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BUDGET : 2017-18

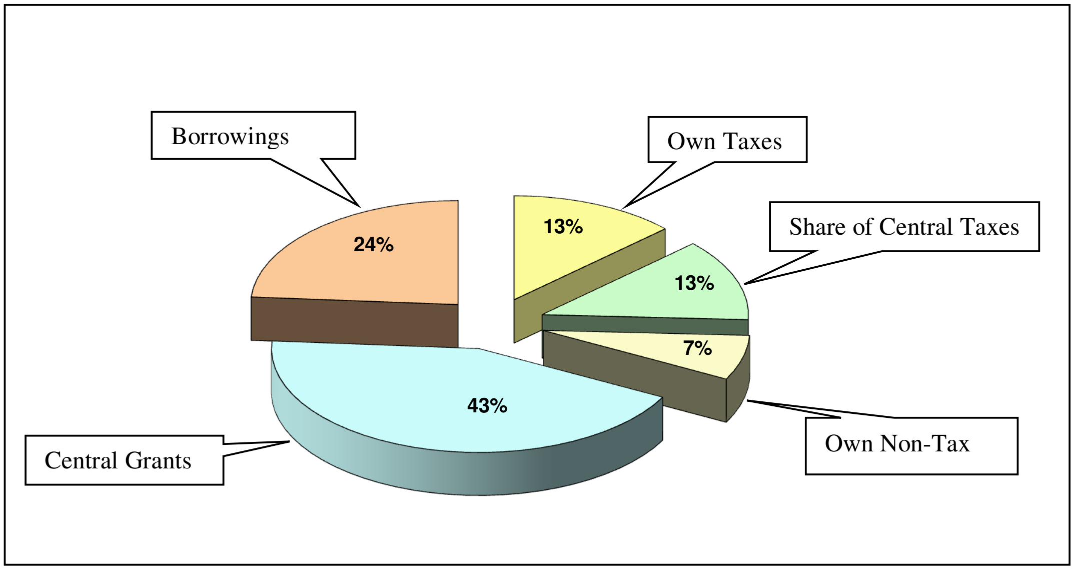
TABLE 1 : BUDGET AT A GLANCE

(Rs. in crore)

	Items	2015-16 (Actuals)	2016-17 (BE)	2016-17 (RE)	2017-18 (BE)
A.	Revenue Receipts	35780	51460	50174	58168
B.	Revenue Expenditure	36420	44975	42568	48819
	Revenue Surplus (A-B)	**-640**	**6485**	**7606**	**9349**
C.	Capital Receipts	9970	10221	7347	18167
D.	Capital Expenditure	9330	19694	18912	30653
	Capital A/C Deficit (C-D)	**640**	**-9473**	**-11565**	**-12486**
E.	Total Expenditure	45750	64669	61480	79472
F.	Total Receipts	45750	61681	57521	76335
G.	**Fiscal Deficit**	**6001**	**6430**	**7384**	**9354**
H.	**Unfunded/Additional resources required**	**-**	**2988**	**3959**	**3137**

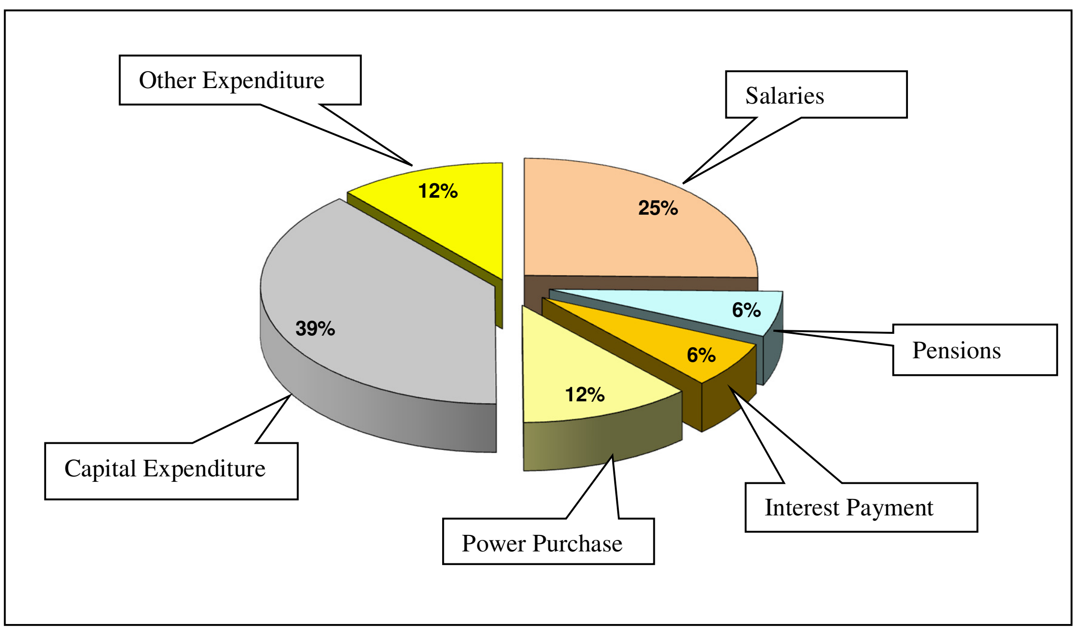
RUPEE : AS IT COMES
(2017-18)

Graph : 1



RUPEE : AS IT GOES
(2017-18)

