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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 2015-16 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 Bank 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 thirteen Demands:

DEMAND NO.	DEPARTMENT
34	Department of Economic Affairs
35	Department of Financial Services
36	Appropriation - Interest Payments
37	Transfers to State and Union Territory Governments
38	Loans to Government Servants, etc.
39	Appropriation - Repayment of Debt
40	Department of Expenditure
41	Pensions
42	Indian Audit and Accounts Department
43	Department of Revenue
44	Direct Taxes
45	Indirect Taxes
46	Department of Disinvestment

Six Demands viz, 36- Interest Payments, 37-Transfers to State and Union Territory Governments, 38 - Loans to Government Servants, etc., 39- Repayment of Debt, 41- Pensions and 42 - Indian Audit and Accounts Department are specifically exempted from the purview of outcome budgeting. Summary of Budgetary Provisions for all 13 Demands under the Ministry is provided in the Annexure to this Executive Summary.

A brief summary of the Outcome Budget 2015-16 of the Ministry is presented below:

Demand No. 34- 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 Railway Budget) and the Economic Survey. Some key activities and programmes are mentioned below:-

- Contribution for Railway Safety Works (₹1645.60 crore) against additional levies on Motor Spirit & High Speed Diesel (Plan) - Under this scheme during 2015 - 16, the Ministry of Railways have targeted to strengthen the safety at busy level crossing by proposing to construct 520 Road under bridges /subways and 130 Road over bridges.
- 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, 182 projects have been granted approval with Total Project Cost (TPC) of ₹94,888.57 crore and VGF support of ₹16,731.55 crore. However, the actual level of VGF amount of these proposals is determined once the bidding process is completed. An amount of ₹274.33 crore has been disbursed in the financial year 2014-15 (till 31st December, 2014) under the VGF scheme, out of a Budget Provision of ₹670.00 crore.

A budget provision of ₹412.50 crore has been made in the BE 2015-16 based on an assessment of sponsoring Authority requirements and the number of projects already granted final approval.

- The India Infrastructure Project Development Fund (IIPDF) Scheme assists up to 75 per cent of the total Project Development expenses of PPP projects. So far, 3 projects have been approved with an IIPDF assistance in the financial year 2014-15. During the current financial year 2014-15, out of a provision of ₹4.00 crore, only an amount of ₹4.28 lakh has been disbursed because no further request has been received. An amount of ₹2.00 crore has been proposed for the year 2015-16.
- The Department of Economic Affairs has been handling the concessional lines of credit to developing countries since long back. Earlier this was known as Government to Government lines of credit. Expenditure under this activity was incurred under "Major Head -7605-Advances to Foreign Governments". Subsequently, since 2003-04 these lines of credit are being extended to foreign countries through Exim Bank of India. Currently, Government of India is providing Interest Equalization Support to Exim Bank of India under the "Major Head - 3605 - Technical and Economic Co-operation with Other countries, Minor Head 00.101 - Cooperation with other countries, Sub-Head - 37 -Interest Equalization Support to Exim Bank of India, Object Head-37.00.33 - Subsidies". If there is default in repayment by the recipient country, GOI will have to repay the amount to Exim Bank as counter-guarantee of GOI has been given to Exim Bank for the lines of credit. In order to

make Government to Government lines of credit more comprehensive, an initiative was launched in the Union Budget for the financial year 2003-04 called "India Development Initiative". This scheme has now been converted into "Indian Development and Economic Assistance Scheme (IDEAS)". The IDEAS attempts to promote India's strategic economic interests abroad by way of providing concessional Lines of Credit (LOCs) through Lending Agencies to foreign countries. A provision of ₹582.00 crore has been made for Interest Equalization Support to Exim Bank of India during 2015-16.

- **International Development Association (IDA)** - Government of India have 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 provision will be made in Demand No.34, under the relevant head. The Promissory Notes will be en-cashed by IDA in 9 instalments as per the standard encashment schedule in next nine years.
- **Outcome of India's contribution to IDA**:-As a commitment towards shared objectives of eliminating extreme poverty, reducing vulnerability and increasing resilience across countries, India has voluntarily decided to contribute US \$ 200 Million to IDA 17 as a Grant contribution. This step will further strengthen India's relationship with the World Bank Group.
- Forward Markets Commission is a statutory body set up under the Forward Contracts (Regulation) Act, 1952. The Commission functions under the administrative control of Ministry of Finance, Department of Economic Affairs. The functions of the FMC under the Forward Contracts (Regulation) Act, 1952 include advising Government on grant of/withdrawal of recognition to the exchanges, monitoring and regulating the commodity futures markets and initiating necessary action as assigned in the FCRA, 1952, collecting and publishing market information, making necessary recommendations to the Government of India for the improved functioning of the market and inspection of the commodity exchanges and the members of the exchanges.
- A Debt Management Office/Public Debt Management Agency has been set up under the Ministry of Finance (DEA). A sum of ₹2.00 crore has been provided to enable hiring of professional services and meet other expenses for building up, in phases, functionalities and systems for better management of total debt and contingent liabilities of the Central Government as well as cash management of the Central Government.
- During 2015-16, as a new initiative, Provision of ₹1000.00 crore has been kept for seed capital for Social Security Network.

Demand No. 35- 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 summarised below:

- Prime Minister had announced Pradhan Mantri Jan-Dhan Yojana (PMJDY) on 15th August, 2014 and formally launched on 28th August, 2014. The Yojana envisages universal access to banking facilities with at least one basic banking account for every household. The beneficiary would get a RuPay Debit Card having inbuilt accident insurance cover of ₹1.00 lakh. Apart from this there is a life insurance cover of ₹30,000/- provided to those people who opened their bank account for the first time between 15th August, 2014 and 26th January, 2015. Under PMJDY, 12.65 crore accounts (5.09 crore in urban areas and 7.56 crore in rural areas) have been opened as on 03.02.2015. Out of these 12.65 crore accounts, 8.50 crore accounts are with Zero Balance and RuPay cards have been issued in 11.16 crore eligible accounts.
- There are 100% coverage under PMJDY in Ten States and Seven UTs. Guinness Book of World Records has also recognized the achievements made under Pradhan Mantri Jan Dhan Yojana (PMJDY) and has given certificate stating that the "Most bank accounts opened in one week as part of the Financial Inclusion Campaign is 18,096,130 and was achieved by the Department of Financial Services, Government of India from 23rd to 29th August, 2014".
- In RE 2014-15, ₹100 crore was provided as initial fund to cover outgo claim and administrative expenses on account of accident cover, i.e. death by any cause to the RuPay Debit Card holders under PMJDY to be implemented through LIC of India. A further provision of ₹100 crore is proposed for the purpose in 2015-16.
- ₹11,200 crore was provided for recapitalisation of Public Sector Banks (PSBs) in BE 2014-15 to enable them to maintain their Capital to Risk Weighted Asset Ratio (CRAR) at comfortable level and to ensure that they remain compliant with capital adequacy norms under BASEL-III. Having considered the requirement, the provision was reduced to ₹6,990 crore in RE 2014-15 to be infused in 9 Public Sector Banks (PSBs). A provision of ₹7,940 crore is proposed for recapitalisation of PSBs in 2015-16.
- Government provides equity support to Export Import (EXIM) Bank of India and India Infrastructure Finance Co. Ltd. (IIFCL) to raise their paid up capital within their authorized capital. Entire provision of ₹1300 crore for EXIM Bank and ₹600 crore for IIFCL was released upto December 2014. A further provision of ₹1300 crore for EXIM Bank is proposed in 2015-16.
- During 2014-15, ₹300 crore was released towards capital support to NABARD. A further provision of ₹300 crore is proposed in 2015-16.

- Under the scheme of Interest Subvention for providing Short Term Credit to Farmers, ₹6000 crore was provided in BE 2014-15 which has been raised to ₹9476.71 crore in RE 2014-15. Out of this ₹5000 crore was released upto December, 2014. A further provision of ₹13,000 crore is proposed in 2015-16.
- To encourage people from unorganized sector to save their retirement by enrolling under National Pension System (NPS), 'Swavalamban Scheme' was launched during 2010-11 with provision of ₹1,000 in the NPS account of the subscribers. During 2014-15, 23 Lakh subscribers are expected to receive government contribution. For this purpose, ₹195 crore was provided in BE 2014-15, out of which ₹58.38 crore was utilised upto December, 2014. A further provision of ₹581.90 crore is proposed in 2015-16.
- Varishtha Pension Bima Yojana (VPBY) for senior citizens aged 55 years and above was launched on 14.07.2003 and withdrawn on 09.07.2004. In Budget Speech 2014-15, Finance Minister had announced to revive the scheme for a limited period from 15th August, 2014 to 14th August, 2015 for the benefit of citizens aged 60 years and above. The scheme has been revived as 'Revived - Varishtha Pension Bima Yojana (VPBY)-2014'. An amount of ₹111.49 crore was provided under the Scheme in BE 2014-15, which has been slightly reduced to ₹111.24 crore in RE 2014-15. A further provision of ₹101.79 crore is proposed in 2015-16.
- Under the scheme of Aam Aadmi Bima Yojana (AABY), ₹150 crore was provided in BE 2014-15, which has been raised to ₹175 crore in RE 2014-15. Out of this, an amount of ₹149.99 crore was released upto December 2014 towards 'AABY Scholarship Fund' created for the benefit to the children of beneficiaries. A further provision of ₹437.51 crore is proposed in 2015-16.
- In Budget speech 2013-14, Finance Minister had announced for establishment of a Credit Guarantee Fund for factoring with a corpus of ₹500 crore with SIDBI, with an objective to encourage Factoring of receivables of Micro, Small and Medium Enterprises (MSMEs) in India pursuant to passing of Factoring Regulation Act, 2011. During 2014-15, ₹50 crore was provided in BE for the scheme, which was raised to ₹250 crore in RE 2014-15. A further provision of ₹250 crore is proposed in 2015-16.

Demand No.40 - 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 and Central Pay Commissions. 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 ₹72322.00 crore in BE 2014-15 for Central Assistance to State Plans in Demand No.36 of Department of Expenditure, ₹50305.82 crore were released till 31.01.2015. Central assistance for States' 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. 37 (formerly Demand No. 36) for implementation of various programmes.
- 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 Post Graduate Diploma in Business Management (PGDBM) - Finance. In the year 2014-15, 83 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.

Demand No. 43 - Department of Revenue

- Under Demand No. 43 - Department of Revenue, major expenditure is towards CST Compensation to the State Governments/Union Territories, which is budgeted at ₹15,028 crore. The VAT related expenditure is budgeted at ₹9.40 crore for 2014-15. The expenditure on Government Opium & Alkaloid Works is budgeted at ₹350.17 crore. The other non-Plan expenditure included in the Outcome Budget is expenditure related to setting up of Tax Information Exchange System (TINXSYS) 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 ₹292 crore has been kept in 2015-16 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 ₹347.55 crore in 2013-14 against the RE of ₹316.47 crore. In 2014-15, they have realized a revenue of ₹208.80 crore (prov.) against the RE of ₹287.82 crore.

- The Government has approved construction of Rajaswa Bhawan at New Delhi at an estimated cost of ₹485.16 crore. A provision of ₹100 crore has been kept for the purpose in 2015-16.
- 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. 44 - 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 17 Directorate which function as its attached offices. Various Chief Commissioners of Income Tax supervise collection of direct taxes and provide taxpayers services across the country whereas Directors General of Income Tax (Investigation) supervise the investigation machinery, with the aim to curb tax evasion and unearth unaccounted money. There are also appellate machineries comprising of Commissioners of Income Tax (Appeals) who perform the quasi-judicial task of deciding appeals against orders of assisting officers. The key activities are summarized below:

- An outlay of ₹525.00 crore has been provided in Budget Estimates 2015-16 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)
 - Taxpayers 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)

- Centralized Processing Centre (CPC) Bangalore.
- Data Warehouse and Business Intelligence (DW&B) Solution
- Compliance Management (CPC)
- New ITD Application.
- An outlay of ₹323.72 crore has been provided under Capital Section in BE 2015-16 for purchase/construction of office accommodation at various places including Upgradation of Ayakar Bhawan, Basheerbagh, Hyderabad, Construction of office building at Bangalore and Renovation of Takshila Hostel and new Lawn Tennis Court at NADT, Nagpur.
- An outlay of ₹250.48 crore has been provided under Capital section in BE 2015-16 for construction of 6 type -VI quarters at Chandigarh; Construction of residential complex along with community hall, guest house etc. at Hadapsar, Pune; Renovation of staff quarters at Krishna Nagar, Pune; Construction of Residential quarters at Chennai and Type-V & VI quarters at Telibanda.
- The initiatives and measures undertaken by the Department has focused on simplification of tax laws & procedures, better facilities to taxpayers and minimizing the human interface between the taxpayers and the officials. These, inter alia, include facilities for online preparation & 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 272 Aaykar Sewa Kendras for single window Tax Payer Services, Aaykar Sampark Kendras (One National Call Centre and four Regional call centres) etc. Also a "Sevottam" scheme with the view to bring in excellence in public service delivery based on a newly rewritten Citizens' Charter, has been initiated.
- The actual expenditure in 2013-14 under this grant was ₹4081.28 crore against the Revised Estimates of ₹4179.54 crore which shows an utilization of 98.99%. In FY 2014-15, actual expenditure till December 31, 2014 (provisional) stands at ₹3195.65 crore against the Revised Estimates of ₹4326.97 crore which shows an utilization of 73.85%.

Demand No. 45-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

<p>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.</p>	<p>Approach</p> <p>The current policy on disinvestment envisages development of people's ownership of Central Public Sector Enterprises to share in their wealth and prosperity while ensuring that the Government equity does not fall below 51% and Government retains management control.</p>
<ul style="list-style-type: none"> ➤ 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 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 2014-15. 109 Marine Vessels for strengthening anti-smuggling operations in the territorial waters have been procured. A total provision of ₹263.61 crore has been made for the year 2015-16. ₹27.42 crore, ₹99.88 crore, ₹78.64 crore, ₹33.20 crore, ₹46.52 crore, ₹5.45 crore and ₹14.80 crore have been spent for the years 2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13 and 2013-14 respectively under these schemes. During 2014-15, ₹6.04 crore have been spent up to December, 2014. ➤ 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 ₹191.42 crore 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. 	<p>Keeping in view the objective of disinvestment policy, the following approach to disinvestment has been adopted.</p> <ul style="list-style-type: none"> (i) Already listed profitable CPSEs (not meeting mandatory shareholding of 25%) are to be made compliant by 'Offer for Sale' by Government or by the CPSEs through issue of fresh shares or a combination of both. (ii) Unlisted CPSEs with no accumulated losses and having earned net profit in three preceding consecutive years are to be listed. (iii) Follow-on public offers would be considered in respect of listed profitable CPSEs, taking into consideration the needs for capital investment of CPSE, on a case by case basis and Government could simultaneously or independently also offer a portion of its equity shareholding. (iv) Each CPSE has different equity structure, financial strength, fund requirement, sector of operation etc., factors that do not permit a uniform pattern of disinvestment. Therefore, disinvestment is considered on merits and on a case-by-case basis. (v) CPSEs have been permitted to use their surplus cash to buyback their shares as well as one CPSE may buy the shares of other CPSEs from the Government. (vi) Government retains at least 51 per cent equity and management control in all cases of disinvestment through public offerings. (vii) Strategic sale in loss making CPSEs is considered on a case by case basis when efforts to revive the CPSE fail.

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.

Demand No. 46 - Department of Disinvestment

Mandate

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.

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<p>(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.</p> <p>(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.</p> <p>(e) Expectations of investors (shareholders) will bring productive pressure upon the management to perform more efficiently to unlock the true value of the enterprise.</p> <p>(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 that held by the public post-listing.</p> <p>(g) Listing also provides development of people-ownership of CPSEs, thus encouraging participation and sharing in the prosperity of CPSEs.</p> <p>(h) The process of listing of CPSEs on stock exchanges facilitates development and deepening of capital market and spread of equity culture.</p> <p>(i) Raise budgetary resources for the Government.</p>	<p>-- Preferential allotment of shares of the CPSEs to promoters as per SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 so that Government shareholding does not go below 51 per cent, in all cases where CPSE is going to raise fresh equity to meet its capex programme.</p> <p>-- Recapitalization of Public Sector Banks and Public Sector Insurance Companies.</p> <p>-- Investment by Government in RRBs/IIFCL/NABARD/Exim Bank.</p> <p>-- Equity infusion in various Metro projects.</p> <p>-- Investment in Bhartiya Nabhikiya Vidut Nigam Ltd. and Uranium Corporation of India Ltd.</p> <p>-- Investment in Indian Railways towards capital expenditure.</p>	<p>The entire disinvestment receipts for the FY 2013-14 were deployed towards meeting capital expenditure of Ministry of Railways.</p>

Budget target and achievement

The budgetary target of ₹40,000 crore for disinvestment for the year 2013-14 (excluding budgeted receipts of ₹14,000 crore through disinvestment of Government stake in non-Government companies) was revised to ₹16,027 crore as Revised Estimate. The Government realized an amount of ₹15,819.46 crore as disinvestment receipts during 2013-14.

The disinvestment target for 2014-15 is ₹51,925 crore comprising of ₹36,925 crore by way of disinvestment of CPSEs and ₹15,000 crore through disinvestment of Government stake in non-Government companies. This is the highest ever disinvestment target and is 2.4 times the highest ever disinvestment receipts and 2.7 times the average disinvestment receipts in the past 4 years. In 2014-15, the Government has disinvested 5% paid up equity of SAIL and realized an amount of ₹1,719.54 crore as disinvestment proceeds. This Offer for Sale (OFS) of Shares through Stock Exchange Mechanism was one of the best ever by the Government on various parameters like high average realized share price, high percent subscription, and low discount offered to market price.

Utilization of Disinvestment proceeds

Government decided that from 01st April, 2013, disinvestment receipts will form part of National Investment Fund (NIF) and would be available for spending on the following approved purposes:

- Subscribing to shares being issued by Central Public Sector Enterprises (CPSEs) including Public Sector Banks (PSBs) and Public Sector Insurance Companies, on rights basis so as to ensure that 51 per cent ownership of the Government is not diluted.

SUMMARY OF BUDGETARY PROVISIONS UNDER MINISTRY OF FINANCE

(In Crores of Rupees)

Description	Actuals 2013-2014			Budget Estimates 2014-2015			Revised Plan	Estimates Non-Plan	2014-2015 Total	Budget Estimates 2015-2016					
	Plan	Non-Plan	Total	Plan	Non-Plan	Total				Plan	Non-Plan	Total			
DEMAND NO. 34															
DEPARTMENT OF ECONOMIC AFFAIRS															
Total-Revenue Section	5054.90	5047.61	10102.51	9784.00	5935.27	15719.27	9266.76	6113.19	15379.95	9598.20	8176.68	17774.88			
Charged			
Voted	5054.90	5047.61	10102.51	9784.00	5935.27	15719.27	9266.76	6113.19	15379.95	9598.20	8176.68	17774.88			
Total-Capital Section	1450.00	4518.93	5968.93	1643.00	4628.15	6271.15	573.00	10282.47	10855.47	512.50	5089.19	5601.69			
Charged			
Voted	1450.00	4518.93	5968.93	1643.00	4628.15	6271.15	573.00	10282.47	10855.47	512.50	5089.19	5601.69			
<i>Total (Revenue & Capital)</i>	<i>6504.90</i>	<i>9566.54</i>	<i>16071.44</i>	<i>11427.00</i>	<i>10563.42</i>	<i>21990.42</i>	<i>9839.76</i>	<i>16395.66</i>	<i>26235.42</i>	<i>10110.70</i>	<i>13265.87</i>	<i>23376.57</i>			
Charged			
Voted	6504.90	9566.54	16071.44	11427.00	10563.42	21990.42	9839.76	16395.66	26235.42	10110.70	13265.87	23376.57			
DEMAND NO. 35															
DEPARTMENT OF FINANCIAL SERVICES															
Total-Revenue Section	784.18	9938.27	10722.45	650.00	7536.09	8186.09	350.00	11395.22	11745.22	250.00	15061.80	15311.80			
Charged			
Voted	784.18	9938.27	10722.45	650.00	7536.09	8186.09	350.00	11395.22	11745.22	250.00	15061.80	15311.80			
Total-Capital Section	16882.78	0.22	16883.00	24650.00	0.01	24650.01	10553.30	818.29	11371.59	10555.00	...	10555.00			
Charged			
Voted	16882.78	0.22	16883.00	24650.00	0.01	24650.01	10553.30	818.29	11371.59	10555.00	...	10555.00			
<i>Total (Revenue & Capital)</i>	<i>17666.96</i>	<i>9938.49</i>	<i>27605.45</i>	<i>25300.00</i>	<i>7536.10</i>	<i>32836.10</i>	<i>10903.30</i>	<i>12213.51</i>	<i>23116.81</i>	<i>10805.00</i>	<i>15061.80</i>	<i>25866.80</i>			
Charged			
Voted	17666.96	9938.49	27605.45	25300.00	7536.10	32836.10	10903.30	12213.51	23116.81	10805.00	15061.80	25866.80			
APPROPRIATION NO. 36															
INTEREST PAYMENTS															
Total-Revenue Section	...	395199.59	395199.59	...	449882.66	449882.66	...	430778.53	430778.53	...	476089.17	476089.17			
Charged	...	395199.59	395199.59	...	449882.66	449882.66	...	430778.53	430778.53	...	476089.17	476089.17			
Voted			
Total-Capital Section			
Charged			
Voted			
<i>Total (Revenue & Capital)</i>	<i>395199.59</i>	<i>395199.59</i>	<i>395199.59</i>	<i>...</i>	<i>449882.66</i>	<i>449882.66</i>	<i>...</i>	<i>430778.53</i>	<i>430778.53</i>	<i>...</i>	<i>476089.17</i>	<i>476089.17</i>			
Charged	...	395199.59	395199.59	...	449882.66	449882.66	...	430778.53	430778.53	...	476089.17	476089.17			
Voted			

Description	Actuals 2013-2014			Budget Estimates 2014-2015			Revised Estimates 2014-2015			Budget Estimates 2015-2016			Outcome Budget 2015-2016 (xi)
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
DEMAND NO. 40 DEPARTMENT OF EXPENDITURE													
Total-Revenue Section	3.00	121.63	124.63	4.00	151.90	155.90	3.50	141.01	144.51	4.00	152.84	156.84	
Charged	
Voted	3.00	121.63	124.63	4.00	151.90	155.90	3.50	141.01	144.51	4.00	152.84	156.84	
Total-Capital Section	
Charged	
Voted	
Total (Revenue & Capital)	3.00	121.63	124.63	4.00	151.90	155.90	3.50	141.01	144.51	4.00	152.84	156.84	
Charged	
Voted	3.00	121.63	124.63	4.00	151.90	155.90	3.50	141.01	144.51	4.00	152.84	156.84	
DEMAND NO. 41 PENSIONS													
Total-Revenue Section	...	22790.27	22790.27	...	24778.00	24778.00	...	25500.00	25500.00	...	27285.00	27285.00	
Charged	...	93.94	93.94	...	95.00	95.00	...	130.00	130.00	...	140.00	140.00	
Voted	...	22696.33	22696.33	...	24683.00	24683.00	...	25370.00	25370.00	...	27145.00	27145.00	
Total-Capital Section	
Charged	
Voted	
Total (Revenue & Capital)	...	22790.27	22790.27	...	24778.00	24778.00	...	25500.00	25500.00	...	27285.00	27285.00	
Charged	...	93.94	93.94	...	95.00	95.00	...	130.00	130.00	...	140.00	140.00	
Voted	...	22696.33	22696.33	...	24683.00	24683.00	...	25370.00	25370.00	...	27145.00	27145.00	
DEMAND NO. 42 INDIAN AUDIT & ACCOUNTS DEPARTMENT													
Total-Revenue Section	...	2916.43	2916.43	...	3322.08	3322.08	...	3300.48	3300.48	...	3662.39	3662.39	
Charged	...	96.92	96.92	...	101.03	101.03	...	106.86	106.86	...	117.05	117.05	
Voted	...	2819.51	2819.51	...	3221.05	3221.05	...	3193.62	3193.62	...	3545.34	3545.34	
Total-Capital Section	...	6.95	6.95	...	15.00	15.00	...	11.00	11.00	...	15.00	15.00	
Charged	
Voted	...	6.95	6.95	...	15.00	15.00	...	11.00	11.00	...	15.00	15.00	
Total (Revenue & Capital)	...	2923.38	2923.38	...	3337.08	3337.08	...	3311.48	3311.48	...	3677.39	3677.39	
Charged	...	96.92	96.92	...	101.03	101.03	...	106.86	106.86	...	117.05	117.05	
Voted	...	2826.46	2826.46	...	3236.05	3236.05	...	3204.62	3204.62	...	3560.34	3560.34	

Description	Actuals 2013-2014			Budget Estimates 2014-2015			Revised Estimates 2014-2015			Budget Estimates 2015-2016		
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total
DEMAND NO. 43												
DEPARTMENT OF REVENUE												
Total-Revenue Section	...	2607.11	2607.11	...	726.90	726.90	...	11759.92	11759.92	...	16081.69	16081.69
<i>Charged</i>	...	26.45	26.45	...	0.02	0.02	...	0.02	0.02	...	0.02	0.02
<i>Voted</i>	...	2580.66	2580.66	...	726.88	726.88	...	11759.90	11759.90	...	16081.67	16081.67
Total-Capital Section	...	13.01	13.01	...	106.01	106.01	...	50.87	50.87	...	106.00	106.00
<i>Charged</i>
<i>Voted</i>	...	13.01	13.01	...	106.01	106.01	...	50.87	50.87	...	106.00	106.00
Total (Revenue & Capital)	...	2620.12	2620.12	...	832.91	832.91	...	11810.79	11810.79	...	16187.69	16187.69
<i>Charged</i>	...	26.45	26.45	...	0.02	0.02	...	0.02	0.02	...	0.02	0.02
<i>Voted</i>	...	2593.67	2593.67	...	832.89	832.89	...	11810.77	11810.77	...	16187.67	16187.67
DEMAND NO. 44												
DIRECT TAXES												
Total-Revenue Section	...	3635.28	3635.28	...	4342.89	4342.89	...	4178.97	4178.97	...	4832.36	4832.36
<i>Charged</i>
<i>Voted</i>	...	3635.28	3635.28	...	4342.89	4342.89	...	4178.97	4178.97	...	4832.36	4832.36
Total-Capital Section	...	446.00	446.00	...	752.00	752.00	...	150.00	150.00	...	576.20	576.20
<i>Charged</i>
<i>Voted</i>	...	446.00	446.00	...	752.00	752.00	...	150.00	150.00	...	576.20	576.20
Total (Revenue & Capital)	...	4081.28	4081.28	...	5094.89	5094.89	...	4328.97	4328.97	...	5408.56	5408.56
<i>Charged</i>
<i>Voted</i>	...	4081.28	4081.28	...	5094.89	5094.89	...	4328.97	4328.97	...	5408.56	5408.56
DEMAND NO. 45												
INDIRECT TAXES												
Total-Revenue Section	...	3731.57	3731.57	...	4884.52	4884.52	...	4321.00	4321.00	...	5001.49	5001.49
<i>Charged</i>	...	0.19	0.19	...	0.50	0.50	...	0.50	0.50	...	0.50	0.50
<i>Voted</i>	...	3731.38	3731.38	...	4884.02	4884.02	...	4320.50	4320.50	...	5000.99	5000.99
Total-Capital Section	...	22.30	22.30	...	271.31	271.31	...	150.00	150.00	...	663.61	663.61
<i>Charged</i>
<i>Voted</i>	...	22.30	22.30	...	271.31	271.31	...	150.00	150.00	...	663.61	663.61
Total (Revenue & Capital)	...	3753.87	3753.87	...	5155.83	5155.83	...	4471.00	4471.00	...	5665.10	5665.10
<i>Charged</i>	...	0.19	0.19	...	0.50	0.50	...	0.50	0.50	...	0.50	0.50
<i>Voted</i>	...	3753.68	3753.68	...	5155.33	5155.33	...	4470.50	4470.50	...	5664.60	5664.60

Description	Actuals 2013-2014			Budget Estimates 2014-2015			Revised Plan	Estimates Non-Plan	2014-2015 Total	Budget Estimates 2015-2016				
	Plan	Non-Plan	Total	Plan	Non-Plan	Total				Plan	Non-Plan	Total		
DEMAND NO. 46														
DEPARTMENT OF DISINVESTMENT														
Total-Revenue Section	...	26.90	26.90	...	50.00	50.00	...	35.00	35.00	...	44.00	44.00		
<i>Charged</i>		
<i>Voted</i>	...	26.90	26.90	...	50.00	50.00	...	35.00	35.00	...	44.00	44.00		
Total-Capital Section		
<i>Charged</i>		
<i>Voted</i>		
Total (Revenue & Capital)	...	26.90	26.90	...	50.00	50.00	...	35.00	35.00	...	44.00	44.00		
<i>Charged</i>		
<i>Voted</i>	...	26.90	26.90	...	50.00	50.00	...	35.00	35.00	...	44.00	44.00		

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 2015-16 are depicted in the following Statements:

STATEMENT OF OUTLAYS AND OUTCOMES 2015-2016

S. No.	Name of the Scheme/ Programme	Objective/Outcome	Outlay 2015-2016 (₹ 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.	Major Head 3054 - Contribution for Railway Safety Works against additional levies on Motor Spirit and High Speed Diesel. (Plan)	Under this Scheme money under Central Road Fund is used for financing construction of railway over/under bridges and railway safety works at unmanned railway crossings to ensure safety and provide smooth and safe passage for traffic.	...	1645.60	...	- Manning at 600 locations. - interlocking at 175 locations - all manned gates to be provided telephones. - Construction of 520 Nos of Road under bridges/ Subways. - Construction of 130 Nos of Road Over Bridges.	Ensure safety at unmanned level crossing and provide smooth passage for road traffic and rail operations. Fuel is saved and carbon emissions reduced where ROBs/RUBs are constructed. -Laying of cable between station/level crossing location for connecting signalling system & telephones. -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.	-For manning of ROB/RUB is a joint work of Railway and/State Govt/local bodies. Some time completion of ROB works get delayed due to contractual problem, non availability of land, delay in diversion of road traffic, shifting of level crossing gates, fund crunch with State Govt, bridge portion and approach portion of ROB being constructed by two agencies.	3

1	2	3	4	5	6	7	8
			4(i) Non- Plan	4(ii) Plan	4(iii) CEBR		
2.	Major Head 5475- Assistance for Infrastructure Development through provision of Public Private Partnership (PPP) in Infrastructure (Plan Scheme).	To promote Public Private Partnership (PPP) in the infrastructure sector through provision of Viability Gap Funding (VGF).	...	412.50	... 178 proposals have been granted 'in principle/final approval' for total project cost of ₹88696.67 crore and VGF grant of ₹16893.67 crore. The actual amount of VGF for these proposals will be known once the bidding process is completed.	Development of Infrastructure through Public Private Partnership mode.	There is a time lag between grant of 'in principle' approval and after commencement of construction work of the project and only normally it takes 12 to 18 months from the financial closure after giving in-principle approval to a proposal. Disbursement of fund takes place after the private party, selected through competitive bidding invests its share of equity.
3.	Major Head 3605 - Interest Equalisation Support to Exim Bank of India. (Non-Plan)	Indian Development and Economic Assistance Scheme (IDEAS). The objective is to promote India's strategic economic interests abroad and to develop long standing economic relationship.	582.00 Lines of Credit (LOCs) to other developing countries through EXIM Bank for exports of Indian goods and services.	Interest equalization support to Exim Bank of India has to be 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 developing countries like Angola, Burkina Faso, Cambodia, Chad, Congo, Cote d'Ivoire, Djibouti, Guinea Bissau, Guyana, etc.	The provision is to be utilised upto 31st March, 2016. If the repayment is defaulted by the recipient country, GOI will have to repay the amount to EXIM Bank, as counter-guarantee of GOI, has been given to EXIM Bank for the lines of credit.

Reform Measures and Policy Initiatives

Assistance for Infrastructure Development (Plan)

This scheme puts in place an innovative funding mechanism Public Private Partnership (PPP) in Infrastructure sector for Viability Gap support. The Government recognizes the need for significantly improving the availability and quality of critical infrastructure in the country in order to make the economy competitive and take it on to a high growth trajectory. It has been decided to encourage Public Private Partnership in infrastructure sectors in order to augment the pace of development of physical infrastructure through enhanced investment. Provision has been made for extending support for viability gap funding, for public private partnerships projects in various infrastructure sectors such as roads, seaports, airports, railways, convention centres, power, water supply, sewage and solid waste disposal in urban areas etc. An Online Toolkits for PPP projects, risk and contingent liability frameworks and communication strategy for PPPs have been developed. These are available at this Department's website on PPPs, i.e. www.pppinindia.com. The PPP Toolkit is a web-based resource that has been designed to help improve decision-making for infrastructure PPPs in India and to improve the quality of the infrastructure PPPs that are implemented in India.

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 as, 182 projects have been granted approval with Total Project Cost (TPC) of ₹94,888.57 crore and VGF support of ₹16731.55 crore. However, the actual level of VGF amount of these proposals is determined once the bidding process is completed. An amount of ₹274.33 crore has been disbursed in the Financial Year 2014-15(till December, 2014) under the VGF Scheme. A budget provision of ₹412.50 crore has been made in the BE 2015-16 based on the assessment on sponsoring Authority requirements and the number of projects already granted final approval.

India Infrastructure Project Development Fund (IIPDF) (Non - Plan)

The Union Finance Minister, in his Budget Speech for 2007-08, announced the setting up of a Revolving Fund with a corpus of Rs. 100 crore to quicken the process of project preparation. The Government of India notified the Scheme and Guidelines for India Infrastructure Project Development Fund to operationalise financial support for quality project development activities to the States and the Central Ministries. The objective is to fund project development expenses of potential Public Private Partnership projects, including cost of engaging consultants and transaction advisor, thus increasing the quality and quantity of successful PPPs and allowing informed decision making by the Government based on good quality feasibility reports. The IIPDF will assist projects that closely support the

best practices in PPP project identification and preparation. So far as, 3 projects have been approved with an IIPDF assistance in the financial year 2014-15. An amount of ₹4.28 lakh has been disbursed till December 2014 (during 2014-15) against a provision of ₹4.00 crore. An amount of ₹2.00 crore has been kept for the FY 2015-16.

In the budget speech of 2014-15 Hon'ble Finance Minister announced the setting up of an institution "3P India", to provide support to mainstreaming PPPs with a corpus of ₹500.00 crore. An amount of ₹80.00 crore has been kept for the Financial Year 2015-16 for this purpose.

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 counter 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 ₹199,99,55,392/- during the period from 1st April, 2014 to 2nd December, 2014 in the current financial year 2014-15. During the period between 01.4.2013 to 02.12.2014 of the financial year 2013-14, 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)	Purpose of Credit
1	Government of Gambia	22.50	For Electrification Expansion Project for Greater Banjul Area.
2	Government of Gambia	22.50	For Replacement of Asbestos Water Pipes with UPVC Pipes in Greater Banjul Area.
3	Government of Ghana	24.54	For Sugarcane Development and Irrigation Project.
4	Government of Nicaragua	26.24	For Building Carlos Fonseca Substation; 95 km Transmission Lines and expansion of three Sub-stations.
5	Government of Senegal	62.95	For Rice Self-sufficiency Programme.

6	Government of Fiji	70.00	For Co-generation Plant at Rarawai Sugar Mill.
7	Government of Mauritania	65.68	For Rural Electrification Project by setting up a Solar-Diesel Hybrid Energy Production Infrastructure.
8	Government of Myanmar	6.20	For Financing a Macrowave Radio Link on the Rhi-Mindat route of the Myanma Post & Telecommunication.
9	Government of Cote d'Ivoire	24.00	For Electricity Interconnection Project between Cote d'Ivoire and Mali.
10	Government of Vietnam	100.00	For purchase of Defence Equipment/Supplies. (In-principle Approval)
11	Government of Myanmar	140.00	For Road Projects in Myanmar. (In-principle Approval)
12	Government	200.00	For Equity participation in a SPV being created for implementing Light Rapid Transit (LRT) Project. (In-principle Approval)

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

National Clean Energy Fund (NCEF)

National Clean Energy Fund has been created for funding research and innovative projects in clean technologies. Clean Energy Cess is being levied on coal produced in India, as well as on imported coal. The cess so collected is transferred to NCEF, as per requirement. The provision for expenditure on identified schemes is being made in the Demand for Grants of different Ministries /Departments. However, under the Demand No.34-DEA, a Plan Provision of Rs.4700.00 crore has been kept for the Scheme.

Forward Markets Commission (FMC)

- The Commission issued a circular on short/non-reporting of margins, wherein the time window has been specified for margin collection along with penalty structure for short/non-collection of margins. This has helped the Commission in regularly monitoring the collection of margins by members and has also provided a reasonable time to members for collection of margins from their clients.
- The Commission has allowed trading in new commodities such as bajra and also allowed Exchanges to launch contracts in 3 commodities rice, tur and urad

which were de-listed in the year 2007. This will provide more commodities for market development and the concerned value chain participants will have a transparent platform for price discovery and price risk management.

- The Commission permitted evening trade in 10 agricultural commodities contracts which have international dimensions. This has helped the physical market players to hedge their price risks better in the evening hours as price movement in the international markets have strong co-relation with the domestic market prices.
- The Commission also decided to stop trading on Saturdays to give the market participants sufficient time to do their back office operations.
- The Commission approved 82 contracts on a continuous basis to the Exchanges as compared to the earlier practice of giving approval every year. This will result in bringing more stability, confidence and re-assurance to the market participants.
- The Commission has approved trading in delivery-based forward contracts on the Exchange platform. This is for the first time such trades are being allowed in National Exchanges. This will facilitate participation of physical market players and much better price discovery in futures market through reducing the cost of intermediation and enhancing efficiency in the supply chain.
- The Commission has decided that all the National Exchanges may be allowed to modify the futures contract specifications related to Ticker symbol, Basis, Maximum order size, Trading unit, Delivery unit, Quotation base value, Tick size, Delivery centres, Additional delivery centers, issue related to Premium/Discount, Quality parameters and its relevant aspects such as Quantity variation and Tolerance limit in the futures contract specifications. This decision has been taken to ensure that the Exchanges are enabled to respond to the market requirements quickly and take such decisions themselves.
- The Commission issued Revised Shareholding Norms on 6th May, 2014 for National Commodity Exchanges. The highlight of these Norms is that the concept of Anchor Investor has been removed to preempt the disproportionate role of one shareholder in the affairs of the Exchange. These are also in alignment with SEBI's guidelines on stock exchanges .This is a critical initiative taken to strengthen the integrity of financial market infrastructure of the exchange.
- The Commission also strengthened the corporate governance guidelines of the Board of Directors by strengthening the role of Independent Directors in the Board by issuing Revised Norms in this regard on 11th June, 2014, which are also in alignment with provisions in the securities markets.
- In order to encourage greater hedger participation, the Commission has written to RBI, requesting them to

permit banks to stipulate that their borrowers should hedge their commodity price risk by using the commodity futures platform. The Commission has taken up the matter with SEBI regarding disclosure by all listed companies of their commodity risk exposure and their risk mitigation strategies. The Commission has also written to RBI for permitting foreign entities to participate as hedgers in the commodity futures markets. These issues were also discussed during the meeting of the FSDC- Sub-Committee.

- The Commission has prescribed Norms regarding Net Worth, Corporate Governance, etc for Warehouse Service Providers for accreditation with the National Multi Commodity Exchanges. This measure would

ensure that only well-capitalized warehouse service providers provide services to Exchanges.

- The Commission has revised the policy regarding position limits. Position limits are to be linked to estimated production and imports, member level position limit shall be 10 times of client level position limit. For ensuring transparency, Exchanges have been directed to disclose top 10 clients in order of their open interest. This measure will improve participation and as a result, the quality of price discovery in the market. The numerical position limits at the client level have been revised for 18 commodities. These numerical position limits shall be revised after six months based on the advance estimates of production.

Review of Past Performance

Outcome Budget 2015-2016

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STATUS OF OUTCOME WITH REFERENCE TO OUTLAYS 2013-14

S. No.	Name of the Scheme/ Programme	Objective/Outcome	Outlay 2013-14 (₹ In Crore)	Quantifiable Deliverables/ Physical Outputs	Processes/ Timelines	Risk Factors	Status as on 31st March 2014	
1	2	3	4 4(i) BE	4(ii) RE	5	6	7	8
1.	Major Head 3054- Contribution for Railway Safety Works against additional levies on Motor Spirit and High Speed Diesel. (Plan)	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.	1102.45	1102.45 <ul style="list-style-type: none">- Manning at 1102 (revised target 1352) locations.- all manned gates (232) provided telephones.- interlocking at 360 locations- Construction of 905 Nos. Subways. (revised target 976)- Construction of 210 Nos. of Road Over and Under Bridges. (revised target 282)	<ul style="list-style-type: none">- For manning of unmanned level crossing, gated/lifting barriers have to be erected and duty huts/gate lodges constructed for gate-keepers. Qualified/suitable willing gate keepers are to be selected and posted at the gates.- Process include upgrading maintaining of smooth roads embankment, proper gradient, hexagonal block on track for smooth passage of road vehicles.- Laying of cable from stations to level crossing locations and provision of equipments.- ROB/RUBs are provided in lieu of busy level crossing on cost sharing basis. Proposals 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.	<p>Construction of Road Over/Under bridges is the joint work of Railway and State Government/ Local Bodies and achieved:</p> <ul style="list-style-type: none">- Manning at delayed due to 1102 locations.- Interlocking at problems, non 360 locations.- Telephones at delay in diversion of road traffic, shifting 232 locations.- Construction of level crossing 905 subways.- Construction of with State Govt., 210 Road Over/bridge portion and Under bridges approach of ROB including being constructed by two agencies.- Construction of approaches done by the State Government.	The entire outlay of ₹1102.45 crore has been released. The following output has been achieved: <ul style="list-style-type: none">- Manning at 1102 locations.- Interlocking at problems, non 360 locations.- Telephones at delay in diversion of road traffic, shifting 232 locations.- Construction of level crossing 905 subways.- Construction of with State Govt., 210 Road Over/bridge portion and Under bridges approach of ROB including being constructed by two agencies.- Construction of approaches done by the State Government.	

1	2	3	4	5	6	7	8	
			4(i) BE	4(ii) RE				
2.	Major Head 5475- Assistance for Infrastructure Development through provision of Public Private Partnership (PPP) (VGF) in Infrastructure	To promote Public Private Partnership (PPP) in the infrastructure sector through provision of Viability Gap Funding Partnership (PPP) (VGF).	678.00 (Plan)	678.00 (Plan)	As on date 159 proposals have been granted approval with Total Project Cost (TPC) of ₹80,894.57 crore and VGF support of ₹16005.37 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 of VGF. 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 2013-14 of ₹678.00 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 2013-14 has been kept unchanged at ₹678.00 crore. Till March,2014 an amount of ₹ 450.00 crore has been disbursed to 21 road projects.
3.	Major Head 3475 - Interest equalisation support to Exim Bank of India	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.	416.50	416.50	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 st March, 2014.	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.	₹407.66 crore have been paid to Exim Bank of India as interest equalisation support during 2013-14.

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
4.	Major Head 3605 -Technical and Economic Cooperation with other countries, Technical aid to South East Asia under the Colombo Plan; Contribution	Provide technical aid to countries under Colombo Plan, by providing support to Human Resource Development, through courses conducted by Indian Institutes.	0.50	0.50	Human Resource Development through technical education to 410 students every year from Colombo Plan countries.	Development of long standing economic relationship through being utilized for the continues technical assistance to Col.3. Colombo Plan countries.	There is no risk factor involved as the funds are been transferred to MEA w.e.f April, 2010. ₹0.77 crore has been incurred during 2013-14 upto March, 2014 for meeting the balance financial liabilities on students from various Colombo plan.

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 December 2014	
1	2	3	4	4(i) BE	4(ii) RE	4(iii) CEBR	5	6	7	8
1.	Major Head 3054- Contribution for Railway Safety Works against additional levies on Motor Spirit and High Speed Diesel. (Plan)	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.	1496.00	1496.00		<ul style="list-style-type: none"> ... - Manning at 931 (target 730) locations. - Progress is 198 against all manning gates to be provided with telephone, onbeing manned. - interlocking at 213 locations against target of 225. - Construction of 650 Nos Subways against target of 650. - Construction of 128 Nos. of Road Over and Under Bridges against a target of 177. 	<ul style="list-style-type: none"> - For manning of unmaned level crossing, gated/lifting barriers have to be erected and duty huts/gate lodges constructed for gate-keepers. Qualified/suitable willing gate keepers are to be selected and posted at the gates. - Laying of cable from station to level crossing location. - ROB/RUBs are provided in lieu of busy level crossing on cost sharing basis. Proposals 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. 	<p>Construction of Road Over/Under bridges is the joint work of Railway and State Government/ Local Bodies and sometime work is 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 constructed by two agencies.</p> <p>The following progress has been achieved up to January, 2015:</p> <ul style="list-style-type: none"> - Manning at 931 locations. - Interlocking at 213 locations. - Telephones at 198 locations. - 650 subways completed up to January, 2015. - 128 Road Over/under bridges up to January, 2015. 	An amount of ₹1122.00 crore has been released upto December, 2014.	

