PRINTED AT BUDGET PRESS, MINISTRY OF FINANCE, NEW DELHI

OUTCOME BUDGET 2014-15

MINISTRY OF FINANCE

Outcome Budget
2014-2015

सत्यमेव जयते

Ministry of Finance
Government of India

अर्थमूलं कार्यम्

Outlays for Outcomes

CONTENTS

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 2014-15 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
33	Department of Economic Affairs
34	Department of Financial Services
35	Appropriation - Interest Payments
36	Transfers to State and Union Territory Governments
37	Loans to Government Servants, etc.
38	Appropriation - Repayment of Debt
39	Department of Expenditure
40	Pensions
41	Indian Audit and Accounts Department
42	Department of Revenue
43	Direct Taxes
44	Indirect Taxes
45	Department of Disinvestment

Six Demands viz; 35 - Interest Payments, 36-Transfers to State and Union Territory Governments, 37 - Loans to Government Servants, etc., 38 - Repayment of Debt, 40 - Pensions and 41- 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 2014-15 of the Ministry is presented below:

Demand No. 33- 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 (₹1496.00 crore) against additional levies on Motor Spirit & High Speed Diesel (Plan) - Under this scheme during 2014-15, the Ministry of Railways have targeted to strengthen the safety at busy level crossing by proposing to construct 1000 Road under bridges /subways and 225 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) of the project. So far 159 projects have been granted approval with Total Project Cost (TPC) of ₹80894.26 crore and VGF support of ₹16005.36 crore. However, the actual level of VGF amount of these proposals will be known once the bidding process is completed. The financial closure has been achieved for more than 45 projects and is under consideration. 14 projects in Madhya Pradesh and Gujarat have been awarded on premium where no VGF support will be required. An amount of ₹457.55 crore has been disbursed in the financial year 2012-13 under than VGF scheme. An amount of ₹450.00 crore has been disbursed till March, 2014 under the VGF Scheme. A budget provision of ₹670.00crore has been made in the BE 2014-15 based on sponsoring Authority requirements and the number of projects already granted final approvals.
- 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, 53 projects have been approved with an IIPDF assistance. Around ₹1.76 crore has been disbursed during 2012-13 and during 2013-14 no expenditure was incurred till March, 2014. An amount of ₹4.00 crore has been proposed for the year 2014-15.
- A provision of ₹450.00 crore has been made for Interest Equalization Support to Exim Bank of India during 2014-15. The scheme was started in 2003-04. We have disbursed Interest Equalization Support to Exim Bank of India amounting to ₹139.48crore, ₹290.00 crore and ₹407.66 crore in 2011-12, 2012-13 and 2013-14 (up-to March, 2014) respectively.
- Forward Markets Commission is a statutory body set up under the Forward Contracts (Regulation) Act, 1952. The Commission which was functioning under the administrative control of the Ministry of Consumer Affairs, Food & Public Distributions; Dept. of Consumer Affairs, Govt. of India has been brought under the administrative control of Ministry of Finance, Department of Economic Affairs w.e.f. 5.9.2013. 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 provision of ₹50.00 crore has been made for Forward Markets Commission under Plan and ₹10.23crore under Non-Plan during 2014-15.

- ₹435.00 crore has been kept for implementation of the National Skill Certification and Rewards Scheme. STAR (Standard Training Assessment and Reward) 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 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.
- During 2014-15, as a new initiative, Provision of ₹500.00 crore has been kept for an institution to provide support to mainstreaming PPPs called “3P India”

Demand No. 34- Department of Financial Services

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

- During the financial year 2013-14, ₹14000 crore was released to 20 Public Sector Banks (PSBs) 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. A provision of ₹11200 crore has been made for recapitalisation of PSBs during 2014-15.
- Under the scheme of Interest Subvention for providing Short Term Credit to Farmers, ₹6000 crore was released during 2013-14. There is a provision of ₹6000 crore for this scheme during 2014-15.
- 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 ₹700 crore for EXIM Bank and ₹400 crore for IIFCL was released during 2013-14. Provision of ₹1300 crore for EXIM Bank and ₹600 crore for IIFCL has been made during 2014-15.
- During 2013-14, ₹700 crore was released towards capital support to NABARD. Further provision of ₹300 crore has been made during 2014-15.
- During 2013-14 ₹82.78 crore was realeased to 4 Regional Rural Banks (RRBs) keeping in view the proportionate share released by the concerned State Governments and sponsor banks. A further provision of ₹50 crore is proposed in BE 2014-15.
- For guaranteeing Skill Development loans sanctioned by the Members-Banks of Indian Banks Association or other Banks/ Financial Institutions, a Credit Guarantee Fund for Skill Development has been set up with National Credit Guarantee Trustee Company (NCGTC). During 2013-14, ₹500 crore was released for the Fund. A further provision of ₹500 crore has been made for this Fund during 2014.
- In Budget speech 2012-13, Finance Minister had announced for establishment of a Credit Gurantee 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 of Factoring Regulation Act, 2011. Owing to General Election 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. During 2014-15, a provision of ₹50 crore has been proposed.
- To encourage people from unorganized sector to save for their retirement by enrolling under National Pension System (NPS) 'Swavalamban Scheme' was launched during 2010-11 with provision of Government's contribution of ₹1000 in the NPS account of the subscribers. ₹152.90 crore was released for this scheme during 2013-14 keeping in view the pace of enrolment under the scheme. A further provision of ₹195 crore has been made for this Scheme during 2014-15.
- During 2013-14, ₹80 crore was released towards 1% interest subsidy for housing loans upto ₹15.00 lakh, with cost of dwelling unit not exceeding ₹25.00 lakhs through National Housing Bank. A further provision of ₹50 crore has been made during 2014-15.
- A provision of ₹200 crore has been proposed in BE 2014-15 to set up with NABARD a Producer’s Organisation Development Fund in order to improve profitability of small holding based agriculature.
- During 2013-14, ₹84.18 crore was released for Women's Self Help Groups (SHGs) Development Fund created in NABARD to empower women by promoting their SHGs. A further provision of ₹50.00 crore has been made for this Fund during 2014-15.
- Under the scheme of Aam Aadmi Bima Yojana (AABY), ₹4.50 crore was released during 2013-14 towards Government's contribution to 'Scholarship Fund' under AABY. There is a provision of ₹150 crore for 'Social Security Fund' and 'Scholarship Fund' under this scheme during 2014-15.

Demand No.39 - 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/nodal Ministry concerned. Against an Outlay of ₹102957.00 crore in BE 2013-14 for Central Assistance to State Plans in Demand No.36 of Department of Expenditure ₹85558.52 crore were released. Till 2013-14, releases from Demand No.36 also included schemes like SCA for Border Area Development Projects (BADP), Accelerated Irrigation Benefit Programme (AIBP), National Social Assistance Programme (NSAP), Jawahar Lal Nehru National Urban Renewal Mission (JNNURM) & National e-Governance Action Plan (NeGAP) (except MMP) which have now been transferred to the respective Line Ministries. However, for the remaining Schemes, the total Outlay of ₹72322.00 crore have been provided in BE 2014-15 in Demand No.36 of Department of Expenditure as Central Assistance to the State Plan. Till 15.05.2014, ₹7261.74 crore have been released.
- An Outlay of ₹4.00 crore under Revenue Section has been provided in 2014-15 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 60 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 2013-14, 57 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.42 - Department Of Revenue

- Under Demand No.42 - Department of Revenue, major expenditure is towards Govt. Opium & Alkaloid Works (GOAWs), which is budgeted at ₹267.52 crore. Since no decision about providing CST Compensation to the States beyond 2010-11 has yet been taken, only a token provision of ₹0.01 crore has been kept. The VAT/VAT related expenditure is budgeted at ₹1.02 crore for 2014-15. 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).
- The Mission Mode Project for Computerization of Commercial Taxes Administrations of the State Government with overall cost of ₹1133.41 crore was approved and an amount of ₹626.22 crore released as Central share till 31st March, 2014, which includes ₹145 crore released in 2009-10, ₹206.32 crore in 2010-11 and ₹102.83 crore in 2011-12, ₹98.07 crore in 2012-13, ₹74 crore released in 2013-14. From 2014-15, the States Governments will run the projects through their own resources.
- 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 ₹100 crore has been kept in 2014-15 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 ₹312.24 crore in 2012-13 against the BE of ₹366.73 crore. In 2013-14, they have realized a revenue of ₹347.72 crore (prov.) against the BE of ₹347.73 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 2014-15.

Demand No. 43 - 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 ₹448.54 crore has been provided in Budget Estimates 2014-15 under 'Information Technology' to be spent, inter-alia, on following major programmes/schemes:
  - Perspective Plan for Phase-III of Comprehensive Computerization 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
  - Refunds banker
  - Centralized Processing Cell(CPC) TDS (both paper based & e-filed)
  - Centralized Processing Centre (CPC) Bangalore
  - Data Warehouse and Business Intelligence (DW&BI) Solution
  - Compliance Management (CPC)
  - New ITD Application

- An outlay of ₹ 700.00 crore has been provided under Capital Section in BE 2014-15 for purchase/construction of office accommodation at various places including, construction of RTI building at Mohali, construction of office cum residential buildings at Bangalore, Lucknow, construction of office building at Saket, New Delhi and Purchase of Land at Mohali.
- An outlay of ₹50.00 crore has been provided under Capital section in BE 2014-15 for construction of residential quarters at Hadapsar, Pune, and construction of 38 Type 6 quarters at MG Road, Chennai.
- The initiatives and measure undertaken by the Department has focused on simplification of tax law and procedures, better facilities to taxpayer and minimizing the human interface between the taxpayers and the officials. These, inter-alia, include facilities for online preparation and filing of Income Tax Returns, centralized processing of returns, Refund Banker scheme which includes direct credit of refund to taxpayer's account through ECS, e-payment of taxes, on-line tracking of refunds, Tax Return Preparer Scheme (TRPS), setting up of 60 Aaykar Sewa Kendras for single window Tax Payer Services, Aaykar Sampark Kendras (call centres) etc. Also a "Sevottam' scheme with the view of bring in excellence in public service delivery based on a newly rewritten Citizens' Charter has been initiated.
- The actual expenditure in 2012-13 under this grant was ₹3710.07 crore against the Revised Estimates of ₹3735.51 crore which shows an utilization of 99.32%. In FY 2013-14, actual expenditure till March 31, 2014 (provisional) stands at ₹ 4081.28 crore against the Revised Estimates of ₹4179.54 crore which shows an utilization of 97.65%.

Demand No.44-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:-

- The revised cost of ₹598.97 crore for the Information Technology Infrastructure Consolidation Project of CBEC was approved by the CCEA in 2007. It comprised of 7 components such as Wide Area Network (WAN), Local Area Network (LAN) linking all the Offices, Seaports, Airports, Container Depots etc., setting up of Data Warehouse (EDW), Automation of Central Excise and Service Tax (ACES), Systems Integration (SI), setting up of Risk Management Systems for easy clearance of imports etc. was taken up. Contracts for implementation of various components of the Project were awarded to the selected vendors through an open tender. All the projects under IT Consolidation head have been implemented and are in maintenance phase. ₹84.46 crore, ₹167.17 crore, ₹186.41 crore, ₹ 145.58 crore, ₹ 144.31crore, ₹ 161.55 crore and ₹137.56 crore have been spent for the years 2007-08, 2008-09 2009-10, 2010-11, 2011-12,2012-13 and 2013-14 respectively. These figures are expenditure of all the formations of CBEC under IT Head including IT Consolidation Projects.
- 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 is operational at 89 locations. RMS Export Module is also in operation at 88 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 ₹133.22 crores has been made for the year 2014-15. ₹27.42 crore, ₹99.88 crore, ₹78.64 crore, ₹33.20 crore, ₹46.52 crore, ₹ 5.45 crore and ₹14.79 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.
- 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 crores for various purposes such as Capacity building/ improvement of infrastructure in Central Excise and Customs Ranges, hiring of vehicles for increasing organizational efficiency and outdoor preventive activities etc.

Demand No. 45 - 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.

Approach

Presently, the following approach has been adopted for disinvestment:

i. Already listed profitable Central Public Sector Enterprises (CPSEs) not meeting the mandatory public shareholding of 10% are to be made compliant by public offering out of Government shareholding or issue of fresh equity by the CPSEs concerned or a combination of both;

ii. All unlisted CPSEs having positive net worth, no accumulated losses and having earned net profit for three preceding consecutive years, are to be listed through public offerings out of Government shareholding or issue of fresh equity by the company or a combination of both;

iii. Public Offerings by listed CPSEs taking into consideration their capital investment requirements with Government of India simultaneously or independently offering a portion of its shareholding in such CPSEs.

iv. Government to retain at least 51 per cent equity and management control in all cases of disinvestment through public offerings.

v. Strategic sale in loss making CPSEs is considered on a case by case basis when efforts to revive the CPSE fail.

Benefits of Disinvestment -

(i) Disinvestment and listing of CPSEs on stock exchanges takes the economic reform agenda forward and inter alia,

➢ **Improves corporate governance**

- Higher disclosure levels as mandated by SEBI/ stock exchanges and under Company Law bring in greater transparency and accountability. The oversight mechanism therefore becomes robust and multi-layered.
- Enhanced corporate governance with the induction of independent Directors.
- Higher levels of investor focused scrutiny and research demand adherence to professional conduct of business resulting in improved corporate culture.
- The company will be subject to market discipline that helps improve the working culture both at the managerial level as well as at the shop floor level. Day to day variations in trading price benchmarks the performance of the CPSE.

➢ **Develops and deepens the capital market through spread of equity culture**

- The process of listing of CPSEs on stock exchanges facilitates development and deepening of capital market and spread of equity culture.
- Resources locked in sectors developed enough to raise money from the market are channelized into areas of economy that are less likely to access resources from the market because of their stage of economic development.
- When more resources are used for infrastructure development, it creates jobs for large number of unemployed and simultaneously provides platform for higher economic growth.

This also creates fiscal space for reallocation of resources locked in CPSEs.

➢ **Unlocks true value of the Enterprises for all stakeholders, namely, investors, employees of the CPSE concerned, the Company and the Government**

- Consequent to listing, the CPSEs will be able to approach the capital market to raise resources for their capital expenditure requirements as is the case among private companies. Thus, the dependence on Government funding will be reduced.

(ii) Raise budgetary resources for the Government.

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.
  - Preferential allotment of shares of the CPSEs to promoters as per Securities and Exchange Board of India (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.
  - Recapitalization of Public Sector Banks and Public Sector Insurance Companies.
  - Investment by Government in RRBs/IIFCL/ NABARD/ Exim Bank.
  - Equity infusion in various Metro projects.
  - Investment in Bhartiya Nabhikiya Vidut Nigam Ltd. and Uranium Corporation of India Ltd.
  - Investment in Indian Railways towards capital expenditure.

Budget target and achievement

The budgetary target of ₹40,000 crore for disinvestment for the year 2013-14 was revised to ₹16,027 crore as Revised Estimate. The Government realized an amount of ₹15,819.45 crore as disinvestment receipts through disinvestment in MMTC Ltd., Hindustan Copper Ltd., National Fertilizers Ltd., India Tourism Development Corporation, State Trading Corporation Ltd., Neyveli Lignite Corporation, NHPC Ltd., Power Grid Corporation of India Ltd., Engineers India Ltd., Bharat Heavy Electricals Ltd., Indian Oil Corporation Ltd. and CPSE Exchange Traded Fund.

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.

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 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); the 14th Finance Commission and Financial Sector Legislative Reforms Commission (FSLRC) and the Forward Markets Commission (FMC), National Skill Development Corporation (NSDC) and 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 2014-15 are depicted in the following Statements:

STATEMENT OF OUTLAYS AND OUTCOMES 2014 - 2015

S. No.	Name of the Scheme/ Programme	Objective/Outcome	Outlay 2014-2015 (₹ 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 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.	...	1496.00	...	- Manning at 1200 locations. - interlocking at 300 locations - all manned gates to be provided telephones. - Construction of 1000 Nos of Road under bridges/ Subways. - Construction of 225 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.	-For manning of unmanned level crossing, gated/lifting barriers have to be erected and duty huts/gate lodges constructed for gatekeepers. -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.	Construction 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.

**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**				
2.	**Major Head 5475- Assistance for Infrastructure Development 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).	...	670.00	...	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 the final disbursement and normally it takes 12 to 18 months from the process of bidding to financial closure after giving in-principle approval to a proposal.	Disbursement of fund takes place after commencement of construction work of the project and only after the private party, selected through competitive bidding invests its share of equity.
3.	**Major Head 3475 - Interest Equalisation Support to Exim Bank of India. (Non-Plan)**	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	...	...	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, 2015.	If the repayment is defaulted by the recipient country, GOI will have to repay the amount to EXIM Bank, as counter-guarantee of GOI, has been given to EXIM Bank for the lines of credit.

S. No.	Name of the Scheme/ Programme	Objective/Outcome	Outlay 2014-15*		Quantifiable Deliverables/	Projected Outcome	Process/Timeline	Remakrs
1	2	3	4		5	6	7	8
			4(i) Non-Plan	4(ii) Plan				
1.	**Strengthening of FMC**	i. Procurement of integrated market monitoring and surveillance software/ ITC upgradation ii. Training of FMC officials, officials of the Exchanges, Government officers and other stakeholder organizations iii. Conducting studies and awarding consultancies in the area of commodity derivative market iv. Conduct of awareness programmes every year in association with the Exchanges across the country covering farmers v. Installing price ticker boards at identified locations with heavy farmer footfall to disseminate spot and futures prices on real time basis to farmers.	...	50.00	i. Purchase of Hardware & software for IT enhancement,. ii. Developing the IT capacity of Regional Exchanges iii. 125 Capacity Building programmes iv. 350 Inspection of books of accounts of commodity Exchanges and members of the Exchanges v. 1200 awareness programmes	Better Surveillance of the market and the Exchanges and the trading activities of the Exchanges and their members and other intermediaries. Building capabilities of the Govt. officers, Exchange functionaries and various categories of the stakeholders for creating efficiency in the market. Spreading awareness of the commodity futures market so as to enhance the understanding of and participation in the market. Better dissemination of spot and future prices of commodities.	31.03.15	

S. No.	Name of the Scheme/ Programme	Objective/Outcome	Outlay 2014-2015			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-5465 - Investments in General Financial and Trading Institutions (National Skill Development Fund/Trust. NSDF/T acts as a receptacle of funding contribution to National Development Corporation)**	NSDF/T and NSDC have entered into an Investment Management Agreement on the basis of which the NSDF/T shall act as the receptacle for all kinds of Contributions and shall transfer the same to the NSDC in the form of Funds for management and utilization by NSDC to fulfil its objectives i.e. to promote skill development.	A token amount of Rs 5 lakh has been asked for NSDC for BE 2014-15.	NA		This provision has been kept for being transferred to the NSDC, as and when a demand is raised by the NSDC.	Skill Development	The target for NSDC is to provide employable skills to 150 million young Indian by 2022.	Test of Responsiveness of the Application/Proposal (ToR) whether the application/proposal is as per requirements. Thereafter, Project Approval Committee (PAC) is the recommendatory body for the proposals received in the NSDC for funding the skill development programmes, which is preceded consideration by Project Evaluation Committee (PEC) where due diligence from legal, financial and technical angles is done. PAC submits its recommendations to the Board of Directors. After approval by Board, the Contracting Authority (MD&CEO, NSDC) enters into agreements with the proposal owners

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 Partnership 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. To intensify and deepen the capacity building of public functionaries at the State and municipal level and integrate the capacity building programme on PPPs in the ongoing programmes at the State level, a comprehensive National Capacity Building Programme has been developed by DEA, which has been rolled out at the State level in collaboration with KfW Development Bank. Around 160 Training programmes have been conducted to train 145 Trainers, who have trained over 5004 public functionaries who deal with PPPs in their domain. 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. To promote PPPs and to ensure that the PPP projects are procured and implemented by following laid down process and observing principles of transparency, competitive bid process, affordability and value for money, the draft PPP Policy and draft PPP Rules have been prepared. These are undergoing extensive consultation process at the Central and State Governments level before their finalization.

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 159 projects have been granted approval with Total Project Cost (TPC) of ₹80894.26crore and VGF support of ₹16005.36 crore. However, the actual level of VGF amount of these proposals will be known once the bidding process is completed. The financial closure has been achieved for 45 projects and is under consideration. 14 projects in Madhya Pradesh and Gujarat have been awarded on premium where no VGF support will be required. An amount of ₹457.55 crore has been disbursed in 2012-13 under the VGF Scheme. An amount of ₹450.00 crore was disbursed during 2013-14. A budget provision of ₹670.00 crore has been made in the BE 2014-15 based 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 ₹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, 53 projects have been approved with an IIPDF scheme. Around ₹1.76 crore has been disbursed in the Financial year 2012-13. No expenditure was incurred till March, 2014. A provision of ₹4.00 crore has been made for the FY 2014-15.

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

GOI provides concessional Lines of Credit (LOCs) to foreign countries through EXIM Bank of India. Under this Scheme, interest equalization support (i.e. the difference between Exim Bank's rate of interest and the concessional rate of interest on which LOC is extended) is paid to the EXIM Bank. In most of the cases GOI counter guarantee for repayment of principal and payment of interest is also given to EXIM Bank. 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)". Expenditure under this activity are incurred under MH - 3605 - Technical and Economic Cooperation with other countries, Minor Head - 00.101-Cooperation with other countries, 30 - Development Assistance. However, from the year 2006-07, expenditure on Interest Equalization Support to Exim Bank of India, which was the major part of budgetary provision under the aforesaid head have been transferred to a new budgetary head viz. MH 3475- Other General Economic Services, Minor Head-00.800-Other Expenditure, 73-Interest equalization support to Exim Bank of India. 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.

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.

Forward Markets Commission (FMC)

To strengthen and broad base the market, the Forward Markets Commission (FMC), the regulator of the commodity futures trading under the provisions of the Forward Contracts (Regulation) Act, 1952, undertook various regulatory initiatives as well as developmental activities. On the regulatory front, the FMC has taken a number of initiatives to improve market integrity, increase transparency, strengthen investor protection and curb excessive volatility.

(i) Settlement Guarantee Fund-. Operationalized of SGF in 2013 inspired much confidence among the market participants and the exchanges have transferred ₹703.82 cr to SGF corpus.

(ii) Corporate Governance- Commission issued revised guidelines on composition of Board of Directors of national exchanges. Chairperson of the Board of Directors is an Independent Director appointed with the approval of FMC. Two third of the members of the Audit Committee and Compensation Committee are Independent Directors and Chairman of these committees is an Independent Director appointed with prior approval of the Commission.

(iii) Base Minimum Capital Requirements-Commission prescribed Base Minimum Capital requirement for members of National Exchanges. No exposure is to be given by Exchanges on base minimum capital.

(iv) Strengthening of warehousing facilities-This will strengthen the warehousing facility in the Commodity Futures market.

(v) Risk Management Group- A Risk Management Group (RMG) was constituted to assist the Forward Markets Commission (FMC) in formulating risk management policies and guidelines for Commodities Derivatives Market. RMG is chaired by Prof. J.R.Verma, IIM, Ahmadabad.

(vi) The Advisory Committee on Technology has been constituted by the Commission, which would advise the Commission on various issues arising on use of technology.

B. Developmental Activities

FMC in association with Exchanges organized awareness program for various stakeholder groups, with primary focus on farmers. During 2013-14, 667 Awareness programmes have been conducted till December, 2013, out of which 444 programmes were conducted for farmers.

Review of Past Performance

STATUS OF OUTCOME WITH REFERENCE TO OUTLAYS 2012-13

S. No.	Name of the Scheme/ Programme	Objective/Outcome	Outlay 2012-13 (₹ In Crore)		Quantifiable Deliverables/ Physical Outputs	Processes/ Timelines	Risk Factors	Status as on 31st March 2013
1	2	3	4		5	6	7	8
			4(i) BE	4(ii) RE				
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	- Manning at 1163 (revised target 1735) locations. - Lifting Barrier at 110 locations. - Basic infrastructure at 928 locations. - all manned gates to be provided telephones. - interlocking at 425 locations - Construction of 648 Nos. limited height Subways. - Construction of 89 Nos. of Road Over and Under Bridges.	- For manning of unmanned level crossing, gated/lifting barriers have to be erected and duty huts/ gate lodges construc-ted for gatekeepers. Qualified/ suitable willing gate keepers are to be selected and posted at the gates. - Laying of cable between station/level crossing location for connecting signalling system & telephones.	Construction of Road Over/Under bridges is the joint work of Railways and State Government/ Local Bodies and sometime work is delayed due to contractual problems, non availability of land, State/local bodies not starting the work in time because of encroach-ments/ financial crunch etc.	The entire outlay of ₹1102.45 crore has been released. The following output has been achieved: - Manning at 1163 locations. - Lifting Barrier at 110 locations. - Basic infrastructure at 928 locations completed. - Interlocking at 425 locations. - Telephones at 329 locations. - Construction of 648 subways completed. - Construction of 89 Road Over/ Under bridges completed inclu-ding 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 Public Private Partnership (PPP) in Infrastructure**	To promote Public Private Partnership (PPP) in the infrastructure sector through provision of Viability Gap Funding (VGF).	437.55 (Plan)	437.55 (Plan)	147 proposals under the scheme were given 'in principle' approval by the Empowered Institution till March 2013 with total Project Cost of ₹78496.55 crore and VGF support of ₹15528.49 crore.	There is a time lag between 'in principle' approval and final disbursement and normally it takes 12 to 18 months from the process of bidding to financial closure after giving in - principle approval to a proposal.	Disbursement of fund takes place after commencement of construction work of the project, and the Private party selected through competitive bidding process invests its share of equity.	147 proposals under the scheme were given 'in principle' approval by the Empowered Institution. After examining the disbursal milestones suggested by the Sponsoring Authority of the projects, the RE was kept at BE level of ₹437.00 crore. However, an amount of ₹457.55 crore was actually disbursed.
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.	225.00	290.00	Interest equalization support to Exim Bank of India is given by GOI in respect of the GOI supported Exim Bank of India Lines of Credit extended for growth of Indian exports, development of strategic and economic relationship with countries like Angola, Burkina Faso, Cambodia, Chad, Congo, Cote d' Ivoire, Djibouti, etc.	The provision was to be utilised upto 31st March, 2013.	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.	₹290.00 crore have been paid to Exim Bank of India as interest equalisation support during 2012-13.

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.	1.00	1.62	Human Resource Development through technical education to 410 students every year from Colombo Plan countries.	Development of long standing economic relationship through continues technical assistance to Colombo Plan countries.	There is no risk factor involved as the funds are being utilized for the objective mentioned in Col.3.	₹ 1.61 crore have been incurred for meeting financial liabilities on training of students from various Colombo Plan.

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 (Provisional)
1	2	3	4			5	6	7	8
			4(i) BE	4(ii) RE	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 road over/ under bridges and railway safety works at unmanned railway crossings to provide smooth and safe passage for traffic.	1102.45	1102.45	...	- Manning at at 682 (revised target 1352) locations. - all manned gates to be provided telephones. - interlocking at 162 locations against target of 300. - Construction of 420 Nos Subways against target of 976. - Construction of 37 Nos. of Road Over and Under Bridges against a target of 134.	- For manning of unmanned level crossing, gated/ lifting barriers have to be erected and duty huts/gate lodges constructed for gatekeepers. Qualified/ suitable willing gate keepers are to be selected and posted at the gates. - Laying of cable between station/ level crossing location for connecting signalling system & telephones.	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, State/ local bodies not starting the work in time because of encroachments/ financial crunch etc.	An amount of ₹ 1102.45crore has been released upto March,14. The following output has been achieved: - Manning at 682 locations. At 239 places infrastructure is ready but not manned. - Interlocking at 162 locations. - Telephones at 182 locations. - Construction of 420 subways completed up to Dec,13. - Construction of 37 Road Over/ under bridges completed.

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).	678.00 (Plan)	678.00 (Plan)	...	159 proposals under the scheme were given 'in principle' approval by the Empowered Institution till date with total Project Cost of ₹80894.26 crore and VGF support of ₹16005.36 crore.	There is a time lag between 'in principle' approval and final disbursement and normally it takes 12 to 18 months from the process of bidding to financial closure after giving In- principle approval to a proposal.	Disbursement of fund takes place only after commencement of construction of work of the project and the private party selected through competitive bidding process has invested 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.

1	2	3	4(i) BE	4(ii) RE	4(iii) CEBR	5	6	7	8
3.	**Major Head 3475 –Interest equalisation support to Exim Bank of India (Non-Plan)**	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 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 countries like Angola, Burkina Faso, Cambodia, Chad, Congo, Cote d' Ivoire, Djibouti, etc.	The provision is to be utilised upto 31st 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 upto 31st March, 14.
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 continued technical assistance to countries like Afghanistan, Bangladesh, Bhutan,Fiji, Indonesia, Iran, Korea, Malaysia, Laos, Nepal, Maldives, Mangolia, Myanmar, Srilanka, Papua New Guinea, Thailand and Vietnam.	There is no risk factor involved as the funds are being utilized for the objective mentioned in Col.3.	Work related to the Colombo Plan has 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.

SUMMARIZED POSITION OF SCHEMES UNDER DEMAND NO. 33 – DEPARTMENT OF ECONOMIC AFFAIRS

(₹ in Crore)

		2012 - 2013			2013-2014			2014-2015
S.No	**Scheme**	**BE**	**RE**	**Actual**	**BE**	**RE**	**Actual (Provisional)**	**BE**
1.	Public Private Partnership (PPP) In infrastructure, Provision of Viability Gap Funding (VGF) (MH 5475) – Plan	437.55	437.55	457.55	678.00	678.00	450.00	670.00
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	1102.45	1102.45	1102.45	1496.00
3.	Interest Equalisation Support to EXIM Bank of India (MH 3475) Non-Plan	225.00	290.00	290.00	416.50	416.50	407.66	450.00
4.	Technical Economic Cooperation with other Countries - Technical aid to South & South East Asia under Colombo Plan (MH 3605) Non-Plan	1.00	1.62	1.61	0.50	0.50	0.77	0.50
	Total	**1766.00**	**1831.62**	**1851.61**	**2197.45**	**2197.45**	**1960.88**	**2616.50**

MAJOR HEADWISE ACTUAL EXPENDITURE VIS-À-VIS BE/RE PROVISIONS FOR THE YEARS 2011-12, 2012-13 AND 2013-14

₹ in crore

Description	Major Head	2011-12 B.E.	2011-12 R.E.	2011-12 Actual	2012-13 B.E.	2012-13 R.E.	2012-13 Actual	2013-14 B.E.	2013-14 R.E.	2013-14 Actual (Provisional)
1	2	3	4	5	6	7	8	9	10	11
PART - A NON-PLAN ITEMS										
Secretariat-General Services	**2052**	**84.71**	**76.68**	**75.80**	**81.03**	**88.23**	**80.14**	**98.26**	**120.65**	**105.23**
Currency Coinage & Mint	**2046**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.50**
Other Fiscal Services										
National Savings Institute	2047	12.40	12.45	13.61	12.94	12.41	11.90	13.40	12.12	10.76
Interests on deposits under Compulsory Deposits (Income Tax Payers Scheme, 1974)	2047	0.03	0.03	0.01	0.05	0.03	0.02	0.05	0.02	0.02
Other Expenditure	2047	0.23	0.24	0.47	0.21	0.20	0.21	0.23	0.25	0.24
Total	**2047**	**12.66**	**12.72**	**14.09**	**13.20**	**12.64**	**12.12**	**13.68**	**12.40**	**11.02**
Other Adminstrative Services										
14th Finance Commission	2070	0.00	0.00	0.00	3.00	6.34	4.41	15.24	13.61	13.30
Financial Sector Legislative Reforms Commission (FSLRC)	2070	1.00	4.40	4.21	5.10	4.86	4.65	0.12	0.10	0.19
Other Expenditure (SAT)	2070	3.28	3.87	3.24	4.05	5.57	4.76	4.78	4.26	4.50
Total	**2070**	**4.28**	**8.27**	**7.45**	**12.15**	**16.77**	**13.82**	**20.14**	**17.97**	**17.99**
Miscellaneous General Services										
Guarantee Redemption Fund	2075	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00
Other Programmes	2075	0.01	0.01	0.00	0.01	0.01	0.00	0.01	0.00	0.00
Total	**2075**	**300.01**	**300.01**	**300.00**	**300.01**	**300.01**	**300.00**	**300.01**	**300.00**	**300.00**
General Education										
Social Security and Welfare										
Protected Savings Schemes (other charges)	2235	0.14	0.05	0.00	0.10	0.05	0.00	0.05	0.00	0.00
Total	**2235**	**0.14**	**0.05**	**0.00**	**0.10**	**0.05**	**0.00**	**0.05**	**0.00**	**0.00**
International Fund for Agricultural Development [IFAD]	2416	40.00	39.76	39.76	50.00	54.00	54.66	55.00	62.00	61.90
Total	**2416**	**40.00**	**39.76**	**39.76**	**50.00**	**54.00**	**54.66**	**55.00**	**62.00**	**61.90**
Other Transport Services										
Subsidy to Railways towards dividend reliefs and other concessions	3075	3022.61	2598.26	2034.37	3003.89	2384.23	2286.14	2746.00	3530.00	3530.00
Lossses on Strategic Railway Lines	3075	657.92	652.00	652.00	600.00	637.00	637.00	660.00	640.00	640.00

1	2	3	4	5	6	7	8	9	10	11
Total	**3075**	**3680.53**	**3250.26**	**2686.37**	**3603.89**	**3021.23**	**2923.14**	**3406.00**	**4170.00**	**4170.00**
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	0.00	0.00	0.00	1.28	1.28
Assesment Charges payable to International Monetary Fund	3466	0.23	0.39	0.38	0.42	0.38	0.38	0.39	0.18	0.18
World Bank PPA	3466	7.50	1.87	1.78	0.01	0.00	0.00	0.00	0.00	0.00
South Experience Exchange Trust Fund (SEETF)	3466	0.00	0.00	0.00	0.00	0.00	0.00	2.73	2.73	2.73
Total	**3466**	**7.73**	**2.26**	**2.16**	**0.43**	**0.38**	**0.38**	**3.12**	**4.19**	**4.19**
Other General Economic Services										
International Cooperation	3475	19.33	20.73	19.91	20.55	21.23	20.63	11.23	37.23	36.73
Other charges/IES/Embassy of India, Tokyo, Beijing and Washington	3475	20.25	17.92	15.94	19.80	18.69	18.26	20.99	19.09	18.13
Grant-in-aid-General to other institutions	3475	2.93	22.93	22.90	3.23	28.22	27.89	2.36	16.78	14.84
Custom and Import Duties on Non-Indian personnel in UN agencies	3475	0.03	0.03	0.00	0.03	0.02	0.02	0.03	0.02	0.00
Exchange loss under NRI Bonds	3475	0.50	0.50	0.00	0.50	0.00	0.00	0.00	0.00	0.00
Interest equalisation support to EXIM Bank	3475	139.69	139.00	139.48	225.00	290.00	290.00	416.50	416.50	407.66
Waiver off outstanding dues and interest/penal interest in respect of line of credit extended to Government of Yemen	3475	0.00	0.00	0.00	0.00	2.07	2.07	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	18.00	6.22	6.24	3.53	3.56	1.79	1.52	1.18	1.18
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	34.91	34.91	0.00	0.00	0.00	0.00	0.00	0.00
Waiver off outstanding dues and										