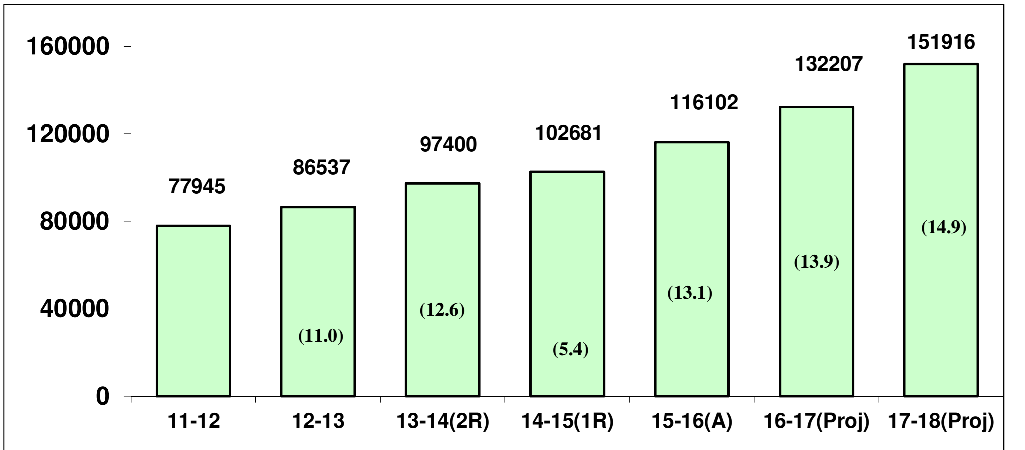
Graph : 2



ECONOMIC GROWTH

GSDP at current prices

Graph : 3 (Rs. in crore)

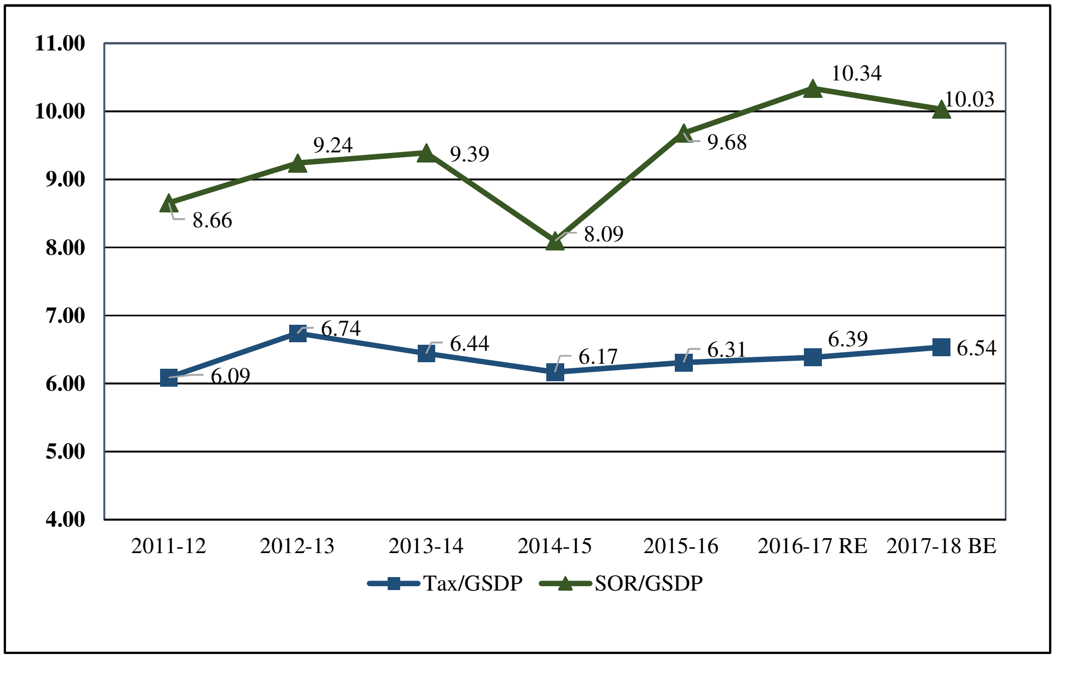


(Growth % in brackets calculated on base year 2011-12)

1R = 1st Revised Estimates; 2R = 2nd Revised Estimates; AE = Advanced Estimates; Proj = Projected

STATE TAXES & REVENUES – INCIDENCE & EFFICIENCY

Graph : 4 **SOR %GSDP**



SOR – State's Own Revenues

TABLE 2 BUDGET : BASIC DETAILS

(Rs. in crore)

Items	2015-16 (Actuals)	2016-17 (BE)	2016-17 (RE)	2017-18 (BE)
Revenue Receipts (i+ii+iii+iv+v)	**35780**	**51460**	**50174**	**58168**
i. Own Tax Revenue	7326	9220	8442	9931
ii. Non-Tax Revenue	3913	4019	5224	5308
iii. Share of Central Taxes	7813	9500	9500	9711
iv. Resources from Centre	16728	27721	27008	33118
v. Additional Resource Mobilization (ARM)	-	1000	-	100
Total Revenue Expenditure of which	**36420**	**44975**	**42568**	**48819**
Interest payments	*3719*	*4725*	*4769*	*5157*
CSS	1573	2676	2676	3000
Total Capital Receipts	**9970**	**10221**	**7347**	**18167**
i. Borrowings	5654	8479	5619	10537
ii. Other liabilities of which Provident Fund (Net)	2886	1688	1688	2251
iii. Misc. Non-debt creating	1426	49	35	74
iv. Recovery of Loans and Advances	4	5	5	5305
Total Capital Expenditure	**9330**	**19694**	**18912**	**30653**
i. State Capital Expenditure	8074	13494	13912	23653
of which : Repayments	*1825*	*1914*	*1917*	*3145*
ii. CSS	1256	6200	5000	7000
Total Expenditure	**45750**	**64669**	**61480**	**79472**
i. State Revenue Expenditure	34847	42299	39892	45819
ii. State Capital Expenditure	8074	13494	13912	23653
iii. CSS	2829	8876	7676	10000
Total Receipts	**45750**	**61681**	**57521**	**76335**
i. Revenue Receipts	35780	51460	50174	58168
ii. Capital Receipts*	9970	10221	7347	18167
Revenue Surplus	**-640**	**6485**	**7606**	**9349**
Unfunded/Additional Resources Required	**-**	**2988**	**3959**	**3137**
Fiscal Deficit**	**6001**	**6430**	**7384**	**9354**

*** Includes Power Bonds/UDAY of Rs. 2000 crore as per Revised Estimates 2016-17 & Rs. 3500 crore for Budget Estimates 2017-18.**

**** Fiscal Deficit excludes UDAY Power Bonds (Ujwal Discom Assurance Yojna) as per guidelines of UDAY Scheme.**

TABLE 3 : REVENUE RECEIPTS

(Rs. in crore)

