBIS and Videoscopes are likely to be completed in this financial year.

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
				increased revenue collection and fast clearance of cargo etc.			The tender process for other items is also underway.
4.	Major Head 4059 - To acquire new office Accommodation of Office Accommodation	350.00	71.80	Acquisition of new office accommodation will bridge the shortfall in requirement of office space and will increase the efficiency of the department	Payment in such cases depends on various formalities involving consultation with different concerned authorities. The proposals involve obtaining clearance from CPWD, Ministry of Urban Development, SFC etc after following the due procedure prescribed in GFRs.		The NACEN complex at Bangalore is likely to be completed in this financial year. The proposal for the procurement of land for DRI Kolkata has also been finalized. Some other proposals which are in the pipeline may also be got approved. The actual expenditure till 31st December 2015 is Rs. 28.87cr.
5.	Major Head 4216 - To acquire new residential Accommodation of Residential Accommodation	50.00	15.00	The purchase of residential accommodation will bridge the shortfall in requirement. The availability of residential accommodation will lead to higher staff satisfaction resulting in enhanced motivation and productivity.	The proposals involve obtaining clearance from CPWD, Ministry of Urban Development, SFC etc after following the due procedure prescribed in GFRs.		Expenditure to the extent of Rs. 1.31 cr has been incurred till December, 2015.

## OVERALL PERFORMANCE

### **Salient features on overall performance of the Central Board of Excise and Customs (CBEC)**

- Total Indirect Tax Revenues amounted to Rs.5,40,444 crore in 2014-15. Union Excise Duties collection accounted for 34.84% (Rs.1,88,279 crore), Customs: 34.78% (Rs.1,87,966 crore) and Service Tax: 30.38% (Rs.1,64,199 crore).
- Indirect Tax Revenues have increased by 266.92% from Rs.1,47,294 crore in 2003-04 to Rs.5,40,444 crore in 2014-15.
- There has been 9.26% increase in Customs Duties collections and 10.25% increase in Union Excise Duties & Service Tax collections in 2014-15 with reference to previous year.
- Service Tax collections have increased by 8.76% in 2014-15 over previous year. However, Service Tax collections have shown phenomenal growth of 1980.84% from 2003-04 (Rs.7,891 crore) to 2014-15 (Rs.1,64,199 crore). The share of Service Tax in Indirect Tax Revenues has increased from 1% in 1995-96 to 30.38% in 2014-15.
- In 2015-16 up to December, 2015, Indirect Tax Revenue amounting to ₹ 4,61,305 crore constituting Union Excise Duties - ₹ 1,71,311 crore, Customs Duties - ₹ 1,59,481 crore and Service Tax - Rs.1,30,513 crore. has been collected
- Total Indirect Tax collection up to December, 2015 have shown growth of 34.63% over the comparative period of previous financial year. Union Excise Duties, Customs Duties and Service Tax
- The cost of collection of Indirect Taxes from the year 2008-09 onwards are tabulated below:-

#### **Cost of Collection**

Head of Duty	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Customs	0.72%	1.09%	0.67%	0.67%	0.68%	0.64%	0.65%
Central Excise &							
Service Tax	0.98%	1.32%	1.00%	0.96%	0.92%	0.83%	0.87%

- Indirect Tax Revenues have fallen from 5.3% of GDP in 2004-05 to about 4.80% of GDP in 2014-15.
- Average expenditure on pay and allowances and

average collection of revenue per employee for last three years is given below:-

Year	Average expenditure on pay and allowances per employee (₹ in lakh)	Average collection of revenue per employee (₹ in crore)
2012-13	5.10	8.83
2013-14	5.41	9.19
2014-15	8.27	10.73

#### **E-Governance:**

Directorate General of Systems has completed the implementation of the Information Technology (IT) Infrastructure Consolidation Project. The major infrastructure projects implemented as part of the Consolidation Project are:

- (i). Wide Area Network (WAN) - An All India Wide Area Network linking 20,000 Departmental users to the National Data Centre, Data Replication and DR Site has been set up to link CBEC officers with the national data centre and disaster recovery site. The Wide Area Network (WAN) has been implemented except for sites facing force major issues. Helpdesks have been provisioned to address user complaints on WAN and LAN issues.
- (ii). System Integration - Three National Data Centres are in operation with System uptime of greater than 99%. There is centralised monitoring and security management on a 24\*7\*365 basis.

All centralised business software applications such as the Indian Customs EDI system (ICES), the Central Excise and Service Tax application (ACES), EDW, etc. are being hosted from these National Data Centres. The system supports about 37000 internal users and has about 30 Lakh registered external users (taxpayers).

Websites hosted - The corporate website (cbec.gov.in), e-commerce portal (icegate.gov.in) and the ACES website (aces.gov.in) are running from this central infrastructure.

A 24\*7\*365 SI helpdesk is in operation for Infrastructure and resolution of end user problems total of 40696 tickets were logged at the SI help desk up to Dec. 2015 in the current FY 2015-16

A Single Sign-on (SSO) application supporting more than 37000 registered users has also been implemented for providing policy based access for CBEC's officers to different applications.

Owned email domain - webmail.icegate.gov.in mail

messaging solution has been implemented from the Data Centre to provide official mail accounts to over 20,000 internal users.

A Network & IT Operations Centre (NOC) has been set up for providing support to applications users and pro-active monitoring of the infrastructure. All of the CBEC's production data bases across customs, identity Management were successfully upgraded at primary and DR sites without any interruptions.

(iii). Local Area Networks (LAN) - Local Area Network Connectivity has been provided to CBEC users in about 1177 buildings with requisite IT hardware such as Thin Clients, Network Printers, Print Servers, and Scanners etc. Using LAN, the CBEC formations will be able to securely connect/access the central computing facility. LAN helpdesk has been provisioned by the service provider for LAN issues being faced at the locations.

#### **Customs:**

ICES 1.5 is now operational at 132 Custom locations. New functionalities included in the ICES Application include facility for online refund of service tax which marks the initial steps in the integration of ICES with ACES, online registration of DFIA licenses, centralized bond management. Modules such as Electronic Bank Realization Certificate (EBRC), ZDRI and ZEDRI, Precious Cargo Custom Clearance Centre (PCCCC), online interface with SEZ etc. have been rolled out. Seal & signature Module has been rolled out at four pilot site.

(i) ICEGATE:- ICEGATE is an infrastructure project that fulfils the department's EC/EDI and data communication requirements. The ICEGATE portal that provides e-filing services to the trade and cargo carriers and other clients of the Customs Department. Through this facility the Department offers a host of services, including on-line, electronic filing of the Bill of Entry (import goods declaration), Shipping Bills (export goods declaration) and related electronic messages between Customs and the Trading Partners, document tracking, e-payment, online registration of IPR and links to various other important websites. using communication facilities (E-mail, Web-upload & FTP) using the communication protocols commonly used on the internet. Besides, data is also exchanged between Customs and the various regulatory and licensing agencies such as DGFT, RBI, and DGCIS through ICEGATE. All electronic documents/ messages being handled by the ICEGATE are processed at the Customs' end by the ICES 1.5 application. In the current financial Year, the Digital Signature Certificate for filing Customs documents through Remote EDI System (RES) like Bills of Entry, Shipping Bills, IGM, EGM etc. has been implemented w.e.f. 1st May 2015. Further, Integration of SEZ with

Customs EDI system has been online with the help of messages through SFTP w.e.f. 15th April 2015. This shall reduce processing time as well as uses of physical paper. Seal & Signature Module, implemented in production, is for authentication of the country of origin certificate. DRI has also fed required data in the system.