1	2	3	4	5	6	7	8	9	10	11
interest/penal interest on loans outstanding against the line of credit extended in 1994 to Government of Uzbekistan	3475	0.00	0.40	0.39	0.00	0.00	0.00	0.00	0.00	0.00
Total	**3475**	**200.73**	**242.64**	**239.77**	**272.64**	**363.79**	**360.66**	**452.62**	**490.80**	**478.54**
Technical and Economic cooperation with other countries										
Contribution to UNDP	3605	22.55	21.21	21.20	22.55	24.72	24.71	23.73	28.68	28.72
Cooperation with other countries	3605	14.06	12.67	1.76	1.07	1.68	1.67	0.56	0.58	0.83
Global Enovironment Facility (GEF)	3605	0.00	0.00	11.75	11.00	12.54	12.54	12.50	14.18	14.09
46th AGM of ADB	3605	0.00	0.15	0.07	8.38	16.00	3.95	15.00	14.17	14.04
Total	**3605**	**36.61**	**34.03**	**34.78**	**43.00**	**54.94**	**42.87**	**51.79**	**57.60**	**57.68**
Capital Outlay of Currency, Coinage and Mints										
Purchase of Coins from SPMCIL	4046	1584.80	1225.00	1225.00	1645.35	1000.00	1000.00	1645.00	2000.00	1934.17
Capital Outlay on Miscellaneous General Services										
Purchase of Machines for Budget Press	4075	1.50	1.47	1.44	3.00	3.91	0.00	6.00	6.00	4.63
Investment in General Financial and Trading Institutions										
National Financial Holdings Company Limited	5465	0.00	0.00	0.00	0.00	1.00	1.00	0.00	0.00	0.00
Security Printing and Minting Corporation of India Limited (SPMCIL)	5465	400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00
National Skill Development Corporation(NSDC)	5465	0.00	501.90	501.90	0.00	0.00	0.00	500.00	250.00	250.00
Total	**5465**	**400.00**	**501.90**	**501.90**	**400.00**	**1.00**	**1.00**	**500.00**	**250.00**	**250.00**
Investment in International Financial Institutions	5466									
Subcription to the IBRD	5466	183.65	183.65	206.11	183.65	205.04	205.03	203.20	231.15	231.23
Subscription to International Development Association	5466	0.01	9.17	9.18	0.00	0.00	0.00	0.00	0.00	0.00
Subscription to Asian Development Bank	5466	199.85	205.52	205.52	205.53	234.95	234.95	245.00	350.00	279.23
Subscription to African Development Fund	5466	22.12	22.12	22.11	22.21	22.11	22.11	0.01	1.32	1.34
Payment of Multilateral Debt Relief Initative of African Development Fund	5466	1.83	1.83	1.83	2.13	2.11	2.11	2.15	0.00	0.00
Subscription to African Development Bank	5466	5.21	0.01	0.00	5.35	5.85	5.89	6.20	7.12	6.82

1	2	3	4	5	6	7	8	9	10	11
Subscription to International Monetary Fund [In Securities]	5466	11729.41	0.00	2444.53	42000.00	0.00	0.00	42000.00	0.00	0.00
Subscription to International Monetary Fund [In Cash]	5466	0.00	0.00	0.00	14000.00	0.00	0.00	14000.00	0.00	0.00
Maintenance of Value [MOV] Obligation	5466	0.01	1609.79	1609.78	0.01	4005.44	4005.44	0.01	192.79	192.79
India's Contribution towards lending resources of IMF	5466	50.00	25.00	0.00	50.00	2.16	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	0.00	0.00	0.00	118.00	139.83	132.65
Total	**5466**	**12192.09**	**2057.09**	**4499.06**	**56468.88**	**4477.66**	**4475.53**	**56574.58**	**922.21**	**844.06**
Capital Outlay on Other General Economic Services										
Transfer to Social & Infrastructure Development Capital Fund	5475	0.00	0.00	0.00	0.00	0.00	0.00	7000.00	0.00	0.00
Activities for mainstreaming PPPs	5475	0.80	2.67	1.70	1.30	1.17	0.32	1.30	0.32	0.02
India Infrastructure Project Development Fund (IIPDF)	5475	5.00	9.00	7.00	5.00	4.50	1.76	4.00	0.50	0.00
Total	**5475**	**5.80**	**11.67**	**8.70**	**6.30**	**5.67**	**2.09**	**7005.30**	**0.82**	**0.02**
Loans for Other Economic Services										
Loans to IMF under New Arrangements to Borrow (NAB)	**7475**	**0.00**	**9003.04**	**7269.58**	**0.00**	**11294.60**	**914.63**	**0.01**	**1830.00**	**1486.05**
Total	**7475**	**0.00**	**9003.04**	**7269.58**	**0.00**	**11294.60**	**914.63**	**0.01**	**1830.00**	**1486.05**
Total Non-Plan		**18551.59**	**16766.85**	**16905.86**	**62899.98**	**20694.88**	**10181.03**	**70131.56**	**10244.64**	**9725.98**
PART - B - PLAN ITEMS										
National Social Security Fund for Unorganised Sector workers	2235	500.00	500.00	500.00	1000.00	120.00	120.00	609.55	200.00	200.00
Nirbhaya Fund for Safety of Women	2235	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1000.00	1000.00
New and Renewable Energy	2810	0.00	1066.46	1066.46	1500.00	1500.00	1500.00	1650.00	1650.00	1650.00
Roads and Bridges	3054	2081.26	2119.12	2119.12	2204.90	2204.90	2204.90	2204.90	2204.90	2204.90
National Skill Certification and Monetary Reward Scheme	5465	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1000.00	1000.00
Assistance for infrastructure development - VGF	5475	499.37	300.00	300.00	437.55	437.55	457.55	678.00	678.00	450.00
TOTAL PLAN		**3080.63**	**3985.58**	**3985.58**	**5142.45**	**4262.45**	**4282.45**	**5142.45**	**6732.90**	**6504.90**
Grand Total		***21632.22***	***20752.43***	***20891.44***	***68042.43***	***24957.33***	***14463.48***	***75274.01***	***16977.54***	***16230.88***

OBJECT HEAD - WISE ACTUAL EXPENDITURE VIS-À-VIS BE/RE PROVISIONS FOR THE YEARS 2011-12, 2012-13 AND 2013-14

(Gross) ₹ in crore

Object Head	2011-12 B.E.	2011-12 R.E.	2011-12 Actual	2012-13 B.E.	2012-13 R.E.	2012-13 Actual	2013-14 B.E.	2013-14 R.E.	2013-14 Actual (Provisional)
1	2	3	4	5	6	7	8	9	10
REVENUE SECTION									
01 Salaries	59.17	52.32	58.99	59.50	66.23	62.08	71.53	71.53	67.81
02 Wages	0.45	0.28	0.39	0.31	0.44	0.42	0.45	0.46	0.41
03 Overtimes Allowance	0.41	0.17	0.13	0.22	0.16	0.06	0.18	0.08	0.07
06 Medical Treatment	1.35	1.17	0.77	1.43	1.22	1.27	1.38	1.24	1.23
11 Domestic Travel Expenses	2.15	2.54	2.10	2.54	2.29	1.99	2.54	2.32	2.47
12 Foreign Travel Expenses	5.82	5.82	5.00	6.95	6.04	5.56	6.95	6.10	6.38
13 Office Expenses	8.38	8.99	8.73	9.00	8.14	8.59	10.49	10.74	18.93
14 Rent,Rates & Taxes	4.65	4.30	2.49	4.80	8.99	6.85	11.79	8.05	7.90
16 Publications	4.37	5.27	4.96	5.27	5.19	5.43	5.27	4.97	4.39
20 Other Administrative Expenses	4.99	5.25	3.96	11.00	20.71	7.45	19.44	17.82	17.04
21 Supplies and Material	1.05	0.85	0.74	0.85	0.77	0.69	0.85	0.70	0.85
26 Advertising and Publicity	0.65	0.61	1.86	0.65	0.50	0.25	0.55	0.41	0.38
27 Minor Works	2.16	1.97	1.34	2.95	2.54	1.69	1.76	1.91	1.57
28 Professional Services	4.30	5.18	3.78	5.80	8.45	5.26	7.81	33.60	20.87
31 Grant-in-aid-General	2.95	22.95	22.90	3.25	28.23	26.55	0.85	15.14	13.34
32 Contibution	96.11	94.55	94.85	105.34	114.37	114.42	105.95	146.92	146.51
33 Subsidies	3820.22	3389.26	2824.84	3828.89	3311.23	3213.14	3822.50	4586.50	4577.66
35 Grants for Creation of Capital Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.14	0.00
36 Grants - in- Aid "Salaries"	0.00	0.00	0.00	0.00	0.00	1.35	1.51	1.51	1.51
42 Lumpsum	0.00	0.01	0.00	0.01	0.01	0.00	0.01	0.00	0.00
44 Exchange variation	0.50	0.50	0.00	0.50	0.00	0.00	0.00	0.00	0.00

1	2	3	4	5	6	7	8	9	10
45 Interest	0.09	0.09	0.02	0.09	0.04	0.02	0.09	0.02	0.02
50 Other Charges	26.36	19.91	17.12	20.27	17.90	17.47	19.46	17.29	11.03
51 Motor Vehicles	0.12	0.11	0.11	0.12	0.11	0.15	0.12	0.09	0.08
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	1040.63	1059.56	1059.56	1102.45	1102.45	1102.45	1102.45	1102.45	1102.45
63 Inter-account transfer	1840.63	2926.02	2926.02	3902.45	3022.45	3022.45	3662.00	4252.45	4252.45
64 Write off/Losses	18.00	41.52	41.54	3.53	5.63	3.86	1.52	1.18	1.18
50 Information Technology-Other Charges	3.15	3.06	2.56	3.18	2.85	3.25	0.00	0.00	0.00
13 Information Technology-Office Expenses	0.00	0.00	0.00	0.00	0.00	0.00	7.68	6.90	5.43
TOTAL REVENUE SECTION	**6948.66**	**7652.26**	**7084.76**	**9081.35**	**7736.94**	**7612.69**	**8865.12**	**10290.51**	**10261.96**
CAPITAL SECTION									
32 Contribution	0.00	500.00	500.00	0.00	0.00	0.00	500.00	250.00	1250.00
42 Lumpsum Provision	499.37	300.00	300.00	437.55	437.55	457.55	678.00	678.00	450.00
50 Other Charges	5.80	11.67	8.69	6.30	5.67	2.09	5.30	0.82	0.02
52 Machinery and Equipment	1.50	1.47	1.45	3.00	3.91	0.00	6.00	6.00	4.63
54 Investment	12542.09	2033.99	4500.96	56818.88	4474.66	4476.53	56574.57	1922.21	844.06
55 Loans and Advances	0.00	9003.04	7269.58	0.00	11294.60	914.63	0.01	1830.00	1486.04
60 Other Capital Expenditure	1634.80	1250.00	1225.00	1695.35	1004.00	1000.00	1645.01	2000.00	1934.17
63 Inter-Account Transfer	0.00	0.00	0.00	0.00	0.00	0.00	7000.00	0.00	0.00
TOTAL CAPITAL SECTION	**14683.56**	**13100.17**	**13805.68**	**58961.08**	**17220.39**	**6850.79**	**66408.89**	**6687.03**	**5968.92**
GRAND TOTAL	***21632.22***	***20752.43***	***20890.44***	***68042.43***	***24957.33***	***14463.48***	***75274.01***	***16977.54***	***16230.88***

ANALYSIS OF EXPENDITURE DURING 2011-12, 2012-13 AND 2013-14

NON-PLAN

MH-2052 - Secretariat General Services

The provision under this head is kept for the Secretariat expenditure of the Department of Economic Affairs, G-20 Secretariat and Directorate of Currency. At RE 2011-12 the decrease is due to non filling up of posts for the G-20 Secretariat as well as for the Directorate of Currency. 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. The flow of expenditure up to March, 2014 is ₹105.23 crore.

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. The flow of expenditure up to March, 2014 is ₹11.02 crore.

MH-2070 - Other Administrative Services

The provision under this head is for expenditure of Investment Commission, 14th Finance Commission, Security Appellate Tribunal (SAT) and Financial Sector Legislative Reforms Commission (FSLRC). The increase in 2011-12 was due to provision for the newly created FSLRC. There is an increase at BE 2012-13 to provide for the Advance Cell of the 14th Finance Commission. 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.

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.

MH-2235 - Social Security & Welfare

The provision has been kept for Protected Savings Schemes. During the year 2013-14, provision of ₹1000.00 crore has been made through supplementary grants for transfer to Nirbhaya Fund for safety of women.

MH-2416 - Agriculture Financial Institutions

International Fund for Agricultural Development (IFAD): India is one of the founder members of International Fund for Agricultural Development (IFAD) and has so far contributed US $ 124 million to IFAD resources till the 8th Replenishment. Since 1979, IFAD has assisted in 26 projects in the field of agriculture, rural development, tribal development, women's empowerment, natural resources' management and rural finance sector with the commitment of US$ 748.3 million (approx.). Out of these, 16 projects have already been closed. Presently, 09 (nine) projects with a total assistance of US$ 351.04 million are under implementation. For the 9th Replenishment, India has committed to contribute US$ 30 million. The payment is to be made in three instalments of US$ 10 million in 2012-13, 2013-14 and 2014-15. India has contributed US$ 10 million as 2nd instalment of the 9th Replenishment towards IFAD resources in December 2013 .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. India has been allocated US$ 131 million for Performance Based Allocation System (PBAS) Cycle 2013-15 for projects under areas of operation of IFAD.

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 rate of dividend for 2011-2012, payable by Railways to General Revenues, was reduced from 6% to 5% vide recommendation no. 77 contained in Second Report of Railway Convention Committee (2009) on 'Rate of Dividend for 2011-2012 and other ancillary matters'. 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-à-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 ₹4170.00 crore up to March, 2014.

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.

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 , Exchange Variation and Grants-in-Aid to Other Institutions and provision for Interest Equalization support to EXIM Bank. The provision for BE 2011-12 and 2012-13 is ₹139.69crore and ₹225.00crore respectively. The actual expenditure during 2011-12 is ₹139.48 crore. The provision of ₹225.00 crore was enhances 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). There is an enhancement of the BE 2011-12 provision at the RE 2011-12 stage on account of waiver of outstanding dues/interest against LOC extended to Government of Kazakhstan (₹34.92 crore) & Uzbekistan(₹0.40 crore); grants in aid to the Madras School of Economics and the Delhi School of Economics in implementation of one of the Budget (2011-12) announcements; contribution to Eurasian Group on Combating Money Laundering and Terrorism Financing (EAG) and upward exchange rate fluctuation in respect of contribution to CFTC. 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 enchanced at RE stage to ₹490.80 crore. However, the expenditure is ₹478.54 crore up to March, 2014.

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 2011-12 and 2012-13 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 up to March, 2014 is ₹57.68 crore.

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

The provision is for purchase of coins from Security Printing and Minting Corporation of India Limited (SPMCIL). During 2011-12 and 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 transaction upto March, 2014 is ₹1934.17 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 ₹1.50 crore was kept in BE 2011-12 for release of balance payment. 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 crore 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 Stationer and Printing.

MH-5465 - Investment in General Financial and Trading Institutions

A provision of ₹400.00crore was kept in the Budget Estimates 2011-12 towards expansion and modernization of Mints and Presses. It was anticipated that the procedural requirements/ formalities would get completed within the Financial Year. However, the exercise could not be completed and the amount was surrendered at the RE 2011-12 stage. Since the exercise could not be completed during 2011-12 provision of ₹400.00 crore was kept in BE 2012-13. Subsequently, 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 2011-12 under this Major Head also included ₹500.00 crore towards providing additional contribution to the Corpus of National Skill Development Fund Technical Assistance and ₹1.90 crore towards Government of India Equity in the National Skill Development Corporation (NSDC), for which a total of ₹501.90 crore obtained in the second batch of Supplementary Demands for Grants2011-12. ₹1.00 crore has been obtained through the first batch of supplementary Demands for grants 2012-13 for GOIs share of paid up capital in the newly created National Financial Holdings Company Limited (NFHCL).

NATIONAL SKILL DEVELOPMENT CORPORATION (NSDC)

The formation of the NSDC was announced in the Budget Speech for 2008-09 (Para 101). Subsequently, the Union Cabinet, in the meeting held on May 15, 2008, while approving the Planning Commission proposal of "Coordinated Action for Skill Development", have, inter alia, approved the establishment of the NSDC, as a public private partnership in skill development, for coordinating/stimulating private sector initiatives.

NSDC is a not-for-profit company limited by shares with an initial authorized share capital of ₹10 crores duly incorporated u/s 25 of the Companies Act, 1956, which shall utilize and manage the Funds transferred by the NSDF/T to NSDC in order to achieve its objectives. Out of ₹10 crore of equity base, Government of India accounts for 49%, while the private sector has the balance 51%. NSDF/T and NSDC have entered into an Investment Management Agreement on the basis of which the NSDF/T shall act as the receptacle for all kinds of Contributions and shall transfer the same to the NSDC for management and utilization by NSDC to fulfill its objectives. NSDC has also been registered u/s 12AA of the Income-Tax Act, 1961.

NSDC was set up as part of a national skill development mission to fulfill the growing need in India for skilled manpower across sectors and narrow the existing gap between the demand and supply skills. The target for NSDC is to provide employable skills to 150 million young Indians by 2022. NSDC is a one of its kind, Public-Private-Partnership (PPP) in India. The NSDC proactively creates and funds sustainable & market driven Technical and Vocational institutions. While the NSDC catalyses the market by deploying patient capital and adopting the practices of a traditional lending institution, each of its 'fundees' are partners to NSDC's goal of skilling 150 mn people. The Corporation itself has a clearly laid out strategy and plan till 2022, which details out investment and numbers to be trained each year. Realizing the ambitious target and the need for high impact, low investment programs to suit the needs of India's population, NSDC encourages partners to deploy short term, outcome driven programs which guarantee employment. Yearly milestones are closely monitored and further funding is released basis performance.

NSDC is a one of its kind, Public-Private-Partnership (PPP) in India. It aims to promote skill development by catalyzing creation of large, quality, for-profit vocational institutions. It provides viability gap funding to build scalable, for-profit vocational training initiatives. Its mandate is also to enable support systems such as quality assurance, information systems and train the trainer academies either directly or through partnerships and setting up Sector Skill Councils. NSDC also acts as a catalyst in skill development by providing viability gap funding to enterprises, companies and organizations that provide skill training. It will also develop appropriate models to enhance, support and coordinate private sector initiatives.

Test of Responsiveness of the Application/Proposal (ToR) whether the application/proposal is as per requirements. Thereafter, Project Approval Committee (PAC) is the recommendatory body for the proposals received in the NSDC for funding the skill development programmes, which is preceded consideration by Project Evaluation Committee (PEC) where due diligence from legal, financial and technical angles is done. PAC submits its recommendations to the Board of Directors. After approval by Board, the Contracting Authority (MD&CEO, NSDC) enters into agreements with the proposal owners.

Till November 30th 2013, the NSDC Board has approved 112 skilling proposals and 27 Sector Skill Councils with total financial commitment of ₹2,124.55 Crore. These proposals are expected to train approximately 75.77 million people by next 10 years., As on 30th November 2013, NSDC funded partners have trained 9,91,713 students including 4,02,506 students trained in FY 12-13. Total number of people placed stands as 6,00,209 including 2,16,741 students placed in FY 12-13. In the month of November 2013, a total of 80,442 students were trained and 64419 were placed. Currently there are 6,634 NSDC centres, including 5164 mobile centres.

NSDC has exceeded its year on year target (set by the National Skill Development Coordination Board now transitioned into the National Skill Development Agency) (for numbers trained (FY 11-12: 1,81, 691 as against target of 1,20,000; FY 12-13 : 4,02,354 against target of 4,00,000).

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 ₹1,000 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.

NATIONAL SKILL DEVELOPMENT FUND/TRUST (NSDF/T)

NSDF/T was incorporated as a Trust under the Indian Trust's Act, 1882 with a total Corpus of ₹995.10 crore as Government contribution, which will act as a receptacle of funding contribution from the Central Government and State Government entities, multilateral/bilateral and other donors to provide funds to the National Skill Development Corporation (NSDC) for achieving its objectives. In this connection, a Deed of Public Trust was signed on 23/12/2008. The management of the Trust is through the Board of Trustees, which is comprised of three Trustees, viz., Secretary, Department of Economic Affairs, Secretary, Planning Commission, Chairman, NSDC. Secretary, DEA is the ex-officio Chairman of the NSDF/T. In 2011-12 NSDF has also been registered u/s 119(2), 12A and 12AA of the Income-Tax Act, 1961.

On 27/03/2009 NSDF/T and NSDC have entered into an Investment Management Agreement (IMA) which provides for transfer of funds from NSDF to NSDC based on its requirements.

Other Highlights:

Issue of tax-exemption to the funds invested was taken up with the Department of Revenue. CBDT, DoR have issued a Gazette Notification No.272(E) dated 24/01/2013 in exercise of the powers conferred by sub-clause (f) of clause (iii) of sub-section (3) of Section 194A of the Income-Tax Act, 1961 notifying the National Skill Development Fund for the purpose of sub-clause (f) of clause (iii) of sub-section (3) of the said Section..

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. During the year 2010-11 a supplementary of ₹11327.15 crore was obtained for India's quota increase at International Monetary Fund (IMF). Based on information from the IMF that the IMFs Resolution on Quota Increase might not get ratified within the Financial Year, it was decided to surrender this provision in RE 2010-11 and provide for it in BE 2011-12.The IMFs Quota Resolution however became effective on 3rd March,2011 and India was required to make the payment by 4th April,2011. The payment was therefore made in the FY 2010-11 itself and the provision kept for the purpose, in BE 2011-12 surrendered at RE 2011-12. For 2010-11 a token provision of ₹0.01 crore was kept for subscription to IMF for Maintenance of Value (MoV) towards valuation adjustment of Indian Rupees receivable by IMF. This was not required to be enhanced as India received payments due to the movement of SDR exchange rate in favour of the Rupee. A supplementary of ₹1609.79 crore and ₹4005.44 crore was obtained during 2011-12 and 2012-13 for IMF/MoV. The amount has been fully utilized. A provision of ₹183.65 crore has been kept at BE 2012-13 for investment International Bank for Reconstruction and Development (IBRD). The BE provision has been increased to ₹205.04 crore at RE 2012-13 on account of upward exchange rate fluctuation. A supplementary of ₹9.17 crore has been obtained in 2011-12 for subscription to International Development Association (IDA). In BE 2010-11 a provision of ₹63.67 crore has been kept for Indias contribution towards lending resources of IMF. This provision is made for transferring the Rupee equivalent of SDRs received as interest to the Reserve Bank of India (RBI). The actual expenditure of ₹2.85 crore was due to less requirement for making payments towards interest on securities under Note Purchase Agreement (NPA).Similarly, the BE2011-12 and BE 2012-13 provisions have been reduced at RE 2011-12 and RE 2012-13 respectively. During 2013-14, Budget Estimates of ₹56574.58 crore has been kept under Investment in International Financial Institutions and the same was reduced to ₹922.21 crore at RE level due to non requirement of India's IMFs Quota . The expenditure up to March, 2014 is ₹844.06 crore.

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 around ₹1.76 crore has been disbursed in the FY 2012-13. Since no request for disbursal has been received during this Financial Year till date, RE 2013-14 has been kept at ₹50.00 lakh. Considering the number of projects granted approval for IIPDF support and the balance IIPDF remaining to be disbursed for the approved projects, the BE for 2014-15 has been estimated at ₹4.00 crore.

During 2012-13, ₹1.30 crore was made to meet expenditures in respect of pppinindia.com, printing of resource materials (Curriculum for National PPP Training Programme, Toolkits and Communication Mannuel, and Knowledge series) and other activities for promoting PPPs. Out of an amount of ₹1.00 crore, an amount of ₹32.38 lakh has been disbursed under Other Activities for promoting PPPs during the FY 2012-13. Since some of the training programmes could not be rolled out and in view of the austerity measures, RE 2013-14 has been kept at ₹32.00 lakh under other activities for promoting PPPs. For BE 2014-15 an amount of ₹1.65 crore has been proposed under this head.

MH-7475: Loans to Other Economic Services

A provision of ₹9003.04 crore was made at RE 2011-12 through supplementary Demands for Grants for providing loans to the International Monetary Fund (IMF) under New Arrangements to Borrow (NAB) .Transactions amounting to ₹7269.58 crore took place during the year under the NAB. 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 upto March 2014 transactions amounting to ₹1486.05 crore took place under NAB.

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 2011-12 an amount of ₹500.00 crorewas transferred to the Fund. During 2012-13 the BE provision of ₹1000.00 crore has been reduced to ₹120.00 crore at RE 2012-13. During 2013-14 only ₹200.00 crore has been transferred against a budget provision of ₹609.55 crore.

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.

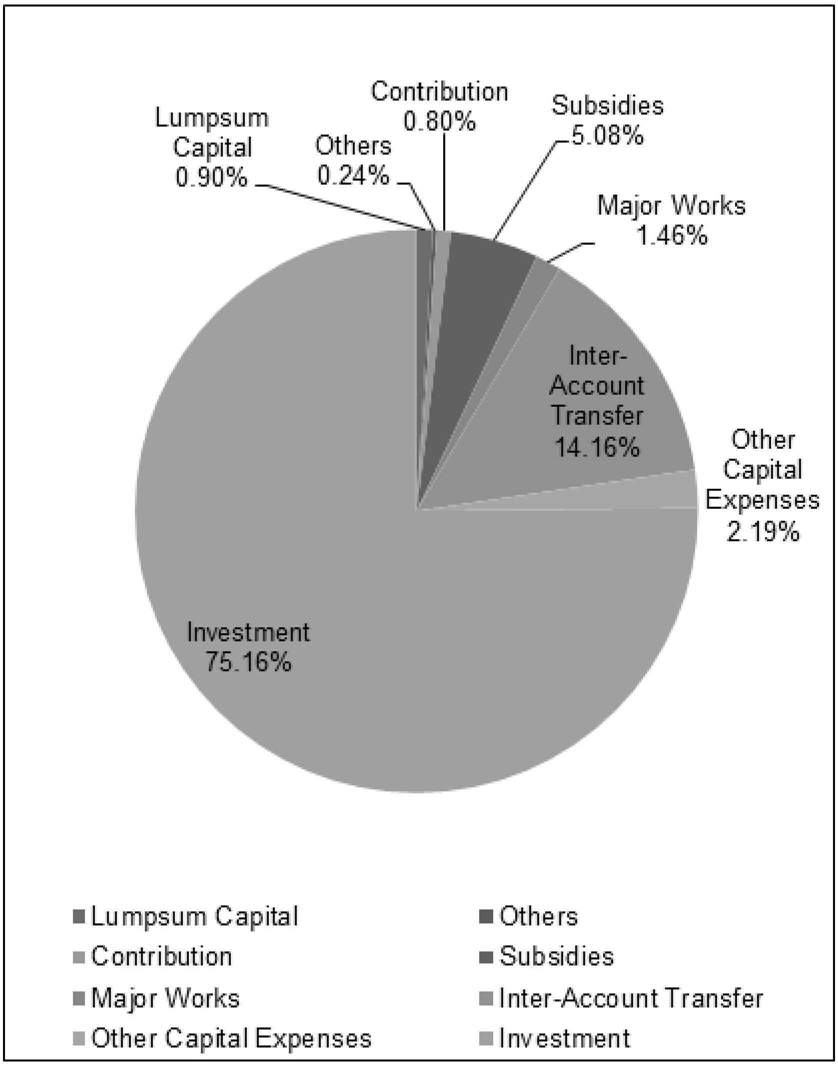
MH-3054 -Roads & Bridges

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. During 2011-12 a provision of ₹1040.63 crore was kept. The provision was increased to ₹1059.56 crore at RE 2011-12 and fully utilised. The BE 2012-13 provision is ₹1102.45crore and fully utilized. During 2013-14 funds were fully utilized against a budget provision of ₹1102.45 crore up to March, 2014.

MH-5475 - Capital Outlay on Other General Economic Services

A provision of ₹437.55 crore kept for Assistance for Infrastructure Development - Viability Gap Funding (VGF) and ₹20.00 crore was enhanced by supplementary grants for meeting the additional expenditure. An amount of ₹457.55 crore has been disbursed in the Financial Year 2012-13 under the VGF Scheme. Out of the approved budget of ₹678.00 crores, an amount of ₹450.00 crore has been disbursed during 2013-14 (April-March 2014) to 21 road projects under VGF Scheme. An amount of ₹670.00 crore has been proposed as BE 2014-15.

Object Head Wise Major Constituents of Grant of DEA 2013-14



- Investment - The major portion is for payment to IMF for Indias Quota Increase (₹56000.00 cr), Subscription to Asian Development Bank and African Development Fund, Subscription to IBRD - General /Selective Capital Increase - (₹203.20cr) {Total - ₹56574.57cr}
- Subsidies - The major part of the subsidy goes to Railways towards Dividend Relief and Other Concessions and for Interest Equalization Support to Exim Bank (₹416.50 cr). {Total - ₹3822.50}
- Provision for Major Works is for financing construction of Railways over/ under bridges and other Railway Safety Works. {Total - ₹1102.45 cr}
- Inter - Account Trasfer 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 - ₹10662.00 cr}
- Other Capital Expenses is for purchase of coins from SPMCIL {Total - ₹1645.01 cr}
- Contribution to various international bodies and organizations. {Total - ₹605.95 cr}
- Others - Includes Salaries and Other Establishment Expenditure. {Total - ₹183.53 cr}
- Lumpsum Capital is for promoting PPP in infrastructure development through Viability Gap Funding. {Total - ₹678.00 cr).

STATEMENT ON SURRENDER AND SAVING DURING THE FINANCIAL YEAR 2012-13

During the Financial Year 2012-13, the original grant was ₹68042.43 crore. This was augmented to ₹68160.85 crore by obtaining supplementary grant of ₹118.42 crore. Against this, the actual expenditure was ₹14463.48 crore, resulting in net savings of ₹53697.37 crore.

2. The savings of ₹53697.37crore was the net effect of total savings of ₹58728.68 crore and total excess of ₹5031.31 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)	2.17	Saving was due to availability of sponsorship for Economic Conferences from SBI, IOB and EXIM Bank and Economy in expenditure.
2.	Subsidy to Railways towards Dividend Relief	98.09	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.
3.	Training of IES Officers	0.03	Economizing of cost in organizing various training programmes.
4.	Contribution to UNDP	1.35	Favorable Exchange rate variation.
5.	Purchase of Coins form SPMCIL	645.35	Saving was due to restricting the cost of coins.

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

(₹ in crore)

S. No.	Sub Head/ Scheme/ Programme	Savings	Remarks/ Reasons
1.	G-20 Secretariat	0.47	Saving was due to non- finalization of office accommodation and economy measures.
2.	Directorate of Currency	2.65	Saving was due to winding up process and economy measures.
3.	Waiver of Loan to Republic of Seychelles	1.67	The provision was made to make full payment to EXIM Bank in one go. Subsequently it was decided to make payment as per repayment schedule spread over 6 years.
4.	Organizing 46th AGM of ADB	4.05	46th Annual General Meeting of Board of Governors of ADB could not be firmed up.
5.	Purchase of Machines for Budget Press	3.01	Entire provision remained unutilized due to non-completion of purchase process for machines.
6.	Budgetary Support/Investment in SPMCIL	400.00	Entire provision remained unutilized due to non-requirement of Investment in profit making SPMCIL
7.	India Infrastructure Project Development Fund	0.39	Fewer Requirements.
8.	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).
9.	India's Contribution towards Lending Resources of IMF	50.00	Entire provision remained unutilized due to non-requirement towards India's contribution towards lending resources of IMF.
10.	Loans to IMF under New Arrangements to Borrow (NAB)	1038.33	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.*

Statutory and Autonomous Bodies under Department of Economic Affairs

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. This is a wholly owned Public Sector Undertaking of Govt of India under Ministry of Finance, Department of Economic affairs headed by Chairman and Managing Director. There are three functional directors on the Board in addition to three Directors representing Government and three from user Departments. Presently the post of Director Finance is lying vacant since October 14, 2011 subsequent to repatriation of Shri Madan Mohan, former Director Finance to his parent cadre viz. CCA.

SPMCIL was formed after corporatization of all nine Mints/ Presses/Mill which were earlier working under Currency and Coins Division of the Department of Economic Affairs, Ministry of Finance, Government of India. These units are:

- India Government Mint, Mumbai
- India Government Mint, Kolkata
- India Government Mint, Hyderabad
- India Government Mint, Noida
- Security Printing Press, Hyderabad
- India Security Press, Nasik
- Currency Note Press, Nasik
- Bank Note Press, Dewas
- Security Paper Mill, Hoshangabad

➤ A decision was taken by the Govt. to transfer all the assets and liabilities of these nine units w.e.f 10.02.2006. Provisionally, the company had assets and equivalent liability amounting to ₹3237 crore. The employee strength of all the nine units of SPMCIL at present is about 12,300. Client of two currency presses is RBI for currency notes. For another two security presses, clients are State Governments for non judicial stamp papers and allied stamps and postal department for postal stationery, stamps etc. Security presses also produce various security items like cheques for various clients and passport, visa stickers and other travel documents for Ministry of External Affairs. For mints, major work relates to making coins for RBI and medal production for distribution through corporate entities though small payments are received from individuals for commemorative coins etc.

➤ Soon after corporatisation, SPMCIL had to manage creation of an organisation, working in accordance with the provisions of Companies Act,1956 and stipulations prescribed by Government of India. It has managed to create infrastructure and appoint personnel for the Corporate Office which is functional at 16th floor Jawahar Vyapar Bhawan, Janpath, New Delhi. Transition from Government departmental set up to corporation is being handled very smoothly and reconciliation meetings with representatives of workers and affected groups are going on. Joint consultative machinery known as "SPMCIL Bipartite Forum has been constituted and regular meetings are being held periodically to discuss the grievances of workers/staff. It has successfully completed the compilation of accounts for the period starting for the financial year 2006-07 to 2012-13. 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 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 31.3.2013, SPMCIL has an asset base of Rs 6808 crore and profit after tax for the year 2012-13 is ₹423 crore. The company has paid a dividend to Government of India of ₹84.70 crore & dividend distribution tax of Rs 13.74 crore during financial year 2012-13. In addition to above, 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.

➤ During the year 2013-14 SPMCIL has been able to exceed the targets for production of the currency/bank notes. It has exceeded the target for minting of coins for Government of India and met with postal stationery for Department of Post and printed stamp papers for State and other agencies.

➤ Keeping in view the national security perspective, all the nine units of SPMCIL have been provided CISF security. Intelligence Bureau has also posted their intelligence team in some units as per the security requirements. Notwithstanding their importance from security perspective, yet these arrangements are very expensive leading to extra expenditure on security overheads and need to be rationalise.

➤ 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 01.04.2013 to 31.03.2014.

Sl. No.	**Products**	**Production (in million pieces) unaudited**
1.	Bank Notes	8018
2.	Coins	7650
3.	Post Cards	75.94
4.	Envelopes	34.33
5.	Inland Letter Cards	29.58
6.	Postage Stamps & Indian Postal Orders	73.30
7.	Adhesive Stamps	24.39
8.	N.J & Allied Stamps	411.09
9.	Saving Instruments	44.70
10.	MICR Cheques	62.05
11.	Misc. Security Forms &Court fee stamps	89.45
12.	Passport & Allied Booklets	6.30
13.	Stickers/Labels/ I .Cards/ Seals	35.91
14.	Other permits & certificates	3.19

Details of Sales of major products for the period from 01.04.2013 to 31.03.2014

S. No.	**Main Products**	**Sales (₹in Crore) unaudited**
1.	Bank Notes	1350
2.	Coins	1682
3.	Other Security Products	760
	TOTAL	**3792**

The company is setting up of a new Bank Note Paper Line at Security Paper Mill, Hoshangabad (M.P.) including stock preparation plant. Varnishing coating machine for bank notes commissioned at Currency Note Press at Nasik

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 about ₹1200 crore (revised to ₹1490 crore due to escalation, revised scope & fluctuation in foreign exchange etc.) and it is targeted to be completed by 31.03.2015. On implementation of the project, the company will meet its major part of the requirement of currency paper indigenously and reduce the import of Bank Note Paper considerably.

During the year, the company also implemented R&D projects in the field of security paper, security printing and coin metallurgy and innovative CSR projects undertaken in the field of education, health & family welfare, environment and social development. Mobile van for health services under rural areas of Maharashtra supported through Indian Red Cross Society was also undertaken.

The company is hopeful of meeting RBI targets for printing of circulation notes as well as for minting of coins. There has been a decline in production of Passport on account of abnormal delay in security clearance of E-Passport, postal stationery due to change in communication tools.

