



Government of
Jammu & Kashmir

حکومت جموں و کشمیر

**BUDGET
AT A GLANCE**

2016-17

BUDGET DIVISION

تخمینہ جات -
ایک نظر میں

۲۰۱۷-۲۰۱۶

بجٹ ڈویژن

May, 2016

مئی، ۲۰۱۶

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BUDGET : 2016-17

TABLE 1: BUDGET AT A GLANCE

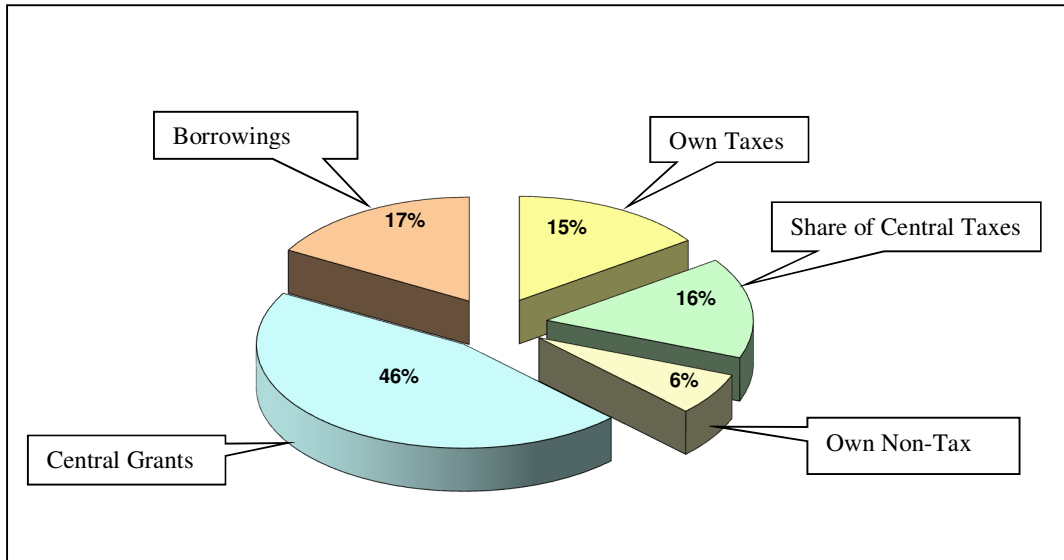
(Rs. in crore)

	Items	2014-15 (Actuals)	2015-16 (BE)	2015-16 (RE)	2016-17 (BE)
A.	Revenue Receipts	28938	37814	40904	51460*
B.	Revenue Expenditure	29329	35227	37197	44975
	Revenue Surplus (A-B)	-391	2587	3707	6485
C.	Capital Receipts	6743	4323	7095	10221
D.	Capital Expenditure	6352	11246	14473	19694
	Capital A/C Deficit (C-D)	391	-6923	-7378	-9473
E.	Total Expenditure	35681	46473	51670	64669
F.	Total Receipts	35681	42137	47999	61681
G.	Fiscal Deficit	5616	7181	6925	6430
H.	Unfunded/Additional resources required	0	4336	3671	2988

* Includes Additional Resource Mobilization of Rs. 1000 crore.