In August 2011, the SKOCH Digital Inclusion Award for 2011 for e-governance was conferred on the ICEGATE Project. ICEGATE was also conferred the e-Asia award in November 2011 in Taipai by Asia Pacific Council for Trade Facilitation and Electronic Business (AFACT).

(i) ICES:- ICES 1.5 is now operational at 129 Customs locations. New functionalities like DBK monitoring systems, FE data exchange with RBI, chapter 3 license transmission and processing, RES module of import report (LCS), EODC data transmission etc are under development and testing and are likely to be started shortly. Some other modules like ICES - ACES integration, ICES-SEZ integration etc are under implementation. New modules such as Central Revenues Control Laboratory (CRCL) pilot, Precious Cargo Clearance System (DPCC) etc are also currently being implemented.

Risk Management System (RMS):- has been upgraded and ported on the central computing facility in the Data Centre. The objective of the Risk Management System (RMS) is to enable the Indian Customs Administration to strike an appropriate balance between trade facilitation and enforcement. Under the RMS, Bills of Entry filed by importers in the Indian Customs EDI System (ICES) are processed for risk and a large number of consignments are allowed clearance without examination based on the importers' self assessment. Other consignments go for assessment or examination or both depending on the evaluation of risk by the RMS. RMS also provides for an assured customs clearance procedure for special clients having good track record and who meet specified criteria identified by the Customs. The implementation of the RMS was one of the most significant governance initiatives of the Central Board of Excise and Customs. A new version of Risk Management System (RMS 3.1) compatible with the ICES 1.5 version has been implemented. RMS in imports is operational in 107 Customs Locations. RMS for export cargo has been implemented at total 117 locations. It is planned that during 2016-17 the RMS in Imports and in Exports will be rolled at remaining ICES locations where sizeable BEs/SBs are filed.

(ii) Central Excise and Service Tax:

ACES:- Automation of Central Excise and Service Tax (ACES) is a centrally-hosted, web-based and workflow-based software application to automate the entire

business processes relating to Central Excise and Service Tax that includes online registration, online filing and processing of returns, claims, intimations and permissions, filing and processing of excise related export documents, dispute resolution, audit, etc. ACES has also been made available on Online Learning Module (LMS) for imparting knowledge and understanding of the ACES application to the Departmental Officers and the Assessee. ACES has been rolled out in all 146 Central Excise and Service Tax Commissionerates as on. ACES Certified Facilitation Centres (CFCs) have been made operational. These CFCs have been set up by members of the Institute of Chartered accountants of India (ICAI), Institute of Cost and Works Accountants of India (ICWAI) and Institute of Company Secretaries of India (ICSI). This initiative aims at providing services to taxpayers who may not have requisite IT infrastructure/resources, to use ACES. Online Registration and e-filing of returns by the taxpayers and processing by the Department has been enabled 100%. Several functionalities i.e., Dispute Settlement and Resolution Module, Provisional Assessment Modules, Online filing of Refund Claims & online filing of selected Export related documents has been introduced. MIS on Registration and Audit (Audit Para Database built on capturing the approved Final Audit Paras under CE & ST) been incorporated. Process has been initiated for making e-payment of Refunds. Additional functionalities such as detailed MIS Reports covering Returns & Refunds, are planned.

**EASIEST:** The objective of this project is to make available accurate tax payment data from banks for revenue and tax payer accounting. Under this system, data through all modes of payment including e-payment is captured by banks in the agreed format and uploaded in electronic form and made available to the Department. E-payment portal has been developed for improving data quality. FY 2014-15, Upto December, 2015, 63.49 Lac challans have been processed. 100% of Central Excise and Service Tax Revenue (in terms of Volume) is received through e-payment. Fund Settlement along with challan upload by the banks can be ascertained. Almost all of the challans have been uploaded into EASIEST website. Efforts are being made to ensure 100% challan upload by the banks into NSDL. EASIEST - CENVAT CREDIT VERIFICATION SYSTEM is going to be part of the EASIEST project through which all the payments (Cash and Cenvat credit utilisation) would be captured in EASIEST and data would be transmitted to ACES for reconciliation with the payment information furnished by the assessees in their returns. This will give a single window service to the departmental officers to verify the payments and monitor leakage of revenue.

## Data Warehouse

CBEC's Enterprise DW called SmartView is a web-based analytical reporting solution that is specifically designed for fast querying and sophisticated analytical capabilities, using the latest Business Intelligence (BI) tools. It has the capability to extract the data from various online transactional systems such as ICES 1.5 (Customs), ACES (Central Excise & Service Tax Returns) and EASIEST (Central Excise & Service Tax Payments), at a regular pre-set frequency. CBEC's Data Warehouse is hosted on CBEC's centralized, consolidated IT infrastructure. It is expected to serve as a single repository for Indirect Tax data providing a holistic nation-wide view of the Customs, Central Excise and Service Tax data. This has enabled, for the first time, a 360 degree view of the taxpayer across Customs, Central Excise & Service Tax. Smart View has a user-friendly interface for accessing pre-defined reports and multi-dimensional analysis, along with an ad-hoc query facility. It also has data mining and text mining capabilities, which are being used to assist RMD in profiling entities involved in Import and Export.

Around 75 Customs, Central Excise and Service Tax predefined reports have been developed so far in the Data Warehouse based on requirements taken from various field offices, Directorates (DRI, DGoV, DGCEI, etc), TRU, Board etc. These reports are available to the user through CBEC's applications' interface with a click of the mouse. The Smart View application has been rolled out for Departmental users and comprehensive end-use training has been imparted to a large number of officers. Information generated by CBEC's Data Warehouse is also being supplied to formations outside the CBEC such as Ministry of Commerce and Industry and Competition Commission of India.

CBEC has also implemented a pilot project Tax 360, as an extension of Data Warehouse Project. It enables seamless Data Exchange between CBEC, CBDT and the Sales Tax Administration of the State of Maharashtra, and allows a 360 degree view of a taxpayer across Income Tax, Service Tax, Central Excise, Customs and State VAT. Tax 360 Project is being extended to few other states also.

The above measures, intended to provide benefit to both the Department and its clients, are to facilitate the assessment and collection of duty and to further consolidate the strength of Department in the following ways:

- a) Speedier Clearance of Cargo.
- b) Reduction in number of stages, transaction time and costs.
- c) E-filing of customs documents through the Gateway, on line assessment, duty payment and clearance procedures.
- d) E-payment of customs duty through Nationalized banks with Core Banking Solution.