SPMCIL has envisaged modernization of security paper mill, capacity enhancement of security paper production, modernization of currency printing units and automation of various activities being carried out in a traditional manner. This organization is currently a profit making organization. In order to meet strategic initiatives to prevent counterfeit currency and in the interest of the country the support for the projects of indigenization of bank note paper, ink & R&D etc. has been agreed by the Government as per the Memorandum of Settlement dated September, 2008. Government of India has agreed to provide financing of about ₹1200-1500 crore for the above investments.

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 2014-2015	Likely date of completion	Output/ Outcome	Remarks
1		2	3	4	5	6	7	8
A)	**Paper mill/presses**							
1.	One line of paper mill at SPM, Hoshangabad (new paper line)	496.50	30/11/2014	402.80	80.31	30/11/2014		Commissioning of machine is in progress.
2	Bank Note Paper Mill project at Mysore: A 50:50 Joint Venture between SPMCIL & BRBNMPL (Total project cost is about ₹ 1490 Crores)	300 (SPMCIL's contribution)	31/03/2015	300.00	0.00	31/03/2015		Civil Works under completion. Erection of first line is in progress.
3.	Upgradation of existing paper machine alongwith pulping plant at SPM, Hoshangabad	130.00	31/12/2016	0.00	0.00	31/12/2016		Machines are about 50 years old. To enhance quality of paper & efficiency of machine, upgradation shall be done.
4.	Replacement of two nos. old printing & finishing line at CNP & BNP (one line each)	400.00	31/03/2017		0.00	31/03/2017		Replacement of two old existing line.
5.	Overhaluning of one number of Intaglio machine at CNP, Nashik	30.00	30/09/2015	0.00	30.00	30/09/2015		Down time of the SOI machines will be reduced. Quality of printing will be improved. Waste percentage will be reduced. Administrative approval is pending.

1	2	3	4	5	6	7	8
6. Upgradation/replacement of Auxiliary machine at CNP & BNP	52.00	31/03/2017	0.00	0.00	31/03/2017		Savings of manpower by elimination of manual inspection process, Improvement in quality, Reduction in waste percentage.
7. Computer to Intaglio Plate makintg (CTIP) system at CNP, Nashik & BNP, Dewas	48.00	31/12/2016	0.00	0.00	31/12/2016		To build up inhouse intaglio plate making capacity.
8. Six clour offset printing machine at ISP & SPP (one each)	45.00	31/12/2016	0.00	0.00	31/12/2016		To enhance production capacity of ISP & SPP
9. Six clour reel fed machine at SPP, Hyderabad	15.00	30/06/2016	0.00	0.00	30/06/2016		To enhance security printing capacity.
10. Upgradation of Passport machine for E-Passport	21.50	31/03/2016	0.00	21.54	31/03/2016		To improve quality of Passport booklets.
11. Micro perforation machine for ISP (4-nos.)	25.00	31/03/2016	0.00	0.00	31/03/2016		To enhance security features in NJSP higher denominations.
12. Capacity Expansion of Banknotes Printing at BNP & CNP (5 Nos.) including all auxilliary works	1250 (Estimated cost)	31/03/2018	0.00	0.00	31/03/2018		To cater revised RBI Indent. Production capacity is to be enhanced to about 12 billions pieces from 8 billion pieces.
Total Capex of Presses & Paper Mill (A)	**2813.00**		**702.80**	**131.85**			
B) Mints							
13. Capacity expanssion of 4 Mints including all civil, electrical and other auxilliary works	350.00	31/03/2018	0.00	0.00	31/03/2018		Capacity expansion of mints to 13 billion coins from 7.5 billions per year.
14. Overhauling and up-gradation of coining presses and packing lines at Mints	144.00	31/03/2016	0.00	60.00	31/03/2016		Overhauling and upgradation for machine downtime reduction and ensuing utilisation of existing capacity.
15. Replacement of Auxiliary machine for medals and dies manufacturing in mints	52.00	31/03/2016	0.00	10.00	31.03.2016		To enhance production capacity of medals & dies.
Total Capex of Mints(B)	**546.00**		0.00	**70.00**			
Grand Total (A+B)	**3359.00**		702.80	**201.85**			

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, appointment of Chairman-cum-Managing Directors (CMDs) and Executive Director (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, Financial Inclusion, 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) 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 upto 2013-14. NABARD implements the scheme in respect of Cooperative Banks and Regional Rural Banks and RBI implements the scheme in respect of Commercial Banks. In addition to interest subvention to provide short term crop loans to farmers upto ₹3.00 lakhs @ 7% p.a., following components were added during 2011-12:

(a) Additional interest subvention of 3% to those farmers who repay on time.

(b) 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 for short term crop loan against negotiable warehouse receipts for keeping their produce in warehouses.

A sum of ₹3,282.70 crore, ₹5,400.00 crore and ₹6,000.00 crore was released under the scheme during 2011-12, 2012-13 and 2013-14, respectively. A provision of ₹6,000 crore has been made for the Scheme in BE 2014-15.

(ii) Capitalization of Public Sector Banks - As capital is a key measure of banks' 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 Public Sector Banks (PSBs) to maintain their Tier 1 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 ₹12,000 crore in 07 PSBs during 2011-12, ₹12,517 crore in 13 PSBs during 2012-13 and ₹14,000 crore in 20 PSBs as Capital during 2013-14.

For the year 2014-15 also, the Government has approved infusion of capital in 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 this purpose, an amount of ₹11,200 crore has been approved for capitalization of PSBs during 2014-15.

(iii) 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.

An amount of ₹535.00 crore was released to 19 RRBs during 2012-13 and ₹82.78 crore to 4 RRBs during 2013-14 as recapitalization assistance by the Central Government.

Thus, recapitalization has been completed in respect of 38 RRBs. In the absence of release of State Government share, 2 RRBs in Uttar Pradesh are yet to be provided recapitalization support. Accordingly, a provision of ₹50 crore has been proposed in the BE 2014-15.

(iv) Interest Subvention on Housing Loans upto ₹15.00 lakh - Under this Scheme, 1% interest subvention on housing loans upto ₹15.00 lakh, with cost of dwelling unit not exceeding ₹25 lakhs, is provided through nodal agency, i.e. National Housing Bank to the scheduled commercial banks and the housing finance companies registered with the National Housing Bank. ₹300 crore was released to nodal agency under the scheme during 2011-12, ₹400 crore during 2012-13 and ₹80 crore during 2013-14. A provision of ₹50 crore has been made in BE 2014-15 under the scheme.

(v) Varishtha Pension Bima Yojana (VPBY) - VPBY meant for senior citizens aged 55 years and above was launched on

14.7.2003 and withdrawn on 08.07.2004. Under the Scheme, Pensioners get an effective yield of 9% per annum on their investment. The difference between the effective yield of 9% paid to the pensioners and that earned by LIC is compensated to LIC as subsidy by the Government of India. 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. Keeping in view the likely claims from LIC, a provision of ₹111.49 crore has been made in BE 2014-15.

(vi) Aam Aadmi Bima Yojana (AABY) – Government has merged the two social sector life insurance schemes viz. Janshree Bima Yojana and the Aam Aadmi Bima Yojana into the Aam Aadmi Bima Yojana (AABY) with effect from 01.01.2013 to ensure better administration and services in providing life insurance cover to the economically backward sections of society. The scheme is being implemented through Life Insurance Corporation (LIC) of India.

The scheme 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, including 'rural landless households'. 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. The member should be the head of the family or one earning member of the family under the eligible groups.

The Scheme provides for insurance cover for the sum of ₹30,000/- on natural death, ₹75,000/- on death due to accident, ₹37,500/- for partial permanent disability (loss of one eye and one limb) due to accident and ₹75,000/- on death or 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 a half-yearly basis to a maximum of two children per member, studying in 9th to 12th standard. Scholarship benefits to the children of the beneficiaries under the scheme are being provided from the 'AABY 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 the case of 'Rural Landless Households' and for the other groups, it is contributed by the State Government/ Nodal agency/ Individual. 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 the State Government/UT which will be the Nodal Agency. A sum of ₹4.50 crore was released during 2013-14. A provision of ₹150.00 crore has been made for the scheme in BE 2014-15.

(vii) Women's SHGs Development Fund - To empower women and promote their Self Help Groups (SHGs) a "Women's SHGs Development Fund" has been created, which is being operated by NABARD. The scheme was announced in the year 2011-12. It is being operationalized in 150 most backward districts including Left Wing Extremism (LWE) districts. NABARD has informed that as on 31st March, 2014 in these districts 1,19,706 Women's SHGs are saving linked, out of which, 26,990 SHGs have been provided credit linkages. An amount of ₹84.183 crore was released to NABARD during 2013-14 to meet its firm commitments under the WSHG Development Fund. A provision of ₹50.00 crore has been made for the scheme in BE 2014-15.

(viii) Bharatiya Mahila Bank Limited - With a view to promoting gender equality and economic empowerment of women, Government took a decision to set-up India's first Women's Bank viz. Bharatiya Mahila Bank Limited; to address with the gender related aspects of (a) financial access to all sections of women, (b) empowerment of women, and (c) financial inclusion.

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. Government has infused an initial capital of ₹1,000 crore in the Bharatiya Mahila Bank Limited. The Bank has become functional w.e.f. 19.11.2013.

(ix) Educational loans scheme for providing relief on interest outstanding component as on 31.12.2013 - Finance Minister in his interim Budget Speech 2014-15 has made an announcement of interest waiver scheme for economically weaker students in order to provide relief to students who were sanctioned/disbursed educational loans up to 31.03.2009 and outstanding as on 31.12.2013. The Central Government will take over the liability for outstanding interest as on 31.12.2013 and the borrower will have to pay the interest for the period 01.01.2014 onwards. An amount of ₹2600 crore has been released during 2013-14 to Canara Bank being the nodal bank, for the scheme which is under implementation. About nine lakh students would be benefitted from this scheme.

(x) Credit Guarantee Fund for Skill Development- In pursuance to the Budget announcement 2012-13 to set up a Credit Guarantee Fund for Skill Development with a corpus of ₹1000 crore, the Fund has been set up with National Credit Guarantee Trustee Company (NCGTC) and ₹500 crore has been provided during 2013-14. A provision of ₹500 crore has been made for the purpose in BE 2014-15.

(xi) Credit Guarantee Fund for Factoring - In Budget Speech 2012-13, 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 of 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. During 2014-15 a provision of ₹50 crore has been proposed.

Statement of Outlays and Outcomes 2014 - 15

S. No.	Name of the Scheme/ Programme	Objective/Outcome	Outlay 2014-15 (₹ 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 for Senior Citizens	111.49	-	-	Under the Scheme pensioners get an effective yield of 9% p.a.	Approximately 3.5 lakh senior citizens, who had enrolled during the currency of the scheme, are being provided benefits under the scheme.	Scheme was in operation between 14.7.2003 and 09.07.2004. However, benefits to the subscribers are continuing.	No risk involved.
2.	Major Head 2235 - Swavalamban Scheme.	To extend the coverage, under National Pension System (NPS), to enroll citizen of unorganised sectors.	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.	To enroll 17.50 lakh subscri-bers under the Swavalamban Scheme.	Upto 2016-17.	The projected outcomes are subject to informal labour market conditions, low intermittent income and low financial knowledge, performance of Aggregators and Points of Presence (PoPs).
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	-	-	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	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	-	-

**CEBR - Complementary extra budgetary resources i.e., expenditures committed for the purpose by entities other than the Central Government.*

1	2	3	4(i) Non-Plan	4(ii) Plan	4(iii) CEBR	5	6	7	8
						premium is contributed by the State Government/ UTs in the case of 'Rural 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 institutionalized arrangement/ registered NGOs may act as nodal agencies under the Scheme.	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 9th to 12th standard (including ITI courses).		
4.	Major Head 2416– Interest subvention for providing short term credit to farmers.	Interest relief to farmers on short term production credit.	6000.00	-	-	To provide short term production 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.	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.
5.	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	-	It will promote financing of women's SHGs in backward areas/ districts of the country.	This will enable banks to enhance their outreach to the poor women in the backward regions. It would enable Women's SHGs to take up livelihood activities.	One year	This is grant assistance and is outcome based. So, no risk is involved.

1	2	3	4			5	6	7	8
			4(i) Non-Plan	**4(ii) Plan**	**4(iii) CEBR**				
6.	Major Head 2416 – Grants to NABARD for Producers' Organisation Development Fund	NABARD has initiated organising samll and marginal farmers into Producers' Organisation to improve profitablity of small holding based agriculture. NABARD Producers' Organisation Development Fund is accordingly being supplemented with a sum of ₹200 crore for building 2000 Producers' Organisation accros the country over next two years.	200.00	-	-				
7.	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	-	-	The interest subsidy will be routed through the scheduled commercial banks and the housing finance companies registered with National Housing Bank.	Housing is a basic requirement of the population. The housing sector has a huge potential for generating employment directly through labour intensive activities and indirectly by creating additional demand for industries like cement and steel.	One year	No risk factor involved.
8.	Major Head 3465 – Transfer to Securities Redemption Fund towards subscription in the Rights issue of equity share of State Bank of India.	To contribute to Securities Redemption Fund for redeeming SLR Marketable Securities issued against subscription in the Rights Issue of equity shares of State Bank of India, 2008.	625.00	-	-	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.	Upto 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(i) Non-Plan	4(ii) Plan	4(iii) CEBR	5	6	7	8
9.	Major Head 3465 - Financial Support 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	-	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 loans extended by the lending institutions.	Two years	This is grant assistance and is outcome based. So, no risk is involved
10.	Major Head 3465 - Financial support to SIDBI to set up a Credit Guarantee Fund for Factoring	To encourage factoring of receivables of Micro, Small and Medium Enterprises in India	-	50.00	-			One Year	
11.	Major Head 4416 - Recapitalisation of Regional Rural Banks (RRBs)	To bring Capital to Risk Weighted Assets Raio (CRAR) of RRBs to 9%.	-	50.00	-	Recapitalisation of 40 RRBs to help them bring their CRAR to 9%.	Improvement in financail health of RRBs so as to reduce their losses and increase their lending capacity.	One Year	It is Government Investment. No risk factor invloved.
12	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 NABARD's borrowing capacity and to meet the growing refinance needs of the banks that are extending	One Year	This is Government of India's subscription to strengthen the capital base of NABARD.No

1	2	3	4			5	6	7	8
			4(i) Non-Plan	4(ii) Plan	4(iii) CEBR				
							agriculture loans and are undertaking other development activities in rural areas.		risk factor is involved.
13	Major Head 4885 - Subscription to the share capital of India Infra-structure 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	-	IIFCL will fill the gap for long term infrastructure finance which banks and other institutions are unable to provide.	To increase the paid-up capital of the company. This will facilitate the company to expand its loan portfolio and strengthen its fundamentals.	One year	IIFCL is providing long term finance to infrastructure projects. As a financial institution, the company faces credit risk, market risk and operational risk.
14	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 2014-15 to US$ 880 million (10% growth over the estimated disbursements of US$ 802 million during 2013-14).	This will help promote India's exports to other countries.	One Year	Credit risk, liquidity risk, interest rate risk and foreign exchange risk.
15	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.	-	11200.00	-	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.	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.

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 un-served population of the country to unlock its growth potential. To extend the reach of banking to those outside the formal banking system, Government and Reserve Bank of India (RBI) are taking various initiatives from time to time.

(a) Expansion of Bank Branch network: Public Sector Banks opened 7840 branches in 2013-14 as compared to 4432 in 2012-13.

(b) Expansion of ATM Network: Total number of ATMs of Public Sector Banks increased to 96853 as on 31.01.2014 as compared to 69652 as on 31.03.2013.

(c) Expansion of BCA Network: Banks have been advised by DFS to extend banking services to the entire geography of the country based on the concept of Sub Service Area (SSA) comprising 1000-1500 households. In case of North-East, Hilly States and sparsely populated regions of other States, banks may decide the households to be covered by each Business Correspondent Agent (BCA) appropriately. In case of larger Gram Panchayats, more than one BCA could be appointed. In case of smaller Gram Panchayats, more than one contiguous Gram Panchayat, taking into consideration the geographical area, could be assigned to each BCA.

Banks have already initiated the above process to plan for providing a banking outlet [Branch with ATM or Business Correspondent Agent (BCA)] to every Sub Service Area, in 121 Direct Benefit Transfer (DBT) districts. In these 121 districts, banks have provided banking facilities in 30751 SSAs out of 30855 SSAs identified.

(d) Direct Benefit Transfer (DBT) and Direct Benefit Transfer for LPG (DBTL): The objective of DBT Scheme is to ensure that money under various developmental schemes reaches beneficiaries directly and without any delay. Banks play a key role in implementation of DBT/DBTL and this involves four important steps, viz.

(i) Opening of accounts of all beneficiaries;

(ii) Seeding of bank accounts with Aadhaar numbers and uploading on the NPCI mapper;

(iii) Undertaking funds transfer using the National Automated Clearing House - Aadhaar Payment Bridge System (NACH-APBS).

(iv) Strengthening of banking infrastructure to enable beneficiary to withdraw money.

(d) (i) Direct Benefit Transfer (DBT): The scheme has been launched in the country from January, 2013 and has been rolled out in a phased manner, starting with 25 welfare schemes, in 43 districts (Phase-I) and extended to additional 78 districts (Phase – II) and additional 3 schemes from 1st July, 2013.

(d) (ii) Direct Benefit Transfer for LPG (DBTL) : DBTL was introduced in 18 districts with effect from 01.06.2013, in one district (Mysore) w.e.f. 01.07.2013, and another district (Mandi) w.e.f 01.8.2013, 34 districts w.e.f. 01.09.2013 and additional 43 districts w.e.f. 01.10.2013. Government has also decided to rollout DBTL scheme in additional 194 districts by 01.01.2014 in a phased manner. Government decided on 28.02.2014 to constitute a Committee under the Chairmanship of Prof. S.G. Dhande (former Director IIT Kanpur) to review the functioning of DBTL Scheme, keeping in view the difficulties experienced by the beneficiaries in the DBTL scheme.

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% 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 (PFRDA) Act, 2013 with effect from 1st February, 2014 after it was passed by the Parliament in September, 2013. Through the enactment of Pension Fund Regulatory and Development Authority (PFRDA) Act, 2013, the Government will seek to provide protection and social security to the people in their old age, particularly those in the informal and the unorganized 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 One 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 March 31, 2014, 1266 corporates and 2.62 lakh employees have been enrolled under this model. The AUM under NPS-Corporate Sector Model is ₹2627.60 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
   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. To transparently and competitively determine the Investment Management Fees (IMF), which have significant impact on terminal pension wealth of the subscribers, a Request for Proposal was issued on 16th January 2014 for selection of Pension Fund under National Pension System (NPS) for Private Sector.

iii. **Acceptance of e-KYC as a valid process for KYC verification -** It has now been decided to accept e-KYC service launched by Unique Identification Authority of India (UIDAI) as a valid process for KYC verification in consultation with 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 and State), who are on the rolls of the government, into 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 Government Department, 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 has 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

Agricultural Debt Waiver and Debt Relief Scheme (ADWDRS), 2008

In 2008-09, Government had announced ADWDRS for farmers covering all agricultural loans disbursed by Scheduled Commercial Banks (SCBs), Regional Rural Banks (RRBs), Cooperative Banks (including UCBs) and Local Area Banks (LABs) upto 31st March, 2007, overdue as on 31st December, 2007 and that remained unpaid until 29.02.2008. There was a complete waiver for small and marginal farmers while there was a One Time Settlement(OTS) scheme for other farmers for the loans covered during these periods. The OTS offered a rebate of 25% against payment of the balance amount of 75%. The Scheme was implemented to make them eligible for availing fresh credit from the lending institutions.

Reimbursement of claims to the lending institutions was made in instalments on the basis of duly certified and audited claims through the respective nodal agencies, i.e. RBI and NABARD. A total of ₹52,259.86 crore was reimbursed under the Scheme benefitting as many as 3.73 crore farmers. Cent percent re-verification of the accounts benefitted under the Scheme was carried out during 2013-14.

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 1st 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 33.48 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 ₹44,272.32 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 of 2010-11. The scheme operates through 79 Aggregators. A total of 3,01,920 subscribers were enrolled during 2010-11, 6,39,480 subscribers have been enrolled in 2011-12, 11,01,079 Swavalamban eligible subscribers in 2012-13 and 15,94,790 (provisional) subscribers are eligible during 2013-14. For all citizens including workers of unorganized sector, NPS was available through nearly 36030 service provider branches of 61 Points of Presence (PoPs).

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

The Central Government has established 33 Debts Recovery Tribunals and 5 Debts Recovery Appellate Tribunals 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.

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

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

As against disposal of 9395 cases involving ₹16,321 crore approximately in the year 2012, DRTs have disposed of 11,194 cases involving ₹21,495 crore in the year 2013.

Statement of Outcome with reference to Outlays - 2012 - 13

S. No.	Name of the Scheme/Programe	Objective/Outcome	Outlay 2012-13 (₹ in Crore)		Quantifiable Deliverables/ Physical Outputs	Processes/ Timelines	Risk Factors	Achievements as on 31st March, 2013
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	Subsidising Pension Plan for Senior Citizens	182.25	140.00	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.	Approximately 3.5 lakh senior citizens, who had enrolled during the currency of the scheme, are being provided benefits under the scheme.
2	Major Head 2235 – Swavalamban Scheme.	To extend the coverage under NPS to 30 lakh subscribers.	220.00	128.00	The scheme is aimed at encouraging the people from unorganized sector to voluntarily save for their retirement by enrolling themselves under the NPS.	To enroll additional 11 lakh subscribers under the Scheme every year.	The projected outcomes are subject to informal labour market conditions, low intermittent income and low financial knowledge, performance of Aggregators and Points of Presence (PoPs).	A total of 11,01,079 subscribers were benefitted under the scheme.
3	Major Head 2235 – Governments contribution to augment the Social Security Fund maintained by LIC for Janshree Bima Yojana.	The scheme provided life insurance protection to the rural and urban persons living below poverty line and marginally above poverty line.	175.00	175.00	The premium under the Scheme was ₹200/- per annum, 50% of which was contributed by the beneficiary/ State Government/ nodal agency and the remaining 50% was drawn from the Social Security Fund contributed by	Persons between age group 18 to 59 years and who were the members of the identified 47 occupational/ vocational groups along with beneficiaries of Rashtriya Swasthaya Bima Yojana	Government required to replenish the Social Security Fund for this Scheme from time to time.	A total number of 2,89,94,424 lives were covered under JBY as on 31.12.2012 and thereafter, the Scheme was merged with Aam Aadmi Bima Yojana.

1	2	3	4		5	6	7	8
			4(i) BE	4(ii) RE				
					Government of India and maintained by LIC.	(RSBY) were provided insurance cover under the Scheme.		
4	Major Head 2416– Interest subvention for providing short term credit to farmers	Interest relief to farmers on short term production credit.	6000.00	5400.00	To provide short term production credit at 7% interest rate to the farmers up to an amount of ₹3.00 lakh. Additional subvention of 3% provided to those farmers who repay their crop loan on time.	Period of implementation is extended on yearly basis.	This is a subsidy to farmer. No risk factor is involved.	₹5,400 crore released.
5	Major Head 2416 – Grants in aid for revitalization of Long Term Cooperative Credit Structure (LTCCS)	Revitalization of Long Term Cooperative Credit Structure in the country	500.00	0.01	To provide revival package for revitalization of Long Term Cooperative Credit Structure.	Draft modified package for revitalization of LTCCS is under consideration of the Government.	It is a subsidy to the Cooperative Credit Structure in the Country. No risk factor is involved.	-
6	Major Head 2416 – Financial Inclusion Fund (FIF)	To support promotional and developmental activities with a view to securing greater financial inclusion, particularly among weaker sections, low income groups and backward regions/ hitherto unbanked areas.	20.00	0.00	To ensure access to timely and adequate credit and financial services to weaker sections and low income groups at an affordable cost with the objective of supporting professional and developmental activities with a view to securing financial inclusion.	The Fund is being operated from the year 2007-08 onwards.	The Fund, being maintained by NABARD, has been constituted with share in the ratio of 40:40:20 by GOI, RBI and NABARD. ₹10.00 crore each released in 2007-08, 2009-10, 2010-11 and 2011-12 as GOI share.	NABARD, which is managing this Fund, conveyed that there was no more requirement of contribution by Government of India, hence provision could not be utilized.
7	Major Head 2416 – Financial Inclusion Technology Fund (FITF)	To enhance investments in information communication technology aimed at promoting financial inclusion, stimulating	30.00	0.00	To extend facility under technological development to ensure access to timely and adequate credit and financial services to	The Fund is being operated from the year 2007-08 onwards.	The Fund, being maintained by NABARD, has been constituted with share in the ratio of 40:40:20 by GOI, RBI and	NABARD, which is managing this Fund, conveyed that there was no more requirement of contribution by

1	2	3	4		5	6	7	8
			4(i) BE	4(ii) RE				
		transfer of research and technology in financial inclusion, increasing technological absorption capacity of financial service providers/use.			weaker sections and low income groups at an affordable cost with the objective of stimulating the transfer of research and technology in financial inclusion.		NAABRD. ₹10.00 crore each was released in 2007-08, 2009-10, 2010-11 and 2011-12 as GOI share.	Government of India, hence provision could not be utilized.
8	Major Head 2416 – Grants in aid to NABARD for Women's Self Help Groups (SHGs) Development Fund	To provide financial assistance to Women's SHGs in unserved and underserved areas.	200.00	0.00	It will promote financing of Women's SHGs in backward areas/ districts of the country.	This will enable banks to enhance its outreach to the poor women in the backward regions. It would enable Women SHGs to take up livelihood activities.	This is grant assistance and is outcome based. So no risk is involved.	As on 31/03/2013, ₹16.94 crore grant assistance had been released from this fund. 50,001 SHGs have been savings linked.
9	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.	400.00	500.00	The interest subsidy is routed through the scheduled commercial banks and the housing finance companies registered with National Housing Bank.	Housing is a basic requirement of the population. The housing sector has a huge potential for generating employment directly through labour intensive activities and indirectly by creating additional demand for industries like cement and steel.	No risk factor involved.	₹400.00 crore was released.
10	Major Head 3465 – Transfer to Securities Redemption Fund towards	To contribute to Securities Redemption Fund for redeeming Marketable Securities issued against	625.00	625.00	This is for transfer to the Securities Redemption Fund created for redeeming the Government Securities –	A sum of ₹625 crore is to be transferred every year upto the year 2024 by the Government to this	No risk factor is involved as it is only a transfer to the Securities Redemption	Entire funds were released in time.

1	2	3	4		5	6	7	8
			4(i) BE	4(ii) RE				
	subscription in the Rights issue of equity share of State Bank of India.	subscription in the Rights Issue of equity shares of State Bank of India, 2008.			2024 issued to SBI towards subscription to its Rights Issue 2008, on due date.	Fund created for redeeming these Securities.	Fund already created for the purpose.	
11	Major Head 4416 –Recapitalisation 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%.	200.00	535.00	Recapitalization of 40 RRBs to help them bring their CRAR to at least 7%.	Improvement in financial health of RRBs so as to reduce their losses and increase their lending capacity	It is Government investment. No risk factor involved.	Entire provision of ₹535.00 crore released to 19 RRBs towards recapitalization support in 2012-13. Thus the recapitalization of 36 RRBs completed by 31.03.2013.
12	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.	500.00	1,000.00	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 year.	The infusion of this capital would help NABARD to enhance its borrowing capacity. No risk factor is involved.	₹1,000.00 crore released.
13	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 infrastructure projects. As a financial institution the company faces credit risk, market risk and operational risk.	Entire provision of ₹400.00 crore released. IIFCL cumulatively issued sanctions for 325 projects amounting to ₹72,906 crore.

1	2	3	4		5	6	7	8
			4(i) BE	4(ii) RE				
14	Major Head 4885 – Subscription to the share capital of EXIM Bank	Strengthening the equity base of EXIM Bank.	200.00	200.00	To grow the Bank's disbursements under Export Lines of Credit (LOCs) during 2012-13 to US $ 907 million (About 20% growth over the estimated US $ 756 million of disbursements under LOCs during 2011-12).	One year	Credit risk, liquidity risk, interest rate risk and foreign exchange risk.	₹200.00 crore released. EXIM Bank extended total loans of ₹62,964.61 crore (including GoI supported LOCs).
15	Major Head 5465– Recapitalisation 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.	14588.00	12517.00	To enable the Public Sector Banks (PSBs) to maintain their Tier I CRAR at a comfortable level as on 31.3.2013 and to comply with regulatory norms of capital adequacy under Basel- III.	One year	It is an investment by the Government in the PSBs to enable them to respond positively and effectively to the growing credit requirements of the productive sectors of the economy.	₹12517.00 crore released to 13 PSBs. 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.

Statement of Outcome with reference to Outlays - 2013 - 14

S. No.	Name of the Scheme/Programe	Objective/Outcome	Outlay 2013-14 (₹ in Crore)		Quantifiable Deliverables/ Physical Outputs	Processes/ Timeliness	Remarks/ Risk Factors	Achievements as on 31st March, 14 (Provisional)
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	Subsidising 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(provisional) beneficiaries, 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, performance of Aggregators and Points of Presence (PoPs).	A total of 15,94,790 (provisional) new subscribers have been registered.

1	2	3	4		5	6	7	8
			4(i) BE	4(ii) RE				
4	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.	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 9th to 12th standard (including ITI courses).	-	Government is required to replenish the 'Social Security Fund' and 'Scholarship Fund' under the scheme from time to time.	During 2013-14, a total number of 45,07,719 scholarship amounting ₹281.80 crore have been disbursed under AABY.
5	Major Head 2416– Interest subvention for providing short term credit to farmers.	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 extended on yearly basis.	This is a subsidy to farmer No risk factor is involved.	₹6,000 crore released during the year.
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	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 Women's SHGs to take up livelihood activities.	During the period, ₹84.183 crore released. 1,19,706 SHGs have been setup and 26,990 SHGs have been credit linked.

1	2	3	4		5	6	7	8
			4(i) BE	4(ii) RE				
7	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.	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	No risk factor involved.	₹80.00 crore was released.
8	Major Head 3465 – Transfer to Securities Re-demption Fund towards subs-cription in the Rights issue of equity share of State Bank of India.	To contribute to Securities Redemption Fund for redeeming Marketable Securities issued against subscription in the 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.	Entire funds were released in time.
9	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	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 loans extended by the lending institutions.	Two years	This is grant assistance and is outcome based. So, no risk is involved.	₹500.00 crore was released.
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	Upto year 2013-14.	It is Government investment. No risk factor involved.	₹82.78 crore released to 4 RRBs. Thus the recapitalization of 38 RRBs

1	2	3	4		5	6	7	8
			4(i) BE	**4(ii) RE**				
					losses and increase their lending capacity.			completed. 2 RRBs in Uttar Pradesh were not recapi-talized due to non release of its share by the State Govern-ment.
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.
12	Major Head 4885 –Subscription to the share capital of India Infra-structure 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	IIFCI is providing long term finance to infrastructure projects. As a financial institution the company faces credit risk, market risk and operational risk.	Entire provision of ₹400 crore released. IIFCIL cumulatively issued sanctions for more than 350 projects amounting to ₹94,728 crore.
13	Major Head 4885 – Subscription to the share capital of 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 ₹700crore released. Paid-up capital of the Bank reached ₹3,759 crore during 2013-14.

1	2	3	4		5	6	7	8
			4(i) BE	4(ii) RE				
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 to enable them to respond positively and effectively to the growing credit needs of the country.	Entire provision of ₹14000.00 crore released to 20 PSBs. 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.
15	Major Head 5465 – Infusion of initial equity capital in Bharatiya Mahila Bank Ltd.	Promoting gender equality and economic empowerment of women and to address with the gender related aspects of financial access to all sections of women, empowerment of women, and financial inclusion.	-	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 the Government for establishment of Bank. No risk factor is involved.	Entire provision of ₹1000.00 crore released. Bharatiya Mahila Bank Ltd., as a public sector bank has become functional w.e.f. 19.11.2013. Thereafter, bank commenced operations in 9 centres across the country.