Items	2015-16 Actuals	2016-17 (BE)	2016-17 (RE)	2017-18 (BE)
Revenue Receipts (I+II)	**35780**	**51460**	**50174**	**58168**
I. Total Grants from Centre	**24541**	**37221**	**36508**	**42829**
i. Share of Central Taxes	7813	9500	9500	9711
ii. Resources from Centre	16728	27721	27008	33118
II. State's Own Revenues (1+2+3)	**11239**	**14239**	**13666**	**15339**
1. State's Own Tax Revenues	**7326**	**9220**	**8442**	**9931**
a. Sales Tax	5277	6985	6238	7485
b. Excise Duty	533	536	536	620
c. Others	1516	1699	1668	1826
2. Non-Tax Revenues, of which	**3913**	**4019**	**5224**	**5308**
Interest Receipts	*96*	*21*	*2*	*2*
3. Additional Resource Mobilization (ARM)	**-**	**1000**	**-**	**100**

TABLE 4 : REVENUE RECEIPTS AND EXPENDITURE: COMPOSITION

(Rs. in crore)

	Items	2015-16 Actuals	2016-17 (BE)	2016-17 (RE)	2017-18 (BE)
A.	**Revenue Expenditure of which:**	**36420**	**44975**	**42568**	**48819**
	i. Interest	3719	4725	4769	5157
	ii. Power Purchase/Liability/Subsidy	6127	9560	* 7900	# 9400
	iii. Maintenance/Repairs/Material & Supplies	510	674	852	913
	iv. Grant in Aid	1384	1523	1605	1674
	iv. CSS	1573	2676	2676	3000
B.	**Primary Revenue Expenditure, of which:**	**32701**	**40250**	**37799**	**43662**
	i. Salaries	14909	18413	16820	20101
	ii. Pension	3781	4600	4600	5000
	iii. Others	14011	17237	16379	18561

* Includes Power Liability of Rs. 2000 and Subsidy of Rs. 1200 for R.E 2016-17.

Includes Power Liability of Rs. 3500 and Subsidy of Rs. 1200 for B.E 2017-18.

TABLE 5 : CAPITAL RECEIPTS

(Rs. in crore)

Items	2015-16 Actuals	2016-17 (BE)	2016-17 (RE)	2017-18 (BE)
Capital Receipts	**9970**	**10221**	**7347**	**18167**
1. Negotiated loans	351	700	700	1000
2. NSSF Loan	694	125	4	0
3. Other Borrowings	2267	2794	2915	6037
4. Misc. Non-debt creating	1426	49	35	74
5. Recovery of Loans and Advances	4	5	5	5305
6. Provident Fund (Net)	2886	1688	1688	2251
7. Power Bonds/UDAY Bonds	2342	4860	2000	3500

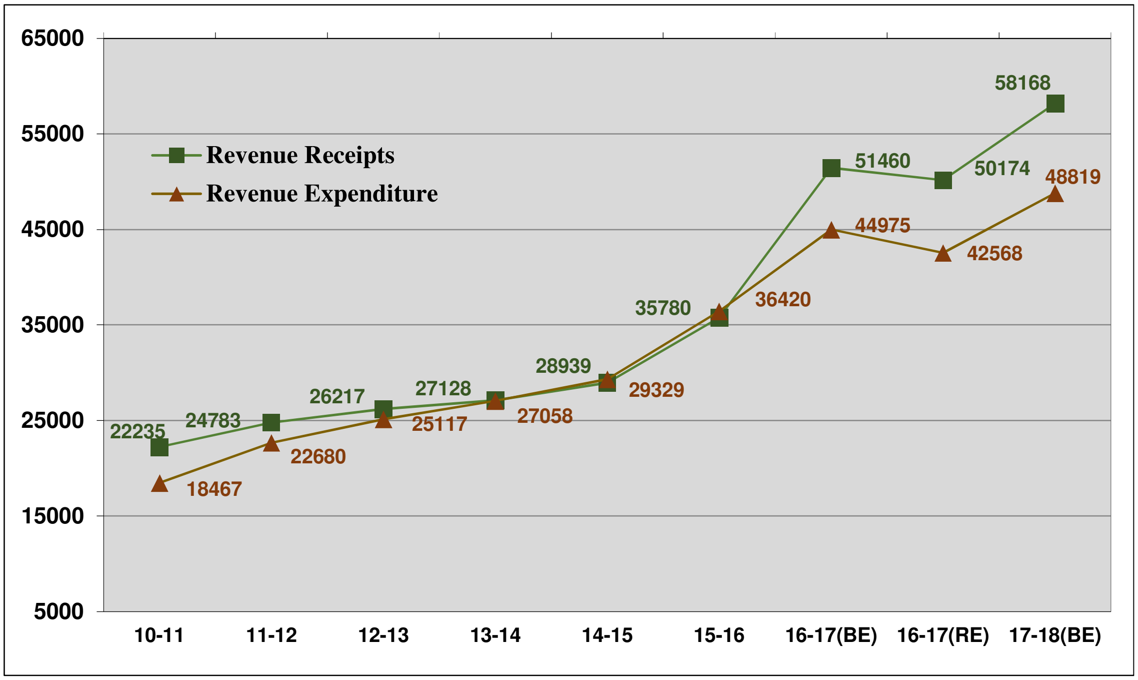
TABLE 6 : CAPITAL EXPENDITURE

(Rs. in crore)

Items	2015-16 Actuals	2016-17 (BE)	2016-17 (RE)	2017-18 (BE)
Capital Expenditure of which:	**9330**	**19694**	**18912**	**30653**
i. State/District/PMDP (Tameir) Capex	6075	10362	10292	13492
ii. Loans & Advances	94	87	91	91
iv. Repayment of Debt	1825	1914	1917	3145
v. Equity & Investment	-	-	250	5433
vii. CSS	1256	6200	5000	7000
viii. Others	80	1131	1362	1492
Deficit/Surplus on Capital Account	**640**	**-9473**	**-11565**	**-12486**