- e) Electronic Credit of drawback into the bank.
- f) Document tracking facility.
- g) Encouraging Voluntary Compliance.
- h) Simplification of procedures.
- i) Synergy between various tax systems.
- j) Transparency.
- k) Minimization of manual interface.

In addition, CBEC's Data Warehouse has been implemented. This has enabled, for the first time, a 360 degree view of the taxpayer across Customs, Central Excise & Service Tax. The Data Warehouse has a user - friendly interface for accessing pre-defined reports and multi - dimensional analysis, along with an ad-hoc query facility. It also has data mining and text mining capabilities, which are being used to assist RMD in profiling entities involved in Import and Export.

#### **Procurement of Scanners**

- § Towards procurement of scanner for scanning the import and export cargo containers arriving for Customs clearance so as to detect contraband drugs, arms and ammunition and other undeclared cargo, a Pilot Project involving installation of one Mobile Gamma Ray Scanner and one re-locatable X-ray Scanner at Jawaharlal Nehru Port Trust, Nhava Sheva was taken up and completed by June, 2005. With the successful completion of the Pilot Project a major step was taken towards facilitation of cargo clearance, efficient handling of increased volume of container traffic and improved customs control through non-intrusive examination have been achieved. In view of the encouraging results from the scanners, further procurement has progressed with the floating of tender for acquisition of 3 Mobile Scanners for installation at Kandla, Chennai and Tuticorin and 4 Fixed X-ray scanners for installation at Mumbai, Kandla, Chennai and Tuticorin as per approval of CCEA in 2006.
- § As per the signed contract with M/s ECIL, Hyderabad; Mobile container scanners at Chennai, Tuticorin and Kandla should have been commissioned in different phase from November, 2012 to February 2013. All three Mobile Gamma Ray Container scanners have been commissioned at Tuticorin Customs in March, 2014, at Chennai Customs in June, 2014 and at Kandla in March 2015.

§ Contracts for supply and installation of 4 fixed X-ray scanners at Chennai, Tuticorin, Mumbai and Kandla Ports on turn-key basis have been signed with M/s Bharat Electronic Ltd. (BEL) during September 2011 to February 2012. M/s Smith Detection System, USA is the Original Equipment Manufacturer. These container scanners were to be made operational in different phases during December 2012 to September 2013. However, there has been delay in installation of scanners. Two Fixed X-ray Container Scanners have been installed at Mumbai and Tuticorin Ports during 2015-16. As per the supplier, the project is likely to be completed by May-June, 2016.

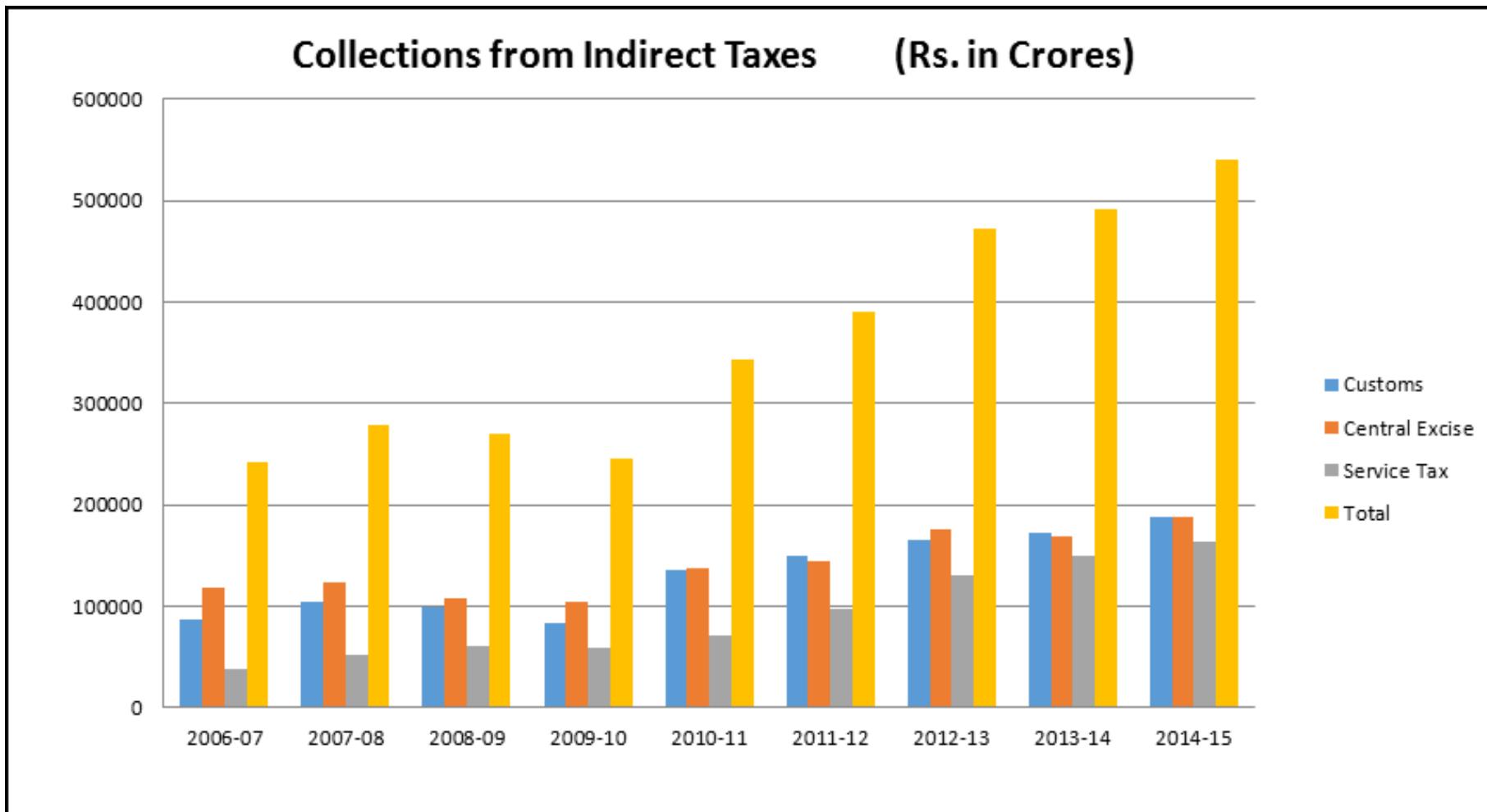
§ Both types of scanners installed at JNPT are working satisfactorily. The numbers of containers scanned, cases booked and amount realized in preceding three years are as under :

Year	No. of container scanned		No. of cases booked	Value of goods	Duty involved + RF+PP+INT
	Mobile	Fixed			
2012-13	82625	81369	152	45.37 Cr.	8.80 Cr.
2013-14	64801	82312	192	50.03 Cr.	10.20 Cr.
2014-15	77187	91893	64	21.77 Cr.	2.24 Cr.