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 31.03.2013	Govt. share in paid up capital as on 31.03.2013	Profit After Tax 2012-13	Dividend paid for 2012-13	BE for payment of Dividend 2013-14	RE for payment of Dividend 2013-14	BE for payment of Dividend 2014-15
1.	Allahabad Bank	500.03	276.21	1185.21	165.73	200.53	200.53	220.58
2.	Andhra Bank	559.58	324.58	1289.13	162.28	216.01	216.01	237.61
3.	Bank of Baroda	421.25	233.41	4480.72	501.84	459.29	459.29	505.22
4.	Bank of India	595.90	382.01	2749.35	382.01	304.82	304.82	335.30
5.	Bank of Maharashtra	661.47	537.39	759.52	173.58	191.51	191.51	210.66
6.	Canara Bank	443.00	300.00	2872.00	390.00	399.30	399.30	439.23
7.	Central Bank on India	1044.57	891.09	1015.00	373.27	296.60	296.60	326.26
8.	Corporation Bank	152.91	91.47	1434.67	173.81	215.04	215.04	236.54
9.	Dena Bank	350.05	193.38	810.38	90.89	70.20	70.20	77.22
10.	Indian Bank	429.77	343.82	1581.14	263.42	360.41	360.41	396.45
11.	Indian Overseas Bank	924.09	681.95	567.23	136.39	302.12	302.12	332.33
12.	Oriental Bank of Commerce	291.76	169.22	1327.95	155.68	161.75	161.75	177.93
13.	Punjab National Bank	353.47	204.57	4747.67	552.34	506.52	506.52	557.17
14.	Punjab & Sind Bank	254.02	202.87	339.22	71.37	44.30	44.30	48.73
15.	Syndicate Bank	601.94	398.28	2004.42	266.87	183.13	183.13	201.44
16.	UCO Bank	752.62	521.25	618.20	251.92	330.06	330.06	363.07
17.	Union Bank of India	596.79	345.46	2158.54	285.80	302.40	302.40	332.64
18.	United Bank of India	374.71	308.13	391.90	132.71	177.46	177.46	195.21
19.	Vijaya Bank	495.53	272.66	585.61	170.17	220.43	220.43	242.47
20.	State Bank of India	684.03	426.24	14105.00	1769.00	1750.12	1750.12	1925.13
21.	IDBI Bank Ltd.	1332.77	955.85	1882.08	334.55	318.82	318.82	350.70
22.	EXIM Bank	3059.37	3059.37	742.32	263.00	245.00	263.00	339.00
23.	IIFCL	2900.00	2900.00	1046.99	221.13	0.00	0.00	0.00
24.	Life Insurance Corporation of India	100.00	100.00	28727.64	1436.38	1564.48	1582.92	1751.44
25.	General Insurance Corporation of India	430.00	430.00	2344.62	468.70	250.00	515.00	515.00
26.	National Insurance Co. Ltd.	100.00	100.00	697.85	139.14	0.00	60.00	60.00
27.	New India Assurance Co. Ltd.	200.00	200.00	843.66	170.00	60.00	175.00	185.00
28.	United India Insurance Co. Ltd.	150.00	150.00	527.33	106.00	120.00	110.00	120.00
29.	Oriental Insurance Co. Ltd.	150.00	150.00	533.88	106.50	56.80	85.00	60.00
	Total	**18909.63**	**15149.21**	**82369.23**	**9714.48**	**9307.10**	**9801.74**	**10742.33**

Summarised Position of Schemes under Demand No. 34 - Department of Financial Services

(₹ in Crore)

S.No.	Schemes/Programmes	2012-13			2013-14			2014-15
		BE	RE	Actual	BE	RE	Actual (Provisional)	BE
	NON-PLAN							
1.	Interest Subsidy on Education Loans to bright and needy students through Canara Bank (MH -2202).	0.00	0.00	0.00	0.00	2600.00	2600.00	0.00
2.	Agricultural Debt Waiver and Debt Relief Scheme (ADWDRS),2008 – Transfer to Farmers' Debt Relief Fund (MH – 2235)	0.01	0.01	0.00	0.01	0.01	0.00	0.01
3.	Debt Relief/Waiver of loans through lending institutions against ADWDRS, 2008 (MH-2235)	0.01	0.00	0.00	0.00	0.00	0.00	0.00
4.	Payment of interest to lending institutions towards ADWDRS, 2008 (MH- 2235)	0.01	0.01	0.00	0.00	0.00	0.00	0.00
5.	Subsidy to Public Sector General Insurance Companies for Community based Universal Health Insurance Scheme (MH-2235)	0.01	0.01	0.00	0.00	0.00	0.00	0.00
6.	Interest subsidy to LIC for Pension Plan for senior citizens (MH – 2235)	182.25	140.00	99.55	134.23	115.81	115.81	111.49
7.	Swavalamban scheme to encourage people from unorganized sector to join National Pension System (NPS)							
7.1	Government's co-contribution to subscribers of the National Pension System (NPS)under Swavalamban Scheme (MH-2235)	200.00	110.00	90.00	150.00	135.00	135.00	175.00
7.2	Funding support for promotional and developmental activities for enrolment and contribution under Swavalamban Scheme (MH-2235)	20.00	18.00	14.41	20.00	20.00	17.90	20.00
8	Government's contribution to augment the Social Security Fund maintained by LIC for Janshree Bima Yojana (MH- 2235)	175.00	175.00	157.50	0.00	0.00	0.00	0.00
9	Government's contribution to Aam Aadmi Bima Yojana (MH- 2235)	0.00	0.00	0.00	5.01	4.51	4.50	150.00

S.No.	Schemes/Programmes	2012-13			2013-14			2014-15
		BE	RE	Actual	BE	RE	Actual (Provisional)	BE
10	Grants through NABARD for strengthening Short Term Co-operative Credit Structure (STCCS) (MH-2416)	0.01	0.01	0.00	0.00	0.00	0.00	0.00
11	Grants to NABARD for Producers' Organisation Development Fund (MH-2416)	0.00	0.00	0.00	0.00	0.00	0.00	200.00
12	Interest Subvention for providing short term credit to farmers (MH-2416)	6000.00	5400.00	5400.00	6000.00	6000.00	6000.00	6000.00
13	Revival of Long Term Cooperative Credit Structure (LTCCS) (MH-2416)	500.00	0.01	0.00	0.01	0.01	0.00	0.01
14	Contribution to Financial Inclusion Fund (FIF) (MH-2416)	20.00	0.00	0.00	0.00	0.00	0.00	0.00
15	Contribution to Financial Inclusion Technology Fund (FITF) (MH-2416)	30.00	0.00	0.00	0.00	0.00	0.00	0.00
16	Payment of Subsidy to Nodal Agency i.e., National Housing Bank as 1% subsidy for Housing Loan (MH-2885)	400.00	500.00	400.00	200.00	80.00	80.00	50.00
17	Grants to ICICI Bank for External Aided Component (MH – 2885)	8.90	8.90	8.88	0.01	0.01	0.00	46.02
18	Redemption of securities issued to Stressed Assets Stabilization Fund (SASF) (MH-2885)	0.00	300.00	300.00	0.00	300.00	250.00	0.00
19	Transfer to Securities Redemption Fund towards subscription in the Rights Issue of equity shares of SBI (MH- 3465)	625.00	625.00	625.00	625.00	625.00	625.00	625.00
20	Payment to ICICI Bank for Exchange Variation (MH- 3475)	69.09	69.09	69.09	0.00	0.00	0.00	0.00
21	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)	14.00	1.00	0.66	12.40	0.22	0.22	0.01
	TOTAL NON-PLAN	**8244.29**	**7347.04**	**7165.09**	**7146.67**	**9880.57**	**9828.43**	**7377.54**

S.No.	Schemes/Programmes	2012-13			2013-14			2014-15
		BE	RE	Actual	BE	RE	Actual (Provisional)	BE
	PLAN							
22	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)	200.00	0.00	0.00	100.00	100.00	84.18	50.00
23	Financial support to Small Industries Development Bank of India (SIDBI) for creating an India Microfinance Equity Fund(MH-3465)	0.00	0.00	0.00	100.00	200.00	200.00	50.00
24	Financial Support to SIDBI to set up a Credit Guarantee Fund for Factoring (MH -3465)	0.00	0.00	0.00	0.00	500.00	0.00	50.00
25	Assistance to National Credit Guarantee Trustee Company (NCGTC) for Skill Development (MH – 3465)	0.00	0.00	0.00	0.00	500.00	500.00	500.00
26	Subscription to share capital of NABARD (MH- 4416)	500.00	1000.00	1000.00	700.00	700.00	700.00	300.00
27	Contribution towards Recapitalisation of Regional Rural Banks (RRBs) (MH-4416)	200.00	535.00	535.00	88.00	88.00	82.78	50.00
28	Subscription to share capital of Export Import Bank of India (MH – 4885)	200.00	200.00	200.00	700.00	700.00	700.00	1300.00
29	Equity support to India Infrastructure Finance Co. Ltd. (IIFCL) (MH-4885)	400.00	400.00	400.00	400.00	400.00	400.00	600.00
30	Recapitalisation of Public Sector Banks (MH- 5465)	14588.00	12517.00	12517.00	14000.00	14000.00	14000.00	11200.00
31	Equity Capital to Bharatiya Mahila Bank Limited (MH- 5465)	0.00	0.00	0.00	0.00	1000.00	1000.00	0.00
	TOTAL PLAN	**16088.00**	**14652.00**	**14652.00**	**16088.00**	**18188.00**	**17666.96**	**14100.00**
	GRAND TOTAL	**24332.29**	**21999.04**	**21817.09**	**23234.67**	**28068.57**	**27495.39**	**21477.54**

Statement showing actual expenditure vis-a-vis BE/RE provisions for the years 2011-12, 2012-13 and 2013-14

(₹ in Crore)

S.No.	Description of Items/Schemes	Major Head	2011-12 BE	2011-12 RE	2011-12 Actual	2012-13 BE	2012-13 RE	2012-13 Actual	2013-14 BE	2013-14 RE	2013-14 Actual (Provisional)
	Part A- Non Plan Items										
1	**Secretariat - General Services**	**2052**	**15.02**	**14.08**	**14.04**	**15.07**	**21.62**	**18.65**	**19.81**	**18.58**	**18.45**
	Other Fiscal Services										
2	Other Expenditure (Special Court & Office of Custodian)	**2047**	**7.78**	**7.78**	**7.48**	**8.23**	**6.50**	**6.05**	**7.32**	**7.72**	**7.19**
	Other Administrative Services										
3	Appellate Authority for Industrial and Financial Reconstruction (AAIFR)	**2070**	2.57	2.38	2.23	2.53	2.32	2.19	2.50	2.66	2.28
4	Board for Industrial and Financial Reconstruction (BIFR)	**2070**	12.19	10.98	9.69	12.34	9.97	9.86	11.82	11.34	11.26
5	Debt Recovery Tribunals (DRTs)	**2070**	48.06	43.67	43.44	44.25	51.50	48.09	67.50	52.18	52.25
6	Pension Fund Regulatory and Development Authority (PFRDA)	**2070**	16.00	16.00	16.00	22.00	20.95	15.22	25.30	18.25	18.25
	Total - Other Administrative Services		**78.82**	**73.03**	**71.36**	**81.12**	**84.74**	**75.36**	**107.12**	**84.43**	**84.04**
	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**	0.62	0.62	0.50	0.52	0.52	0.60	0.47	0.40	0.38
9	Payment to ICICI Bank for Exchange Variation	**3475**	…	….	…	69.09	69.09	69.09	…	…	…
	Total - Other General Economic Services		**0.62**	**0.62**	**0.50**	**69.61**	**69.61**	**69.69**	**0.47**	**0.40**	**0.38**
	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	...	0.01	...	...	…	…	…
	Total - Capital Outlay on Public Works		…	0.01	...	0.01	...	...	…	…	…

S.No.	Description of Items/Schemes	Major Head	2011-12 BE	2011-12 RE	2011-12 Actual	2012-13 BE	2012-13 RE	2012-13 Actual	2013-14 BE	2013-14 RE	2013-14 Actual (Provisional)
	Industrial Financial Institutions										
11	Payment of Subsidy to Nodal Agency i.e. National Housing Bank	**2885**	500.00	300.00	300.00	400.00	500.00	400.00	200.00	80.00	80.00
12	Redemption of Securities issued to SASF	**2885**	…	300.00	300.00	…	300.00	300.00	…	300.00	250.00
13	Grants to ICICI Bank for External Aided Component	**2885**	…	…	...	8.90	8.90	8.88	0.01	0.01	...
	Total - Industrial Financial Institutions		**500.00**	**600.00**	**600.00**	**408.90**	**808.90**	**708.88**	**200.01**	**380.01**	**258.00**
	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	...	0.01	0.01	...	…	…	…
15	Interest Subvention for providing Short Term Credit to Farmers	**2416**	4868.00	4000.00	3282.70	6000.00	5400.00	5400.00	6000.00	6000.00	6000.00
16	Revival of Long Term Cooperative Credit Structure (LTCCS).	**2416**	1000.00	0.01	…	500.00	0.01	…	0.01	0.01	...
17	Contribution to Financial Inclusion Fund (FIF)	**2416**	10.00	10.00	10.00	20.00	…	…	…	…	…
18	Contribution to Financial Inclusion Technology Fund (FITF).	**2416**	10.00	10.00	10.00	30.00	…	…	…	…	…
	Total - Agricultural Financial Institutions		**5888.01**	**4020.02**	**3302.70**	**6550.01**	**5400.02**	**5400.00**	**6000.01**	**6000.01**	**6000.00**
	General Financial and Trading Institutions										
19	Transfer to Securities Redemption Fund for redeeming Securities issued against subscription in the Rights issues of Equity Shares of State Bank of India	**3465**	625.00	625.00	625.00	625.00	625.00	625.00	625.00	625.00	625.00
20	World Bank Assistance to Small Industries Development Bank of India (SIDBI) to improve access to Microfinance in India under World Bank assisted Microfinance Project.	**5465**	14.00	…	…	…	…	…	…	…	…
		6885	…	14.00	14.00	14.00	1.00	0.66	12.40	0.22	0.22
21	Interest Subsidy to Goan Banks	**2885**	0.08	0.04	0.04	…	…	…	…	…	…
	Total - General Financial and Trading Institutions		**639.08**	**639.04**	**639.04**	**639.00**	**626.00**	**625.66**	**637.40**	**625.22**	**625.22**

S.No.	Description of Items/Schemes	Major Head	2011-12 BE	2011-12 RE	2011-12 Actual	2012-13 BE	2012-13 RE	2012-13 Actual	2013-14 BE	2013-14 RE	2013-14 Actual (Provisional)
	Social Security and Welfare										
22	Debt Waiver and Debt Relief Scheme for Farmers										
22.01	Transfer to Farmers Debt Relief Fund	**2235**	2000.00	0.01	0.00	0.01	0.01	…	0.01	0.01	...
22.02	Payment to lending institutions against Debt Waiver and Debt Relief to Farmers	**2235**	6000.00	1500.00	1176.39	0.01	…	…	…	…	…
22.03	Payment of interest to lending institutions	**2235**	287.00	287.00	178.46	0.01	0.01	…	…	…	…
	Total - Debt Waiver and Debt Relief Scheme for Farmers		**8287.00**	**1787.01**	**1354.85**	**0.03**	**0.02**	**...**	**0.01**	**0.01**	**…**
23	Subsidy to public sector general insurance companies for Community based Universal Health Insurance Scheme (UHIS)	**2235**	20.00	20.00	13.60	0.01	0.01	…	…	…	…
24	Interest Subsidy to LIC for Pension Plan for Senior Citizens	**2235**	199.61	190.38	182.04	182.25	140.00	99.55	134.23	115.81	115.81
25	Swavalamban Scheme to encourage people from unorganised sector to join National Pension System (NPS)										
25.01	Government’s co-contribution to subscribers of the National Pension System (NPS) under Swavalamban Scheme	**2235**	200.00	100.00	30.00	200.00	110.00	90.00	150.00	135.00	135.00
25.02	Funding support for promotional and developmental activities for enrolment and contribution under Swavalamban Scheme.	**2235**	20.00	10.00	10.00	20.00	18.00	14.41	20.00	20.00	17.90
26	Government’s contribution to augment the Social Security Fund maintained by LIC for Janshree Bima Yojana (JBY)	**2235**	…	100.00	100.00	175.00	175.00	157.50	…	…	…
27	Government’s contribution to Social Security Fund and Scholarship Fund under Aam Aadmi Bima Yojana	**2235**	…	…	…	…	…	…	5.01	4.51	4.50
	Total - Social Security and Welfare		**8726.61**	**2207.39**	**1690.49**	**577.29**	**443.03**	**361.46**	**309.24**	**275.32**	**273.21**
	TOTAL NON – PLAN		**15855.94**	**7561.97**	**6325.61**	**8349.24**	**7460.42**	**7265.77**	**7281.39**	**9991.70**	**9938.49**

S.No.	Description of Items/Schemes	Major Head	2011-12 BE	2011-12 RE	2011-12 Actual	2012-13 BE	2012-13 RE	2012-13 Actual	2013-14 BE	2013-14 RE	2013-14 Actual (Provisional)
	PART B - Plan Items										
1	Subscription to share capital of Export-Import Bank of India (EXIM Bank)	**4885**	300.00	300.00	300.00	200.00	200.00	200.00	700.00	700.00	700.00
2	India Infrastructure Finance Company Limited. (IIFCL)	**4885**	1000.00	500.00	500.00	400.00	400.00	400.00	400.00	400.00	400.00
3	Grants-in-aid to National Bank for Agriculture and Rural Development (NABARD) for creation of Women's Self Help Groups (SHGs) Development Fund	**2416**	…	100.00	100.00	200.00	…	…	100.00	100.00	84.18
4	Subscription to share capital of National Bank for Agriculture and Rural Development (NABARD).	**4416**	…	1000.00	1000.00	500.00	1000.00	1000.00	700.00	700.00	700.00
5	Government's contribution towards Recapitalisation of Regional Rural Banks (RRBs)	**4416**	500.00	200.00	402.43	200.00	535.00	535.00	88.00	88.00	82.78
6	Recapitalization of Public Sector Banks	**5465**	6000.00	12000.00	12000.00	14588.00	12517.00	12517.00	14000.00	14000.00	14000.00
7	Equity Capital of LIC of India	**5465**	…	…	95.00	…	…	…	…	…	…
8	Equity Capital to Bharatiya Mahila Bank Limited	**5465**	…	…	…	…	…	…	…	1000.00	1000.00
9	Financial support to the banks for opening ' No Frills' accounts under Swabhiman Scheme as part of Financial Inclusion Plan	**3465**	50.00	…	…	…	…	…	…	…	…
10	Financial Support to Small Industries Development Bank of India (SIDBI) for creating an India Microfinance Equity Fund	**3465**	…	100.00	100.00	…	…	…	100.00	200.00	200.00
11	Financial Support to Small Industries Development Bank of India (SIDBI) to set up Credit Guarantee Fund for Factoring	**3465**	…	…	…	…	…	…	…	500.00	...
12	Assistance to National Credit Guarantee Trustee Company (NCGTC) to set up Credit Guarantee Fund for Skill Development	**3465**	…	…	…	…	…	…	…	500.00	500.00
	TOTAL PLAN		**7850.00**	**14200.00**	**14497.43**	**16088.00**	**14652.00**	**14652.00**	**16088.00**	**18188.00**	**17666.96**
	GRAND TOTAL		**23705.94**	**21761.97**	**20823.04**	**24437.24**	**22112.42**	**21917.77**	**23369.39**	**28179.70**	**27605.45**
	Percentage w.r.t RE			**95.69%**			**99.11%**			**97.96%**	

Object head-wise actual Expenditure vis-a-vis BE/RE provisions for the years 2011-12, 2012-13 and 2013-14

(₹ in Crore)

S.No.	Description	2011-12			2012-13			2013-14		
		BE	RE	Actuals	BE	RE	Actual	BE	RE	Actual (Provisional)
	Revenue Section									
1	Salaries	51.51	46.06	47.78	49.75	53.41	53.90	57.95	59.77	59.91
2	Wages	0.26	0.31	0.24	0.51	0.51	0.47	0.63	0.63	0.58
3	OTA	0.16	0.11	0.08	0.15	0.06	0.05	0.09	0.07	0.05
4	Medical Treatment	1.00	0.99	0.80	0.99	0.94	0.88	1.00	0.86	0.84
5	Domestic Travel Expenses	1.37	1.22	1.27	1.38	1.28	1.26	1.43	1.16	1.13
6	Foreign Travel Expenses	0.45	0.50	0.36	0.50	0.15	0.12	0.40	0.20	0.15
7	Office Expenses	9.04	7.97	7.79	8.38	14.47	11.35	27.52	12.55	12.33
8	Rent, Rates & Taxes	17.45	16.35	14.99	13.29	14.03	12.78	17.21	15.33	14.73
9	Publications	0.30	0.30	0.22	0.35	0.23	0.20	0.29	0.24	0.21
10	Other Administrative Exp.	0.25	0.25	0.24	0.25	0.25	0.24	0.28	0.21	0.24
11	Advt. & Publicity	0.26	0.46	0.31	0.38	0.21	0.43	0.36	0.20	0.10
12	Minor Works	0.26	0.36	0.35	0.31	0.30	0.37	0.52	0.10	0.09
13	Professional Services	1.32	1.12	0.83	1.32	1.01	1.06	1.27	1.16	1.07
14	Grants-in-Aid (General)	86.01	226.01	226.00	244.41	40.86	31.52	238.01	1331.26	813.33
15	Contribution	845.00	220.00	150.00	425.00	285.00	247.50	155.01	139.51	139.50
16	Subsidy	6587.69	4510.43	3778.38	7082.26	6040.02	5899.55	6334.24	8795.82	8795.81
17	Grants-in-Aid (Salaries)	0.00	0.00	0.00	6.50	7.00	6.99	7.30	7.00	7.00
18	Lumpsum	0.62	0.62	0.50	0.52	0.52	0.61	0.47	0.40	0.38
19	Exchange Variation	0.00	0.00	0.00	69.09	69.09	69.09	0.00	0.00	0.00
20	Interest	287.00	287.00	178.46	0.01	0.01	0.00	0.00	0.00	0.00
21	Other charges	6001.99	1802.89	1478.01	4.87	305.06	301.73	0.00	300.00	250.00
22	Inter Account Transfer	2000.00	625.01	625.00	625.01	625.01	625.00	625.01	625.01	625.00
	Total Revenue Section	**15891.94**	**7747.96**	**6511.61**	**8535.23**	**7459.42**	**7265.10**	**7468.99**	**11291.48**	**10722.45**
	Capital Section									
23	Investments	7814.00	14000.01	14297.43	15888.01	14652.00	14652.00	15888.00	16888.00	16882.78
24	Loans	0.00	14.00	14.00	14.00	1.00	0.66	12.40	0.22	0.22
25	Inter Account Transfer	0.00	0.00	0.00	0.00	0.00	0.00	14000.00	0.00	0.00
	Total Capital Section	**7814.00**	**14014.01**	**14311.43**	**15902.01**	**14653.00**	**14652.66**	**29900.40**	**16888.22**	**16883.00**
	Grand Total (Gross)	**23705.94**	**21761.97**	**20823.04**	**24437.24**	**22112.42**	**21917.76**	**37369.39**	**28179.70**	**27605.45**

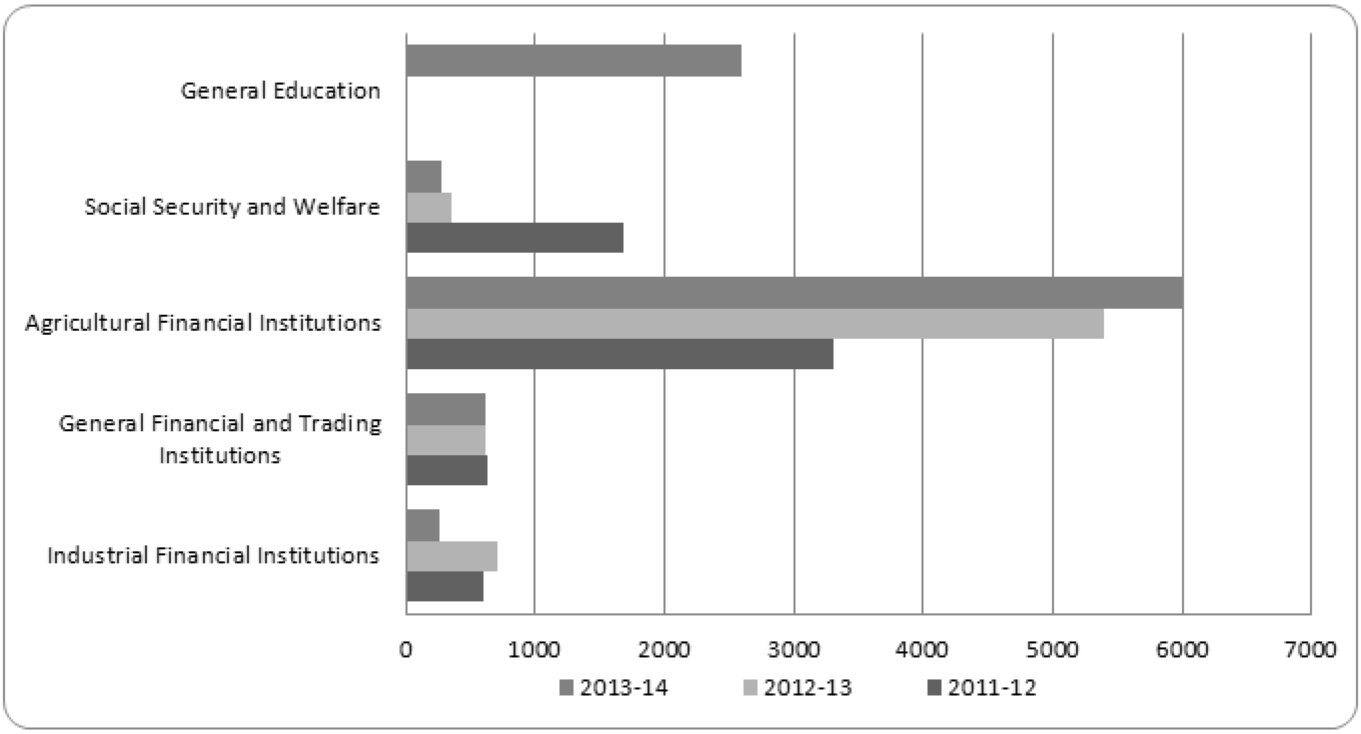
ANALYSIS OF BUDGET PROVISIONS AND ACTUAL EXPENDITURE DURING 2011-12, 2012-13 AND 2013-14

During 2011-12, the provision was ₹23,705.94 crore in BE (₹15,891.94 crore under Revenue Section and ₹7,814.00 crore under Capital Section). This was brought down to ₹21,761.97 crore in RE 2011-12 (Provisions under Revenue Section were reduced to ₹7,747.96 crore whereas the provisions under Capital Section were increased to ₹14,014.01 crore). Actual Expenditure was ₹20,823.04 crore (₹6,511.61 crore under Revenue and ₹14,311.43 crore under Capital Section). In 2011-12 more than 99% of the funds were allocated towards different subsidy programmes and capitalization initiatives in respect of Industrial Financial Institutions, Agricultural Financial Institutions, General Financial & Trading Institutions and Social Security and Welfare measures.

During 2012-13, the provision was ₹24,437.24 crore in BE (₹8,535.23 crore under Revenue Section and ₹15902.01 crore under Capital Section). This was reduced 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 also, 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 ₹29,900.40.00 crore under Capital Section). This was reduced to ₹28,179.70 crore in RE (Revenue Section was increased to ₹11,291.48 crore and Capital Section reduced to ₹16,888.22 crore). Actual Expenditure was ₹27,605.45 crore (₹10,722.45 crore under Revenue and ₹16,883.00 crore under Capital Section). In 2013-14 also, more than 99% of the funds were allocated towards different subsidy programmes and capitalization initiatives in respect of Industrial Financial Institutions, Agricultural Financial Institutions, General Financial & Trading Institutions and Social Security and Welfare measures.

Overall trends of expenditure (₹ in crore) relating to various programmes during last three years (2011-12 to 2013-14) are depicted in the following Bar Chart:



STATEMENT ON SURRENDER AND SAVINGS DURING THE FINANCIAL YEAR 2012-13

During the financial year 2012-13, original provision was ₹24,437.24 crore (₹8,535.23 crore under Revenue and ₹15,902.01 crore under Capital Section). This was augmented to ₹24,437.28 crore by obtaining Supplementary Grant of ₹0.04 crore (₹0.03 crore under Revenue and ₹0.01 crore under Capital Section). Against this, expenditure of ₹21917.76 crore was incurred resulting in net savings of ₹2,519.52 crore. The savings of ₹2,519.52 crore were the net effect of total savings of ₹3,662.01 crore and total excess of ₹1,142.49 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.	Implementation of Special Courts (Trial of offences relating to Transactions in Securities) Act, 1992 [O/o Special Court and O/o Custodian]	2.18	Savings were due to less actual requirement of funds under 'Salaries', 'Professional Services' and 'Medical Treatment', which could not be anticipated in advance. Savings under 'Salary' were due to non filling of certain vacant posts which were expected to be filled up.
2.	Board for Industrial and Financial Reconstruction (BIFR)	2.48	Savings were due to less actual requirement of funds which could not be anticipated in advance. Savings under 'Salary' were due to non filling of certain vacant posts which were expected to be filled up. Savings under 'Rents, Rates and Taxes' were due to non-finalisation of rent-revision.
3.	Grants-in-aid to Pension Fund Regulatory and Development Authority (PFRDA)	6.79	Savings were due to requirement of less funds by PFRDA owing to availability of an unspent balance of ₹1.24 crore of the Grants-in-aid released during 2011-12 and an amount of ₹5.72 crore internally generated by PFRDA during 2012-13 in the form of annual fee from Pension Fund Managers, processing fees from Points of Presence, security deposits, etc.
4.	Grants to NABARD for Interest Subvention for providing short term credit to farmers	600.00	Keeping in view the instructions of Department of Expenditure to enforce 10% cut in respect of all Non-Plan Schemes, the original provision of ₹6,000 crore was reduced to ₹5,400 crore in RE, resulting in stated savings.

(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 New Pension System (NPS)	115.59	As the enrolment under Swavalamban Scheme was not at the expected level, the entire provision could not be utilised, resulting in savings.
2.	Payment to LIC of India for Pension Plan for Senior Citizens	82.70	Subsidy to LIC for Pension Plan for Senior Citizens is based on actual calculation of the amount of subsidy, required for an effective yield of 9% to the investor. As the actual requirement was less, there was saving.
3.	Grants to National Bank for Agriculture and Rural Development	200.01	There was an overlap of the components regarding re-financing 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

S.No.	Sub Head/Scheme/Programme	Savings	Remarks/Reasons
			decided not to allow financing under the Scheme for these two components during 2012-13, resulting in saving of the entire provision.
4.	Revival of Long Term Cooperative Credit Structure (LTCCS)	500.00	Package on Revival of Long Term Cooperative Credit Structure (LTCCS) was under revision and therefore, the entire provision remained unutilised.
5.	Recapitalisation of Public Sector Banks	2071.00	The Government decided to provide less capital support to Public Sector Banks for maintaining a Tier-I CRAR at desired level, accordingly, the provision was reduced to ₹12517 crore at RE stage, resulting in the saving.
6.	World Bank Assistance to Small Industries Development Bank of India (SIDBI)	13.34	As against the BE provision of ₹14 crore for passing through loan of the same amount from International Development Association (IDA) to SIDBI to improve access to Microfinance in India, an amount of ₹0.66 crore was utilized owing to the lower amount of fund flow from IDA, resulting in the saving.

(i) **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
1.	Social Security Fund maintained by Life Insurance Corporation of India for Janshree Bima Yojana	17.51	During the year 2012-13, a sum of ₹157.50 crore was released for the Scheme. However, later Government decided to subsume the Scheme into another Scheme viz., Aam Aadmi Bima Yojana to enable better administration and services in providing life insurance cover to the economically backward sections of the society. Therefore, there was no requirement of further release of funds under this Scheme, resulting in savings.
2.	Payment to NABARD towards Government's contribution for constitution of Financial Inclusion Fund (FIF)	20.00	NABARD, which is managing this Fund, conveyed that there is no more requirement of contribution by Government of India, hence the entire provision under the Scheme could not be utilized.
3.	Payment to NABARD towards Government's contribution for constitution of Financial Inclusion Technology Fund (FITF)	30.00	NABARD, which is managing this Fund, conveyed that there is no more requirement of contribution by Government of India, hence the entire provision under the Scheme could not be utilized.

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.

Balance Sheet size of many PSBs grew more robustly during 2012-13. Besides meeting the requirement of employment intensive sectors such as Agriculture and Micro and Small Enterprises, PSBs have also met the credit requirement of corporate sector. Despite good performances on almost all fronts in the previous year, the PSBs faced innumerable challenges during 2013-14 which include higher provisioning requirements on account of NPAs due to stress in major sectors of our economy.

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 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, refinances loans granted for agricultural development by State Cooperative Banks (SCBs), 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 are as under :

(₹ in Crore)

Agency	2011-12		2012-13		2013-14	
	Sanct.	Max. O/S	Sanct.	Max. O/S	Sanct.	Max. O/S
Coop. Banks	34410.15	34402.62	45079.60	44955.54	54572.68	54266.38
RRBs	14602.66	14578.66	21338.59	21139.55	26631.31	26592.93
Total	**49012.81**	**48981.28**	**66418.19**	**66095.09**	**81203.99**	**80859.31**

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

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 included 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, non farm sector activities, etc. These investments lead to private capital formation in rural areas. The Bank has provided refinance for such purposes during the last three years [including Self Help Groups (SHGs) financing] and the details are as under:

(₹ in Crore)

Agency	Disbursement			Target &Disbursement during 2013 - 14	
	during 2010-11	during 2011-12	during 2012-13	Target	Disbursement
SCARDBs	2351.85	2444.93	1741.31	1828.00	1,814.95
StCBs	1356.62	1192.29	2071.06	1746.00	1713.32
Commercial Banks	7348.49	8433.75	8708.78	11500.00	13254.62
RRBs	2287.84	3086.19	4753.66	4316.00	4303.66
PUCBs/ ADFCs	141.07	264.53	100.85	200.00	67.72
Others	0.00	0.00	298.64	400.00	331.90
Total	**13485.87**	**15421.70**	**17674.30**	**19990.00**	**21486.17**

During 2012-13, as against the farm credit target of ₹5,75,000 crore, Commercial Banks, Cooperative Banks and Regional Rural Banks had financed 703.57 lakh farmers with a credit of ₹6,07,375.62 crore. During 2013-14, as against the farm credit target of ₹7,00,000 crore, they disbursed farm credit to the tune of ₹7,30,765.61 crore (provisional figure).

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.

PFRDA, set up as a regulatory body for the pension sector through a Government Resolution, has attained the statutory status with the enactment of Pension Fund Regulatory and Development Authority (PFRDA) Act, 2013 with effect from 1st February, 2014 after it was passed by the Parliament in September, 2013. Through the enactment of PFRDA Act, the Government will seek to provide protection and social security to the people in their old age, particularly those in the informal and the unorganized sector.

PFRDA 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 One 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 / UTs 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 33.48 lakh employees of the Central and various States Government are already a part of the NPS. The corpus being managed under the NPS as on 31st March, 2014 is ₹44272.32 crore.

Under the NPS for all citizens, a subscriber has the facility to open NPS account at any of the registered branches (36030 branches so far) of the Sixty One PoPs appointed by PFRDA. The offer document containing details of the NPS, application form for opening NPS account 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 section was opened up to private participation with the enactment of the Insurance Regulatory and Development Authority Act, 1999. The IRDA at present consists of the 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 interests 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, a wholly-owned Government of India company set up 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. IIFCL has been registered with Reserve Bank of India as Non Banking Finance Company – Infrastructure Finance Company (NBFC-IFC) since September 2013. IIFCL accords overriding priority to Public-Private Partnership (PPP) Projects. The authorized & paid up capital of the company as on 31st March 2014 was ₹5,000 crore and ₹3,300 crore respectively. The company is operating profitably since commencement of operations.

On a stand-alone basis, till 31st March 2014, IIFCL has made cumulative gross sanctions of ₹54,148 crore (₹94,728 crore on consolidated basis) under direct lending and has made cumulative disbursement to ₹32,064 crore (₹38,571 crore on consolidated basis), including refinance of ₹6,256 crore and takeout finance of ₹3,819 crore.

To facilitate incremental lending to the infrastructure sector by addressing banks' exposure and asset-liability mismatch constraints, IIFCL has implemented the Takeout Finance Scheme with non-discriminatory and non-discretionary external rating based pricing mechanism. Till 31st March 2014, IIFCL has completed takeout finance of ₹3,819 crore from 27 banks/ financial institutions under this scheme.

To enable channelization of long term funds from investors like insurance companies and pension funds, IIFCL is presently undertaking pilot transactions under its Credit Enhancement initiative. Till 31st March 2014, IIFCL has accorded in-principle approval to four pilot transactions for extending partial credit guarantee to enable issuance of credit enhanced bonds worth around ₹2,200 crore.

IIFC (UK), a wholly owned subsidiary of IIFCL was set up in London in 2008, with the objective of financing import of capital equipment by infrastructure projects in India. During 2013-14, IIFC (UK) made gross sanctions of USD 1387.73 million taking cumulative gross sanctions to USD 6.75 billion. Till 31st March, 2014, IIFC (UK) has made cumulative disbursements of USD 1082.66 million (USD 1236.93 million including outstanding Letter of Comfort of USD 154.26 million).

IIFCL has further established two more wholly owned subsidiaries namely IIFCL Projects Limited for providing advisory services to infrastructure projects and IIFCL Asset Management Company Ltd to manage its Infrastructure Debt Fund (IDF), launched through mutual fund route. The maiden IDF scheme of IIFCL Mutual Fund was fully subscribed in February 2014 and, the scheme achieved the distinction of being the first IDF-MF in the country to be listed on a stock exchange.

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 distinguishes 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 FY 2013-14, EXIM Bank (i) extended 24 new LOCs (mostly GOI-guaranteed) aggregating US$ 1,772 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 31st March, 2014 from ₹64,353 crore as on 31st March, 2013] and (iii) sanctioned funded and non-funded assistance to 47 Indian corporates aggregating to ₹71.18 billion for part financing their overseas investments in 40 countries (till 31.3.2014, EXIM Bank has provided finance to 494 ventures set up by 391 companies in 80 countries).

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.

NHB's Performance parameters

(₹ in crore)

Year ended 30th June	2010	2011	2012	2013
Capital	450	450	450	450
Reserves	2,072	2,352	2,739	3,190
Net Owned Fund	2,485	2,770	3,154	3,599
Sanctions	12,715	14,293	23,460	24,266
Disbursements	8,160	12,035	14,454	17,635
Loans & Advances	19,837	22,581	28,490	34,603
Total Assets	22,753	25,781	31,332	38,721
Gross NPAs	**Nil**	**Nil**	**3.56**	184.05
Net NPAs	**Nil**	**Nil**	**3.03**	156.10
Profit After Tax (PAT)	280	279	387	450
PAT per Employee	3.15	3.21	4.07	4.84
CRAR (%)	19.6	20.6	19.82	16.59

Rural Housing Fund

In terms of the Union Budget announcement, Rural Housing Fund (RHF) was set up first with NHB in 2008-09 to enable primary lending institutions to access funds for extending housing finance to targeted groups in rural areas at competitive rates. The corpus of the fund for 2008-09 was ₹1778 crore. Since then, a total amount of ₹15778 crore has been received by the Bank under the Fund, and the Bank has disbursed an amount about ₹15,239 crore towards refinance for rural housing for the targeted segments benefiting about 10.28 lakh dwelling units.

Urban Housing Fund

Urban Housing Fund (UHF) was created while announcing the Union Budget for the year 2013-14. This fund is also being managed by National Housing Bank and the corpus of the fund for the year 2013-14 is ₹2,000 crore. Till date, an amount of ₹500 crore has been received by the Bank and the disbursement is ₹441 crore.