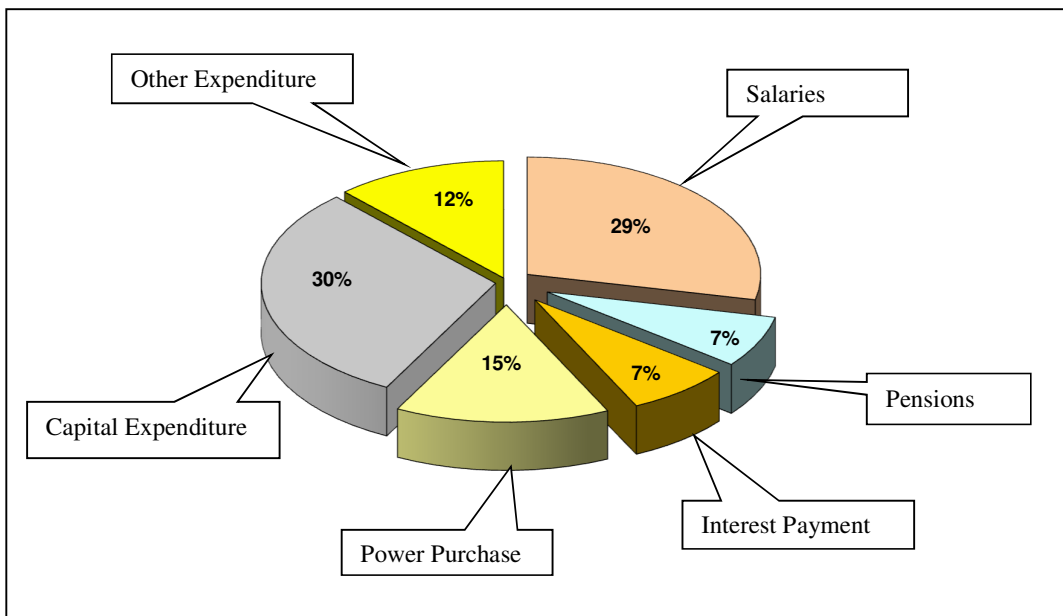
RUPEE : AS IT COMES (2016-17)

Graph : 1



RUPEE : AS IT GOES (2016-17)