§ The two Mobile Container Scanners at Chennai and Tuticorin are working in warranty period however as there is no container traffic at Kandla Port. Two Fixed X-ray Container Scanners at Mumbai and Tuticorin Port have been recently operationalised and are working in warranty period. However, no cases have been detected by these scanners till date. The field formations and RMD have been advised to review the risk parameters so that a more fruitful selection could be made.

#### **Procurement of Marine vessels**

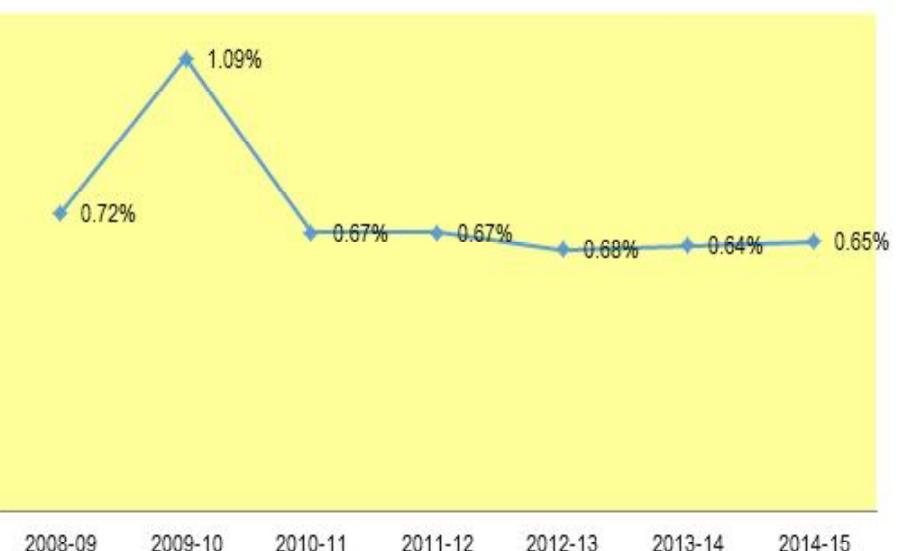
§ Since 2008 onwards, Department has procured 109 state of the art modern vessels for carrying out anti-smuggling activities in the sea. These vessels have been deployed at different locations along the coast, depending upon the sensitivity and the threat perception. The optimum performance of these vessels have been ensured despite manpower shortage, issue of maintenance, etc.



**Cost of Collection of Central Excise & Service Tax in terms of Percentage**



**Cost of Collection of Customs Duties in terms of Percentage**



**SUMMARISED POSITION OF SCHEMES UNDER  
DEMAND NO.39 - INDIRECT TAXES**

<b>S. No.</b>	<b>Scheme</b>	<b>2014-15</b>			<b>2015-16</b>			<b>2016-17</b> <i>(₹ in crore)</i>
		<b>BE</b>	<b>RE</b>	<b>Actual</b>	<b>BE</b>	<b>RE</b>	<b>Actual</b> (Provisional) (upto Dec'15)	
1.	Strengthening of IT Capability for e-governance	221.31	187.00	188.19	245.00	215.00	132.05	245.00
2.	Acquisition of Ships & Fleets	20.00	11.00	0.00	8.00	2.00	0.00	6.00
3.	Acquisition of Container Scanners	112.72	19.00	18.29	255.61	40.00	16.76	64.00
4.	Acquisition of Office Accommodation	133.59	115.00	108.86	350.00	71.80	28.87	110.00
5.	Acquisition of Residential Accommodation	4.50	5.00	1.65	50.00	15.00	1.31	20.00
<b>Total</b>		<b>492.12</b>	<b>337.00</b>	<b>316.99</b>	<b>908.61</b>	<b>343.80</b>	<b>178.99</b>	<b>445.00</b>
<i>Percentage w.r.t. RE</i>								52.06%

**STATEMENT SHOWING SCHEME-WISE ACTUAL EXPENDITURE  
VIS-À-VIS BE/RE FOR THE YEARS 2013-14, 2014-15 AND 2015-16**

(₹ in crore)

S. No.	Descriptions	Major Head	2013-14			2014-15			2015-16		
			BE	RE	Actual	BE	RE	Actual	BE	RE	Actual(Prov) (Upto Dec'15)
<b>Revenue Section</b>											
1	MH-2037 (Customs)										
	Collection of Customs	2037	1148.47	1129.19	1093.42	1390.58	1282.42	1191.78	1513.78	1294.10	973.12
	Customs Welfare Fund	2037	6.20	5.58	0.00	17.50	17.50	17.50	29.13	29.13	0.00
	Missions Abroad	2037	2.30	2.30	1.15	2.42	2.42	0.00	3.00	3.00	2.43
2	Collection of Union Excise Duties	2038	2325.63	2318.67	2267.76	3008.12	2563.19	2535.61	2884.36	2608.54	2163.76
	Printing of Banderols etc.	2038	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	DIRECTORATE OF PERFORMANCE MANAGEMENT (earlier Inspection)	2038	39.38	42.98	37.20	45.99	50.09	42.03	63.27	60.75	37.17
	Systems and Data Management	2038	143.75	139.55	128.52	206.01	185.15	183.57	239.04	213.14	131.64
	Vigilance	2038	13.78	14.13	13.46	15.14	16.64	14.66	25.55	22.74	15.88
	NATIONAL ACADEMY OF CUSTOMS, EXCISE & NARCOTICS	2038	59.15	66.55	57.34	79.99	81.40	70.38	102.97	105.30	62.80
	DIRECTORATE OF PUBLICITY & PUBLIC RELATIONS	2038	35.37	75.34	74.27	49.82	51.06	47.44	58.54	57.54	6.50
	DIRECTORATE OF CENTRAL EXCISE INTELLIGENCE	2038	37.21	47.96	42.57	48.19	49.85	41.98	56.10	52.07	34.67
	OTHER OFFICES	2038	14.01	14.53	13.94	15.76	16.28	15.94	19.75	17.89	12.28
3	Housing - Maintenance & Repair	2216	5.00	4.50	1.94	5.00	5.00	3.35	6.00	7.50	0.85
4	Aid Material & Equipment	3606	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Total- Revenue Section</b>		<b>3830.25</b>	<b>3861.28</b>	<b>3731.57</b>	<b>4884.52</b>	<b>4321.00</b>	<b>4164.24</b>	<b>5001.49</b>	<b>4471.70</b>	<b>3441.10</b>
5	Acquisition of Marine Vessels	4047	17.95	7.00	4.01	20.00	11.00	0.00	8.00	2.00	0.00
	Acquisition of Container Scanners	4047	82.00	50.65	10.79	112.72	19.00	18.29	255.61	40.00	16.76
	Major Works	4047	0.05	0.07	0.00	0.50	0.00	0.00	0.00	0.00	0.00
6	Acquisition of Office Buildings	4059	47.91	21.70	4.30	133.59	115.00	108.86	350.00	71.80	28.87
7	Acquisition of Ready Built Residential Buildings	4216	1.34	3.36	3.20	4.50	5.00	1.65	50.00	15.00	1.31
	<b>Total- Capital Section</b>		<b>149.25</b>	<b>82.78</b>	<b>22.30</b>	<b>271.31</b>	<b>150.00</b>	<b>128.80</b>	<b>663.61</b>	<b>128.80</b>	<b>46.94</b>
	<b>Grand Total</b>		<b>3979.50</b>	<b>3944.06</b>	<b>3753.88</b>	<b>5155.83</b>	<b>4471.00</b>	<b>4293.04</b>	<b>5665.10</b>	<b>0.00</b>	<b>3488.04</b>
	Recoveries		-0.50	-0.50	-0.65	-0.50	-0.50	-1.85	-0.50	-0.50	-2.34
	<b>Net</b>		<b>3979.00</b>	<b>3943.56</b>	<b>3753.22</b>	<b>5155.33</b>	<b>4470.50</b>	<b>4291.19</b>	<b>5664.60</b>	<b>4600.00</b>	<b>3485.70</b>