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

In order to stimulate demand for credit for housing in the lower & middle income segment of population in the country, Government of India, during 2009-10, introduced interest subvention of 1% for one year on all individual housing loans upto ₹10 lakh, provided the cost of the unit does not exceed ₹20 lakh from 1st October, 2009. The Scheme was extended for FY 2010-11. The Scheme was extended for FY 2011-12 with increase in limit of housing loans upto ₹15 lakh and cost of house upto ₹25 lakh from ₹10 lakh & ₹20 lakh respectively in earlier years and was further extended for FY 2012-13.

From FY 2011-12, NHB has been designated as the Nodal Agency for implementation of the Scheme. During FY 2012-13 a total subsidy amounting to ₹420.05 crore has been released to Banks and HFCs for onward distribution of the same to intended eligible beneficiaries.

B. Interest Subsidy Scheme for Housing the Urban Poor (ISHUP) of Ministry of Housing and Urban Poverty Alleviation

To improve the affordability of housing loans by EWS/LIG segments in urban areas, Ministry of Housing and Urban Poverty Alleviation (MHUPA), Government of India introduced ISHUP Scheme on 26th December, 2008 for the 11th Five Year Plan period. Total subsidy amounting to ₹8.22 crore has been disbursed under the Scheme. The Scheme ceased to be in operation after 30th September, 2013.

MHUPA has now issued a Revised Interest Subsidy Scheme – Rajiv Rinn Yojana (RRY), as Scheme for addressing the housing needs of the EWS/LIG segments in urban areas. The Scheme envisages the provision of a fixed interest subsidy of 5% (500 basis points) on interest charged on the admissible loan amount upto ₹5 Lakh to EWS and LIG segments to enable them to buy or construct a new house or for carrying out addition to the existing building. Rajiv Rinn Yojana is in operation since 1st October, 2013.

C. Reverse Mortgage Loan (RML) for Senior Citizen

The Central Government notified the Reverse Mortgage Scheme vide its notification No. S.O. 2310 (E) dated 30th September, 2008. The Scheme involves the Senior Citizen borrower(s) over the age of 60 mortgaging the house property to a bank/HFC, which then makes periodic payments to the borrower(s) during the latter's lifetime for a maximum period of 20 years. The Senior Citizen borrower is not required to service the loan during his lifetime and therefore does not make monthly repayments of principal and interest to the lender. Only on the borrower's death or on the borrower leaving the house property, the loan is repaid along with accumulated interest, through sale of the house property. The borrower(s)/heir(s) can also repay or prepay the loan with accumulated interest and have the mortgage released without resorting to sale of the property.

D. Credit Risk Guarantee Fund Scheme for Low Income Housing (CRGFTLIH)

The Credit Risk Guarantee Fund Trust for Low Income Housing (CRGFTLIH) has been established with its registration on 1st May 2012 by Ministry of Housing and Urban Poverty Alleviation, on the lines of Credit Guarantee Trust for Micro and Small Enterprises (CGTMSE). The Scheme, being managed by NHB, provides effective guarantee for housing loans upto ₹5 lakh given to individual borrowers and eligible borrowers forming a group or housing society of at least 20 members (who are EWS/LIG Households) in urban areas without collaterals and/or third party guarantees. So far 43 Financial Institutions have entered into agreement with the Trust to participate under the CRGF Scheme.

E. NHB RESIDEX

In 2007, NHB undertook a pilot study to examine the feasibility of preparing an Index tracking the movements in prices of residential properties at the National level and is expected to bring greater uniformity, standardisation and transparency in the valuation of properties across the industry.

The pilot study covered 5 cities viz. Bangalore, Bhopal, Delhi, Kolkata and Mumbai, for which index was constructed till the period 2005 taking 2001 as the Base Year. Based on the results of the pilot study, NHB, in July 2007 launched the index, popularly known as NHB RESIDEX. The scope and coverage of NHB RESIDEX has been expanded over the years which now covers 26 cities [Ahmedabad, Bengaluru, Bhopal, Bhubaneshwar, Chennai, Greater Delhi (including Gurgaon, Noida and Ghaziabad), Faridabad, Guwahati, Hyderabad, Indore, Jaipur, Kochi, Kolkata, Lucknow, Ludhiana, Mumbai, Patna, Pune, Surat, Vijaywada, Chandigarh, Coimbatore, Dehradun, Meerut, Raipur and Nagpur] with base year 2007. NHB- RESIDEX is being released on quarterly basis.

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.

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.

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.

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).

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.

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.

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.

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

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 principals 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.

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. Use of e-Procurement would enhance transparency and accountability and make procurement more efficient. This would also help in monitoring delays and reducing the procurement cycle.

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.39 – Department of Expenditure which includes Secretariat General Services and Other Administrative Services and Demand No.40 - Pensions which includes provision for various retirement benefits. In respect of two other Demands, namely, Demand No.36 - Transfer to State and Union Territory Governments and Demand No. 41 - 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 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 (CAAA); 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 CFI 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 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 Calcutta, 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

With the objective of improving the delivery of services to the citizens, particularly the under-privileged sections of society in our country, the Government took a decision to transfer the cash/benefits directly to the beneficiaries' bank accounts, preferably Aadhar seeded, under the Direct Benefit Transfer (DBT) Programme. The DBT rollout began on 1.1.2013.

At present 27 schemes of various Central Government Ministries/Departments have on boarded DBT architecture and it is operational in 121 districts across the country. The seeding of Aadhaar number is voluntary and not mandatory yet for receiving the benefits.

Total funds transferred during the period 01.01.2013 to 31.03.2014 are ₹1717.6 Crores, out of which ₹269.1 Crores were transferred through APB (Aadhaar Payment Bridge), ₹514.6 Crores were transferred through Non-APB (PSMS) and ₹933.9 Crores were transferred via other electronic modes of transfers including NEFT mode.

DBT of LPG Subsidy Scheme (DBTL) rollout began in 6 phases on 1.6.2014, covering 291districts. A total of ₹5,391.37 Crores against ₹8.97 crore successful transactions have been transferred so far to ₹2.84 Crore LPG consumers of 184 districts. Out of 4 Cr LPG consumers who were linked to Aadhaar in all six phases of DBTL rollout, 6.18 Lakh duplicate connections were identified that lead to a saving in the subsidy to the tune of ₹251 Cr. DBTL has, however, been put on hold vide Ministry of Petroleum & Natural Gas notification dated 28.02.2014.

STATEMENT OF OUTLAYS AND OUTCOMES 2014-15

S. No.	Name of the Scheme/ Programme	Objective/Outcome	Outlay 2014-15 (` 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.** Central Plan Scheme for enhancing training capacity of National Institute of Financial Management	(i) High Level Professional Course covering basic elements of Post Graduate Diploma in Business Management (Finance) for the officers dealing with Accounts & Finance matters being offered by the National Institute of Financial Management Society.	-	3.00	-	Training will be imparted to 60 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 skill and in areas such as Commercial and Govt. Accounting, Public Finance, Budgeting, Financial Policy Formulation/ Decision Making and Project Management. In 2014, 60 officers are targeted for training under this scheme.	Two years	₹ 3.00 crore under Revenue Section which will cover the programme fee component.
		(ii) Post Graduate Programme in Financial Markets for officers of Central/State/UT Governments.	-	1.00	-	In collaboration with the National Stock Exchange, training will be imparted to 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 Markets and Public Private Partnership. In 2014, 20 officers are targeted for 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

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 have become an integral part of the budgeting process since 2005-06. Latest guidelines in this respect were issued on 1st January, 2013.

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(2)/E.Coord/2013 dated 18th Sept., 2013. 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, has 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.

Grants under State Plan Schemes

Annual Plans of States as approved by Planning Commission are funded by States' own resources, borrowings by States and Central assistance by the Central Government. Central assistance for States plans is also provided from Demand No.36 for implementation of various State Plan Schemes. Central assistance includes Normal Central Assistance (NCA), Special Plan Assistance and Special Central Assistance, Additional Central Assistance (ACA) for Externally Aided Projects (EAPs) and ACA for specific schemes.

Releases for schemes on the Plan side are made on the recommendation of the Planning Commission/nodal Ministry concerned. Against an outlay of ₹102957.00 crore in BE 2013-14 for Central Assistance to State Plans in Demand No.36 of Department of Expenditure, ₹85558.52 crore were released.Till 2013-14, releases from Demand No.36 also included schemes like SCA for Border Area Development Projects (BADP), Accelerated Irrigation Benefit Programme (AIBP), National Social Assistance Programme (NSAP), Jawahar Lal Nehru National Urban Renewal Mission (JNNURM) & National E-Governance Action Plan (NEGAP) (except MMP) which have now been transferred to the respective Line Ministries. However, for the remaining schemes, the total outlay of ₹72322.00 crore have been provided in BE 2014-15 in Demand No.36 of Department of Expenditure as Central Assistance to the State Plan. Till 15.05.2014, ₹ 7261.74 crore have been released.

Non-Plan grants

The States are supported from Demand No.36 through Non-plan grants as per recommendations of Finance Commissions. The award period of the 13th Finance (FC-XIII) is from 1 April, 2010 to 31 March, 2015. The year 2013-14 is the fourth year of the award period of FC-XIII. On the Non-plan side ₹53904.54crore had been released during 2013-14 as Grant-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 86 % of Budget Provision of ₹62134.40crore for 2013-14). In addition to assistance released under SDRF, ₹4649.94 crores has been released from National Disaster Response Fund (NDRF) during 2013-14.

The 14th FC has been constituted vide notification dated 2nd January, 2013.The Commission is expected to make recommendations covering a period of five years commencing from 1st April, 2015.

Borrowings

The methodology for determining annual borrowing ceilings of States during the period 2010-15 has been devised in line with the FC- XIII report. The borrowing limits of States are being worked out and enforced by Ministry of Finance (MoF) in accordance with the prescribed fiscal reform path for each State. Compliance with the prescribed fiscal parameters is expected to bring down overall debt of States to 24.3% of GDP by the end of year 2014-15.

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, latest by 2014-15. It has also recommended a combined States' debt target of 24.3 per cent of GDP 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.

27 States have enacted/amended their FRBMAs incorporating the targets of revenue deficit, fiscal deficit and debt as a ratio to their Gross State Domestic Product (GSDP) as prescribed by FC-XIII. In respect of one remaining State, its FRBMA enacted in 2006 already contains the fiscal consolidation roadmap which was in line with the recommendations of FC-XIII for the first three years of the award period (i.e., 2010-11 to 2012-13). The State Government has intimated that it has amended the FRBMA to extend for the remaining two years of the FC XIII award period.

The rule based fiscal consolidation path laid down by FC-XIII, involving expenditure rationalization measures have led to all around improvement of fiscal performance. States in aggregate have been able to achieve the fiscal targets laid down by FC-XIII. Position for 2013-14(BE) is summarized as follows:

i. Aggregate revenue surplus is about 0.49% of GSDP, ahead of the FC-XIII projections of Revenue Deficit of 0.1%.

ii. Aggregate fiscal deficit is at 2.11% of GDP as against the target of 2.4% set by the FC-XIII.

iii. Aggregate debt to GDP ratio is 20.9%, well within FC-XIII's target of 24.8%.

Debt Relief recommended by FC XIII

The Thirteenth Finance Commission (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 Ministry of Finance) and release of all State specific grants.

Write off of central loans (CSS/CPS)

The Thirteenth Finance Commission (FC-XIII) has recommended for write-off of loans advanced by GoI for Centrally Sponsored schemes/Central Plan schemes (CSS/CPS) through Central Ministries other than Ministry of Finance (MoF) outstanding as on 31.3.2010 subject to the States enacting/amending their FRBMAs in line with FC XIII recommendations. An amount of ₹2050.10 crore outstanding against CSS/CPS has been written off during 2011-12 after enactment/amendments were made to FRBMAs by the States. As decided by the Central monitoring Committee (CMC), a total amount of ₹220.83 crore being repayment of principal and payment of interest under CSS/CPS made by States after 31.03.2010 has been adjusted against outstanding central loans from Ministry of Finance during 2012-13. Further, a total amount of ₹63.68 crore being repayment of principal and payment of interest under CSS/CPS made by States after 31.03.2010 has been adjusted against outstanding central loans from Ministry of Finance during 2013-14.

Plan Finance-II Division

Projects clearance by EFC & PIB

During the period from 1st April, 2013 to 31st March, 2014, 156 meetings of the Expenditure Finance Committee (EFC) chaired by Secretary (Expenditure considered 159 Plan Investment Proposals/Schemes of various Ministries/Departments costing ₹721555.18 Crore. Also, 11 meetings of Public Investment Board (PIB) cases involving an amount of ₹81190.75 Crore were considered and recommended by the competent authority as per the following details:

Sl.No.	Ministry/Deptt.	No. of Projects	Amount (₹ in Crore)
1.	Ministry of Road Transport & Highways	1	1567.52
2.	Ministry of Urban Development	1	26405.14
3.	M/o Coal	2	2074.45
4.	Ministry of Power	1	2074.02
5.	M/o Petroleum & Natural Gas	1	37230.00
6.	M/o Heavy Industry	1	3700.00
7.	M/o Shipping	1	448.00
	TOTAL	**8**	**73499.13**

Sl.No.	Ministry/Deptt.	No. of Projects recommended for approval	Cost (₹in Crore)
1.	M/o Post	1	4502.00
2.	M/o Road Transport & Highways	1	1424.08
3.	M/o External Affairs	1	1765.54
	TOTAL	**3**	**7691.62**

STATUS OF OUTCOME WITH REFERENCE TO OUTLAYS 2012-13

S. No.	Name of the Scheme	Objective/Outcome	Outlay 2012-13 (` In Crore)		Quantifiable Deliverables/ Physical Outputs	Processes/ Timelines	Status as on 31st March, 2013
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)	2.88 (Plan) (Rev.2.88) (Cap.NIL)	Training to 60 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	(i) Under Revenue Section, 47 candidates joined the course at NIFM, Faridabad. Actual expenditure is ₹ 2.88 crore.

STATUS OF OUTCOME WITH REFERENCE TO OUTLAYS 2013-14

S. No.	Name of the Scheme/Programe	Objective/Outcome	Outlay 2013-14 (` In Crore)		Quantifiable Deliverables/ Physical Outputs	Processes/ Timelines	Status as on 31st March, 2014 (Provisional)
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 and increasing the infrastructure of the Institute.	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	(i) Under Revenue Section, 57 candidates joined the course at NIFM, Faridabad. Actual expenditure till 31st March, 2014 is ₹ 3.00 crore.

FINANCIAL REVIEW

STATEMENT SHOWING ACTUAL EXPENDITURE VIS-A-VIS BE/RE PROVISIONS FOR THE YEAR

(` in crore)

Sl. No.	Description	Major Head	2011-12 BE	2011-12 RE	2011-12 Actuals	2012-13 BE	2012-13 RE	2012-13 Actuals	2013-14 BE	2013-14 RE	2013-14 Actuals (Provisional)
1.	**Secretariat – General Services**	**2052**	55.91	74.67	67.40	89.45	84.39	77.64	93.91	88.69	82.35
2.	**Other Admn. Services**	**2070**	44.06	52.79	50.30	45.80	40.46	38.18	46.21	44.31	41.10
	i) Training Centre for Civil Accounts Organization (INGAF)		3.65	3.93	3.61	4.39	4.17	3.93	4.80	4.00	3.92
	ii) Scheme for enhancing training capacity of NIFM Society		4.40	3.85	3.85	5.40	4.28	4.28	5.40	4.40	4.40
	iii) Contribution		0.01	0.01	0.01	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	45.00	42.83	36.00	32.00	29.97	36.00	32.40	32.56
	v) Seventh Central Pay Commission		0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.50	0.22
3.	**Other General Economic Services**										
	i) Development of National Institute of Financial Management	**4070**	2.00	1.03	1.03	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL		**101.97**	**128.49**	**118.73**	**135.25**	**124.85**	**115.82**	**140.12**	**133.00**	**123.45**

OBJECT HEAD-WISE EXPENDITURE VIS-A-VIS BE/RE FOR THE YEARS 2011-12, 2012-13 AND 2013-14

(` in crore)

S. No.	Description	2011-12			2012-13			2013-14		
		BE	RE	Actuals	BE	RE	Actuals	BE	RE	Actuals (Provisional)
Revenue Section										
1	Salaries	40.14	45.37	41.79	55.15	54.97	50.88	59.45	59.00	54.26
2	Wages	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02	0.00
3	Overtime Allowance	0.17	0.17	0.10	0.17	0.10	0.08	0.11	0.11	0.07
4	Medical Treatment	0.67	0.73	0.55	0.84	0.82	0.72	0.93	0.91	0.76
5	Domestic Travel Expenses	0.92	1.06	0.96	1.60	1.49	1.22	1.76	1.58	1.26
6	Foreign Travel Expenses	0.95	0.94	0.73	1.08	0.97	0.87	1.18	1.11	0.77
7	Office Expenses	10.19	12.41	12.13	12.93	12.44	12.65	13.02	14.83	12.73
8	Rent, Rates & Taxes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.13	0.10
9	Publication	0.25	0.38	0.30	0.33	0.30	0.29	0.39	0.41	0.32
10	Other Admn. Expenses	36.39	45.87	43.60	37.20	33.10	31.09	37.46	33.99	33.96
11	Advertising and Publicity	0.01	3.73	3.48	2.25	0.55	0.33	1.25	1.12	0.00
12	Minor Works	0.82	1.42	1.12	2.32	2.07	1.83	3.08	3.82	2.45
13	Professional Services	1.65	2.58	1.93	3.25	2.30	1.25	2.16	1.57	0.95
14	Grants-in-aid	4.40	3.85	3.85	5.40	4.28	4.28	5.40	4.40	4.40
15	Contribution	0.01	0.01	0.01	0.01	0.01	0.00	0.01	0.01	0.00
16	Inofmation Technology	3.40	8.94	7.15	12.72	11.45	10.33	13.92	9.99	11.42
	Total	**99.97**	**127.46**	**117.70**	**135.25**	**124.85**	**115.82**	**140.12**	**133.00**	**123.45**
Capital Section										
17	Major Works	2.00	1.03	1.03	0.00	0.00	0.00	0.00	0.00	0.00
	Grand Total	**101.97**	**128.49**	**118.73**	**135.25**	**124.85**	**115.82**	**140.12**	**133.00**	**123.45**

STATEMENT ON SURRENDER AND SAVINGS DURING THE FINANCIAL YEAR 2012-13

During the Financial Year 2012-13, against a budgetary provision of ₹135.25 crore including the Supplementary Grants, an expenditure of ₹115.82 was incurred, resulting in savings and surrender of ₹19.43 crore under Revenue Section. These savings have been segregated into the following categories:

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

Sl. No.	Sub head/Scheme/Programme	Savings (Net)	Remarks/Reasons
1.	Department of Expenditure	8.66	Less requirement for administrative expenses
2.	Training Centre in the Civil Accounting Department (Institute of Govt. Accounts & Finance)	0.46	Less requirement for IT hardware consultants & economy measures

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

Sl. No.	Sub head/Scheme/Programme	Savings (Net)	Remarks/Reasons
1.	Department of Expenditure	4.27	Non filling up of vacant posts
2.	Service charges to NSDL for New Pension Scheme	6.04	Less receipt of claims

(iii) Surrenders: Savings due to obsolete/ defunct project/ scheme or due to completion of a project/ scheme and the 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.*

NATIONAL INSTITUTE OF FINANCIAL MANAGEMENT: REVIEW OF PERFORMANCE

Objectives

The National Institute of financial Management 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 21st batch of probationers commenced from 6th January, 2014 in which 48 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 Department, Foreign Government, World Bank etc. In addition, various Govt. Departments, PSUs etc. sponsor candidates for the specialized courses conducted by the Institute. During the year 2013-14, 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 Good, Works & Services

(g) Cyber Crime & 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, 2013 in which 56 candidates have joined from various Central/State/UT govts. The new batch of PGDM (FM) shall be starting in June, 2014 where in target is for 60 candidates.

Diploma in Govt. Accounting & Internal Audit:

The Diploma in Accounting & Internal Audit Program 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, 2014 where in target is for 31 participants.

Fellow Program in Management:

This is an open program to peruse Research work to produce competent researchers, teachers and Consultants. The Program 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 (with 50 participants) and one year Regular Programme (with 13 participants), 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 second batch of the programme commenced in May/July, 2013. The next batch of the programme will commence in May/June, 2014.

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) Co-water with Nepal Govt.

(v) CRRI

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**
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**
Balance being Surplus/Deficit carried over to Balance-Sheet	**36,54,141**	**3,28,32,995**

DEPARTMENT OF REVENUE

INTRODUCTION

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.

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.

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.

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 Grant relating to Department of Revenue and examines expenditure budget in respect of 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 assessees under the Customs Act and Central Excise Act.
- **Settlement Commission (IT/WT)**: Settlement of applications filed by the assessees under the Income Tax Act, 1961 and the Wealth Tax Act, 1957.
- **Central Economic Intelligence Bureau:** Coordinating and strengthening of the intelligence gathering activities, the investigative efforts and enforcement action by various agencies concerned with investigation into economic offences and enforcement of economic laws.
- **Enforcement Directorate**: Responsible for enforcement of the provisions of Foreign Exchange Regulation Act. Recommending cases for detention under the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974. Under Foreign Exchange Management Act, 1999, the Enforcement Directorate is mandated primarily as the investigation and adjudicating agency. Powers have also been conferred on the Director of Enforcement under the relevant provisions of the Prevention of Money Laundering Act, 2002.
- **Financial Intelligence Unit:** To coordinate and strengthen collection and sharing of financial intelligence through an effective national, regional and global network to combat money laundering and related crimes. Powers have been conferred on the Director, Financial Intelligence Unit- India under the relevant provision of Prevention of Money Laundering Act, 2002
- **Adjudicating Authority under PMLA**: To exercise jurisdiction, powers and authority conferred by or

under the Prevention of Money Laundering Act, 2002. The Authority is empowered to confirm the provisional attachment after hearing the aggrieved parties to ensure that property is not disposed-off during the pendency of trial for scheduled offence or offence of money laundering.

- **Income Tax Ombudsman:** Income Tax Ombudsmen have been posted in seven cities to look into taxpayersô 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.

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.

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 CommissionersôZones for Central Excise and Service Tax, 11 Chief Commissionersô Zones for Customs, 12 Directorates General, 6 Directorates, & a Chief Departmental Representativeôs 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.

Department of Revenue has three Demands for Grants:

(i) Demand No. 42 ï Department of Revenue

(ii) Demand No. 43 ð Direct Taxes and

(iii) Demand No. 44 ï Indirect Taxes.

STATEMENT OF OUTLAYS AND OUTCOMES 2014-15

S. No.	Name of the Scheme/ Programme	Objective/ Outcome	Outlay 2014-15 (₹ In Crore) Non-Plan	Plan	Physical Outputs/ Quantifiable Deliverables	Projected Outcomes	Processes/ Timelines	Remarks/ Risk Factors
1	2	3	4		5	6	7	8
			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 ECôs 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.	**8.00**	ð	ð Implementation of TINXSYS Project. ð Smooth functioning of EC. ð VAT Computerization in J&K and HP.	ð Effective tracking of inter-State transactions, which will enable checking of revenue leakage. ð Modern VAT Administration in J&K and HP	ð The TINXSYS Project is being implemented by EC on BOOT model through a Service Provider. The project has ended on 31st March, 2013. ð J&K and HP VAT Computerization Projects have been approved and the progress of the project is being monitored by 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	**100.00**	ð	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 setting up/upgradation of two Institutes for taxation studies in States/UTs)	Smooth and effective implementation of State VAT.	1.00	ð	VAT Implementation by all States/ UTs.	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.	
			0.02		ð Modernization of State Tax Administration Including setting up/ upgradation of two Institutes for Taxation		-The Mission Mode Project for Commercial Taxes (MMP-CT) has ended on 31st March, 2014. The States will now continue the projects with their own resources.	

1	2	3	4(i)	4(ii)	5	6	7	8
					Studies in States/UTs.		As a part of support for institutional capacity building and upgradation into national level Institutes of public finance and policy, the Centre for Taxation Studies, Kerala and the Centre for Studies in Social Science, Kolkata have been provided ₹14 crore and ₹18 crore respectively.	
4.	**Major Head -3601/ 3602 Compensation to States/UTs for revenue losses due to phasing out of Central Sales Tax** (The Budget Provision is for providing grant-in-aid to States/ UTs for CST compensation.)	Grants-in-aid to States/UTs for CST compensation to facilitate introduction of Goods & Services Tax (GST).	0.01	ð	- Implementation by all States/ UTs. - phasing out of CST	Smooth and effective implementation of phasing out of CST.	CST was planned to be phased out in three years time with effect from 1.4.2007. Rate 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 2010-11.	
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.	**267.52**	ð	Procurement of 300 MTs of raw opium Import of 17 MTs of Codeine Phosphate Export of Opium (310 MT) and Sale of Alkaloids (56.2 MT).	Revenue Realization of ₹ 338.97 crore	The progress of revenue realization vis-à-vis expenditure will be reviewed monthly/ quarterly.	The revenue 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

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.

The Budget provision for 2014-15 for various VAT related schemes has been proposed in the context of the role of the Central Government as facilitator in implementation of State level VAT.

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 ₹ 32800.93 crore to the States/UTs up to 31st March 2014 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.

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 óCommercial Taxesô, 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 was fixed at 90:10 (Central share: State Governmentsô share) whereas UTs without Legislature were being funded 100% by Central Government.

A Project Empowered Committee (PEC) under chairmanship of Revenue Secretary was constituted for sanctioning of Statesô 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 ₹ 626.22 crore has been released to these States as part of Central share till 31st March, 2014.

TINXYSYS

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) by April 1, 2010 was first mooted by then Finance Minister in his Budget Speech for the financial year 2006-07. Since the proposal involved reform/restructuring of not only indirect taxes levied by the Centre but also the States, the responsibility of preparing a Design and Road Map for implementation of GST was assigned to the Empowered Committee of State Finance Ministers (EC) chaired by Dr. Asim K. Dasgupta, former Finance Minister of West Bengal.

In April 2008, the Empowered Committee submitted a report to the Central Government titled ñA Model and Roadmap for Goods & Service Tax (GST) in Indiaò containing broad recommendations about the structure and design of GST. The óFirst Discussion Paper on Goods & Service Tax in Indiaô was released on 10th November, 2009 at New Delhi. After prolonged discussion with States, the Constitution (115th Amendment) Bill, to further amend the Constitution to enable introduction of Goods and Services Tax (GST) was introduced in the Lok Sabha on 22.3.2011. As per the practice, the Bill was sent for consideration of the Standing Committee on Finance, Lok Sabha.

The Standing Committee submitted its Report to the Lok Sabha on 7th August, 2013. Some of the main recommendations of the Committee include (a) inclusion of petrol and petroleum products and alcoholic liquor within definition of GST; (b) dispute resolution among States and between Union and the States to be done by Goods and Service Tax Council; (c) abolition of Entry Tax; (d) establishment of a GST Compensation Fund through a Constitutional Amendment, (e) distribution of the remaining proceeds of IGST amongst States and Union at the end of the financial year; (f) viability of Modified Bank Model for settlement of proceeds arising out of inter-state trade; and (g) establishment of GST Monitoring Cell etc. The above recommendations of the Standing Committee were examined in the Department and many of them were incorporated in the draft Amendment Bill. The revised Draft Amendment Bill was shared with the Empowered Committee. The comments of the Empowered Committee on the draft revised Constitution Amendment Bill have been received in the Department in December, 2013 and are being examined.

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 incorporated as 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 SPVôs 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.

The 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.) Some of the major reforms and initiatives undertaken by GOAWs are as follows ï

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

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 - 2012-13

S. No.	Name of the Scheme/ Programme	Objective/ Outcome	Outlay 2012-13 (₹ In Crore)		Quantifiable Deliverables	Processes/ Timelines	Status as on 31 st March, 2013
			B.E.	R.E.			
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.	0.19	0.14	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 are being provided funds through MMP-CT Scheme. An amount of ₹ 0.13 crore was spent during the year.
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	10.51	6.38	- 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. HP and J&K VAT computerization Project: The project with total outlay of ₹ 40.49 crore, with Central share of ₹ 25.33 crore, has been approved. EC is implementing the project.	The TINXSYS Project is being implemented with cost sharing between the Centre and the State Governments on 50:50 basis. Extension of this project was accorded up to 31.3.2013. The project activities have been started in both the States. The States have already launched/ started e-registration, e-return, e-payment, e-waybill facilities for their dealers. The project activities are being reviewed at regular intervals. An amount of ₹9.99 crore was released till 31.3.2013.
3	**Major Head 3601/3602 Compensation to States/UTs for revenue loss due to implementa-tion of VAT and other VAT related expenditure**	Grant-in-aid to States for (i) VAT compensation and (ii) other VAT related expenditure	200.00	109.71	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, 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.
						Support for modernization of State VAT administration	The Mission Mode Project for Commercial Taxation (MMP-CT) for modernization of State VAT Administrations was approved by the Cabinet. Project proposals of 33 States/ UTs have already been approved with

1	2	3	4	5	6	7
						overall cost of ₹1133 crore, of which Central share is about ₹725 crore. An amount of ₹552.22 crore (₹145 crore in 2009-10 and ₹206.32 crore in 2010-11, ₹102.83 crore in 2011-12 and ₹ 98.07 crore in 2012-13) has been released as Central share.
					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 two instalments of grant of ₹ 4 crore and ₹ 10 crore released to the Institute. Another proposal to provide corpus fund to the Centre for Studies in Social Sciences, (CSSS) Kolkata was also approved and an amount of ₹ 14 crore has been released to the Govt. of West Bengal for transferring it to the CSSS.
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 CST compensation	300.00	10.00	To compensate States/UTs for revenue loss due to phasing out of CST		Under this Scheme, grant-in-aid is released to States/ UTs for compensating them for revenue loss due to phasing out of CST. An amount of ₹ 30860.42 crore was released to the State Govts till March, 2012. No amount was released to the States in the 2012-13.
5	**Major Head 2875 Government Opium & Alkaloid Works**	To cater the demand of opium and alkaloids for domestic consumption as well as international market.	380.19	460.35	Procurement of Opium (1143 MTs) Procurement of 50 MTs of Codeine Phosphate Export of Opium (438 MTs) and Sale of alkaloids(86.6 MTs). This will result into revenue receipt of ₹ 440.03 crore.	The progress of revenue realization vis-à-vis expenditure was to be reviewed monthly/ quarterly.	Against the projected quantity, 617 MTs of opium and 62 MTs of Codeine Phosphate was procured in 2012-13. The opium export was 372 MTs against the targeted export of 438 MTs. The sale of Alkaloids was 55.996 MTs against the target of 86.6 MTs. Revenue Receipts in 2012-13 were ₹ 312.24 crore against projected revenue receipt of ₹ 440.03 crore at RE stage. The expenditure up to March, 2013 on Govt. Opium & Alkaloid Works was ₹441.03 crore.

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 (Provisional)
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.	0.19	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 are being provided funds through MMP-CT Scheme. The Project Monitoring Unit for implementation of MMP-CT projects was funded and an amount of ₹ 0.13 crore was spent.
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 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.	Since no extension to the Project was given beyond 31st March, 2013, no funds were released during the year 2013-14.
						HP and J&K VAT computerization Project: The project with total outlay of ₹ 40.49 crore, with Central share of ₹ 25.33 crore, has been approved. EC is implementing the project.	The project activities have been started in both the States. The States have already launched/started e-registration, e-return, e-payment, e-waybill facilities for their dealers. The project activities are being reviewed at regular intervals. An amount of ₹ 9.99 crore had been released up to 31.3.2013 and a further amount of ₹ 6 crore was released in 2013-14.

1	2	3	4		5	6	7
3	**Major Head 3601/3602 Compensation to States/UTs for revenue loss due to introduction of VAT and other VAT related expenditure**	Grant-in-aid to States for (i) VAT compensation and (ii) other VAT related expenditure	51.00 81.00	0.00 74.00	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, 2006-07 and 2007-08. Support for modernization of State VAT administration Setting up/ upgradation of two Institutes for Taxation Studies in States/UTs	Since all claims of States relating to Compensation for revenue loss due to introduction of VAT have been settled, no amount was released during 2013-14. Under the Mission Mode Project for Commercial Taxation (MMP-CT) for modernization of State VAT Administrations, an amount of ₹ 626.22 crore (₹ 145 crore in 2009-10, ₹ 206.32 crore in 2010-11, ₹ 102.83 crore in 2011-12, ₹ 98.07 crore in 2012-13 and ₹ 74.00 crore in 2013-14 has been released as Central share. 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. Another proposal to provide corpus fund to the Centre for Studies in Social Sciences, (CSSS) Kolkata has also been approved. An amount ₹ 14 crore has been released to the Govt. of West Bengal for transferring it to the CSSS.
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 CST compensation	9300.00	1940.51	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, Govt. agreed that CST compensation to States be given for the year 2010-11 also.	An amount of ₹32800.93 crores has been released to the State Governments till March 2014, including an amount of ₹ 1940.51 crores released during the current year to Governments of Haryana and Uttar Pradesh for compensation for the years 2007-08 and 2009-10.

1	2	3	4		5	6	7
5	**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	58.84	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.	Cabinet has approved a provision of ₹ 315 crore towards the expenditure for the initial setting up and functioning of the GSTN for a three years period after incorporation.	An amount of ₹ 2.78 crore was released to GSTN during 2013-14, as per the requirement project by it.
6	**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 (310 MTs) andSale of alkaloids(56.90 MTs) This will result into revenue receipt of ₹ 316.47 crore.	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 340.49 MTs against the targted export of 310 MTs. The sale of Alkaloids was about 61 MTs against the target of 56.90 MTs during the year. Revenue Receipts in 2013-14 have been ₹ 347.72 crore against projected revenue receipt of ₹ 316.47 crore at RE stage. The expenditure up to March, 2014 on Govt. Opium & Alkaloid Works was ₹ 319.98 crores.