Graph : 2

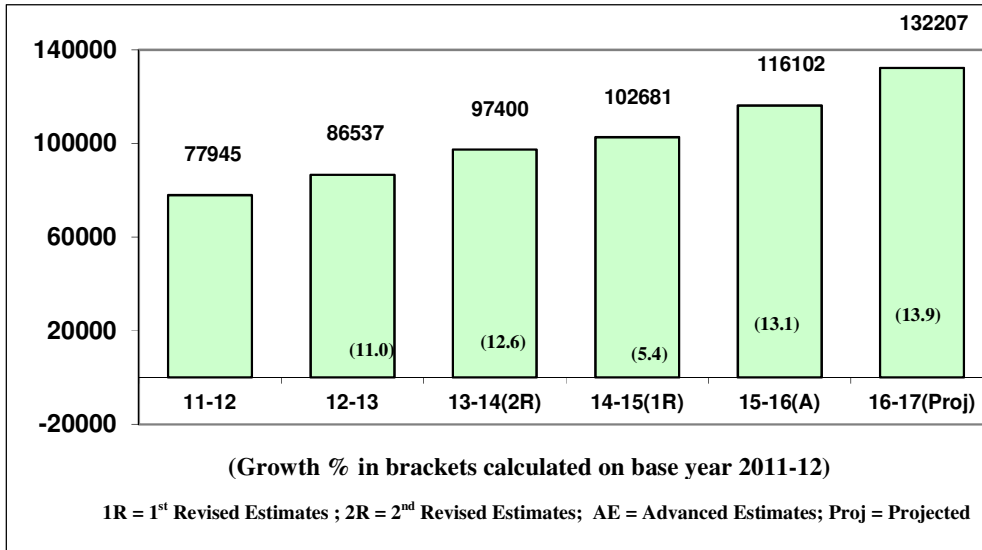


ECONOMIC GROWTH

GSDP at current prices

Graph : 3

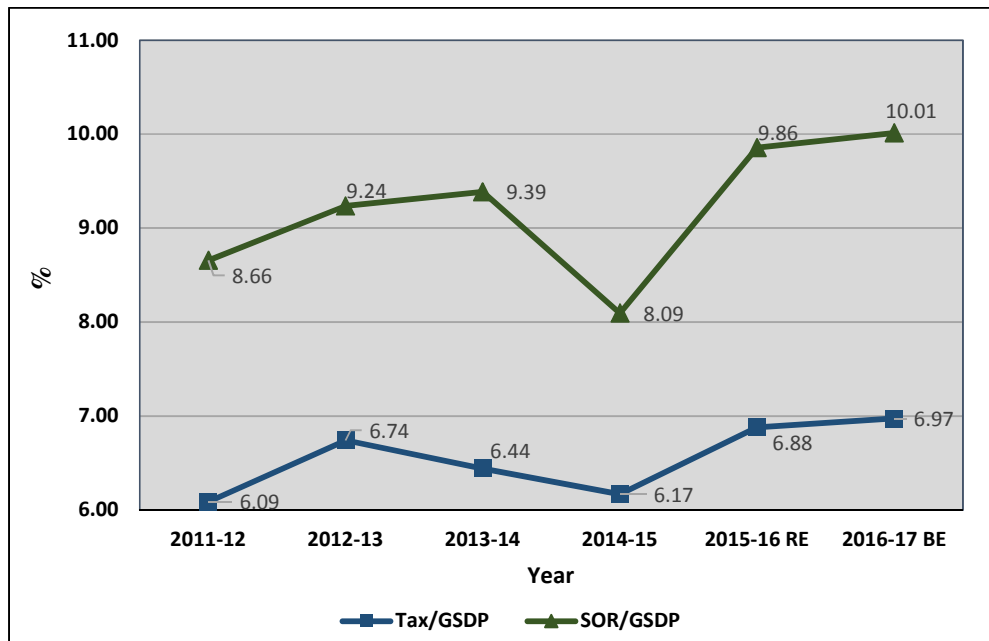
(Rs. in crore)



STATE TAXES & REVENUES – INCIDENCE & EFFICIENCY

Graph : 4

SOR %GSDP



SOR – State's Own Revenues

TABLE 2 BUDGET : BASIC DETAILS

(Rs. in crore)

Items	2014-15 (Actuals)	2015-16 (BE)	2015-16 (RE)	2016-17 (BE)
Revenue Receipts (i+ii+iii+iv)	28938	37814	40904	51460
i. Own Tax Revenue	6334	8006	7988	9220
ii. Non-Tax Revenue	1978	3509	3455	4019
iii. Share of Central Taxes	4477	8088	8088	9500
iv. Resources from Centre	16149	18211	21373	27721
v. Additional Resource Mobilization (ARM)	-	-	-	1000
Revenue Expenditure	29329	35227	37197	44975
i. Plan	2158	33770	35550	42299
ii. Non-Plan	26457			
<i>of which: Interest payments</i>	3533	3795	3795	4725
iii. CSS	714	1457	1647	2676
Capital Receipts	6743	4323	7095	10221
i. Provident Fund (Net)	2232	1415	1415	1688
ii. Borrowings and other liabilities *	2834	2841	5637	8479
iii. Non-debt creating	1677	67	43	54
Capital Expenditure	6352	11246	14473	19694
i. Plan	3713	6469	9792	13494
ii. Non-Plan	1763			
<i>of which : Repayments</i>	1124	1473	1696	1914
iii. CSS	876	4777	4681	6200
Total Expenditure	35681	46473	51670	64669
i. Plan Expenditure	5871	40473	45342	55793
ii. Non-Plan expenditure	28220			
iii. CSS	1590	6000	6328	8876
Total Receipts	35681	42137	47999	61681
i. Plan Revenue Receipts	12807	37814	40904	52929
ii. Non-Plan Revenue Receipts	16131			
iii. Capital Receipts *	6743	4323	7095	10221
Revenue Surplus	-391	2587	3707	6485
Unfunded/Additional Resources Required	0	4336	3671	2988
Fiscal Deficit	5616	7181	6925	6430

* Includes Power Bonds/UDAY of Rs. 2140 crore as per Revised Estimates 2015-16 & Rs. 4860 crore for Budget Estimates 2016-17.