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Indirect Taxes

**STATEMENT SHOWING OBJECT HEAD-WISE ACTUAL EXPENDITURE  
VIS-À-VIS BE/RE FOR THE YEARS 2013-14, 2014-15 AND 2015-16**

(₹ in crore)

Outcome Budget 2016-2017

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S. No.	Descriptions	Major Head	2013-14			2014-15			2015-16		
			BE	RE	Actual	BE	RE	Actual	BE	RE	Actual(Prov) (Upto Dec'15)
			<b>Revenue Section</b>								
1	Salaries		2981.00	2981.00	2894.04	3749.29	3317.00	3181.18	3749.80	3319.74	2758.86
2	Wages		16.91	16.91	16.75	18.43	18.00	16.64	18.00	18.00	12.22
3	Overtime Allowance		11.00	6.60	5.80	6.93	5.10	5.32	8.00	6.00	3.10
4	Rewards		25.00	40.00	36.91	55.00	49.00	45.48	55.00	55.00	23.25
5	Medical Treatment		28.00	28.00	25.45	34.00	28.00	25.91	30.00	27.20	15.65
6	Domestic Travel Expenses		66.00	60.00	56.73	66.00	62.00	58.93	76.00	71.00	44.55
7	Foreign Travel Expenses		2.00	1.10	0.70	3.00	2.99	2.06	4.00	3.80	0.32
8	Office Expenses		284.01	284.01	282.13	388.45	339.60	348.12	424.31	388.00	276.78
9	Rent, Rates & Taxes		130.00	134.00	133.05	198.00	165.00	163.24	210.00	185.00	123.14
10	Publications		1.40	1.27	1.27	1.73	2.28	1.74	3.00	3.00	0.50
11	Banking Cash Transaction Tax		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12	Other Administrative Expenses		25.00	25.00	22.34	33.25	32.25	27.16	42.00	42.00	24.44
13	Advertising & Publicity		36.00	70.42	69.28	45.00	45.00	41.47	51.00	51.00	2.66
14	Minor Works		17.00	15.30	8.26	17.60	17.60	12.89	20.00	18.58	2.87
15	Professional Services		17.00	18.25	19.04	17.85	21.50	20.93	22.00	26.00	12.28
16	Other Contractual Services		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Grants-in-Aid-General		0.09	0.08	0.08	0.09	0.09	0.06	0.15	0.15	0.00
18	Secret Service Expenditure		6.20	5.58	5.86	7.57	7.57	7.02	10.00	9.00	5.49
19	Other Charges										
		(Charged)	0.50	0.50	0.19	0.50	0.50	0.00	0.50	0.50	0.00
		(Voted)	2.94	2.88	1.58	3.02	3.02	0.40	3.60	3.60	0.25
20	Machinery & Equipment		22.00	17.80	14.55	0.00	0.00	0.00	0.00	0.00	2.69
21	Inter Accounts Transfer		6.20	5.58	0.00	17.50	17.50	17.50	29.13	29.13	0.00
22	Information Technology		152.00	147.00	137.56	221.31	187.00	188.19	245.00	215.00	132.05
	Total - Revenue Section		3830.25	3861.28	3731.57	4884.52	4321.00	4164.24	5001.49	4471.70	3441.10
23	Acquisition of Ships & Fleets		17.95	7.00	4.01	20.00	11.00	0.00	8.00	2.00	0.00
24	Acquisition of Anti Smuggling Equipment		82.00	50.65	10.79	112.72	19.00	18.29	255.61	40.00	16.76
25	Major Works		0.05	0.07	0.00	0.50	0.00	0.00	0.00	0.00	0.00
	<b>Total - Major Head '4047'</b>		<b>100.00</b>	<b>57.72</b>	<b>14.80</b>	<b>133.22</b>	<b>30.00</b>	<b>18.29</b>	<b>263.61</b>	<b>42.00</b>	<b>16.76</b>
26	Acquisition of Office Accommodation		47.91	21.70	4.30	133.59	115.00	108.86	350.00	71.80	28.87
27	Purchase of Ready Built Residential Accommodation		1.34	3.36	3.20	4.50	5.00	1.65	50.00	15.00	1.31
	<b>Total - Capital Section</b>		<b>149.25</b>	<b>82.78</b>	<b>22.30</b>	<b>271.31</b>	<b>150.00</b>	<b>128.80</b>	<b>663.61</b>	<b>128.80</b>	<b>46.94</b>
	<b>Grand Total</b>		<b>3979.50</b>	<b>3944.06</b>	<b>3753.87</b>	<b>5155.83</b>	<b>4471.00</b>	<b>4293.04</b>	<b>5665.10</b>	<b>4600.50</b>	<b>3488.04</b>
	<b>Recoveries</b>		<b>-0.50</b>	<b>-0.50</b>	<b>-0.65</b>	<b>-0.50</b>	<b>-0.50</b>	<b>-1.85</b>	<b>-0.50</b>	<b>-0.50</b>	<b>-2.34</b>
	<b>Net</b>		<b>3979.00</b>	<b>3943.56</b>	<b>3753.22</b>	<b>5155.33</b>	<b>4470.50</b>	<b>4291.19</b>	<b>5664.60</b>	<b>4600.00</b>	<b>3485.70</b>

## FINANCIAL REVIEW

### ANALYSIS OF TRENDS IN EXPENDITURE

During 2014-15, total expenditure of ₹4291.19 crore is 14.33% more than the expenditure of ₹3753.22 crore incurred in 2013-14. In Revenue Section, the increase is 14.33% mainly due to more expenditure on pay & allowances.

Under Capital Section, there is an increase of 477.58% in 2014-15 vis-à-vis expenditure in 2013-14. This is mainly on account of more expenditure towards acquisition of anti-smuggling equipment as well as acquisition of ready built residential accommodation.

Expenditure under 'Advertising and Publicity' is ₹41.47 crore in 2014-15, which is 40.14% less than the expenditure of ₹69.28 crore in 2013-14. This is on account of less Budget Grant in comparison to Financial Year 2013-14 and under-utilization of LoAs by DAVP.