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

(₹ in crore)

	Major Head	2011-12			2012-13			2013-14		
		B.E.	R.E.	Actual	B.E.	R.E.	Actual	B.E.	R.E.	Actual (Prov.)
Secretariat-General Services	2052	128.05	140.55	120.62	161.76	145.05	134.3	178.97	148.04	139.44
Total	**2052**	**128.05**	**140.55**	**120.62**	**161.76**	**145.05**	**134.30**	**178.97**	**148.04**	**139.44**
Other Fiscal Services										
Enforcement Directorate	2047	39.41	41.43	41.49	53.80	49.50	45.32	70.86	59.34	60.57
National Institute of Public Finance & Policy	2047	7.84	7.66	7.66	8.50	18.65	18.65	10.03	8.38	8.16
International Cooperation	2047	0.72	1.05	1.01	0.78	1.00	0.95	1.01	1.17	1.07
Other Expdtr.(ATFP/CESTAT)	2047	19.00	19.67	18.30	19.16	18.85	19.07	20.69	21.72	21.55
GSTN:SPV	2047	0.00	0.00	0.00	0.00	1.00	1.00	100.00	58.84	2.78
Total	**2047**	**66.97**	**69.81**	**68.46**	**82.24**	**89.00**	**84.99**	**202.59**	**149.45**	**94.13**
Other Administrative Services										
Narcotics Control	2070	39.61	40.63	33.14	37.92	36.62	31.66	39.35	37.08	32.51
International Cooperation etc.	2070	3.55	3.49	3.38	3.54	2.94	2.30	2.74	6.13	5.69
Transfer to National Fund for Control of Drug Abuse	2070	2.00	0.00	0.00	1.00	1.00	0.00	1.00	0.00	0.00
Tax Admn. Reform Commission	2070	0	0	0	0	0	0	0	2.58	0.61
Total	**2070**	**45.16**	**44.12**	**36.52**	**42.46**	**40.56**	**33.96**	**43.09**	**45.79**	**38.81**
Opium & AlkaloidsFactories										
Revenue Expenditure	2875	363.50	449.06	421.78	379.63	460.01	440.55	259.59	341.71	319.34
Chief Controller, Govt. Opium & Alkaloid Factories	2875	0.58	0.56	0.51	0.56	0.55	0.49	0.55	0.56	0.64
Total	**2875**	**364.08**	**449.62**	**422.29**	**380.19**	**460.56**	**441.04**	**260.14**	**342.27**	**319.98**
Other Taxes & Duties on Commodities & Services										
Collection of Inland Air Travel Tax	2045	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Collection of Foreign Travel Tax	2045	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	**2045**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
Collection of Taxes on Income & Expenditure										
Other Charges	2020	0.40	0.40	0.30	0.40	0.36	0.16	0.40	0.30	0.24
Total	**2020**	**0.4**	**0.40**	**0.30**	**0.40**	**0.36**	**0.16**	**0.40**	**0.30**	**0.24**

(₹ in crore)

	Major Head	2011-12 B.E.	2011-12 R.E.	2011-12 Actual	2012-13 B.E.	2012-13 R.E.	2012-13 Actual	2013-14 B.E.	2013-14 R.E.	2013-14 Actual (Prov.)
Grant in Aid to States (VAT)	3601	724.00	495.00	436.18	195.00	106.71	98.07	131.00	70.00	70.00
Grant in Aid to UTs (VAT)	3602	10.00	5.00	0.00	5.00	3.00	3.00	0.00	0.00	0.00
Grant-in-Aid to States (CST)	3601	12000.00	4172.58	4172.58	300.00	10.00	0.00	9300.00	1940.51	1940.51
Grant-in-Aid to UTs (CST)	3602	0.00	0.00	0.00	0.00	0.00	0.00	1.00	4.00	4.00
Total		**12734.00**	**4672.58**	**4608.76**	**500.00**	**119.71**	**101.07**	**9432.00**	**2014.51**	**2014.51**
Aid Materials & Equipment	**3606**	**0.35**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
Total (Revenue Section)		**13339.01**	**5377.08**	**5256.95**	**1167.05**	**855.24**	**795.52**	**10117.19**	**2700.36**	**2607.11**
Capital Section										
Capital outlay for GSTN:SPV	**4047**	**0.00**	**0.00**	**0.00**	**0.00**	**2.45**	**2.45**	**0.00**	**0.00**	**0.00**
Capital Expenditure on GOAWs	**4875**	**0.84**	**0.70**	**0.50**	**1.53**	**0.30**	**0.02**	**0.70**	**0.50**	**0.00**
Purchase of Ready-built Accommodation										
Residential Building	**4216**	**7.05**	**0.01**	**0.01**	**0.01**	**0.00**	**0.00**	**0.01**	**0.01**	**0.01**
Capital Outlay on Public Works	**4059**	**10.00**	**5.00**	**3.06**	**10.00**	**6.16**	**4.39**	**100.00**	**13.00**	**13.00**
Total (Capital Section)		**17.89**	**5.71**	**3.57**	**11.54**	**8.91**	**6.86**	**100.71**	**13.51**	**13.01**
Grand Total		**13356.90**	**5382.79**	**5260.52**	**1178.59**	**864.15**	**802.38**	**10217.90**	**2713.87**	**2620.12**
Less										
(I) Revenue Receipts		312.00	432.47	383.54	366.73	440.03	312.24	347.73	316.47	347.72
(ii) Recoveries		53.97	42.60	34.18	42.22	52.34	46.32	52.09	52.26	0.00
Net		**12990.93**	**4907.72**	**4842.80**	**769.64**	**371.78**	**443.82**	**9818.08**	**2345.14**	**2272.40**

STATEMENT SHOWING ACTUAL EXPENDITURE VIS-À-VIS BE/RE FOR THE YEARS 2011-12, 2012-13 AND 2013-14 - OBJECT HEAD-WISE

(₹ in crore)

Head	2011-12			2012-13			2013-14		
	B.E.	R.E.	Actual	B.E.	R.E.	Actual	B.E.	R.E.	Actual (Prov.)
Revenue Section									
Salary	152.44	158.87	153.16	187.58	177.29	167.18	202.52	182.13	181.36
Wages	0.51	0.50	0.35	1.12	0.48	0.30	1.12	0.40	0.13
Overtime Allowance	0.69	1.77	1.32	1.75	1.57	1.40	1.67	1.40	1.29
Pensionary Charges	1.29	1.03	0.92	0.99	0.96	1.00	0.87	0.93	0.90
Rewards	0.32	0.30	0.28	0.32	0.07	0.01	0.13	0.12	0.02
Medical Treatment	2.98	3.29	2.52	3.42	3.09	2.50	3.24	3.17	2.74
Domestic Travel Expenses	6.52	7.13	7.79	6.81	6.81	6.96	8.67	8.19	7.74
Foreign Travel Expenses	4.79	4.96	5.01	7.27	5.06	4.17	6.27	5.19	4.11
Office Expenses	26.5	27.54	26.15	28.85	25.91	25.50	33.85	30.34	45.82
Rent, Rates & Taxes	8.71	13.41	12.52	16.78	16.95	14.47	24.54	24.08	20.62
Publications	0.51	0.64	0.59	0.60	0.60	0.35	0.69	0.59	0.44
Banking Transaction Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Administrative Services	4.41	4.28	4.38	2.62	3.16	2.95	3.42	3.50	3.38
Supplies & Material(Voted)	265.58	353.57	335.11	285.39	355.68	335.83	157.28	208.70	197.04
Supplies & Material(Charged)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	26.50	0.00
Advertising & Publicity	0.49	0.48	0.22	0.38	0.29	0.15	0.34	0.29	0.14
Minor Works	1.21	1.45	1.30	1.24	1.45	0.95	1.63	1.25	1.18
Professional Services	12.41	21.57	18.38	16.55	18.70	16.28	19.03	20.17	18.57
Other Contractual Services	0.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Grant-in-Aid General	12758.31	4687.13	4618.95	514.70	140.63	120.41	9522.10	2076.30	2024.67
Grant for creation of Capital assets	0.01	0.00	0.00	0.00	0.50	0.50	30.00	7.04	0.00
Grant-in-Aid Salaries	0.00	6.38	0.00	6.92	7.21	7.21	8.19	6.54	8.16
International Contribution	4.27	4.54	4.39	4.32	3.95	3.25	3.76	7.30	6.76

(₹ *in crore*)

Head	2011-12 B.E.	2011-12 R.E.	2011-12 Actual	2012-13 B.E.	2012-13 R.E.	2012-13 Actual	2013-14 B.E.	2013-14 R.E.	2013-14 Actual (Prov.)
Secret Service Expenditure	2.18	2.25	1.92	4.01	2.16	1.94	4.30	2.26	2.27
Interest on Capital	11.2	11.36	11.36	12.75	10.20	15.70	9.20	12.11	12.11
Other Charges									
Charged	*0.02*	*0.02*	*0.00*	*0.02*	*0.02*	*0.00*	*0.02*	*0.02*	*0.00*
Voted	3.25	2.69	2.17	1.22	0.88	0.56	1.06	1.01	0.91
Machinery & Equipment	0.04	0.04	0.04	0.04	0.04	0.04	0.05	0.04	0.00
Inter Account Transfer	48.69	42.41	35.86	43.04	53.13	47.75	52.90	52.69	66.75
Information Technology	21.33	19.47	12.26	18.36	18.45	18.16	20.34	18.10	
Total - Revenue Section	**13339.01**	**5377.08**	**5256.95**	**1167.05**	**855.24**	**795.52**	**10117.19**	**2700.36**	**2607.11**
Charged	*0.02*	*0.02*	*0.00*	*0.02*	*0.02*	*0.00*	*0.02*	*26.52*	*0.00*
Voted	13338.99	5377.06	5256.95	1167.03	855.22	795.52	10117.17	2673.84	2607.11
Capital Section									
Machinery & Equipment	0.69	0.65	0.48	1.12	0.00	0.00	0.25	0.10	0.00
Major Works	10.15	5.05	3.08	10.41	6.46	4.41	100.45	13.40	13.01
Investment	7.05	0.01	0.01	0.01	2.45	2.45	0.01	0.01	0.00
Total - Capital Section	**17.89**	**5.71**	**3.57**	**11.54**	**8.91**	**6.86**	**100.71**	**13.51**	**13.01**
Grand Total	**13356.90**	**5382.79**	**5260.52**	**1178.59**	**864.15**	**802.38**	**10217.90**	**2713.87**	**2620.12**
Charged	*0.02*	*0.00*	*0.00*	*0.02*	*0.02*	*0.00*	*0.02*	*0.02*	*26.58*
Voted	13356.88	5382.79	5260.52	1178.57	864.13	802.38	10217.88	2713.85	2593.54

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.41 ï Department of Revenue has been, in nut-shell, as under:-

(₹ in crore)

	2011-12			2012-13			2013-14		
	B.E.	**R.E.**	**Actuals**	**B.E.**	**R.E.**	**Actuals**	**B.E.**	**R.E.**	**Actuals (Prov.)**
VAT* - MH2052	12.87	12.47	3.61	10.70	6.52	6.51	15.80	6.18	6.13
VAT/CST** - 3601/3602	12734.00	4672.58	4608.76	500.00	119.71	101.07	9432.00	2014.51	2014.51
Non-VAT/CST	610.03	697.74	648.15	667.89	737.92	694.80	770.10	693.18	599.48
Total	13356.90	5382.79	5260.52	1178.59	864.15	802.38	10217.90	2713.87	2620.12
Non-VAT/CST	610.03	697.74	648.15	667.89	737.92	694.80	770.10	693.18	599.48
CCF(GOAWs)28754875	364.08	449.62	422.29	380.19	460.56	441.03	260.14	342.27	319.98
	0.84	0.70	0.50	1.53	0.30	0.03	0.70	0.50	0.00
Others *** ï Non-VAT/CST and Non ï GOAWs	245.11	247.42	225.36	286.17	277.06	253.74	509.26	350.41	319.98
Total ï Salary Non-Salary	152.44	158.87	153.16	187.58	177.29	167.18	202.52	182.13	181.20
	13204.46	5223.92	5107.36	991.01	686.86	527.62	567.58	511.05	418.28

* 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 2012-13 by 9.15% over 2011-12 due to payment of additional DA, increments, etc. whereas non-salary expenditure decreased by 89.67% during the same period mainly on account of less VAT/CST Compensation paid to the State Governments/UTs. During 2012-13, the expenditure of ₹ 441.03 crore on Government Opium & Alkaloid Works constituted the major portion of expenditure i.e. 54.97% of total expenditure under Grant No.42 ï Department of Revenue, as against expenditure on VAT/CST Compensation in the previous year.

It may be seen that there was substantial reduction in the actual expenditure incurred during 2011-12 as compared to the Sanctioned Grant. As against the allocation of ₹ 13356.90 crore, the actual expenditure was only ₹ 5260.52 crores. This was due to surrender of a large portion of provision kept for providing compensation to the States for phasing out of CST. For the purpose, a budget provision of ₹12000 crore was made for 2011-12, against which only an amount of ₹ 4172.58 crore could be released to the States and the remaining provision was surrendered as no decision could be taken by the Government to provide compensation to the States for subsequent years. Similarly, for VAT & VAT related expenditure, a provision of ₹ 234 crore was made, against which an amount of ₹ 120.36 crore only could be released to the States due to slow progress of implementation of the projects.

There was also substantial decrease in the budget for 2012-13 as no further VAT Compensation was to be provided to the States. The provision for CST Compensation, which was initially kept at ₹ 300 crore, was also reduced to ₹ 10 crore as the formula for payment of compensation for 2010-11 could not be finalized.

In 2013-14, there is substantial decrease 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.

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, as detailed below:

VAT Compensation

(₹ in crore)

Sr. No.	Name of State Government	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	Total
1.	Andhra Pradesh	404.06	0.00	1.88	0.00	0.00	0.00	0.00	405.94
2.	Assam	0.00	0.00	30.06	38.73	150.10	78.12	0.00	297.01
3.	Bihar	165.87	78.23	0.00	0.00	0.00	0.00	0.00	244.10
4.	Chhattisgarh	0.00	0.00	75.00	281.59	31.91	0.00	0.00	388.50
5.	Delhi	0.00	0.00	0.00	362.81	855.07	37.70	0.00	1255.58
6.	Haryana	0.00	0.00	0.00	27.84	59.85	0.00	0.00	87.69
7.	Jharkhand	0.00	0.00	0.00	104.73	86.45	0.00	0.00	191.18
8.	Karnataka	1038.92	625.36	354.71	369.05	180.30	0.00	0.00	2568.34
9.	Kerala	456.47	426.23	123.19	243.46	0.00	0.00	0.00	1249.35
10.	Madhya Pradesh	0.00	0.00	46.24	0.00	0.00	40.74	0.00	86.98
11.	Maharashtra	259.89	2814.72	1203.83	1895.00	1475.00	277.40	261.33	8187.17
12.	Meghalaya	0.00	0.00	0.00	0.00	0.00	167.42	0.00	167.42
13.	Orissa	0.00	0.00	0.00	18.93	163.32	0.00	0.00	182.25
14.	Sikkim	1.84	4.03	0.00	0.00	0.00	10.92	0.00	16.79
15.	Tripura	5.12	3.81	5.57	19.81	0.00	0.00	0.00	34.31
16.	Tamil Nadu	0.00	0.00	2040.00	1000.00	0.00	266.87	54.49	3362.36
17.	West Bengal	139.10	139.75	0.00	0.00	0.00	0.00	0.00	278.85
	Total	**2471.27**	**4092.13**	**3880.48**	**4361.95**	**3002.00**	**879.17**	**315.82**	**19002.82**

CST Compensation

(₹ in crore)

Sr. No.	Name of State Government	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	Total
1.	Andhra Pradesh	0	905.24	1095.50	2221.86	986.09	0	0	5208.69
2.	Assam	70.89	0	228.79	150.90	34.99	0	0	485.57
3.	Chhattisgarh	101.37	48.64	794.95	682.97	415.02	0	0	2042.95
4.	Delhi	183.70	154.76	1052.00	1622.80	653.85	0	0	3667.31
5.	Gujarat	338.14	156.57	796.04	1787.84	0.00	0	0	3078.59
6.	Haryana	150.00	400.00	1177.12	1597.90	780.16	0	1275.28	5380.46
7.	Jharkhand	69.47	35.55	394.58	511.76	242.88	0	0	1254.24
8.	Karnataka	350.00	155.00	710.30	1333.87	374.36	0	0	2923.53
9.	Orissa	131.53	5.49	483.90	543.99	138.17	0	0	1303.08
10.	Punjab	0	24.32	9.95	324.55	0.00	0	0	358.82
11.	Rajasthan	126.24	18.56	311.78	421.39	34.47	0	0	912.44
12.	Tamil Nadu	647.54	0	759.00	1171.04	58.92	0	0	2636.50
13.	Uttarakhand	0	0	131.00	235.10	141.55	0	0	507.65
14.	West Bengal	0	45.87	464.77	496.11	190.14	0	0	1196.89
15.	Maharashtra	0	0	123.00	306.49	29.86	0	0	459.35
16.	Madhya Pradesh	0	0	110.96	106.56	0.00	0	0	217.02
17.	Nagaland	0	0	4.43	0	1.63	0	0	6.06
18.	Puducherry	0	0	86.91	199.78	90.19	0	0	376.88
19.	Uttar Pradesh	0	0	0	118.87	0.00	0	665.23	784.10
Total		**2168.88**	**1950.00**	**8735.18**	**13833.78**	**4172.58**	**0**	**1940.51**	**32800.93**

The overall financial performance during 2011-12, 2012-13 and 2013-14 has been as under:-

(₹ in crore)

Scheme	2011-12 B.E.	2011-12 R.E.	2011-12 Actuals	2012-13 B.E.	2012-13 R.E.	2012-13 Actuals	2013-14 B.E.	2013-14 R.E.	2013-14 Actuals (Prov.)
Implementation of VAT Scheme	1.79	1.60	1.57	0.19	0.14	0.13	0.19	0.18	0.13
Setting up of Tax Information Exchange System etc.	11.08	10.87	2.04	10.51	6.38	6.38	15.61	6.00	6.00
Compensation to States/UTs for revenue losses due to introduction of VAT and other VAT related expenditure	734.00	500.00	436.18	200.00	109.71	101.07	132.00	74.00	74.00
Compensation to State/UTs for revenue losses due to phasing out of CST	12000.00	4172.58	4172.58	300.00	10.00	0	9300.00	1940.51	1940.51
GSTN:SPV	0	0	0	0	1.00	1.00	100.00	58.84	2.84
Total	**12746.87**	**4685.05**	**4612.37**	**510.70**	**127.23**	**108.58**	**9547.80**	**2079.53**	**2023.48**

Government Opium and Alkaloid Works:

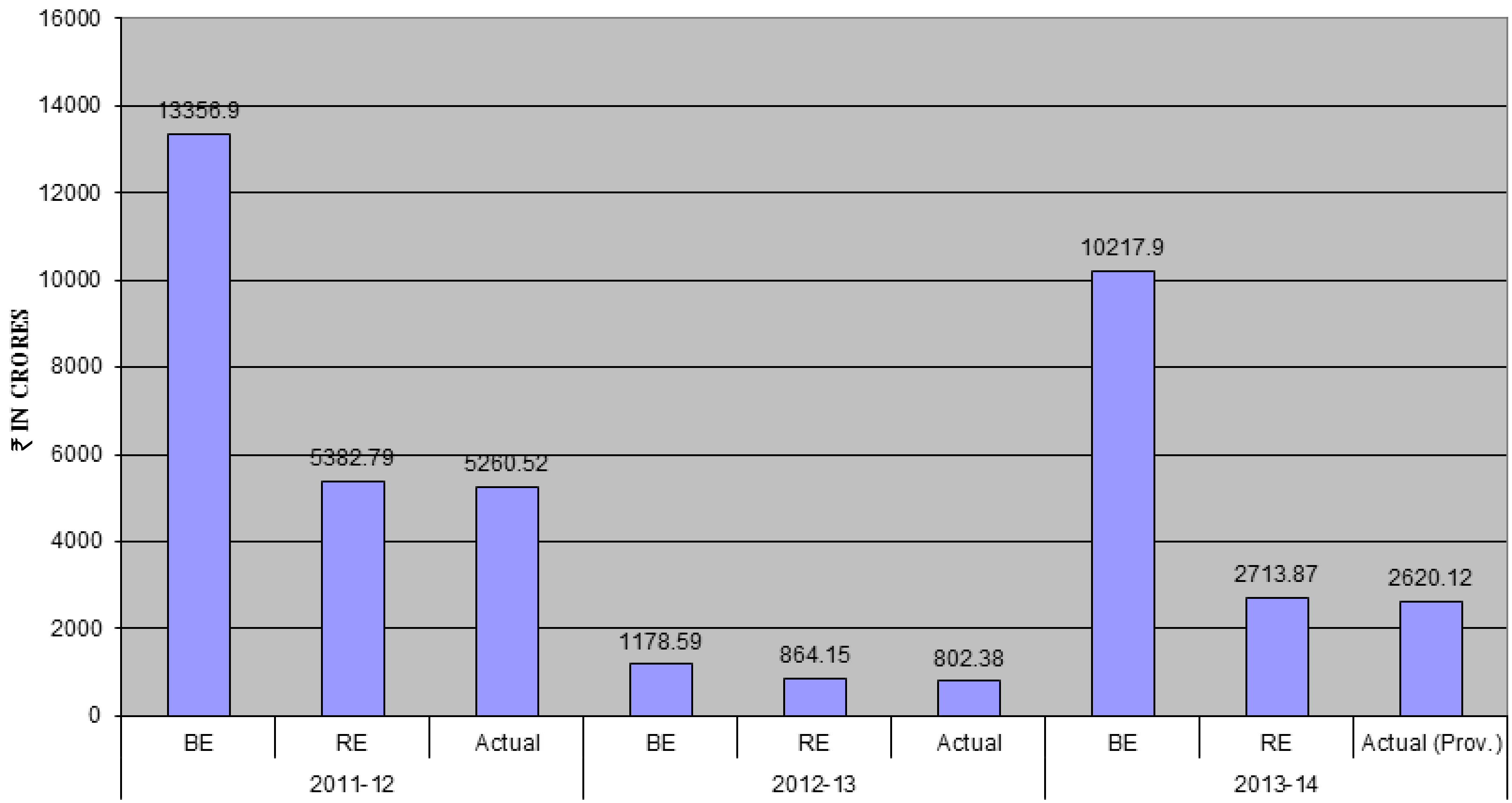
The position of actual expenditure in 2011-12, 2012-13 and 2013-14 on gross expenditure and revenue receipts has been as under:

(₹ in crore)

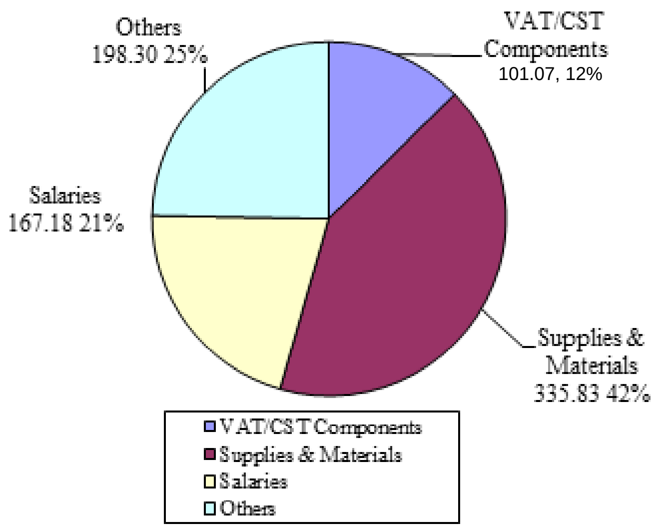
	Expenditure B.E.	Expenditure R.E.	Expenditure Actuals	Receipts B.E.	Receipts R.E.	Receipts Actuals
2011-12	364.08	449.62	422.29	312.00	432.47	383.54
2012-13	380.19	460.56	441.03	366.73	440.03	312.24
2013-14	260.14	342.27	319.98 (Prov.)	347.73	316.47	347.72 (Prov.)

In 2012-13, the major constituent of expenditure was on Govt. Opium & Alkaloid Works which constituted 54.97% of total expenditure. Increase at R.E. stage in 2012-13 was due to additional import of codeine phosphate. Against the estimated revenue receipt of ₹366.73 crore for 2012-13, the revenue amounting to ₹ 312.24 crore was collected. The revenue receipts are expected to be around ₹347.73 crore in the financial year 2013-14.

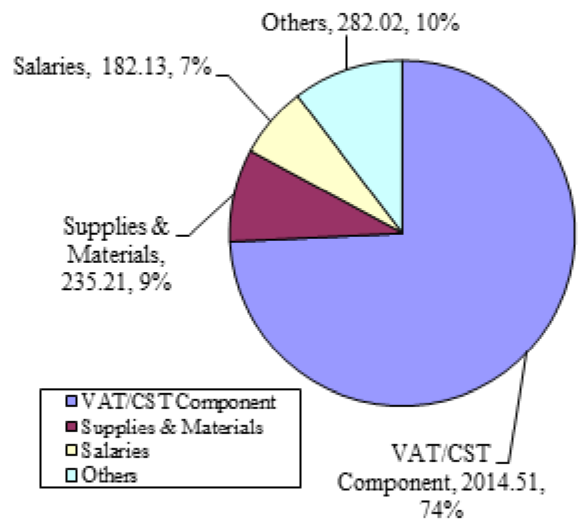
DETAILS OF ALLOCATION MADE AND ACTUAL EXPENDITURE INCURRED DURING 2011-12, 2012-13 & 2013-14



ACTUAL EXPENDITURE 2012-13 (₹ in crore)



Revised Estimates 2013-14 (₹ in crore)



The actual expenditure under the grant in 2012-13 amounted to ₹ 802.38 crore. The Compensation to State Governments on account of Revenue loss due to introduction of VAT, phasing out of CST and VAT related expenditure amounted to ₹ 101.07 crore constituting 12.59% of the expenditure. On Supplies and Materials, an expenditure of ₹ 335.83 crore was incurred constituting 41.85% of the total expenditure. This expenditure is mainly on account of procurement of opium and import of Codeine Phosphate. The expenditure on salaries was 20.83% of the total expenditure whereas other items constituted 24.71% of the total expenditure.

In RE 2013-14, the CST/VAT Compensation and VAT related expenditure was kept at ₹ 2014.51 crore constituting 74.23% of the total expenditure. The next major component is Supplies & Materials amounting to ₹ 235.21 crore which constitutes 8.67% of the total expenditure. Expenditure on salaries amounting to ₹ 182.13 crore also constitutes 6.71% and other items constitute 10.39% of the total expenditure.

Annexure

Statement on Surrender and Savings during the Financial Year 2012-13

During the Financial Year 2012-13, against a budgetary provision of ₹ 1178.59 crore including the Supplementary Grants, an expenditure of ₹ 802.38 crore was incurred, resulting into savings and surrender of ₹ 376.21 crore. These savings are the net effect of the total savings of ₹ 464.32 crore and total excess of ₹ 88.11 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 ₹ 2.91 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/ Programme	Savings (Net)	Remarks/Reasons
1	Ghazipur Alkaloid Works-Other Expenditure	1.48	Less Opium was charged at Ghazipur for production of Alkaloids
2	Appellate Tribunal for Forfeited Property	0.48	Less expenditure for administrative expenses.
3	UN Fund for Control of Drug Abuse	0.95	Reduction in the contribution to the Fund.

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

During the FY 2012-13, there were delays in execution/ implementation of few schemes/projects which led to a savings of ₹ 64.69 crore. Some of the schemes where these savings were observed are as follows:

(₹ in Crore)

Sl No	Sub-Head/Scheme/ Programme	Savings (Net)	Remarks/Reasons
1	Enforcement Directorate	8.48	Due to non-filling up of newly sanctioned posts.
2	Department of Revenue -Secretariat (FIU-IND)	9.88	Requirement of less funds towards implementation of FINNET project of FIU-IND, release of less funds to Govts. of Himachal Pradesh and Jammu & Kashmir for their VAT computerization programme and non-filling up of vacant posts.
3	Income Tax Overseas Units	17.54	Non-filling of vacant posts and delay in setting up of ITOUs
4	Construction of Rajaswa Bhawan	5.61	Requirement of funds was less owing to slow progress of work.
5	Central Bureau of Narcotics	4.62	Less requirement for administrative expenses
6	Grants to States for VAT related	15.93	There was slow progress of MMP-CT project by the State Government
7	Grants to UTs for VAT related expenditure	2.00	Non-receipt of proposal from the UT Administrations and also availability of unspent balance of previous years with the UTs
8.	Contribution to Inter American Centre of Tax Admn.	0.63	Non-receipt of Invoice from CIAT for payment of contribution

(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 part of the suppliers or the scheme was on the verge of completion leading to lesser requirements of funds by the States/UTs. In case of CST compensation, the formula for the same could not be finalised during the Financial Year leading to a surrender of balance funds. Overall an amount of ₹ 387.10 crore was surrendered. These schemes are summarized below:

(₹ in Crore)

Sl No	Sub-Head/Scheme/ Programme	Savings (Net)	Remarks/Reasons
1	Grants to States for revenue loss due to phasing out of CST	300.00	The formula for CST compensation could not be finalised during the Financial Year

(₹ in Crore)

Sl No	Sub-Head/Scheme/ Programme	Savings (Net)	Remarks/Reasons
2	Compensation to States for Revenue loss due to Introduction of VAT	81.00	Funds were surrendered as the e-stamping & e-registration scheme could not be finalised
3	Ghazipur Opium Factory-Purchase of Opium	1.99	Owing to less procurement of Opium
4	Ghazipur Opium Factory-Interest on Capital	1.48	Owing to charging of less interest on the Capital employed
5	Expenditure on control of drug abuse	1.63	Less number of proposals for funding received from the NGOs/ other departments
6	Transfer to National Fund for Control of drug abuse	2.00	As no expenditure from the Fund was incurred, further augmentation was not required

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 UNDER MINISTRY OF FINANCE

NATIONAL INSTITUTE OF PUBLIC FINANCE AND POLICY

OUTCOME BUDGET

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

The details of the Grant/Income of National Institute of Public Finance & Policy from various sources and expenditure incurred during the year 2012-13 are as under:-

Sl.No.	Source of Funding	Grant/Income (₹ in Crore)	Expenditure (₹ in Crore)
1	Ministry of Finance	18.65	18.65
2	Other Sources	12.41	10.44
3	**Total**	**31.06**	**29.09**

Details of the Grants provided by the Ministry of Finance since 2007-08 are as follows:-

	(₹ in Crore)
2008-09	8.67
2009-10	10.17
2010-11	7.10
2011-12	7.66`
2012-13	18.65*
Budget Estimates 2013-14	10.03
Revised Estimates 2013-14	8.38
Actual 2013-14	8.38

**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 based on the Peer Review conducted by the Ministry. As per the new MoU, NIPFP will get additional faculty members and more time to pursue independent research to enable them to publish articles in referred international journals. This is the opportunity to strive to join the league of institutions of excellence in global arena.

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 to cover the non-salary expenditure of the Institute is also given.

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 (2012-13)

1. Impact of Gold on CAD and other Macroeconomic outcomes in 12th Plan Period
2. Subsidy Elimination with and without a Global Price Shock: The Macro-Economics of Oil Price Policy Reform

3. NIPFP-UIDAI Programme on Financial Inclusion
4. Research inputs for the Financial Sector Legislative Reforms Commission
5. Financial Inclusion and Transition of Business Cycle-Stylised Facts in Emerging Economies: Insight From India
6. Effect of Exchange Rate Movement on domestic Prices: Role on Non-Traded Sector in India
7. Base Paper for the Committee to Study Development in Hill States arising from Management of Forest Lands
8. Promoting Effective Utilization of the National Clean Energy Fund
9. Program on Indian Economic Policies: Free Trade, Democracy and Entrepreneurial Development
10. Review of Compliance with Provisions in the FRBM Act of Odisha 2011-12
11. Criminals in Elections: Evidence from India
12. Export of Services: The Indian Experience
13. The Real Exchange Rate and Export Growth: Are Services Different?
14. NRHM Expenditure at the State-Level: A Focus on Rajasthan and Karnataka
15. Competitiveness of Zinc-Lead Mining in India: Role of Royalty Regime
16. Fiscal and Monetary Policy aspects under Framework for Energy Efficient Economic Development Mechanism of National Mission for enhanced Energy Efficiency
17. Diesel Pricing in India: Entangled in Policy Maze
18. Assessing the Quality of Governance in Indian States
19. Study on Unaccounted Income/Wealth both inside and Outside the Country
20. Revenue Potential of Himachal Pradesh: An Assessment and Suggestions for Reform
21. Action Plan on Base Erosion and Profit Shifting: An Indian Perspective
22. Estimation of Revenue Neutral Rate at the State Level

On Going Studies/Research Programmes (2012-13)

1. Policy Analysis in the Process of Deepening Capital Account Openness
2. Estimation of Revenue Neutral Rate at the State Level
3. Approaches for Controlling the CAD during 12th Plan Period
4. Macro-Economic Analysis, Fiscal Policy and Forecasting
5. Research on Business Cycles
6. NIPFP-DEA Research Programme
7. Preparation of the 12th Five Year Plan of Meghalaya
8. Developmental Disability Index for Hill States in India
9. Financing Healthcare Expenditure in India
10. Public Finance Information System
11. Experience of Inter-Governmental Fiscal Arrangements in Emerging Market Economies for the 14th Finance Commission
12. Award of the Assignment Pertaining to Assessment of the Riskiness of the Airport Sector and Estimating Fair Rate of Return on Equity (RoE)

Training Programmes/Workshops (Up to March 2014)

1. Training Programme on Fiscal and Monetary Policy for Officers of the Directorate of Economics and Statistics. Department of Planning, Government of Uttar Pradesh at NIPFP during April 15-19, 2013
2. Training Programme on Expenditure Management/Fiscal Related Issues at NIPFP during April 22-26, 2013
3. Training Programme on Refresher Course in Public Finance for University and College Teachers at NIPFP for University and College Teachers from South Asia during May 20 to June 14, 2013
4. Training Programme on Fiscal and Monetary Policy for Probationers of 34th Batch of ISS at NIPFP during June 24-28, 2013
5. Training Programme on Expenditure Management for Officers of Indian Civil Accounts (sponsored by CGA) at NIPFP during August 5-9, 2013
6. Training Programme on Fiscal Policy and Macroeconomic Management for IAS Officers at NIPFP during August 19-23, 2013
7. Training Programme on Public Finance and Budgeting for Deputy Secretaries of Government of Maharashtra at Pune during August 25-30, 2013
8. Training Programme for IA&AS Officers of National Academy of Audit and Accounts at NIPFP during February 3 to 14,2014

DIRECT TAXES

INTRODUCTION

The Central Board of Direct Taxes (CBDT), created by the Central Boards of Revenue Act 1963, is the apex body engaged in the administration of Direct Taxes in India viz. income tax, corporation tax, wealth tax, etc. It consists of a Chairman and six members. It is the cadre controlling authority for the Income Tax Department. It employs a workforce of **42,905*** officers and staff as against the sanctioned strength of 59,290* of which approximately 22% are Gazetted officers in Groups óAôand óBôcategories and the remaining are non-Gazetted employees in Groups óBôand óCôcategories.

In its functioning, the CBDT is assisted by the following Directorates:

(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 (Audit)
- d. Directorate of Income Tax (Income Tax)
- e. Directorate of Income Tax (Tax Deduction at Source)

(ii) Directorate General of Income Tax (Logistics)
- a. Directorate of Income Tax (Business Process Re-engineering)
- b. Directorate of Income Tax (Infrastructure)
- c. Directorate of Income Tax (Organization and Management Services)
- d. Directorate of Income Tax (Expenditure Budget)

(iii) Directorate General of Income Tax (Systems)

(iv) Directorate General of Income Tax (Vigilance)

(v) Directorate General of Income Tax (Legal & Research)

(vi) Directorate General of Income Tax (Human Resources Development)

(vii) Directorate General of Income Tax (Intelligence& Criminal Investigation)

(viii) Directorate General of Income-Tax (Risk Assessment)

There are 18 Cadre Controlling Chief Commissioners of Income Tax, having different jurisdictional regions within the country. Each CCsIT (CCA) is overall in-charge of assessment and collection of direct taxes at the regional levels and tax administration within their region. Directors General of Income Tax (Investigation) are overall in-charge of the investigation machinery at regional level, with the aim to curb tax-evasion and unearth unaccounted money. Directorate General of Income Tax (Exemption) deals with the matters pertaining to entities seeking exemption from taxation. Directorate General of Income Tax (International Taxation & Transfer Pricing) deals with international taxation and transfer pricing issues. Chief Commissioners of Income Tax/Directors General of Income Tax are assisted by Commissioners of Income Tax/Directors of Income Tax within their jurisdictions. The first appellate machinery comprises of Commissioners of Income Tax (Appeals) who perform the quasi-judicial task of deciding appeals against orders of Assessing Officers.

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

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

* (As on 1st March, 2013. Due to cadre restructuring sanctioned strength is set to increase to 80041 in FY 2014-15).