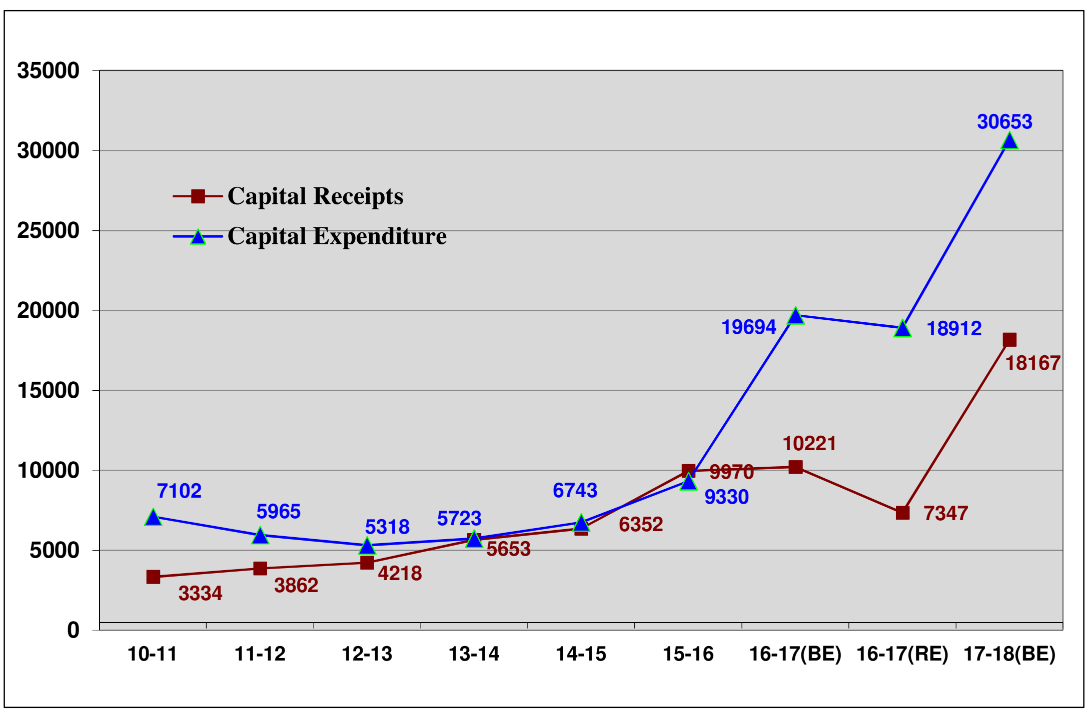
REVENUE RECEIPTS V/S REVENUE EXPENDITURE

Graph : 5 (Rs. in crore)



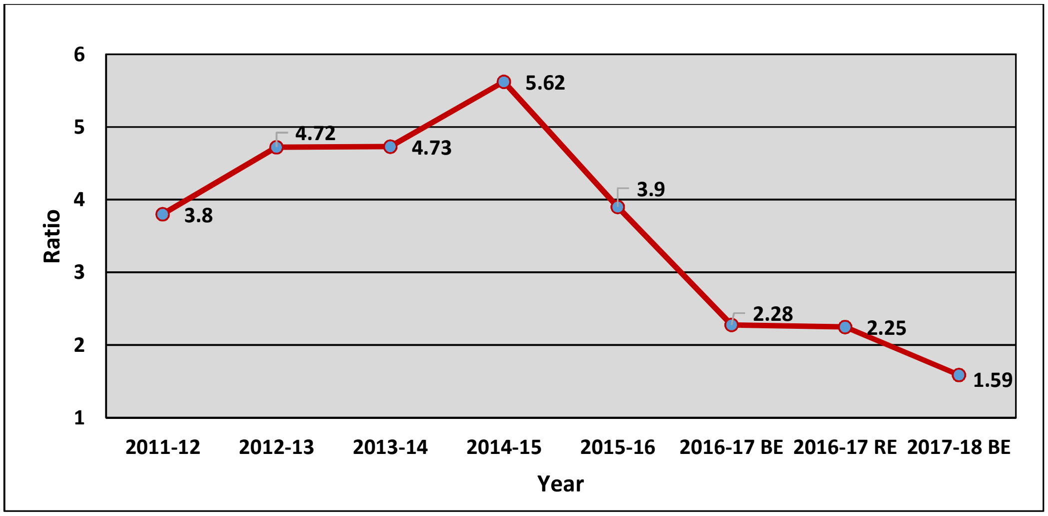
CAPITAL RECEIPTS V/S CAPITAL EXPENDITURE

Graph : 6 (Rs. in crore)



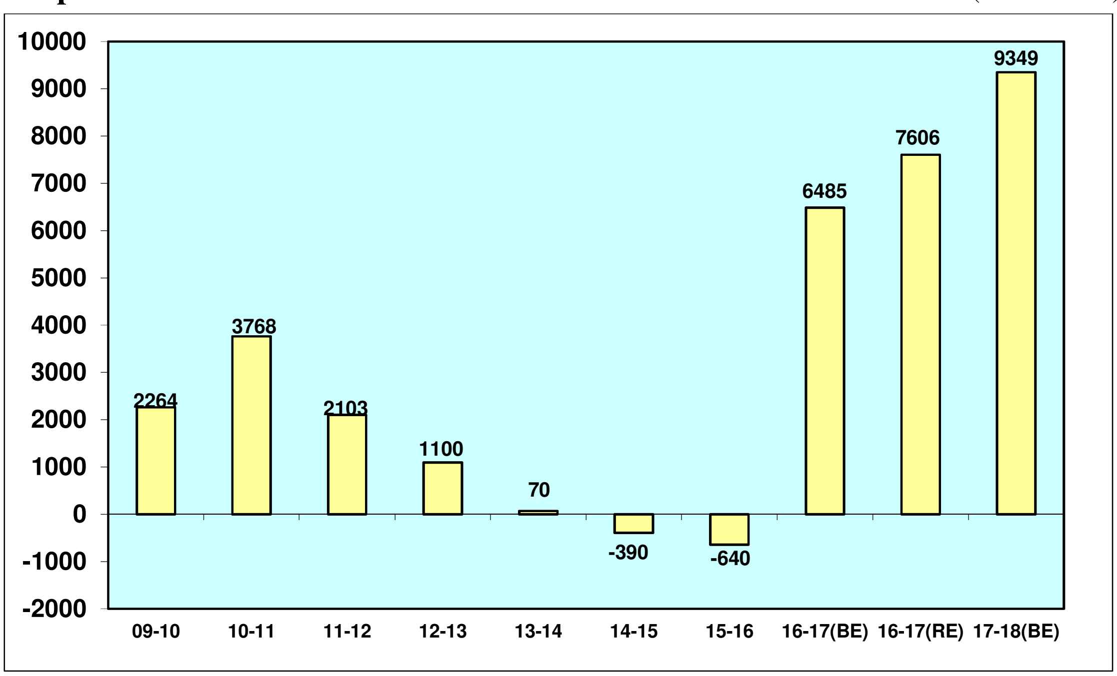
REVENUE EXPENDITURE PER UNIT OF CAPEX

Graph :7



REVENUE SURPLUS AVAILABLE FOR CAPITAL EXPENDITURE

Graph : 8 (Rs. in crore)