1	2	3	4(i) BE	4(ii) RE	4(iii) CEBR	5	6	7	8
2.	Major Head 5475-Assistance for Infrastructure Development Public Private Partnership (PPP) in Infrastructure (Plan)	To promote Public Private Partnership (PPP) in the infrastructure sector through provision of Viability Gap Funding (VGF).	670.00	520.00 (Plan)	... As on date 182 proposals have been granted approval with Total Project Cost (TPC) of ₹94,888.57 crore and VGF support of ₹16731.55 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' fund takes place and final disbursement and commencement sought by Sponsoring normally it takes 12 to 18 months from the process of bidding to giving In-principle approval to a proposal.	Disbursement of The BE 2014-15 of between 'in principle' fund takes place on the basis of requirement disbursement and commencement sought by Sponsoring normally it takes 12 to 18 months from the process of bidding to giving In-principle approval to a proposal.	of construction Authorities and the balance of work of the VGF remaining to be project and the disbursed for the approved private party projects. The RE for 2014-2015 has been reduced to a competitive ₹520.00 crore. Till December, 2014 an has invested its amount of ₹274.33 crore share of equity. has been disbursed to 8 road projects and 1 power transmission line.	

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE	4(iii) CEBR		
3.	Interest equalisation support to Exim Bank of India (Non-Plan)	Indian Development and Economic Assistance Scheme(IDEAS). 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	... Projects, Exports of Interest Equalization Support (IES) The provision is to ₹ 221.19 crore Indian goods and services to foreign countries. 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, Fiji, Cambodia, Chad, Congo, Cote d'Ivoire, Djibouti, Ethiopia, Equatorial Guinea, Fiji, Gambia, Ghana, Guinea Bissau, Guyana, Honduras, Jamaica, Lao PDR, Lesotho, Maldives, Mali, Malawi, Mozambique, Myanmar, Niger, Nigeria, Senegal, Sri Lanka, Sudan, Suriname, Tanzania, Vietnam and Zambia, etc.	... Projects, Exports of Interest Equalization Support (IES) The provision is to ₹ 221.19 crore Indian goods and services to foreign countries. 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, Fiji, Cambodia, Chad, Congo, Cote d'Ivoire, Djibouti, Ethiopia, Equatorial Guinea, Fiji, Gambia, Ghana, Guinea Bissau, Guyana, Honduras, Jamaica, Lao PDR, Lesotho, Maldives, Mali, Malawi, Mozambique, Myanmar, Niger, Nigeria, Senegal, Sri Lanka, Sudan, Suriname, Tanzania, Vietnam and Zambia, etc.	... Projects, Exports of Interest Equalization Support (IES) The provision is to ₹ 221.19 crore Indian goods and services to foreign countries. 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, Fiji, Cambodia, Chad, Congo, Cote d'Ivoire, Djibouti, Ethiopia, Equatorial Guinea, Fiji, Gambia, Ghana, Guinea Bissau, Guyana, Honduras, Jamaica, Lao PDR, Lesotho, Maldives, Mali, Malawi, Mozambique, Myanmar, Niger, Nigeria, Senegal, Sri Lanka, Sudan, Suriname, Tanzania, Vietnam and Zambia, etc.
4.	Major Head 3605 –Technical and Economic Cooperation with other countries, Technical aid to South East Asia under the Colombo Plan. Contribution	Provide technical aid to countries under Colombo Plan, by providing support to Human Resource Development, through courses conducted by Indian Institutes.	0.50	0.50	... Human Resource Development of long standing There is no risk Work related to Development economic relationship through factor involved as the Colombo through technical continued technical assistance to the funds are being Plan has been education to 410 countries like Afghanistan, Bangla- utilized for the transferred to students every year desh, Bhutan,Fiji, Indonesia, Iran, objective men- MEA w.e.f from Colombo Plan Korea, Malaysia, Laos, Nepal, tioned in Col.3. April, 2010. Nil countries. Maldives, Mangolia, Myanmar, Srilanka, Papua New Guinea, Thailand and Vietnam.	... Human Resource Development of long standing There is no risk Work related to Development economic relationship through factor involved as the Colombo through technical continued technical assistance to the funds are being Plan has been education to 410 countries like Afghanistan, Bangla- utilized for the transferred to students every year desh, Bhutan,Fiji, Indonesia, Iran, objective men- MEA w.e.f from Colombo Plan Korea, Malaysia, Laos, Nepal, tioned in Col.3. April, 2010. Nil countries. Maldives, Mangolia, Myanmar, Srilanka, Papua New Guinea, Thailand and Vietnam.	... Human Resource Development of long standing There is no risk Work related to Development economic relationship through factor involved as the Colombo through technical continued technical assistance to the funds are being Plan has been education to 410 countries like Afghanistan, Bangla- utilized for the transferred to students every year desh, Bhutan,Fiji, Indonesia, Iran, objective men- MEA w.e.f from Colombo Plan Korea, Malaysia, Laos, Nepal, tioned in Col.3. April, 2010. Nil countries. Maldives, Mangolia, Myanmar, Srilanka, Papua New Guinea, Thailand and Vietnam.

SUMMARIZED POSITION OF SCHEMES UNDER DEMAND NO. 34 – DEPARTMENT OF ECONOMIC AFFAIRS

S.No	Scheme	(₹ in Crore)							
		2013 - 2014			2014-2015			2015-2016	
		BE	RE	Actual	BE	RE	Actual Up-to December, 2014	BE	
1.	Public Private Partnership (PPP) In infrastructure, Provision of Viability Gap Funding (VGF) (MH 5475) - Plan	678.00	678.00	450.00	670.00	520.00	274.33	412.50	
2.	Contribution for Railway Safety Works against additional levies on motor spirit and high speed diesel and ; (MH 3054) - Plan	1102.45	1102.45	1102.45	1496.00	1496.00	1122.00	1645.60	
3.	Interest Equalisation Support to EXIM Bank of India Non-Plan	416.50	416.50	407.66	450.00	450.00	221.19	582.00	
4.	Technical Economic Cooperation with other Countries - Technical aid to South & South East Asia under Colombo Plan (MH 3605) Non-Plan	0.50	0.50	0.77	0.50	0.01	0.00	0.01	
Total		2197.45	2197.45	1960.88	2616.50	2466.01	1617.52	2640.11	

STATEMENT SHOWING ACTUAL EXPENDITURE VIS-A-VIS BE/RE POSITION FOR THE YEARS 2012-13, 2013-14 AND 2014-15

DEMAND NO. 34 - DEPARTMENT OF ECONOMIC AFFAIRS

GROSS

₹ in crore

Description	Major Head	2012-13		2013-14		2014-15		Actuals upto Dec, 2014		
		B.E.	R.E.	Actual	B.E.	R.E.	Actual			
1	2	3	4	5	6	7	8	9	10	11
PART - A NON-PLAN ITEMS										
Secretariat-General Services	2052	81.03	88.23	80.14	98.26	120.65	105.24	140.22	126.74	79.59
Currency Coinage & Mint	2046	0.00	0.00	0.00	0.00	0.00	0.50	0.00	0.00	0.00
Other Fiscal Services										
National Savings Institute	2047	12.94	12.41	11.90	13.40	12.12	10.76	14.55	18.73	6.92
Interests on deposits under Compulsory Deposits (Income Tax Payers Scheme, 1974)	2047	0.05	0.03	0.02	0.05	0.02	0.02	0.05	0.05	0.01
Other Expenditure	2047	0.21	0.20	0.20	0.23	0.25	0.24	0.35	0.34	0.08
Total	2047	13.20	12.64	12.12	13.68	12.40	11.02	14.95	19.12	7.01
Other Administrative Services										
14th Finance Commission	2070	3.00	6.34	4.41	15.24	13.61	13.30	15.55	13.38	10.49
Financial Sector Legislative Reforms Commission (FSLRC)	2070	5.10	4.86	4.65	0.12	0.10	0.19	0.00	0.00	0.00
Other Expenditure (SAT & NSDA)	2070	4.05	5.57	4.76	4.78	4.26	4.50	24.12	23.61	7.98
Total	2070	12.15	16.77	13.82	20.14	17.97	17.99	39.67	36.99	18.47
Miscellaneous General Services										
Guarantee Redemption Fund	2075	300.00	300.00	300.00	300.00	300.00	300.00	300.00	100.00	100.00
Other Programmes	2075	0.01	0.01	0.00	0.01	0.00	0.00	0.01	0.01	0.00
Total	2075	300.01	300.01	300.00	300.01	300.00	300.00	300.01	100.01	100.00
General Education										
Social Security and Welfare										
Protected Savings Schemes (other charges)	2235	0.10	0.05	0.00	0.05	0.00	0.00	0.02	0.02	0.00
Total	2235	0.10	0.05	0.00	0.05	0.00	0.00	0.02	0.02	0.00
International Fund for Agricultural Development [IFAD]										
Total	2416	50.00	54.00	54.66	55.00	62.00	61.90	62.00	62.00	63.35
Other Transport Services										
Subsidy to Railways towards dividend reliefs and other concessions	3075	3003.89	2384.23	2286.14	2746.00	3530.00	3370.56	4059.30	4002.13	2706.20

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Department of Economic Affairs

1	2	3	4	5	6	7	8	9	10	11	Outcome Budget 2015-2016
Losses on Strategic Railway Lines	3075	600.00	637.00	637.00	660.00	640.00	640.00	640.00	656.90	420.00	
Total	3075	3603.89	3021.23	2923.14	3406.00	4170.00	4010.56	4699.30	4659.03	3126.20	
International Financial Institutions											
Payment of contribution towards Multilateral Debt Relief Initiative (MDRI) of African Development Fund (AfDF)	3466	0.00	0.00	0.00	0.00	1.28	1.28	2.43	2.43	0.00	
Assessment Charges payable to International Monetary Fund	3466	0.42	0.38	0.38	0.39	0.18	0.18	0.39	0.25	0.25	
World Bank PPA	3466	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
South Experience Exchange Trust Fund (SEETF)	3466	0.00	0.00	0.00	2.73	2.73	2.73	0.00	0.00	0.00	
Contribution towards Asian Development Fund(ADF)	3466	0.00	0.00	0.00	0.00	0.00	0.00	94.50	91.42	91.42	
Contribution towards International Development Association(IDA)	3466	0.00	0.00	0.00	0.00	0.00	0.00	0.00	433.29	0.00	
Total	3466	0.43	0.38	0.38	3.12	4.19	4.19	97.32	527.39	91.67	
Other General Economic Services											
Forward Markets Commission	3475	0.00	0.00	0.00	0.00	0.00	0.00	10.23	7.96	5.75	
International Cooperation	3475	20.55	21.23	20.63	11.23	37.23	36.73	45.18	45.03	33.48	
Other charges/IES/Embassy of India, Tokyo, Beijing and Washington	3475	19.80	18.69	18.26	20.99	19.09	18.13	26.40	25.55	15.39	
Grant-in-aid-General to other institutions	3475	3.23	28.22	27.89	2.35	16.78	14.84	6.42	6.53	4.46	
Custom and Import Duties on Non-Indian personnel in UN agencies	3475	0.03	0.02	0.02	0.03	0.02	0.00	0.03	0.02	0.00	
Exchange loss under NRI Bonds	3475	0.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Interest equalisation support to EXIM Bank	3475	225.00	290.00	290.00	416.50	416.50	407.66	450.00	0.00	221.19	
Waiver off outstanding dues and interest/penal interest in respect of line of credit extended to Government of Yemen	3475	0.00	2.07	2.07	0.00	0.00	0.00	0.00	0.00	0.00	
Waiver off outstanding dues and interest/penal interest on loans outstanding against the line of credit extended in 1995 to Government of Turkmenistan	3475	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Waiver off outstanding loan and interest on loans to Republic of Seychelles	3475	3.53	3.56	1.79	1.52	1.18	1.18	0.00	0.00	0.00	
Waiver off outstanding dues and interest/penal interest on loans outstanding against the line of credit extended in 1993 to Government of Kazakhstan	3475	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Waiver off outstanding dues and interest/											

Outcome Budget 2015-2016

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1	2	3	4	5	6	7	8	9	10	11
penal interest on loans outstanding against the line of credit extended in 1994 to										
Government of Uzbekistan	3475	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	3475	272.64	363.79	360.66	452.62	490.80	478.54	538.26	85.09	280.27
Technical and Economic cooperation with other countries										
Contribution to UNDP	3605	22.55	24.72	24.71	23.73	28.67	28.72	28.68	28.38	0.00
Cooperation with other countries	3605	1.07	1.68	1.67	0.56	0.58	0.83	0.60	450.10	0.09
Global Environment Facility (GEF)	3605	11.00	12.54	12.54	12.50	14.18	14.09	14.20	18.28	0.00
46th AGM of ADB	3605	8.38	16.00	3.95	15.00	14.17	14.04	0.04	0.04	0.00
Total	3605	43.00	54.94	42.87	51.79	57.60	57.68	43.52	496.80	0.09
Capital Outlay of Currency, Coinage and Mints										
Purchase of Coins from SPMCIL	4046	1645.35	1000.00	1000.00	1645.00	2000.00	1934.17	2000.00	2000.00	638.96
Capital Outlay on Miscellaneous General Services										
Purchase of Machines for Budget Press	4058	0.00	0.00	0.00	0.00	0.00	0.00	6.00	9.90	5.51
Purchase of Machines for Budget Press	4075	3.00	3.91	0.00	6.00	6.00	4.63	0.00	0.00	0.00
Investment in General Financial and Trading Institutions										
National Financial Holdings Company Limited	5465	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00
Security Printing and Minting Corporation of India Limited (SPMCIL)	5465	400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
National Skill Development Corporation(NSDC)	5465	0.00	0.00	0.00	500.00	250.00	250.00	0.05	0.05	0.00
National Institute of Economic Policy(NIEP)	5465	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.00
Total	5465	400.00	1.00	1.00	500.00	250.00	250.00	0.06	0.05	0.00
Investment in International Financial Institutions										
Subscription to the IBRD	5466	183.65	205.04	205.04	203.20	231.15	231.23	231.10	231.10	0.00
Subscription to International Development Association	5466	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subscription to Asian Development Bank	5466	205.53	234.95	234.95	245.00	350.00	279.23	283.96	262.70	262.69
Subscription to African Development Fund	5466	22.21	22.11	22.11	0.01	1.32	1.34	1.32	69.56	2.62
Payment of Multilateral Debt Relief Initiative of African Development Fund	5466	2.13	2.11	2.11	2.15	0.00	0.00	0.00	0.00	0.00
Subscription to African Development Bank	5466	5.35	5.85	5.88	6.20	7.12	6.82	7.12	6.89	6.71
Subscription to International Monetary Fund [In Securities]	5466	42000.00	0.00	0.00	42000.00	0.00	0.00	0.01	0.01	0.00
Subscription to International Monetary Fund [In Cash]	5466	14000.00	0.00	0.00	14000.00	0.00	0.00	0.00	0.00	0.00

1	2	3	4	5	6	7	8	9	10	11
Maintenance of Value [MOV] Obligation	5466	0.01	4005.44	4005.44	0.01	192.79	192.79	500.00	4618.79	0.00
India's Contribution towards lending resources of IMF	5466	50.00	2.16	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	0.00	0.00	0.00	118.00	139.83	132.65	0.01	0.59	0.00
Subscription to Brazil, Russia, India, China and South Africa(BRICS)										
New Development Bank	5466	0.00	0.00	0.00	0.00	0.00	0.00	100.00	100.00	0.00
Total	5466	56468.88	4477.66	4475.53	56574.58	922.21	844.06	1123.53	5289.64	272.02
Capital Outlay on Other General Economic Services										
Transfer to Social & Infrastructure Development Capital Fund	5475	0.00	0.00	0.00	7000.00	0.00	0.00	577.91	8.80	0.00
Activities for mainstreaming PPPs	5475	1.30	1.17	0.33	1.30	0.32	0.02	1.65	0.00	0.00
India Infrastructure Project Development Fund (IIPDF)	5475	5.00	4.50	1.76	4.00	0.50	0.00	4.00	2.00	0.04
Total	5475	6.30	5.67	2.09	7005.30	0.82	0.02	583.56	10.80	0.04
Loans for Other Economic Services										
Loans to IMF under New Arrangements to Borrow (NAB)	7475	0.00	11294.60	914.63	0.01	1830.00	1486.05	915.00	2972.08	1383.53
Total	7475	0.00	11294.60	914.63	0.01	1830.00	1486.05	915.00	2972.08	1383.53
Total Non-Plan		62899.98	20694.88	10181.03	70131.56	10244.64	9566.54	10563.42	16395.66	6066.71
PART - B - PLAN ITEMS										
National Social Security Fund for Unorganised Sector workers	2235	1000.00	120.00	120.00	609.55	200.00	200.00	607.00	107.00	0.00
Nirbhaya Fund for Safety of Women	2235	0.00	0.00	0.00	0.00	1000.00	1000.00	1000.00	1000.00	1000.00
New and Renewable Energy	2810	1500.00	1500.00	1500.00	1650.00	1650.00	1650.00	4700.00	4700.00	3150.00
Roads and Bridges	3054	2204.90	2204.90	2204.90	2204.90	2204.90	2204.90	2992.00	2992.00	2244.00
National Skill Certification and Monetary Reward Scheme	3465	0.00	0.00	0.00	0.00	0.00	0.00	435.00	435.00	0.00
Forward Market Commission	3475	0.00	0.00	0.00	0.00	0.00	0.00	50.00	32.76	6.16
National Skill Certification and Monetary Reward Scheme Initiatives for SIDF	5465	0.00	0.00	0.00	0.00	1000.00	1000.00	0.00	0.00	0.00
3P India(PPP Implementation)	5475	0.00	0.00	0.00	0.00	0.00	0.00	473.00	3.00	0.00
Assistance for infrastructure development - VGF	5475	437.55	437.55	457.55	678.00	678.00	450.00	670.00	520.00	274.33
TOTAL PLAN		5142.45	4262.45	4282.45	5142.45	6732.90	6504.90	11427.00	9839.76	6674.49
Grand Total		68042.43	24957.33	14463.48	75274.01	16977.54	16071.44	21990.42	26235.42	12741.20

OBJECT HEAD - WISE ACTUAL EXPENDITURE VIS-À-VIS BE/RE PROVISIONS FOR THE YEARS 2012-13, 2013-14 AND 2014-15

(Gross) ₹ in crore

Object Head	B.E.	2012-13		2013-14		2014-15		Actuals upto Dec, 2014	
		R.E.	Actual	R.E.	Actual	R.E.	Actual		
1	2	3	4	5	6	7	8	9	10
REVENUE SECTION									
01 Salaries	59.50	66.23	62.08	71.53	71.53	67.81	86.27	86.27	67.79
02 Wages	0.31	0.44	0.42	0.45	0.46	0.41	0.26	0.13	0.07
03 Overtimes Allowance	0.22	0.16	0.06	0.18	0.08	0.07	0.22	0.12	0.05
06 Medical Treatment	1.43	1.22	1.27	1.38	1.24	1.23	2.10	1.71	0.61
11 Domestic Travel Expenses	2.54	2.29	1.99	2.54	2.32	2.47	4.50	4.13	2.52
12 Foreign Travel Expenses	6.95	6.04	5.56	6.95	6.10	6.38	12.46	9.75	3.24
13 Office Expenses	9.00	8.14	8.59	10.49	10.74	18.93	24.28	18.85	11.60
14 Rent, Rates & Taxes	4.80	8.99	6.85	11.79	8.05	7.90	19.64	13.54	5.08
16 Publications	5.27	5.19	5.43	5.27	4.97	4.39	5.85	5.34	1.24
20 Other Administrative Expenses	11.00	20.71	7.45	19.44	17.82	17.04	5.58	4.75	1.93
21 Supplies and Material	0.85	0.77	0.69	0.85	0.70	0.85	1.05	1.02	0.12
26 Advertising and Publicity	0.65	0.50	0.25	0.55	0.41	0.38	4.82	10.72	2.82
27 Minor Works	2.95	2.54	1.69	1.76	1.91	1.57	2.17	1.87	0.19
28 Professional Services	5.80	8.45	5.26	7.81	33.60	20.87	39.42	29.59	10.66
31 Grant-in-aid-General	3.25	28.23	26.55	0.85	15.14	13.34	21.67	21.58	7.68
32 Contributions	105.34	114.37	114.42	105.95	146.92	146.51	683.16	1116.49	188.41
33 Subsidies	3828.89	3311.23	3213.14	3822.50	4586.50	4418.22	5149.30	5109.03	3347.39
35 Grants for Creation of Capital Assets	0.00	0.00	0.00	0.01	0.14	0.00	0.48	1.46	0.46
36 Grants - in- Aid "Salaries"	0.00	0.00	1.35	1.51	1.51	1.51	3.30	2.38	1.55
41 Secret Security Expenditure	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.01	0.00
42 Lump sum	0.01	0.01	0.00	0.01	0.00	0.00	0.01	0.01	0.00
44 Exchange variation	0.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

19

Department of Economic Affairs

1	2	3	4	5	6	7	8	9	10	Outcome Budget 2015-2016
45 Interest	0.09	0.04	0.02	0.09	0.02	0.02	0.08	0.09	0.00	
50 Other Charges	20.27	17.90	17.47	19.46	17.29	11.03	1522.49	1521.50	1137.70	
51 Motor Vehicles	0.12	0.11	0.15	0.12	0.09	0.08	0.20	0.10	0.06	
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	1102.45	1102.45	1102.45	0.00	0.00	0.00	
63 Inter-account transfer	3902.45	3022.45	3022.45	3662.00	4252.45	4252.45	8103.00	7403.00	5372.00	
64 Write off/Losses	3.53	5.63	3.86	1.52	1.18	1.18	0.05	0.01	0.00	
50 Information Technology-Other Charges	3.18	2.85	3.25	0.00	0.00	0.00	0.00	0.00	0.00	
13 Information Technology-Office Expenses	0.00	0.00	0.00	7.68	6.90	5.43	26.85	16.45	3.64	
28 Information Technology-Office Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.05	0.05	0.00	
TOTAL REVENUE SECTION	9081.35	7736.94	7612.69	8865.12	10290.51	10102.52	15719.27	15379.95	10166.81	
CAPITAL SECTION										
32 Contribution	0.00	0.00	0.00	500.00	250.00	1250.00	0.05	0.05	0.00	
42 Lump sum Provision	437.55	437.55	457.55	678.00	678.00	450.00	670.00	520.00	274.33	
50 Other Charges	6.30	5.67	2.09	5.30	0.82	0.02	505.65	2.00	0.04	
52 Machinery and Equipment	3.00	3.91	0.00	6.00	6.00	4.63	6.00	9.90	5.51	
54 Investment	56818.88	4474.66	4476.53	56574.57	1922.21	844.06	1123.53	5289.64	272.02	
55 Loans and Advances	0.00	11294.60	914.63	0.01	1830.00	1486.04	915.00	2972.08	1383.53	
60 Other Capital Expenditure	1695.35	1004.00	1000.00	1645.01	2000.00	1934.17	2000.01	2050.00	638.96	
63 Inter-Account Transfer	0.00	0.00	0.00	7000.00	0.00	0.00	1050.91	11.80	0.00	
TOTAL CAPITAL SECTION	58961.08	17220.39	6850.79	66408.89	6687.03	5968.92	6271.15	10855.47	2574.39	
GRAND TOTAL	68042.43	24957.33	14463.48	75274.01	16977.54	16071.44	21990.42	26235.42	12741.20	

ANALYSIS OF EXPENDITURE DURING 2012-13, 2013-14 AND 2014-15

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 2012-13 and 2013-14 has been enhanced to provide for increased requirement on account of salaries, Other Administrative expenses for organising various conferences including the Delhi Economic Conclave and also payment for Professional services. Actual expenditure for 2012-13 was ₹80.14 crore and for 2013-14 was ₹105.24 crore. Budget provision (2014-15) of ₹140.22 crore was reduced at RE stage to ₹126.74 on account of austerity instructions, the expenditure up to December, 2014 is ₹79.59 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. The flow of expenditure up to December, 2014 is ₹7.01 crore.

MH-2070 - Other Administrative Services

The provision under this head is for expenditure of Investment Commission, 14th Finance Commission, Security Appellate Tribunal (SAT). BE 2012 -13 has been enhanced at RE 2012-13 to provide for rental charges etc. for the 14th Finance Commission subsequent to its constitution as also revision of rent and payment of rent and arrears in respect of SAT. Actual expenditure for 2012-13 was ₹13.82 crore and for 2013-14 was ₹17.99 crore. BE 2014-15 as compared to BE 2013-14 and BE 2012-13 was increased substantially due to introduction of National Skill Development Agency (NSDA) in Department of Economic Affairs. Budget provision (2014-15) of ₹39.67 crore was reduced at RE stage to ₹36.99 on account of austerity instructions, the expenditure up to December, 2014 is ₹18.47 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 2012-13 and 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. Expenditure up to December, 2014 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 Rs.0.10 crore, ₹0.05 crore and 0.02 crore during 2012-13, 2013-14 and 2014-15(up to December, 2014) respectively.

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.

The BE 2012-13 provision of ₹50.00 crore was enhanced to ₹54.00 crore on account of exchange rate fluctuation and 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.

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.

MH - 3466 - International Financial Institutions

The provision is for annual Assessment charges payable to International Monetary Fund, Afghanistan Reconstruction Trust Fund (ARTF), 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). However, the expenditure is ₹2.73 crore up to March, 2014. 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 December, 2014 is ₹91.67 crore.

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 and provision for Interest Equalization support to EXIM Bank etc. The provision for 2012-13 was ₹225.00 crore. The provision of ₹225.00 crore was enhanced at RE 2012-13 stage to ₹290.00 crore due to increase of LIBOR rate from 0.5% to 0.64%, upward exchange rate fluctuation and also due to approval of new Lines of Credit (LOCs). BE 2012-13 has been enhanced at RE 2012-13 to provide for Waiver of outstanding dues (₹2.07 crore) in respect of Line of credit extended to Government of Yemen in 1981; providing Grant in aid to National Council for Applied Economic Research (₹15.00 crore) and Rajiv Gandhi University, Deptt. of Economics, Itanagar (₹10.00 crore); 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 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 from MH 3475 to MH 3605-Technical and Economic Co-operation with Other Countries.

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. A provision (₹0.15 crore) had been kept under BE 2011-12 for the 46th Annual General Meeting (AGM) of the Board of Governors of the Asian Development Bank which was scheduled to be held in Delhi in May, 2013 for initial preparatory expenses. The provisions for the 46th AGM have been increased at BE and RE 2012-13 stage. The scheme relating to Technical Aid to South and South-East Asia under the Colombo Plan has been transferred to the Ministry of External Affairs w.e.f April, 2010. However, provisions have been kept in 2012 - 13 and 2013-14 for settlement of pending bills relating to training of students from various Colombo Plan countries up-

to 2009-10. There is an increase in the BE 2012-13, provision kept for contribution to UNDP and GEF at the RE stage on account of additional requirement due to upward exchange rate fluctuation. During 2013-14, Budget Estimates of ₹51.79 crore kept for Other General Economic Services and enhanced to ₹57.60 crore at RE level, and ₹58.43 by supplementary grant. 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 from MH 3475-Other General Economic Services to MH 3605-Technical and Economic Co-operation with Other Countries in order to set right the misclassification.

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 2012-13 the BE provisions have been reduced at RE stage due to the provisional downward price of coins. 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 December, 2014 is ₹638.96 crore against a Budget provision of ₹2000.00 crore. 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 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 December, 2014 is ₹5.51 crore.

MH-5465 - Investment in General Financial and Trading Institutions

A provision of ₹400.00 crore was kept in the Budget Estimates 2012-13 towards expansion and modernization of Mints and Presses. It was anticipated that the procedural requirements/formalities would get completed within the Financial Year. The matter was re-examined and a decision was taken that there was no requirement of providing financial assistance to SPMCIL at this stage and the BE 2012-13 was surrendered at the RE 2012-13. 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 December, 2014 due to transfer of work pertaining NSDC/NSDA to newly created Ministry of Skill Development and Entrepreneurship. For FY 2014-15 no requirement has been proposed for this purpose.

MH-5466-Investment in International Financial Institutions

The provision is for payment of subscription to International Bank for Reconstruction and Development (IBRD), International Development Association (IDA), 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. A provision of ₹183.65 crore has been kept at BE 2012-13 for investment in International Bank for Reconstruction and Development (IBRD).

Details are as follows:-

Description	Major	2012-13			2013-14			2014-15		
		Head	BE	RE	Actual	BE	RE	Actual	BE	RE
Investment in International Financial Institutions										
Subscription to the IBRD	5466		183.65	205.04	205.04	203.20	231.15	231.23	231.10	231.10
Subscription to International Development Association	5466		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subscription to Asian Development Bank	5466		205.53	234.95	234.95	245.00	350.00	279.23	283.96	262.70
Subscription to African Development Fund	5466		22.21	22.11	22.11	0.01	1.32	1.34	1.32	69.56
Payment of Multilateral Debt Relief Initiative of African Development Fund	5466		2.13	2.11	2.11	2.15	0.00	0.00	0.00	0.00
Subscription to African Development Bank	5466		5.35	5.85	5.88	6.20	7.12	6.82	7.12	6.89
Subscription to International Monetary Fund [In Securities]	5466	42000.00		0.00	0.00	42000.00		0.00	0.01	0.01
Subscription to International Monetary Fund [In Cash]	5466	14000.00		0.00	0.00	14000.00		0.00	0.00	0.00
Maintenance of Value [MOV] Obligation	5466	0.01	4005.44	4005.44		0.01	192.79	192.79	500.00	4618.79
India's Contribution towards lending resources of IMF	5466	50.00	2.16	0.00		0.01	0.00	0.00	0.01	0.00
Payment for International Finance Corporation towards Selective Capital Increase (SCI)	5466	0.00	0.00	0.00	118.00	139.83	132.65	0.01	0.59	0.00
Subscription to Brazil, Russia, India, China and South Africa (BRICS) New Development Bank	5466	0.00	0.00	0.00	0.00	0.00	0.00	100.00	100.00	0.00
Total	5466	56468.88	4477.66	4475.53	56574.58	922.21	844.06	1123.53	5289.64	272.02

The BE provision has been increased to ₹205.04crore at RE 2012-13 on account of upward exchange rate fluctuation. During 2012-13, 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 and also 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 Provision of ₹1123.53 under MH-5466 is ₹272.02 up to December, 2014.

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 ₹5.00 crore was made for FY 2012-13 and ₹1.76 crore has been disbursed. A budget provision of Rs.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 December, 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.

An amount of ₹32.38 lakh has been disbursed under Other Activities for promoting PPPs during the FY 2012-13. 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 Rs.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.

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 is ₹1383.53 crore up to December, 2014.

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. For 2012-13, an amount of ₹120.00 crore was transferred to the Fund against a Budget provision of ₹1000.00 crore. 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, however, Nil amount has been transferred to the Fund till December, 2014.

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 actual expenditure is ₹3150.00 crore up to December, 2014.

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 Rs. 2204.90 crore up to March, 2014. During 2014-15, against a Budget provision of ₹2992.00 crore, expenditure of ₹2244.00 crore has been incurred up to December, 2014.

MH-3465-General Financial and Trading Institutions

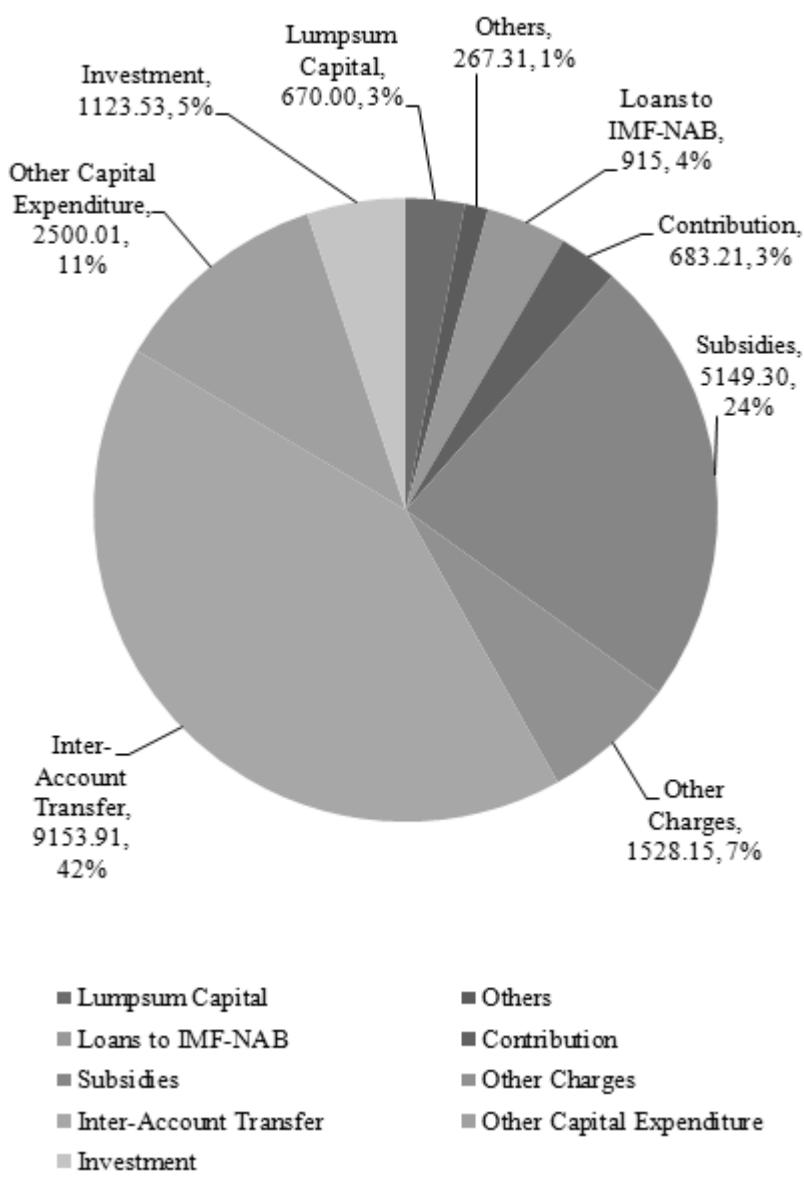
STAR Scheme

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, no expenditure has been incurred up to December, 2014.

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 ₹257.34 crore has been disbursed during 2013-14 (April-December 2013) to 21 road projects under VGF Scheme out of the approved budget of ₹678.00 crores. During the year 2014-15 (April-December 2014), an amount of ₹274.33 crore has been disbursed to 8 road projects and 1 power transmission line.

OBJECT HEAD WISE MAJOR CONSTITUENTS OF GRANT OF DEA 2014-15



- Investment - This portion is for payment to International Financial Institutions - Subscription to Asian Development Bank (₹283.96 crore), Subscription to IBRD - General /Selective Capital Increase - (₹231.10 crore), Payment to MDRI of African Development Fund & Bank (₹8.44 crore), IMF-MoV Obligation (₹500.00 crore), Subscription to BRICK-NDB (₹100.00 crore) {Total - ₹1123.53 crore}
- Subsidies - The major part of the subsidy goes to Railways towards Dividend Relief and Other Concessions and for Interest Equalization Support to Exim Bank (₹450.00 crore). {Total - ₹5149.30 crore}
- Major Provision for other charges is for financing construction of Railways over/under bridges and other Railway Safety Works (₹1496.00 crore). {Total - ₹1528.15 crore}
- Inter - Account Transfer is for transfer of funds to the Central Road Fund, Social Security Fund for Unorganized Sector Workers, National Clean Energy Fund and Guarantee Redemption Fund. { Total - ₹9153.91 crore }
- Other Capital Expenses is for purchase of coins from SPMCIL & PPPP Implementation {Total - ₹2500.01 crore}
- Contribution to various international bodies and organizations. {₹683.21 crore}
- Others - Includes Salaries and Other Establishment Expenditure. {Total - ₹267.31 crore} and ₹915.00 crore for Loans to IMF under New Arrangements to Borrow - NAB {₹1182.31 crore}
- Lumpsum Capital is for promoting PPP in infrastructure development through Viability Gap Funding. {Total - ₹670.00 crore}.

STATEMENT ON SURRENDER AND SAVING DURING THE FINANCIAL YEAR 2013-14

During the Financial Year 2013-14, the original grant was ₹75274.01 crore. This was augmented to ₹79722.83 crore by obtaining supplementary grant of ₹4448.82 crore. Against this, the actual expenditure was ₹16071.44 crore, resulting in net savings of ₹63651.39 crore.

2. The savings of ₹63651.39 crore was the net effect of total savings of ₹64289.87 crore and total excess of ₹638.48 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)	13.39	Saving was due to non receipt of bills towards India-Russia and India-Cyprus Bilateral Investment Promotion and Protection Agreement negotiations owing to dispute with M/s Tenach Holding Ltd.
2.	G-20 Secretariat	0.94	Saving was due to non filling up of vacant posts and economy measures.
3.	National Savings Institute	1.22	Saving was due to non printing of material, enforcement of model code of conduct and economy measures.
4.	Subsidy to Railways towards Dividend Relief	159.44	Subsidy to Railways for Dividend Relief is based on the Dividend paid by the Railways on Capital invested on Railways from General Revenues. Saving was due to requirement of less subsidy to the Railways for dividend relief.
5.	Training of IES Officers	0.62	Saving was due to requirement of less funds towards training owing to decrease in number of probationers.
6.	Purchase of Coins form SPMCIL	65.83	Saving was due to non-submission of bills for last week of March, 2014.

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

(₹ in crore)

S. No.	Sub Head/ Scheme/ Programme	Savings	Remarks/ Reasons
1.	National Skill Development Corporation (NSDC)	250.00	Saving was due to requirement of less funds towards contribution to technical assistance scheme of National Skill Development Corporation.
2.	India Infrastructure Project Development Fund	4.00	Entire provision remained unutilized due to late finalization of Infrastructure projects.
3.	Assistance for Infrastructure - Viability Gap Funding	228.00	Saving was due to receipt of less claims from the sponsoring authorities for various projects.
4.	Subscription to IMF towards India Quota Increase	56000.00	Entire provision remained unutilized due to non-requirement towards subscription to IMF(in securities and in cash).
5.	Lump sum provision for funding initiatives for social and infrastructure development	7000.00	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)	443.92	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) Surrender/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(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.

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.
- SPMCIL is keeping pace with changed business environment and after notification of new Companies Act, 2013, is taking initiative to comply with all legal obligations imposed on the company by the new Act. It is finalizing its annual accounts for Financial year 2014-15 within the provisions of new Companies Act, 2013 which are more stringent and strict with regard to disclosure and compliance requirements.
- It has successfully completed the compilation of accounts for the period starting for the financial year 2006-07 to 2013-14. 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 31-3-2014, SPMCIL has an asset base of ₹7332 crore and profit after tax for the year 2013-14 is ₹215 crore. The company has paid a dividend to Government of India of ₹43 crore & dividend distribution tax of ₹7 crore during Financial year 2013-14. In addition other statutory requirements of registration with different agencies have also been completed. Payment of due taxes has been made in time as and when it has become due.
- 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 2013-14. While receiving the set targets company has also increased productivity per employee considerably.
- SPMCIL has produced 8018 million pieces of Bank Notes and supplied 7941 million pieces to RBI during 2013-14. This is 8.05% higher than the production of 7421 million pieces of the Bank Notes during the last year. Production of the Bank Notes per employee has increased to 2.01 million pieces as against 1.84 million pieces achieved during the previous year.
- SPMCIL has produced 7650 million pieces of Circulating Coins and supplied 7676 million Pieces to RBI during 2013-14. This is 14.04 % higher than the production of 6708 million pieces of the Circulating Coins during the last year. Production of the Circulating Coins per employee has increased to 2.26 million pieces as against 1.88 million pieces achieved during the previous year.

- SPMCIL has produced 604 metric tonnes (MT) of the security inks in 2013-14 at Ink factory at Dewas against 484 MT of inks produced during 2012-13. This is 24.79% higher than the production of the previous year. The Security Paper Mill in Hoshangabad has produced 3240 MT of the security paper and has supplied 3106 MT security paper to the presses during 2013-14. This is 10.76% higher than the production of 2925 MT of the security paper during the last year. Production of the security paper per employee has increased to 3.07 MT pieces as against 1.98 MT achieved during the previous year.
- 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 01.04.2014 to 31.12.2014.

Sl. No.	Products	Production (in million pieces) unaudited
1.	Bank Notes	6136
2.	Coins	5521
3.	Post Cards	63
4.	Envelopes	26
5.	Inland Letter Cards	10
6.	Postage Stamps & Indian Postal Orders	21
7.	Adhesive Stamps	8
8.	N.J & Allied Stamps	305
9.	Saving Instruments	39
10.	MICR Cheques	48
11.	Misc. Security Forms & Court fee stamps	69
12.	Passport & Allied Booklets	7
13.	Stickers/Labels/ I .Cards/ Seals	24

Details of Sales of major products for the period from 01.04.2014 to 31.12.2014

S. No.	Main Products	Sales (₹ in Crore) unaudited
1.	Bank Notes	1047
2.	Coins	1121
3.	Other Security Products	618
4.	Misc.	58
	TOTAL	2844

The company is setting up of a new Bank Note Paper Line at Security Paper Mill, Hoshangabad (M.P.) including stock preparation plant.

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 ₹1490 crore and it is expected to be completed by October, 2015. On implementation of the project, the Company will meet its major part of the requirement of currency paper indigenously and reduce the import 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 in ratio of 60:40. The indents for postal stationery is provided by Department of Post.

During September 2014, RBI has revised 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 utilising the existing land and buildings thereby economise on the cost and shorten the project implementation to meet the growing demand for coins. Board of Directors of SPMCIL has approved the capacity expansion of mints by 6000 million pieces. For additional capacity expansion of mints by another 3000 million pieces the proposal will be put up to Board of Directors.

Similarly during September, 2014, RBI has revised the indents of Bank Notes for 2014-15 to 2018-19 which are about 40% to 50% higher. It will require investments in 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 in March, 2012 and PQB has been approved by the Board in November, 2014.

In the case of travel documents, MEA has also given indents in September, 2014 for the next five years with indents increase 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

on the higher side of the last year indents. SPMCIL is firming up investments for postal machinery also.

There has been a substantial increase in the indents for the Non-Judicial Stamp Papers (NJSP) during the last three years and this trend is continuing despite few of the States shifting to the e-stamping. SPMCIL is geared to meet this enhanced NJSP indent from the States.

Pricing of coins, bank notes & postal products

Delays in fixation of cost of coins, bank notes and postal stamps and 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. The matter has been taken up with the department who are taking a final view in the matter.

Modernisation/ Indigenisation

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

One Computer to offset Plate making (CToP) machine has been installed at Currency Note Press, Nashik and another CToP machine is in progress at Bank Note Press, Dewas. Two Bank Note Processing Systems (BPS-2000) have been installed, one each at CNP, Nashik and BNP, Dewas. Two Mini Finishing Machines for Bank Note Processing have been installed at Currency Note Press, Nashik.

The phase-II modernisation of the Ink Factory at Dewas has been taken up. At present, SPMCIL is self-sufficient in production of the offset, intaglio and numbering inks. The work of installation and commissioning of new paper line at Hoshangabad has been completed. The commercial production has commenced.

Three Multi-stroke Medal Presses, one each at India Government Mint at Cherlapally, Mumbai & Kolkata have been commissioned. One Gold Refining Plant has been commissioned at India Government Mint, Mumbai and one Silver Refining Plant at India Government Mint, Cherlapally. One PVD coating machine for coining Dies has been commissioned at India Government Mint, Noida. Blank sorting machines in the Mints have been commissioned. These Blank sorting machines will improve the quality of the Coin blanks thereby improving the quality of the Coins.

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

Details of Important projects under implementation/to be undertaken in the year 2014-2015

								(₹ 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 2015-2016	Likely date of completion	Output/ Outcome	Remarks
1	2	3	4	5	6	7	8	9
A) Paper mill/presses								
1.	Construction of New Ink Factory Building (BNP)	35	31.03.2017	0	15	31.03.2017		For manufacturing inks.
2	Computer To Intaglio Plate (CTIP) System (CNP)	48	31.03.2017	0	25	31.03.2017		To prepare plates for intaglio printing

1	2	3	4	5	6	7	8
3	Replacement of two nos. old printing & finishing line at CNP & BNP (one line each)	400	31.03.2018	-	31.03.2018	1500 MPCS per Year	Replacement of two old existing lines one each at CNP Nasik & BNP Dewas
4	Others Capex (CNP & BNP)	35	31.03.2016	0	35	31.03.2016	Others misc Capital Expenses
5	One line of Paper Mill at SPM, Hoshangabad (New Paper Line)	497	30.11.2014	481	10	30.06.2015	6000 MT per Year Commissioning of Machine has done. Commercial Production started.
6	Six Colour reel fed variable size wet offset & dry offset printing machine along with two numbering tower - (SPP)	20	31.12.2017	0	10	31.12.2017	To meet the increasing demand of NJSP
7	Sheet Fed Six Colour Offset Printing Machine - SPP & ISP Each	45	31.12.2017	0	-	31.12.2017	Replacement of old machines to improve printing of Security Features to prevent counter talling & to enhance production to meet the demand of security products.
8	Label Printing Machine (ISP)	15	31.12.2017	0	5	31.12.2017	To meet the requirement of Excise Adhesive labels for different state governments.
9	Offline Examination & Numbering Machine (ISP)	10	31.12.2017	0	5	31.12.2017	To reduce manual examination of printed sheets and enhancement in quality and checking examination process of printed sheets.
10	Raw Material Testing Laboratory (ISP)	5	31.03.2017	0	2	31.03.2017	As per the direction of Ministry regarding in-house testing of raw materials like, HAUVE Film, Buckram, etc.
11	Shredding and Briquetting Machine (ISP)	5	31.03.2016	0	5	31.03.2016	As per the guidelines of Pollution Board, burning of wastage of printed material is prohibited, therefore, wastage of security material are required to shredded and briquetted before disposal.
12	Laser Micro-Perforation Machines 4 Nos (ISP)	30	31.03.2017	0	15	31.03.2017	To incorporate micro-perforation as one of the security features in all denominations of NJSP, as per the direction of Ministry.