Under 'Information Technology' expenditure during 2014-15 is ₹188.19 crore which is 36.81% more than the expenditure of ₹137.56 crore incurred in 2013-14 because of more expenditure towards implementation of most of the components of consolidation of computerization programme during 2014-15.

§ As regards the expenditure in respect of acquisition of Ships and Vessels against the sanctioned budget of ₹17.95 crore and revised B.E. of ₹7.0 crore, actual expenditure of ₹4.0 crore was incurred in FY 2013-14 because the boat builder could not rectify technical deviations. No expenditure was incurred during FY 2014-15 due to the non-finalization of spare parts

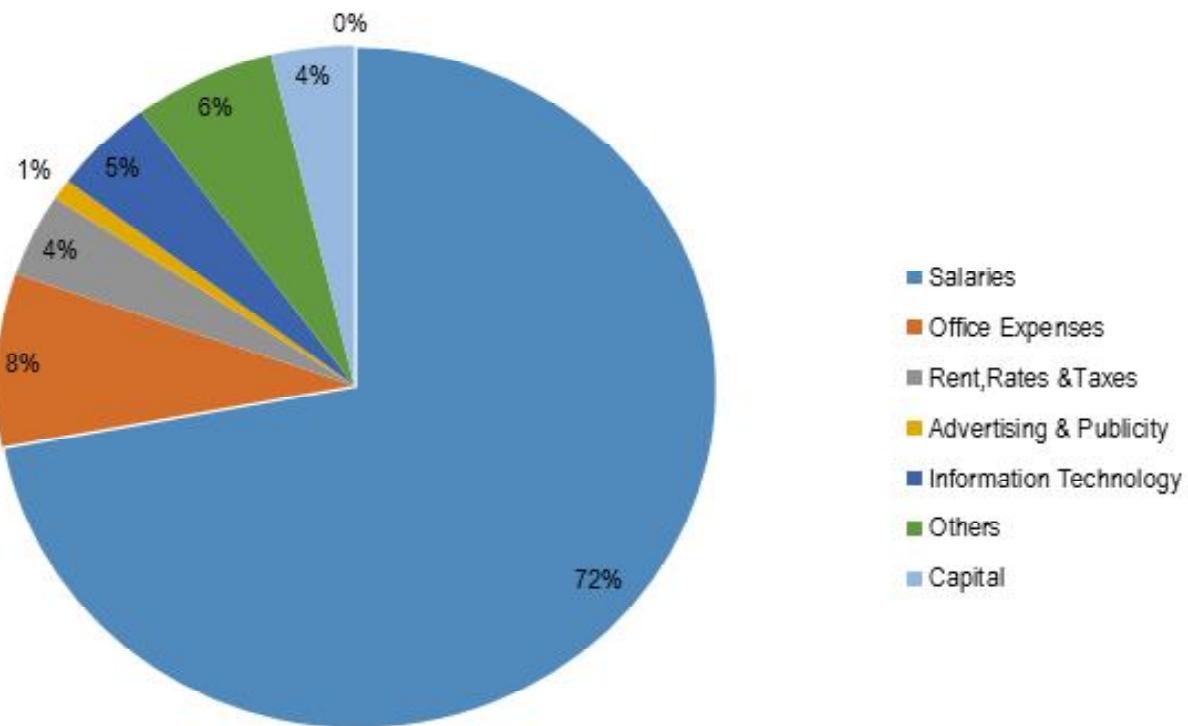
etc. In 2015-16, the RE is Rs 2.00 Crore which is likely to be spent for release of final stage payment of category I, II and III Vessels. The budget was revised as the procurement of spare parts of category I and II Vessels is unlikely to be completed in this financial year. The Sanctioned Grants of ₹6.00 crore during FY 2016-17 is likely to be spent.

§ The expenditure on Acquisition of Anti-Smuggling Equipments during Financial Year 2013-14 was ₹10.79 crore against the BE of ₹ 82.00 crore as the vendors did not fulfill their commitments. ₹18.49 crores was spent in FY 2014-15 on Acquisition of Anti-Smuggling Equipments against the BE of ₹112.7 crore as many proposals of procurement of equipments could not be finalized. The expenditure during FY 2014-15 was 41.61 % more than that of the expenditure in the 2013-14. In 2016-17 the sanction budget of ₹64.00 crore is likely to be spent.

For acquisition of office accommodation, expenditure incurred during 2014-15 is ₹108.86 crore which is 2431.63% more than the expenditure of ₹ 4.30 crore incurred in 2013-14 because of more expenditure towards acquisition of land and construction of new office complex of NACEN at Bangalore and other projects.

For acquisition of residential accommodation, expenditure incurred during 2014-15 is Rs1.65 crore which is 48.44% less than the expenditure of ₹ 3.20 crore incurred in 2013-14. This is on account of non-finalization of various projects of purchase of ready built residential accommodation during the Financial Year 2014-15.

**Major Constituents of Expenditure under the Grant of Indirect Taxes in BE 2016-17 in terms of Percentage**



### STATEMENT ON SURRENDER AND SAVING DURING THE FINANCIAL YEAR 2014-15

During the FY 2014-15 against a budgetary provision of ₹5155.84 crore including supplementary grant, there was an expenditure of ₹4293.04 crore during the year resulting into savings and surrender of ₹862.80 crore. These savings are the net effect of total savings of ₹870.09 crore and total excess of ₹7.29 crore under various sub-heads of the Revenue and Capital Section of the Grant.

These savings have been segregated into the following

categories:

**i) Normal Savings due to economical usage of the resources: Nil**

**ii) Savings due to non implementation/delay in execution of projects/schemes:-**

During the FY 2014-15, some of the schemes where there were delays in execution/implementation are as follows:-

(₹ in crore)

S. No.	Sub Head/ Scheme/ Programme	Savings	Remarks/ Reasons
1	Revenue-cum-Import/Export Trade control functions- Commissionerates	116.88	Saving was due to non-filling up of vacant post, receipt of less medical claims, fewer rewards cases, non-revision of rent, rates and economy measures
2	Central Revenue Control Laboratory	1.42	Saving was due to non-filling up of vacant posts, fewer domestic tours, requirement of fewer funds towards medical claims, up gradation of laboratories and economy measure.
3	Preventive and Other Functions. Sea customs-Major Ports	69.34	Saving was due to non-filling up of vacant posts, requirement of fewer funds towards purchase of computers non finalization of proposals for rent revision in respect of hired office building and fewer reward cases.
4	Directorate of Logistics	1.39	Saving was due to non-filling up of vacant posts and less reimbursement of medical claims, less expenditure towards maintenance of machinery and equipment.
5	Directorate of Revenue Intelligence	4.47	Saving was due to non-filling up of vacant posts, delay in purchase of office equipment and non-finalization of foreign tours.
6	Other Expenditure. Sea Customs-Major Ports	2.42	Entire provision remains unutilized due to non-adjustment of funds by Ministry of External Affairs towards discretionary grant for Indian Mission abroad.
7	Departmental Canteen	5.23	Saving was due to non-filling up of vacant posts.
8	Inspection	8.08	Saving was due to non-filling up of vacant posts, non-finalization of proposals for rent revision in respect of hired office buildings and requirement of less funds towards purchase of computers and economy measures
9	National Academy of Customs, Excise and Narcotics (NACEN)	9.61	Saving was due to non-filling up of vacant posts, non-finalization of tour programme of Probationers and economy measures.
10	Directorate of Publicity and Public Relations	3.50	Saving was due to non-clearance of pending bills towards advertisement and publicity.
11	Directorate General of Central Excise Intelligence	6.21	Saving was due to non-filling up of vacant posts and economy measures
12	Systems & Data Management	22.43	Saving was due to non-filling up of vacant posts, non-completion of the milestones by the service provider, less domestic tours and economy measures.