GROWTH IN OWN REVENUES
(TAX +NON-TAX)

Graph : 9 (Rs. in crore)

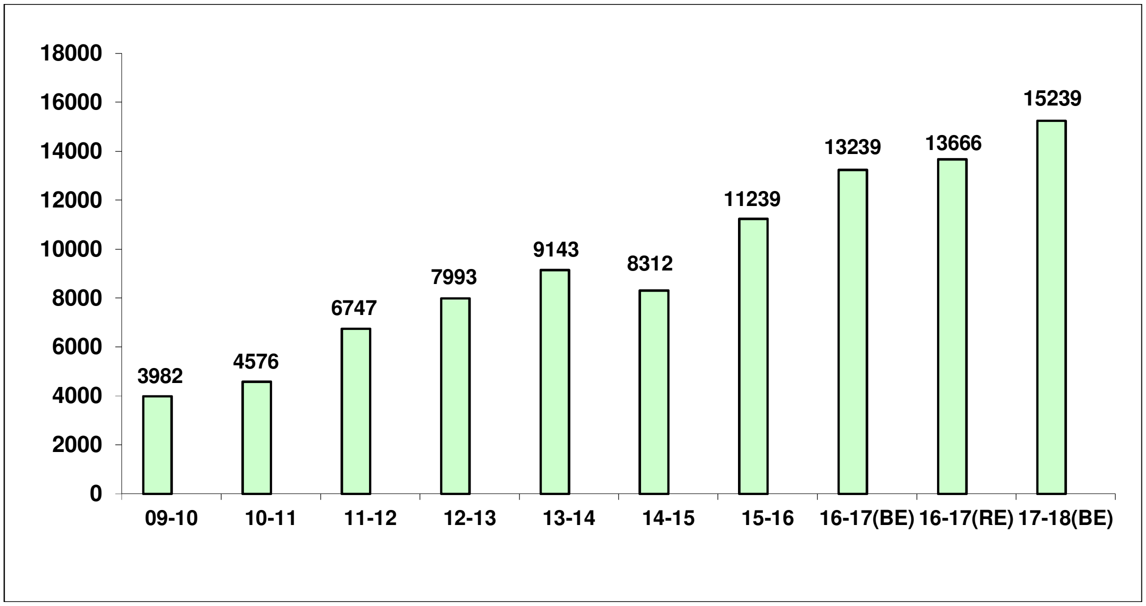


TABLE 7 : STATUTORY FLOW FROM CENTRE (2016-17 & 2017-18)

(Rs. in crore)

		BE (2016-17)	RE (2016-17)	BE (2017-18)
(A)	**Entitled Grants**	**22345**	**22832**	**24329**
	i. Share of Central Taxes	9500	9500	9711
	ii. Revenue Deficit Grants	10831	10831	11849
	iii. SDRF/NDRF	241	241	253
	iv. SRE	780	1261	1384
	v. Other Central Schemes	183	189	199
	vii. FC Grants, of which	810	810	933
	a. PRIs	585	585	675
	b. ULBs	225	225	258
(B)	**Other Grants**	**14876**	**13676**	**18500**
	i. Prime Ministers Development Programme (TAMEIR)	6000	6000	8500
	ii. CSS	8876	7676	10000
	Total (A+B)	**37221**	**36508**	**42829**

TABLE 8 : POWER SECTOR : METERING (as of March end 2016)

Particulars	Jammu	Kashmir	Ladakh	Total
Total Consumers	816163	848664	42812	1707639
Electronic Meters	480811	364181	27730	872722
Percentage Electronic Metering	58.91	42.91	64.77	51.11
Electromechanical Meters	59452	0	0	59452
Percentage Electromechanical Metering	7.28	0	0	3.48
Total Meters	540263	364181	27730	932174
Total Percentage Metering	66.20	42.91	64.77	54.59

TABLE 9: POWER DEFICIT/GAP (2017-18)

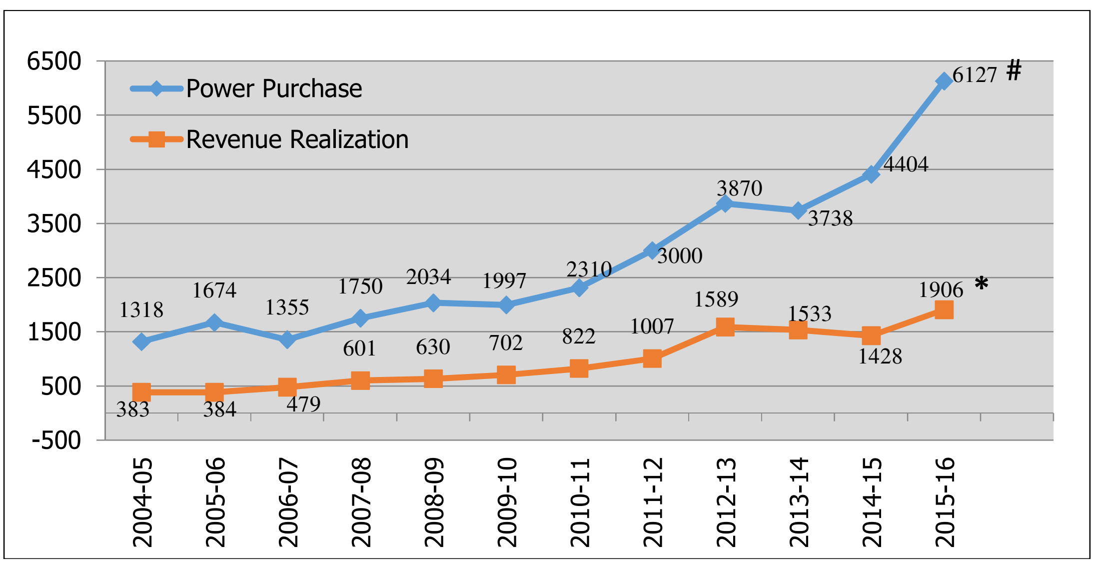
(Rs. in crore)