Outcome Budget 2015-2016							
30							
1	2	3	4	5	6	7	8
13 Random Numbering Machine (ISP)	5	31.03.2016	0	5	31.03.2016		For carrying out off-line numbering of NJSP, Visa Stickers, NSC, etc.
Total Capex of Presses & Paper Mill (A)	1,150		481	132			
B) Mints							
14 Capacity Expansion of 4 Mints including all civil, electrical and other auxilliary works	350	31.03.2018	0	40	31.03.2018	5600 MPCS per year	Capacity Expansion of Mints by 6 billions per year to 13 billions coins.
15 Capacity Building of Medals	52	31.03.2017		25	31.03.2017		Capacity Expansion of Manufacturing of Commercial Coins, Medals & Medallions.
16 Auxillary Machine and Equipments	64	31.03.2017		25	31.03.2017		Replacement & upgradation of facility.
17 Civil Works (Mints)	11	30.06.2016		6	30.06.2016		Civil maintenance & special work.
Total Capex of Mints(B)	477		96				
Grand Total (A+B)	1,627		481	228			

Annexure - C

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). In BE 2013-14, provision of ₹1645.00 crore was increased to ₹2000.00 crore at R.E. stage. The expenditure incurred was ₹1934,17,16,000/- . The B.E. for 2014-15 is ₹2000.00 crore for purchase of coins from SPMCIL. Out of this, the sanction of ₹638,95,71,980/- has been issued for payment released to

SPMCIL for the bills upto August, 2014. The bills amounting to ₹529,82,33,875/- for the months of September to December, 2014 have been received from SPMCIL for release the 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 performance of Public Sector Insurance 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 DFS are as under:-

(i) Pradhan Mantri Jan Dhan Yojana (PMJDY) - With a view to envisage universal access to banking facilities and bring at least one basic banking account for every household, financial literacy, access to credit, insurance and pension, Prime Minister had announced Pradhan Mantri Jan Dhan Yojana (PMJDY) on 15th August, 2014 and formally launched on 28th August, 2014. The Yojana also envisages expansion of Direct Benefit Transfer under various Government Schemes through bank accounts of the beneficiaries. The beneficiaries would get a RuPay Debit Card having inbuilt accident insurance cover of ₹1.00 Lakh. In addition, there is also a life insurance cover of ₹30,000/- to those people who opened their bank accounts for the first between 15.08.2014 to 26.01.2015 and meet other eligibility conditions of the Yojana. An overdraft facility upto ₹5000/- will also be permitted to Aadhar enabled accounts after satisfactory operation in the account for 6 months. Under PMJDY, Banks have been given target to carry out surveys in allocated Sub Service Areas (SSAs) and Wards and to open accounts of all uncovered households by 26.01.2015. As on 07.01.2015, 21.07 crore households have been surveyed out of which accounts of 20.98 crore households have been opened i.e. coverage of 99.60 %. Accounts of remaining 0.09 crore households shall be opened before 26.01.2015. PMJDY is

successfully being implemented by the banks. As on 10.01.2015, 11.07 crore accounts have been opened and 9.26 crore RuPay Cards have been issued to the eligible account holders. Total amount deposited in these accounts is ₹8698.01 crore. An initial fund of ₹100 crore provided under Non-Plan to cover the claims to RuPay Debit card holders for 2014-15. Further a provision of ₹100 crore under Non-Plan has been proposed for 2015-16.

(ii) 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. 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 Commercial Banks. Under the 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.

A sum of ₹5400 crore and ₹6000 crore was released under the scheme during 2012-13 and 2013-14, respectively. An amount of ₹5000 crore was released under the Scheme during 2014-15 (upto December, 2014) as against provision of ₹6000 crore in BE and ₹ 9476.71 crore in RE. A further provision of ₹13,000 crore is proposed in BE 2015-16.

(iii) Recapitalization of Public Sector Banks – As capital is a key measure of bank's capacity for generating loan assets and is essential for balance sheet expansion, Government of India has regularly been investing additional capital in the Public Sector Banks (PSBs) to support their growth and keep them financially sound and healthy so as to ensure that the growing credit needs of the economy are adequately met. To enable the PSBs to maintain their Tier-I Capital to Risk weighted Assets Ratio (CRAR) at 8% as also to raise Government of India's holding in all PSBs, the Government infused a sum of ₹12,517 crore in 13 PSBs during 2012-13 and ₹14,000 crore in 20 PSBs during 2013-14.

For the year 2014-15 also, the Government has approved infusion of ₹ 6,990 in 9 PSBs to 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. For 2015-16, a sum of ₹7,940 crore has been proposed for capitalisation of PSBs.

(iv) 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 respective State Governments 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, to be completed by 2011-12. The Cabinet decision required the Government of India release its share upon release of the proportionate share by the concerned State Government and the Sponsor Bank.

An amount of ₹468.92 crore was released to 21 RRBs upto 2011-12 (₹66.49 crore in 2010-11 and ₹402.43 crore in 2011-12). The process of recapitalization could not be completed by 2011-12 as all the State Governments did not release their share towards recapitalization of RRBs. Therefore, the recapitalization scheme was extended with the approval of Cabinet up to March, 2014.

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%). ₹50 crore was provided in BE 2014-15 for the purpose of providing recapitalisation assistance to remaining 2 RRBs in Uttar Pradesh. However, in the absence of release of State Government share, these RRBs in Uttar Pradesh are yet to be provided recapitalization support. Accordingly, a provision ₹15 crore has been proposed in BE 2015-16. Approval of the Cabinet for extension of the Scheme for a further period of 2 years beyond 31.3.2014 has been sought.

(v) Varishtha Pension Bima Yojana (VPBY) - Varishtha Pension Bima Yojana (VPBY) meant for senior citizens aged 55 years and above was launched on 14.07.2003 and withdrawn on 09.07.2004. 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. In Budget Speech 2014-15, Finance Minister had announced to revive the scheme for a limited period from 15th August, 2014 to 14th August, 2015 for the benefit of citizens aged 60 years and above. Accordingly, the scheme has been revived as 'Revived – Varishtha Pension Bima Yojana (VPBY)-2014'.

A sum of ₹182.04 crore was released to LIC during 2011-12, ₹99.55 crore during 2012-13 and ₹115.81 crore during 2013-14. An amount of ₹111.49 crore was provided under the Scheme in BE 2014-15, which has been slightly reduced to ₹111.24 crore in RE 2014-15. A further provision of ₹101.79 crore has been proposed in 2015-16.

(vi) Aam Aadmi Bima Yojana (AABY) – Aam Aadmi Bima Yojana (AABY) is a social sector insurance scheme providing life insurance cover to the economically backward sections of the society. The scheme is being implemented through Life Insurance Corporation (LIC) of India. 'Aam Aadmi Bima Yojana (AABY)' extends life and disability cover to persons between the age of 18 years to 59 years, living below and marginally above the poverty line 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/- on 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 9th to 12th Standard. Scholarship benefit to the children of the beneficiaries under the scheme is being provided from the 'Scholarship Fund' created for the purpose and maintained by LIC.

The total annual premium under the Scheme is ₹200/- per beneficiary of whom 50% is contributed from the Social Security Fund created by the Central Government and maintained by LIC. The balance 50% 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 Ministry/ Department /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 the Nodal Agency.

As on 31st March, 2014, a total number of 4.54 crore lives have been covered under AABY. Under the Scheme, a sum of ₹4.50 crore during 2013-14 and ₹149.99 crore during 2014-15 (upto December, 2014) was released. A further provision of ₹437.51 crore has been proposed for the scheme in BE 2015-16.

(vii) National Pension System (NPS) - National Pension System (NPS) was introduced by the Government of India on mandatory basis for all new recruits to the Government (except armed forces) with effect from January 1, 2004 and has also been rolled out to all citizens with effect from May 1, 2009 on a voluntary basis. As on date, 27 States have notified NPS for their employees. Of these, 26 States have signed agreements with CRA and NPS Trust. Two State Governments have executed Agreement only for AIS officers. Over 38.01 lakh employees of the Central and various State Governments are already a part of the NPS. The Assets Under Management (AUM) in NPS as on 31.12.2014 are ₹65,939.75 crore.

(viii) Swavalamban Scheme - To extend the coverage of the National Pension System (NPS) to the weaker and economically disadvantaged sections of the society with their limited investment potential, Government through Pension Fund Regulatory and Development Authority (PFRDA) had launched NPS-Swavalamban in September, 2010 which specifically targets the unorganized sector and promotes small savings during their productive life. It aims at building up a corpus sufficient to buy an annuity for their old age in addition to receiving a lump sum payment at the time of retirement.

To incentivise participation in the scheme, the Central Government contribution of ₹1,000 is made in each NPS account that is opened under the Scheme where the subscriber is able to save ₹1,000 to ₹12,000 during a financial year, for a period not exceeding five years till 2016-17. The scheme is open to those citizens of India who are not part of any organised pension / provident fund scheme. The targeted beneficiaries of Swavalamban Scheme are unorganized/informal sector workers and include Aanganwadi workers, Construction & other building workers, Occupational classes like weavers, fishermen, farmers, dairy workers etc.

The Swavalamban Scheme operates through 76 Aggregators and 64 Points of Presence (PoPs). During the year 2014-15, 23 lakh subscribers are expected to receive Government co-contribution under Swavalamban Scheme. A sum of ₹104.41 crore during 2012-13, ₹152.90 crore during 2013-14 and ₹58.38 crore was released during 2014-15 (upto December, 2014) for implementation of the Scheme. A further provision of ₹581.90 crore has been proposed for the Scheme in 2015-16.

(ix) Credit Guarantee Fund for Factoring – In Budget Speech 2013-14, Finance Minister had announced for establishment of a Credit Guarantee Fund for factoring with a corpus of ₹500 crore with SIDBI. The objective is to encourage Factoring of receivables of Micro, Small and Medium Enterprises (MSMEs) in India pursuant to passing Factoring Regulation Act, 2011. Owing to General Elections 2014 and enforcement of Model Code of Conduct, the scheme could not be got approved by the Cabinet, and thus the entire provision was surrendered. In BE 2014-15, a sum of ₹50 crore was provided for the scheme, which has been raised to ₹250 crore in RE 2014-15. A further provision of ₹250 crore has been proposed in 2015-16.

Statement of Outlays and Outcomes 2015 - 16

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	5	6	7	8
		4(i) Non- Plan	4(ii) Plan	4(iii) CEBR*			
1.	Major Head 2235 - Payment to Life Insurance Corporation of India for Pension Plan for Senior Citizens	Subsidising Pension Plan	101.79	-	Under the Scheme pensioners get an effective yield of 9% p.a.	Approximately 3.05 lakh senior citizens, who had enrolled during the currency of between 14.07.2003 and 09.07.2004. However, provided benefits to the subscribers under the scheme.	Scheme was in operation between 14.07.2003 and 09.07.2004. However, provided benefits to the subscribers under the scheme. In accordance with the Budget Speech 2014-15, the Scheme has been revived for a limited period from 15 th August, 2014 to 14 th August, 2015 for the benefit of citizens aged 60 years and above.
2.	Major Head 2235 - Swavalamban	To extend the coverage, under National Pension Scheme, to enroll citizen of unorganised sectors.	581.90	-	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 50 lakh subscribers under the Swavalamban Scheme.	March 2016.

*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 – The scheme extends life Government's and disability cover to contribution to Aam persons below and Admi Bima Yojana marginally above poverty (AABY)	437.51	-	-	The premium under the Persons between the scheme is ₹200/- per age group 18 to 59 beneficiary of which 50% years and who are the is contributed from the members of the identified 47 occupational/ created by the Central vocational groups Government and along with beneficiaries maintained by LIC. The ries of Rashtriya balance 50% of the Swasthya Bima premium is contributed by Yojana (RSBY) are the State Government/ UTs provided insurance in the case of 'Rural cover under the Landless Households' and scheme. A free add-on for the other groups, it benefit of scholarship contributed by the State to the children of the Government/ Nodal beneficiaries amount- agency/ Individual. The ing to ₹100/- per Central Ministry/ month per child is Department/ State payable on a half- Government/ UT/any other yearly basis to a maximum of two children arrangement/ registered NGOs may act as nodal agencies under the Scheme. (including ITI courses).	Up to 2016-17	-
4.	Major Head 2235 – To extend life insurance Premium cover to the RuPay Card Subscription under holders under PMJDY. Pradhan Mantri Jan Dhan Yojana (PMJDY)	100.00	-	-	The scheme aims to provide security to those families who cannot afford direct insurance viz. the urban poor and rural poor who are not covered under any social security scheme.	The life insurance Scheme was in operation cover of ₹30,000/- between 15.08.2014 and under PMJDY will be 26.01.2015. However, given to those Government is required persons, who have opened a bank account for the first time between 28.08.2014 and 26.01.2015, subject to certain specified ineligible category on death of the life assured, due to any reason, to the deceased's family.	No risk involved.

1	2	3	4	5	6	7	8	
			4(i) Non- Plan	4(ii) Plan	4(iii) CEBR			
5.	Major Head 2416 – Interest relief to farmers on short term production credit.	13000.00	-	-	To provide short term production credits at 7% interest rate to the farmers upto an amount of ₹3.00 lakh. Additional subvention of 3% will be provided to those farmers who repay their crop loans on time. 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.	Farmers will benefit from the much needed interest relief on short-term loans.	Period of implementation is extended on yearly basis.	This is a subsidy to farmers. No risk factor is involved.
6.	Major Head 3465 – To encourage factoring of Financial support to receivable of Micro, Small SIDBI to set up a and Medium Enterprises in Credit Guarantee India. Fund for Factoring.	-	250.00	-	It is estimated to increase Gross Annual Factored Debt to ₹20,000 crore in next five years. Increase in share of factored debts of MSME portfolio from 27% to higher levels. Increase the share of factoring ‘without recourse’ from 5% in 1 st year to 25% in 5 th year.	-	-	-
7.	Major Head 3465 – To contribute to Transfer to Securities Redemption Fund for redeeming SLR Marketable Securities issued against subscription in the Rights issue of equity share of State Bank of India, 2008.	625.00	-	-	This is for transfer 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.	A sum of ₹625.00 crore is to be transferred every year by the Government to this Fund created for redeeming these Securities.	Up to 2024	No risk factor is involved as it is only a transfer to the Securities Redemption Fund already created for the purpose.

1	2	3	4	5	6	7	8
			4(i) Non- Plan	4(ii) Plan	4(iii) CEBR		
8.	Major Head 4416 – Subscription to Share Capital of NABARD.	Augmenting the capital base of the National Bank for Agriculture and Rural Development (NABARD).	-	300.00	-	To strengthen the capital base of NABARD and thereby, enhance its borrowing capacity to meet its developmental mandate.	It will enhance N A B A R D ' s borrowing capacity and to meet the growing refinance needs of the banks that are extending agriculture loans and are undertaking other development activities in rural areas.
9.	Major Head 4416 – Recapitalization of Regional Rural Banks (RRBs).	To bring Capital to Risk Weighted Assets Ratio (CRAR) of RRBs to at least 7% in a time bound manner and further to 9%.	-	15.00	-	Recapitalization of 40 RRBs to help them bring their CRAR to 9%.	Improvement in the financial health of RRBs to reduce their losses and increase their lending capacity.
10.	Major Head 4885 – Subscription to the share capital of EXIM Bank.	Strengthening the equity base of EXIM Bank.	-	1300.00	-	To grow the Bank's disbursements under Export Lines of Credit (LOCs) during 2015-16 to US\$ 660 million (10% growth over the estimated disbursements of US\$ 600 million during 2014-15).	This will help promote India's exports to other countries.
11.	Major Head 5465 – Recapitalization of Public Sector Banks (PSBs)	To provide capital assistance to PSBs to augment their Tier-I CRAR so as to maintain their Tier-I CRAR at comfortable level.	-	7940.00	-	To enable the PSBs to maintain their Tier I CRAR at a comfortable level and to comply with regulatory norms of capital adequacy under Basel III as well as to support internationally active PSBs for their national and international banking operations undertaken through their subsidiaries and associates.	Comfortable level of CRAR enables the PSBs to support the credit requirements of the productive sectors of the economy leading to, amongst others, increased employment opportunities and the overall GDP growth in the country.
						March, 2016.	This is Government of India's subscription to strengthen the capital base of NABARD. No risk factor is involved.
						One year	It is Government investment. No risk factor involved.
						One Year	Credit risk, liquidity risk, interest rate risk and foreign exchange risk.
							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.

REFORM MEASURES AND POLICY INITIATIVES

1. Financial Inclusion

Financial Inclusion is an important priority of the Government. The objective of Financial Inclusion is to extend financial services to the large hitherto unserved population of the country to unlock its growth potential. To extend the reach of banking to those outside the formal banking system, various initiatives are undertaken by the Government of India and Reserve Bank of India from time to time.

(a) Expansion of Bank Branch Network: Public Sector Banks have opened 3456 branches during the year 2014-15 (Till 30.11.2014).

(b) Expansion of ATM Network: Public Sector Banks have opened 12980 Automated Teller Machines (ATMs) during the year 2014-15 (Till 30.11.2014) and number of ATMs have increased from 1,10,424 as on 31.03.2014 to 1,23,404 as on 30.11.2014.

(c) Pradhan Mantri Jan-Dhan Yojana: Prime Minister had announced Pradhan Mantri Jan-Dhan Yojana (PMJDY) on 15th August, 2014 and it was formally launched on 28th August, 2014. The Yojana envisages universal access to banking facilities with atleast one basic banking account for every household, financial literacy, access to credit, insurance and pension. The beneficiaries would get a RuPay Debit Card having inbuilt accident insurance cover of ₹1.00 lakh. In addition, there is a life insurance cover of ₹30,000/- to those people who opened their bank accounts for the first time between 15.08.2014 to 26.01.2015 and meet other eligibility conditions of the Yojana.

Under PMJDY, banks have been given target to carry out surveys in allocated Sub Service Areas (SSAs) and Wards and to open accounts of all uncovered households by 26.01.2015. As on 07.01.2015, 21.07 crore households have been surveyed out of which accounts of 20.98 crore households have been opened i.e. coverage of 99.60 %. Accounts of remaining 0.09 crore households shall be opened before 26.01.2015.

PMJDY is successfully being implemented by the banks. As on 10.01.2015, 11.07 crore accounts have been opened and 9.26 crore RuPay Cards have been issued to the eligible account holders. Total amount deposited in these accounts is ₹8698.01 crore.

2. 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 1st 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

Pension Fund Regulatory and Development Authority (PFRDA) which was constituted through a Government Resolution has attained the statutory status with the enactment of Pension Fund Regulatory and Development Authority Act, 2013 (PFRDA Act, 2013) by Parliament in September, 2013. The PFRDA Act, 2013 was brought into force with effect from 1st February, 2014. The creation of a statutory PFRDA may facilitate in providing protection and social security to the people in their old age, particularly those in the informal and the unorganised sector.

NPS has also been rolled out to all citizens with effect from 1st May, 2009 on a voluntary basis. 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 (PFMs) to manage the pension wealth of the investors. PFRDA adopted a transparent, non-discretionary, competitive bidding process for selection of NPS intermediaries including PFMs 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, 2014, 1526 corporates and 3.35 lakh employees have been enrolled under this model. The AUM under NPS-Corporate Sector Model is ₹ 4837.60 crore.

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

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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. A Request for Proposal was issued on 16th January 2014 for selection of Pension Fund under National Pension System (NPS) for Private Sector to transparently and competitively determine the Investment Management Fees (IMF), which have significant impact on terminal pension wealth of the subscribers.
- iii. **Acceptance of e-KYC as a valid process for KYC verification** - It has now been decided to accept e-KYC service launched by UIDAI as a valid process for KYC verification in consultation with Unique Identification Authority of India (UIDAI). The information authenticated and transferred by UIDAI containing demographic details and photograph as a result of e-KYC process shall be treated as sufficient proof of Identity and Address of the client.
- iv. **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.
- v. **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.
- vi. **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.

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. 28 States and UT Governments have notified and joined NPS for their employees. Of these, 26 States and UTs have already signed agreement with NPS Trust and 26 States and UTs have signed agreements with CRA for carrying forward the implementation of NPS. The other States are at different stages of preparation for roll out of NPS. In addition, over 38.01 lakh employees of the Central and various State Governments are already a part of NPS. The corpus being managed under the NPS as on 31st March, 2014 is ₹65,939.75 crore. 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 2010-11. The scheme operates through 76 Aggregators (as of 31.12.2014). A total of 3,01,922 subscribers were enrolled 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 are eligible during 2013-14. For all citizens

including workers of unorganized sector, NPS was available through nearly 37873 service provider branches of 64 Points of Presence (PoPs) (as on 31.12.2014).

Debt Recovery Tribunals (DRTs)/Debt Recovery Appellate Tribunals (DRATs)

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

As per data made available by DRTs, a total number of 5390 cases (Original Application) involving ₹11013.55 crore approximately were disposed of by the DRTs during the period from 01.04.2014 to 30.09.2014.

In the Budget Speech for the financial year 2014-15, it was announced to establish six new DRTs at Bengaluru, Chandigarh, Dehradun, Ernakulam, Hyderabad and Siliguri to bring down the pendency of cases in the existing DRTs. The Government has already approved establishment of these new DRTs.

Statement of Outcome with reference to Outlays - 2013 - 14

S. No.	Name of the Scheme/ Programme	Objective/Outcome	Outlay 2013-14 (₹ in Crore)	Quantifiable Deliverables/ Physical Outputs	Processes/ Timelines	Risk Factors	Achievements as on 31st March 2014	
1	2	3	4	5	6	7	8	
		4(i) BE	4(ii) RE					
1	Major Head 2202 – Interest subsidy on education loans to bright and needy students through Canara Bank.	Interest relief to students who were sanctioned/ disbursed educational loans up to 31.03.2009 and outstanding as on 31.12.2013.	-	2600.00	It will provide relief on interest outstanding component as on 31.12.2013 for all educational loans sanctioned/ availed up to 31.03.2009 and which are outstanding as on 31.12.2013 to the students of economically weaker sections.	One year	It is grant assistance to provide interest relief to students who were sanctioned/ availed educational loans up to 31.03.2009 and which are outstanding as on 31.12.2013. Thus no risk involved.	Around nine lakh students would be benefitted from this scheme.
2	Major Head 2235 –Payment to Life Insurance Corporation of India for Pension Plan for Senior Citizens.	Subsidizing Pension Plan for Senior Citizens.	134.23	115.81	Under the Scheme pensioners get an effective yield of 9% p.a.	Scheme was in operation between 14.07.2003 and 09.07.2004. However, benefits to the subscribers are continuing.	No risk involved.	A total number of 3,05,632 bene- ficiaries, who had enrolled during the currency of the scheme, are being provided benefits under the scheme.
3	Major Head 2235 – Swavalamban Scheme.	To extend the coverage under NPS to 30 lakh subscribers.	170.00	155.00	To enroll 15 lakh subscribers under Swavalamban Scheme.	March, 2014.	The projected outcomes are subject to informal labour market conditions, low intermittent income and low financial knowledge, per- formance of Aggre- gators and Points of Presence (PoPs).	A total of 15,90,610 subscribers were eligible under the scheme.

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
4	Major Head 2235 – The scheme extends life Government's and disability cover to contribution to Aam persons below and Aadmi Bima marginally above poverty Yojana (AABY) line.	5.01	4.51	Persons between the age group 18 to 59 years and who are the members of the identified 47 occupational/vocational groups along with beneficiaries of Rashtriya Swasthya Bima Yojana (RSBY) are provided insurance cover under the scheme. A free add-on benefit of scholarship to the children of the beneficiaries amounting to ₹100/- per month per child is payable on a half-yearly basis to a maximum of two children per member, studying in 9 th to 12 th standard (including ITI courses).	-	Government is required to replenish the ‘Social Security Fund’ and have been covered ‘Scholarship Fund’ under AABY as on the scheme from time to 31.03.2014. During 2013-14, a total number of 45,07,719 scholarships amounting ₹281.80 crore have been disbursed under AABY.	A total number of 4,54,15,082 lives
5	Major Head 2416 – Interest relief to farmers on short term production credit.	6000.00	6000.00	To provide short term productions credit at 7% interest rate to the farmers upto an amount of ₹3.00 lakh. Additional subvention of 3% will be provided to those farmers who repay their crop loans on time.	Period of implementation is yearly basis.	This is a subsidy to farmers. No risk factor extended on yearly basis.	₹6,000 crore released during the year.
6	Major Head 2416 – Grants in aid to NABARD for Women’s Self Help Groups (S H G s) Development Fund	100.00	100.00	It will promote setting up and financing of Women’s SHGs in backward areas/districts of the country.	Upto 2013-14.	This will enable banks to enhance their outreach to the poor women in the backward regions. It would enable	During the period, ₹84.183 crore released. 1,96,433 SHGs have been setup and 1,49,820 SHGs have been savings linked, out

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
7	Major Head 2885	The provision is for –Payment of Subsidy to Nodal Agency i.e., National Housing Bank.	200.00	80.00	The interest subsidy will be routed through the scheduled commercial banks and the housing finance companies registered with National Housing Bank.	One year	Women SHGs to take up livelihood activities. of which 50,875 SHGs have been credit linked. No risk factor involved. ₹80.00 crore was released.
8	Major Head 3465	To contribute to – Transfer to Securities Redemption Fund for redeeming Redemption Fund towards subscription in the Rights issue of equity share of State Bank of India, State Bank of India.	625.00	625.00	This is for transfer 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.	Upto year 2024	No risk factor is involved as it is only a transfer to the Securities Redemption Fund already created for the purpose. Entire funds were released in time.
9	Major Head 3465 -	For guaranteeing Skill Assistance to National Credit Guarantee Trustee Company (NCGTC) to set up Credit Guarantee Fund for Skill Development	-	500.00	It is grant to be routed through the scheduled commercial banks. Subject to the other provisions of the Scheme, the Fund undertakes, in relation to Skill Development Loans extended to an eligible borrower by a lending institution which has entered into the necessary agreement for this purpose with the Fund, to provide guarantee against default in repayment of education	Two years	This is grant assistance and is outcome based. So, no risk is involved ₹500.00 crore was released.

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
					loans extended by the lending institutions.		
10	Major Head 4416- Recapitalization of Regional Rural Banks (RRBs).	To bring Capital to Risk Weighted Assets Ratio (CRAR) of RRBs to at least 7% in a time bound manner and further to 9%.	88.00	88.00	Recapitalization of 40 RRBs to help them bring their CRAR to 9% so as to improve their financial health to reduce their losses and increase their lending capacity.	Upto year 2013-14.	It is Government investment. No risk factor involved. ₹82.78 crore released to 4 RRBs. Thus the recapitalization of 39 RRBs, including Central Madhya Pradesh Gramin Bank (on the recommendation of NABARD to meet the requirement of minimum CRAR of 9%) completed. 2 RRBs in Uttar Pradesh were not recapitalized due to non release of its share by the State Government.
11	Major Head 4416 – Subscription to Share Capital of NABARD.	Augmenting the capital base of the National Bank for Agriculture and Rural Development (NABARD) by infusing equity of ₹3,000 crore.	700.00	700.00	To strengthen the capital base of NABARD and thereby, enhance its borrowing capacity to meet its developmental mandate and also to meet the growing refinance needs of the Banks that are extending agriculture loans and are undertaking other development activities in the rural areas.	Period of implementation was two years.	The infusion of this capital would help NABARD to enhance its borrowing capacity. No risk factor is involved. ₹700 crore was released.

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
12	Major Head 4885 –Subscription to the share capital of India Infrastructure Finance Company Ltd. (IIFCL)	To supplement the available long term finance for commercially viable infrastructure projects.	400.00	400.00	IIFCL will fill the gap for long term infrastructure finance which banks and other institutions are unable to provide.	One year	IIFCL is providing long term finance to ₹400 crore infrastructure projects. As a financial institution cumulatively the company faces credit risk, market risk and operational risk. projects amounting to ₹94,728 crore.
13	Major Head 4885 – Subscription to the share capital of Export-Import Bank of India (EXIM Bank)	Strengthening the equity base of EXIM Bank.	700.00	700.00	To grow the Bank's disbursements under Export Lines of Credit (LOCs) during 2013-14 to US \$ 8506 million.	One Year	Credit risk, liquidity risk, interest rate risk and foreign exchange risk. Entire provision of ₹ 700 crore released. Paid-up capital of the Bank reached ₹3,759 crore during 2013-14.
14	Major Head 5465 – Recapitalization of Public Sector Banks (PSBs)	To provide capital assistance to PSBs to 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.	14000.00	14000.00	To enable the Public Sector Banks (PSBs) to maintain their Tier I CRAR at a comfortable level as on 31.3.2014 and to comply with regulatory norms of capital adequacy under Basel III.	One year	It is an investment by the Government in the PSBs ₹14000.00 crore to enable them to respond positively and effectively to the growing credit needs of the country. It helped the banks to adequately meet the credit requirements of productive sector of our economy as well as to maintain CRAR at comfortable level.

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
15	Major Head 5465	Promoting gender equality – Infusion of initial and economic equity capital in Bharatiya Mahila Bank Ltd.	-	1000.00	To achieve economic empowerment, women need equal access to economic institutions and control of assets. Since both the components are interrelated, control over assets is essential to access finance and vice versa. Hence the first step towards economic empowerment is to provide equal access to financial services to women while addressing the problems of lack of collateral. This would help promote both asset ownership by women (control over resources) and entrepreneurship which in turn would increase employment opportunities for them.	One year	This is an investment by Entire provision of the Government for ₹1000.00 crore establishment of Bank. r e l a s e d . No risk factor is involved. Bharatiya Mahila Bank Ltd., as a public sector bank has become functional w.e.f. 19.11.2013 . Thereafter, bank c o m m e n c e d operations in 9 centres across the country.

Statement on Outlays and Outcomes - 2014 - 15

S. No.	Name of the Scheme/Programme	Objective/Outcome	Outlay 2014-15 (₹ in Crore)	Quantifiable Deliverables/ Physical Outputs	Processes/ Timeliness	Risk Factors	Achievements as on 31 st December, 2014	
1	2	3	4	5	6	7	8	
		4(i) BE	4(ii) RE					
1	Major Head 2235 – Payment to Life Insurance Corporation of India for Pension Plan for Senior Citizens.	Subsidizing Pension Plan for Senior Citizens.	111.49	111.24	Under the Scheme pensioners get an effective yield of 9% p.a.	Scheme was in operation between 14.07.2003 and 09.07.2004. However, benefits to the subscribers are continuing.	No risk involved.	A total number of 3,05,632 beneficiaries, who had enrolled during the currency of the scheme, are being provided benefits under the scheme.
2	Major Head 2235 – Swavalamban	To extend the coverage of National Pension System (NPS) to enrol citizen of unorganised sectors.	195.00	195.00	The scheme is aimed at encouraging the people from unorganized sector to voluntarily save for their retirement by enrolling themselves under the NPS.	Upto 2016-17.	The projected outcomes are subject to informal labour market conditions, low financial knowledge, performance of Aggregators and Points of Presence (PoPs).	Till 31.12.2014, a total of 6,22,745 subscribers are eligible under the intermittent income and scheme.
3	Major Head 2235 – Government's contribution to Aam Aadmi Bima Yojana (AABY)	The scheme extends life and disability cover to persons below and marginally above poverty line.	150.00	175.00	The premium under the scheme is ₹200/- per beneficiary of which 50% is contributed from the Social Security Fund created by the Central Government and maintained by LIC. The balance 50% of the premium is contributed by the State Government/ UTs in the case of 'Rural	-	-	As on 31.12.2014, a total number of 5,67,36,516 lives have been covered under AABY. As on 30.11.2014, a total number of 27,18,495 scholarships amounting

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
					Landless Households' and for the other groups, it is contributed by the State Government/ Nodal agency/ Individual. The Central Ministry/ Department/ State Government/ UT/any other institutio n alized arrangement/ registered NGOs may act as nodal agencies under the Scheme.		₹272.18 crore have been disbursed under AABY.
4	Major Head 2235 – To extend life insurance Premium Subscription under Pradhan Mantri Jan Dhan Yojna (PMJDY)	-	100.00	The scheme aims to provide security to those families who cannot afford direct insurance viz. the urban poor and rural poor who are not covered under any social security scheme. This will give a life insurance cover of ₹30,000/- of those people, who have opened a bank account for the first time between 28.08.2014 and 26.01.2015, subject to certain specified ineligible category on death of the life assured, due to any reason, to the deceased's family.	The scheme was operation between 15.08.2014 and 26.01.2015. However, Government is required to replenish the Fund maintained by LIC for this scheme from time to time.	-	-
5	Major Head 2416 – Interest subvention for providing short term credit to farmers.	Interest relief to farmers on short term production	6000.00	9476.71	To provide short term production credits at 7% interest rate to the farmers upto an amount of ₹3.00 lakh. Additional subvention of 3% will be provided to those farmers who repay their crop loans on time.	Period of This is a subsidy to farmers. No risk factor is released upto 31.12.2014.	₹5000 crore implementation is released upto 31.12.2014. basis.

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
6	Major Head 2416 – Grants in aid to NABARD for Women's Self Help Groups (SHGs) Development Fund	To empower women and promote their SHGs.	50.00	50.00	It will promote financing of women's SHGs in backward areas/ districts of the country.	Upto 2014-15	This is grant assistance and is outcome based. So, no risk is involved. Out of the total amount of ₹184.183 crore released to NABARD upto 31.03.2014, an amount of ₹41.14 crore assistance has been released by NABARD to NGOs and other agencies upto 30.09.2014.
7	Major Head 2416 – Grants to NABARD for Producers' Organisation Development Fund	To promote and nurture 2000 Farmers Producer Organizations (POs) over a period of two years.	200.00	200.00	To build 2,000 producers organizations across the country over the next two years, a sum of ₹200 crore will be utilized.	Two years	This is a fund for building producers organizations across the country and hence no risk factor is involved.
8	Major Head 2885 – Payment of Subsidy to Nodal Agency i.e., National Housing Bank.	The provision is for providing 1% interest subvention on housing loans upto ₹15.00 lakh through nodal agency, i.e. National Housing Bank.	50.00	50.00	The interest subsidy will be routed through the scheduled commercial banks and the housing finance companies registered with National Housing Bank.	One year	No risk factor involved.
9	Major Head 3465 – Transfer to Securities Redemption Fund for Securities redeeming SLR Redemption Fund towards subscription in the Rights issue of Rights issue of equity share of State Bank of India, 2008.	To contribute to Securities Redemption Fund for redeeming SLR Redemption Fund Marketable Securities issued against subscription in the Rights Issue of Rights issue of equity shares of State Bank of India, 2008.	625.00	625.00	This is for transfer 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.	Upto year 2024	No risk factor is involved as it is only a transfer to the Securities Redemption Fund already created for the purpose.

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
10	Major Head 3465 - Assistance to National Credit Guarantee Trustee Company (NCGTC) to set up Credit Guarantee Fund for Skill Development.	For guaranteeing Skill Development Loans sanctioned by Member Banks of Indian Banks Association (IBA) or other Banks/ Financial Institutions as may be directed by Government of India.	500.00	0.00	It is grant to be routed through the scheduled commercial banks.	Two years	This is grant assistance and is outcome based. So, no risk is involved
11	Major Head 3465 - Financial Support to Small Industries Development Bank of India (SIDBI) to set up Credit Guarantee Fund for Factoring	To encourage Factoring of receivables of Micro, Small and Medium Enterprises in India. This will address a major problem of delayed payments of MSMEs in the country.	50.00	250.00	It is estimated to increase Gross Annual Factored Debt to ₹20,000 crore in next five years. Increase in share of factored debts of MSME portfolio from 27% to higher levels. Increase the share of factoring ‘without recourse’ from 5% in 1 st year to 25% in 5 th year.	-	-
12	Major Head 4416 – Recapitalization of Regional Rural Banks (RRBs).	To bring Capital to Risk Weighted Assets Ratio (CRAR) of RRB to 9%.	50.00	50.00	Recapitalization of 40 RRBs to help bring their CRAR to 9%.	Upto year 2013-14.	It is Government Investment. No risk factor involved.
							The Scheme has been transferred to Ministry of Skill Development and Entrepreneurship, Youth Affairs and Sports.

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
13	Major Head 4416 - Subscription to Share Capital of NABARD.	Augmenting the capital base of the National Bank for Agriculture and Rural Development (NABARD).	300.00	300.00	To strengthen the capital base of NABARD, and thereby enhance its borrowing capacity to meet its developmental mandate.	Period of implementation was Two years	The infusion of this provision would help NABARD to enhance its borrowing capacity and also to meet the growing refinance needs of the Banks that are extending agriculture loans and are undertaking other development activities in the rural areas. No risk factor is involved.
14	Major Head 4885 - Subscription to the share capital of India Infrastructure Finance Company Ltd. (IIFCL)	To strengthen the equity base of IIFCL to supplement the available long term finance for commercially viable infrastructure projects.	600.00	600.00	IIFCL will fill the gap for long term infrastructure finance which banks and other institutions are unable to provide.	One Year	IIFCL is providing long term finance to of ₹600 crore has infrastructure projects. As a financial institution, the company faces credit risk, market risk and operational risk.
15	Major Head 4885 – Subscription to the share capital of EXIM Bank.	Strengthening the equity base of EXIM Bank.	1300.00	1300.00	To grow the Bank's disbursements under Export Lines of Credit (LOCs) during 2014-15 to US\$ 880 million (10% growth over the estimated disbursements of US\$ 802 million during 2013-14).	One Year	Credit risk, liquidity risk, interest rate risk and foreign exchange risk. Entire provision of ₹1300 crore has been released. The paid-ups capital of the bank reached to ₹5059 crore.
16	Major Head - 4885 Subscription to the share capital of Industrial Finance Corporation of India Limited (IFCI Ltd)	To make IFCI Ltd. a Government Company.	-	60.00	To Make IFCI Ltd. a Government Company by way of acquisition of preferences share from existing holder(s) and raising the share holding of Government to 51%.	One Year	-

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
17	Major Head 5465 – Recapitalization of Public Sector Banks (PSBs)	To provide capital assistance to PSBs to augment their Tier-ICRAR so as to maintain their Tier-I CRAR at comfortable level.	11200.00	6990.00	To enable the PSBs to maintain their Tier I CRAR at a comfortable level and to comply with regulatory norms of capital adequacy under Basel III as well as to support internationally active PSBs for their national and international banking operations undertaken through their subsidiaries and associates.	One year	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.
18	Major Head 6416 – Revival of unlicensed Loans to NABARD District Central for revival of Cooperative Banks unlicensed District Central Co-operative Banks (DCCBs).	Revival of 23 unlicensed District Central Cooperative Banks (DCCBs) in four States viz. 16 in Uttar Pradesh, 3 in Jammu & Kashmir, 3 in Maharashtra and 1 in West Bengal.	-	673.29	Revival of these Cooperative Banks will make them eligible for obtaining license from RBI for continuing their operations in rural areas and enabling DCCBs to achieve CRAR requirement prescribed by RBI.	The release will be in one-go.	-

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 31.03.2014	Govt. share in paid up capital as on 31.03.2014	Profit After Tax 2013-14	Dividend paid for 2013-14	BE for payment of Dividend 2014-15	RE for payment of Dividend 2014-15	BE for payment of Dividend 2015-16
1.	Allahabad Bank	544.61	320.80	1172.03	80.20	220.58	80.20	183.00
2.	Andhra Bank	589.61	354.61	435.58	39.01	237.61	39.01	140.00
3.	Bank of Baroda	429.42	241.57	4541.08	519.38	505.22	519.38	437.00
4.	Bank of India	642.26	428.37	2729.27	214.18	335.30	214.18	498.00
5.	Bank of Maharashtra	839.10	715.01	385.97	136.83	210.66	136.83	155.00
6.	Canara Bank	461.26	318.26	2438.19	350.08	439.23	350.08	463.00
7.	Central Bank of India	1350.44	1196.89	326.26	...	349.00
8.	Corporation Bank	167.54	106.10	561.72	71.62	236.54	71.62	175.00
9.	Dena Bank	537.82	311.97	551.66	68.63	77.22	68.63	99.00
10.	Indian Bank	464.85	378.90	1158.94	193.76	396.45	193.76	192.00
11.	Indian Overseas Bank	1235.35	911.71	601.74	109.41	332.33	109.41	295.00
12.	Oriental Bank of Commerce	299.85	177.30	1139.41	134.75	177.93	134.75	188.00
13.	Punjab National Bank	362.07	213.17	3342.57	213.17	557.17	213.17	472.00
14.	Punjab & Sind Bank	275.28	224.13	300.63	49.31	48.73	67.31	94.00
15.	Syndicate Bank	624.58	420.92	1711.46	231.51	201.44	231.51	184.00
16.	UCO Bank	1014.71	783.33	1510.54	182.58	363.07	161.58	194.00
17.	Union Bank of India	630.31	378.97	1696.61	161.58	332.64	182.58	297.00
18.	United Bank of India	554.75	488.17	195.21	...	116.00
19.	Vijaya Bank	859.12	636.25	415.91	96.78	242.47	96.78	108.00
20.	State Bank of India	746.57	437.46	10891.17	1312.38	1925.13	1312.38	1847.00
21.	IDBI Bank Ltd.	1603.94	1227.02	1121.40	122.70	350.70	122.70	444.00
22.	Bharatiya Mahila Bank	1000.00	1000.00	12.26
23.	EXIM Bank	3759.37	3759.37	709.78	339.00	339.00	207.50	160.00
24.	IIFCL	3300.00	3300.00	521.42
25.	Life Insurance Corporation of India	100.00	100.00	32685.21	1634.27	1751.44	1818.35	2021.74
26.	General Insurance Corporation of India	430.00	430.00	2253.17	449.35	550.00	550.00	580.00
27.	National Insurance Co. Ltd.	100.00	100.00	822.89	164.66	120.00	180.00	150.00
28.	New India Assurance Co. Ltd.	200.00	200.00	1088.98	220.00	185.00	185.00	190.00
29.	United India Insurance Co. Ltd.	150.00	150.00	527.60	106.00	120.00	120.00	130.00
30.	Oriental Insurance Co. Ltd.	150.00	150.00	460.29	108.00	110.00	115.00	115.00
Total		23422.81	19460.28	75787.48	7309.14	10887.33	7481.71	10276.74

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

(₹ in Crore)

S.No.	Schemes/Programmes	2013-14			2014-15			2015-16
		BE	RE	Actual	BE	RE	Actual	
		(upto December 2014)						
NON-PLAN								
1	Interest Subsidy on Education Loans to bright and needy students through Canara Bank. (MH-2202)	...	2600.00	2600.00
2	Agricultural Debt Waiver and Debt Relief Scheme (ADWDRS),2008 – Transfer to Farmers' Debt Relief Fund (MH-2235)	0.01	0.01	...	0.01	0.01	...	0.01
3	Interest subsidy to LIC of India for Pension Plan for Senior Citizens (MH-2235)	134.23	115.81	115.81	111.49	111.24	...	101.79
4	Swavalamban scheme to encourage people from unorganized sector to join National Pension System (NPS)							
4.1	Government's co-contribution to subscribers of the National Pension System (NPS) under Swavalamban Scheme (MH-2235)	150.00	135.00	135.00	175.00	175.00	58.38	500.00
4.2	Funding support for promotional and developmental activities for enrolment and contribution under Swavalamban Scheme (MH-2235)	20.00	20.00	17.90	20.00	20.00	...	81.90
5	Government contribution to LIC towards Premium subscription under Pradhan Mantri Jan Dhan Yojana (PMJDY) to RuPay debit card holders (MH- 2235)	100.00	...	100.00
6	Government's contribution to Aam Aadmi Bima Yojana (MH- 2235)	5.01	4.51	4.50	150.00	175.00	149.99	437.51
7	Grants to NABARD for Producers' Organisation Development Fund (MH-2416)	200.00	200.00
8	Interest Subvention for providing short term credit to farmers (MH-2416)	6000.00	6000.00	6000.00	6000.00	9476.71	5000.00	13000.00
9	Revival of Long Term Cooperative Credit Structure (LTCCS) (MH-2416)	0.01	0.01	...	0.01	0.01	...	0.01

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Department of Financial Services

S.No.	Schemes/Programmes	2013-14			2014-15			2015-16 BE
		BE	RE	Actual	BE	RE	Actual (upto December 2014)	
10	Payment of Subsidy to Nodal Agency i.e., National Housing Bank as 1% subsidy for Housing Loan (MH-2885)	200.00	80.00	80.00	50.00	50.00	...	0.01
11	Grants to ICICI Bank for External Aided Component (MH – 2885)	0.01	0.01	...	46.02	46.02
12	Redemption of securities issued to Stressed Assets Stabilization Fund (SASF) (MH-2885)	...	300.00	250.00	...	250.00
13	Transfer to Securities Redemption Fund towards subscription in the Rights Issue of equity shares of State Bank of India (MH- 3465)	625.00	625.00	625.00	625.00	625.00	...	625.00
14	Loans to NABARD for revival of unlicenced District Central Cooperative Banks (DCCBs) (MH-6416)	673.29
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)	12.40	0.22	0.22	0.01	60.00
16	World Bank Assistance to National Housing Bank (NHB) to improve access to Low Income Housing Finance in India under World Bank assisted Microfinance Project (MH- 6885)	85.00
TOTAL NON-PLAN		7146.67	9880.57	9828.43	7377.54	12047.28	5208.37	14846.23
PLAN								
17	Grants-in-aid to National Bank for Agriculture and Rural Development (NABARD) for creation of Women's Self Help Groups (SHGs) Development Fund (MH-2416)	100.00	100.00	84.18	50.00	50.00
18	Financial support to Small Industries Development Bank of India (SIDBI) for creating an India Microfinance Equity Fund(MH-3465)	100.00	200.00	200.00	50.00	50.00
19	Financial Support to SIDBI to set up a Credit Guarantee Fund for Factoring (MH-3465)	...	500.00	...	50.00	250.00	...	250.00

S.No.	Schemes/Programmes	2013-14			2014-15			2015-16 BE
		BE	RE	Actual	BE	RE	Actual	
(upto December 2014)								
20	Assistance to National Credit Guarantee Trustee Company (NCGTC) to set up Credit Guarantee Fund for Skill Development (MH -3465)	0.00	500.00	500.00	500.00
21	Subscription to share capital of NABARD (MH-4416)	700.00	700.00	700.00	300.00	300.00	300.00	300.00
22	Contribution towards Recapitalisation of Regional Rural Banks (RRBs) (MH-4416)	88.00	88.00	82.78	50.00	50.00	...	15.00
23	Subscription to share capital of Export Import Bank of India (MH-4885)	700.00	700.00	700.00	1300.00	1300.00	1300.00	1300.00
24	Equity support to India Infrastructure Finance Company Ltd. (IIFCL) (MH-4885)	400.00	400.00	400.00	600.00	600.00	600.00	...
25	Subscription to share capital of Industrial Finance Corporation of India Limited (IFCI Ltd.) (MH-4885)	60.00
26	Recapitalisation of Public Sector Banks (MH - 5465)	14000.00	14000.00	14000.00	11200.00	6990.00	...	7940.00
27	Equity Capital to Bharatiya Mahila Bank Limited (MH - 5465)	...	1000.00	1000.00
TOTAL PLAN		16088.00	18188.00	17666.96	14100.00	9650.00	2200.00	9805.00
GRAND TOTAL		23234.67	28068.57	27495.39	21477.54	21697.28	7408.37	16846.23

Statement showing actual expenditure vis-a-vis BE/RE provisions for the years 2012-13, 2013-14 and 2014-15

(₹ in Crore)

S.No.	Description of Items/Schemes	Major Head	2012-13			2013-14			2014-15		
			BE	RE	Actual	BE	RE	Actual	BE	RE	Actual (upto December 2014)
Part A- Non Plan Items											
1	Secretariat - General Services	2052	15.07	21.62	18.65	19.81	18.58	18.45	27.59	29.60	15.68
Other Fiscal Services											
2	Other Expenditure (Special Court & Office of Custodian)	2047	8.23	6.50	6.05	7.32	7.72	7.19	9.71	10.11	6.38
Other Administrative Services											
3	Appellate Authority for Industrial and Financial Reconstruction (AAIFR)	2070	2.53	2.32	2.20	2.50	2.66	2.28	2.85	3.34	1.81
4	Board for Industrial and Financial Reconstruction (BIFR)	2070	12.34	9.97	9.86	11.82	11.34	11.26	14.78	14.71	10.57
5	Debt Recovery Tribunals (DRTs)	2070	44.25	51.50	48.09	67.50	52.18	52.25	77.00	75.55	49.20
6	Pension Fund Regulatory and Development Authority (PFRDA)	2070	22.00	20.95	15.22	25.30	18.25	18.25	25.50	32.50	17.33
	Total - Other Administrative Services		81.12	84.74	75.37	107.12	84.43	84.04	120.13	126.10	78.91
General Education											
7	Interest subsidy on Education Loans to bright and needy students	2202	2600.00	2600.00
	Total General Education		2600.00	2600.00
Other General Economic Services											
8	Other Expenditure (Office of Court Liquidator, Kolkata)	3475	0.52	0.52	0.61	0.47	0.40	0.38	1.13	0.42	0.14
9	Payment to ICICI Bank for Exchange Variation	3475	69.09	69.09	69.09
	Total - Other General Economic Services		69.61	69.61	69.70	0.47	0.40	0.38	1.13	0.42	0.14
Capital Outlay on Public Works											
10	Debt Recovery Tribunal (DRT)										
10.01	Purchase of land for construction of Building of DRT, Chandigarh	4059	0.01
	Total - Capital Outlay on Public Works		0.01
Industrial Financial Institutions											
11	Payment of Subsidy to Nodal Agency i.e. National Housing Bank	2885	400.00	500.00	400.00	200.00	80.00	80.00	50.00	50.00	...
12	Redemption of Securities issued to SASF	2885	...	300.00	300.00	...	300.00	250.00	...	250.00	...