Sl. No.	Name of the Scheme/Programe	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
			4(i) Non-Plan	4(ii) Plan				
1.	**Major Head 2020-Collection of Income Tax; Information Technology**		448.54	-				
I.	Perspective Plan for Phase-III of Comprehensive Computerisation	A) Systems Integration along with software procurement			Computing capacity to handle the projected workload up to 01-06-14. · Single National Database to handle all Direct Taxes related transactions · Facilities management in the offices of Income Tax Department	Setting up and maintenance of National Data Center, Consolidation of regional data bases into single national database.	Ongoing No transaction targets can be fixed. Offices process income tax returns as per their pendency.	SI agreement is up to 01.06.2014, consisting of (i) SI services & (ii) FMS services. SI services are being taken over by the ITBA project. Proposal for extension of FMS services for a period of 1 year is in progress. Till 02.06.2014, the expenditure is likely to be ₹ 45 crore i.e ₹30 crore for existing SI agreement and ₹15 Crore for extension period which includes provision of change order during extension period.
		B) Establishment, Monitoring and Implementation of All India Tax Network			Network of Income Tax offices across the country	Officers and staff in 515 cities are able to access the Central Data Center over the	Ongoing Activity	Contract of vendor has been extended for one more year till upto 31.12.2014 and the

1	2	3	4(i) Non-Plan	4(ii) Plan	5	6	7	8
						ñTaxnetò to perform their functions. Faster and reliable transfer of data would ensure timely delivery of services to the taxpayers.		process for selection for new MSP through open tendering process is under progress. The Estimated expenditure on this project for FY 2014-15 would be ₹ 31.8 crore.
		C) Hiring of Data Centers for primary, BCP & DR sites			• Co-location of Hardware equipments in Data Centers meeting industry standards. • The project will get completed by 2014.	Secured data available at national level for various management controls.	Ongoing Activity	All the three data centers, PDC, BCP and DR are operational. The estimated expenditure would be around ₹10 crore during FY 14-15
		D) Physical Storage of arrear PAN forms of period 2003-09 E) Scanning of arrear PAN forms of period 2003-09 alongwith e-storage				There are 5.73 crores PAN application forms received during 2003-09 period which are to be stored permanently.	Ongoing	Likely expenditure in FY 14-15 would be ₹ 27 crore.
II.	Tax Information Network (TIN)	Being hosted by National Security Depository Limited (NSDL) as a depository of information relating to : • Online Tax Account System **(OLTAS),** • Govt. OLTAS relating to Book Adjustment. • Tax deductions coming from TDS returns • High value financial			• Facilitating Accurate and quick credit of TDS deductions, identification of non-filers/stop-filers and cases of short deductions	Business intelligence database from AIR to facilitate computer based selection cases for scrutiny (CASS)	Ongoing	Process of identification & selection of a new Service Provider is ongoing. The estimated expenditure for continuing the existing contract in FY 2014-15 is ₹15 crore (approx.)

1	2	3	4		5	6	7	8
			4(i) Non-Plan	4(ii) Plan				
		transactions coming through Annual Information Returns.						
III.	Tax payersó services	-To have simple, transparent, direct & user friendly interaction with taxpayers for dissemination of information by means of Help line (Aayakar Sampark Kendra). -To assist the tax payers in online facilities for e-filing of income tax return. -e-payment of taxes -online tracking of Refund status.			- Country wide facilities for assistance in e-filing of income tax returns. - Assistance in downloading various forms - Answering queries related to the status of PAN and TAN applications & assessment jurisdiction - Status of Refunds.	• Easy and convenient dissemination of information • Enhanced convenience reducing manual interface and increased tax-payersósatisfaction	Ongoging	The Department has setup Aayakar Sampark kendra with toll free No. 18001801961 and short code 1961. There is a National Computer Centre (NCC) at Gurgaon and four Regional Computer Centres (RCCs) at Jammu, Jangipur, Shillong& Kochi and catering to taxpayers in Hindi, English and eight other regional languages. The estimated expenditure on Aayakar Sampark Kendra project would be ₹5.5 crore for the F.Y. 2014-15 in addition to reimbursement of Telephone Expenses.
IV.	Refund Banker	(A) Determine, generate, issue, dispatch, credit and safe delivery of Income Tax refunds. (B) Make the refund process completely automated, speedy and transparent and to achieve a faster Turn Around Time.			• A system driven process for determination, generation, issue, dispatch and credit of refunds to enable efficient and safe delivery of Income Tax refunds.			The number of refunds sent through Refund Banker Scheme in F.Y 2013-14 is over 1,03,06,814. The number of refunds for F.Y. 2014-15 is expected to be higher than the F.Y. 2013-14. Taking into account the impact of ECS refunds, the amount of estimated expenditure for F.Y. 2014-15 is ₹ 36 crore (approx.)

1	2	3	4		5	6	7	8
			4(i) Non-Plan	4(ii) Plan				
V.	Centralized Processing Cell (CPC) TDS	Centralized Processing Cell (CPC) for Tax Deducted at Source (TDS) is an initiative to enable easy filing of TDS / TCS correction statements by deductors / collectors.			The First Phase of the project has been operationalized.	- Accurate matching of Tax credit - Defaulter Accounting and Correction. - Processing of TDS statements - Web Services on the TRACES website.	Ongoing	The projected expenditure on this project for FY 2014-15 would be ₹ **50 crore**.
VI	Centralized Processing Centre (CPC) Bangalore	(A) Centralized processing of both paper based and e-filed Income Tax Returns (ITRs). (B) The CPC would enable the Department to cope with rapid growth in the number of taxpayers and consequently the volume of work for employees. (C) It would allow the Department to bring in more efficient processes and modern citizen services offered by the best Tax Administrations across the globe.				• Better Taxpayer Services and reduced grievances. • Lower Compliance cost for taxpayers. • Reduced administrative cost for Department. • Faster processing leading to speedy delivery of refunds and hence lower interest outgo. Efficient use of manpower and office space. • CPC started the processing of e-filed returns of A.Y. 2012-13 from August 2012 onwards the pace picked up during the quarter • Brought forward e-filed returns of AY 2011-12 were to be liquidated in • Paper Returns of Karnataka and Goa processing were to be completed	Ongoing	CPC went live in September 2009. CPC has processed over ₹ 6.22 crore E-filed returns till 31.03.2014. The sanctioned amount for the contract period was exhausted by the payments made till the quarter ending June 2013. Proposal for additional sanction will be sent for approval of Cabinet after the report of the C&G setup when the approval of the Competent Authority is received. The projected volume of processing of returns for F.Y. 2014-15 is around 3.4 crore. The estimated expenditure to be incurred in FY 2014-15 on this project is ₹360 crore including arrears for FY 2013-14 & audit expenses.

1	2	3	4		5	6	7	8
			4(i) Non-Plan	4(ii) Plan				
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			Consultants have been appointed to prepare : • Project Plan • Detailed Project Report • RFP for selecting Implementation Agency High level Design Document • Final Appraisal Report, the DPR and the RFP for selecting of the Implementation Agency is to be finalised.	(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) Generate enterprise wide reports (vii) Monitor high risk scenarios Provide inputs for policy making	Project Plan has been prepared. RFP is to be finalized by July, 2014 and the process of selecting the IA is scheduled to be completed by January, 2015.	The design phase of the project has already commenced in January 2014 with the appointment of consultant and the Detailed Project Report (DPR) is scheduled to be submitted by June, 2014.
VIII	E-filing & Web Enabled Services	A. To Allow e-filing of all Forms of the Income tax act in addition to ITRs B. To integrate mobile interface and sms alerts with e-filing C. To improve e-delivery of taxpayer services			Quantifiable deliverables of the project are as under: a. Near 100% uptime especially during peak filing months b. Single interface for e-delivery of taxpayers services c. E enable all direct taxes forms d. Pre-filling and personalization of forms e. Multiple interfaces Public IP/ Mobile / VPN	All forms to be e-enabled	Other than TDS forms all other forms have been e-enabled. TDS Forms remain pending a POC relating to TIN project In addition, a compliance module is envisaged on e-filing	During F.Y. 2014-15 at least ₹4 crore ITRS/ Forms will be e-filed and the estimated expenditure is 44.27 crore. Estimated payment to STQC(Third party Audit as per CERT Guidelines)= ₹55.4 Lakh
IX	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. 2. Development of Data Centre for the application.	New ITD application for all types of users and covering various functionalities of Department.	MSP will run data centres w.e.f.2.06.2014.	The project has dependencies on various factors including testing & certification. Any delay in this regard can impact

1	2	3	4(i) Non-Plan	4(ii) Plan	5	6	7	8
					3. Development of Technology training Centre. 4. Development of test environment at Vaishali. 5. Training of 20,000 employees. 6. Development of HRMS module. 7. Maintenance of old application. 8. Software for all processes (other than core functions) of dept. 9. Interface with UTI/ NSDL/CPC Bengaluru/CPC TDS/ Refund Banker etc. 10. Helpline.		Software development will be carried out.	timelines. The estimated expenditure on the project in F.Y 2014-15 would be ₹ 11.00 crore
1	Revenue Accounting Management Softwere	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	Implementation of B.I application would result in generation of various reports of Revenue Collection and various other customized reports at Hqr and its 52 ZAOs.
2	Implimentation of Video Conferencing on line 20 ZAOôs	To have online interecting of Pr.CCA/ CCA/CA with ZAOôs	**0.3**	-	Physical meeting may be avoided		One year (Phase wise in various ZAOôs)	Implementation of Unified Conferencing System will enable Officers at Hqr to interact with its 52 ZAOs, thus avoiding physical meetings.

*** Complementary extra budgetary resources**

1	2	3	4		5	6	7	8
			4(i) Non-Plan	**4(ii) Plan**				
1	**MH 4059 – Capital outlay on public works – Office Building**		**700.00**	**-**				
1	Construction of Advanced Training Centre, hostel & Mess NADT, Nagpur	To fulfil the need of having a training for advance course including training of foreign officials and increasing needs of accommodation arising at NADT, Nagpur			Construction of ATC, Hostel-II with mess at NADT, Nagpur	To meet the objectives defined in column-3	Tentative date of completion 25.01.2015	Outlay for FY 2014-15 is ₹5.61 crore.
2	Construction of RTI Building Mohali	To mitigate the shortage of office space.			Construction of RTI building at Mohali.	To meet the objectives defined in coloumn-3	18 to 24 months after award of work	Proposal at approval stage. Outlay for FY 2014-15 is ₹ 30 crore.
3	Construction of office building at 4-5, Infantary Road, Bangalore	To mitigate the shortage of office space.			Construction of office building at Bangalore.	To meet the objectives defined in coloumn-3	24 months after initial deposit, approval and handing over of hindrance free land	Proposal at approval stage. Outlay for FY 2014-15 is ₹40 crore.
4	Construction of office cum residential building at Lucknow	To mitigate the shortage of office space and residences			The office space of 16138 sq.mts. proposed to be constructed within 24 months, after granting A/A & F/S.	This would ease shortage of office space and would provide better working environment for the officers, officials resulting in better tax payer services	24 months from the date of sanction order is received.	Proposal at approval stage. Outlay for FY 2014-15 is ₹40 crore.
5	Construction of office cum residential building at Srinagar	To mitigate the shortage of office space and residences			The office space of 11031 sq.mts. proposed to be constructed within 46 months, after granting A/A & F/S.	This would ease shortage of office space and would provide better working environment for the officers, officials of the Department resulting in better tax payer services	46 months from the date of sanction order is received.	Proposal at approval stage. Outlay for FY 2014-15 is ₹10 crore.

1	2	3	4(i) Non-Plan	4(ii) Plan	5	6	7	8
6	Construction of office building at Belgaun	To mitigate the shortage of office space.			Construction of office building at Belgaum.	To meet the objectives defined in coloumn-3.	Within 18 months from start of work	The proposal has been sanctioned on 13.1.2014. Outlay for FY 2014-15 is ₹10 crore.
7	Construction of office building (Basement + 5 floor) at Navsari.	To mitigate the shortage of office space			Office and residential accommodation at Navsari.	To meet the objectives defined in column-3	30 months from the date of sanction order received.	Proposal at approval stage. Outlay for FY 2014-15 is ₹10 crore
8	Purchase of land for construction of office building at Pathankot	To mitigate the shortage of office space			Purchase of land for construction of office building at Pathankot	This would ease shortage of office space and would provide better working environment for the officers, officials of the Department resulting in better tax payer services		Proposal at approval stage. Outlay for FY 2014-15 is ₹8.69 crore.
9	Up-gradation of Aayakar Bhawan at Basheerbagh	To improve the structural aspects of the building and to provide better facilities for employees and tax payers.			To improve the infrastructure.	To meet the objectives defined in coloumn-3	Likely completion by 31 March 2014.	Proposal has been sanctioned on 6.12.2013. Outlay for FY 2014-15 is ₹7.32 crore.
10	Acquisition of land for construction of office building at Guntur	To mitigate the shortage of office space.			To purchase land for constructing office building.	To meet the objectives defined in coloumn-3		Proposal at approval stage. Outlay for FY 2014-15 is ₹6.41 crore.
11	Construction of office building at Saket, Delhi	To mitigate the shortage of office space			Construction of new Income Tax Office Building at Delhi.	To meet the objectives defined in column-3	-	Proposal at approval stage. Outlay for FY 2014-15 is ₹25 crore.
12	Purchase of land for construction of office and residences at Mohali.	To mitigate the shortage of office and residential space			Purchase of land for office and residential building at Mohali	To meet the objectives defined in column-3	-	Proposal at approval stage. Outlay for FY 2014-15 is ₹14.52 crore.

1	2	3	4(i) Non-Plan	4(ii) Plan	5	6	7	8
	Major Head 4216 - Capital outlay on public works - Housing.		**50.00**					
1	Construction of residential complex at Hadapsar, Pune.	To mitigate the shortage of residential accommodation			Residential complex alongwith Guest House at Hadapsar, Pune	To meet the objectives defined in column-3	30 months from the date of sanction i.e. 25.03.2013	The proposal has been sanctioned on 25.03.2013. Outlay for FY 2014-15 is ₹ 7 crore.
2	38 nos. (G+19) Type VI quarters at MG Road, Chennai.	To fulfil the requirement of Accommodation for staff members.			To construct residences for staff.	To meet the objectives defined in coloumn-3	06 months for planning and 24 months for execution thereafter	The proposal has been sanctioned on 24.09.2013. Outlay for FY 2014-15 is ₹8 crore.

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).

The orthodox approach of tax administration has been focused on using enforcement as a means for revenue mobilization and for tackling tax evasion. It was realized that while enforcement and intrusive methods could address small volumes, it has serious limitations in managing large number of cases of potential evasion. There was also a concern that with insufficient cross-matching mechanism, tax administration was susceptible to frauds and misuse.

It was acknowledged that top class services to taxpayers formed an integral and most important feature of an efficient, effective and transparent tax administration. If the processes are simple, responsive and taxpayer friendly, taxpayer would develop confidence in the tax administration and would favour voluntary compliance.

i. 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. The project aims at enabling e-filing of Income tax returns, audit reports and other forms of the Income Tax over Internet directly by taxpayers and through e-return intermediaries (ERIs). The system includes submission of online rectifications, verification of status updates for receipt of ITR-V, processing status and refunds for e-filed returns processed at CPC, Bengaluru. Select information is also available through a mobile interface.

The e-filing portal https://incometaxindiaefiling.gov.in provides following personalized services to the taxpayer:

Å Online and offline filing of returns

Å Pre-filling of returns with assessee details

Å Facility to download Pre-filled XML File

Å Submission of online rectifications

Å Verification of status updates for receipt of ITR-V

Å Submit request for Intimation

Å Resend Activation Link Feature helpful if link not received or mail deleted earlier.

Å Enable user to ñOpt for higher securityò.

Å Enable registration as a Legal Heir to e-file on behalf of the deceased

A dedicated call centre and help desk deals with query or grievance related to e-Filing. The portal also provides help and static content ñin Hindiò for users.

Electronic filing of I-T returns has risen from around 4 Lakh in Financial Year, 2006-07 to 214.87 Lakh in Financial Year 2012-13. In Financial Year, 2013-14, nearly 212.75 Lakh returns were received up to 31st December, 2013 as compared to 147.51 Lakh returns for same period in Financial Year 2012-13, representing a growth of around 44.2%. The progressive achievement of e-filing scheme is as under:

Financial Year	Number of e-returns (in lakh)	Growth
2006-07	4	
2007-08	22	450%
2008-09	48.5	120%
2009-10	52.5	8%
2010-11	91.56	74%
2011-12	164.12	79%
2012-13	214.87	31%
2013-14 (Till 31stDec,2013)	212.75	44.2% (compared over similar period last year)

There has been significant growth in the New PANs getting registered on the e-filing site, showing increased used of the e-filing and other facilities through the e-filing website. The number of registered users of the e filing portal as on 31st Dec 2013 is about 3.4 crore.

During FY 2013-14, thirteen different audit reports have been notified to be mandatorily e-filed. The taxpayer can authorize CA in the e-filing portal to upload tax audit reports using Digital Signature (3CA, 3CB, 3CD, 3CEB, FORM 29B along with documents). The facility to e-File online and offline Form 15CA has been made available during FY2013-14. A total of 58 Forms, including all 8 ITRs are available for e-Filing. Tax Professional is a user on this portal. During FY 2013-14, 20.73 lakh forms were e-filed (up to 31st Dec 2013).

In addition, the Tax payer can see the unpaid tax demand standing against him in the my account section of the e-filing.

Projections / Estimates for the period 1st January 2014 to 31 March 2014: Based on the trend of e-filing during FY 2012-13 (67.36 lakh e-filed returns filed during January-March 2013), the estimated volume of e-filing of returns during January-March 2014 is estimated at 90 lakh. With this the aggregate volume of e-filing during the FY 13-14 is estimated at just below 300 lakh. Similarly in respect of e-filed forms, the filings during Jan-March 2014 are estimated at 2.5 lakh and the aggregate for the FY 13-14 is estimated at 23.2 lakh.

Going forward Compliance related information pertaining to taxpayers shall be shown on the website and the taxpayer would be able to submit a structured response online.

Actual Results for the period 1st January 2014 to 31 March 2014: E-filed Returns 296 lakh in addition 23.36 lakh rectification applications have also been e-filed. The aggregate forms filed till 31st March 2014 23.36 lakh.

2. CENTRALISED PROCESSING CENTRE (CPC), FOR INCOME TAX RETURNS

This CPC Project enabled Centralized Processing of all e-filed Income Tax returns and paper returns of Karnataka and Goa at Bengaluru.

The establishment of the Centralized Processing Center (CPC), Income Tax Department, Bengaluru was approved by the Union Cabinet in February 2009. By October, 2009, the business rules for computation and financial accounting system were tested and first set of IT returns were processed. The digitization and processing of paper filed salary returns of A.Y. 2008-09 of Bengaluru were commenced by January 2010 and the processing of E-filed returns of A.Y., 2009-10 was taken up by April 2010. The CPC has achieved :

- Processing of 1.76 crore e-filed returns during the FY 2013-14 till 31st December, 2013.
- Processing of 5 crore e-filed returns in 4 Years of its operations, which is far in excess of 2.7 crore e-filed returns it was envisaged to process in 5 years as per the initial projections.
- Achieved peak processing capacity of 2.80 lakh returns per day.
- Average processing time reduced to 66 days which is significantly less than the period specified in citizen's charter (6 months) and performance in manual processing (203 approx. 14 months)

Speedier processing of returns by CPC has fuelled the growth of e-filing of returns and a major proportion of the e-filed returns are getting processed at CPC. The overall percentage of the aggregate e-filed returns which have been processed at CPC as on 31 December 2013 is indicated below:

Assessment Year	Aggregate e-filed returns	e-filed returns processed by CPC	Percentage
2010-11	1,02,17,483	90,41,287	88%
2011-12	1,73,24,359	1,51,73,135	88%
2012-13	2,09,11,142	1,81,13,891	87%

Interest pay-out u/s 244A to the taxpayer has been reduced because of faster processing. The savings on interest is tabulated below:

Financial Year	Refund in CPC (₹in crore)	Interest on refunds (₹in crore)	% of interest paid in CPC other than CPC	All India avg. % of Interest	% saving on interest	Savings on interest (₹in crore)
2010-11	5,240	327.02	6.24%	14.54%	8.30%	434.98
2011-12	14,734	693.48	4.71%	12.0%*	7.29%	1,073.35
2012-13	12,620	829.28	6.57%	12.0%*	5.43%	685.39
2013-14#	14,456	857.49	5.93%	12.0%*	6.07%	877.73

#Till 31st December 2013 *Estimated

CPC has progressively resorted to communication with the taxpayers through e-mail and SMS. The CPC has sent 13.66 crore digitally signed PDF based intimations by email and 5.92 crore SMS alerts. Savings in postage due to e-delivery through electronic mode as compared to postal mode is of the order of ₹205 crore as indicated below:

	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	Total
Email sent to taxpayers	59,27,080	3,67,69,270	4,29,43,613	5,10,02,668	13,66,42,631
Postage Cost saved (₹)#	8,89,06,200	55,15,39,050	64,41,54,195	76,50,40,020	204,96,39,465

Average cost of speed-post/ordinary post taken as ₹15/-.

Tax payer assistance and mechanism for grievance handling is provided through an exclusive Call Center. Sixty call center agents attend to over 5,000 calls daily in 3 languages now, with over 25 lakh calls attended as on 31st December 2013.

CPC also processed over 16.28 lakh rectification requests out of 16.59 lakh requests filed (over 98% completion) as on 31st December 2013. The average time taken for rectification at CPC is around 45 days from the date of on-line request. There has been a sharp drop in overall rectification requests as presented in the table below:

AY	Total returns processed (in lakh)	Total rectification requests received	% to total
2008-09	4.1	26,091	7%
2009-10	46.41	332,922	7%
2010-11	90.41	424,108	5%
2011-12	151.73	490,834	3%
2012-13	181.13	343,248	2%
2013-14	84.18	42,628	<1%

Projected/Estimated Volumes for the period January-March 2014.

Activity	Projections for Jan-March 2014	Projections for FY 2013-14	Actual Results for FY 2013-14
Processing of returns	68 lakh	245 lakh	244 lakh
Rectifications	1.40 lakh	6.61 lakh	6.55 lakh
Calls handling	3.2 lakh	11.46 lakh	11.41 lakh
e-mail Communications	150 lakh	660 lakh	656 lakh
SMS communications	155 lakh	539 lakh	538 lakh

II) The Refund Banker Scheme: The Refund Banker Scheme, was initially implemented as a pilot project at Delhi and Patna on 24.01.2007. It was extended in phases and today maps the entire country except Large Taxpayers Units (LTD) and exemption Charges. The refunds issued through refund banker count-wise accounts for 98.93% of total refunds issued.

Refunds issued till 31st Dec‚2012 under Refund Banker Scheme are as follows:

Paper	ECS
No. 2,45,95,429	No. 149,93,010
Rs. 95,474.01 Cr.	Rs. 61,207.25 Cr.

A Web based status tracking facility in collaboration with India Post and National Securities Depository Ltd. (NSDL) has also been launched. Refund Status is also available on Internet through ITD website. The information on paid refunds is also available in the ôTax Credit Statementsö (Form No. 26AS) being given to taxpayers.

III) National Call Centre and Regional Call Centres: Another citizen centric initiative undertaken by the Department is the setting up of a Robust National Call Centre at Gurgaon and four Regional Call Centre at Jammu, Shillong, Jangipur and Kochi. The call centres have an All India toll free number (1800-180-196/1961) with callers being guided through an Interactive Voice Response Systems (IVRS) for various information services including returns forms, tax payment procedure, PAN. TIN application, status of tax payment, refunds, e-return intermediariesö role responsibilities jurisdictions etc.

IV) Payment of Direct Taxes Through ATMs: The facility has been introduced by 13 selected banks both Public and Private Sector. This facility is being expanded.

V) Form 26AS: This facility of viewing 26AS statement is available online on internet to the taxpayers. The 26 AS Scheme has a potential to reduce the mis-match as the taxpayer is now aware of the gaps in the tax credit and therefore, he facilitates the department by chasing the deduct or to comply.

Å In order to eliminate TDS mismatch, CBDT has issued a circular through which all Deductors have to mandatorily download Form 16 A from the TIN portal.

Å This also gives information about Refunds Paid, AIR Information like investment in shares. Mutual funds etc. and details of TDS deducted as well as deposited. In this way the assesse can verify his details.

VI) Sevottam: Aayakar Seva Kendras (ASK) under Sevottam is a single window computerized service mechanism for centralized receipt, registration and distribution of dak. The department has opened Aayakar Seva Kendras (ASK) at 270 stations till date with a modified Central Software Application.

VII) TDS-CPC: A Centralised Processing Centre at Vaishali, Ghaziabad is being set up for processing of TDS returns. The CPC- TDS shall *inter alia* provide following services:

Web Services for filing of e-TDS/TCS correction statements for authorized Intermediaries and Deductors.

Å Rectification of PAN Errors in TDS Statements

Å Handling of Defaults in TDS/TCS /24G statements.

Å Communication with Deductor/PAO/Intermediaries via Portal.

Å Intimating Deductors via Help Desk/Call Center.

Å Resolving Grievances reported by Deductors/PA Os.

Å Business Analytics for TDS.

VIII) New Application for Business Process of ITD:

Å In order to make better use of the existing information to improve both the Taxpayer Service & Tax Administration and **Empower the assessing officer and other employees** through new generation software for performing all tasks in the Department using **Income Tax Business Applications (ITBA)** which would rewrite the old IT applications and develop new interfaces and process flows.

Å Strengthen the nonï intrusive information driven approach by implementing the **Data Warehouse and Business Intelligence (DW & BI) Project** for effective utilization of information in all areas of tax administration. The DW&BI platform 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. The design phase of the DW&BI project commenced in January 2014 and phased implementation rollout is scheduled in 2015-17. This Project also envisages setting up a Centralised Processing Centre (CPC ï Compliance Management) in Delhi for handling resource intensive repetitive tasks such as PAN population, generation of bulk letters/notices, and preliminary verification for greater efficiency.

IX) Tax Return Preparers (TRPs): With a view to facilitate Return Filing by Medium and Small Taxpayers, Tax Return Preparers Scheme (TRPS) was notified in 2007. TRPS are now also helping in promoting e-filing.

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

1. RAMS Project :- Since, the banks digitize all the challan information at the first point of contact i.e. at the dealing branch level, therefore, O/o Pr. CCA conceptualized a process whereby all the challan information could be made available to the ZAOs in digitized from the nodal branches. This office has initiated a computerized Revenue Accounts system, called RAMS (Revenue Accounting Management Software), 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 was implemented in 24 Zonal Accounts Offices of this office. Now in the second phase, it is planned to implement it in the 28 newly created Zonal Accounts Offices.

RBI is also uploading the ôPut through Figuresö in respect of all Zonal Accounts Offices on the Central Server which is downloaded by the concerned Zonal Accounts Offices for reconciliation of figures and calculation of penal interest.

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

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

Analysis Area of Direct Tax Information System: Complete Direct Tax Information System can be divided into various analysis areas. Each analysis area would offer complete analysis on the subject area. Each analysis area will offer all the major fields available in the database to analyze. Also new calculated fields can be created as per requirement. As data for analysis would be consolidated from ZAO, by file based consolidation, data available for analysis would be limited to data available at central server. It has been decided to develop 5 analysis areas. Each analysis area will have a set of 4-5 graphs to analyze the data pertaining to Receipt Details, Refund Details, Collection type wise Receipt and RBI Put Through.

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 from 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 ï holding.

(d) Resources can be pre-uploaded and can be shared by any machine.

STATUS OF OUTCOME WITH REFERENCE TO OUTLAYS 2012-13

S. No.	Name of the Scheme/ Programe	Objective/Outcome	Outlay 2012-13 (₹ In crore)		Quantifiable Deliverables	Processes/ Timelines	Status as on 31st March, 2013
1	2	3	4		5	6	7
			Non-Plan				
			BE	RE			
1.	**Major Head 2020-Collection of Income Tax; Information Technology**		**225.00**	**400.00**			
	I. Perspective Plan for Phase-III of Comprehensive Computerisation	A) Systems Integration along with software procurement			Å Computing capacity to handle the projected workload up to 2014-15 Å Single National Database to handle all Direct Taxes related transactions Å Facilities management in the offices of Income Tax Department	Ongoing	During the F.Y. 2012-13 expenditure incurred is ₹ 51.73 crore.
		B) Establishment, Monitoring and Implementation of All India Tax Network			Network of Income Tax offices across the country	Project has been completed.	The work of LAN/WAN connectivity in all buildings has been completed. During the F.Y. 2012-13, expenditure incurred is ₹36.90 crore.
		C) Hiring of Data Centers for Primary, BCP & DR sites.			Å Co-location of hardware equipments in Data Centers meeting industry standards Å Security certification of BS 7799 for ensuring security of the equipment	Ongoing Activity. No targets	All the three data centers, PDC, BCP and DR are operational.
	II. Tax Information Network (TIN)	Being hosted by National Security Depository Limited (NSDL) as a depository of information relating to : Å Online Tax Account System (OLTAS), Å Tax deductions coming from TDS returns Å Facility for generation of electronic TDS accounts.			Å Identification of potential high risk tax evasion cases Å Accurate and quick credit of TDS deductions, identification of non-filers/stop-filers and cases of short deductions Å Processing of TDS returns Å Facilities to view tax payments made by the tax payers or by tax deductors on their behalf Å Dashboard facilities to the senior	Ongoing Activities	During the FY 2012-13 expenditure incurred is ₹ 6.93 crore.

1	2	3	4 Non-Plan BE	RE	5	6	7
		Å High value financial transactions coming through annual Information Returns.			management of the Department for effective monitoring and collection of taxes.		
III.	Business Process Re-engineering (BPR)	Complete revamping of existing business processes to meet the needs of stake holders			Å Submission of the report of the consultant and BPR Rollout Plan Å Implementation of the feasible recommendations as contained in 4th Report of Administrative Reforms Commission on ñEthics in Governanceò.	31.10.2007	The Report on BPR was submitted to the CBDT in the month of January 2008, presented to full Board on 18th / 19th and 24th March 2008. Formal Minutes were issued by ITCC Section of Board in April 2008. Out of 64 recommendations made, 13 were modified and accepted, 47 accepted in toto and 4 not accepted.
IV	Tax payersôservices	To have simple, transparent, direct & user friendly interaction with taxpayers for dissemination of information by means of Help line (Aayakar Sampark Kendra), Web-site of Income-Tax Department and e-friendly services -To provide the taxpayers online facilities for e-filing of Income tax returns, -e ï payment of taxes, -online tracking of Refund status.			Å Deliverables from Aayakar Sampark Kendra (ASK) are ➢ Provision of PAN, Challan, Return Forms and related information ➢ Facility to send forms by e-mail ➢ Handling of PAN grievances Å Provision of tax related information facility for downloading of various forms/ challans and return preparation software Å Countrywide facilities for e-filing of income tax returns Å Centralized issue of refunds through designated refund banker Å Facilities for e-payment of direct taxes	Ongoing	i) The department has setup Aayakar Sampark Kendra, at Gurgaon and four Regional Kendras at Jammu,Jangipur, Shillong & Kochi. Total call answered calls were 1051689 from 1.04.2011 to 31.03.2013. During FY 2012-13 payments were made to the tune of ₹ 6.12 crore.
V	Refund Banker	(A) Determine, generate, issue, dispatch, credit and safe delivery of Income Tax refunds.			A system driven process for determination, generation, issue, dispatch and credit of refunds and enables efficient and safe delivery of Income Tax refunds. It introduces a		During the F.Y. 2012-13.expenditure incurred is ₹27.46 crore.

1	2	3	4		5	6	7
			4 Non-Plan				
			BE	RE			
		(B) Make the refund process completely automated speedy and transparent and to achieve a faster Turn Around Time			third party into the physical issue or credit of refunds so as to make the process completely automated, speedy and transparent, and to achieve a faster Turn Around Time. A web based status tracking facility for delivery of refund.		
	VI Centralized Processing Centre (CPC) Project	(A) Centralised processing of both paper based and e-filed Income Tax Returns (ITRs). (B) It would allow the Department to bring in more efficient processes and modern citizen services offered by the best Tax Administrations across the globe.				(i) The processing of e-filed Returns for AY 2011-12 started and 57.79. lakh returns have been processed. (ii) 77.37 lakh returns of AY 2010-11 have been processed so far.	During the F.Y.2012-13 expenditure incurred is ₹105.76 crore
	VII Centralized Processing Centre (CPC) to process TDS	To develop and implement a comprehensive system to increase efficiency, and effectiveness of ITD in processing, accounting and reconciliation of the TDS Statements filed.					No expenditure incurred in F.Y. 2012-13.
	VIII New ITD Application	Re-writing of new ITD application with latest technology with new landscape and new Hardware & Also to maintain old application.					During the F.Y. 2012-13 no payment was made to the consultant.

1	2	3	4 Non-Plan BE	4 Non-Plan RE	5	6	7
	IX 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.					*Servers, Computers and Printers for implementation of RAMS in ZAOs have been purchased and installed in 24 ZAOs. Modification/Up gradation/ Customization of RAMS software successfully implemented in 24 ZAOs.
	X Implementation of e-payment as mandated by Finance Minister in all 24 ZAOs	Implementing electronic Payment in all 24 ZAOs					*Funds have been utilized for purchase of Servers, Computer and Printer for implementation of e-payment and installed in 24 ZAOs. Modification of e-payment software successfully implemented in 24 ZAOs.
	Major Head 4059 – Capital outlay on public works – office buildings		**777.48**	**426.00**			
1	Purchase of Office accommodation at Civic Centre, Minto Road, New Delhi.	To mitigate the shortage of office space.			Acquisition of office space measuring about 51,768 sq.mt. of super built up area will be available to mitigate the shortage of office accommodation at Delhi.	31.9.2013	Part payment was made and building is in use by the Department.
2	Construction of Advance Training Centre, Mess/ Hostel at National Academy of Direct Taxes (NADT), Nagpur.	To conduct advanced courses including training of foreign and to meet the increasing need for accommodation			Construction of ATC, Hostel-II with mess at NADT, Nagpur	Tentative date of completion is 25.1.2015	Significant progress was made in the construction work as on 31.3.2013
3	Purchase of NBCC Plaza, Saket, Delhi	To mitigate the shortage of office space.			Construction of office building		The payment of final installment of ₹ 5 crore was made and building is in use by the Department.
4	Construction of office building for I.T. Deptt at Noida.	To mitigate the shortage of office space.			Construction of office building at Noida.	31.3.2012	The work of construction of the building was at an advanced stage as on 31.3.2013.

1	2	3	4		5	6	7
			4 Non-Plan				
			BE	**RE**			
5	Construction of guest house at Golf Links, New Delhi.	To mitigate the shortage of Guest House.			Construction of Guest House at Golf Links, New Delhi.	31.3.2013	Work could not commence as proposal was not fully complying to the LBZ guidelines.
6	Construction of building for Direct Taxes Regional Training Institute (DTRTI), at Mohali, Chandigarh	To mitigate the shortage of office space.			Construction of DTRTI Building.	18-24 months after award of work	Proposal is yet to be approved.
7	Construction of Office building at Firozabad	To mitigate the shortage of office space.			Construction of office	18 months from the day of sanction order is received.	Sanction was granted in June, 2011 work was delayed. However, work restarted and progressing well as on 31.3.2013.
8	Construction of office building at Bangalore.	To mitigate the shortage of office space.			Construction of office.	24 months after initial deposit, approval and H/o of hindrance free land	Proposal is under examination.
9	Construction of office cum residential building at Lucknow	To mitigate the shortage of office/residential space			Construction of office cum residential building	24 months from the day of sanction order is received.	Proposal is under examination.
10	Construction of office cum residential building at Srinagar	To mitigate the shortage of office and residential space			Construction of office cum residential building	46 months from the day of sanction order is received.	Proposal is under examination.
11	Construction of office and residential quarters at Shahjahanpur.	To mitigate the shortage of residential cum office accommodation			construction of the office cum residential accommodation	15 months from the day of sanction order is received.	Proposal under examination.
12	Construction of office cum residential building at Nariman Point, Mumbai	To mitigate the shortage of residential cum office accommodation			Residential quarters and office accommodation at Nariman Point, Mumbai	36 months from the date of sanction order received.	Proposal yet to be finalized.