A	Annual Revenue Requirement (ARR)	6396.00
B	Total Revenue expected @ existing tariff	3329.88
C	Additional Revenue @ proposed tariff revision	565.00
D	By Tariff Revision (**D = B+C**)	3894.88
E	By Government Subsidy to Consumers@ 42% AT&CL*	1200
F	Total **(F= D+E)**	5094.88
G	Gap **(A-F)**	1301.12

*** AT&CL – Aggregate Transmission & Commercial Losses.**

POWER : PURCHASE AND REVENUE REALIZATION

Graph : 10 (Rs. in crore)

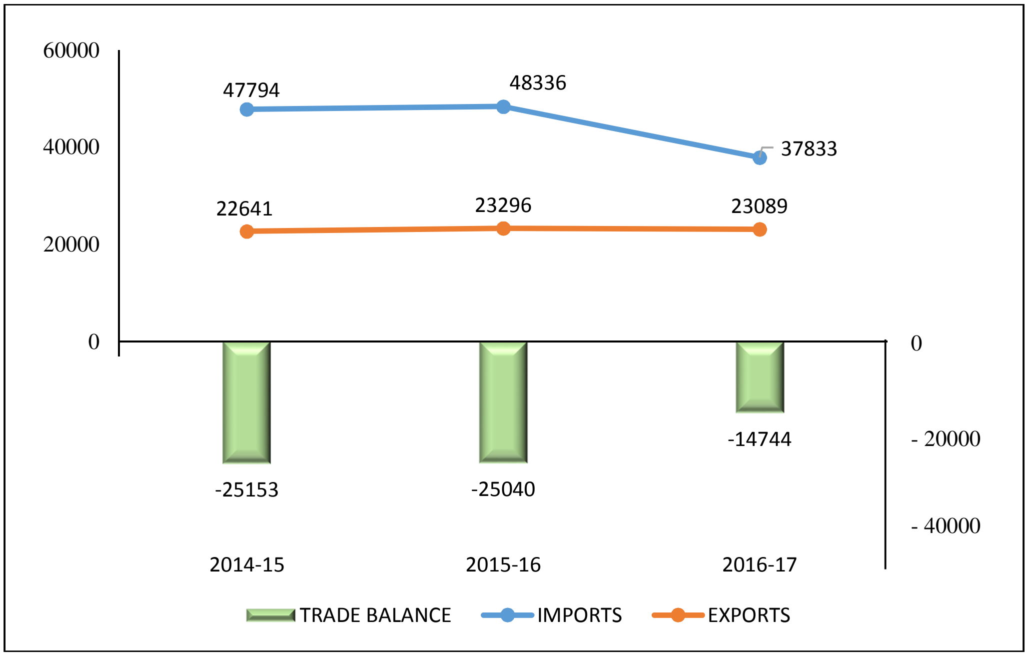


*** ACTUAL REVENUE REALISATION INCLUDING ELECTRICITY DUTY OF RS. 429 CRORE.**

 # POWER PURCHASE INCLUDES UDAY BONDS OF RS. 2140 CRORE.

TRADE BALANCE

Graph : 11 (Rs. in crore)



RATE OF INVESTMENT

Graph : 12 **Capex as % SDP**

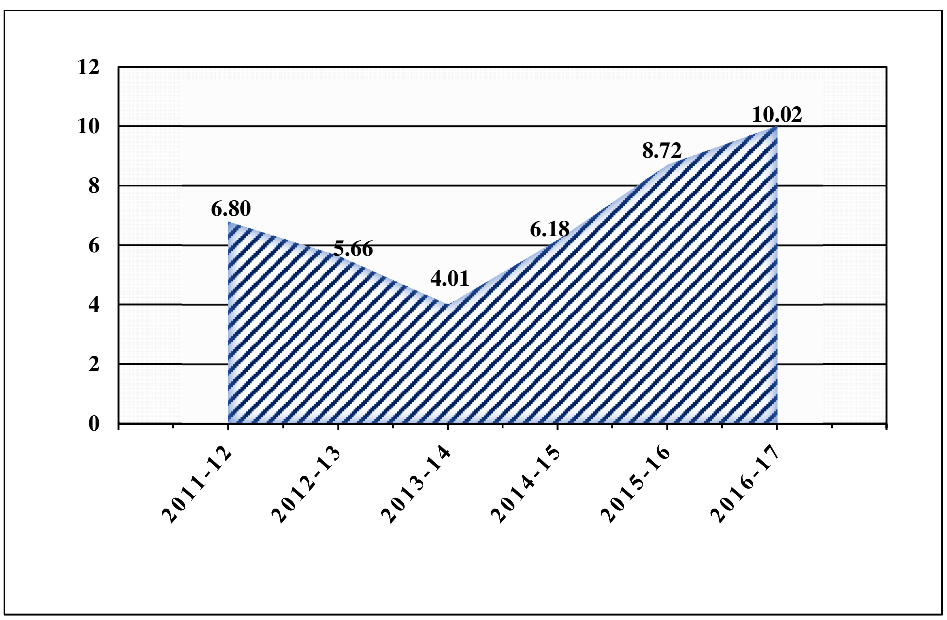


TABLE 10 : CAPEX BUDGET ALLOCATION 2016-17 V/S 2017-18

(Rs. in crore)