S.No.	Description of Items/Schemes	Major Head	2012-13			2013-14			2014-15		
			BE	RE	Actual	BE	RE	Actual	BE	RE	Actual (upto December 2014)
13	Grants to ICICI Bank for External Aided Component	2885	8.90	8.90	8.88	0.01	0.01	...	46.02	46.02	...
	Total - Industrial Financial Institutions		408.90	808.90	708.88	200.01	380.01	330.00	96.02	346.02	
	Agricultural Financial Institutions										
14	Grants through National Bank for Agriculture and Rural Development (NABARD) for strengthening the Short Term Cooperative Credit Structure (STCCS).	2416	0.01	0.01
15	Interest Subvention for providing Short Term Credit to Farmers	2416	6000.00	5400.00	5400.00	6000.00	6000.00	6000.00	6000.00	9476.71	5000.00
16	Revival of Long Term Cooperative Credit Structure (LTCCS).	2416	500.00	0.01	...	0.01	0.01	...	0.01	0.01	...
17	Grants to NABARD for Producers' Organisation Development Fund	2416	200.00	200.00	...
18	Contribution to Financial Inclusion Fund (FIF)	2416	20.00
19	Contribution to Financial Inclusion Technology Fund (FITF)	2416	30.00
20	Loans to NABARD for revival of unlicenced District Central Cooperative Banks (DCCBs)	6416	673.29	...
	Total - Agricultural Financial Institutions		6550.01	5400.02	5400.00	6000.01	6000.01	6000.00	6200.01	10350.01	5000.00
	General Financial and Trading Institutions										
21	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	...
22	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	14.00	1.00	0.66	12.40	0.22	0.22	0.01	60.00	...
23	World Bank Assistance to National Housing Bank (NHB) to improve access to Low Income Housing Finance in India under World Bank assisted Microfinance Project.	6885	85.00	...
	Total - General Financial and Trading Institutions		639.00	626.00	625.66	637.40	625.22	625.22	625.01	770.00	

S.No.	Description of Items/Schemes	Major Head	2012-13			2013-14			2014-15			Outcome Budget 2015-2016
			BE	RE	Actual	BE	RE	Actual	BE	RE	Actual (upto December 2014)	
Social Security and Welfare												
24	Debt Waiver and Debt Relief Scheme for Farmers											
24.01	Transfer to Farmers Debt Relief Fund	2235	0.01	0.01	...	0.01	0.01	...	0.01	0.01	...	
24.02	Payment to lending institutions against Debt Waiver and Debt Relief to Farmers	2235	0.01	
24.03	Payment of interest to lending institutions	2235	0.01	0.01	
Total - Debt Waiver and Debt Relief Scheme for Farmers			0.03	0.02	...	0.01	0.01	...	0.01	0.01	...	
25	Subsidy to public sector general insurance companies for Community based Universal Health Insurance Scheme (UHIS)	2235	0.01	0.01	
26	Interest Subsidy to LIC for Pension Plan for Senior Citizens	2235	182.25	140.00	99.55	134.23	115.81	115.81	111.49	111.24	...	
27	Swavalamban Scheme to encourage people from unorganised sector to join National Pension System (NPS)											60
27.01	Government's co-contribution to subscribers of the National Pension System (NPS) under Swavalamban Scheme	2235	200.00	110.00	90.00	150.00	135.00	135.00	175.00	175.00	58.38	
27.02	Funding support for promotional and developmental activities for enrolment and contribution under Swavalamban Scheme.	2235	20.00	18.00	14.41	20.00	20.00	17.90	20.00	20.00	...	
28	Government's contribution to augment the Social Security Fund maintained by LIC for Janshree Bima Yojana (JBY)	2235	175.00	175.00	157.50	
29	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	149.99	
30	Government's contribution to LIC towards Premium subscription under Pradhan Mantri Jan Dhan Yojana (PMJDY) to RuPay debit card holders	2235	100.00	...	
Total - Social Security and Welfare			577.29	443.03	361.46	309.24	275.33	273.21	456.50	581.25	208.37	
TOTAL NON - PLAN			8349.27	7460.42	7265.77	7281.39	9991.71	9938.49	7536.10	12213.51	5309.48	

S.No.	Description of Items/Schemes	Major Head	2012-13			2013-14			2014-15		
			BE	RE	Actual	BE	RE	Actual	BE	RE	Actual (upto December 2014)
PART B - Plan Items											
1	Subscription to share capital of Export-Import Bank of India	4885	200.00	200.00	200.00	700.00	700.00	700.00	1300.00	1300.00	1300.00
2	India Infrastructure Finance Company Limited (IIFCL)	4885	400.00	400.00	400.00	400.00	400.00	400.00	600.00	600.00	600.00
3	Subscription to share capital of Industrial Finance Corporation of India Limited (IFCI Ltd.)	4885	60.00	...
4	Grants-in-aid to National Bank for Agriculture and Rural Development (NABARD) for creation of Women's Self Help Groups (SHGs) Development Fund	2416	200.00	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	500.00	1000.00	1000.00	700.00	700.00	700.00	300.00	300.00	300.00
6	Government's contribution towards recapitalisation of Regional Rural Banks (RRBs)	4416	200.00	535.00	535.00	88.00	88.00	82.78	50.00	50.00	...
7	Recapitalization of Public Sector Banks	5465	14588.00	12517.00	12517.00	14000.00	14000.00	14000.00	11200.00	6990.00	...
8	Equity Capital to Bharatiya Mahila Bank Limited	5465	1000.00	1000.00
9	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	...
10	Financial Support to Small Industries Development Bank of India (SIDBI) to set up Credit Guarantee Fund for Factoring	3465	500.00	...	50.00	250.00	...
11	Assistance to National Credit Guarantee Trustee Company (NCGTC) to set up Credit Guarantee Fund for Skill Development	3465	500.00	500.00	500.00
TOTAL PLAN			16088.00	14652.00	14652.00	16088.00	18188.00	17666.96	14100.00	9650.00	2200.00
GRAND TOTAL			24437.24	22112.44	21917.77	23369.39	28179.71	27605.45	21636.10	21863.51	7509.48
Percentage w.r.t RE			99.11%			97.96%			34.35%		

Object head-wise actual Expenditure vis-a-vis BE/RE provisions for the years 2012-13, 2013-14 and 2014-15

(₹ in Crore)

S.No.	Description	2012-13			2013-14			2014-15		
		BE	RE	Actual	BE	RE	Actual	BE	RE	Actual (upto December, 2014)
Revenue Section										
1	Salaries	49.75	53.41	53.90	57.95	59.77	59.91	69.78	74.55	55.91
2	Wages	0.51	0.51	0.47	0.63	0.63	0.58	0.53	0.35	0.20
3	OTA	0.15	0.06	0.05	0.09	0.07	0.05	0.09	0.07	0.03
4	Medical Treatment	0.99	0.94	0.88	1.00	0.86	0.84	1.19	1.46	0.64
5	Domestic Travel Expenses	1.38	1.28	1.26	1.43	1.16	1.13	1.37	1.22	0.70
6	Foreign Travel Expenses	0.50	0.15	0.12	0.40	0.20	0.15	0.30	0.27	0.13
7	Office Expenses	8.38	14.47	11.35	27.52	12.55	12.33	28.51	19.28	10.50
8	Rent, Rates & Taxes	13.29	14.03	12.78	17.21	15.33	14.73	26.65	30.10	13.20
9	Publications	0.35	0.23	0.20	0.29	0.24	0.21	0.27	0.27	0.08
10	Other Administrative Exp.	0.25	0.25	0.24	0.28	0.21	0.24	0.30	0.27	0.16
11	Advt. & Publicity	0.38	0.21	0.43	0.36	0.20	0.10	0.35	0.22	0.01
12	Minor Works	0.31	0.30	0.37	0.52	0.10	0.09	1.03	1.74	0.82
13	Professional Services	1.32	1.01	1.06	1.27	1.16	1.07	1.56	3.51	1.26
14	Grants-in-Aid (General)	244.41	40.86	31.52	238.01	1331.26	813.33	933.52	639.02	11.20
15	Contribution	425.00	285.00	247.50	155.01	139.51	139.50	325.00	450.00	208.37
16	Subsidy	7082.26	6040.02	5899.55	6334.24	8795.82	8795.81	6161.50	9637.96	5000.00
17	Grants-in-Aid (Salaries)	6.50	7.00	6.99	7.30	7.00	7.00	8.00	9.50	6.13
18	Lumpsum	0.52	0.52	0.61	0.47	0.40	0.38	1.13	0.42	0.14
19	Exchange Variation	69.09	69.09	69.09
20	Interest	0.01	0.01
21	Other Charges	4.87	305.06	301.73	...	300.00	250.00	...	250.00	...
22	Inter Account Transfer	625.01	625.01	625.00	625.01	625.01	625.00	625.01	625.01	...
Total Revenue Section		8535.23	7459.42	7265.10	7468.99	11291.48	10722.45	8186.09	11745.22	5309.48
Capital Section										
23	Investments	15888.01	14652.00	14652.00	15888.00	16888.00	16882.78	13450.00	9300.00	2200.00
24	Loans	14.00	1.00	0.66	12.40	0.22	0.22	0.01	818.29	...
25	Inter Account Transfer	14000.00	11200.00	1253.30	...
Total Capital Section		15902.01	14653.00	14652.66	29900.40	16888.22	16883.00	24650.01	11371.59	2200.00
Grand Total (Gross)		24437.24	22112.42	21917.76	37369.39	28179.70	27605.45	32836.10	23116.81	7509.48

ANALYSIS OF BUDGET PROVISIONS AND ACTUAL EXPENDITURE DURING 2012-13, 2013-14 AND 2014-15

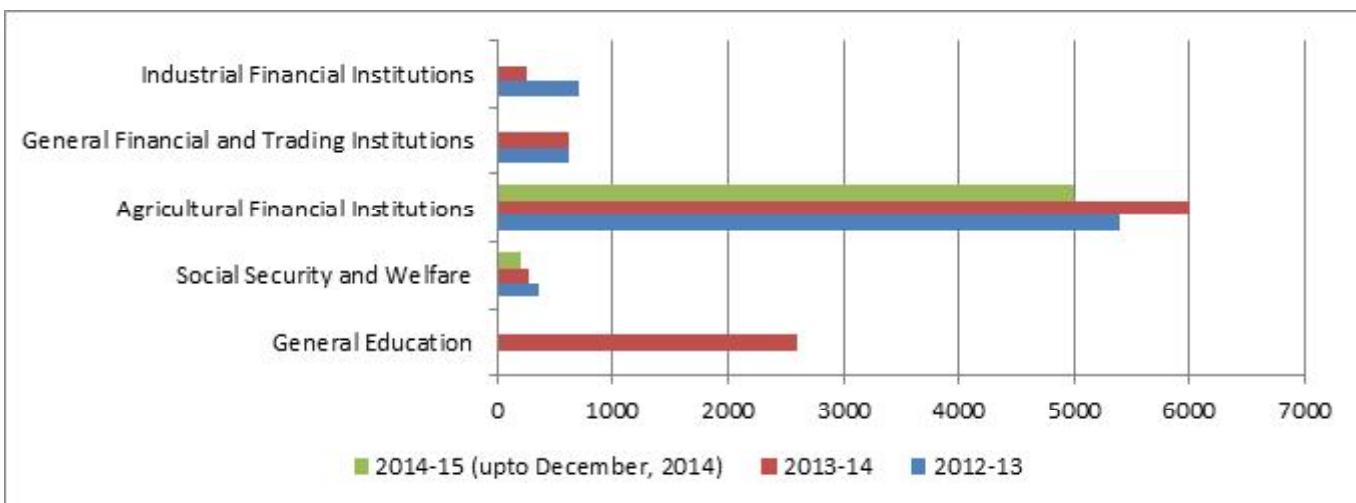
During 2012-13, the provision was ₹24,437.24 crore in BE (₹8,535.23 crore under Revenue Section and ₹15,902.01 crore under Capital Section). This was revised down to ₹22,112.42 crore in RE 2012-13 (Revenue Section ₹7,459.42 crore and Capital Section ₹14,653.00 crore). Actual Expenditure was ₹21,917.76 crore (₹7,265.10 crore under Revenue and ₹14,652.66 crore under Capital Section). In 2012-13, more than 99% of the funds were allocated towards different subsidy programmes and capitalisation initiatives in respect of Industrial Financial Institutions, Agricultural Financial Institutions, General Financial & Trading Institutions and Social Security and Welfare measures.

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, Social Security and Welfare measures and General Education.

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 ₹23,116.81 crore in RE (Revenue Section was increased to ₹11745.22 crore and Capital Section reduced to ₹11371.59 crore). Actual Expenditure upto December, 2014 was ₹7509.48 crore (₹5,309.48 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.

Overall trends of expenditure (₹ in crore) relating to various programmes during last three years (2012-13 to 2014-15 upto December 2014) are depicted in the following Bar Chart:



STATEMENT ON SURRENDER AND SAVINGS DURING THE FINANCIAL YEAR 2013-14

During the financial year 2013-14, original provision was ₹37,369.39 crore (₹7,468.99 crore under Revenue and ₹29,900.40 crore under Capital Section). This was augmented to ₹42,369.39 crore by obtaining Supplementary Grant of ₹5,000 crore (₹4,000.00 crore under Revenue and ₹1,000.00 crore under Capital Section). Against this, expenditure of

₹27,605.45 crore was incurred resulting in net savings of ₹14,763.94 crore. The savings of ₹14,763.94 crore were the net effect of total savings of ₹15267.58 crore and total excess of ₹503.64 crore. Categorisation of major savings (more than 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	1.36	Savings was due to less actual requirement of funds under 'Foreign Travel Expenses', 'Minor Works (Maintenance)', 'Office Expenses (Information Technology)', 'Professional Services', and Rent, Rates and Taxes' which could not be anticipated in advance. Savings amounting ₹1.10 crore were mainly due to non-finalization of rent agreement of the existing office building of DFS with LIC in coordination with CPWD and savings of ₹42 lakh due to deferment of renovation work of office premises to the next year.
2.	Debt Recovery Tribunals (DRTs)	15.25	Savings was due to less actual requirement of funds under 'Domestic Travel Expenses' and 'Office Expenses' which could not be anticipated in advance. Savings under 'Office Expenses (Information Technology)' was due to non-finalisation of e-DRT project.
3.	Grants-in-aid to Pension Fund Regulatory and Development Authority (PFRDA)	7.05	During the year 2013-14, the provision for Pension Fund Regulatory and Development Authority (PFRDA) made under two different object heads, viz. 'Grants-in-aid-General' and 'Grants-in-aid- Salaries. The provision made under 'Grants-in-aid -General' is for various other expenses of PFRDA like media campaign for promotion of National Pension System and office expenses. Saving was due to economy measures and less requirement of funds by PFRDA under 'Grants-in-aid- General' owing to availability of an unspent balance of the Grants-in-aid released to them during 2012-13, and funds internally generated by PFRDA during financial year 2013-14 in the form of annual fee from Pension Fund Managers (PFMs), processing fees from Points of Presence (PoPs), security deposits, etc., which was also taken into account during 2013-14.

(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.	Swavalamban Scheme to encourage people from unorganized sector to join National Pension System (NPS)	17.10	As the enrolment under Swavalamban Scheme was not at the expected level the entire provision could not be utilized, resulted in savings. Further, availability of unspent balances was taken into consideration while releasing the amount for promotional and developmental activities under Swavalamban Scheme during FY 2013-14. In view of above an amount of ₹17.10 crore could not be spent.
2.	Payment to LIC of India for Pension Plan for Senior Citizens	18.42	Subsidy to LIC for Pension Plan for Senior Citizens is based on actual calculation of the amount of subsidy

S.No.	Sub Head/Scheme/Programme	Savings	Remarks/Reasons
3.	Grants to National Bank for Agriculture and Rural Development for creation of Women's Self Help Groups (SHGs) Development Fund	15.81	required for an effective yield of 9% to the investor. As the actual requirement was less, there was savings and surrendered in advance i.e. at RE stage.
4.	1% Interest Subvention on Housing Loans	120.00	There was an overlap of the components regarding refinancing banks in respect of financing Women's Self Help Groups (SHGs) and micro enterprises set up by Women's SHGs under this Scheme with a Scheme under Ministry of Rural Development. Accordingly, it was decided not to allow financing under the Scheme for these two components during 2013-14, resulting in saving of ₹15.81 crore.
5.	Financial Support to Small Industries Development Bank of India (SIDBI) to set up a Credit Guarantee Fund for Factoring	500.00	As the Scheme could not perform to the desired level due to certain factors such as lack of awareness etc, having considered the likely claims under the scheme, the budgetary provision of ₹200 crore in 2013-14 was reduced to ₹80 crore at RE stage which was fully utilized. Thus, the saving under the scheme was visualized and surrendered in advance.
6.	Recapitalisation of Regional Rural Banks (RRBs)	5.22	In Budget speech 2013-14, Finance Minister has announced for establishment of Credit Guarantee Funds for Factoring and a corpus of ₹500 crore to Small Industries Development Bank of India (SIDBI) with the objective is to encourage Factoring of receivables of Micro, Small & Medium Enterprises (MSMEs) in India pursuant to passing of Factoring Regulation Act, 2011. Accordingly a provision of ₹500 crore was made through Supplementary Demands for Grants for FY 2013-14. However the entire funds under the Scheme were surrendered due to enforcement of model code of conduct owing to General Election 2014 and lack of due approval of Scheme.
7	Transfer to National Investment Fund	14,000	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.
8.	World Bank Assistance to Small Industries Development Bank of India (SIDBI)	12.18	The provision was made to finance recapitalisation of Public Sector Banks through National Investment Fund from the disinvestment receipts of the Government. Keeping in view the less disinvestment receipt during the financial year 2013-14, the provision was brought down to 'Nil' at RE stage. Accordingly, mode of financing the expenditure on recapitalisation was changed from disinvestment proceeds to normal funding. This resulted in the 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

Public Sector Banks (PSBs)

Public Sector Banks (PSBs) play a major role in the financial sector of our country. As part of their mandate, PSBs have extended credit to diverse sectors and priority areas including the Agriculture Sector, Medium, Small and Micro Enterprises (MSME) Sector, Weaker Sections, Self-Help Groups and Government sponsored programmes etc.

PSBs are required to maintain capital at a certain level as regulated entities and listed entities, and also to maintain public confidence in them. The Government is committed to keep all PSBs adequately capitalized towards this and the Government had infused capital to the tune of ₹14,000 crore in PSBs during the year 2013-14 and has decided to infuse to the tune of ₹6990 crore during 2014-15 in order to adequately meet the credit requirements of productive sectors of our economy as well as to maintain their Tier-I Credit to Risk Weighted Assets Ratio (CRAR) at a comfortable level.

National Bank of Agriculture and Rural Development (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 granted 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 refinance disbursed during the last three years and current year (as on 26.12.2014) are as under:

Agency	2011-12		2012-13		2013-14		2014-15		<i>(₹ in Crore)</i>
	Sanct.	Max. O/S							
Coop. Banks	34410.15	34402.62	45079.60	44955.54	54572.68	54266.38	61791.02	41500.62	
RRBs	14602.66	14578.66	21338.59	21139.55	26631.31	26592.93	28934.74	9715.96	
Total	49012.81	48981.28	66418.19	66095.09	81203.99	80859.31	90725.76	51216.58	

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.

Refinance is provided to all Rural Financial Institutions, including Commercial Banks 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, Self Help Groups (SHGs) etc. These investments lead to private capital formation in rural areas. The refinance provided for such purposes during the last three years and current year (as on 31.12.2014) are as under:

Agency	2011-12		2012-13		2013-14		2014-15		<i>(₹ in Crore)</i>
	Disb.	Disb.	Disb.	Disb	Target	Disb.	Target	Disb.	
SCARDBs	2,444.93	1,741.31	1,814.95	2,600.00	2,138.03				
StCBs	1,192.29	2,071.06	1,713.32	3,500.00	2,945.56				
Commercial Banks	8,433.75	8,708.78	13,254.62	9,900.00	8,371.37				
RRBs	3,086.19	4,753.66	4,303.66	8,000.00	7,246.29				
PUCBs/ADFCs	264.53	100.85	67.72	190.00	25.58				
Others	0.00	298.64	331.90	800.00	367.20				
Total	15,421.70	17,674.30	21,486.17	24,990.00	21,094.03				

During 2013-14, as against the farm credit target of ₹7,00,000 crore, Commercial Banks, Cooperative Banks and Regional Rural Banks disbursed farm credit to the tune of ₹7,30,765.61 crore (Provisional). As against the farm credit target of ₹8,00,000 crore during 2014-15, the credit disbursed by Public Sector Banks, Cooperative Banks and Regional Rural Banks together amounts to ₹3,70,828.60 crore as on 30 September, 2014 (Provisional).

Pension Fund Regulatory and Development Authority (PFRDA)

The National Pension System (NPS) has been introduced by the Government of India with a view to develop the pension sector. 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.

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 centres, 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.

As of date, 28 States / UT Governments have notified NPS and also have already signed agreement with CRA. 26 States / UTs have signed agreement with 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 38.01 lakh employees of the Central and various State Governments are already a part of the NPS. The Assets Under Management (AUM) in NPS as on 31.12.2014 are ₹65,939.75 crore.

Under the NPS for all citizens, a subscriber has the facility to open NPS account at any of the registered branches (37,873 branches as on 31st December, 2014) of the sixty four (64) Points of Presence (PoPs) appointed by PFRDA. The offer document containing details of the NPS, application form for opening NPS is available on the website of PFRDA (www.pfrda.org.in) as well as the website of other NPS intermediaries.

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.

Insurance Regulatory and Development Authority (IRDA)

The insurance sector was opened up to private participation with the enactment of the Insurance Regulatory and Development Authority Act, 1999. The Insurance Regulatory and Development Authority of India (IRDAI) is constituted under Sector 2 of the IRDA Act, 1999. The IRDAI at present consists of a Chairman, 5 full-time members and 4 part-time members. The authority is functioning from its head office at Hyderabad. The core functions of the Authority include (i) licensing of insurers and insurance intermediaries; (ii) financial and regulatory supervision (iii) control and regulate premium rates; and (iv) protection of the interests of the policy-holders. With a view to facilitating development of the insurance sector, the Authority has issued regulations on protection of the interest of the policy-holders; obligations towards the rural and social sectors; micro insurance and licensing of agents; corporate agents, brokers and third party administrators. This is in addition to the regulatory framework provided for registration of insurance companies, maintenance of solvency margin, investments and financial reporting requirements.

India Infrastructure Finance Company Ltd (IIFCL)

IIFCL was incorporated under the Companies Act, 1956 as a wholly-owned Government of India company in 2006 to provide long term finance to viable infrastructure projects through the Scheme for Financing Viable Infrastructure Projects through a Special Purpose Vehicle called India Infrastructure Finance Company Ltd (IIFCL), broadly referred to as SIFTI. Further, IIFCL is under administrative control of Department of Financial Services, Ministry of Finance and pursuant to Cabinet decision, has been registered with Reserve Bank of India as Non-Banking Finance Company – Infrastructure Finance Company (NBFC-IFC) since September 2013.

Post registration, IIFCL is required to maintain a minimum capital adequacy of 12%. Addition of infrastructure sub-sectors under SIFTI, as per harmonized list of infrastructure sub-sectors approved by the RBI, will assist IIFCL to broad-base the business domain. The capital infusion would help IIFCL widen the base of financing to diversified sectors and support the consequent increase in the risk weighted asset base. It may be noted that maintenance of AAA rating is very crucial for IIFCL to raise long term resources from both Domestic and overseas markets at competitive rates. Further, the AAA rating also enables IIFCL to offer partial credit guarantees under its credit enhancement initiative for enhancement of ratings of project bonds. Additional capital infusion would enhance the prudential limits for borrower single party and group exposure for IIFCL. This would help in faster financial closure for larger value infrastructure projects. IIFCL has proposed to declare 8% dividend during 2014-15 and in future also may declare dividend to the Government of India based on the approval by the Board.

It may be noted that IIFC(UK), the wholly owned subsidiary of IIFCL in London has till March 2014 made cumulative disbursements of USD 11496.138 million (USD 1583.278 million including outstanding Letter of Comfort of USD 87.14 million). IIFCL has so far infused only USD 50 million as equity into this subsidiary and therefore sufficient capital is required to be maintained on account of assets created by this subsidiary.

Till 2014-15, IIFCL has received a capital infusion of ₹1,400 crore (₹400 crore in 2012-13, ₹400 crore in 2013-14 and ₹600 crore in 2014-15). IIFCL, on standalone basis, has made

cumulative gross sanctions of ₹60,220 crore under direct lending till December 2014. Further, IIFCL, on standalone basis, has made cumulative disbursements of ₹36,941 crore (including under Takeout Finance and Refinance) till December 2014.

Export-Import Bank of India

Export-Import Bank of India (EXIM Bank), set up in 1982, by an Act of Parliament for the purpose of financing, facilitating and promoting foreign trade of India, is wholly owned by the Government of India. EXIM Bank distinguished itself through Lines of Credit (LOCs) extended to overseas entities, national governments, regional financial institutions and commercial banks, to catalyse India's exports, finance towards facilitating overseas investment by Indian companies and supporting project exports. During Financial Year 2013-14 Exim Bank (i) extended 24 new LOCs (mostly GOI – guaranteed) aggregating USD 1772 million (ii) approved loans of ₹48,264 crore as against ₹41,919 crore during 2012-13 (loan assets (net of NPA provisions) increased to ₹74,598 crore as on March 31, 2014 from ₹64,353 crore as on March 31, 2013) and (iii) sanctioned funded and non-funded assistance to 47 Indian corporates aggregating to ₹71.18 billion for part financing their overseas investment in 40 countries (till 31.3.2014, Exim Bank has provided finance to 494 ventures set up by 391 companies in 80 countries).

The Bank has sought an aggregate of ₹8,000 crore of capital and ₹4,963 crore of IES during the Twelfth plan period out of which, during Financial Year 2012-13, Financial Year 2013-14 and Financial Year 2014-15 (from April-December), the Bank has received ₹2,759.37 crore of capital (including ₹559.37 crore by way of conversion of the Tier I capital bond into capital) and ₹938.4 crore of IES.

National Housing Bank (NHB)

National Housing Bank (NHB) is the apex Financial Institution in the country for housing finance, set up under an Act of Parliament in 1988 and is a wholly owned subsidiary of Reserve Bank of India. The Bank, besides regulating the Housing Finance Companies, is also a significant provider of developmental finance towards affordable housing in the country. The Bank seeks to catalyze institutional funds to reduce housing shortage in the country through various development initiatives particularly for rural housing and housing for low and moderate income households. The Bank is focused on the holistic development of the housing finance market in the country.

Rural Housing Fund (RHF): During the year 2013-14 (1st July, 2013- 30th June, 2014), against an allocation of ₹6000 crore, ₹3527.31 crore was disbursed during the year 2013-14 and ₹2556.31 crore has been disbursed during the current year. Further, for the year 2014-15 (1st July 2014 to 31st December 2014) ₹1999.22 crore has been received by NHB under the Scheme and NHB has disbursed ₹601.75 crore.

Urban Housing Fund (UHF): Urban Housing Fund was established during the year 2013-14 for augmenting the resources of National Housing Bank for this sector. As against total allocation of ₹6000 crore, the Bank has so far received ₹2999.60 crore and has disbursed ₹2107.40 crore till December 31, 2014.

A. Implementation of 1% Interest Subvention Scheme of Ministry of Finance

In order to stimulate demand for credit for housing in the

middle & lower income segment of population in the country, the Government in 2009-10 had implemented an interest subvention of 1% on all individual housing loans of up to ₹10 lakh, provided the cost of the unit does not exceed ₹20 lakh. From FY 2011-12 the Scheme has been extended for housing loan upto ₹15 lakh, where the cost of house does not exceed ₹25 lakh. The Scheme was implemented through the Scheduled Commercial Banks (SCBs), Regional Rural Banks (RRBs) and Housing Finance Companies (HFCs) registered with National Housing Bank (NHB). NHB was designated as the common nodal agency for SCB's, RRBs and HFC's with respect to the implementation of the Scheme.

The objective of the Scheme is to provide Interest Subsidy on Housing Loan as a measure to improve affordability of housing to eligible borrowers and generate additional demand for credit.

The Scheme was implemented at Pan-India basis during the period from October 1, 2009 to March 31, 2013.

The Scheme has been closed w.e.f. 31st March 2013. However, PLIs who have sanctioned and disbursed housing loans to eligible borrowers under the Scheme during the currency of the Scheme (1.10.2009 to 31.03.2013) were eligible for interest subvention.

B. NHB RESIDEX

NHB RESIDEX is an initiative of the National Housing Bank to provide an Index of residential prices in India across cities and over time. National Housing Bank, at the behest of the Ministry of Finance, Government of India, began this initiative in the year 2005-06 and undertook a pilot study to examine the feasibility of preparing such an index at the national level. NHB launched RESIDEX for tracking prices of residential properties in India, in July 2007, covering data up to 2005 with 2001 as the base year. The pilot study covered 5 cities viz. Bengaluru, Bhopal, Delhi, Kolkata and Mumbai. Thereafter NHB RESIDEX has been expanded to cover 26 cities and is updated and released on a quarterly basis with 2007 as the base year. NHB has been updated and released for the quarter ended June, 2014 (April- June, 2014).

Movement in prices during the quarter April-June, 2014

The movement in prices of residential properties for the quarter April-June, 2014 has shown marginal increasing trend in eighteen (18) cities ranging from 0.5% in Bhubaneswar to 3.9% in Pune, and fall in six (6) cities ranging from -0.5% in Lucknow to -4.4% in Chandigarh in comparison to the previous quarter January-March, 2014. Indices for 2 cities namely Hyderabad and Raipur have remained stagnant. Residential housing prices in 18 cities have shown increase in prices in the quarter ended June, 2014 (April-June, 2014) over the previous quarter ended March, 2014 (January-March, 2014). Maximum increase was observed in Pune (3.9%) followed by Coimbatore (3.5%), Indore (3.3%), Guwahati (3.2%), Patna (2.7%), Kolkata (2.4%), Ahmedabad (1.91%), Vijayawada (1.88%), Mumbai (1.75%), Chennai (1.72%), Ludhiana (1.4%), Bhopal (1.3%), Kochi (1.2%), Jaipur (0.99%), Faridabad (0.96%), Bengaluru (0.93%), Nagpur (0.6%) and Bhubaneswar (0.5%). 6 cities have shown decline in prices over the previous quarter with maximum fall observed in Chandigarh (-4.4%) followed by Meerut (-3.6%), Delhi (-3.0%), Surat (-2.4%), Dehradun (-2.1%), and Lucknow (-0.5%).

C. Credit Risk Guarantee Fund Trust for Low Income Housing (CRGFTLIH)

CRGFTLIH was set up by the Govt. of India on 1st May, 2012 with an objective to ensure better flow of institutional credit for housing in urban areas to cater to the needs of the targeted segments (EWS/LIG borrowers). Credit Risk Guarantee Fund Scheme (CRGFS) provides guarantee for housing loan up to ₹8 lakh sanctioned and disbursed by the lending institutions (effective from October 1, 2014), prior to that all the housing loan amount up to ₹5 lakh were eligible without any collateral security and/or third party guarantee to the new borrowers in the EWS/LIG categories in urban areas for home improvement/acquisition and purchase of new or second hand dwelling unit/construction/extension of an affordable dwelling unit with carpet area not exceeding 430 sq.ft.(40 sq.m.). The guarantee cover available under the scheme is to the extent of 90% of the sanctioned housing loan amount up to ₹2 lakh and 85% for loan amounts above ₹2 lakh and above. Till date 54 institutions have signed MoU with the Trust under the Scheme. As on 31st December, 2014, the Trust has issued guarantee cover in respect of 537 loan accounts involving a total loan amount of 12.96 crore provided to EWS/LIG households in urban area.

Small Industries Development Bank of India (SIDBI)

Small Industries Development Bank of India (SIDBI), set up on 2nd April, 1990 under an Act of Indian Parliament, acts as the Principal Financial Institution for the promotion, financing and development of the Micro, Small and Medium Enterprise (MSME) sector and for co-ordination of the functions of the institutions engaged in similar activities. Financial support is provided by way of (a) refinance to eligible Primary Lending Institutions (PLIs), such as, banks, State Financial Corporations (SFCs), etc. for onward lending to MSMEs, (b) direct assistance to MSMEs which is channelized through the Bank's own branch offices and (c) financing other activities as per SIDBI Act.

The business strategy of SIDBI is filling up the financial and developmental gaps in the MSME eco-system. The financial gaps which are being addressed by SIDBI are in the niche areas like risk capital/equity, sustainable finance (promoting energy efficiency and cleaner production technologies in the MSME sector), receivable financing, service sector financing, etc. This way, SIDBI would be complementing and supplementing the efforts of banks in meeting the diverse credit needs of MSMEs. The cumulative financial assistance provided by SIDBI as on

31st March, 2014, aggregated around ₹3,36,780 crore, which has benefitted around 3.5 crore persons.

India Microfinance Equity Fund (IMEF)

The total outlay under the IMEF fund is ₹300 crore. The cumulative commitments under IMEF till Financial Year 2013-14 is ₹126.75 crore. The cumulative commitments under IMEF till date are ₹141 crore (total outlay under the fund ₹300 crore). SIDBI has targeted commitments of ₹165 crore during the current Financial Year 2014-15. SIDBI has projected commitments during 2015-16 at ₹70 crore and accordingly the cumulative commitments under IMEF during 2015-16 will be ₹235 crore.

World Bank Line of Credit

SIDBI is presently availing a Line of Credit (LoC) of USD 300 million (USD 200 million under IBRD and SDR equivalent of USD 100 million under IDA) from World Bank. The IDA component is routed through the Government of India through the budgetary mechanism, whereas the IBRD component is reimbursed directly to SIDBI by World Bank. SIDBI has till Financial Year 2013-14 has cumulatively utilized ₹1356.94 crore (₹873.91 crore under IBRD, ₹476.13 crore under IDA and ₹6.90 crore SIDBI Contribution). SIDBI has drawn a total amount of USD 256.71 million (USD 161.61 million under IBRD and USD 95.10 million under IDA) till September 30, 2014.

Credit Guarantee Fund Trust for Micro and Small Enterprises

The Ministry of Micro, Small and Medium Enterprises (MSME), Govt. of India, (the then Ministry of SSI) and SIDBI, had, in July, 2000, established a Trust named Credit Guarantee Fund Trust for Small Industry which has since been renamed as Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) to implement the Credit Guarantee Fund Scheme for Micro and Small Enterprises, for providing credit to Micro and Small Enterprises without collateral and / or third party guarantee. Both, existing and new units are eligible to be covered under the Scheme.

The coverage under Credit Guarantee Scheme (CGS) has gained momentum during the past few years with over 115 banks / RRBs / other lending institutions registered with the Trust as Member Lending Institutions (MLIs). Cumulatively, as on 31st March, 2014, over 14 lakh guarantees (97% of which for loans below ₹25 lakh) for an amount of around ₹70,000 crore have been approved under CGS.

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. Direct Benefit Transfer (DBT) Division was created in the Planning Commission to act as the Nodal Agency in the implementing of DBT. The Division was shifted to DoE in July, 2013.

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

8. 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, upgradation 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. 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. 1st January, 2012.

2. Further, it has also been decided 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 `10 lakh or more in a phased manner. The limit of `10 lakhs will be further reduced to `5 lakhs w.e.f. 1.4.2015 and 2 lakhs w.e.f. 1.4.2016.

3. 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 under the sub-heading "Sector-wise list of bidders" under heading "Documents" on the home page.

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 15th August, 2014 to achieve the objective of Clean India (Swachh Bharat) by the year 2019.

State Finances Division

(Plan Finance-I and Finance Commission Division)

The State Finances (Plan Finance-I) Division of Department of Expenditure looks after all matters relating to finances of the State Governments, including Plan releases in the State Sector

and Non-Plan releases on the recommendations of Finance Commissions. Assessment of borrowing requirements of State Governments are 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 12th and 13th Finance Commissions) etc. This Division operates Demand No.36 of the Ministry of Finance from which funds are released for both Plan and Non-Plan purposes.

Plan Finance-I and Finance Commission Division deal with matters relating to finances and plan outlays of the States in close co-ordination with the Planning Commission, releases funds to State Governments for implementing developmental work in the States, calculates and monitors annual borrowings of States. It implements the awards of Finance commission as applicable to States and also handles issues relating to calamity relief to States, Centre-State and Inter-State financial relations.

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.40 – Department of Expenditure which includes Secretariat General Services and Other Administrative Services and Demand No.41 - Pensions which includes provision for various retirement benefits. In respect of two other Demands, namely, Demand No.37 - Transfer to State and Union Territory Governments and Demand No. 42 - Indian Audit and Accounts Department, 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 Departments Division

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 238 Group-A officers as on April 1, 2014.

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, overall supervision and superintendence of the Staff Inspection Unit (SIU); Providing support staff to Controller Aid, Accounts and Audit (CAA); Pension authorization under the Pension Rules to the officials retiring on superannuation; Pension payment to foreign pensioners residing in India on behalf of Sri Lanka, Singapore, UK and Burma, Accounting and monitoring of Loans advanced to foreign countries; Overseeing the settlement of C&AG audit Para; 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)

Headquarters at New Delhi and four Regional Training Centres located at Kolkata, Chennai, Navi Mumbai and Aizawl impart 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.

7th Central Pay Commission

The Government of India had notified the constitution of the **7th Central Pay Commission (7th CPC)** vide Gazette

Notification No.1/1/2013-E.III(A) dated 28th February, 2014, with its Headquarters in Delhi. The members of the Commission, Secretary and the complement of officers and staff will be fifty persons in all. The 7th CPC has been given a time frame of 18 months to submit its report.

The basic aim of the 7th CPC is to examine, review, evolve and recommend changes that are desirable and feasible regarding the principles that should govern the emoluments structure including pay, allowances and other facilities/benefits, in cash or kind, having regard to rationalization and simplification therein as well as the specialized needs of various Departments, agencies and services, in respect of the following categories of employees :-

- (i) Central Government employees – industrial and non-industrial;
- (ii) Personnel belonging to the All India Services;
- (iii) Personnel of the Union Territories;
- (iv) Officers and employees of the Indian Audit and Accounts Department;
- (v) Members of the regulatory bodies (excluding the RBI) set up under the Acts of Parliament; and
- (vi) Officers and employees of the Supreme Court.

Direct Benefit Transfer (DBT) Programme

Direct Benefit Transfer (DBT) is an attempt to change the face of the Governance by re-engineering the processes of various Government welfare schemes/programmes/projects and adopting technology to reform the delivery systems so that the citizens are engaged in meaningful manner. By transferring the cash/benefits directly in the bank accounts of beneficiaries, preferably Aadhaar seeded, several layers in the delivery process have been cut. DBT aspires to achieve accurate targeting of beneficiaries, de-duplication and reduction of fraud, efficiency in delivery process, ensuring greater inclusion, elimination of waste, curbing leakage thereby controlling expenditure and greater accountability and transparency.

DBT will provide consolidated Cash Transfers to Households which are getting benefits from multiple sources and multiple forms. It will improve efficiency of Social safety net, consolidated income support programme for the poor and eliminate multiple sources of subsidy by adopting cutting edge technological solutions. It will also free administrative system from exercise of control to focus on development. DBT in the long run will maximize benefits from expenditure of welfare schemes which leads to overall human development.

Expenditure Management Commission (EMC)

The Government has constituted Expenditure Management Commission (EMC) under the Chairmanship of Dr. Bimal Jalan, former Governor, Reserve Bank of India, to review the allocative and operational efficiencies of Government expenditure to achieve maximum output. The Terms of Reference of the EMC, inter alia, include reviewing the major area of Central Government expenditure, and to suggest ways of creating fiscal space required to meet developmental expenditure needs, without compromising the commitment to fiscal discipline; reviewing the institutional arrangement, including budgeting process and FRBM rules, for enforcing aggregate fiscal discipline and suggest improvements therein.

STATEMENT OF OUTLAYS AND OUTCOMES 2015-16

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	5	6	7	8		
			4(i) Non- Plan	4(ii) Plan	4(iii) CEBR*				
1. MH 2070 -Other Administrative Services.	(i) High Level Professional Course covering basic elements of Central Plan Scheme for enhancing training capacity of National Institute of Financial Management	- 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.	- 3.00	-	Training will be imparted to 120 Officers of Central/ State/ 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 2015, 120 officers are targeted for training under this scheme.	Two years	₹ 3.00 crore under Revenue Section which will cover the programme fee component.	75
	(ii) Post Graduate Programme in Financial Markets for officers of Central/State/UT Governments.	- 1.00	-	In collaboration with the National Stock Exchange, 20 officers of Central/ State/ 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 training will be imparted to Markets and Public Private Partnership. In 2015, 20 officers are targeted for duration. This is a training.	One Year	₹1.00 crore under Revenue Section towards fee component.		

* CEBR - Complementary Extra Budgetary Resources i.e. expenditures 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 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 29th 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 29th 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.

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 used 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, have been made mandatory in a phased manner w.e.f. 1st January, 2012. The implementation of e-Procurement in respect of all procurements with an estimated value of ₹10 lakh or more would enhance transparency and accountability and make procurement more efficient. This would also help in monitoring delays and reducing the procurement cycle.