S. No.	Sub Head/ Scheme/ Programme	Savings	Remarks/ Reasons
13	Collection Charges-Commissionerates (HQ)	448.63	Saving was due to non-filling up of vacant posts, non-completion of the milestones by the service provider, non-revision of rent, less domestic tours, receipt of less medical claims and non-finalization of proposals for rent revision in respect of hired office buildings.
14	Pay and Accounts Offices (Central Excise of Principal Chief Controller of Accounts)	1.69	Saving was due to non-completion of the milestones by service provider.
15	Other Expenditure-Collection of Land Customs	14.49	Saving was due to non-filling up of vacant posts, non-completion of milestones by the service providers, non-revision of rent, less domestic tours and less purchase of Computers related items.
16	Other Expenditure-Other Items	2.30	Saving was due to non-finalization of proposal for repair and maintenance of buildings
17	Other Expenditure-Departmental Canteens	6.65	Saving was due to non-filling up of vacant posts and deployment of less canteen staff.
18	Major Head-2216 (Housing)	1.65	Saving was due to non-finalization of some proposals towards repair and maintenance of residential buildings
19	Capital Outlay on other Fiscal Services	114.93	Saving was due to non-receipt of clarification from the suppliers regarding vessels supply norms, delayed tendering process owing to non-receipt of clearances from various agencies and revision of time schedule for installation work.
20	Capital Outlay on Public Works	4.18	Saving was due to re-assessment by the National Building Construction Company Limited
21	Acquisition of Ready built accommodation	20.56	Saving was due to non-finalization of various proposals for purchase of ready built office accommodation/construction of office accommodation.
22	Acquisition of Ready built flats	2.85	Saving was due to non finalization of various proposals for purchase of ready built residential accommodation/construction of residential accommodation.

**iii) Surrenders/savings due to obsolete/defunct project/scheme or due to completion of project/scheme:Nil**

**Note:-** This annexure is included in compliance of O.M. No. 7(I)-B(AC)/2011 dated 23rd March, 2012 of Budget Division regarding segregation of savings due to normal savings, under/non-utilization & surrender of funds for the financial year 2011-12 as desired by the Standing Committee on Finance in its 33rd Report.

## DEPARTMENT OF DISINVESTMENT INTRODUCTION

The Department of Disinvestment is mandated the following work:-

- (1) (a) All matters relating to disinvestment of Central Government equity from Central Public Sector Enterprises(CPSEs);
- (b) All matters relating to sale of Central Government equity through offer for sale or private placement in the erstwhile CPSEs;

**Note:** All other post disinvestment matters, including those relating to and arising out of the exercise of call option by the strategic partner in the erstwhile CPSEs, shall continue to be handled by the administrative Ministry or Department concerned, where necessary, in consultation with the Department of Disinvestment.

- (2) Decisions on the recommendations of Disinvestment Commission on the modalities of disinvestment, including restructuring;
  - (3) Implementation of disinvestment decisions, including appointment of advisors, pricing of shares, and other terms and conditions of disinvestment;
  - (4) Disinvestment Commission;
  - (5) CPSEs for purposes of disinvestment of Government equity only;
  - (6) Financial policy in regard to the utilization of the proceeds of disinvestment channelised into the National Investment Fund.
2. The Department is headed by Secretary (Disinvestment) who is assisted by four Joint Secretaries and an Economic Adviser.

## STATEMENT OF OUTLAYS AND OUTCOMES 2016-17

S. No.	Name of the Scheme/Programme	Objective/Outcome		Outlay 2015-16 (₹ in Crore)		Quantifiable Deliverables/ Physical Outputs	Projected Outcomes	Processes/ Timelines	Remarks/ Risk Factors	
1	2	3	4	4(i) Non- Plan	4(ii) Plan	4(iii) CEBR	5 (₹ in crore)	6	7	8
1.	Secretariat Economic Services	To raise resources as well as unlock true value of CPSEs.	44	...	...	...	₹ 69,500 crore. (BE 2015-16)	To achieve wide dispersal of ownership of CPSEs.  To enhance people ownership of CPSEs.  Improve corporate governance.  Improvement of profitability of CPSEs.  Improvement of efficiency of CPSEs.	Disinvestment depends on approvals by Government, and then by SEBI, including preparedness of CPSEs.  No strict timelines can be prescribed. However, a roadmap is prepared by Department which is monitored on a regular basis.	- Requisite number of independent directors not appointed on the Board.  - Prevailing market conditions, including volatility in the stock markets- both Domestic & International.

## **REFORM MEASURES AND POLICY INITIATIVES**

### **Demand No. 46 - Department of Disinvestment**

Keeping in view the budgeted target of disinvestment for 2015-16, the Department of Disinvestment (DoD) has taken further measures to accelerate the disinvestment process by taking the following measures:

- Replacing annual plan with rolling plans
- Creating a pipeline of proposals for CPSEs, which at present, are at different stages of approval.
- Fast tracking of approval process
- Secrecy maintained to prevent hammering of stocks
- Disinvestment programme made more inclusive by following an approach to reserve upto 20 per cent of shares in PSUs-OFS transactions for retail investors on a case to case basis.

2. As a part of the strategy to keep stocks readily to take advantage of better market condition without any loss of time, the Government has already identified some CPSEs for disinvestment during the year in sectors like mining and metal, oil, energy, capital goods as well as some mid-size and small stocks. Best efforts are being structured for further divestment through fresh OFS for CPSEs. Other options of disinvestment through capital restructuring are being initiated. Efforts is to optimize the disinvestment during 2015-16.

3. In line with the announcement made in the Budget 2015-16, actions have been initiated for laying down the procedures and mechanism for strategic disinvestment of CPSEs/PSUs. Accordingly, post-inter-ministerial consultations, a CCEA note in this regard has been finalized for approval.

## REVIEW OF PAST PERFORMANCE

The Department of Disinvestment has no plan or non-plan scheme. The entire Budget of the Department is under non-plan for payment of salary, wages, professional services and other administrative expenses, etc. The BE and RE estimates for the financial year 2014-15 for the department was Rs.50 crore and Rs. 35 crore respectively. Against this target, the actual utilization was Rs. 22.35 crore. The proposed BE for 2015-16 is Rs. 44 crore.