	SECTOR	2016-17 BE	2017-18 BE
1	Industries & Commerce Department	117	228
2	Special Area Programme	527	546
3	Irrigation, Flood Control & PHE	911	1418
4	Agriculture & Allied Services	954	1016
5	Rural Development Department	1339	1726
6	Power Development Department	3069	4711
7	Social Services	4683	5332
8	General Economic Services	4962	5795
	Total	**16562**	**20773**

CAPEX BUDGET ALLOCATION 2016-17 V/S 2017-18

Graph : 13

(Rs. in crore)

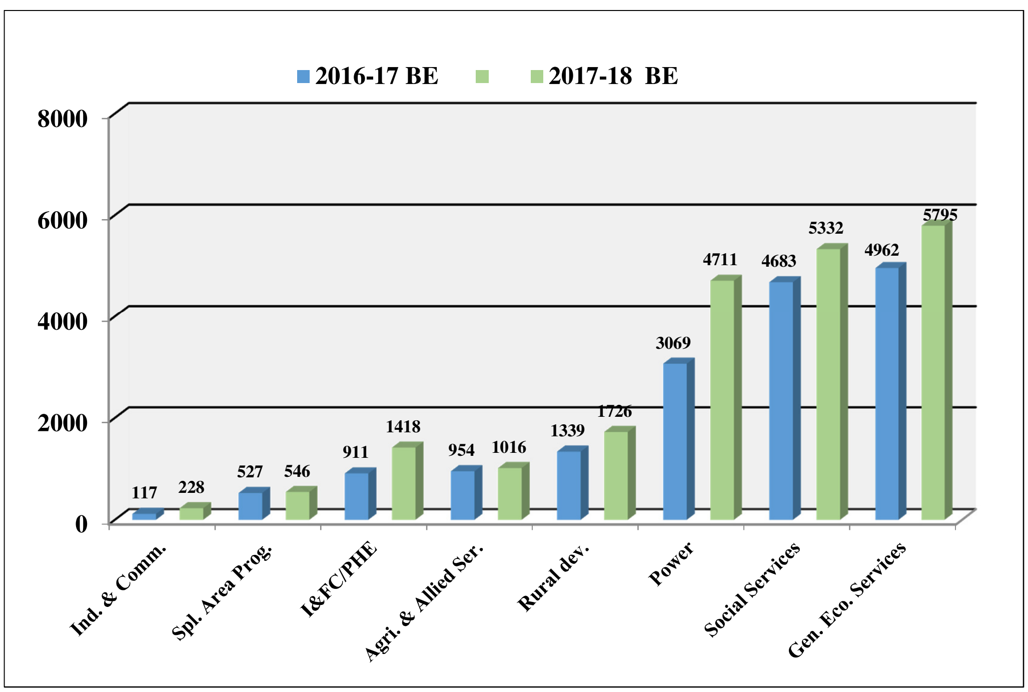


TABLE 11 : SECTOR-WISE REVENUE EXPENDITURE

(Rs. in crore)

SECTOR/SERVICE	2016-17 (RE)		2017-18 (BE)	
(A) General Services	Amount	% of Total Expenditure	Amount	% of Total Expenditure
a) Organs of State	414	0.97	472	0.97
b) Fiscal Services	333	0.78	430	0.88
c) Interest Payment and Servicing of Debt	4803	11.28	5208	10.67
d) Administrative Services	6294	14.79	7987	16.36
e) Pensions and Misc. General Services	4601	10.81	5001	10.24
Total (A)	**16445**	**38.63**	**19098**	**39.12**
(B) Social Services				
a) Education, Sports, Art and Culture	7227	16.98	7553	15.47
b) Health and Family Welfare	2189	5.14	2716	5.56
c) Water Supply, Sanitation, Housing and Urban Development	1846	4.34	1982	4.06
d) Information and Broadcasting	52	0.12	65	0.13
e) Welfare of ST, SC & OBC	86	0.20	91	0.19
f) Labour and Labour Welfare	49	0.11	61	0.12
g) Social Welfare and Nutrition	1546	3.63	1999	4.09
h) Others	34	0.08	38	0.08
Total (B)	**13028**	**30.61**	**14506**	**29.71**
(C) Economic Services				
a) Agriculture and allied Activities	2128	5.00	2349	4.81
b) Rural Development	402	0.94	471	0.97
c) Special Areas Programmes	40	0.09	46	0.09
d) Irrigation and Flood Control	539	1.27	633	1.30
e) Energy	8679	20.39	10270	21.04
f) Industry and Minerals	362	0.85	409	0.84
g) Transport	117	0.27	117	0.24
i) Science, Technology and Environment	31	0.07	42	0.09
j) General Economic Services	265	0.62	286	0.59
Total (C)	**12564**	**29.51**	**14623**	**29.95**
Total (A+B+C)	**42037**	**98.75**	**48227**	**98.79**
Ladakh Transfers (Revenue Expenditure)	***531***	**1.25**	***592***	**1.21**
Total Revenue Expenditure	**42568**		**48819**	

TABLE 12 : SECTOR-WISE CAPITAL EXPENDITURE

(Rs. in crore)

SECTOR/SERVICE	2016-17 (RE)		2017-18 (BE)	
	Amount	% of Total Expenditure	Amount	% of Total Expenditure
(A) Capital Account of General Services	1507	8.89	1954	7.39
Total (A)	**1507**	**8.89**	**1954**	**7.39**
(B) Capital Account of Social Services				
a) Capital Outlay on Education, Sports, Art and Culture	1480	8.73	1685	6.37
b) Capital Outlay on Health and Family Welfare	755	4.45	793	3.00
c) Capital Outlay on Water Supply, Sanitation, Housing and Urban Development	1188	7.01	1414	5.35
d) Capital Account of Information and Broadcasting	4	0.02	2	0.01
e) Capital Account of Welfare of SC, ST and OBC	57	0.34	48	0.18
g) Capital Account of Social Welfare and Nutrition	2934	17.30	1588	6.01
h) Capital Account of Other Social Services	108	0.64	128	0.48
Total (B)	**6526**	**38.50**	**5659**	**21.40**
(C) Capital Account of Economic Services				
a) Account of Agriculture and Allied Services	1009	5.95	1325	5.01
b) Capital Account of Rural Development	1842	10.87	2391	9.04
c) Capital Account of Special Area Programme	49	0.29	49	0.19
d) Capital Account of Irrigation and Flood Control	552	3.25	1383	5.23
e) Capital Account of Energy	1384	8.17	6251	23.64
f) Capital Account of Industry and Mineral	151	0.89	228	0.86
g) Capital Account of Transport	1047	6.17	1251	4.73
i) Capital Account of Science Technology and Environment	92	0.54	484	1.83
j) Capital Account of General Economic Services	2595	15.31	5290	20.01
Total (C)	**8721**	**51.44**	**18653**	**70.55**
Total (A+B+C)	**16754**	**98.83**	**26265**	**99.34**
Ladakh Transfers (Capital Expenditure)	***199***	**1.17**	***176***	**0.67**
Total Capital Expenditure	**16953**		**26441**	