1. 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 12th and 13th Finance Commissions) etc. This Division operates Demand No. 37 (formerly Demand No. 36) of the Ministry of Finance from which funds are released for both Plan and Non Plan purposes.

2. Grants under Central Assistance to State Plan

Annual Plans of States are funded by States' own resources, borrowings by States and Central assistance by the Central Government. Central assistance for States' 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. 37 (formerly Demand No. 36) for implementation of various programmes.

Releases for schemes on the Plan side are made on the recommendation of the Planning Commission/nodal Ministry concerned. Against an outlay of ₹ 72322.00 crore in BE 2014-15 in Demand No.36 of Department of Expenditure, ₹ 50305.82 crore has been released till 31.01.2015.

3. Non-Plan grants

The States are supported from Demand No. 37 (formerly Demand No. 36) through Non-plan grants as per recommendations of Finance Commissions. The award period of the 13th Finance Commission (FC-XIII) is from 1st April, 2010 to 31st March, 2015. The year 2014-15 is the fifth and last year of the award period of FC-XIII. On the Non-plan side ₹ 33068.76 crore has been released till 31.01.2015 as Grants-in-aid to States for Non-plan Revenue Deficit, Performance Incentive, Local Bodies, State Disaster Response Fund (SDRF), Justice Delivery, Improvement of Statistical System, District Innovation Fund, Elementary Education, Roads & Bridges, Water Sector Management, Forests and State Specific Needs (being 51.13 % of Budget Provision of ₹ 64675.00 crore for 2014-15). In addition to assistance released under SDRF, ₹ 1557.22 crores out of the BE 2014-15 of ₹ 5050.00 crore has been released from National Disaster Response Fund (NDRF) till 31.01.2015.

The 14th FC has been constituted vide notification dated 2nd January, 2013. The Commission has made its recommendations which are under the active consideration of GOI.

4. Borrowings:-

The methodology for determining annual borrowing ceilings of States during the period 2010-15 has been devised in line with the recommendations of FC-XIII. The borrowing limits of States

are being 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 23.7% (2014-15 BE) as against the target of 30.3% of GSDP by the end of the year 2014-15.

5. States' Fiscal Consolidation (2010-15)

The Thirteenth Finance Commission (FC-XIII) has 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 has also recommended a combined States' debt target of 30.3 per cent of GSDP to be reached during this period. The States are required to amend or enact their Fiscal Responsibility and Budget Management Acts (FRBMAs) to incorporate the fiscal consolidation roadmap recommended for each State. All States have FRBMAs in place. States in aggregate have been able to achieve the fiscal targets laid down by FC-XIII. Fiscal position of States, in aggregate, for 2014-15(BE) is summarized as follows:

- i. Aggregate revenue surplus is about 0.4% of GSDP, ahead of the FC-XIII projection of zero revenue deficit.
- ii. Aggregate fiscal deficit is at 2.6% of GSDP against the target of 3% set by the FC-XIII.
- iii. 27 States in aggregate have debt to GSDP ratio is 23.8%, well within FC-XIII's target of 30.3% for all States. [This

excludes AP & Telangana, whose outstanding debt and liabilities after reorganization of Andhra Pradesh in June, 2014, are still awaited].

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.

Plan Finance-II Division

Projects clearance by EFC & PIB

During the period from 1st April, 2014 to 31st December, 2014, 52 meetings of the Expenditure Finance Committee (EFC) chaired by Secretary (Expenditure) considered 52 Plan Investment Proposals/Schemes of various Ministries/Departments costing ₹289212.624 Crore as detailed below:

(₹ in Crore)

List of the projects recommended by the EFC during the period from 1 st April, 2014 to 31 st December, 2014			
Sl. No.	Ministry/ Department	Projects Name	Amount
1	Department of Land Resources	World Bank Assisted National Watershed Management project (WB-NWMP) Neeranchal	2142.30
2	Health and Family Welfare	Establishment of Centre of Excellence under the Centrally Sponsored Up-gradation/Strengthening of Nursing Services (Human Resources for health) during 12th Plan Period.	780.00
		National Animal Resource Facility (NARF) Hyderabad (A).	431.06
		Metro Blood Banks	863.30
		(i) Central Drugs Standard Control Organization; and (ii) Strengthening of States Drug Regulatory System.	1800.00
		Setting up of National Institute of Paramedical Sciences (NIPS) and 5 Regional Institute of Paramedical Sciences (RIPS) at Bhubaneshwar, Nagpur, Chandigarh, Coimbatore and Bhagalpur.	1156.43
3	Minority Affairs	Increasing the authorized share capital of the National Minorities Development and Finance Corporation.	1100.00
4	Commerce	Continuation of ECGC Scheme during 12th Plan.	800.00
		Tea development promotion scheme of Tea Board	1425.00
5	Planning Commission	Phase-V of the UID Scheme of the Planning Commission.	643.45
6	Women and Child Dev.	Continuation of Rajiv Gandhi Scheme for empowerment of Adolescent Girls Sabla from XIth Plan to XIIth Plan (Central Share).	3650.39

Sl. No.	Ministry/ Department	Projects Name	Amount
7	Housing and Urban Poverty Alleviation	Standalone Drinking water supply projects under the implementation phase of Rajiv Awas Yojana (RAY) in the municipalities affected by Japanese Encephalitis (JE)/Acute Encephalitis Syndrome (AES).	418.00
8	Power	Establishment of Power System Operation Corporation Ltd.	81.21
		Augmentation of High Power Test Facilities of High Power Laboratory, CPRI, Bangalore.	640.00
		High power Test Facilities by Installation of additional 2500 MVA	640.00
		NER Power System improvement project for Six States.	4923.32
		Establishment of National Smart Grid Mission in the 12th Plan period.	980.00
		Deendayal Upadhyaya Gram Jyoti Yojana	43033.00
		Integrated power Development Scheme.	32612.00
9	Heavy Industry and Public Enterprises	R.D. Project for Development of Advanced Ultra Supercritical Technology for Thermal Power Plants of Mission Mode.	1100.00
10	Road Transport and Highways	4- / 2- laning of Talcher-Dubari-Chandikhole section of NH-200 from Km 301.89 to Km 4127.885 including Km 8.500 to Km 14.866 to NH-23 in the State of Odisha under NHDP-III on EPC.	1476.00
		Four Laning of Udhampur Ramban Section of NH-1A 67.00 to Km 89.00 and Km130.00 to Km 151.00 on EpC Mode in the State of J&K under NHDP Phase-II.	1758.68
		Four Laning of Udhampur Ramban Banihal Section of NH-1A from Km 151.00 to Km 187.00 on EPC Mode in the State of J & K under NHDP Phase-II	1623.93
11	Home Affairs	Appraisal for Construction of Houses and Barracks for Central Armed Police Force at various establishments of CISF, CRPF and ITBP during the 12th Five Year Plan	3106.21
12	Social Justice and Empowerment	Establishment of Indian Sign Language Research and Training Centre (ISLRTC) and National Institute for Inclusive and Universal Design (NIIUD)	40.00
		Establishment of Indian Sign Language Research and Training Centre (ISLRTC) and National Institute for Inclusive and Universal Design (NIIUD)	25.00
13	Women and Child Development	Nirbhaya Centre - One Stop Centre for Women Affected by Violence	478.674
		Continuation of ongoing Indira Gandhi Matritva Sahyog Yojana Scheme from XI to XII Plan.	400.00
		National Mission for Empowerment of Women.	194.51
		Strengthening Mechanisms for Combating Violence Against Women	180.00
		Enhancement of financial norms of Rajiv Gandhi National Crèche Scheme for the children of working mothers during the XII Plan.	600.00
14	New and Renewable Energy	Remote Village Electrification Programme Phase-II	3000.00
		Solar Parks and Ultra Mega Solar power Projects	4046.25
		Development of Grid Connected Solar PV Power Plants on Canal Banks/canal tops	1080.00
15	Health & Family Welfare	National Animal Resource Facility Hyderabad	352.90
16	Environment & Forests	Revised Cost Estimates on the World-Bank Assisted Ongoing Integrated Coastal Zone Management (ICZM) Project	1580.10
17	DeitY	National Supercomputing Mission Building and Capability to be jointly implemented by the DST and DeitY	4500.00

Sl. No.	Ministry/ Department	Projects Name	Amount
18	Labour and Employment	Sharing of 50% of prescribed stipend to train 1,00,000 apprentices to be engaged by Medium, Small and Micro Enterprises.	346.00
19	Health & Family Welfare	Setting up of National Institute of Paramedical Sciences Najafgarh and 5 Regional Institute of Paramedical Sciences, Bhubhaneshwar, Chandigarh, Coimbatore, Nagpur and Bhagalpur.	1898.29
20	Drinking Water & Sanitation	Swatchh Bharat Mission for Rural Areas	111964.37
21	Justice	Phase-II of the e-Court Integrated Mission Mode project	935.00
22	Tribal Affairs	Merger of CSS Scheme of Rajiv Gandhi National Fellowship and Top Class Education for ST Students	428.11
23	Agriculture & Cooperation.	Soil Health Card During 2014-15	568.54
24	S&PI	Continuation of ongoing Plan Scheme Capacity Development from 11th to 12th Plan	990.00
26	D/o Higher Education	Cost Estimates for construction of Research Park in IIT Madras (Phase-I and Phase-II)	100.00
27	Rural Dev.	Modification in the Implementation Framework on National Rural Livelihoods Mission	10831.20
28	D/o Heavy Industry	Faster adoption and manufacturing of Electric and Hybrid Vehicles in India	14308.00
29	Micro Small & Medium Enterprises	Continuation for the Credit Linked capital subsidy scheme with Proposed modification for Micro and Small Enterprises in XII Plan	179.33
30	Labour & Employment	Setting up of National Board for Trade Testing and Certification	147.75
31	NITI Aayog	UID Scheme (Phase-VI) of the Planning Commission	1953.96
32	Human Resources Development	Pandit Madan Mohan Malviya National Mission on Teachers and Teaching	900.00
33	Water Resources	Namami Ganga-Integrated Ganga Conservation Mission/Programme under National Ganga River Basin Authority	20000.00
		TOTAL	289212.264

Also, 5 meetings of Public Investment Board (PIB) cases involving an amount of ₹20182.00 Crore for three Projects were

considered and recommended by the competent authority as per the following details :

(₹ in Crore)

PIB Meetings held during the period from 1 st April, 2014 to 31 st December, 2014			
Sl. No.	Ministry/ Department	Projects Name	Amount
1	D/o Posts	Setting up of Post Bank of India	-
2	Shipping	Revised Cost Estimate Offshore Container berth and Development of Container Terminal at Mumbai Port Trust	729.00
3	Urban Dev.	Nagpur Metro Rail Project	8680.00
		Ahmedabad Metro Rail Project Phase-I	10773.00
		Lucknow Metro Rail Project Phase-1A	-
		Total	20182.00

Direct Benefit Transfer (DBT)

At present there are 35 schemes under DBT out of which 32 are currently being implemented and remaining 3 will be implemented from the FY 2015-16. Schemes include MGNREGS, scholarships, women, child, labour, SC, ST, OBC, pensions covering 7,60,28,071 number of beneficiaries under DBT in 2014-15.

So far ₹ 22746.70 Cr have been released under DBT since 1.1.2013 (up to 15.1.2015), out of which ₹786.20 Cr were

transferred through Aadhar Payment Bridge (APB), and ₹ 2333.10 Cr through PFMS (non APB). Thus ₹3119.30 Cr had been transferred directly to beneficiaries in their bank accounts and ₹ 19627.40 Cr was transferred through State Governments via NEFT and other electronic modes of transfers to be transferred to individual beneficiaries that include A/c payee cheques, Money Order, Postal A/cs and Cash as in case of NSAP.

Modified DBTL rolled out from 15.11.2014 in 54 districts, and has now been rolled out across the entire country from

1.1.2015 till 15.1.2015, a sum of ₹ 2065.23 Cr had been disbursed to about 8.91 Cr LPG consumers in about 6.76 Cr transactions since 15.11.2014. The total subsidy of ₹7460.20 Cr including the previous DBTL has been disbursed so far.

Regarding adoption of DBT architecture by States for making payments to the beneficiaries of State run schemes, so far information of 47 schemes of 11 States / UTs have been received.

Outcomes of DBT

- As per O.M. dated 12.12.2014:
 - i. DBT has been expanded across the country from the earlier 121 districts in existing 27 DBT schemes.
 - ii. 7 new scholarship schemes of D/o Higher Education on-boarded DBT platform.
- iii. MGNREGS brought under DBT in 300 districts with higher Aadhaar enrolment.
- All Central Sector (CS) Schemes where cash/benefit is provided to individual beneficiaries will be brought on DBT platform by 30.06.2015.
- All Centrally Sponsored Schemes (CSS), having components of cash/benefit for individual beneficiaries, will be brought on DBT platform in consultation with State Governments.
- LPG Subsidy is being provided on DBT platform under modified DBTL (PAHAL) across the country. Subsidies on Kerosene and Food will be examined to be brought under DBT.

STATUS OF OUTCOME WITH REFERENCE TO OUTLAYS 2013-14

S. No.	Name of the Scheme	Objective/Outcome	Outlay 2013-14 ₹ In Crore)	Quantifiable Deliverables/ Physical Outputs	Processes/ Timelines	Status as on 31 st March, 2014	
1	2	3	4	5	6	7	
			4(i) BE	4(ii) RE			
1.	Major Head 2070- Other Administrative Services. Central Plan Scheme for enhancing training capacity of National Institute of Financial Management and infrastructural development of the Institute.	High level professional course covering basic elements of MBA (Finance) for officers dealing with Accounts and Finance matters to be offered by National Institute of Financial Management Society.	4.00 (Plan) (Rev.4.00) (Cap.NIL)	3.00 (Plan) (Rev.3.00) (Cap.NIL)	Training to 80 officers of Central/ State/UT Governments. The programme consists of trimesters having 12-14 weeks duration each. This is a combination of class room teaching and project work.	Two years	Under Revenue Section, 57 candidates joined the course at NIFM, Faridabad. Actual expenditure is ₹ 3.00 crore.

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	Status as on 31 st December, 2014 (Provisional)	
1	2	3	4	5	6	7	
			4(i) BE	4(ii) RE			
Major Head							
1.	2070-Other Administrative Services.	High level professional course covering basic elements of MBA (Finance) for officers dealing with Accounts and Finance matters to be offered by National Institute of Financial Management Society and increasing the infrastructure of the Institute.	4.00 (Plan) (Rev. 4.00) (Cap.NIL)	3.50 (Plan) (Rev.3.50) (Cap.NIL)	Training to 80 officers of Central/ State/UT Governments. The programme consists of trimesters having 12-14 weeks duration each. This is a combination of class room teaching and project work.	Two years	Under Revenue Section, 83 candidates joined the course at NIFM, Faridabad. Actual expenditure till 31 st December, 2014 is ₹ 2.00 crore.

FINANCIAL REVIEW

**STATEMENT SHOWING ACTUAL EXPENDITURE VIS-A-VIS BE/RE PROVISIONS FOR THE YEAR
2012-13, 2013-14 and 2014-15**

(₹ in crore)											
Sl. No.	Description	Major Head	2012-13			2013-14			2014-15		
			BE	RE	Actuals	BE	RE	Actuals	BE	RE	Actuals (upto 31.12. 2014)
1.	Secretariat – General Services	2052	89.45	84.39	77.64	93.91	88.69	83.50	93.99	87.51	70.84
2.	Other Admn. Services	2070	45.80	40.46	38.18	46.21	44.31	41.13	61.91	57.00	31.03
	i) Training Centre for Civil Accounts Organization (INGAF)		4.39	4.17	3.93	4.80	4.00	3.95	4.59	4.54	3.47
	ii) Scheme for enhancing training capacity of NIFM Society		5.40	4.28	4.28	5.40	4.40	4.40	5.40	4.90	3.05
	iii) Contribution		0.01	0.01	0.00	0.01	0.01	0.00	0.01	0.01	0.00
	iv) Service Charges to National Securities Depository Limited under New Pension Scheme		36.00	32.00	29.97	36.00	32.40	32.56	39.00	34.65	17.09
	v) Seventh Central Pay Commission		0.00	0.00	0.00	0.00	3.50	0.22	11.91	10.76	7.24
	vi) Expenditure Management Commission		0.00	0.00	0.00	0.00	0.00	0.00	1.00	2.14	0.18
	TOTAL		135.25	124.85	115.82	140.12	133.00	124.63	155.90	144.51	101.87

OBJECT HEAD-WISE EXPENDITURE VIS-A-VIS BE/RE FOR THE YEARS 2012-13, 2013-14 AND 2014-15

S. No.	Description	2012-13			2013-14			2014-15			(₹ in crore) Actuals upto Dec., 14
		BE	RE	Actuals	BE	RE	Actuals	BE	RE		
Revenue Section											
1	Salaries	55.15	54.97	50.88	59.45	59.00	54.26	64.57	60.33	50.30	
2	Wages	0.00	0.00	0.00	0.00	0.02	0.00	0.12	0.01	0.00	
3	Overtime Allowance	0.17	0.10	0.08	0.11	0.11	0.07	0.14	0.08	0.05	
4	Medical Treatment	0.84	0.82	0.72	0.93	0.91	0.76	1.19	1.21	0.63	
5	Domestic Travel Expenses	1.60	1.49	1.22	1.76	1.58	1.26	2.06	1.89	0.88	
6	Foreign Travel Expenses	1.08	0.97	0.87	1.18	1.11	0.77	1.26	0.96	0.38	
7	Office Expenses	12.93	12.44	12.65	13.02	14.83	13.39	19.03	16.51	12.28	
8	Rent, Rates & Taxes	0.00	0.00	0.00	0.00	0.13	0.10	0.90	6.16	3.33	
9	Publication	0.33	0.30	0.29	0.39	0.41	0.32	0.44	0.48	0.34	
10	Other Admn. Expenses	37.20	33.10	31.09	37.46	33.99	33.96	40.62	36.55	18.23	
11	Advertising and Publicity	2.25	0.55	0.33	1.25	1.12	0.00	1.25	0.12	0.00	
12	Minor Works	2.32	2.07	1.83	3.08	3.82	2.86	3.71	2.46	2.13	
13	Professional Services	3.25	2.30	1.25	2.16	1.57	1.04	4.34	2.15	0.98	
14	Grants-in-aid	5.40	4.28	4.28	5.40	4.40	4.40	5.40	4.90	3.05	
15	Contribution	0.01	0.01	0.00	0.01	0.01	0.00	0.01	0.01	0.00	
16	Information Technology	12.72	11.45	10.33	13.92	9.99	11.44	10.86	10.69	9.29	
	Total	135.25	124.85	115.82	140.12	133.00	124.63	155.90	144.51	101.87	
Capital Section											
17	Major Works	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	Grand Total	135.25	124.85	115.82	140.12	133.00	124.63	155.90	144.51	101.87	

STATEMENT ON SURRENDER AND SAVINGS DURING THE FINANCIAL YEAR 2013-14

During the Financial Year 2013-14, against a budgetary provision of ₹140.12 crore including the Supplementary Grants, an expenditure of ₹124.63 was incurred, resulting in savings

and surrender of ₹15.49 crore under Revenue Section. These savings have been segregated into the following categories:

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

(₹ in crore)

Sl. No.	Sub head/Scheme/Programme	Savings (Net)	Remarks/Reasons
1.	Department of Expenditure	6.02	Less requirement for administrative expenses
2.	Training Centre in the Civil Accounting Department (Institute of Govt. Accounts & Finance)	0.85	Less requirement for IT hardware consultants & economy measures

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

(₹ in crore)

Sl. No.	Sub head/Scheme/Programme	Savings (Net)	Remarks/Reasons
1.	Department of Expenditure	5.19	Non filling up of vacant posts
2.	Service charges to NSDL for New Pension Scheme	3.43	Less receipt of claims

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.

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 batches of probationers of various Accounts, Audit and Finance Services have been successfully trained for 44 weeks training course. The 22nd batch of probationers commenced from 5th January, 2015 in which 42 probationers have joined.

Management Development Programmes:

The NIFM conducts Management Development Programmes of varying duration every year. Some of these programmes are sponsored by different Government Departments, Foreign Governments, World Bank etc. In addition, various Govt. Departments, PSUs etc. sponsor candidates for the specialized courses conducted by the Institute. During the year 2014-15, 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 Crimes & Forensics

Post Graduate Diploma in Management (Financial Management):

The NIFM has been conducting Post Graduate Diploma in Management (Financial Management) since year 2002. The

present batch of PGDM (FM) commenced in May, 2014 in which 72 candidates have joined from various Central/State/UT govt. The new batch of PGDM (FM) shall be starting in June, 2015 wherein 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 officers for taking up higher responsibilities in the field of Public Financial Administration. The new batch of DGA&IA shall be starting from June, 2015 wherein 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 NSE

The NIFM in collaboration with NSE 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 third batch of the programme commenced in July, 2014 with 24 participants in the Weekend Executive Programme and 36 participants in the Regular Programme. The next batch of the programme will commence in May/June, 2015.

Consultancy Projects:

The Consultancy Projects awarded/ completed/in progress during the year were as under: -

- (i) Study of unaccounted income/ wealth inside and outside India.
- (ii) A study on Central Autonomous Bodies.
- (iii) A study on Water and Sanitation of Govt. of Jharkhand.
- (iv) CRRI
- (v) Konkan Railway

Financial Statement

The income & Expenditure Accounts as on 31st March, 2014 are as under:

(Amount in ₹)

Income	31.03.2014	31.03.2013
Income from Services	12,21,11,410	14,34,21,164
Grant	1,40,00,000	1,40,00,000
Interest Earned	1,18,68,541	1,15,37,141
Other Income	43,84,001	40,29,392
Total(A)	15,23,63,952	17,29,87,697

Expenditure

Establishment Expenses	4,92,84,405	4,53,34,274
Other Administrative Expenses	9,09,65,197	8,82,13,241
Depreciation	1,82,59,080	92,63,755

Total(B)	15,85,08,682	14,28,11,270
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Balance being Surplus/Deficit of Income over Expenditure (A-B)	-61,44,730	3,01,76,427
Less: Prior Period adjustments(Net)	0	(36,470)

Add: Amount transferred from Capital asset Fund Representing depreciation (for the year) on Assets acquired out of Govt. Grant	97,98,871	26,93,038
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Balance being Surplus/Deficit carried over to Balance-Sheet	36,54,141	3,28,32,995
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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 and issues relating to UN and International Organizations.

■ Committee of Management:

Administering the departmental undertakings viz. Govt. 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:

Hearing 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 assessee under the Customs Act and Central Excise Act.

■ Settlement Commission (IT/WT):

Settlement of applications filed by the assessee 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. 43 –Department of Revenue

Demand No. 44 —Direct Taxes and

Demand No. 45 —Indirect Taxes.

CONVERTING OUTLAYS INTO OUTCOMES
Demand No.43 - Department of Revenue

(₹ in crore)

	Actuals 2013-14		Budget Estimates 2014-15		Revised Estimates 2014-15		Budget Estimates 2015-16		
	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan	Total
Total-Revenue Section	-	2607.11	-	726.90	-	11759.92		16081.69	16081.69
Charged	-	26.58	-	0.02	-	0.02	-	0.02	0.02
Voted	-	2580.53	-	726.88	-	11759.90		16081.67	16081.67
Total-Capital Section	-	13.01	-	106.01	-	50.87	-	106.00	106.00
Charged	-		-		-		-		-
Voted	-	13.01	-	106.01	-	50.87	-	106.00	106.00
Total(Revenue & Capital)	-	2620.12	-	832.91	-	11810.79		16187.69	16187.69
Charged	-	26.58		0.02	-	0.02	-	0.02	0.02
Voted	-	2593.54	-	832.89	-	11810.77		16187.67	16187.67

STATEMENT OF OUTLAYS AND OUTCOMES 2015-16

S. No.	Name of the Scheme/ Programme	Objective/ Outcome	Outlay 2015-16 (₹ 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.	Major Head -2052 Setting up of Tax Information Exchange System etc. (The Budget provision is for grant-in-aid to Empowered Committee (EC) for implementing TINXSYS Project, VAT Computerization of J&K & HP and for ECs administrative expenditure)	Effective tracking of inter - State transactions through TINXSYS and smooth functioning of the EC and computerization of VAT admn. of HP and J&K.	0.01	0	<ul style="list-style-type: none"> ◊ Implementation of TINXSYS Project. ◊ Smooth functioning of EC. ◊ VAT Computerization in J&K and HP. 	<ul style="list-style-type: none"> ◊ Effective tracking of inter- implemented by EC on BOOT State transactions, model through a Service Provider. The project has ended checking of on 31st March, 2013. revenue leakage. ◊ J&K and HP VAT Computerization Projects have been approved and the progress of the project is being monitored by the EC. The entire Central share has been released to the EC. 		
2.	Major Head 2047 – Special Purpose Vehicle (SPV) for Goods & Service Tax Network (GSTN) (The budget provision is for providing grants-in-aid to the SPV for GSTN)	Special Purpose Vehicle for Goods & Service Tax Network	292.00	0	<ul style="list-style-type: none"> ◊ 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.	Major Head -3601/ 3602 Compensation to States/UTs for revenue losses due to introduction of VAT and other VAT related expenditure (The Budget Provision is for providing grant-in-aid to States/UTs for (i) VAT compensation, and (ii) other VAT related expenditure and	Smooth and effective implementation of State VAT.	0.00	0	<ul style="list-style-type: none"> ◊ VAT Implementation by all States/ UTs. ◊ Modernization of State Tax Administration 	Smooth and effective implementation of State VAT	As per agreed formula, VAT Compensation was to be provided for 2005-06 (100% of revenue loss), 2006-07 (75% of revenue loss) and 2007-08 (50% of revenue loss). Claims of all the States have already been settled.	-The Mission Mode Project for Commercial Taxes (MMP-CT) has

1	2	3	4	5	6	7	8
			4(i) 4(ii)				
		setting up/upgradation of two Institutes for taxation studies in States/UTs)		Including setting up/ upgradation of two Institutes for Taxation Studies in States/UTs.		ended on 31 st March, 2014 and States are now free to continue the projects with their own resources.	
4.	Major Head -3601/3602 Compensation to States/UTs for revenue losses due to phasing out of Central Sales Tax	Grants-in-aid to States/UTs for CST compensation to facilitate introduction (The Budget Provision is for providing grant-in-aid to States/ UTs for CST compensation.)	15028.00	9.40	Setting up/upgradation of two Institutes for Taxation Studies in States/UTs.	As a part of support for An additional institutional capacity building Amount of and upgradation into national ₹9.40 crore will level Institutes of public be released on finance and policy, the Centre account of for Taxation Studies, Kerala increased cost and the Centre for Studies in of construc- Social Science, Kolkata have tion to GIFT, been provided ₹14 crore and Kerala. ₹18 crore respectively. An amount of 4 crore is proposed to be released to GIFT, Kerala during the current year.	
		ô	- Implementation by all States/ UTs. - phasing out of CST	Smooth and CST was planned to be phased effective imple- out in three years time with mentation 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			95

1	2	3	4	5	6	7	8
			4(i)	4(ii)			
5.	Major Head 2875 Govt. Opium & Alkaloid Works	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.	350.17	6	Procurement of 326 MTs of Revenue raw opium Import of 20 MTs of Codeine Phosphate Export of Opium (316 MT) and Sale of Alkaloids (67.13 MT).	Realization of ₹ 400.43 crore	Empowered Committee of State Finance Ministers. The States have been requested to furnish their updated claims in this regard. ₹ 11000 crore is proposed to be released to the States as balance of CST compensation for the year 2010-11 during the current year i.e. 2014-15. The progress of revenue realization vis-à-vis realization and expenditure will be reviewed monthly/quarterly. The revenue realization vis-à-vis realization and 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.

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 has released an amount of ₹ 30,860.42 crore to the States/UTs till date 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 has been released to Haryana and Uttar Pradesh towards arrears relating to years 2007-10 in the year 2013-14. Government has also agreed to, in principle, 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. Accordingly, budget provision of ₹ 11000 crore has been made in RE 2014-15. Hence, the States/UTs will be paid CST compensation for the year 2010-11 after taking necessary approvals.

Mission Mode Project on Commercial Taxes

Under the National e-Governance Plan (NeGP) launched by the Department of Information Technology, the Department of Revenue is coordinating a Mission Mode Project (MMP) on ‘Commercial Taxes’, which is an important e-Governance initiative in the field of State taxes. In pursuance to this, the Government approved a Mission Mode Project for computerization of Commercial Taxes Administrations of State Governments under NeGP, with an overall cost of ₹ 1133 crore, to help States to develop and upgrade the IT systems in their commercial taxes administrations. The focus of the project, on the one hand, was to provide improved set of services to the dealers and on the other, to improve the efficiency of the Commercial Taxes administrations of the State Governments. Under this project, Central Government and State Governments were required to share fund roughly in the ratio of 70:30. However, keeping the Special Category Status of North Eastern States, this ratio had been fixed at 90:10 (Central share: State Governments’ share) whereas UTs without Legislature were funded 100% by Central Government.

A Project Empowered Committee (PEC) under chairmanship of Revenue Secretary had been constituted for sanctioning of States’ proposals of computerization of Commercial Taxes Departments. The PEC approved the project proposals of all 33 States/UTs, having overall cost of ₹ 1030 crore. An amount of ₹ 622.22 crore has been released to these States as part of Central share till 31st March, 2014.

TINXSYS

In order to facilitate inter-state transactions, a Tax Information Exchange System (TINXSYS) has been put in place so that States can access information relating to issuance of Form-C and other inter-State sale related information. In this project, Central Government is funding 50% of the project cost while States collectively share the rest. An amount of ₹ 23.83 crore has been released to the Empowered Committee so far.

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 115th 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 15th 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 (122nd Amendment) Bill, 2014 in the Parliament for amending the Constitution of India to facilitate the introduction of Goods and Services Tax (GST) in the country w.e.f. 1st 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 rest 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

Govt. 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 ₹ 18 crore, as Central share of assistance, has been released to the Institute till 31st March, 2014. Government of Kerala has made the request for release of balance Central share of ₹ 5.64 crore towards the 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 FM in January, 2011. The construction of new GIFT building has been completed and is likely to be inaugurated shortly. 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, CSSSC, Kolkata and ₹14 crore have been released to the Government of West Bengal for this purpose till March, 2014.

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.). 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.

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 - 2013-14

S. No.	Name of the Scheme/ Programme	Objective/ Outcome	Outlay 2013-14 (₹ In Crore) B.E. R.E.	Quantifiable Deliverables	Processes/ Timelines	Status as on 31 st March, 2014
1	2	3	4	5	6	7
1	Major Head 2052 Implementation of VAT Scheme	Setting up of Modern VAT Administration System in NE States and Sikkim as also facilitating similar action in other States.	0.18 0.18	Computerization of VAT administration in NE States of Arunachal Pradesh, Manipur, Mizoram, Nagaland, Tripura, Sikkim and Meghalaya.	The initial phase of implementation of the Project on Turnkey basis has been completed.	Under this scheme, provision was made for taking ahead the VAT Computerization in North-Eastern States and for other VAT related expenditure. The project has ended on 31.3.2011 and now the States were provided funds through MMP-CT Scheme. The MMP-CT project has also ended on 31.3.2014.
2	Major Head 2052 Setting up of Tax Information Exchange System (TINXSYS)	Effective tracking of inter - State transactions through TINXSYS and smooth functioning of the Empowered Committee(EC) and VAT computerization of HP and J&K	15.61 6.00	- Implementation of TINXSYS Project for effective tracking of inter-State transactions.	The TINXSYS Project is being implemented by EC on BOOT model through a Service Provider.	The TINXSYS Project was implemented with cost sharing between the Centre and the State Governments on 50:50 basis. The last extension of this project was ended on 31.3.2013. Thereafter, no extension has been given. Hence, no funds were released during 2013-14.

1	2	3	4	5	6	7
3	Major Head 3601/3602 Compensation to States/UTs for revenue loss due to implementation of VAT and other VAT related expenditure	Grant-in-aid to States (i) VAT compensation and (ii) implementation of VAT and other VAT related expenditure	132.00 74.00	To compensate States/UTs for revenue loss due to introduction of VAT with a view to ensure implementation of all States/UTs as well as for meeting other VAT related expenditure of States/UTs	As per agreed formula, VAT compensation is to be provided for 2005-06, 2006-07 and 2007-08.	Under this Scheme, grant-in-aid is released to States/ UTs for compensating them for revenue loss due to introduction of VAT. So far, a total amount of ₹ 19002.82 crore has been released to the States. Claims of all States have been settled.

1	2	3	4	5	6	7
4	Major Head 3601/3602 Compensation to States/UTs for revenue loss due to phasing out of CST	Grant-in-aid to States/UTs for compensation	9300.00	1940.51	To compensate States/UTs for revenue loss due to phasing out of CST	approved and an amount of ₹ 14 crore was released to the Govt. of West Bengal for transferring it to the CSSS. No funds during the current year were released.
5	Major Head 2875 Government Opium & Alkaloid Works	To cater the demand of opium and alkaloids for domestic consumption as well as international market.	260.14	343.41	Procurement of Opium (299 MTs) Procurement of 20 MTs of Codeine Phosphate Export of Opium (310MTs) and Sale of alkaloids(56.90 MTs). This will result into revenue receipt of ₹ 316.47 crore.	Under this Scheme, grant-in-aid is released to States/ UTs to compensate them for revenue loss due to phasing out of CST. An amount of ₹ 30860.42 crore has been released to the State Govts. till March, 2014 (including ₹ 1940.51 crore released during 2013-14 to Haryana and Uttar Pradesh towards payment of arrears of CST compensation for the years 2008-08 to 2009-10. The progress of revenue realization vis-à-vis expenditure was to be reviewed monthly/ quarterly. Against the projected quantity, 282 MTs of opium and 19.975 MTs of Codeine Phosphate was procured in 2013-14. The opium export was 340.491 MTs against the targeted export of 310 MTs. The sale of Alkaloids was 61 MTs against the target of 56.90 MTs. Revenue Receipts in 2013-14 were ₹ 347.72 crore against projected revenue receipt of ₹ 316.47 crore. The expenditure up to March, 2014 on Govt. Opium & Alkaloid Works was ₹319.98 crore.

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 st December, 2014
1	2	3	4	5	6	7
1	Major Head 2052 Setting up of Tax Information Exchange i n t e r - S t a t e System (TINXSYS)	Effective tracking of 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.	The TINXSYS Project is being implemented by EC given beyond 31 st March, 2013, no funds on BOOT model through a Service Provider. The project was to be completed during 2009-10 but was extended upto 31.3.2013. Beyond this date, no extension has been given and the Project is now to be carried further by the States from their own resources.	HP and J&K VAT The project activities are being reviewed computerization Project: at regular intervals. An amount of The project with total outlay ₹ 15.99 crore has been released up to of ₹40.49 crore, with 31.3.2014. An amount of ₹ 6.34 crore Central share of ₹ 25.33 has been released in the current financial crore, was approved. EC year. is implementing the project.
2	Major Head 3601/ 3602 Compensation to States/ for UTs for revenue loss due to implementation of VAT and other VAT related expenditure	Grant-in-aid to States (i) VAT compensation and (ii) other VAT related expenditure	1.00 0.00	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	As per agreed formula, VAT Compensation is to be provided for 2005-06, introduction of VAT have been settled, 2006-07 and 2007-08. no amount was released during the current financial year.	Support for modernization of State VAT administration Project for Commercial Taxation

1	2	3	4	5	6	7
					(MMP-CT) for modernization of State VAT Administrations, no amount was released in the current year as the project has ended on 31.3.2014.	
		0.02	4.00	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 three instalment of grant of ₹ 4 crore, ₹ 10 crore and ₹ 4 crore have been released to the Institute. The Institute has made a demand of ₹ 5.63 crore towards balance Central share of assistance, which is under consideration of the Government.	
3	Major Head 3601/ Grant-in-aid to 3602 Compensation to States/ UTs for revenue loss due to compensation phasing out of CST	0.01	11000.00	To compensate States/UTs for revenue loss due to phasing out of CST	As per agreed formula, CST compensation will need to be provided to the States till 2009-10. Later, on the request of States and in order to keep GST negotiations going, Government has agreed, in principle, to the payment of CST compensation claims for the compensation to States for year 2010-11, after obtaining approval 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 Govt. of West Bengal for transferring it to the CSSS.

1	2	3	4	5	6	7
4	Major Head 2047 Special Purpose Vehicle for Goods & Service Tax Network (GSTN)	Setting up of Special Purpose Vehicle for Goods and Service Tax Network (GSTN)	100.00	100.00	To create enabling environment for smooth introduction of GST. GSTN:SPV will provide IT infrastructure and services to various stakeholders, a three years period after incorporation.	Cabinet has approved a provision of ₹ 315 crore and ₹ 2.78 crore in 2013-14 towards the expenditure for released to GSTN. Further amount of ₹ 20 crore has been released in the functioning of the GSTN for current financial year.
5	Major Head 2875 Government Opium & Alkaloid Works	To cater the demand of opium and alkaloids for domestic consumption as well as international market.	267.52	301.99 (299 MTs) Procurement of Opium (214 MTs) and Sale of alkaloids(56.20 MTs) Export of Opium (214 MTs) and Sale of alkaloids(56.20 MTs) This will result into revenue receipt of ₹ 338.97 crore.	The progress of revenue realization vis-à-vis of opium and 15.491 MTs of Codeine Phosphate has been procured in 2014-15. The opium export has been 148 MTs against the targeted export of 214 MTs. The sale of Alkaloids has been about 44.661 MTs against the target of 56.20 MTs during the year. Revenue Receipts in 2014-15 have been Rs.208.80 crore till December, 2014 against projected revenue receipt of ₹ 287.82 crore at RE stage. The expenditure up to December, 2014 on Govt. Opium & Alkaloid Works is ₹ 118.76 crore (prov.).	Against the projected quantity, 255 MTs expenditure was to be reviewed monthly/ quarterly.

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

(₹ in crore)

	Major Head	2012-13			2013-14			2014-15		
		B.E.	R.E.	Actual	B.E.	R.E.	Actual	B.E.	R.E.	Actual (Prov.)
Secretariat-General Services	2052	161.76	145.05	134.30	178.97	148.04	139.44	175.55	174.64	108.11
Total	2052	161.76	145.05	134.30	178.97	148.04	139.44	175.55	174.64	108.11
Other Fiscal Services										
Enforcement Directorate	2047	53.80	49.50	45.32	70.86	59.34	60.57	81.01	85.20	56.19
National Institute of Public Finance & Policy	2047	8.50	18.65	18.65	10.03	8.38	8.16	10.99	8.39	5.39
International Cooperation	2047	0.78	1.00	0.95	1.01	1.17	1.07	1.17	1.17	0.99
Other Expdtr.(ATFP/CESTAT)	2047	19.16	18.85	19.07	20.69	21.72	21.55	27.38	29.27	18.35
GSTN:SPV	2047	0.00	1.00	1.00	100.00	58.84	2.78	100.00	100.00	0.00
Total	2047	82.24	89.00	84.99	202.59	149.45	94.13	220.55	224.03	80.92
Other Administrative Services										
Narcotics Control	2070	37.92	36.62	31.66	39.35	37.08	32.51	40.66	40.82	31.64
International Cooperation etc.	2070	3.54	2.94	2.30	2.74	6.13	5.69	6.10	6.11	1.90
Transfer to National Fund for Control of Drug Abuse	2070	1.00	1.00	0.00	1.00	0.00	0.00	1.00	0.00	0.00
Tax Admn. Reform Commission	2070	0.00	0.00	0.00	0.00	2.58	0.61	5.16	3.11	0.93
Special Investigation Team	2070	0.00	0.00	0.00	0.00	0.00	0.00	8.93	4.92	0.92
Total	2070	42.46	40.56	33.96	43.09	45.79	38.81	61.85	54.96	34.47
Opium & Alkaloids Factories										
Revenue Expenditure	2875	379.63	460.01	440.55	259.59	341.71	319.33	266.92	301.38	136.49
Chief Controller, Govt. Opium & Alkaloid Factories	2875	0.56	0.55	0.49	0.55	0.56	0.65	0.60	0.61	0.44
Total	2875	380.19	460.56	441.04	260.14	342.27	319.98	267.52	301.99	136.93
Collection of Taxes on Income & Expenditure										
Other Charges	2020	0.40	0.36	0.16	0.40	0.30	0.24	0.40	0.30	0.18
Total	2020	0.40	0.36	0.16	0.40	0.30	0.24	0.40	0.30	0.18
Grant in Aid to States (VAT)	3601	195.00	106.71	98.07	131.00	70.00	70.00	1.01	4.00	0.00
Grant in Aid to UTs (VAT)	3602	5.00	3.00	3.00	0.00	0.00	0.00	0.01	0.00	0.00
Grant-in-Aid to States (CST)	3601	300.00	10.00	0.00	9300.00	1940.51	1940.51	0.01	10758.43	0.00
Grant-in-Aid to UTs (CST)	3602	0.00	0.00	0.00	1.00	4.00	4.00	0.00	241.57	0.00
Total		500.00	119.71	101.07	9432.00	2014.51	2014.51	1.03	11004.00	0.00

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Department of Revenue

₹ in crore

Outcome Budget 2015-2016

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	Major Head	2012-13			2013-14			2014-15			Outcome Budget 2015-2016
		B.E.	R.E.	Actual	B.E.	R.E.	Actual	B.E.	R.E.	Actual (Prov.)	
Aid Materials & Equipment	3606	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Total (Revenue Section)		1167.05	855.24	795.52	10117.19	2700.36	2607.11	726.90	11759.92	360.61	
Capital Section											
Capital outlay for GSTN:SPV	4047	0.00	2.45	2.45	0.00	0.00	0.00	0.00	0.00	0.00	
Capital Expenditure on GOAWs	4875	1.53	0.30	0.02	0.70	0.50	0.00	6.00	0.86	0.00	
Purchase of Ready-built Accommodation											
Residential Building	4216	0.01	0.00	0.00	0.01	0.01	0.01	0.01	0.01	0.00	
Capital Outlay on Public Works	4059	10.00	6.16	4.39	100.00	13.00	13.00	100.00	50.00	0.00	
Total (Capital Section)		11.54	8.91	6.86	100.71	13.51	13.01	106.01	50.87	0.00	
Grand Total		1178.59	864.15	802.38	10217.90	2713.87	2620.12	832.91	11810.79	360.61	
<i>Less</i>											
(I) Revenue Receipts		366.73	440.03	312.24	347.73	316.47	347.55	338.97	287.82	208.80	
(ii) Recoveries		42.22	52.34	46.32	52.09	52.26	0.00	56.04	77.37	1.07	
Net		769.64	371.78	443.82	9818.08	2345.14	2272.57	437.90	11445.60	150.74	

STATEMENT SHOWING ACTUAL EXPENDITURE VIS-À-VIS BE/RE FOR THE YEARS 2012-13, 2013-14 AND 2014-15 - OBJECT HEAD-WISE

(₹ in crore)

Head	2012-13			2013-14			2014-15		
	B.E.	R.E.	Actual	B.E.	R.E.	Actual	B.E.	R.E.	Actual (Prov.)
Revenue Section									
Salary	187.58	177.29	167.18	202.52	182.13	181.36	221.92	217.00	168.21
Wages	1.12	0.48	0.30	1.12	0.40	0.13	0.98	0.08	0.05
Overtime Allowance	1.75	1.57	1.40	1.67	1.40	1.29	1.53	2.28	1.28
Pensionary Charges	0.99	0.96	1.00	0.87	0.93	0.90	0.91	0.90	0.00
Rewards	0.32	0.07	0.01	0.13	0.12	0.02	0.12	0.10	0.00
Medical Treatment	3.42	3.09	2.50	3.24	3.17	2.74	4.01	4.45	2.04
Domestic Travel Expenses	6.81	6.81	6.96	8.67	8.19	7.69	11.43	12.29	6.98
Foreign Travel Expenses	7.27	5.06	4.17	6.27	5.19	4.11	6.41	5.69	1.33
Office Expenses	28.85	25.91	25.50	33.85	30.34	30.49	38.83	50.36	34.99
Rent, Rates & Taxes	16.78	16.95	14.47	24.54	24.08	20.62	34.15	31.75	16.21
Publications	0.60	0.60	0.35	0.69	0.59	0.44	0.69	0.75	0.34
Banking Transaction Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Administrative Services	2.62	3.16	2.95	3.42	3.50	3.38	4.96	4.41	3.30
Supplies & Material(Voted)	285.39	355.68	335.83	157.28	208.70	170.64	152.95	159.27	82.98
Supplies & Material(Charged)	0.00	0.00	0.00	0.00	26.50	26.45	0.00	0.00	0.00
Advertising & Publicity	0.38	0.29	0.15	0.34	0.29	0.14	0.38	0.33	0.08
Minor Works	1.24	1.45	0.95	1.63	1.25	1.18	1.61	1.67	0.64
Professional Services	16.55	18.70	16.28	19.03	20.17	18.57	23.34	22.44	11.77
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	514.70	140.63	120.41	9522.10	2076.30	2024.67	83.18	11084.49	19.99
Grant for creation of Capital assets	0.00	0.50	0.50	30.00	7.04	0.00	30.00	30.00	0.63
Grant-in-Aid Salaries	6.92	7.21	7.21	8.19	6.54	8.16	8.99	6.39	5.39
International Contribution	4.32	3.95	3.25	3.76	7.30	6.76	7.34	7.34	2.05

(₹ in crore)

Outcome Budget 2015-2016

	Head	2012-13			2013-14			2014-15		
		B.E.	R.E.	Actual	B.E.	R.E.	Actual	B.E.	R.E.	Actual (Prov.)
Secret Service Expenditure		4.01	2.16	1.94	4.30	2.26	2.27	2.16	2.19	2.01
Interest on Capital		12.75	10.20	15.70	9.20	12.11	12.11	9.87	16.58	0.00
Other Charges										
	Charged	0.02	0.02	0.00	0.02	0.02	0.00	0.02	0.02	0.00
	Voted	1.22	0.88	0.56	1.06	1.01	0.91	1.42	1.35	0.33
Machinery & Equipment		0.04	0.04	0.04	0.05	0.04	0.00	0.00	0.00	0.00
Inter Account Transfer		43.04	53.13	47.75	52.90	52.69	66.75	57.31	77.52	0.00
Information Technology		18.36	18.45	18.16	20.34	18.10	15.33	22.39	20.27	0.00
Total - Revenue Section		1167.05	855.24	795.52	10117.19	2700.36	2607.11	726.90	11759.92	360.60
	Charged	0.02	0.02	0.00	0.02	26.52	0.00	0.02	0.02	0.00
	Voted	1167.03	855.22	795.52	10117.17	2673.84	2607.11	726.88	11759.90	360.60
Capital Section										
Machinery & Equipment		1.12	0.00	0.00	0.25	0.10	0.00	5.58	0.60	0.00
Major Works		10.41	6.46	4.41	100.45	13.40	13.01	100.43	50.27	0.01
Investment		0.01	2.45	2.45	0.01	0.01	0.00	0.00	0.00	0.00
Total - Capital Section		11.54	8.91	6.86	100.71	13.51	13.01	106.01	50.87	0.01
Grand Total		1178.59	864.15	802.38	10217.90	2713.87	2620.12	832.91	11810.79	360.61
	Charged	0.02	0.02	0.00	0.02	0.02	26.58	0.02	0.02	0.00
	Voted	1178.57	864.13	802.38	10217.88	2713.85	2593.54	832.89	11810.77	360.61

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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.43 ó Department of Revenue has been, in nut-shell, as under:-

	(₹ in crore)								
	2012-13			2013-14			2014-15		
	B.E.	R.E.	Actuals	B.E.	R.E.	Actuals	B.E.	R.E.	Actuals (Prov.)
VAT*- MH2052	10.70	6.52	6.51	15.80	6.18	6.13	0.03	0.00	0.00
VAT/CST**- 3601/3602	500.00	119.71	101.07	9432.00	2014.51	2014.51	1.03	11004.00	0.00
Non-VAT/CST	667.89	737.92	694.80	770.10	693.18	599.48	831.85	806.79	360.61
Total	1178.59	864.15	802.38	10217.90	2713.87	2620.12	832.91	11810.79	360.61
Non-VAT/CST	667.89	737.92	694.80	770.10	693.18	599.48	831.85	806.79	360.61
CCF(GOAWs)									
2875	380.19	460.56	441.03	260.14	342.27	319.98	267.52	301.99	136.93
4875	1.53	0.30	0.03	0.70	0.50	0.00	6.00	0.86	0.00
Others *** ó Non-VAT/CST and Non óGOAWs	286.17	277.06	253.74	509.26	350.41	319.98	558.33	503.94	223.68
Total ó									
Salary	187.58	177.29	167.18	202.52	182.13	181.20	221.92	217.00	168.21
Non-Salary	991.01	686.86	635.20	10015.38	2531.74	2438.92	610.99	11593.79	192.40

* 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 2013-14 by 8.39% over 2012-13 due to payment of additional DA, increments, creation of new posts etc. whereas non-salary expenditure increased by 283.96% during the same period mainly on account of payment of CST Compensation of ₹ 1940.51 crore to the State Governments of Haryana and Uttar Pradesh. During 2013-14, the expenditure of ₹ 2014.51 crore on CST Compensation and VAT related expenditure constituted the major portion of expenditure i.e. 76.89% of total expenditure under Grant No.43 ó Department of Revenue, as against 12.60% expenditure in the previous year.