TABLE 3: REVENUE RECEIPTS

(Rs. in crore)

Items	2014-15 (Actuals)	2015-16 (BE)	2015-16 (RE)	2016-17 (BE)
Revenue Receipts (I+II)	28938	37814	40904	51460
I. Resources from centre	20626	26299	29461	37221
i. Share of Central Taxes	4477	8088	8088	9500
ii. Total Grants from Centre (a+b)	16149	*18211		
a. Non-Plan Grants, of which	3342			
i. Others	3014		21373	27721
ii. SRE and Other Central Schemes	328			
b. Plan Grants including CSS	12807			
II. State's Own Revenues (1+2)	8312	11515	11443	14239
1. State's Own Tax Revenues	6334	8006	7988	9220
a. Sales Tax	4602	5744	5985	6985
b. Excise Duty	466	485	485	536
c. Others	1266	1777	1518	1699
2. Non-Tax Revenues, of which	1978	3509	3455	4019
<i>Interest Receipts</i>	<i>14</i>	<i>23</i>	<i>23</i>	<i>21</i>
3. Additional Resource Mobilization (ARM)	-	-	-	1000

* As recommended by Fourteenth Finance Commission, this subsumes all SPA, SCA, ACA, NCA and Plan Assistance being provided so far by the Centre.

TABLE 4: REVENUE RECEIPTS AND EXPENDITURE: COMPOSITION

(Rs. in crore)

	Items	2014-15 (Actuals)	2015-16 (BE)	2015-16 (RE)	2016-17 (BE)
A.	Revenue Expenditure	29329	35227	37197	44975
	1. Plan Revenue Expenditure		*35227	37197	44975
	a. State Plan	2158			
	b. Centrally Sponsored Schemes	714			
	2. Non-Plan Revenue Expenditure, of which :	26457			
	<i>Interest payments</i>	<i>3533</i>			
B.	Primary Revenue Expenditure, of which:	25796	**31432	33402	40250
	i. Salaries	11734	16523	16670	18413
	ii. Migrant salaries		185	-	-
	iii. Pensions	3686	3620	4100	4600
	iv. Others		11104	12632	17237

* All receipts and expenditure are grouped under Revenue and Capital A/c from April, 1st 2015.

** Estimated Primary Revenue Expenditure.

TABLE 5 : CAPITAL RECEIPTS

(Rs. in crore)

Items	2014-15 (Actuals)	2015-16 (BE)	2015-16 (RE)	2016-17 (BE)
Capital Receipts	6743	4323	7095	10221
1. Negotiated loans	622	700	700	700
2. NSSF Loan	574	0	0	125
3. Other Borrowings	1638	2141	2797	2794
4. Non-debt creating	1677	67	43	54
5. Provident Fund (Net)	2232	1415	1415	1688
6. Power Bonds/UDAY Bonds	0	0	2140	4860

TABLE 6 : CAPITAL EXPENDITURE

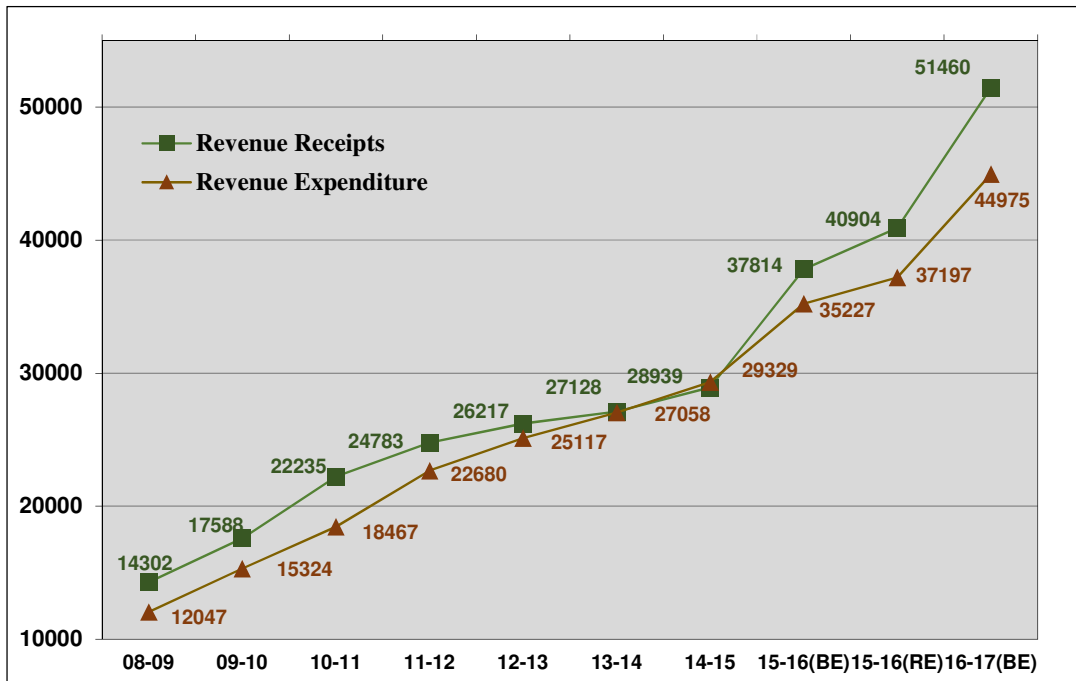
(Rs. in crore)