I. (i) Disinvestment transactions completed during 2014-15

- (a) **Steel Authority of India Ltd. (SAIL)** -The Government received an amount of Rs. 1,719.54 crore through disinvestment of its 5% paid up equity capital in SAIL through an OFS transaction on 5th December, 2014.
- (b) **Coal India Limited (CIL)** : The Government received an amount of Rs. 22,557.63 crore through disinvestment of its 10% paid-up equity capital in CIL through an OFS issue on 30th January, 2015.

(ii) Disinvestment transactions completed during 2015-16  
(upto 31st December, 2015)

- (a) **Rural Electrification Corporation Ltd.** : The Government received an amount of Rs. 1,608.00 crore through disinvestment of its 5% paid up equity capital in REC through an OFS transaction on 8th April, 2015.

(b) **Power Finance Corporation Ltd.** : The Government received an amount of Rs. 1,671.00 crore through disinvestment of its 5% paid up equity capital in PFC through an OFS transaction on 27th July, 2015.

(c) **Dredging Corporation of India Ltd. (DCIL)** : The Government received an amount of Rs. 53.33 crore through disinvestment of its 5% paid up equity capital in DCIL through an OFS transaction on 21st August, 2015.

(d) **Indian Oil Corporation Ltd. (IOCL)** : The Government received an amount of Rs. 9,369.00 crore through disinvestment of its 10% paid up equity capital in IOCL through an OFS transaction on 24th August, 2015.

2. Keeping in view the budgeted target of disinvestment for 2015-16 and as a part of the strategy to keep stocks readily to take advantage of better market condition without any loss of time, the Government has already identified some CPSEs for disinvestment during the year in sectors like mining and metal, oil, energy, capital goods as well as some mid-size and small stocks. Best efforts are being structured for further divestment through fresh OFS for CPSEs. Other options of disinvestment through capital restructuring are being initiated. Efforts is to optimize the disinvestment during 2015-16.

**II The Budgeted targets and Revised Estimates for Disinvestment receipts and amounts realized through disinvestment in CPSEs during 2014-15 and 2015-16 are given below:-  
OFS.**

Year	Budget Targets (Rs. in crore)	Revised Estimates (Rs. in crore)	Name of the CPSE Disinvested	Amount Realized (Rs. in crore)
2014-15	43,425	26,353	National Fertilizers Ltd.	3.60
			National Thermal Power Corp. Ltd. (NTPC Ltd.)	48.16
			Steel Authority of India Ltd. (SAIL Ltd.)	1719.54
			Coal India Ltd. (CIL)	22,557.63
			MMTC Ltd.	4.16
			Hindustan Copper Ltd.	3.17
			National Aluminium Co. Ltd. (NALCO):	12.45
			NMDC Ltd.:	0.0040
			<b>Grand Total (Proceeds from Disinvestment)</b>	<b>24,348.71</b>
2015-16	69,500	25,312	Rural Electrification Corporation Ltd. (REC)	1,608.00
			Power Finance Corporation Ltd. (PFC)	1,671.00
			Dredging Corporation of India Ltd. (DCIL)	53.33
			Indian Oil Corporation Ltd. (IOC)	9,369.00
			<b>Grand Total (Proceeds from Disinvestment upto December, 2015)</b>	<b>12,701.33</b>

**Grant No. 46 - DEPARTMENT OF DISINVESTMENT**  
**OBJECT HEAD-WISE EXPENDITURE VIS-A-VIS BE/RE PROVISION FOR THE YEARS 2013-14, 2014-15 AND 2015-16**

(₹ in crore)

S.No.	Description	2013-14			2014-15			2015-16			2016-17
		B.E.	R.E.	Actual	B.E.	R.E.	Actual	B.E.	R.E.	Actual 30.11.2015	BE
<b>REVENUE SECTION</b>											
1	Salaries	3.73	3.73	4.11	4.50	5.48	4.92	5.86	5.10	3.70	5.92
2	Wages	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	Overtime Allowance	0.01	0.01	0.00	0.01	0.00	0.00	0.01	0.01	0.00	0.01
4	Medical Treatment	0.04	0.04	0.04	0.04	0.07	0.07	0.07	0.07	0.03	0.20
5	Domestic Travel Expense	0.40	0.40	0.35	0.40	0.40	0.20	0.40	0.40	0.13	0.40
6	Foreign Travel Expenses	3.00	3.00	3.00	3.00	3.00	2.62	3.00	3.00	1.23	3.00
7	Office Expenses	1.00	1.20	1.20	1.50	1.50	1.25	1.50	1.50	0.81	2.00
8	Publication	0.01	0.01	0.00	0.01	0.00	0.00	0.01	0.01	0.00	0.01
9	Other Administrative Expenses	0.03	0.04	0.03	0.04	0.04	0.03	0.05	0.05	0.03	0.07
10	Advertising and Publicity	...	6.00	4.64	21.00	5.00	0.26	13.00	7.00	0.16	8.00
	Professional Services	54.97	15.51	11.55	19.44	19.44	12.96	20.00	17.81	1.46	19.89
11	Information Technology (other charges)	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.00	0.50
<b>Total Revenue Section</b>		<b>63.24</b>	<b>30.00</b>	<b>24.98</b>	<b>50.00</b>	<b>35.00</b>	<b>22.35</b>	<b>44.00</b>	<b>35.00</b>	<b>7.56</b>	<b>40.00</b>
<b>CAPITAL SECTION</b>		<b>00.00</b>	<b>0 0.00</b>	<b>00.00</b>	<b>00.00</b>						
<b>GRAND TOTAL</b>		<b>63.24</b>	<b>30.00</b>	<b>24.98</b>	<b>50.00</b>	<b>35.00</b>	<b>22.35</b>	<b>44.00</b>	<b>35.00</b>	<b>7.56</b>	<b>40.00</b>

**ANALYSIS OF OVERALL TRENDS IN EXPENDITURE**

The overall Revenue expenditure under this Grant was ₹17.77 crore in 2012-13, ₹24.98 crore in 2013-14, ₹22.35 crore in 2014-15 and ₹7.56 crore (up to 30.11.2015). This expenditure is mainly to meet the requirements of the Secretariat of the Department.

**Statement on Surrender and Savings during the Financial Year 2014-15**

During the Financial Year 2014-15 against a budgetary provision of ₹50.00 crore for Secretariat Economic Service, an expenditure of ₹22.35 crore was incurred resulting in a savings of ₹27.65 crore.

These savings have been segregated into following categories:-

- (i) Normal Savings: Savings resulting from economic use of Resources

**₹27.65 crore (Due to Non-completion of Public Issues)**

- (ii) Under/Non utilization: Savings due to non-implementation/delay in execution of Projects/Schemes

**Not Applicable**

- (iii) Surrenders: Saving due to obsolete/ defunct project/ scheme or due to completion of a Projects/ Scheme and the funds are no more required

**Not Applicable**