In 2013-14, there was substantial decrease in the actual expenditure as compared to BE as against the provision of ₹ 9300 crore kept for CST Compensation, an amount of ₹ 1940.51 crore only could be utilized to settle the pending claims of Government of Haryana and Uttar Pradesh and the remaining amount was surrendered as no decision to provide compensation to the States beyond 2010-11 could be taken. In 2014-15, there is considerable increase in RE as compared to BE as Government has decided to provide CST Compensation to the States for 2010-11 and for which, a provision of ₹ 11000 crore has been made in RE 2014-15.

So far, total VAT Compensation of ₹ 19002.82 crore and CST Compensation amounting to ₹ 32,800.93 crore has been provided to the State Governments.

The overall financial performance during 2012-13, 2013-14 and 2014-15 has been as under:-

Scheme	2012-13			2013-14			2014-15			(₹ in crore)
	B.E.	R.E.	Actuals	B.E.	R.E.	Actuals	B.E.	R.E.	Actuals (Prov.)	
Implementation of VAT Scheme	0.19	0.14	0.13	0.19	0.18	0.13	0.03	0.00	0.00	
Setting up of Tax Information Exchange System etc.	10.51	6.38	6.38	15.61	6.00	6.00	8.00	6.34	0.00	
Compensation to States/UTs for revenue losses due to introduction of VAT and other VAT related expenditure	200.00	109.71	101.07	132.00	74.00	74.00	1.02	4.00	0.00	
Compensation to State/UTs for revenue losses due to phasing out of CST	300.00	10.00	0.00	9300.00	1940.51	1940.51	0.01	11000.00	0.00	
GSTN:SPV	0.00	1.00	1.00	100.00	58.84	2.84	100.00	100.00	20.00	
Total	510.70	127.23	108.58	9547.80	2079.53	2023.48	109.06	11110.34	20.00	

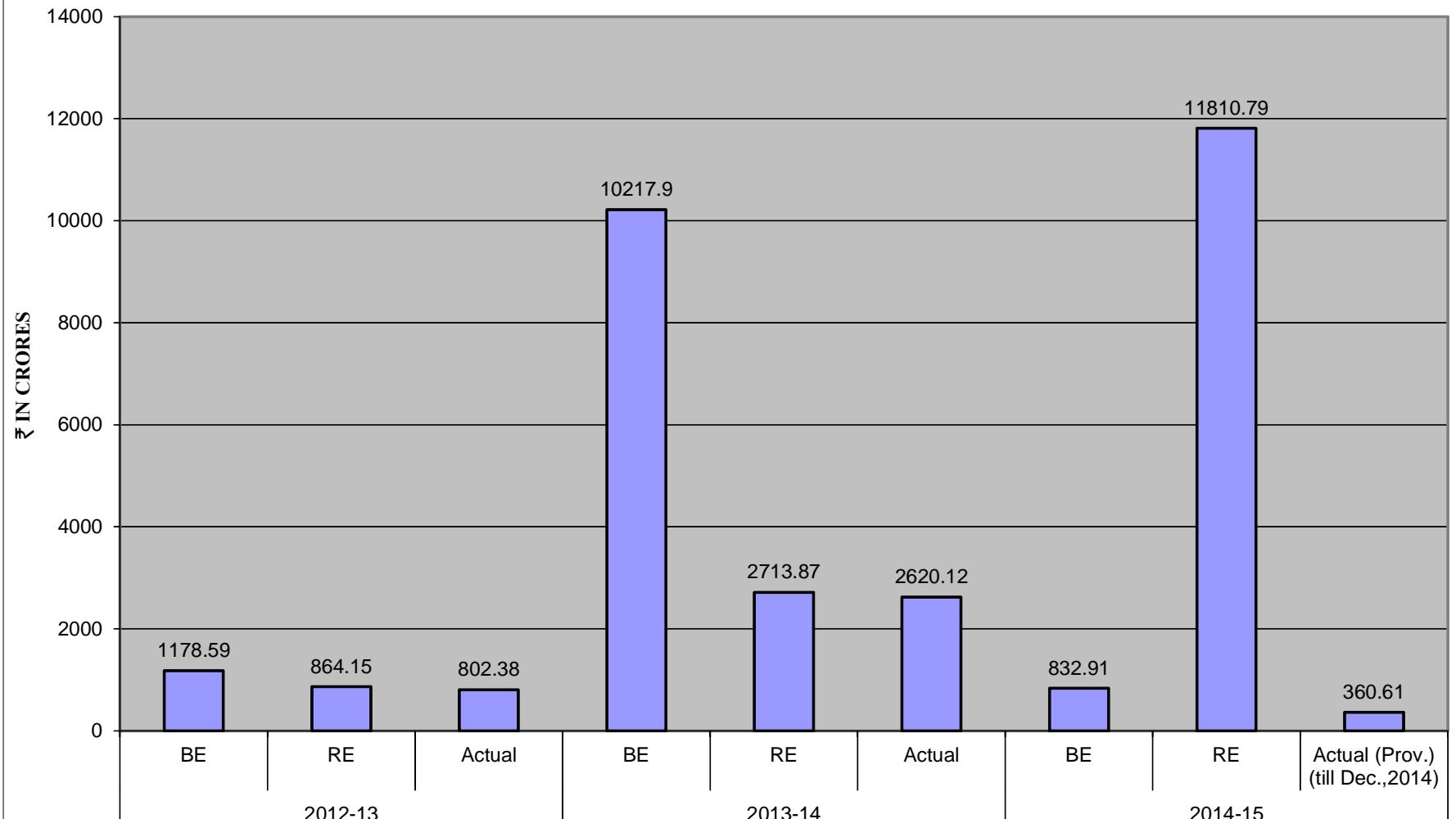
Government Opium and Alkaloid Works:

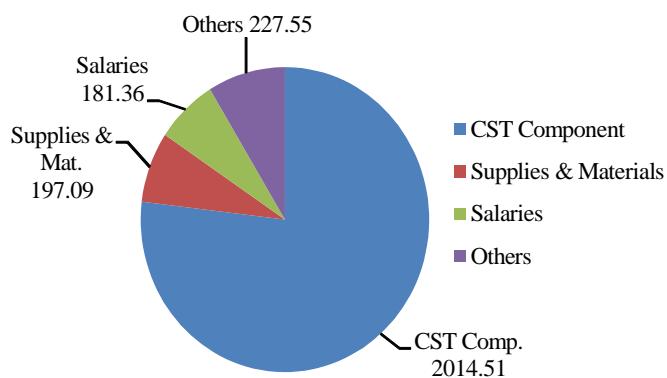
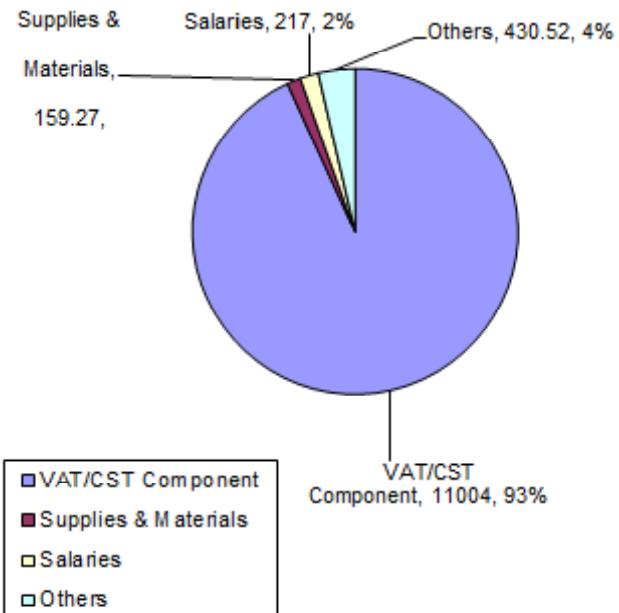
The position of actual expenditure in 2012-13, 2013-14 and 2014-15 on gross expenditure and revenue receipts has been as under:

	Expenditure			Receipts			(₹ in crore)
	B.E.	R.E.	Actuals	B.E.	R.E.	Actuals	
2012-13	380.19	460.56	441.03	366.73	440.03	312.24	
2013-14	260.14	342.27	319.98	347.73	316.47	347.55	
2014-15	267.52	301.99	136.93 (Prov.)	338.97	287.82	208.80 (Prov.)	

In 2013-14, the expenditure on Govt. Opium & Alkaloid Works constituted 12.21% of total expenditure. Increase at R.E. stage in 2013-14 was due to payment of Purchase Tax to Govt. of Uttar Pradesh and import of codeine phosphate. Against the estimated revenue receipt of ₹ 316.47 crore for 2013-14 at RE stage, the revenue amounting to ₹ 347.55 crore was collected. The revenue receipts are expected to be around ₹ 287.82 crore in the current financial year 2014-15.

**DETAILS OF ALLOCATION MADE AND ACTUAL EXPENDITURE INCURRED
DURING 2012-13, 2013-14 & 2014-15**



ACTUAL EXPENDITURE 2013-14 (₹ in crore)**REVISED ESTIMATES 2014-15 (₹ in crore)**

The actual expenditure under the Grant in 2013-14 amounted to ₹ 2620.12 crore. The Compensation to State Governments on account of Revenue loss due to introduction of CST and VAT related expenditure amounted to ₹ 2044.51 crore constituting 76.89% of the expenditure. On Supplies and Materials, an expenditure of ₹ 197.09 crore was incurred constituting 7.52% of the total expenditure. This expenditure is mainly on account of procurement of opium and import of Codeine Phosphate. The expenditure on salaries was 6.92% of the total expenditure whereas other items constituted 8.68% of the total expenditure.

In RE 2014-15, the CST Compensation and VAT related expenditure has been kept at ₹ 11004 crore constituting 93.17% of the total expenditure. The next major component is Salaries amounting to ₹ 217 crore which constitutes 1.84% of the total expenditure. Expenditure on Supplies & Material amounting to ₹ 159.27 crore constitutes 1.35% and other items constitute 3.65% of the total expenditure.

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 macroeconomics, 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 2013-14 are as under:-

Sl. No.	Source of Funding	Grant/Income (₹ in Crore)	Expenditure (₹ in Crore)
1	Ministry of Finance	7.22	7.22
2	Other Sources	8.14	8.04
3	Total	15.36	15.26

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
Budget Estimates 2014-15	10.99
Revised Estimates 2014-15	8.39

*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 (2013-14)

- 1. Study on Unaccounted Income/Wealth both inside and outside the country
- 2. Revenue Potential of Himachal Pradesh: An Assessment and Suggestions for Reform
- 3. Estimation of Revenue Neutral Rate at the State Level
- 4. Action Plan on Base Erosion and Profit Shifting: An Indian Perspective
- 5. NIPFP-UIDAI Study on Pricing and Authentication and eKYC Services

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- 6. Policy Analysis in the Process of Deepening Capital Account Openness
 - (a) Why are Capital Flows in India Procylical?
 - (b) Monetary Policy Analysis in an Inflation Targeting Framework in Emerging economies: The case of India
 - 7. NIPFP-DEA Research Programme
 - 8. DEA-NIPFP Program on Macro-economic Policy Analysis Fiscal Policy and Forecasting
 - (a) Fiscal Multipliers for India
 - (b) Automatic Leading Indicator Approach to Forecasting India's GDP Growth and Inflation
 - 9. Macro-Economic Policy Modelling for 12th Plan Period
 - 10. NIPFP-RBI Collaboration on Modelling External Sector and Monetary Block
 - 11. Medium Term Fiscal Plan under FRBM Act of Sikkim 2013-14
 - 12. The Review of Compliance to Sikkim, FRBM Act 2011-12
 - 13. Selected Aspect of NRHM Expenditure at the State-level: A Focus on Rajasthan and Karnataka
 - 11. Strengthening Research and Capacity Development in the Department
 - 12. Inter-Governmental Finance in Five Emerging Market Economies
 - 13. Understanding High Unspent Balances and Fund Flow Mechanism in Major Rural Development Programs
 - 14. Award of the Assignment Pertaining to Assessment of the Riskiness of the Airport Sector and Estimating Fair Rate of Return on Equity (ROE)
 - 15. Independent Review of Compliance to Odisha FRBM Act
 - 16. Have Newly Created Indian States Promoted Inclusive Development? A Comparison of Jharkhand and Chhattisgarh
 - 17. NIPFP-UIDAI Consultation project for Developing Various Models of Business Plan for Continuous Enrolment, Update and other Service Offered/ to be Offered by UIDAI
 - 18. Study on Sharing Small Scale Funding Agreement Documents for Madhya Pradesh State MDG Report 2014-15
 - 19. Study on 5th Bihar State Finance Commission Report

ON GOING STUDIES/RESEARCH PROGRAMMES (2013-14)

- 1. Tax Policy and Enterprise Development in South Asia
- 2. Study on Development of an Analytical Model for Widening of the Taxpayers' Base
- 3. NIPFP-DEA Research Programme (4th)
- 4. Research on Business Cycles
- 5. Foreign Borrowing by Indian Firms: Implications for Growth and Macroeconomic Stability
- 6. Did QE unleash a Monetary Tsunami? An Exchange Market Pressure Approach
- 7. Macro-Economic Policy Modelling for 12th Plan Period
- 8. Macro Econometric Modelling for the 14th Finance Commission
- 9. Financing for Infrastructure Investment in G-20 Countries
- 10. What is the Quality of Governance Across Indian States, and does it Matter?

WORKING PAPER SERIES

- 1. Fiscal Reforms, Fiscal Rule and Development Spending: How Indian States have performed? (Working Paper No.122, April 2013).
- 2. Improving Public Financial Management in India: Opportunities to Move Forward (Working Paper No.123, April 2013)
- 3. The Investment Technology of Foreign and Domestic Institutional Investors in an Emerging Market (Working Paper No.124, June 2013)
- 4. Fiscal Multipliers for India (Working Paper No.125, September 2013)
- 5. Foreign Investment in the Indian Government Bond Market (Working Paper No.126, September, 2013).
- 6. Integrated Time in Public Policy: Any Evidence from Gender Diagnosis and Budgeting (Working Paper No.127, October, 2013)

7. Gender Responsive Budgeting as Fiscal Innovation: Evidence from India on “Processes” (Working Paper No.128, January 2014)
8. Revival of Mining Sector in India: Analysing Legislations and Royalty Regime (Working Paper No.129, January 2014)
9. Exchange Rate Regimes and Inflation: Evidence from India (Working Paper No.130, February 2014)
10. Monetary Policy Analysis in an Inflation Targeting Framework in Emerging Economies: The Case of (Working Paper No.131, February, 2014)
11. Direct and Indirect Use of Fossil Fuels in Farming: Cost of Fuel-price Rise for Indian Agriculture (Working Paper No.132, February 2014)
12. Action Plan on Base Erosion and Profit Shifting: An Indian Perspective (Working Paper No.133, March 2014)
13. Development Disability Index for Hill States in India (Working Paper No.134, April 2014)
14. Room at the Top: An Overview of Fiscal Space, Fiscal Policy and Inclusive Growth in Developing Asia (Working Paper No.135, April 2014)
15. Exploring Policy Options to Include Petroleum, Natural Gas and Electricity under the Proposed Goods and Services Tax (GST) Regime in India (Working Paper No.136, May 2014).
16. Dependence of States on Central Transfers: State-wise Analysis (Working Paper No.137, May 2014)
17. Modeling India’s External Sector: Review and Some Empirics (Working Paper No.138, May 2014)
18. Three Decades of Human Development Across Indian States: Inclusive Growth or Perpetual Disparity? (Working Paper No.139, June, 2014)
19. Groundwater Irrigation in Punjab: Some Issues and Way Forward (Working Paper No.140, August 2014)
20. Finance Commission of India’s Assessments: A Political Economy Contention between Expectations and

Outcomes (Working Paper No.141, September 2014).

TRAINING PROGRAMMES/WORKSHOPS (up to March 2014)

1. A three-day Conference on Economic Theory and Policy organized by NIPFP in partnership with the Jawaharlal Nehru University and Kagawa University at NIPFP, February 20-22, 2014
2. 9th Refresher Course in Public Finance in Public Economics and Policy for University and College Teachers and Researcher from South Asia Region during May 20 to June 14, 2013
3. Monetary and Fiscal Policy for Officer Trainees of Indian Economic Service during June 24-28, 2013
4. Mid-career Programme on Fiscal Policy and Expenditure Management for Officers of Indian Civil Accounts during August 5-9, 2013
5. Fiscal Policy and Macroeconomic Management for Indian Administrative Service (IAS) at NIPFP during August 19-23, 2013
6. Mid-career Programme on Fiscal Policy and Expenditure Management at YASHADA, Pune for Officers on Government of Maharashtra during August 26-30, 2013
7. Public Finance for Officer Trainees of Indian Audit and Accounts Service (IAAS) during February 3-14, 2014.
8. Public Finance for Indian Economic Service Probationers May 12-16, 2014
9. Fiscal and Monetary Policy for Indian Statistical Services Probationers June 16-20, 2014
10. Fiscal Policy and Macro-economic Management for IAS Officers June 16-20, 2014.
11. Training and Assistance Programme in Public Debt Management for the Officers of the Comptroller and Auditor General of India September 29-30, 2014
12. Policy Engagement Workshop on Tax Policy and Enterprise Development in South Asia October 15, 2014
13. NIPFP-DEA Conference on Next Generation Fiscal Reform Frameworks to deliver affective counter-cyclical Policy: Indian and International Experiences at Goa December 12-13, 2014.

Statement on Surrender and Savings during the Financial Year 2013-14

During the Financial Year 2013-14, against a budgetary provision of ₹ 10217.93 crore including the Supplementary Grants, an expenditure of ₹ 2620.12 crore was incurred, resulting into savings and surrender of ₹ 7597.81 crore. These savings are the net effect of the total savings of ₹ 7661.55 crore and total excess of ₹ 63.74 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 ₹ 2.87 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 No	Sub-Head/Scheme/No Programme	Savings (Net)	Remarks/Reasons
1	National Institute of Public Finance & Policy	1.87	Due to adjustment of the unspent balance from the earlier grants
2	Transfer to National Fund for Control of Drug Abuse	1.00	As sufficient funds were available with NFCDA, no further grant was released.

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

During the FY 2013-14, there were delays in execution/implementation of few schemes/projects which led to a savings of ₹ 7602.45 crore. Some of the schemes where these savings were observed are as follows:

(₹ in Crore)

Sl No	Sub-Head/Scheme/No Programme	Savings (Net)	Remarks/Reasons
1	Compensation to States for the revenue loss due to phasing out of CST	7359.49	Due to the decision taken by the Government not to provide CST compensation beyond 2010-11.
2	Special Purpose Vehicle for Goods & Services Tax Network	97.22	Due to delay in full-functioning of the GSTN.
3	Construction of Rajaswa Bhawan	87.00	Requirement of funds was less owing to slow progress of work.

(₹ in Crore)

Sl No	Sub-Head/Scheme/No Programme	Savings (Net)	Remarks/Reasons
4	Income Tax Overseas Units	19.54	Non-filling of vacant posts and delay in setting up of ITOUs
5	Enforcement Directorate	10.29	Due to non-filling up of newly sanctioned posts and setting up of new zonal/sub-zonal offices.
6	Department of Revenue óSecretariat	13.61	Due to non-extension of TINXSYS Project beyond 31.3.2013, non-filling up of vacant posts and economy measures.
7	Financial Intelligence Unit	4.53	Due to less requirement of funds for FINnet Project and economy measures.
8	Central Bureau of Narcotics	5.47	Less requirement for administrative expenses
9	Neemuch Alkaloid Works óOther Expenditure	5.30	Due to less charging of opium and reduction in the rate of opium charged.

(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 ₹ 61 crore was surrendered. These schemes are summarized below:

(₹ in Crore)

Sl No	Sub-Head/Scheme/No Programme	Savings (Net)	Remarks/Reasons
1	Compensation to States for Revenue loss due to Introduction of VAT	51.00	Funds were surrendered as the e-stamping & e-registration scheme could not be finalised
2	Grants to States for VAT related expenditure	10.00	Due to less requirement of funds projected by the States/UTs for implementation of MMP-CT projects.

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.

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 Board consists of a Chairman and six Members. It is the cadre controlling authority for the Income Tax Department. It employs a workforce of 42,069 officers and staff as against the sanctioned strength of 75,092 of which approximately 21.68% are Gazetted officers in Group -A and -B categories and the remaining are non-Gazetted employees in Group -B and -C categories.

1.2.1 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) Principal Directorate General of Income Tax (Risk Assessment)

1.3 Various Principal 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) 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 income tax related crime machinery. 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 Pr. 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 a presence in 530 cities and towns across India, having a taxpayer base of around 4.70 crore.

1.4 The National Academy of Direct Taxes (NADT) stationed at Nagpur along with Regional Training Institutes at different locations function 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 2015 - 16

Sl. 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	5	6	7	8
			4(i) Non-Plan Budget	4(ii) Plan Budget			
	Major Head 2020- Collection of Income Tax; Information Technology		525.00 (Projected)	-			
I.	Perspective Plan for TAXNET Phase-III of Comprehensive Computerisation			Network of Income Tax Offices across the country	Ongoing Activity.	Contract Extended till 31.12.2015 with an estimated expenditure of Rs. 34.08 crores. Select of New vendor underway.	
		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. 2014-15 and 2015-16 is Rs. 23.25 crores.	
II.	Tax Information Network (TIN)				Ongoing	Estimated expenditure for F.Y. 2015-16 is Rs. 9.1 crores (approx.)	
III.	Tax payer services -Aayakar Sampark Kendra (ASK)			Call Centre Services	Easy and convenient dissemination of information	Ongoing	Estimated expenditure of Rs. 5 crores.
IV.	Refund Banker Make the refund process completely automated, speedy and transparent			<ul style="list-style-type: none"> • Determine, generate, issue, dispatch, credit and safe delivery of Income Tax refunds. • A web based status tracking facility 	<ul style="list-style-type: none"> • State Bank of India (SBI) designated as Refund Banker. 	Ongoing	The amount of estimated expenditure for F.Y. 2015-16 is Rs.33 crore (approx.)

1	2	3	4	5	6	7	8
			4(i) Non-Plan Budget	4(ii) Plan Budget			
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"> Accurate matching of Tax credit Defaulter Accounting and Correction. 	Ongoing Project	The projected expenditure on this project for F.Y 2015-16 would be 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 skilled up to process over 3.30 crore returns.	<ul style="list-style-type: none"> Better Taxpayer Services and reduced grievances. 		Projected volume of processing of returns for F.Y. 2015-16 is around 3.2 crores with an estimated expenditure of Rs.195 Crore.
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		Deliverables are being finalised in the RFP for selecting Implementation Agency	<ul style="list-style-type: none"> (i) Widen and deepen tax base (ii) Improve compliance with tax laws (iii) Detect fraud and leakage of revenue (iv) Support Investigation (v) Increase effectiveness of tax collection (vi) Monitor high risk scenarios 	The selected Service Provider F.Y. 2015-16 is Rs. 50 lakhs will implement (approx.) as payment to the project within 30 months of signing the contract	Estimated expenditure for Consultant
VIII.	E-filing of Returns and Forms & Web Enabled Services	To improve e-delivery of taxpayer services		<ul style="list-style-type: none"> 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 During F.Y. 2015-16, it is Forms, all Forms, estimated that about of Rs. as approved and 4.2 crore ITRS/ Forms will notified have be e-filed and the projected been e-enabled. outflow is Rs. 44.27 crores.	

1	2	3	4	5	6	7	8
			4(i) Non-Plan Budget	4(ii) Plan Budget			
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 & Maintenance of new application.	New ITD Application Project has dependencies on various factors including testing & certification. Any delay in this regard can impact timelines.	
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.	0.7		BI application has been procured and is under testing mode	Generation of various MIS reports on Revenue A/C of Direct Taxes & automating the whole process	One year	The estimated expenditure would be Rs. 37 crores for F.Y. 2015-16.
2. Implementation of To have online Unified Video interacting of Pr.CCA/ Conferencing on line CCA/CA with ZAOs 20 ZAOs in 1st phase (5 ZAOs from each Zone)		0.5		Physical meeting may be avoided		One year (Phase wise in various ZAOs)	Implementation of B.I. application would result in generation of various reports of Revenue Collection and various other customized reports.
3. Running of multi- protocol level monitoring system for switching virtual revenue as well as private network.	To implement an online expenditure for the Income Tax Department	0.6					All the 24 old ZAOs are connected though VPN from HQ which is being used for transmission of Data. Approx payment of Rs. 60 Lakhs is paid to BSNL for the same.

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 Payers services and also introduced objectivity leading 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, which was introduced for the first time in 2006-07.

Electronic filing of I-T returns has risen from around 4 Lakh in Financial Year, 2006-07 to 296.81 Lakh in Financial Year 2013-14. In Financial Year, 2014-15, nearly 243.31 Lakh returns were received up to 31st December, 2014 as compared to 212.75 Lakh returns for same period in Financial Year 2013-14, representing a growth of around 14.2%.

During F.Y. 2014-15, 30 lakh e-forms were e-filed (up to 31st Dec 2014).

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

CPC has achieved following land marks:-

- a. CPC has processed a total of 8.87 Cr returns upto 31st Dec, 2014 since inception using a Departmental officer/ staff of 35 persons only. In FY 2014-15, CPC processed 2.65 Cr e-filed returns upto 31st Dec, 2014.
- b. CPC has the capacity to process 3.8 Lakh returns per day or over 5 Cr returns every year.
- c. Average processing time has reduced from around 12 months before CPC was established to around 65 days from receipt of return at CPC.
- d. CPC has issued refunds of over Rs 74,448 Cr electronically since inception to taxpayers without any interface with an average interest paid of around 4.92%, saving the Government over Rs 6,732 Cr in comparison to manual processing earlier.
- e. 60 call centre agents attend to over 4000 calls daily in 3 languages totalling to nearly 28 Lakh calls upto March 31st 2014 since inception.
- f. Over 22 Cr email intimations and 15.8 Crore SMS alerts have been sent by CPC.
- g. CPC has been given the National öGoldö E-governance award for Business Process Re-engineering in 2010-11. CPC was awarded öISO 15489-1: 2001ö certificate (Record Management Standard) by British Standards Institution (BSI). It was the first institution in the world to receive this certification.

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 results of the pilot project are encouraging with 8,57,218 returns filed. Self Assessment tax of Rs. 2,031.76 Crore and Advance Tax of Rs. 1,536.43 Crore has also been paid.

4. New Application For Business Process of ITD

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 Project is expected to be rolled out in mid-2015 but as a precursor thereto in 2014-15 the following milestones have been achieved:-

- 1. Migration of Data in the data Centre to the new state-of-the-art Hardware form the legacy System
- 2. Roll out of New Email Solution
- 3. Migration of Users as a consequence of Cadre Restructuring
- 4. Development in part of a Technology Training Centre.

5. Project Name: Project Insight

The Income Tax Department has initiated öProject Insightö 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 2015 and would be operational by 2017.

6. Centralised Processing Cell TDS (CPC TDS) 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. The TDS mismatch has been brought down to less than 3% of the tax returns filed. Highlights of CPC TDS project are:

- a. 13.6 lakh deductors have registered on the CPC-TDS portal to avail various online facilities.
- b. **2 Crore** TDS statements involving 120 crore number of transactions have been processed till date in last two financial years issuing more than **90 lac** intimations to the deductors
- c. More than 1 lakh online rectification statements have been processed with a turn around time of 24 hours.
- d. More than 20 crore TDS certificates have been downloaded by deductors.

7. Aayakar Seva Kendras (ASKs) 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. Aayakar Sampark Kendra: A National Call Centre and 4 Regional Call Centers are operational from 8 AM to 10 PM from Monday to Saturday to furnish information to tax related queries.

9. OLTAS (Online Tax Accounting System)

During Financial Year, 2014-15 (till Dec 2014) the count and amount of tax payment challans handled through OLTAS was more than 3.08 crore and Rs. 5,42,535.25 crore respectively.

10. The Refund Banker Scheme

Refund Banker Scheme ensures that taxpayer gets his refunds directly into his bank account. 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.

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.

Information Technology Initiatives in the Office of Principal Chief Controller of Accounts (PCCA), CBDT:

1. RAMS Project :- A computerized Revenue Accounts system, called RAMS (Revenue Accounting Management Software), has been developed with the help of NIC. Banks upload challans on a portal of this office which is called Challan File Management System (CFMS) from where it is downloaded by ZAOs and he incorporates these files in to RAMS on daily basis and upload the detailed revenue account for direct taxes on e-lekha portal of Controller General of Accounts. Further, the put through from Reserve Bank of India (RBI) is also automated. Now there is a project going on for consolidation of data in a centralized data server and employ Business Intelligence tools so that various MIS are generated on automated basis. Apart from this other automated accounts packages such as compact, e-pension, MPLS VPN, e-payment is in operation. The Receipt Accounting Management Software has been implemented in 52 Zonal Accounts Offices.

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;

2. E-Payment Project: Implementation of e-payment system was implemented in O/o the Pr.CCA, CBDT and its 52 Zonal Accounts Offices as mandated by Finance Minister. E-Payment system results in implementation of electronic payment thus resulting in generation of electronic advices directly to banks and discontinuation of present cheque issuing system to a great extent.

3. Unified Conferencing System: Office of Pr. CCA, CBDT will be benefited to have Unified Conferencing System where by officers may interact using web enabled software with its 52 Zonal Accounts Offices situated all over India. This system shall enable the officers to log from their computer and start conversation like a video conference Moreover, the following features will also form a part of this system:-

- (a) Integrated audio PSTN, Web and Video Conferencing,
- (b) Live meetings can be recorded and played once meeting is done.
- (c) Online training and hand holding.
- (d) Resources can be pre-uploaded and can be shared by any machine.

STATEMENT OF OUTLAYS AND OUTCOMES 2013 - 14

Sl. No.	Name of the Scheme/Programme	Objective/Outcome	Outlay 2013-14 (₹ In Crore)	Quantifiable Deliverables/	Projected Outcomes	Processes/ Timelines	Remarks/ Risk Factors
2	3	4	5	6	7	8	
Non-Plan Budget							
B.E. R.E.							
1.	Major Head 2020- Collection of Income Tax; Information Technology	421	400				
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	The expenditure during FY 2013-14 was Rs. 35.09 Crores.	
	B) Establishment, Monitoring and Implementation of All India Tax Network			Network of Income Tax office across the Country.	Ongoing	The process for selection for new MSP through open tendering process is under progress. Total expenditure of Rs. 38.65 crores has been paid to the existing MSP during FY 2013-14.	
	C) Hiring of Data Centers for primary, BCP & DR sites			• Co-location of Hardware equipments in Data Centres meeting industry standards.	Ongoing	The total expenditure was of Rs. 6.95 Crore for F.Y. 2013-14.	
	D) Physical Storage of arrear PAN forms of period 2003-09.			Archival of physical form of the period, scanning and e-storage.			
	E) Scanning with e-storage of arrear PAN forms of period 2003-09.						

1	2	3	4	5	6	7	8
		Non-Plan Budget B.E. R.E.					
II.	Tax Information Network (TIN)	Hosted by National Security Depository Limited (NSDL) as a depository of information.		<ul style="list-style-type: none"> Facilitating identification of non-filers/stop-filers and cases of short deductions Dashboard facilities for effective monitoring. 	Ongoing	The total expenditure incurred on TIN services during F.Y 2013-14 was Rs. 10 crores (approx.)	
III.	Tax Payersø Services	To have simple, transparent, direct & user friendly Interaction with taxpayers for dissemination of information by means of Help line óAayakar Sampark Kendra(ASK) etc.		Country wide facilities for assistance in e-filing of income tax returns.	Ongoing	The Department has set up a Robust National Call Centre at Gurgaon and four Regional Call Centres at Jammu, Shillong, Jangipur and Kochi.During F.Y. 2013-14, payment of Rs. 5.78 crores were made for Call Centre Services.	
IV.	Refund Banker	Automate the process of Determining, Generation, Issue, dispatch, credit and safe delivery of Income Tax refunds to achieve a faster Turn Around Time.		<ul style="list-style-type: none"> A system driven process, it introduces a third party into the physical issue or credit of refunds so as to make the process speedy and transparent. Web based status tracking facility. 		The total expenditure incurred on Refund Banker services during F.Y 2013-14 was Rs. 34 crores (approx.) .	
V.	Centralized Processing Cell (CPC) TDS	Centralized Processing Cell (CPC) for Tax Deducted at Source (TDS) is a transformational initiative undertaken by the Income Tax Department (ITD) to enable easy filing of TDS/TCS correction statements by deductors / collectors.		<p>Following functionalities previously handled by NSDL have been operationalized at CPC TDS:</p> <p>a) In case of Deductor-</p> <ul style="list-style-type: none"> Download Form 16/16A Download of Consolidated File Download of Justification Report up to FY 2011-12. 	First Phase of the Project went live on 19 Nov 2012. Second Phase of the project completed in FY 2012-13.	Payment of Rs. 10.68 Crores (Rs. 10.35 Crore to M/s Infosys Ltd. & Rs. 33.24 lakhs to M/s Bharti Airtel Ltd.) was made during the Financial Year 2013-14.	

1	2	3	4	5	6	7	8
Non-Plan Budget B.E. R.E.							
				b) In case of Deductee – View and Download Form 26AS			
VI. Centralized Process-	(A) Centralized			CPC became live in September 2009 & has processed over 3.2 crore e-filed returns till F.Y. 2013-14. The volume of processing of returns for 13-14 was around 2 crores		Total Payout was Rs. 65.07 Crore 64.62 crore for processing & others and Rs. 45 Lakh to STQC)	
Bangalore	processing of both paper based and e-filed Income Tax Returns (ITRs).						
	(B) To allow the Department to bring in more efficient processes and modern citizen services offered by the best Tax Administrations across the globe.						
VII. Data Warehouse and Use of information Business Intelligence available with Income (DW& BI) Solution	Business Intelligence available with Income Tax Department to:		Deliverables broadly include: i) Scope of work document for the Consultant ii) Design of the proposed solution iii) RFP for selection of solution provider iv) Preparation of Data Warehouse v) Integration of Business Intelligence tools vi) Implementation and roll out	Specific milestones - finalized after project plan was approved.	The amount spent during F.Y.2013-2014 was Rs. 8.80 lakhs.		
	A) Widen and deepen tax base						
	B) Increase compliance with tax laws						
	C) Monitor Departmental Performance						
	D) Provide inputs for policy making						
VIII. New ITD Application	Re-writing of new ITD application with latest technology with new Hardware & Also to maintain old application		1. Re-writing of New ITD applications, maintenance of old application, development of Technology training Centre, development of test environment,	The project is to be rolled out in 2015 and will be in operation till 2020.	Rs. 1.13 crore has been paid to the consultant.		

1	2	3	4	5	6	7	8	
Non-Plan Budget								
		B.E.	R.E.					
				training of 20,000 employees, development of HRMS module, software development, development of interfaces with NSDL/ CPC Bangalore etc.				
IX. E-filing of Returns & A.	To Allow e-Forms and Web filing of all Forms of the Enabled Services	To improve e-delivery of taxpayer services		<ul style="list-style-type: none"> a. Near 100% uptime especially during peak filing months b. Single interface for e-delivery of taxpayers services c. Enable all direct taxes forms d. Pre-filling and personalization of forms 	Multiple interfaces Public IP/Mobile/VPN	Other than TDS Total Payout during F.Y. forms all other 2013-14 is Rs. 27.02 forms, as Crore (Rs. 26.02 crore & approved and others and Rs. 1 Cr to notified, have STQC) been e-enabled.		

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	Projected Outcomes	Processes/ Timelines	Remarks/ Risk Factors
2	3	4	5	6	7	8	
Non-Plan Budget							
B.E. R.E.							
1.	Major Head 2020- Collection of Income Tax; Information Technology		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.	Maintenance of Data centers.	Ongoing	SI agreement was contracted up to 01.06.2014. Total Rs. 18 Crs have been paid in F.Y. 2014-15 till date.
	B) Establishment, Monitoring and Implementation of All India Tax Network				Offices in 515 cities to access the Central Data Center over the öTaxnetö to perform functions.	Ongoing	Contract with vendor was till 31.12.2014. The estimated expenditure on this project for F.Y. 2014-15 would be Rs. 31.8 crores.
	C) Hiring of Data Centers for primary, BCP & DR sites			• Co-location of Hardware equipments in Data Centres meeting industry standards.	Secured data available at National level for various Management controls.	Ongoing	All the three data centres PDC, BCP and DR are operational. The total expenditure on running three Data centres during current FY 2014-15 (till date) is Rs. 2.95 crs
	D) Physical Storage of arrear PAN forms of period 2003-09.				Archival of physical form of the period 2003-09 period, scanning and e-storage.		The sanctioned expenditure of Rs. 9.09 crs for physical storage cost of 2003-09 period PAN forms. (upto the period 31.03.2012) is

1	2	3	4	5	6	7	8
Non-Plan Budget B.E. R.E.							
							likely to be paid before 31.03.2015.
E) Scanning with e-storage of arrear PAN forms of period 2003-09.							
II. Tax Information Network (TIN)	Hosted by National Security Depository Limited (NSDL) as a depository of information.			<ul style="list-style-type: none"> Facilitating identification of non-filers/stop-filers and cases of short deductions Dashboard facilities for effective monitoring. 	Business intelligence database from AIR to facilitate computer based selection of scrutiny (CASS)	Ongoing	<ul style="list-style-type: none"> Process of identification & selection of a new Service Provider is in process. The estimated expenditure for FY 2014-15 is Rs. 8.3 crore
III. Refund Banker	Make the refund process completely automated, speedy and transparent			<ul style="list-style-type: none"> Determine, generate, issue, dispatch, credit and safe delivery of Income Tax refunds. A web based status tracking facility 	State Bank of India (SBI) designated as Refund Bankers		The number of refunds for F.Y. 2014-15 is expected to be 1.55 crore approx. The estimated expenditure for this project in F.Y. 2014-15 is Rs. 30.84 crore (approx.)
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.	Accurate matching of Tax credit, Default Accounting and Correction through various means.	Ongoing	In the current F.Y. total payment of Rs. 29.87 Crores has already been made till date and invoices of Rs. 50 Crores approx. are pending for which payment is likely to be made till 31.03.2015.
V. Centralized Processing Centre (CPC) Bangalore	Centralized processing of both paper based and e-filed Income Tax Returns (ITRs) etc.				Better Taxpayer Services, lower compliance cost for taxpayers and faster processing which resulted reduced administrative cost.		The projected volume of processing of returns for F.Y. 2014-15 is around 3.4 crores. The estimated expenditure for the year, based on the Cabinet Sanction for the estimated

1	2	3	4	5	6	7	8	
Non-Plan Budget								
		B.E.	R.E.					
VI.	Data Warehouse and Develop a comprehensive Business Intelligence platform to (DW& BI) Project promote voluntary compliance, deter non compliance.			Finalisation of the RFP for selecting Implementation Agency.	Widen and deepen tax base agency.	The Detailed Estimated expenditure for Project Report F.Y. 2014-15 is Rs. 70 lakhs and RFP (approx.) as payment to submitted by the Consultant against Consultant is submission of project under ex- deliverables.	returns of the current year as well as the pending bills of earlier years, is Rs. 232.57 Crores.	
VII.	E-filing of Returns & To Allow e-filing of all Forms and Web Forms of the Income tax Enabled Services 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 at least 4 crore ITRS/ Forms will be e-filed and the projected outflow is Rs. 44.27 crores.	
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.	New ITD application for all types of users and covering various functionalities of Department.	Operation & M/s TCS raised a bill of Maintenance of amount Rs. 9.68 crores in old legacy current F.Y. application, takeover of Data Centres by new + Taxes paid to M/s Bharti venders, data for broadband connectivity Digitization and at PDC. Migration, development and Testing of new ITBA application, user Acceptance Testing & Final Acceptance Testing of New ITBA application and pilot Run of the application.		

1	2	3	4	5	6	7	8
Non-Plan Budget							
		B.E.	R.E.				
I.	Implementation & Compilation of Revenue Running of Revenue Accounting on daily Accounting Management Software	0.7		BI application has been procured and is under testing mode.		One year	Hardware has been purchased and installed in 28 newly created ZAOs Modification/ Up gradation/ Customization of RAMS software successfully implemented in 52 ZAOs.
II.	Implementation of e- payment as mandated by Finance Minister in all 52 ZAOs.	1.00		Physical meeting may be avoided.		One year	Installation of hardware modification/ Up gradation/Customization of e-Payment software successfully implemented in 52 ZAOs.