	Items	2014-15 (Actuals)	2015-16 (BE)	2015-16 (RE)	2016-17 (BE)
	Capital Expenditure	6352	11246	14473	19694
A.	Plan Capital Expenditure	3713	4730	9792	13494
B.	Non-Plan Capital Expenditure	1763			
	i. Repayment of debt	1124	1473	1696	1914
	ii. Others	639	266	8096	11580
C.	CSS	876	4777	4681	6200
D.	Deficit/Surplus on Capital Account	391	-6923	-7378	-9473

REVENUE RECEIPTS V/S REVENUE EXPENDITURE

Graph : 5

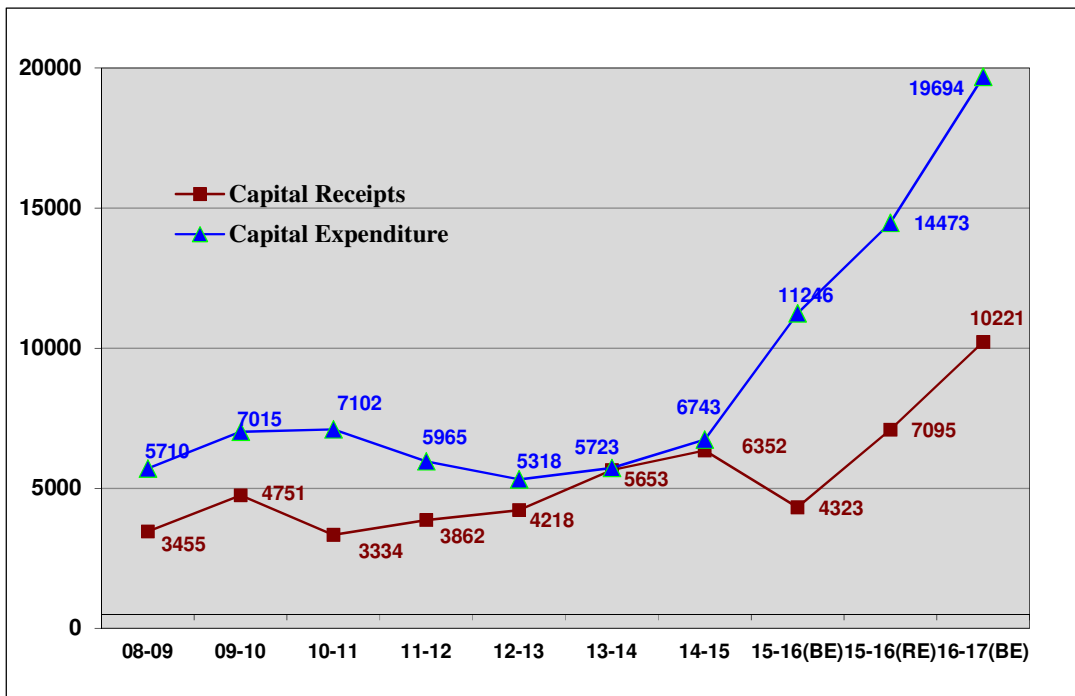
(Rs. in crore)