TABLE 13 : DEBT POSITION OF THE STATE IN THE PAST 10 YEARS

(Rs. in crore)

Year	Internal Debt	Loans & Advances from Central Govt.	Total Public Debt	Insurance and Pension Funds	Provi-dent Funds	Other Obliga-tions*	Total Liabili-ties	GSDP at current prices	% of total liability to GSDP
								Base Year 2004-05	
2006-07	8766	3384	12150	233	3720	2488	18591	33230	56
2007-08	10964	3262	14226	249	4046	2834	21355	37099	58
2008-09	13336	3135	16471	268	4485	3051	24275	42315	57
2009-10	15449	3144	18593	333	5113	4685	28724	48385	59
2010-11	**16535	2032	18567	358	6291	4756	29972	58073	52
								Base Year 2011-12	
2011-12	20789	1903	22692	384	8335	4845	36256	77945	47
2012-13	22796	1839	24635	454	9954	5205	40248	86537	47
2013-14	24715	1775	26490	505	11893	5758	44646	97400	46
2014-15	26525	1675	28200	602	14028	5484	48314	102681	47
2015-16	30452	1579	32031	671	16846	5798	55346	116102	48

*** Interest/Non-interest bearing obligations such as deposits of Local Funds, other earmarked funds etc.**

**** Excluding one-off debt of Rs. 1300 crore for reduction of overdraft.**

STATE BUDGET : VARIOUS COMPONENTS

The State Budget comprises of three parts:

1. Consolidated Fund
2. Public Account
3. Contingency Fund

The Consolidated Fund is the source for all the "usual" budgetary transactions whether of capital, revenue or loan nature. State Tax and Non-Tax revenues are entered into the Consolidated Fund and any expenditure which are to be met from the Consolidated Fund must be voted by the State Legislature. Expenditures of 'Charged' nature are also met out of the Consolidated Fund.

The Consolidated Fund itself comprises of two parts:

a) the revenue account ; and
b) the capital account.

The revenue account comprises expenditures incurred in connection with the routine administration of the State, such as salaries, wages, maintenance and repairs, telephone expenses, day to day office running expenses and other overheads. Expenditures relating to the creation of assets which includes most (but not all) of Plan expenditure is covered in the Capital account.

Revenue receipts are all those incomes which do not incur repayment liability. These include, in addition to the State's own revenues, grants from the Central Government for the financing of State Plans, as well as non-plan grants.

Capital receipts include internal debt, loans from the Center and the State's recovery of its own loans advanced to State Corporations, Co-operative Societies, etc., and are entered in the capital account. On the outlay side of the capital account, there are expenditures corresponding to the State's own investment outlay and disbursements, which comprise of repayment of State public debt and the loans and advances made by the State to the various entities. Thus, both the capital and debt portions of the Consolidated Fund are under the Capital budget.

The Public Account includes those funds which do not belong to the State but which the State holds in trust for other entities. This would include such items as accumulations of the employees' provident fund, reserve and depreciation funds, deposits from Municipal Corporations, pension fund etc. It could rightly be characterized as the fund for which the State acts as "banker".

The Contingency Fund, as its name implies, is a fund for emergency use. It is included in the Budget to cover generally the decretal amounts and other unforeseen emergent expenditures. Expenditure from the Contingency Fund can be made with Cabinet consensus alone and hence have the advantage that the budgetary procedure - involving legislative approval - is circumvented; albeit the seal of Legislature subsequently to the expenditure thus incurred is a must. The monetary ceiling of Contingency Fund in most states is raised every few years through the budgetary process.

DEFINITIONS:-

1. **Revenue Receipts** are all those receipts, which do not incur repayment liability. These include, the State's own revenues (Tax and Non-Tax), share in central taxes, statutory and non-statutory grants from the Central Government. These also include interest and dividend on investments made by the Government.

2. **Revenue Expenditure** covers all the routine administrative expenditure of the State, incurred salaries and wages, pension, interest payments, maintenance and repairs. Also, overheads like payment of rent, taxes and other establishment expenditure.

3. **Capital Receipts** include loans raised by the State from the market, borrowings from RBI and other institutions, loans from the Centre, receipts from special securities issued to NSSF and the State's recovery of its own loans and proceeds from disinvestment of Government's stake in Public Sector Undertakings.

4. **Capital Expenditure** relates to the creation of assets. This corresponds to the investment outlay on the acquisition of permanent assets like land, buildings, plant &machinery and all other physical infrastructure. Disbursements, which comprised of repayment of State public debt and loans and advances made by the State to the various entities, are also taken as Capital Expenditure.

5. **Miscellaneous Capital Receipts (MCR)** are treated as Non Debt Capital Receipts.

6. **Primary Deficit** is Fiscal Deficit net of 'Interest Payments and Debt Servicing' under Revenue Component.

7. **Revenue Deficit** is the difference between Revenue expenditure and Revenue Receipts.

8. **Budget Deficit**, is the difference between total expenditure and total receipts and has to be zero in the absence of monetization. State Governments have no access to the monetization route and as such Budget Deficit in their case ought to be zero.

9. **Fiscal Deficit** is the difference between aggregate disbursements (net of debt repayments and recovery of loans), and revenue receipts and non-debt capital receipts.

10. **Finance Bill** consists the Government's proposals for the imposition of new taxes, modification of the existing tax structure or continuance of the existing tax structure beyond the period approved by the legislature.