FINANCIAL REVIEW

STATEMENT SHOWING ACTUAL EXPENDITURE VIS-A-VIS BE/RE PROVISIONS FOR THE YEARS 2012-13, 2013-14 AND 2014-15

(₹ in crore)

Description	2012-13			2013-14			2014-15			
	Major Head	B.E.	R.E.	Actual	B.E.	R.E.	Actual	B.E.	R.E.	Actual upto 31.12.14
REVENUE SECTION										
Collection of taxes on income and expenditure	2020	2994.40	3218.97	3203.47	3677.61	3563.18	3544.23	4234.32	4074.48	3169.40
Collection of Estate Duty, Taxes on Welath and Gift Tax	2031	76.78	82.54	82.09	94.30	91.36	91.04	108.57	104.49	0.00
TOTAL REVENUE SECTION		3071.18	3301.51	3285.56	3771.91	3654.54	3635.27	4342.89	4178.97	3169.40
CAPITAL SECTION										
Purchase of ready built office buidling	4059	777.48	426.20	421.00	546.98	500.00	430.25	700.00	98.50	24.91
Purchase of ready built residential buidling	4216	30.00	6.00	2.46	41.00	23.00	14.65	50.00	50.00	0.85
Acquisition of immovable property under Income Tax Act	4075	1.80	1.80	1.05	2.00	2.00	1.10	2.00	1.50	0.49
TOTAL CAPITAL SECTION		809.28	434.00	424.51	589.98	525.00	446.00	752.00	150.00	26.25
GRAND TOTAL		3880.46	3735.51	3710.07	4361.89	4179.54	4081.27	5094.89	4328.97	3195.65

OBJECT HEAD-WISE EXPENDITURE VIS-A-VIS BE/RE FOR THE YEARS 2012-13, 2013-14 AND 2014-15

(₹ in crore)

Description	2012-13			2013-14			2014-15		
	B.E.	R.E.	Actual	B.E.	R.E.	Actual	B.E.	R.E.	Actual Upto 31.12.2014
Revenue Section									
Salaries	1923.67	2002.09	1998.65	2162.25	2178.57	2187.63	2600.00	2520.99	2035.09
Wages	18.36	18.15	18.15	19.61	21.00	20.85	21.00	25.00	17.42
Overtime Allowance	0.80	0.50	0.43	0.50	0.45	0.43	0.50	0.50	0.29
Medical Treatment	22.00	21.00	21.92	28.00	24.00	24.12	28.00	28.00	16.80
Domestic Travel Expenses	40.00	44.00	43.46	55.00	55.00	48.31	70.00	56.00	33.13
Foreign Travel Expenses	2.10	1.80	1.69	2.50	1.00	0.77	2.00	1.00	0.43
Office Expenses (Charged)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Office Expenses (Voted)	514.00	516.30	513.97	686.00	613.80	653.84	750.00	710.74	467.55
Rent Rates&Taxes	160.00	130.00	128.60	150.00	149.77	153.56	162.00	172.00	120.62
Publications	2.80	2.52	2.24	3.00	2.70	2.35	2.70	2.35	0.84
BCTT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Administrative Expenses	34.15	34.37	31.99	61.42	48.42	44.88	62.45	55.45	45.84
Adv. & Publicity	80.00	79.00	78.40	110.00	90.00	88.46	110.00	83.00	48.13
Minor Works	8.00	8.00	6.81	13.23	13.23	12.57	15.00	15.00	5.49
Professional Services	26.00	30.96	31.50	40.00	40.00	39.02	51.30	46.00	24.80
Contributions	0.40	0.40	0.37	1.40	1.00	0.96	1.40	0.40	0.05
Secret Service Expenses	9.40	8.46	8.04	14.00	12.00	12.53	14.00	12.00	5.64
Other Charges	4.50	3.96	2.17	4.00	3.60	3.14	4.00	2.00	0.63
Information Technology	225.00	400.00	397.17	421.00	400.00	341.85	448.54	448.54	346.64
TOTAL REVENUE SECTION	3071.18	3301.51	3285.56	3771.91	3654.54	3635.27	4342.89	4178.97	3169.40

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Direct Taxes

Summerized Position of Schemes under Outcome Budget 2015-16

(₹ in crore)

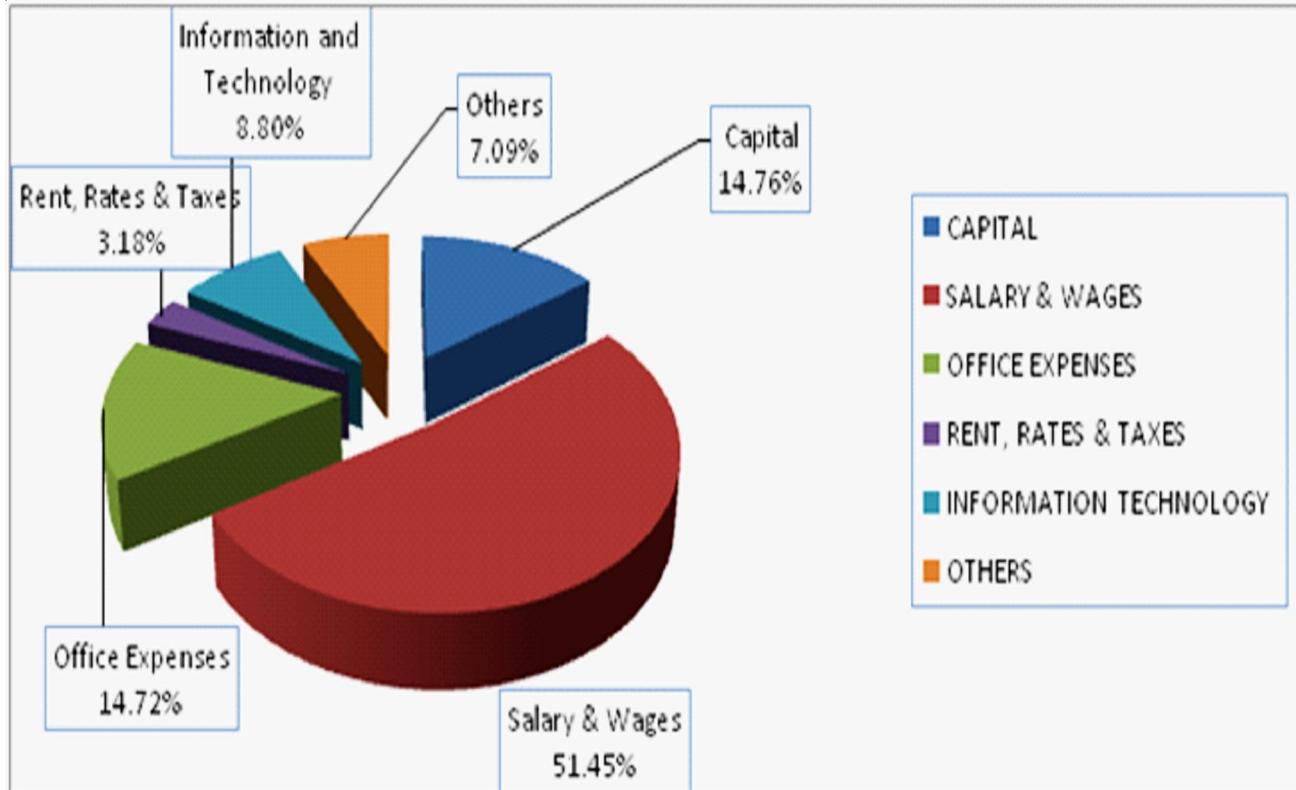
Description	2012-13			2013-14			2014-15		
	B.E	R.E.	Actual	B.E	R.E.	Actual	B.E	R.E	Actual Upto 31.12.2014
Capital section									
MH-4059 Purchase of ready built office building	777.48	426.20	421.00	546.98	500.00	430.25	700.00	98.50	24.91
MH-4216 Purchase of ready built residential building	30.00	6.00	2.46	41.00	23.00	14.65	50.00	50.00	0.85
MH-4075 Acquisition of immovable property under Income Tax Act	1.80	1.80	1.04	2.00	2.00	1.10	2.00	1.50	0.49
TOTAL CAPITAL SECTION	809.28	434.00	424.50	589.98	525.00	446.00	752.00	150.00	26.25
GRAND TOTAL	3880.46	3735.51	3710.07	4361.89	4179.54	4081.27	5094.89	4328.97	3195.65

Analysis of Expenditure Trends in Grant No. 43 – Direct Taxes

During 2014-15 total expenditure incurred upto 31, December, 2014 is Rs.3195.65 crores which works out to be 62.72% of total BE Provision 2014-15. Out of this, the expenditure under Revenue Section is Rs.3169.40 crores which is 72.98% of BE Provision 2014-15 under this section. Provision for Salaries 2600.00 crores against which the expenditure upto 31th December is Rs. 2035.10 crores. Another major Constituent of expenditure under Revenue Section is ‘Office Expenditure’ with a BE Provision of Rs.750.00 crores against which expenditure

incurred upto 31th December, 2014 is Rs. 467.55 crores. Information Technology (O.E) is other important constituent for which provision of Rs. 448.54 crores has been made in B.E. against which the expenditure upto 31th December, 2014 is Rs.346.63 crores. Under the capital section expenditure upto December 2014 is Rs. 26.25 crore which works out to be 3.49% of B.E Provision under this section. The major constituents of B.E 2014-15 are tabulated and Pie graphed as below:-

PARTICULARS	B.E.2014-15	PERCENTAGE (%)
CAPITAL	752.00	14.76
SALARY & WAGES	2621.00	51.45
OFFICE EXPENSES	750.00	14.72
RENT, RATES & TAXES	162.00	3.18
INFORMATION TECHNOLOGY	448.54	8.80
OTHERS	361.35	7.09
TOTAL	5094.89	100



Statement on Surrender and Savings during the Financial Year 2013-14

During the Financial Year 2013-14, against a budgetary provision of Rs. 4361.91 Crores including Supplementary Grant, an expenditure of Rs. 4081.27 Crores was incurred during the year resulting into a saving of Rs. 280.64 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

(₹ in Crore)

Sl. No.	Sub Head/Scheme/Programme	Savings	Remarks /Reasons
1	Research, Statistics and Publication	23.97	Less requirement of administrative expenses. ₹ 23.45 crores has been re-appropriated to other heads.
2.	Organisation and Management Service	97.93	Less requirement of administrative expenses . ₹ 96.29 crores has been re-appropriated to other heads.
3.	Commissioner and their Offices	17.98	Less requirement of administrative expenses . ₹ 6.73 crores has been re-appropriated to other heads.

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

(₹ in Crore)

Sl. No.	Sub Head/Scheme/Programme	Savings	Remarks /Reasons
1	Capital Outlay on Public Works (Office Building)	116.75	Some projects did not materialize due to delay in implementation/non-finalization of proposals such as existing of office cum residential building at Srinagar and at Lucknow, office building at Pune, and DTRTI building at Mohali.
2	Capital Outlay on Housing	26.35	The saving was due to delay in implementation of the housing project at Pune and initiation of Court Case in the housing project at Jammu.

(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 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.

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 Inspection
- 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 of Service Tax
- xiii. Directorate General of Valuation
- xiv. Directorate of Publicity and Public Relations
- xv. Directorate of Logistics
- xvi. Directorate of Legal Affairs
- xvii. Office of Chief Departmental Representative
- xviii. Central Revenues Control Laboratory

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 89878 officers and staff, of which 32.37% are gazetted officers and the remaining are non-gazetted employees.

The activities indicating 'outlays' and 'outcomes' for the financial year 2015-16 are given in the subsequent statement.

STATEMENT OF OUTLAYS AND OUTCOMES 2015-16

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	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	<ul style="list-style-type: none"> 1. Maintenance and support services under WAN project in FY 2015-16. 2. Implementation of WAN in stand-alone ranges. 3. Providing of connectivity at new sites under Cadre Restructuring 4. Recurring Charges for Alternate WAN connectivity at 20 critical locations. 5. Implementation of additional customs sites for Alternate WAN connectivity. 6. Recurring Charges for ELL 200 Mbps connectivity between DC and DR. 	Enabling CBEC's IT services across Customs, Central Excise and Service Tax for about 40,000 registered internal users and about 30

1	2	3	4	5	6	7	8
			4(i) Non- Plan	4(ii) Plan			
				In view of the infrastructure obsolescence and the demand for new services across Customs, Central Excise & Service Tax etc., a comprehensive proposal for a u g m e n t e d infrastructure and services (including Systems Integration) is being processed. OEM professional services . Annual Maintenance and Support Charges for data centre e q u i p m e n t s . Procurements of Critical Infrastructure and software licenses.		lakh registered external users.. Enabling CBEC,s own email domain h t t p : / / webmail.icegate, gov. in for 20,000 users .	
			Provision of local area network to all departmental users	1. Maintenance and support services under LAN project during FY 2015-16 2. Procurement of critical LAN IT infrastructure for new sites under Cadre Restructuring. 3. Implementation of change orders.			
			Establishment of Data Warehouse	Provisioning of Space and Power at all three			

1	2	3	4	5	6	7	8
			4(i) Non- Plan	4(ii) Plan			
					Data Centre of CBEC location in Delhi (DC and BCP) and Chennai(DR)		
				Automation of Central Excise & Service Tax (ACES) Project.	The ACES project is Ensuring a large degree ACES has been under technical of transparency and implemented in all support and reduced interface with 104 Central Excise maintenance. ACES Central Excise and and Service Tax website has been Service Tax assesses Commissionerates made bilingual. through automated and is under Process has been workflow of all business maintenance and initiated for making e- processes payment of Refunds. New 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. Additional functionalities such as detailed MIS Reports covering Registration, Returns, Audit & Refunds, are planned.	The ACES project is Ensuring a large degree ACES has been under technical of transparency and implemented in all support and reduced interface with 104 Central Excise maintenance. ACES Central Excise and and Service Tax website has been Service Tax assesses Commissionerates made bilingual. through automated and is under Process has been workflow of all business maintenance and initiated for making e- processes payment of Refunds. New 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. Additional functionalities such as detailed MIS Reports covering Registration, Returns, Audit & Refunds, are planned.	
				Gateway Project for Customs Up-gradation	ICEGATE provides interface to the trade partners and institutional partners	The upgraded version of ICEGATE for ICES 1.5 is under support and now operational at 120 maintenance locations. It phase. New	Indirect Taxes

1	2	3	4	5	6	7	8	
			4(i) Non- Plan	4(ii) Plan				
					<p>with Customs EDI shares huge amount of functionalities like systems. It exchanges data with the help of > DBK monitoring voluminous trade 127 types of messages system, FE data data through more exchange with various exchange with than 138 EDI trade partners and Govt. RBI, Chapter-3 messages with 19 departments categories of Institutional/ individual stakeholders and other Govt. Agencies like Port Authorities ((IPA), Custodians (Sea Air and ICDs), Banks, Airlines, Shipping lines, Importers/Exporters, CHAs, Pr. CCA, DGFT, Ministry of Steel, RBI, DGOV, D G C I & S , CONCORE, CRIS etc. Remote EDI Systems (RES) of ICEGATE provides not only door step services to all these trade/institutional partners in respect to filing of documents and tracking system, it also provides services from their premises to reply queries raised by the Customs officers during processing of documents for</p> <p>l i c e n s e 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 I C E S - A C E S integration, ICES-SEZ integration, etc. are under discussion . Previous cargo import module has been launched and RMS under Export has also been launched which covers almost 129 major Customs locations presently.</p>			

1	2	3	4	5	6	7	8
			4(i) Non- Plan	4(ii) Plan			
					clearance or for DBK sanctioning. It has reduced transaction cost of Importers/ Exporters and inventory cost of production lines/ suppliers significantly. It provides all the services at a single window.		
			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 identified by the Customs.	A new version of Risk Management System during 2015-16 the (RMS 3.1) compatible RMS in Imports with the ICES 1.5 version and in Exports will has been implemented. be rolled at remaining ICES During the remaining locations where period 2014-15, RMS sizeable BEs/SBs (Import) is scheduled to are filed. be rolled out at 15 additional locations and RMS exports is scheduled to be rolled at 25 additional location.		
			ICES development/ maintenance of ICES 1.0 & 1.5 versions	Design, development, testing, deployment and maintenance of Indian Customs EDI System to automate customs workflow regarding export and import clearances	ICES 1.5 has been rolled out at 124 Customs Electronic Bank locations. This includes realization deployment of EDI in Certificate, New Land Customs Stations CHA Registration such as Attari, Raxaul & Jogbani etc. Module and Duty Calculator etc. and other changes to enhance		

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Indirect Taxes

1	2	3	4	5	6	7	8
			4(i) Non- Plan	4(ii) Plan			
					functionalities and meet changes in policies are continuously developed and added to ICES 1.5		Air-to-Air/ICD Transshipment, Integration of ICES and SEZ online project was implemented and CRCL Module is being rolled out shortly.
			EASIEST for challan processing in FY 2015-16	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, 2014, 57.87 Lac challans have been processed. 99% of upload by the Central Excise Revenue and 93% of Service Tax Revenue is received through e-payment.	Efforts are being made to ensure 100% challan upload by the banks into NSDL compared to the Fund Settlement by Fund Settlement along with challan upload by the Banks can be revenue ascertained. 99% of the accounting.	

1	2	3	4	5	6	7	8
		4(i) Non- Plan	4(ii) Plan				
			EASIEST CENVAT C R E D I T V E R I F I C A T I O N S Y S T E M	Board has, directed DGs to make the Entries in Cenvat verification process as part of the EASIEST project so that all the payments (Cash and Cenvat credit utilization) can be captured in EASIEST and data 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. This measure is expected to augment revenue and to provide a level playing field to the genuine taxpayers who face stiff competition in the market vis-à-vis the tax evaders who misuse Cenvat credit facility to get an undue pecuniary advantage. With this enhanced scope of the EASIEST project,	Projection based on 100 Crores Entries in Annexure Uploading.		

1	2	3	4	5	6	7	8
		4(i) Non- Plan	4(ii) Plan				
					there will be an integrated systems for monitoring cash and Cenvat payments together, which will provide a total picture of the Duty/Tax payments made by an assessee.		
2.	Major Head 4047 - Preventive Functions - Acquisition of ships and fleets	Strengthening Anti-smuggling capability and improved coastal security	8.00	NIL	The payments on spare parts for Cat-I and Cat-II for proper maintenance of vessels to augment efficient sea patrolling in the interest of national security.	The list of spares parts required to be procured by the Directorate has been finalized and will be procured on concurrence of Boat Builder.	
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	NIL	Installation of 4 Fixed X-Ray scanners. Non-intrusive scanning of containers would start at Tuticorin, Chennai, Mumbai and Kandla Ports. The Scanning Systems will help in detection of large number of cases of irregularities. This will also result in increased revenue collection and fast clearance of cargo etc.	One Mobile Scanner has been installed at Tuticorin in March, 2014 and one MGCS at Chennai has been installed in June, 2014 and at Kandla is likely to be installed by March, 2015 by M/s. ECIL, Hyderabad and 4 Fixed X-Ray Scanners are likely to be installed upto June, 2015 by M/s. BEL, Bangalore.	Progress of the project is monitored by the Project Implementation Committee.

1	2	3	4	5	6	7	8
			4(i) Non- Plan	4(ii) Plan			
Drive Through Scanner (Road) (3 Nos.)	Facilitate cargo clearance, efficient handling of increased volume of container traffic, improved Customs control through non-intrusive examination.		Installation of 3 Drive Through Container Scanners(Road)	Non - intrusive scanning of Container containers at JNPT, (Road) are proposed to be installed at JNPT, Ports. The Drive Through Container Scanners (Road) have Global tender has been floated for procuring speed which will help scanners for JNPT, in detection of large Cochin and Mundra the number of cases of same are being irregularities. This reevaluated by TEC. will also result in increased revenue collection and faster clearance of cargo etc.	3 Scanners	Through the CNE has approved.	
Container Scanners (Fixed/Mobile)	Land for existing scanners already installed		Lease rental fee charges to be paid to Port Trust authorities towards land lease rent for installation of container scanners at Chennai, Tuticorin, Kandla and Mumbai Ports.		These are annual land lease rentals which are required to be paid every year.		
Personal Radiation Detector(PRD)& Radionuclide Identification Device(RID)	To prevent smuggling of radiation material.		Installation of 130 Nos. Personal Radiation Detectors (PRD) and 26 Nos. Radio Isotope Identifiers (RID). Each PRD cost is Rs. 25.0 lakh approx. and RIDs cost is Rs. 30 lakh approx. and tentative amount of Customs duty @ 20% payable towards Import of PRDs and RIDs.	These PRDs and RIDs would enable Customs Officers deployed at key entry/ exit points to detect any radio activity in the Port. This would strengthen the security at ports and would also enhance the human safety at Ports.	The purchases are likely to be made in 2015-16		

1	2	3	4	5	6	7	8
			4(i) Non- Plan	4(ii) Plan			
XBIS (76 Nos.)	To ensure faster clearance of goods by use of these equipments		76 Nos. XBIS.	XBIS would help in quicker examination of passenger's baggages at airports, air cargos etc. and would strengthen the interdiction capabilities of Customs at such location.	The tender of purchase of 76 XBIS has already been floated. The supply and installation of 76 XBIS is likely to be completed in 2015-16.		
Videoscopes (90 Nos.)	The Non-intrusive examination of vehicles and other cargo trucks shall be carried out in place of physical examination.		90 Nos. Videoscopes @ Rs. 20.0 lakhs approx. per videoscopes	Videoscopes would enable Customs Officers to view the inaccessible areas which otherwise cannot be viewed with a naked eye. This would enhance the enforcement capabilities of anti smuggling units of Customs, DRI etc.	An action plan to purchase 90 Videoscopes for field formation of CBEC has been approved by the Board. The purchase is likely to be made in 2015-16.		
Mail Scanners (10 Nos.)	In the increased volume of mails at FPOs, the scanner would facilitate officers in detecting contrabands being smuggled through Parcels.				Tender has been approved and the process for procurements under way.		
4. Major Head 4059 - Acquisition of Office Accommodation	To acquire new office accommodation	350.00	NIL	Acquisition of new office accommodation will bridge the shortfall in requirement of office space	Will increase the efficiency of the department	For construction of a new office complex for National Academy of Customs, Excise & Narcotics (NACEN) at Bangalore.	Payment in such cases depends on various formalities involving consultation with different concerned authorities.

1	2	3	4	5	6	7	8
			4(i) Non- Plan	4(ii) Plan			
					Construction of NACEN Complex at Hyderabad.		
					Construction of building at NACEN, Hindupur.		
					Construction of Office Complex for Delhi-II Commissionerate at Nangal Raya, New Delhi.		
					Construction of office at Tirupati.		
					Construction of office at Hapur, Meerut.		
					Construction of RTI, Chennai		
					Purchase of office building at Guwahati.		
					Purchase of ready built office space at NBCC, Okhla, New Delhi.		
					Purchase of land for office accommodation at Chandigarh-I.		
					Purchase of land at Ranga Reddy, Hyderabad.		
					Purchase of land for DRI, Kolkatta Zonal Unit.		
					Purchase of land for DRI, Ahmadabad Zonal Unit.		
					Purchase of land for office & residence at Rourkela, Bhubaneswar.		
					Purchase of land for Central Excise & Service Tax		

1	2	3	4	5	6	7	8
			4(i) Non- Plan	4(ii) Plan			
					Commissionerate, New Delhi.		
					Purchase of land for Custom House office at Devanhalli, Bangalore Commissionerate.		
					Purchase of Ready Built Office Space at NOIDA.		
					Purchase of building from UTI, Mumbai.		
					Purchase of ready built office space at NBCC Plaza, Saket, New Delhi.		
					Payment of one time repair and upgrading Central Excise Office, Churchgate, Mumbai.		
5.	Major Head 4216 - Acquisition of Residential Accommodation	To acquire new residential accommodation.	50.00	NIL	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.	Purchase of ready built accommodation at Vijayawada from Vijayawada Municipal Corporation. Purchase of land for residence at Devanhalli, Bangalore Commissionerate. Purchase of ready built accommodation from TNHB at Chennai. Construction of residence FLATS at Dwarka, Deolhi - I Commissionerate.

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 four 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 that were installed in 2004 and 2005 respectively. Two Mobile Gamma Ray Container scanners commissioned at Tuticorin Customs in March, 2014 and at Chennai Customs in the month of June, 2014.
- One Mobile Gamma Ray Container scanner for installation at Kandla has reached at site and will be installed by March, 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 all the Fixed X-ray Container Scanners are expected to be installed by June, 2015.
- 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 hour in drive through mode. Ministry has taken a decision to install drive-through container scanners (Road) at Mundra, JNPT and Cochin and CNE has approved the proposal. Tender has been floated for procurement and installation of three Drive-through container scanners (Road) at Cochin, Mundra and JNPT as approved by Ministry. All three Drive through Container scanners (Road) are expected to be installed in 2015-16.
- Committee of Secretaries in the meeting held on 18/10/2010 had decided that Radiation detection systems may be set up at the 26 designated ports of entry where movement of unshredded metallic waste and scrap is presently being permitted. Procurement process of 130 PRDs and 26 RIDs has been initiated.
- The department is under process of procuring 76 XBIS for CBEC field formations. These XBIS are multi-energy Dual view in 04 categories generated by two X-rays generators placed at right angle to each other computerised colour X-ray Baggage Inspection Systems.
- With a view to expedite examination/inspection as well as ensuring effective law enforcement, it is proposed to procure and install Videoscopes at several locations in the country. This would enable the Customs officers to view inaccessible areas to the naked eyes. Board has approved action plan to procure 224 Videoscopes over a period of three years and out of which procurement process for 90 videoscopes has been initiated.

- 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:-

Category of Vessels	Features	Purpose
Category-I (24 vessels)	Speed – 25 knots, 20M length with high endurance	Coastal patrolling and surveillance
Category-II (22 vessels)	High Speed-40 knots, 12M length with less endurance	Immediate interception of suspected vessels
Category-III-A (30 vessels)	Speed – 30 knots, 9M length with low endurance	Useful in shallow waters, creeks and harbours
Category-III-B (33 vessels)	Speed – 35 knots, 6M length with low endurance	Useful in shallow waters, creeks and harbours

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. 191.42 crores upto 31.03.2014 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, in the expenditure budget of 2015-16 also, Rs. 50.00 crore have been provided on this account.

Review of Past Performance
STATUS OF OUTCOME WITH REFERENCE TO OUTLAYS 2013-14

S. No.	Name of the Scheme/ Programme	Objective/Outcome	Outlay 2013-14 (₹ In Crore)	Quantifiable Deliverables/ Physical Outputs	Processes/ Timelines	Risk Factors	Status as on 31st March 2014
1	3	4	5	6	7	8	
2	4(i) BE	4(ii) RE					
1.	Major Head 2037 and 2038 - Information Technology	Strengthening of IT capability for e-governance	152.00	147.00 - Setting up of an All-India Wide Area Network (WAN). SYSTEMS INTEGRATION (SI) Installation of Central servers (hardware, storage and security infrastructure) etc.	The Wide Area Network (WAN) has been implemented at 528 sites. The work at remaining 16 sites is in progress. Helpdesks have been provisioned to address user complaints on WAN issues. ● Three National Data Centres are in operation with System uptime of > 99%. Centralized monitoring and security management on 24*7*365 basis. ● A 11 centralized business software applications such as Indian Customs EDI system (ICES), Central Excise and Service Tax application (ACES), Enterprise Data Warehouse (EDW), Currency Declaration Form	<ul style="list-style-type: none"> ● This Project is under support and maintenance phase. ● This Project has been awarded ISO 270001 certificate in July, 2011 by STQC and award for “Security in e-governance” by Data Security Council of India (DSCI) in December 2012 	

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
					(CDF) and Interactive Tariff etc. are being hosted from these Data Centres.		
					<ul style="list-style-type: none"> ● Websites such as cbec.gov.in, icegate.gov.in and aces.gov.in are running from this central infrastructure. This Infrastructure also supports department's email domain webmail.icegate.gov.in for mail messaging solution to over 20,000 internal users ● A 24*7*365 SI helpdesk is in operation for resolution of end user problems. A Network & IT Operations Centre (NOC) is available to provide support to applications users and pro-active monitoring of the infrastructure. ● New Modules of ICES applications have been rolled out on the existing infrastructure 		

1	2	3	4	5	6	7	8
		4(i) BE	4(ii) RE				
				^ Sea to Sea Transhipment Module ^ Containers selection Module			
		Provision of local area network (LAN) to all departmental users	Provision of local area network to all Departmental users.	Local Area Network Connectivity has been provided to CBEC users	The LAN has been implemented and provided to CBEC users is under support in 1177 buildings with requisite IT hardware such as Thin Clients, Help Desk Facility Network Printers, Print Servers, Scanners etc.	The LAN has been implemented and provided to CBEC users is under support in 1177 buildings with requisite IT hardware such as Thin Clients, Help Desk Facility Network Printers, Print Servers, Scanners etc.	The LAN has been implemented and provided to CBEC users is under support in 1177 buildings with requisite IT hardware such as Thin Clients, Help Desk Facility Network Printers, Print Servers, Scanners etc.
		Establishment of Data warehouse.	Data Warehouse is a centralised repository of all Various Customs, Central reports on Excise and Service Tax Data which would be available to all users over MPLS network (CBEC WAN) friendly interface, for analytical reporting including data mining.	The project has been timely implemented. The Data Warehouse is under support and maintenance phase.	The project has been timely implemented. The Data Warehouse is under support and maintenance phase.	The project has been timely implemented. The Data Warehouse is under support and maintenance phase.	The project has been timely implemented. The Data Warehouse is under support and maintenance phase.
		Automation of Central Excise & Service Tax (ACES)	Ensuring a large degree transparency and reduced interface with ACES has been implemented in all 104 Central Excise and Service Tax Commissionerates	E-filing on Central Excise and Service Tax has been made mandatory			

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
					Central Excise and Service Tax assesses through automated workflow of all business processes.		●As per Hon'ble FM directions process has been initiated for making e-payments of refunds .
		Gateway Project for Customs upgradation	This project aims to link the Customs Trade Partners and Institutional Partners. It exchanges trade data through more than 127 EDI Messages with 19 categories of institutional/ trade partners and other Govt. Agencies. It provides documents Tracking and Enquiries System, Daily Reports and DTRs, Transmission of data between trade community and other Regulatory authorities, Sharing data related to filing and assessment with users, Online customs duty payment through e-payment gateway, Export incentive disbursement and 24x7 Help Desk facility. It has reduced transaction cost of	This project aims to link the Customs Trade Partners and Institutional Partners. It exchanges trade data through more than 127 EDI Messages with 19 categories of institutional/ trade partners and other Govt. Agencies. It provides documents Tracking and Enquiries System, Daily Reports and DTRs, Transmission of data between trade community and other Regulatory authorities, Sharing data related to filing and assessment with users, Online customs duty payment through e-payment gateway, Export incentive disbursement and 24x7 Help Desk facility. It has reduced transaction cost of	The upgraded version of ICEGATE for ICES 1.5 under support and is now operational at 115 maintenance Customs locations.	This Project is ICEGATE for ICES 1.5 under support and is now operational at 115 maintenance Customs locations.	

1	2	3	4	5	6	7	8
		4(i) BE	4(ii) RE				
				importer/exporters and inventory cost of production lines / s u p p l i e r s significantly.		been launched	
		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 identified by the Customs.	Risk Management System (RMS 3.1 version) compatible with ICES 1.5 is operational in 89 Customs locations. RMS for export cargo has been implemented at ICD Patparganj and ICD Mulund and is now rolled out at total 88 Customs Locations	Risk Management System (RMS will be implemented at additional sites and in the extent of trade facilitation being provided will be enhanced.)	It is planned that RMS will be implemented at additional sites and in the extent of trade facilitation being provided will be enhanced.	
		Limited purpose proof of concept / pilot system for Establishment of Common Portal for Goods & Service Tax (GST)	Conducting 'As Is' study of existing IT infrastructure and processes for all States/UT CTDs and Centre, development of the Registration, Returns, and Payment modules of the pilot portal, DPR preparation for GST rollout and maintenance phase of six months for the developed applications.	Development phase for the modules of the pilot portal has ended and the 31.03.2013.	The pilot phase got completed on delivery of 'As Is' reports and modules of the development phase have been presented and discussed at various forums of Centre and States.		

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
					ICES development / Design, development, Project is in maintenance New modules to maintenance of ICES 1.0 & testing, deployment phase along with enhancement and maintenance of development of functionalities and Indian Customs EDI additional modules. The meet changes in System to automate Automation of precious policies are customs workflow cargo import module has continuously regarding export and been launched in developed and import clearances January,14 added to ICES 1.5.		
				EASIEST	The objective is to make available accurate tax payment data from banks for revenue and tax payer accounting. Data through all modes of payment including e-payment is captured by the banks in the agreed format and uploaded in electronic form and made available to the Department. EASIEST e-payment portal was developed for improving data quality of e-payments.	During 2012-13, 59.89 Lac challans have been made to ensure uploaded. 98% of the 100% challan revenue in Central Excise upload by the and 87% of revenue in banks into NSDL Service tax was through site. This will e-payment. ensure that all the revenue are reported and accounted for in the website.	
2.	Major Head 4047 - Preventive Functions - Acquisition of ships and fleets	Strengthening Anti-smuggling capability and improved coastal security	17.95	7.00	Provide Customs field formations with 109 modern fast boats.	Modern fast vessels will strengthen anti-smuggling capability of Customs - An amount of Rs. 4.00 Crores in the Financial year 2013-14 has been released in December,	- All 109 Boats have been received and deployed.

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
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.	82.00	50.65 Installation of 3 Mobile Gamma Ray Scanners at Tuticorin, Chennai and Kandla by M/s ECIL, Hyderabad; installation including civil construction for 4 Fixed X-Ray Scanners at Tuticorin, Chennai, Mumbai and Kandla by M/s BEL, Bangalore; both at total project cost of ₹172.94 crore (non-recurring) and ₹18.61 crore per annum (-recurring)	The Scanning Systems 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.	Because of inadequate manpower, material and machinery by M/s ECIL, Hyderabad and M/s BEL, Bangalore; commissioning of the projects have been inordinately delayed. The matter has been brought to the notice of Secretary (Atomic Energy) and Secretary (Defence Production).	GAMMA RAY SCANNERS Gamma Ray scanners were to be installed by February, 2013. However, the project has been delayed due to inadequate deployment of manpower, machinery and material. Project at Tuticorin could be commissioned in March 2014, after a delay of 16 months.
					Fixed X-Ray Scanners: Fixed container scanners will be installed upto June, 2015, in different phases due to delay on account of inadequate deployment of		

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
					m a n p o w e r , machinery and material.		
4.	Major Head 4059 - To meet shortfall in Office 47.91 Acquisition of Accommodation Office Accommodation		21.70	The purchase of office accommodation will bridge the shortfall in requirement of office space.	The availability of Payment in such cases adequate own office depends on various space would increase formalities involving the efficiency of the consultation with department.	-For construction of a new office complex for National Academy of Customs, Excise & Narcotics (NACEN) at Bangalore. Purchase of building from UTI, Mumbai, payment in respect of NBCC, Plaza and purchase of office building at Guwahati and for other small proposals likely to be made.	-Payment of stamp duty and other charges to be made to local authority i.e. Municipal Corporation of Greater Mumbai in respect of building purchased from Specified Undertaking of Unit Trust of India in November, 2006

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
5.	Major Head 4216 - To meet shortfall in Acquisition of Residential Accommodation	1.34		3.36 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.	at Mumbai.	The proposals involve obtaining clearance from CPWD, Ministry of Urban Development, SFC etc. after following the due procedure prescribed in GFRs.

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 (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	221.31	Setting up of an All India Wide Area Network	<p>1. Maintenance of WAN project and implementation of change orders during FY 2014-15.</p> <p>2. Bandwidth Augmentation at 399 sites and 3 Data Centres.</p> <p>3. Internet Bandwidth augmentation at Data Centres.</p> <p>4. Extending WAN at 100 additional sites.</p> <p>5. Alternate WAN connectivity at 20 critical locations.</p> <p>6. Implementation of IPv6.</p>	The Wide Area Network (WAN) has been implemented at 528 sites. The network b a n d w i d t h provisioned at more than 350 sites out of these 528 has also been augmented to cater the increased work load.	
				<p>S Y S T E M S INTEGRATION (SI)</p> <p>Installation of Central servers (hardware, storage and security infrastructure, etc.)</p>	<p>Support for Facility Management and System Integration services</p> <p>OEM professional services</p> <p>Annual Maintenance and Support Charges for data centre equipments.</p> <p>Procurements of</p>	CBEC has recently upgraded its Data Centre Network and is in the process of replacing obsolete infrastructure which is going out of support. Ongoing maintenance and support services, Facility Management Services, AMC for	

1	2	3	4	5	6	7	8
		4(i) BE	4(ii) RE				
				Critical Infrastructure and software licenses.		t e c h n o l o g y components, Annual Technical Support Services, Managed Services by OEMs.	
		Provision of local area network to all departmental users		1. Maintenance of LAN project during FY 2014-15 2. Procurement/ replacement of LAN equipments like Printers, Switches, Print Servers etc. 3. Implementation of change orders and setting up of additional 1300 LAN Nodes at new sites.		The Local Area Network (LAN) has been implemented at 1177 sites. 24*7 Helpdesks have been provisioned to address user complaints on LAN issues.	
		Establishment of Data Warehouse		1. Maintenance, Support and augmentation of Existing Tools 2. EDW reports to be introduced on mobile platform and training to end users on mobile solution. 3. In memory computing and Advance Analytics		The project is under maintenance phase. The existing stack of applications has been enhanced with the best of breed advanced Visual analytics and fraud framework tools	163
		Automation of Central Excise & Service Tax (ACES)		The ACES project is under technical support and maintenance. ACES website has been	Ensuring a large degree of transparency and reduced interface with Central Excise and		Indirect Taxes

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
					<p>made bilingual. Service Tax assesses Process has been through automated initiated for making e-workflow of all payment of Refunds. business processes</p> <p>New 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.</p> <p>Additional functionalities such as detailed MIS Reports covering Registration, Returns, Audit & Refunds, are planned.</p>		
			Gateway Project for Customs Up-gradation		<p>This project aims to link the Customs of ICEGATE for ICES maintenance phase. Trade Partners and 1.5 is now operational. The existing stack of other Govt. Agencies at 120 Customs applications has been through a single locations. It shares Network Remote EDI huge amount of data of breed advanced System for e-filing of with the help of more Visual analytics and Customs documents. than 127 types of fraud framework tools. It provides documents messages exchange ACES has been Tracking and with various trade implemented in all 104 Enquiries System, partners and Govt. Central Excise and Daily Reports and departments Service Tax DTRs, Transmission Commissionerates and of data between trade is under maintenance</p>		

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
					community and other R e g u l a t o r y authorities, Sharing data related to filing and assessment with users, Online customs duty payment through e- payment gateway, Export incentive disbursement and 24x7 Help Desk facility. It provides all the services at a single window.		and support phase. New functionalities such as dispute settlement and resolution module , provisional assessment module, on line filing of refund claims and on line filing of selected export related documents has been introduced.
			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 identified by the Customs.	Risk Management System (RMS 3.1 version) compatible with ICES 1.5 is operational in 89 Customs locations. RMS for export cargo has been rolled out at 55 customs locations and it is planned to extend to all ICES sites where Import Customs is implemented.	During the remaining period of 2014-15 RMS (Import) is scheduled to be rolled out at 15 additional locations and RMS(Export) is scheduled to be rolled out 25 additional locations .
			ICES development/ maintenance of ICES 1.0 & 1.5 versions	Design, development, testing, deployment and maintenance of Customs locations.	ICES 1.5 has been rolled out at 116 maintenance phase. New modules such as Indian Customs EDI System to automate customs workflow		Indirect Taxes

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
					regarding export and import clearances		precious Cargo Clearance system(DPCC) etc are also being implemented to enhance functionalities and meet policy changes..
				EASIEST	The objective of this project is to make available accurate tax payment data from banks for revenue and payment. Under this system, data through all banks can be captured by banks uploaded 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.	98% of Central Excise Efforts are being Revenue and 87% of made to ensure 100% Service Tax Revenue challan upload by the is received through e- banks into NSDL banks. Fund compared to the Settlement along with Fund settlement by the banks with RBI. This will ensure ascertained. 94% of proper revenue including e-payment the challans have been accounting. uploaded into EASIEST website.	
2.	Major Head 4047 - Preventive Functions - Acquisition of ships and fleets	Strengthening Anti-smuggling capability and improved coastal security	20.00	11.00	Provide Customs field formations with 109 modern fast boats	Modern fast vessels will strengthen anti-smuggling capability of Customs Department. Improved coastal security will greatly help in curbing smuggling of	All 109 boats have been received and deployed. The Spare parts of Car-I & Cat-II Vessels are proposed to be procured in FY 2015-2016.

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
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	Installation of 3 Mobile Gamma Ray Scanners at Tuticorin, Chennai and Kandla by M/s ECIL, Hyderabad; installation including civil construction for 4 Fixed X-Ray Scanners at Tuticorin, Chennai, Mumbai and Kandla by M/s BEL, Bangalore; both at total project cost of ₹172.94 crore (non-recurring) and ₹18.61 crore per annum (-recurring)	<p>dangerous/prohibited goods, prevention of environment hazards and protection of endangered species.</p> <p>The Scanning Project is being monitored Mobile Gamma Ray scanner: Systems will help in detection of cases of irregularities. This chairpersonship of Member Committee under the One mobile will also result in (Customs), CBEC, New commissioned at increased revenue Delhi and also monitored by Tuticorin and one collection, fast Secretary (Defence scanner at clearance of cargo Production). Chennai has been installed in April 2014. Scanner at Kandla is likely to be installed by March, 2015. 4 Fixed x-Ray Scanners There has been delay in execution of projects; which was to be completed by June, 2015. The delay is on account of inadequate deployment of manpower, machinery and material.</p>	
							167 Indirect Taxes

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
4.	Major Head 4059 - Acquisition of Office Accommodation	To acquire new office accommodation	133.59	115.00	Acquisition of new office accommodation will increase the efficiency of the department. Will bridge the shortfall in requirement of office space	For construction of a new office complex for National Academy of Customs, Excise & Narcotics (NACEN) at Bangalore, construction of NACEN Complex at Hyderabad, construction of Office Complex for Delhi-II Commissionerate at Nangal Raya, New Delhi.. Purchase of land for RTI, Chennai, purchase of land for NACEN, Hindupur, purchase of building from UTI, Mumbai, purchase of land for construction of office building at Tirupati, purchase of land for construction of office building at Hapur, acquisition of land for construction of office building at Shillong, purchase of office building at Guwahati, purchase of ready built office space at NBCC, Okhla, New Delhi, purchase of ready built office space at NBCC Plaza, Saket, New Delhi, payment of one time repair and	Payment in such cases depends on various formalities involving consultation with different concerned authorities.

1	2	3	4	5	6	7	8
			4(i) BE	4(ii) RE			
					upgrading Central Excise Office, Churchgate, Mumbai and for other small proposals likely to be made.		
5.	Major Head 4216 - To meet shortfall in Acquisition of residential Residential Accommodation	4.50	5.00	The purchase of residential accommodation will bridge the shortfall in requirement.	The availability of Lump-sum provision has been made to acquire new residential accommodation.		

OVERALL PERFORMANCE

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

- Total Indirect Tax Revenues amounted to ₹4,91,205 crore in 2013-14 Union Excise Duties collection accounted for 34.34% (₹1,68,702 crore), Customs: 35.01% (₹1,71,962 crore) and Service Tax: 30.65% (Rs.1,50,541 crore).
- Indirect Tax Revenues have increased by 233.49% from ₹1,47,294 crore in 2003-04 to ₹4,91,205 crore in 2013-14.
- There has been 3.74% increase in Customs Duties collections and 4.32% increase in Union Excise Duties & Service Tax collections in 2013-14 with reference to previous year.
- Service Tax collections have increased by 15.01% in 2013-14 over previous year. However, Service Tax collections have shown phenomenal growth of 1807.76% from 2003-04 (₹7,891 crore) to 2013-14 (₹1,50,541 crore). The share of Service Tax in Indirect Tax Revenues has increased from 1% in 1995-96 to 30.65% in 2013-14.
- In 2014-15 up to December, 2014, Indirect Tax Revenue amounting to ₹ 3,39,302 crore constituting Union Excise Duties – ₹ 1,01,281 crore, Customs Duties – ₹ 1,35,559 crore and Service Tax – ₹1,02,462 crore. has been collected
- Total Indirect Tax collection up to December, 2014 have shown growth of 41.43% 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 2005-06 onwards are tabulated below:-

Cost of Collection

Head of Duty	2007-08	2008-09	2009-10	2010-11	2011-12	2013-13	2013-14
Customs	0.51%	0.72%	1.09%	0.67%	0.68%	0.63%	0.64%
Central Excise &							
Service Tax	0.64%	0.98%	1.32%	1.00%	0.92%	0.80%	0.83%

- Indirect Tax Revenues have fallen from 5.3% of GDP in 2004-05 to about 4.70% of GDP in 2012-13.
- 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)
2011-12	5.68	7.31
2012-13	5.10	8.83
2013-14	5.41	9.19

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 connecting 528 CBEC locations with its three data centres i.e. Primary Data Center (PDC) and Business Continuity Planning (BCP) Site in New Delhi and Disaster Recovery (DR) site in Chennai, has been established. The space and power for three Data Centre facilities hosting the centrally deployed IT infrastructure has also been provisioned through this project. A WAN helpdesk has also been established to address user complaints on issues pertaining to connectivity. The network bandwidth provisioned at more than 350 of these 528 sites has also been augmented to cater to the increased business load.

In addition to setting up of primary Wide Area Network, an alternate WAN by a different service provider has also been established at 20 critical CBEC locations across the country to ensure uninterrupted connectivity at these sites.

An Ethernet Leased Line link between PDC and DR has also been provisioned for faster replication of data between these two sites that ensures that up to date data backup is always available at DR site.

- (ii). System Integration -This project has enabled CBEC to consolidate all of its IT infrastructure such as servers , storage , data centre network, databases and security at its 3 national Data Centres and maintain a system uptime of more than 99%. Centralized monitoring and security management has been enabled on a 24*7*365 basis , which has successfully managed to prevent any breach of this system since its inception. This system was certified for ISO 27001:2005 by STQC in 2011 and CBEC is now seeking recertification by STQC to the revised ISO 27001:2013 standard.

This system hosts all of CBEC's business applications in Customs , Central excise and service tax namely ACES , ICES(EDI) , ICEGATE, Enterprise Data Warehouse, websites and the email domain webmail.icegate.gov.in. 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 and got more than 314 Crore hits till 31.12.2014 in the current FY 2014-15. The Central System supports about 37000 internal users and has about 30 Lakh registered external users (taxpayers).

A 24*7*365 SI helpdesk is in operation for Infrastructure issues and resolution of end user problems. A total of 33221 tickets were logged at the SI helpdesk upto Dec.2014 in the current FY 2014-15 of which the percentage resolution has been 97%.