CAPITAL RECEIPTS V/S CAPITAL EXPENDITURE

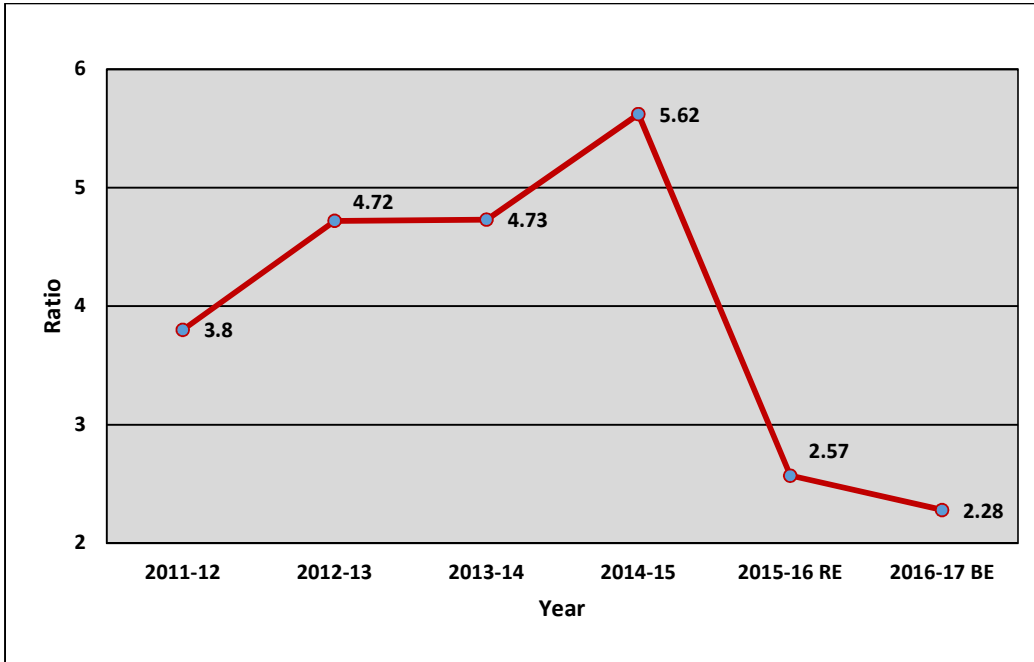
Graph : 6

(Rs. in crore)



REVENUE EXPENDITURE PER UNIT OF CAPEX

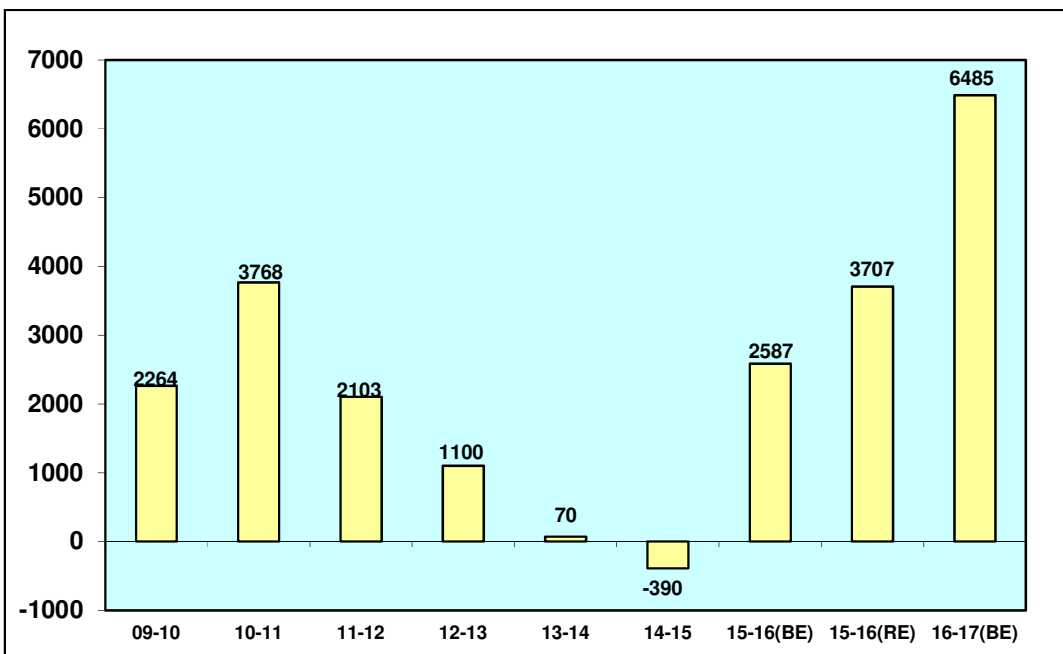
Graph : 7



REVENUE SURPLUS AVAILABLE FOR CAPITAL EXPENDITURE

Graph : 8

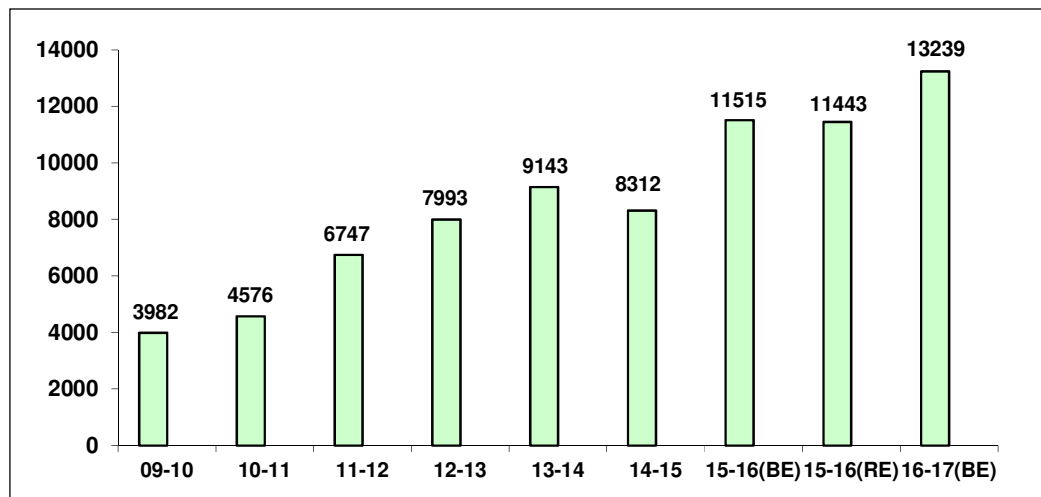
(Rs. in crore)



GROWTH IN OWN REVENUES (TAX + NON-TAX)

Graph : 9

(Rs. in crore)



**TABLE 7 : STATUTORY FLOW FROM CENTRE
(2015-16 & 2016-17)**

(Rs. in crore)

		BE (2015-16)		RE (2015-16)		BE (2016-17)	
(A)	Entitled Grants	19698		19965		22345	
	i. Share of Central Taxes	8088		8088		9500	
	ii. Revenue Deficit Grants	9892		9892		10831	
	iii. SDRF/NDRF	229		229		241	
	iv. SRE	794		1070		780	
	v. Other Central Schemes	196		187		183	
	vii. FC Grants, of which	499		499		810	
	<i>a. PRIs</i>	374		374		585	
	<i>b. ULBs</i>	125		125		225	
(B)	Other Grants	6601		9496		14876	
	i. PM's Reconstruction Plan (PMRP)	600		0		0	
	ii. J&K Disaster Recovery Project	1		0		0	
	iii. Prime Ministers Development Programme (TAMEIR)	0		3168		6000	
	iv. CSS	6000		6328		8876	
	Total (A+B)	26299		29461		37221	

TABLE 8 : POWER SECTOR : METERING (as of March end 2015)