A Network & IT Operations Centre (NOC) has been set up for providing support to applications users and pro-active monitoring of the infrastructure. CBEC has recently upgraded its Data Centre network and is in the process of replacing obsolete infrastructure which is going out of support .All of the CBEC's production data bases across customs, central excise and service tax (ICES, ACES, RMS and ICEGATE) and user identity management were successfully upgraded at primary and DR sites without any interruptions to operations.

(iii). Local Area Networks (LAN) - Under this project, local IT infrastructure such as Thin Clients, Network Printers, Print Servers, and Scanners etc, along with Local Area Networking, has been installed at 1177 buildings covering over 3000 offices. The implementation of LAN at remaining 33 sites had been pending of these sites were technically non feasible. Now, the updated list of these sites has been shared with the LAN Service Provider and the LAN implementation is in progress. Using LAN, the CBEC formations will be able to securely connect/access the central computing facility. 272 Resident Engineers have been deployed at large locations to address the user issues. For the sites where dedicated engineers have not been deployed, a24x7 LAN helpdesk has been provisioned to address the issues being faced at the locations. The service provider has also trained departmental users on using and maintaining the local IT equipment provisioned at these sites.

Customs:

(i) ICEGATE:-ICEGATE is an infrastructure project that fulfils the department's EC/EDI and data communication requirements. The ICEGATE portal 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.

(ii) 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.

(iii) Risk Management System (RMS):-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 initiatives of the Central Board of Excise and Customs. New version of RMS 3.1 compatible with ICES 1.5 version has been implemented. The new version is operational in 89 customs locations. During the remaining period of 2014-15, RMS(Import) is scheduled to be rolled out at 15 additional locations and RMS (Export) is scheduled to be rolled out at 25 additional locations. Thus in all RMS(Import) would be operational at 104 Customs locations and RMS (Export) would be operational at 114 customs locations by 31.03.2015.

Central Excise and Service Tax:

(i) 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. Online Learning Module (LMS) for imparting knowledge and understanding of the ACES application to the Departmental Officers and the Assessee has also been made available. ACES has been rolled out in all 104 Central Excise and Service Tax Commissionerates. ACES Certified Facilitation Centres (CFCs) have been made operational. This initiative aims at providing services to taxpayers who may not have requisite IT infrastructure/

resources, to use ACES. ACES websites has also been made bilingual. Process has been initiated for making e-payment of refunds. New functionalities,i.e., dispute settlement and resolution module, provisional assessment module, on line filing of refund claims and on line filing of selected export related documents has been introduced. Additional functionalities such as detailed reports covering registrations, returns, audit and refunds are planned.

(ii) Data Warehouse

The Directorate of Systems has implemented 'EDW SmartView', CBEC's Data Warehouse; a web based analytical Decision Support System that is specifically designed for fast querying and sophisticated analytical capabilities, using the latest data warehousing technologies. The Enterprise Data Warehouse (EDW) is a centralized repository of nation-wide Customs, Central Excise and Service Tax data. The objective of setting up of Enterprise Data Warehouse (EDW) was to provide a business user interface to access a single data repository of Customs, Central Excise and Service Tax so as to empower CBEC's internal and external business users to perform ad-hoc querying and reporting according to their business needs.

The current source systems from which the data is extracted into the EDW are ICES 1.5 for Customs data which is the online workflow application for clearance of Imports and Exports in India; ACES for Central Excise and Service Tax data which captures the assessee's registration and returns details and the Electronic Accounting System in Excise and Service Tax (EASIEST) application that makes available accurate tax payment data for revenue and tax payer accounting. EASIEST data is received in the Data Warehouse through the NSDL gateway.

The enterprise Data Warehouse has been increasingly playing a critical role in the provision of data to support policy formulation/decision making. Reporting and analysis of data in EDW Smart View has been provided in the form of pre-defined reports, dashboards, ad-hoc queries and cubes. Analytical reports pertaining to areas such as Notification-wise Duty Foregone, FTA utilization, Profiling of Top importers of Gold, Export Promotion scheme utilization for imports of gold, micro and macro level commodities import analysis on pan India level, etc. are being provided from the Enterprise Data Warehouse.

The statistical capabilities of the data warehouse tools serve the statistical and multi-dimensional analytical and reporting requirements of agencies like Tax Research Unit (TRU), Directorate General of Revenue Intelligence (DGRI), Directorate of Valuation (DoV), Risk Management System (RMS) etc., for the purposes of policy formulation, intelligence, risk management, enforcement and monitoring of revenue collection. There is a profusion of data requests from the Board and the field formations and other Ministries, RTI, C&AG and the Parliament.

The repository of historical data has also enabled risk profiling of each import/export transaction based on various

dimensions such as Business parties involved, commodities transacted, countries of origin, etc. Risk Management Division (RMD) is thus facilitating compliance of trade, assisting enforcement by focusing on high risk and maximization of revenue realization.

The existing stack of applications has been enhanced with the best-of-breed advanced Visual Analytics and Fraud Management tools. Advanced visual analytical techniques would enable the user to visually analyze data across multiple domains. Further, implementation of a specialized fraud management tool would help detect and prevent opportunistic and professional fraud at entity and transaction level across Customs, Central Excise, Service Tax and other data sources. Thereby, revenue leakages could be identified to stop improper payments proactively.

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

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 in 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.

- 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			
2011-12	50169	66374	122	36,23,08,499/-	6,17,87,517/-
2012-13	82625	81369	152	45,37,24,257/-	8,82,65,219/-
2013-14	64801	82312	192	50,03,65,361/-	10,20,68,882/-

- 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,

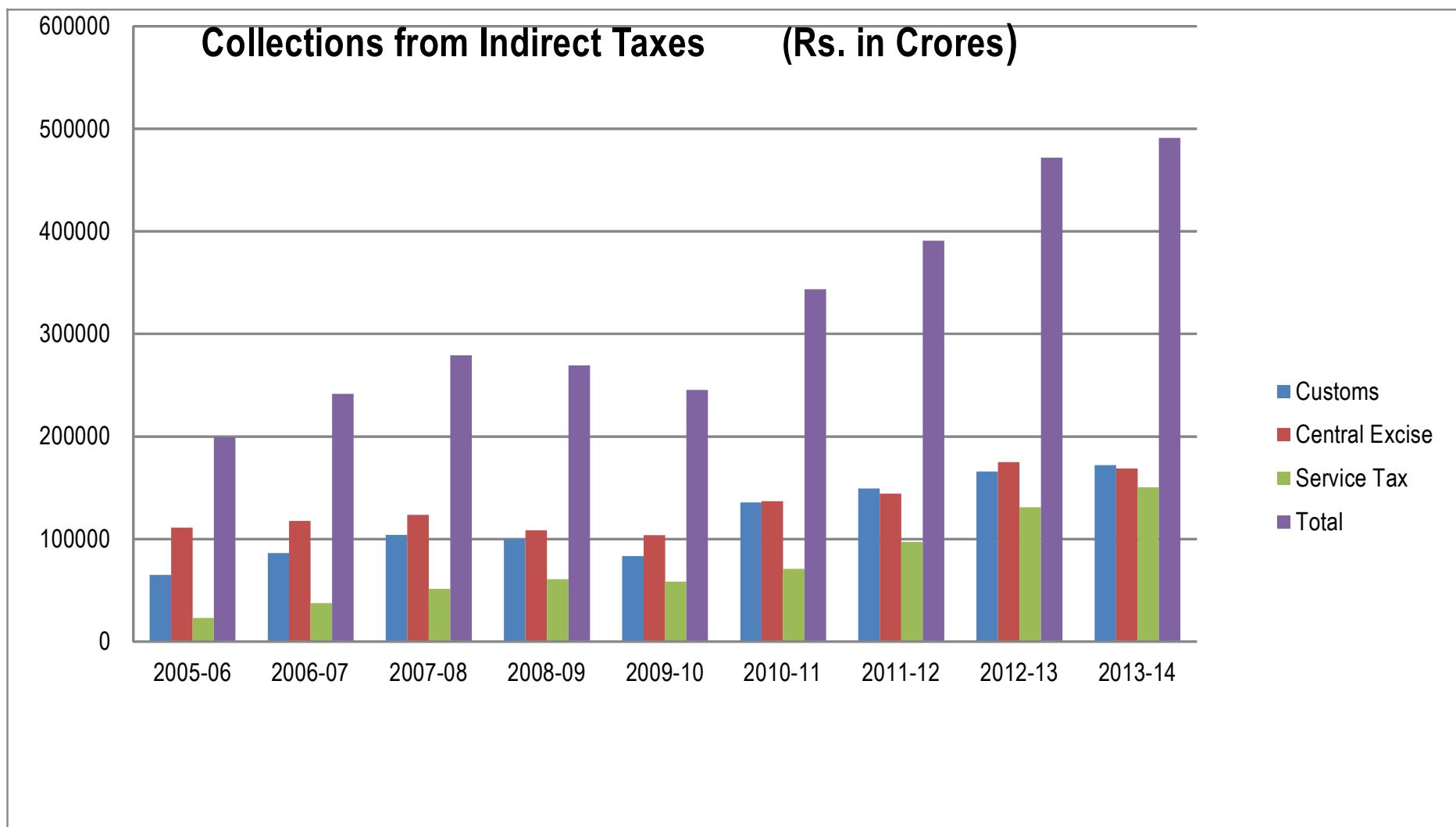
Kandla, Chennai and Tuticorin.

- Contracts for supply and installation of 3 Mobile scanners at Tuticorin, Chennai and Kandla Ports have been signed with M/s Electronics Corporation of India Ltd (ECIL) in February, 2012. M/s Rapiscan System, USA is the Original Equipment Manufacturer. The scanners were to be operational in different phases up to February 2013. However, there has been delay in installation. Mobile Scanner at Tuticorin has been installed and inaugurated in the month of March 2014 and Mobile Scanner at Chennai Port has been installed and inaugurated on 19/09/2014. Remaining one Mobile Scanner at Kandla has reached at Kandla and will be installed by 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

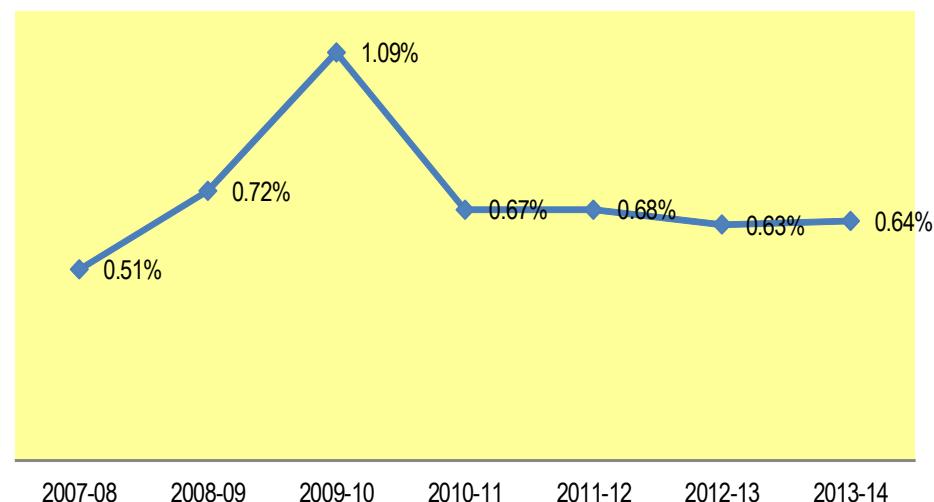
Bharat Electronic Ltd. (BEL) during September 2011 to February 2012. M/s Smith Detection System, USA is the Original Equipment Manufacturer. These container scanners were to be operational in different phases during December 2012 to September 2013. However, there has been delay in installation of scanners. The work at Mumbai and Tuticorin are at advance stage, and some equipment has already reached at Mumbai and Tuticorin, The project is likely to be completed in different phases up to June, 2015.

Procurement of Marine vessels

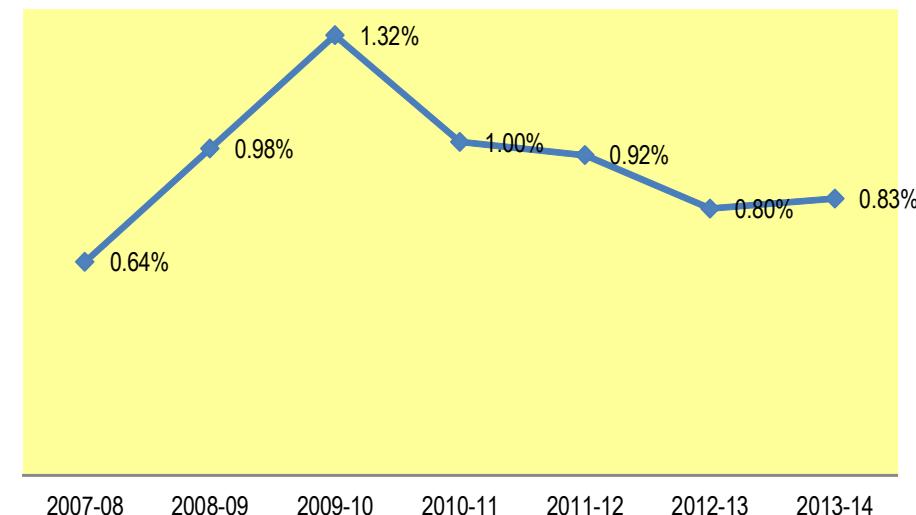
Since 2008 onwards, Department has procured 109 state of the art modern vessels for carrying out anti-smuggling activities in the sea. These vessels have been deployed at different locations along the coast, depending upon the sensitivity and the threat perception. The optimum performance of these vessels have been ensured despite manpower shortage, issue of maintenance, etc.



Cost of Collection of Customs Duties in terms of Percentage



Cost of Collection of Central Excise & Service Tax in terms of Percentage



**SUMMARISED POSITION OF SCHEMES UNDER
DEMAND NO.45 - INDIRECT TAXES**

S. No.	Scheme	2013-14			2014-15			2015-16 <i>(₹ in crore)</i>
		BE	RE	Actual	BE	RE	Actual (Provisional) (upto Dec'14)	
1.	Strengthening of IT Capability for e-governance	152.00	147.00	137.56	221.31	187.00	62.29	245.00
2.	Acquisition of Ships & Fleets	17.95	7.00	4.01	20.00	11.00	0.00	8.00
3.	Acquisition of Container Scanners	82.00	50.65	10.79	112.72	19.00	6.04	255.61
4.	Acquisition of Office Accommodation	47.91	21.70	4.30	133.59	115.00	26.56	350.00
5.	Acquisition of Residential Accommodation	1.34	3.36	3.20	4.50	5.00	0.01	50.00
Total		301.20	229.71	159.86	492.12	337.00	94.90	908.61
<i>Percentage w.r.t. RE</i>					69.59%		28.16%	

**STATEMENT SHOWING SCHEME-WISE ACTUAL EXPENDITURE
VIS-À-VIS BE/RE FOR THE YEARS 2012-13, 2013-14 AND 2014-15**

(₹ in crore)

S. No.	Descriptions	Major Head	2012-13			2013-14			2014-15		
			BE	RE	Actual	BE	RE	Actual	BE	RE	Actual(Prov) (Upto Dec'14)
			Revenue Section								
1	MH-2037 (Customs)										
	Collection of Customs	2037	1047.03	1051.21	1026.52	1148.47	1129.19	1093.42	1390.58	1282.42	922.97
	Customs Welfare Fund	2037	6.20	5.58	5.58	6.20	5.58	0.00	17.50	17.50	0.00
	Missions Abroad	2037	2.30	2.30	2.30	2.30	2.30	1.15	2.42	2.42	0.09
2.	MH-2038 (Union Excise Duties)										
	Collection of Union Excise Duties	2038	2103.84	2126.49	2118.41	2325.63	2318.67	2267.76	3008.12	2563.19	2064.02
	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 INSPECTION	2038	37.12	38.71	35.77	39.38	42.98	37.20	45.99	50.09	32.09
	SYSTEMS AND DATA MANAGEMENT	2038	138.00	165.49	155.76	143.75	139.55	128.52	206.01	185.15	61.72
	VIGILANCE	2038	13.10	12.73	11.43	13.78	14.13	13.46	15.14	16.64	11.79
	NATIONAL ACADEMY OF CUSTOMS, EXCISE & NARCOTICS	2038	44.31	44.60	39.27	59.15	66.55	57.34	79.99	81.40	47.39
	DIRECTORATE OF PUBLICITY & PUBLIC RELATIONS	2038	35.44	33.48	33.07	35.37	75.34	74.27	49.82	51.06	17.31
	DIRECTORATE OF CENTRAL EXCISE INTELLIGENCE	2038	33.91	36.66	33.04	37.21	47.96	42.57	48.19	49.85	29.75
	OTHER OFFICES	2038	13.63	13.53	12.48	14.01	14.53	13.94	15.76	16.28	12.36
3	MH-2216 (Housing)										
	Housing - Maintenance & Repair	2216	7.00	5.00	2.80	5.00	4.50	1.94	5.00	5.00	1.33
4	MH-3606 (Aid Material)										
	AID MATERIAL & EQUIPMENT	3606	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL- REVENUE SECTION		3481.88	3535.78	3476.43	3830.25	3861.28	3731.57	4884.52	4321.00	3200.82
5	Capital Section										
	MH-4047 (Customs)										
	ACQUISITION OF MARINE VESSELS	4047	10.18	20.00	5.45	17.95	7.00	4.01	20.00	11.00	0.00
	ACQUISITION OF CONTAINER SCANNERS	4047	76.97	10.17	0.00	82.00	50.65	10.79	112.72	19.00	6.04
	MAJOR WORKS	4047	0.05	0.25	0.00	0.05	0.07	0.00	0.50	0.00	
6	MH-4059 (Office Accommodation)										
	ACQUISITION OF OFFICE BUILDINGS	4059	28.00	4.31	4.50	47.91	21.70	4.30	133.59	115.00	26.56
7	MH-4216 (Residential Accommodation)										
	ACQUISITION OF READY BUILT RESIDENTIAL BUILDINGS	4216	4.00	0.10	0.00	1.34	3.36	3.20	4.50	5.00	0.01
	TOTAL- CAPITAL SECTION		119.20	34.83	9.95	149.25	82.78	22.30	271.31	150.00	32.61
	Grand Total		3601.08	3570.61	3486.38	3979.50	3944.06	3753.88	5155.83	4471.00	3233.43
	Recoveries		-0.50	-0.50	-0.41	-0.50	-0.50	-0.65	-0.50	-0.50	-1.69
	Net		3600.58	3570.11	3485.97	3979.00	3943.56	3753.22	5155.33	4470.50	3231.74

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Indirect Taxes

**STATEMENT SHOWING OBJECT HEAD-WISE ACTUAL EXPENDITURE
VIS-À-VIS BE/RE FOR THE YEARS 2012-13, 2013-14 AND 2014-15**

(₹ in crore)

S. No.	Descriptions	Major Head										Outcome Budget 2015-2016	
			2012-13			2013-14			2014-15				
			BE	RE	Actual	BE	RE	Actual	BE	RE	Actual(Prov) (Upto Dec'14)		
Revenue Section													
1	Salaries		2700.00	2760.00	2728.02	2981.00	2981.00	2894.04	3749.29	3317.00	2637.75		
2	Wages		14.00	15.65	15.78	16.91	16.91	16.75	18.43	18.00	12.13		
3	Overtime Allowance		11.00	9.89	6.60	11.00	6.60	5.80	6.93	5.10	3.62		
4	Rewards		20.50	20.50	20.19	25.00	40.00	36.91	55.00	49.00	21.50		
5	Medical Treatment		26.00	25.45	24.17	28.00	28.00	25.45	34.00	28.00	17.11		
6	Domestic Travel Expenses		59.50	60.60	57.83	66.00	60.00	56.73	66.00	62.00	41.90		
7	Foreign Travel Expenses		1.75	1.58	1.51	2.00	1.10	0.70	3.00	2.99	0.35		
8	Office Expenses		273.00	246.00	257.59	284.01	284.01	282.13	388.45	339.60	240.09		
9	Rent, Rates & Taxes		119.00	124.00	121.63	130.00	134.00	133.05	198.00	165.00	112.73		
10	Publications		1.20	1.40	1.18	1.40	1.27	1.27	1.73	2.28	0.85		
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		3.00	2.70	2.47	25.00	25.00	22.34	33.25	32.25	19.00		
13	Advertising & Publicity		31.00	28.00	27.28	36.00	70.42	69.28	45.00	45.00	12.73		
14	Minor Works		17.00	12.30	7.84	17.00	15.30	8.26	17.60	17.60	3.80		
15	Professional Services		17.00	15.30	15.11	17.00	18.25	19.04	17.85	21.50	10.14		
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	0.07	0.09	0.08	0.08	0.09	0.09	0.01		
18	Secret Service Expenditure		6.20	5.58	5.65	6.20	5.58	5.86	7.57	7.57	4.59		
19	Other Charges												
	(Charged)		0.50	0.50	0.09	0.50	0.50	0.19	0.50	0.50	0.00		
	(Voted)		2.94	2.87	2.76	2.94	2.88	1.58	3.02	3.02	0.23		
20	Machinery & Equipment		22.00	19.80	13.53	22.00	17.80	14.55	0.00	0.00	0.00		
21	Inter Accounts Transfer		6.20	5.58	5.58	6.20	5.58	0.00	17.50	17.50	0.00		
22	Information Technology		150.00	178.00	161.55	152.00	147.00	137.56	221.31	187.00	62.29		
	Total - Revenue Section		3481.88	3535.78	3476.43	3830.25	3861.28	3731.57	4884.52	4321.00	3200.82		
23	Acquisition of Ships & Fleets		10.18	20.00	5.45	17.95	7.00	4.01	20.00	11.00	0.00		
24	Acquisition of Anti Smuggling Equipment		76.97	10.17	0.00	82.00	50.65	10.79	112.72	19.00	6.04		
25	Major Works		0.05	0.25	0.00	0.05	0.07	0.00	0.50	0.00	0.00		
	Total - Major Head '4047'		87.20	30.42	5.45	100.00	57.72	14.80	133.22	30.00	6.04		
26	Acquisition of Office Accommodation		28.00	4.31	4.50	47.91	21.70	4.30	133.59	115.00	26.56		
27	Purchase of Ready Built Residential Accommodation		4.00	0.10	0.00	1.34	3.36	3.20	4.50	5.00	0.01		
	Total - Capital Section		119.20	34.83	9.95	149.25	82.78	22.30	271.31	150.00	32.61		
	Grand Total		3601.08	3570.61	3486.38	3979.50	3944.06	3753.25	5155.83	4471.00	3233.43		
	Recoveries		-0.50	-0.50	-0.41	-0.50	-0.50	-0.65	-0.50	-0.50	-1.69		
	Net		3600.58	3570.11	3485.97	3979.00	3943.56	3753.22	5155.33	4470.50	3231.74		

Outcome Budget 2015-2016

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FINANCIAL REVIEW

ANALYSIS OF TRENDS IN EXPENDITURE

During 2013-14, total expenditure of ₹3753.22 crore is 7.67% more than the expenditure of ₹3485.97 crore incurred in 2012-13. In Revenue Section, the increase is 7.33% mainly due to more expenditure on pay & allowances.

Under Capital Section, there is an increase of 124.22% in 2013-14 vis-à-vis expenditure in 2012-13. 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 ₹69.28 crore in 2013-14, which is 153.96% more than the expenditure of ₹27.28 crore in 2012-13. This is on account of more expenditure towards Voluntary Compliance Encouragement Scheme (VCES) during 2013-2014 and on account of wider campaigns of publicity through outdoor and miscellaneous media.

Under 'Information Technology' expenditure during 2013-14 is ₹137.56 crore which is 14.85% less than the expenditure of ₹161.55 crore incurred in 2012-13 because of less expenditure towards implementation of most of the components of consolidation of computerization programme during 2013-14.

The expenditure in respect of Marine vessels/Acquisition of Ships and Vessels in 2011-12 was ₹3.23 crore against B.E. of ₹ 28.27 crore. The expenditure in 2012-13 was ₹5.45 crore against the BE of ₹20.0 crore; since vessel suppliers have not

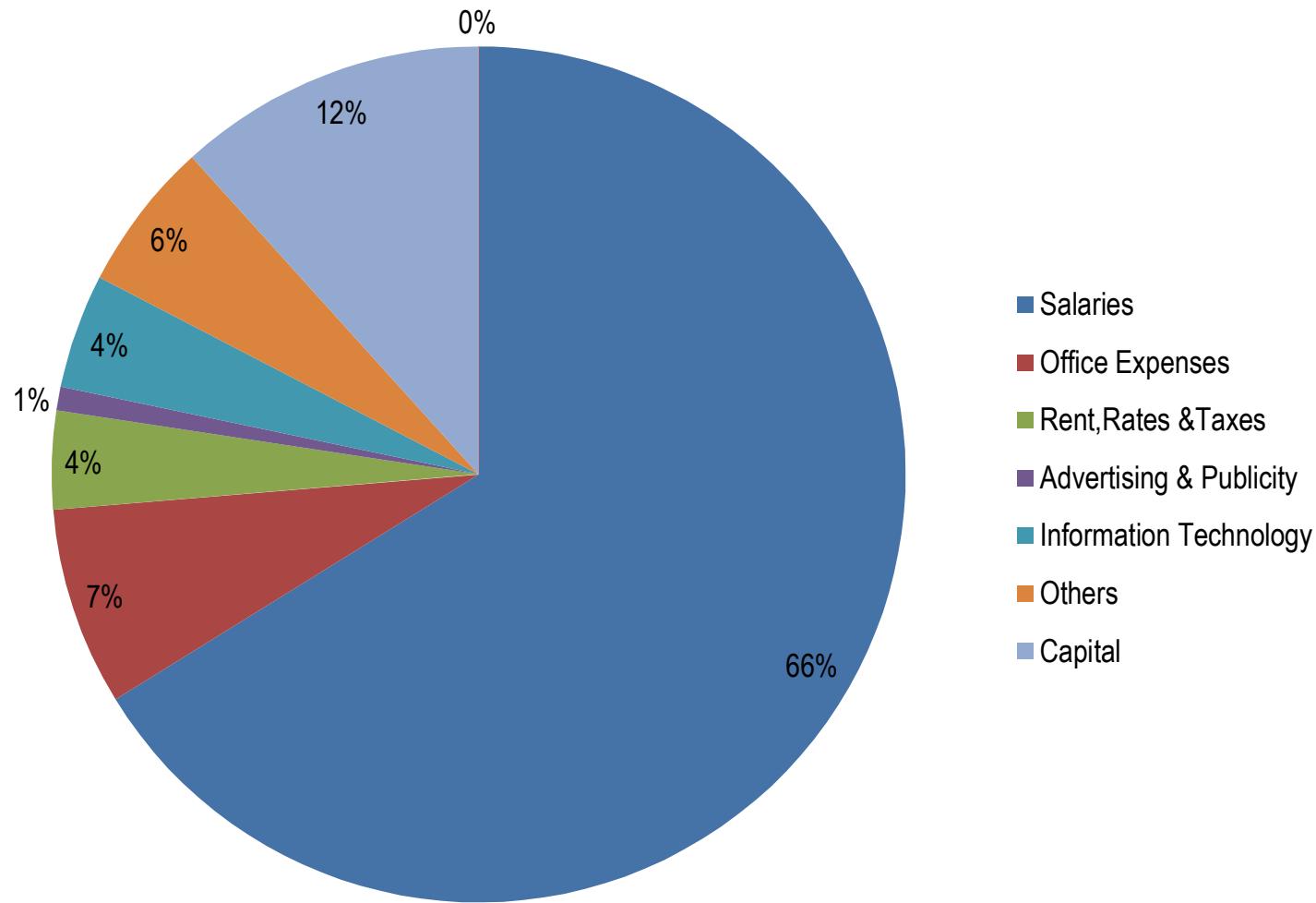
been able to complete the work relating to removal of technical deficiencies in vessels supplied and invoice for spare parts have not been issued by supplier. In 2013-14, against the sanctioned budget of ₹17.95 crore and revised B.E. of ₹7.0 crore, actual expenditure of ₹4.0 crore has been incurred. In 2015-16 the sanctioned budget of ₹8.00 crores is likely to be spent.

In 2014-15 against the Consolidated Sanctioned Grant (S.G.) 2014-15 of ₹ 112.72 crore a sum of ₹30.0 crores will be the likely expenditure in Acquisition of Anti Smuggling Equipments which includes procurement of XBIS, as per norms approved by the Board and also payment for 2 Mobile Scanners and land for Drive Through Container Scanner (Road). In 2015-16, a sum of ₹255.61 crores will be the likely expenditure on Acquisition of Anti Smuggling Equipments which includes procurement of 76 XBIS, PRD (130 Nos.) and 26 RIDs, as per norms approved by the Board and also towards payment for 4 fixed Scanners and 3 Drive Through Container Scanner (Road).

For acquisition of office accommodation, expenditure incurred during 2013-14 is ₹4.31 crore as against expenditure of ₹ 4.50 crore incurred during 2012-13 which is 4.22% less due to less expenditure towards construction of new office complex of NACEN at Bangalore and other projects.

For acquisition of residential accommodation, expenditure incurred during 2013-14 is ₹3.20 crore as against Nil expenditure during 2012-13.

Major Constituents of Expenditure under the Grant of Indirect Taxes in BE 2015-16 in terms of Percentage



STATEMENT ON SURRENDER AND SAVING DURING THE FINANCIAL YEAR 2013-14

During the FY 2013-14 against a budgetary provision of ₹4010.54 crore including supplementary grant, there was an expenditure of ₹3753.82 crore during the year resulting into savings and surrender of ₹256.72 crore. These savings are the net effect of total savings of ₹324.80 crore and total excess of ₹68.08 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 2013-14, 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	57.55	Saving was due to non-filling of vacant posts, less purchase of office related items and non finalization of rent revision in respect of hired office buildings.
2.	Central Revenue Control Laboratory	2.96	Saving was made due to non-filling of vacant posts and requirement of less funds towards purchase of office related items, laboratory equipments, computer and related equipments.
3.	Preventive and Other Function: Commissionerate	10.41	Saving was primarily due to non finalization of rent revision in respect of hired office buildings and requirement of less funds towards purchase of office related items and less expenditure on outsourced service, reward cases to officers & informer.
4.	Directorate of Logistics	3.57	Saving was due to requirement of less funds towards maintenance of machinery and equipments.
5.	Departmental Canteen	8.23	Saving was due to non filling up of vacant posts.
6.	Transfer of Reserve Fund and Deposit Accounts Transfer of Customs Welfare Fund	6.20	Entire allocation remained unutilized due to non transfer of fund towards Customs Welfare Fund and Special Equipment Fund.
7.	Other Expenditure Payment to Other Department	1.15	Saving was due to less expenditure incurred by Ministry of External Affairs against authorization issued by this office.
8.	Inspection	4.18	Saving was due to non filling up of vacant posts and non finalization of rent revision in respect of hired office building.
9.	National Academy of Customs, Excise and Narcotics (NACEN)	7.47	Saving was due to non filling up of vacant posts, non finalization of rent revision in respect of hired office building, requirement of less funds towards foreign tours.
10.	Directorate General of Central Excise Intelligence	3.59	Saving was due to non-filling up of vacant posts, non finalization of rent revision in respect of hired office building and requirement of less funds towards reward cases to officers/informers.
11.	Systems & Data Management	15.22	Saving was due to non filling up of vacant posts and requirement of less funds towards "Information Technology" owing to non completion of the mile stone by the service provider.
12.	Collection Charges - Commissionerates (HQ)	54.16	Saving was due to non-filling up of vacant posts, non finalization of rent revision in respect of hired office building, medical claims, domestic/foreign tours, advertising and publicity, non-finalization of training programmes. .

S. No.	Sub Head/ Scheme/ Programme	Savings	Remarks/ Reasons
13.	Pay and Accounts Offices (Central Excise of Principal Chief Controller of Accounts)	1.83	Saving was due to non-filling up of vacant posts and requirement of less funds towards outsourced service and purchase of Computer and related equipment.
14.	Collection of Land Customs	9.91	Saving was due to non-filling of vacant posts, non-finalization of rent revision in respect of hired office building, requirement of less funds towards maintenance of machinery and equipments and reward cases.
15.	Other Items - Minor Works	4.27	Saving was due to requirement of less funds towards repair and maintenance of buildings.
16.	Major Head-2216 (Housing)	3.05	Saving was due to requirement of less funds under repair and maintenance of Government residential buildings.
17.	National Academy of Customs Excise and Narcotics Building, Bangalore	13.42	Saving was due to late handing over of vacant possession of existing premises to M/s. National Building Construction Company.
18.	Acquisition of Ready built office accommodation.	30.18	Saving was due to non-finalization of proposal for purchase of office accommodation at Guwahati and non-settlement of issue regarding payment of stamp duty on registration and conversion of leasehold to freehold.

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 (ceased to exist from November 2004);
- (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.

The Department is headed by Secretary (Disinvestment) who is assisted by four Joint Secretaries and an Adviser.

STATEMENT OF OUTLAYS AND OUTCOMES 2015-16

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	6	7	8
1.	Secretariat Economic Services	To raise resources for the Govt. as well as unlock true value of CPSEs.	44	₹ 51,925 crore. (BE 2014-15)	To achieve wide dispersal of ownership of CPSEs. To enhance people's ownership of CPSEs. To raise resources for the Government Improve corporate governance. Improvement of profitability and efficiency of CPSEs.	Disinvestment depends on approval by regulatory agencies like Securities and Exchange Board of India (SEBI) and the readiness of CPSEs for disinvestment. No strict timelines can be prescribed. However, a roadmap is prepared by Department which is monitored on a regular basis.	- Appointment of the required number of independent Directors on the CPSE Boards is a critical factor without which approval for public offer is not given by SEBI. - Volatility in the stock market is another factor influencing the timing of the public offer.	

REFORM MEASURES AND POLICY INITIATIVES**Demand No. 46 - Department of Disinvestment**

- **CPSE Exchange Traded Fund (CPSE-ETF):** A CPSE Exchange Traded Fund comprising shares of listed CPSEs was launched in March 2014. The Government realized an amount of Rs 3000 crore as disinvestment proceeds through CPSE-ETF.
- **Making the disinvestment program more inclusive:** Earlier there was no reservation for retail investors in Offer for Sale (OFS) of Shares through Stock Exchange mechanism. However, on 8 August, 2014 SEBI has mandated that a minimum 10% of the offer size shall be reserved for retail investors in OFS and a discount has also been made admissible to them. Subsequent to this amendment in OFS Guidelines, Government has approved reservation of upto 20% of the offer size for retail investors and allocation of shares to them at a discount. This is likely to improve public participation in the disinvestment program.
- **Minimum Public Shareholding norms:** In August, 2014 SEBI has amended the minimum public shareholding norms for every listed CPSE whereby every listed CPSE has to increase its public shareholding to at least 25% within a period of 3 years. This is likely to give further impetus to disinvestment of CPSEs with attendant benefits.

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 Budget Estimate (BE) for the financial year 2013-14 for the Department was ₹ 63.24 crore, Revised Estimate was ₹30 crore and Actual was ₹ 24.98 crore. BE for the financial year 2014-15 was ₹ 50 crore and the proposed BE for 2015-16 is ₹ 44 crore.

I. (i) Disinvestment transactions completed during 2013-14.

- (a) **MMTC Limited (MMTC)** - Government approved disinvestment of 9.33% paid-up equity capital of MMTC out of Government holding of 99.33% through Offer for Sale (OFS) of Shares by Promoters through Stock Exchange mechanism. Government realized an amount of ₹ 571.71 crore as disinvestment proceeds.
- (b) **Hindustan Copper Ltd. (HCL)** - Government approved disinvestment of 9.59% paid-up equity capital in HCL out of Government shareholding of 99.59%. The first tranche for disinvestment of 5.58% paid-up equity capital in HCL was held in 2012. The second tranche for disinvestment of 4.01% paid-up equity capital in HCL through OFS was held in July 2013. The Government realized an amount of ₹ 259.56 crore as disinvestment proceeds.
- (c) **National Fertilizers Limited (NFL)**: Government approved disinvestment of 7.64% paid-up equity capital in NFL out of Government shareholding of 97.64% through OFS. Government realized an amount of ₹ 101.08 crore.
- (d) **India Tourism Development Corporation (ITDC)**: Government approved disinvestment of 5% paid-up equity capital in ITDC out of Government shareholding of 92.11% through OFS. Government realized an amount of ₹ 30.17 crore as disinvestment proceeds.
- (e) **State Trading Corporation of India Ltd. (STC)** - Government approved disinvestment of 1.02% paid-up equity capital in STC out of Government shareholding of 91.02% through OFS. Government realized an amount of ₹ 4.54 crore as disinvestment proceeds.
- (f) **Neyveli Lignite Corporation Ltd (NLC)** - Government approved disinvestment of 3.56% paid-up equity capital in NLC out of Government shareholding of 93.56% through OFS. Subsequently, at the request of the Tamil Nadu Government, process of disinvestment was changed from OFS to Institutional Placement Programme (IPP) method in which preference in allotment could be given to Tamil Nadu State PSUs. Government realized an amount of ₹ 358.21 crore as disinvestment proceeds.
- (g) **NHPC Limited (NHPC)** - The Board of Directors of NHPC Ltd. in its meeting held on 24th October, 2013 approved buyback, through tender route, of its shares to the extent of 10% paid-up equity capital of the Company at a price of Rs 19.25 per share. The EGoM in its meeting held on 25th October, 2013 decided that Ministry of Power being the Promoter of NHPC Ltd. and acting on behalf of the President of India, to tender shares up to the size of the buyback proposed by the Company at the price decided by the Company per share. The Government realized an amount of ₹ 2,131.28 crore as proceeds against the shares purchased by the Company.
- (h) **Power Grid Corporation of India Ltd. (PGCIL)** - Government approved disinvestment of 4% paid-up equity capital in PGCIL out of Government shareholding of 69.42% along with 13% of pre-issue paid-up capital of Company through OFS in the domestic market. Government realized an amount of ₹ 1,637.32 crore.
- (i) **Engineers India Ltd. (EIL)** - Government approved disinvestment of 10% paid-up equity capital in EIL out of Government shareholding of 80.40% through a prospectus based Further Public Offering (FPO) in the domestic market. Government realized an amount of Rs 497.32 crore as disinvestment proceeds.
- (j) **Bharat Heavy Electricals Ltd. (BHEL)** - Government approved disinvestment of 4.66% equity out of Government shareholding of 67.72% by way of block deal through Stock Exchange. Government realized an amount of ₹ 1,886.77 crore as disinvestment proceeds.
- (k) **Indian Oil Corporation Ltd. (IOCL)** - Government approved disinvestment of 10% paid up equity capital of IOCL out of Government shareholding of 78.92% through OFS. Government realized an amount of ₹ 5,341.49 crore as disinvestment proceeds through an off-market deal.
- (l) **CPSE Exchange Traded Fund (ETF)**: Government approved creation of a CPSE ETF comprising shares of listed CPSEs. Maximum 3% Government shareholding was approved for each CPSE stock to form part of the basket. Government realized an amount of ₹ 3,000 crore as disinvestment proceeds.

I. (ii) Disinvestment transactions completed during 2014-15

Steel Authority of India Ltd. (SAIL) - Government approved disinvestment of 10.82% paid-up equity capital in SAIL out of Government shareholding of 85.82%. Out of 10.82%, disinvestment of 5.82% shareholding was completed in March 2013. The Government received an amount of ₹1,514.50 crore as disinvestment proceeds. The second tranche of disinvestment of remaining 5% paid up equity of SAIL was made in December, 2014. The Government received an amount of ₹ 1,719.54 crore from the second tranche of disinvestment of SAIL.

I. (iii) Other Disinvestment transactions approved and pending implementation:

- (a) **Rashtriya Ispat Nigam Ltd. (RINL)** - Government approved disinvestment of 10% paid-up equity capital in RINL. Fresh Draft Red Herring Prospectus (DRHP) was filed with SEBI on 19th September, 2014. However, there is some damage to RINL Plant at Visakhapatnam due to Cyclone 'Hudhud'. Management of RINL is assessing the damage and thereafter new timeline for the Initial Public Offering (IPO) will be drawn.
- (b) **Coal India Ltd (CIL)** - CCEA has approved the disinvestment of 10% paid up equity out of Government shareholding of 89.65% through OFS. Merchant Bankers and Legal Adviser have already been appointed for this issue. Further steps are being taken for carrying out disinvestment in CIL.
- (c) **Hindustan Aeronautics Ltd. (HAL)** - Government approved disinvestment of 10% paid-up equity capital in HAL out of Government shareholding of 100% through an IPO. The Book Running Lead Managers (BRLM), Legal Advisers and Registrar for the Issue have been appointed. The preparation of DRHP is on.

- (d) **Hindustan Zinc Ltd (HZL)** - CCEA has directed that the residual equity i.e. 29.54% be disposed off in the open market. Valuer has been appointed. The valuation report is awaited.
- (e) **BALCO** - CCEA has decided that the Government's residual shareholding of 49% in BALCO be disposed off through any appropriate method as may be decided by Department of Disinvestment. The valuer has been appointed. The valuation report is awaited.
- (f) **National Hydroelectric Power Corporation (NHPC)** - The CCEA has approved disinvestment of 11.36% paid up equity capital of NHPC Limited out of Government of India shareholding of 85.96%. All the intermediaries for the NHPC OFS have been appointed. Preparation for disinvestment is on.
- (g) **Power Finance Corporation (PFC)** - The CCEA has approved disinvestment of 5% paid up equity capital of PFC out of Government of India shareholding of 72.80%. All the intermediaries for the PFC OFS have been appointed.
- (h) **Rural Electrification Corporation (REC)** - The CCEA has approved disinvestment of 5% paid up equity capital of REC out of Government of India shareholding of 65.64%. All the intermediaries for the REC OFS have been appointed.
- (i) **Oil & Natural Gas Corporation Limited (ONGC)** - The CCEA has approved disinvestment of 5% paid up equity capital of ONGC out of Government of India shareholding of 68.94%. ONGC OFS is tentatively scheduled to be completed during the current financial year.

II The Budgeted targets and Revised Estimates for Disinvestment receipts and amounts realized through disinvestment in CPSEs during 2013-14 and 2014-15 are given below:-

Year	Budgeted targets	Revised Estimates (₹ in crore)	Proceeds from Disinvestment (₹ in crore)	Remarks (₹ in crores)
2013-14	40,000	16,027	15,819.46	MMTC Ltd. 571.71 Hindustan Copper Ltd. 259.56 National Fertilizers Ltd. 101.08 India Tourism Development Corporation 30.17 State Trading Corporation 4.54 Neyveli Lignite Corporation 358.21 NHPC Ltd. 2131.28 Power Grid Corporation of India Ltd. 1637.32 Engineers India Ltd. 497.32 Bharat Heavy Electrical Ltd 1886.77 Indian Oil Corporation Ltd. 5341.49 CPSE ETF 3000.00
2014-15	51,925 (Including ₹15,000 from Disinvestment of Govt. stake in non-Government Companies)	As stated in Budget 2015-16	1,719.54	SAIL 1719.54

Grant No. 46 - DEPARTMENT OF DISINVESTMENT

(₹ in crore)

Outcome Budget 2015-2016

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S.No.	Description	2012-13			2013-14			2014-15			2015-16
		B.E.	R.E.	Actual	B.E.	R.E.	Actual	B.E.	R.E.	Actual 30.11.2014	BE 2015-16
REVENUE SECTION											
1	Salaries	3.60	3.46	3.51	3.73	3.73	4.11	4.50	5.48	3.45	6.41
2	Wages	0.025	0.020	0.00	0.025	0.025	...	0.025	0.025	...	0.025
3	Overtime Allowance	0.02	0.01	0.047	0.01	0.01	0.041	0.01	5.0	3.5	0.01
4	Medical Treatment	0.375	0.375	0.375	0.375	0.375	0.375	0.375	0.675	0.373	0.725
5	Domestic Travel Expense	0.40	0.20	0.1692	0.40	0.40	0.34	0.40	0.40	0.011	0.40
6	Foreign Travel Expenses	3.00	1.00	0.87	3.00	3.00	3.00	3.00	3.00	1.52	3.00
7	Office Expenses	1.00	1.00	0.99	1.00	1.20	1.20	1.50	1.50	0.080	1.50
8	Publication	0.01	0.085	0.00	0.01	0.01	0.00	0.01	5.0	0	0.01
9	Other Administrative Expenses	0.03	0.027	0.029	0.03	0.045	0.035	0.045	0.045	0.017	0.045
10	Advertising and Publicity	6.00	4.63	21.00	0.12	0.1178	12.50
	Professional Services	55.09	20.04	12.09	54.97	15.51	11.55	19.445	19.445	12.39	20.00
11	Information Technology (other charges)	0.05	0.045	0.045	0.05	0.05	0.05	0.05	0.05	0.043	0.05
	Total Revenue Section	63.24	25.83	17.77	63.24	30.00	24.98	50.00	40.00	18.51	44.00
	CAPITAL SECTION	00.00	00.00								
	GRAND TOTAL	63.24	25.83	17.77	63.24	30.00	24.98	50.00	40.00	18.51	44.00

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, ₹18.51 crore (up to 30th November, 2014). This expenditure is mainly to meet the requirements of the Secretariat of the Department.

Statement on Surrender and Savings during the Financial Year 2013-14

During the financial Year 2013-14 against a budgetary provision of ₹ 63.24 crore for Secretariat Economic Service, an expenditure of ₹ 24.98 crore was incurred resulting in a savings of ₹ 38.26 crore.

These savings have been segregated into following categories:-

- i) **Normal Savings: Savings resulting from economic use of resources**
₹ 38.26 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 project/scheme and the funds are no more required**
Not Applicable

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.*