Particulars	Jammu	Kashmir	Ladakh	Total
Total Consumers	783,543	801,606	4,0273	1,625,422
Electronic Meters	451,131	363,214	19,052	833,397
Electromechanical	60,642	0	0	60,642
Total Metering	511,773	363,214	19,052	894,039
% Metering	65%	45%	47%	55%

**TABLE 9 : POWER DEFICIT/GAP
(2016-17)**

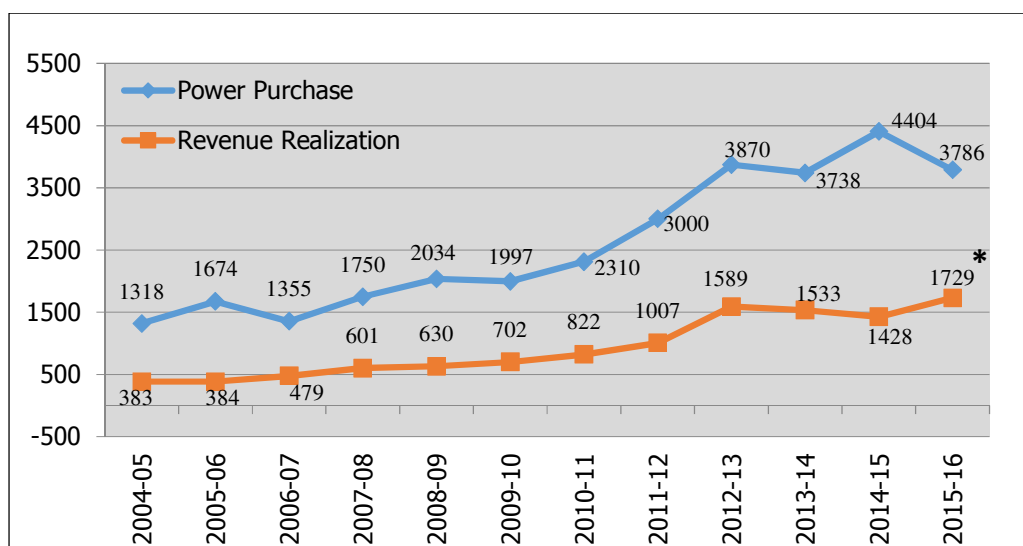
(Rs. in crore)

A	Total Average Revenue Realized (ARR)	6384.34
B	Total Revenue expected @ existing tariff	2812.21
C	Additional Revenue @ proposed tariff revision	506.52
D	By Tariff Revision (D = B+C)	3318.72
E	By Government Subsidy to Consumers @ 42% AT&CL*	1728.37
F	Total (F= D+E)	5047.09
G	Gap (A-F)	1337.24

* AT&CL – Aggregate Transmission & Commercial Losses.

POWER : PURCHASE AND REVENUE REALIZATION**Graph : 10**

(Rs. in crore)



* ACTUAL REVENUE REALISATION – SOURCE CIVIL ACCOUNTS ENDING MARCH, 2016

TABLE 10 : FOOD FINANCING

Name of the Scheme	Requirement of food grains (in MTs)	Cost of food grains (in Rs. Crore)	Sale proceeds (in Rs. Crore)	Deficit per annum (in crore)
NFSA	751081	474.43	443.10	31.33
Additional 2 Kgs w.e.f April, 2016 to June, 2016	63450	157.50	131.94	25.56
MMSFES w.e.f 01-07-2016 to 01-03-2017	322832	734.91	455.16	279.75 To be restricted to Rs. 200 crore
Total	1137363	1366.84	1030.20	256.89

NFSA – NATIONAL FOOD SECURITY ACT;
MMSFES – MUFTI MOHAMMAD SAYEED FOOD ENTITLEMENT SCHEME

TABLE 11 : 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 Obligations *	Total Liabili- ties	GSDP at current prices	% of total liability to GSDP
2005-06	7502	3508	11010	220	3307	2253	16790	29920	56
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

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

** Excluding one-off debt of ₹ 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.

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