S. No.	Name of the Scheme/ Programe	Objective/Outcome	Outlay 2012-13 (₹ In crore)		Quantifiable Deliverables/Physical Outputs	Processes/ Timelines	Status as on 31st March, 2013
1	2	3	4		5	6	7
			4(i) BE	4(ii) RE			
	Major Head 4216 – Capital Outlay on public works - Housing		**30.00**	**6.00**			
1	Proposal for construction of residential complex at Pune.	To mitigate the shortage of residential accommodation			Construction of residential complex	30 months from the day of sanction order is received.	The proposal was sanctioned on 25.03.2013.
2	Construction of residential quarters at Jammu.	To mitigate the shortage of residential accommodation and provide better working environment for the officers (officials of the Department resulting in better tax payer services)			Commencement of construction of the office cum residential building	26 months from the date of sanction order received.	Proposal was sanctioned in December, 2012. However, as on 31.3.2013, the work could not commence due to stay granted by the Court on a petition by the contractor.
	Major Head 2020-Collection of Income Tax; Information Technology		**421**	**400**			
I	Perspective Plan for Phase-III of Comprehensive Computerization	A) Systems Integration along with software procurement. The contract of the vendor is going to expire in June, 2014.			• Computing capacity to handle the projected workload up to 2014-15 • Single National Database to handle all Direct Taxes related transactions • Facilities management in the offices of Income Tax Department	Ongoing. Offices process income tax returns as per their pendency.	The expenditure during FY 2013-14 was ₹ 40 crore.
		B) Establishment, Monitoring and Implementation of All India Tax Network			Network of Income Tax offices across the country.	Ongoing Activity	Contract has been extended up to 31.12.2014. The process for selection for new MSP through open tendering process is under progress. Total expenditure of ₹ 29.88 crore plus taxes in FY 2013-14.

1	2	3	4		5	6	7
			4 Non-Plan				
			BE	RE			
		C) Hiring of Data Centers for primary, BCP& DR sites			• Co-location of hardware equipments in Data Centers meeting industry standards. • The project will get completed by 2014	Ongoing activity	The expenditure was to the tune of ₹6.76 crore for F.Y. 2013-14.
		D) Physical Storage of arrear PAN forms of period 2003-09					The expenditure on this item was NIL for F.Y. 2013-14. PNC deliberations are over now . SFC proposal is to be sent to competent authority for sanction.
		E) Scanning of arrear PAN forms of period 2003-09 alongwith e-storage					The expenditure on this item was NIL for F.Y. 2013-14. PNC deliberations are over now . SFC proposal is to be sent to competent authority for sanction
II	Tax Information Network (TIN)	Being hosted by National Security Depository Limited (NSDL) as a depository of information relating to :· • Online Tax Account System **(OLTAS),**· • Govt. OLTAS relating to Book Adjustment.· • Tax deductions coming from TDS returns· • High value financial transactions coming through Annual Information Returns.			• Facilitating Accurate and quick credit of TDS deductions, identification of non-filers/stop-filers and cases of short deductions • Facilities to view tax payments made by the tax payers or by tax deductors on their behalf • Dashboard facilities to the senior management of the Department for effective monitoring and collection of taxes.		The amount spent during F.Y.2013-14 is ₹12 crore.
III	Tax payersó services	-To have simple, transparent, direct & user friendly Interaction with taxpayers for dissemination of information by means of Help line (AayakarSampark Kendra) - To assist the taxpayers in online facilicties for e-filing of Income Tax Return. - e-Payment of taxes. - on line tracking of refund Status.			- Country wide facilities for assistance in e-filing of income tax returns - Assistance in downloading various forms. -Answering queries related to the status of PAN and TAN applications & assessment jurisdictions.	- Ongoing activities	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 following payments were made: (₹5.74 crore) in addition to reimbursement of Telephone Expenses (₹1.08 crore).

STATUS OF OUTCOME WITH REFERENCE TO OUTLAYS 2013-14

S. No.	Name of the Scheme/ Programe	Objective/Outcome	Outlay 2012-13 (₹ In crore) 4(i) Non-Plan	4(ii) Plan	Quantifiable Deliverables	Processes/ Timelines	Status as on 31st March, 2013
1	2	3	4		5	6	7
IV.	Refund Banker	(A) Determine, generate, issue, dispatch, credit and safe delivery of Income Tax refunds. (B) Make the refund process completely automated speedy and transparent and to achieve a faster Turn Around Time			A system driven process for determination, generation, issue, dispatch and credit of refunds and enables efficient and safe delivery of Income Tax refunds. It introduces a third party into the physical issue or credit of refunds so as to make the process completely automate, speedy and transparent, and to achieve a faster Turn Around Time. A web based status tracking facility for delivery of refund.		The amount spent during F.Y.2013-14 is ₹ 35 crore.
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.			In the First Phase, following functionalities previously handled by NSDL have been operationalized at CPC TDS: **a) In case of Deductor-** • Download Form 16/16A • Download of Consolidated File • Download of Justification Report up to FY 2011-12. **b) In case of Deductee –** • View and Download Form 26AS	First Phase of the Project went live on 19th Nov 2012. Second Phase of the project will be completed in FY 2012-13.	Payment of ₹10.68 crore (₹10.35 crore to M/s Infosys Ltd. & ₹33,24,433/- to M/s Bharti Airtel Ltd.) was made during the Financial Year 2013-14.
VI	Centralized Processing Centre (CPC) Bangalore	(A) Centralized processing of both paper based and e-filed Income Tax Returns (ITRs). (B) It would allow the Department to bring in more efficient processes and modern citizen services				CPC became live in September, 2009 and has processed over 3.2 crore e-filed returns till date.	The sanctioned amount for the contract period is exhausted by the payments made till the quarter ending June, 2013. Proposal for additional sanction will be sent for approval of Cabinet after the report of CNG set up with the approval of the competent authority. The actual payout in FY 2013-14 was ₹65.07 crore (₹64.62 crore for

1	2	3	4		5	6	7
			4(i) Non-Plan	4(ii) Plan			
		offered by the best Tax Administrations across the globe.				The projected volume of processing of returns for FY 13-14 is around 2 crore	processing & others and ₹45 lakh to STQC) for auditOutstanding invoices for FY 2013-14 (Carried forward to FY 2014-15) = ₹121 crore.
VII	Data Warehouse and Business Intelligence (DW&BI) Solution	Use of information available with Income Tax Department to: A) Widen and deepen tax base B) Increase compliance with tax laws C) Monitor Departmental Performance D) Provide inputs for policy making			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 will be finalized after project plan is approved.	The amount spent during F.Y.2013-2014 is ₹8.80 lakh for consultancy.
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. 2. Development of Data Centre for the application. 3. Development of Technology Training Centre. 4. Development of test environment at Vaishali. 5. Training of 20,000 employees. 6. Development of HRMS module. 7. Maintenance of old application. 8. Software for all processes (other than core functions) of dept. 9. Interface with UTI/ NSDL/CPC Bengaluru/ CPC TDS/ Refund Banker etc. 10. Helpline.	The project is to roll out in 2015 and will be in operation till 2020.	₹90.86 lakh have been paid to the State Govt..

1	2	3	4(i) Non-Plan	4(ii) Plan	5	6	7
IX	Revenue Accounting Mangement Software	Compilation of Revenue Accounting on daily basis					Servers, Computers and Printers for implementation of RAMS in ZAOs have been purchased and installed in 24 ZAOs Modification/ Up gradation/ Customization of RAMS software successfully implemented in 24 ZAOs.
X	Implementation of e-payment as mandated by Finance Minister in all 52 ZAOs	Implementing electronic Payment in all 52 ZAOô s.					Funds have been utilized for purchase of Servers, Computers and Printers for implementation of e-Payment and installed in 24 ZAOs. Modification/ Up gradation/Customization of e-Payment software successfully implemented in 24 ZAOs.
	Major Head 4059 – Capital outlay on public works – office buildings		**546.98**	**500.00**			
1	Construction of office building at Noida	To mitigate the shortage of office space			Construction of office building having carpet area of 1935 sq.mt. at Noida	To be completed by 31.03.2013	The building has been inaugurated and is being used by the Deptt.
2	Construction of Advanced Training Centre , hostel & Mess NADT, Nagpur	To fulfill the need of having a training for advanced course including training of foreign officials and increasing needs of accommodation arising at NADT, Nagpur of increased participants and courses.			Construction of ATC, Hostel-II with mess at NADT, Nagpur.	To be completed by 10.06.2013	Approx. 80.4% work has been completed.
3	Construction of office building and guest house cum transit accommod-ation for the I.T. Department at Firozabad	To mitigate the shortage of office space and guest house			The office space of 4342 sq.mts. proposed to be constructed within 18 months, after granting A/A & F/S.	18 months from the date of sanction order is received.	Building is nearing completion. Likely expenditure on project is ₹ 2.4 crore.

1	2	3	4(i) Non-Plan	4(ii) Plan	5	6	7
4	Construction of RTI Building Mohali.	To enhance training capacity.			Construction of regional training centre.	18-24 months after award of work	Proposal is under examination.
5	Construction of Guest House at Golf links, New Delhi	To mitigate the shortage of Guest House			Construction of Guest House at Golf Links, New Delhi	15 months from the date of sanction order is received.	The proposal has not been initiated on account of contrary LBZ guidelines. Allocation sought in the RE 2013-14 has accordingly been reduced to Nil.
6	Construction of office building at Infantry Road, Bangalore.	To mitigate the shortage of office space.			Construction of office.	24 months after initial deposit, approval & H/o of hindrance free land.	Proposal is under examination.
7	Construction of office cum residential building at Lucknow	To mitigate the shortage of office space and residences.			The office space of 16138 sq.mts. proposed to be constructed within 24 months, after granting A/A & F/S.	24 months from the date of sanction order is received.	Proposal is under examination.
8	Construction of office cum residential building at Srinagar	To mitigate the shortage of office space and residences.			The office space of 11031 sq.mts. proposed to be constructed within 46 months, after granting A/A & F/S.	46 months from the date of sanction order is received.	Proposal is under examination.
9	Construction of office cum residential building at Nariman Point, Mumbai	To mitigate the shortage of residential cum office accommodation			Residential quarters and office accommodation at Nariman Point, Mumbai	36 months from the date of sanction order received.	Proposal is under examination.
10	Purchase of ready built office space from MP Housing Board, Bhopal	To mitigate the shortage of office space			Acquisition of office space		The proposal was Sanctioned on 19.03.2013. Allocation of ₹3 crore under BE 2013-14 had been reduced to ₹1.2 crore under R.E. 2013-14 based upon on the likely expenditure.
11	Construction of office, residence and guest house at Belgaun.	To mitigate the shortage of office space.			Construction of office building at Belgaun.	Within 18 months from start of work	The proposal has been sanctioned on 13.1.2014.
12	Construction of office cum residential building at Bareilly, Shah-jahanpur	To mitigate the shortage of office space and residences			The office space of 1080.71 sq.mts. proposed to be constructed.	15 months from the date of sanction.	The project has received the approval of the Competent Authority in the month of November, 2013.

1	2	3	4(i) Non-Plan	4(ii) Plan	5	6	7
13	Purchase of land for RTI building at Ahmedabad.	To mitigate the shortage of office & training space.			Purchase of land and construction of RTI building at Ahmedabad.		Payment has been made to AUDA & possession received.
14	Purchase of land for construction of office at Erode.	To mitigate the shortage of office space.			Purchase of land for construction of office building at Erode.		The proposal has been sanctioned on 13.11.2013. As against BE 2013-14 of ₹ 12 crore, the cost of the land is ₹12.98 crore. The allocation under RE 2013-14 has accordingly been revised to ₹12.98 crore.
15	Construction of office building at Pune	To mitigate the shortage of office space			Office accommodation at Karve Road, Pune.	24 months from the date of sanction order received.	Proposal is under examination.
16	Construction of Annexe to office building at Surat	To mitigate the shortage of office space			Office accommodation at Surat.		The proposal has been withdrawn.
17	Construction of office building (Basement + 5 floor) at Navsari.	To mitigate the shortage of office space			Office and residential accommodation at Navsari.	30 months from the date of sanction order received.	Proposal is under examination.
18	Construction of office building at Daman	To mitigate the shortage of office space			Construction of office building at Daman		The proposal has been withdrawn.
19	Purchase of ready built office accommodation at Etah	To mitigate the shortage of office space			Purchase of ready built office accommodation at Etah		The current proposal has been scrapped and fresh proposal is awaited from the field.
20	Purchase of ready built building/land for office building at Kochi.	To mitigate the shortage of office space.			Purchase of ready built building/land for office building at Kochi.		Proposal for purchase of land has been sanctioned on 26.4.2013. The allocation of ₹ 1 crore under BE 2013-14 has been enhanced to ₹12.25 crore under RE 2013-14. Possession of land taken.
21	Purchase of NBCC Plaza, Saket, Delhi.	To mitigate the shortage of office space			Purchase of NBCC Plaza Saket, New Delhi for LTU	36 months from the date of execution of the agreement	The building is occupied and in use by the Department. The allocation of ₹ 43.2 crore under BE 2013-14 was reduced to Nil at RE stage due to lack of clarity on penalty payments.

1	2	3	4(i) Non-Plan	4(ii) Plan	5	6	7
22	Purchase of office accommodation at Civic Centre, Minto Road, New Delhi.	To mitigate the shortage of office space				31.09.2013	The payment has been made and building is occupied by the Department.
	Major Head 4216 - Capital outlay on public works - Housing.		**41.00**	**23.00**			
1	Construction of residential complex at Hadapsar, Pune.	To mitigate the shortage of residential accommodation			Construction of residential complex	30 months from the date of sanction order received.	The proposal was Sanctioned on 25.03.2013. The allocation of ₹ 25 crore under B.E. 2013-14 has been reduced to ₹ 8.3 crore at R.E. stage in view of the likely expenditure on this project during F.Y. 2013-14.
2	Construction of residential quarters at Jammu	To mitigate the shortage of residential quarters.			The office space proposed to be constructed within 26 months, after granting A/A & F/S.	26 months from the date of sanction order is received.	In view of the stay granted by the Court on a petition filed by the Contractor, the work for this project is yet to commence. The allocation of ₹ 3 crore under BE 2013-14 has accordingly be reduced to nil under RE 2013-14.
3	Construction of Type - IV & III quarters at CR Colony, Annanagar, Chennai.	To mitigate the shortage of residential quarters.			Construction of quarters at Annanagar.	The proposal is under progress.	The proposal is yet to be approved.
4	Construction of Type -V & VI quarters at MG Road, Chennai.	To mitigate the shortage of residential quarters.			Construction of quarters at M.G. Road, Chennai.	06 months for planning and 24 months for execution thereafter.	Proposal has been sanctioned on 24.9.2013.
5	Construction of Type-III & IV quarters at Surat.	To mitigate the shortage of residential accommodation			Construction of residential quarter at Surat.	30 months from the date of sanction order received.	The proposal is under examination.
6	Up-gradation/ renovation of residential quarters at Bhopal.	To provide adequate residential facilities in Bhopal.			Up-gradation / renovation of the quarters at Bhopal.		The proposal is under examination.

FINANCIAL REVIEW

STATEMENT SHOWING ACTUAL EXPENDITURE VIS-A-VIS BE/RE PROVISIONS FOR THE YEARS 2011-12, 2012-13 AND 2013-14

(₹ in crore)

Description	Major Head	2011-12 B.E	2011-12 R.E.	2011-12 Actual	2012-13 B.E	2012-13 R.E.	2012-13 Actual	2013-14 B.E	2013-14 R.E	2013-14 Actual (Provisional)
REVENUE SECTION										
Collection of taxes on income and expenditure	**2020**	2901.45	2916.78	2904.45	2994.40	3218.97	3203.47	3677.61	3563.18	3544.24
Collection of Estate Duty, Taxes on Welath and Gift Tax (Other Taxes)**	**2031**	74.40	74.79	74.40	76.78	82.54	82.09	94.30	91.36	91.04
TOTAL REVENUE SECTION		**2975.85**	**2991.57**	**2978.85**	**3071.18**	**3301.51**	**3285.56**	**3771.91**	**3654.54**	**3635.28**
CAPITAL SECTION										
Purchase of ready built office buidling	**4059**	877.70	317.51	256.53	777.48	426.20	421.00	546.98	500.00	430.25
Purchase of ready built residential buidling	**4216**	27.00	5.00	3.18	30.00	6.00	2.46	41.00	23.00	14.65
Acquisition of immovable property under Income Tax Act	**4075**	1.00	1.70	1.29	1.80	1.80	1.05	2.00	2.00	1.10
TOTAL CAPITAL SECTION		**905.70**	**324.21**	**261.00**	**809.28**	**434.00**	**424.51**	**589.98**	**525.00**	**446.00**
GRAND TOTAL		**3881.55**	**3315.78**	**3239.85**	**3880.46**	**3735.51**	**3710.07**	**4361.89**	**4179.54**	**4081.28**

**** Estate Duty Tax (Gift Tax -abolished) merged with Other Taxes and is not in operation w.e.f. 01.04.2012**

OBJECT HEAD-WISE EXPENDITURE VIS-A-VIS BE/RE FOR THE YEARS 2011-12, 2012-13 AND 2013-14

(₹ in crore)

Description	2011-12			2012-13			2013-14		
	B.E	R.E.	Actual	B.E	R.E.	Actual	B.E	R.E	Actual (As perSYII) (Provisional)
Revenue Section									
Salaries	1831.55	1781.17	1779.98	1923.67	2002.09	1998.65	2162.25	2178.57	2187.63
Wages	17.00	17.00	17.17	18.36	18.15	18.15	19.61	21.00	20.85
Overtime Allowance	0.80	0.80	0.56	0.80	0.50	0.43	0.50	0.45	0.43
Medical Treatment	22.00	25.00	23.36	22.00	21.00	21.92	28.00	24.00	24.12
Domestic Travel Expenses	35.00	45.00	43.77	40.00	44.00	43.46	55.00	55.00	48.31
Foreign Travel Expenses	1.10	2.10	1.17	2.10	1.80	1.69	2.50	1.00	0.77
Office Expenses (Charged)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Office Expenses (Voted)	513.90	522.80	534.83	514.00	516.30	513.97	686.00	613.80	653.84
Rent Rates & Taxes	180.00	147.00	116.62	160.00	130.00	128.60	150.00	149.77	153.56
Publications	2.80	2.80	2.74	2.80	2.52	2.24	3.00	2.70	2.35
BCTT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Administrative Expenses	23.30	29.40	26.22	34.15	34.37	32.00	61.42	48.42	44.88
Adv. & Publicity	80.00	100.00	78.35	80.00	79.00	78.40	110.00	90.00	88.46
Minor Works	8.00	8.00	6.61	8.00	8.00	6.81	13.23	13.23	12.57
Professional Services	26.00	30.00	31.30	26.00	30.96	31.50	40.00	40.00	39.02
Contributions	0.40	0.40	0.37	0.40	0.40	0.37	1.40	1.00	0.96
Secret Service Expenses	4.50	5.60	5.55	9.40	8.46	8.04	14.00	12.00	12.53
Other Charges	4.50	4.50	3.11	4.50	3.96	2.17	4.00	3.60	3.15
Information Technology	225.00	270.00	307.14	225.00	400.00	397.17	421.00	400.00	341.85
TOTAL REVENUE SECTION	**2975.85**	**2991.57**	**2978.85**	**3071.18**	**3301.51**	**3285.57**	**3771.91**	**3654.54**	**3635.28**

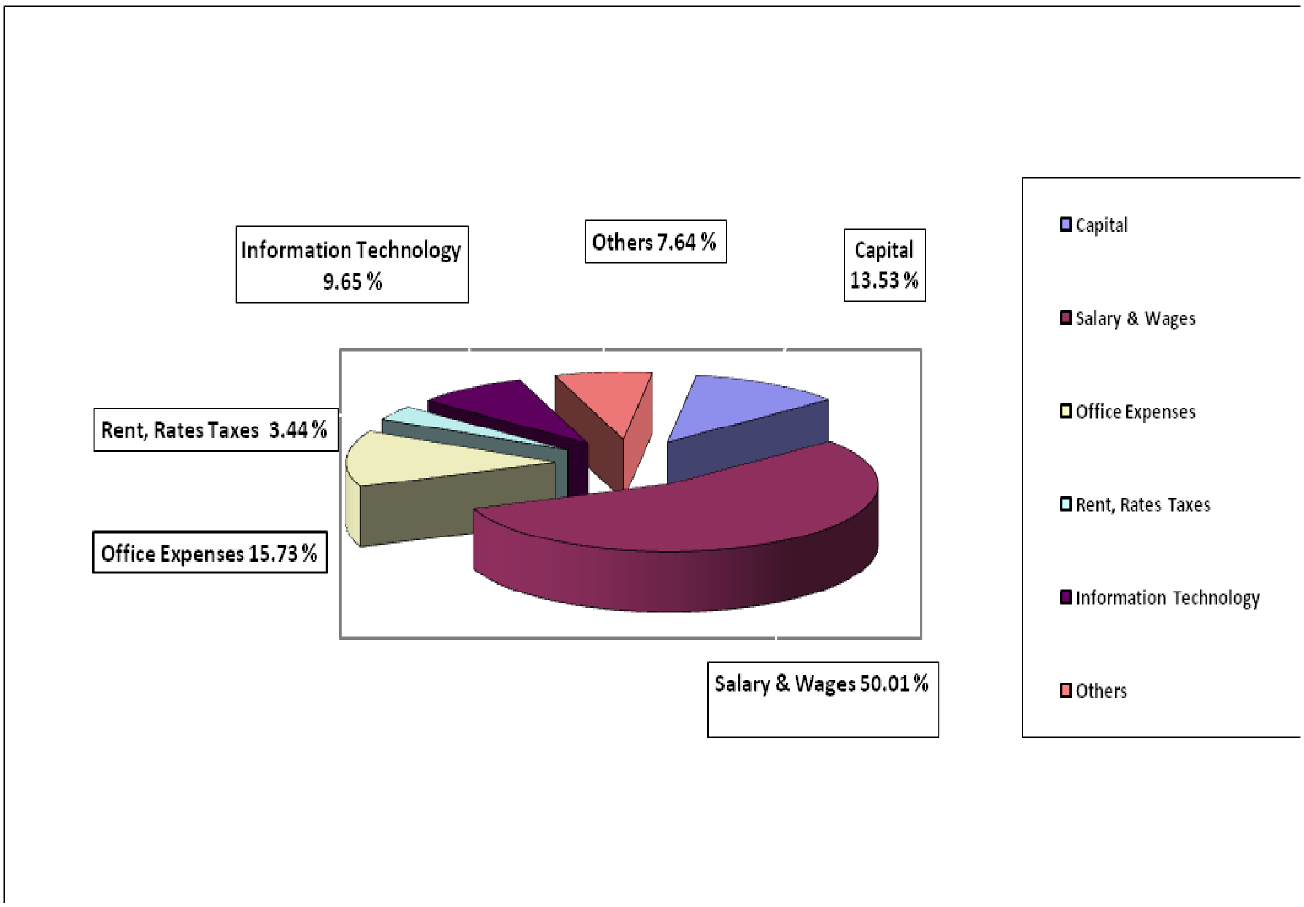
(₹ *in crore)*

Description	2011-12			2012-13			2013-14		
	B.E	R.E.	Actual	B.E	R.E.	Actual	B.E	R.E	Actual (As perSYII) (Provisional)
Capital section									
MH-4059 Purchase of ready built office buidling	877.70	317.51	256.53	777.48	426.20	421.00	546.98	500.00	430.25
MH-4216 Purchase of ready built residential buidling	27.00	5.00	3.18	30.00	6.00	2.46	41.00	23.00	14.65
MH-4075 Acquisition of immovable property under Income Tax Act	1.00	1.70	1.29	1.80	1.80	1.04	2.00	2.00	1.10
TOTAL CAPITAL SECTION	**905.70**	**324.21**	**261.00**	**809.28**	**434.00**	**424.50**	**589.98**	**525.00**	**446.00**
GRAND TOTAL	**3881.55**	**3315.78**	**3239.85**	**3880.46**	**3735.51**	**3710.07**	**4361.89**	**4179.54**	**4081.28**

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

During 2013-14, total expenditure incurred upto 31st March, 2014 is ₹ 4081.28 crore which works out to be 93.57% of total BE provision 2013-14. Out of this, the expenditure under Revenue Section is 3635.28 crore which is 96.38% of BE provision 2013-14 under this section. Provision for óSalariesôis ₹2162.25 crore which was enhanced to ₹2178.57 crore at RE against which the expenditure upto 31st March, 2014 is ₹2187.63 crore. Another major constituent of expenditure under Revenue Section is óOffice Expensesôwith a BE provision of ₹686.00 crore against which expenditure incurred upto 31st March, 2014 is ₹653.84 crore. Information Technology (O.E.) is other important constituent for which provision of ₹421.00 crore has been made in B.E. against which the expenditure upto 31st March, 2014 is ₹341.85 crore. The under utilization was due to a major IT project, i.e. Centralized Processing Centre (CPC) reaching its sanctioned expenditure 2 years ahead of schedule. The process for obtaining revised sanction for the project is under process. Under óCapital Sectionô, the expenditure upto 31st March, 2014 is ₹446.00 crore which works out to be 75.60% of BE Provision under this section.

Major constituents of B.E. 2013-14 are depicted below-



ANNEXURE

Statement on Surrender and Savings during the Financial Year 2012-13

During the Financial Year 2012-13, against a budgetary provision of ₹ 4110.79 crore including Supplementary Grant, an expenditure of ₹ 3710.07 crore was incurred during the year resulting in a saving of ₹ 400.72 crore. 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	5.17	Less requirement of administrative expenses. ₹.4.44 crore re-appropriated to other heads.
2.	Organisation and Management Service	1.77	Less requirement of administrative expenses.
3.	Commissioner and their Offices	47.27	Less requirement of administrative expenses . ₹ 36.37 crore 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)	356.49	This includes a single project namely 'Civic Centre', Delhi. The actual budget provided in BE was ₹ 600 crore. It was reduced to ₹300 crore in RE. The payment of ₹300 crore was postponed for the next financial year with the approval of Department of Expenditure.
2	Capital Outlay on Housing	27.54	This includes a project of ₹25.00 crore for construction of residential complex and guest house at Pune. It was reduced to ₹ 1.00 crore at RE stage keeping in view the progress of project.

(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 96 Commissionerates of Central Excise, 35 Commissionerates of Customs and 6 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 of Central Excise Intelligence
ii. Directorate of Revenue Intelligence
iii. Directorate of Inspection
iv. Directorate of Human Resource Development
v. National Academy of Customs, Excise and Narcotics
vi. Directorate of Vigilance
vii. Directorate of Systems
viii. Directorate of Data Management
ix. Directorate of Audit
x. Directorate of Safeguards
xi. Directorate of Export Promotion
xii. Directorate of Service Tax
xiii. Directorate 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 89924 officers and staff, of which 32.19% are gazetted officers and the remaining are non-gazetted employees.

The activities indicating 'outlays' and 'outcomes' for the financial year 2014-15 are given in the subsequent statement.

STATEMENT OF OUTLAYS AND OUTCOMES 2014-15

S. No.	Name of the Scheme/ Programme	Objective/Outcome	Outlay 2014-15 (₹ In Crore) 4(i) Non-Plan	4(ii) Plan	Quantifiable Deliverables/ Physical Outputs	Projected Outcomes	Processes/ Timelines	Remarks/ Risk Factors
1	2	3	4		5	6	7	8
1.	Major Head 2037 and 2038 - Information Technology	Strengthening of IT capability for e-governance	221.31	NIL	Setting up of an All India Wide Area Network	1. Maintenance of WAN project and implementation of change orders during FY 2014-15. 2. Bandwidth Augmentation at 399 sites and 3 Data Centres. 3. Internet Bandwidth augmentation at Data Centres. 4. Extending WAN at 100 additional sites. 5. Alternate WAN connectivity at 20 critical locations. 6. Implementation of IPv6.		The Wide Area Network (WAN) has been implemented at 528 sites. The work at remaining 11 sites is in progress. Helpdesks have been provisioned to address user complaints on WAN and LAN issues.
					SYSTEMS INTEGRATION (SI) Installation of Central servers (hardware, storage and security infrastructure, etc.)	Support for Facility Management and System Integration services OEM professional services Annual Maintenance and Support Charges for data centre equipments. Procurements of Critical Infrastructure		Ongoing maintenance and support services, Facility Management Services, AMC for technology components, Annual Technical Support Services, Managed Services

1	2	3	4(i) Non-Plan	4(ii) Plan	5	6	7	8
						and software licenses.		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. 2. EDW reports to be introduced on mobile platform and training to end users on mobile solution. 3. 3. In memory computing and Advance Analytics		The project is under maintenance phase.
					Automation of Central Excise & Service Tax (ACES) Project.	The ACES project is under technical support and maintenance. ACES website has been made bilingual. Process has been	Ensuring a large degree of transparency and reduced interface with Central Excise and Service Tax assesses through automated workflow of all business	ACES has been implemented in all 104 Central Excise and Service Tax Commissionerates and is under maintenance and

1	2	3	4		5	6	7	8
			4(i) Non-Plan	4(ii) Plan				
						initiated for making e-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.	processes	support phase.
					Gateway Project for Customs Up-gradation	This project aims to link the Customs Trade Partners and other Govt. Agencies through a single Network Remote EDI System for e-filing of Customs documents. It provides documents Tracking and Enquiries System, Daily Reports and DTRs, Transmission of data between trade community and other Regulatory authorities, Sharing	The upgraded version of ICEGATE for ICES 1.5 is now operational at 120 Customs locations. It shares huge amount of data with the help of > 127 types of messages exchange with various trade partners and Govt. departments	This Project is under support and maintenance phase. Some new functionalities include online refund of service tax, online registration of DFIA licences, centralized bond management and e-payment of customs duties. At present 127 messages are exchanged

1	2	3	4(i) Non-Plan	4(ii) Plan	5	6	7	8
						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.		between customs and its Trade Partners through ICEGATE. Mandatory e-payment multiple challan facility under new e-payment gateway has been introduced. Data transmission with e-PAO has been established. Online transmission of documents under Chapter-3 Reward Scheme has been started. Discussion on online interface with SEZ is in process.
					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	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 RMS is implemented.	

1	2	3	4		5	6	7	8
			4(i) Non-Plan	4(ii) Plan				
						specified criteria identified by the Customs.		
					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 116 Customs locations.	ICES 1.5 is under maintenance phase. New modules to enhance functionalities and meet policy changes are continuously developed and added to ICES 1.5.
					EASIEST	The objective of this project is to make available accurate tax payment data from banks for revenue and tax payer accounting. Under this system, data through all modes of payment including e-payment is captured by banks in the agreed format and uploaded in electronic form and made available to the Department. E-payment portal has been developed for improving data quality.	Upto December, 2013, 51.31 Lac challans have been processed. 98% of Central Excise Revenue and 87% of Service Tax Revenue is received through e-payment. Fund Settlement along with challan upload by the banks can be ascertained. 94% of the challans have been uploaded into EASIEST website.	Efforts are being made to ensure 100% challan upload by the banks into NSDL compared to the Fund settlement by the banks with RBI. This will ensure proper revenue accounting.

1	2	3	4		5	6	7	8
			4(i) Non-Plan	**4(ii) Plan**				
2.	Major Head 4047 - Preventive Functions - Acquisition of ships and fleets	Strengthening Anti-smuggling capability and improved coastal security	20.00	NIL	Provide Customs field formations with 109 modem fast boats	Modern fast vessels will strengthen anti-smuggling capability of Customs Department. Improved coastal security will greatly help in curbing smuggling of dangerous/prohibited goods, prevention of environment hazards and protection of endangered species.	All 109 boats have been received and deployed. The Spare parts of Car-I & Cat -II Vessels are proposed to be procured in this FY.	____
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	NIL	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 Rs.172.94 crore (non-recurring) and Rs.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.	Mobile Gamma Ray scanner: One mobile scanner has been commissioned at Tuticorin and one scanner at Chennai has been installed in April 2014. Scanner at Kandla is likely to be commissioned by October 2014. 4 Fixed x-Ray Scanners There has been delaying execution of projects; which was to be completed by September 2013. The delay is on account of inadequate deployment of manpower,	Project is being monitored by Project Implementation Committee under the chairpersonship of Member (Customs), CBEC, New Delhi and also monitored by Secretary (Defence Production).

1	2	3	4		5	6	7	8
			4(i) Non-Plan	**4(ii) Plan**				
							machinery and material. The matter has been brought to the notice of Secretary (Defence Production) and the likely date of commissioning are in different phases from July 2014 to November 2014.	
4.	Major Head 4059 - Acquisition of Office Accommodation	To acquire new office accommodation	133.59	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. 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, construction of office complex for Delhi-II Commissionerate and construction of NACEN Complex at Hyderabad, payment of in respect of NBCC, Plaza and purchase of office building at Guwahati 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) Non-Plan	4(ii) Plan				
							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 at Mumbai.	
5.	Major Head 4216 - Acquisition of Residential Accommodation	To acquire new residential accommodation and for original original works in r/o existing accommodation.	4.50	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.	Lump-sum provision has been made to acquire new residential accommodation.	The developer is to obtain occupancy and Completion Certificate.

REFORM MEASURES AND POLICY INITIATIVES
CENTRAL BOARD OF EXCISE & CUSTOMS

Initiatives on Computerization and Automation

A futuristic and ambitious project of computerisation has been taken up to consolidate the Customs, Excise and Service Tax Servers, to bring all the system on a single network/platform, to set up a Data Warehouse and Disaster Recovery site and is currently under implementation. A Risk Assessment/Management software has been developed for identification of potential duty evaders/smugglers and facilitate compliant trade. A Risk Management Division has been established to give focused and specified attention to this area.

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.

The consolidation project of computerisation at a cost of ₹598.97 crore was cleared by the Cabinet in November, 2007. The contracts for execution of various components of the project were given to various vendors and work is in progress.

Large Tax Payers Units (LTUs)

As an important measure for trade facilitation, the concept of Single Window Service for Large Tax Payers paying excise duty, income tax/corporate tax and service tax has been initiated. First LTU was operationalised in Bengaluru during 2006-07. Second LTU at Chennai became operational during 2007-08. In 2008-09, LTUs were operationalised at Mumbai and Delhi.

Help Centres

The opening of the Help Centres since July 2005 at all Customs and Central Excise Zones is a pioneering venture in public private partnership in the sovereign function of tax collection. These centres provide an institutional mechanism for small tax payers, assessees, importers, exporters and service providers in the form of guidance and education to them.

Container Scanners

After successful completion of pilot project with installation of one mobile Gamma ray container scanner and one fixed X-ray container scanner at Jawahar Lal Nehru Port Trust (JNPT), Nhava Sheva, Maharasthtra, a major step was taken towards facilitation of cargo clearance, efficient handling of greater volume of container traffic and improve customer control through nonintrusive examination. In view of encouraging results, procurement process for 3 mobile Gamma Ray scanners and 4 fixed X-Ray scanners at Chennai, Tuticorin, Mumbai and Kandla has commenced involving cost of ₹172.94 crore (non-recurring) and ₹18.61 crore (recurring). Contracts for supply and commissioning of mobile Gamma ray scanners at Chennai, Tuticorin and Kandla had been placed on M/s. ECIL, Hyderabad. As per the contracts, mobile container scanners should have been installed in different phases upto February 2013 but there has been delayed on account of inadequate deployment of manpower, material and machinery. The mobile container scanner at Tuticorin has been commissioned in March 2014 and they are likely to be commissioned at Chennai and Kandla by the end of May 2014 and October 2014 respectively.

Contracts for civil work and commissioning of fixed X-ray container scanners at Tuticorin, Chennai, Mumbai and Kandla have been placed on M/s. BEL, Bangalore and they were to be commissioned in different phases between December 2012 to September 2013. The installation has been delayed because of inadequate deployment of manpower, material and machinery and they are now likely to be commissioned between July 2014 to November 2014.

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 arms and ammunition for terrorism and anti-national activities and that of narcotics drugs. A review of the existing fleet and future requirements was made and proposal for replacing outlived, old and dilapidated vessels with modernized and fast moving vessels in a phased manner at a cost of ₹277.27 crore was cleared by the Cabinet in February, 2007. Under the plan, customs organization was to get 109 modern vessels of different categories with the following features and purposes:-

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

All vessels in Category-I, Category-II, Category-IIIA and Category-IIIB have been received and deployed under user Commissionerates to carry out anti smuggling operations.

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 ₹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 2014-15 also, ₹40.00 crore have been provided on this account.

Review of Past Performance
STATUS OF OUTCOME WITH REFERENCE TO OUTLAYS 2012-13

S. No.	Name of the Scheme/ Programme	Objective/Outcome	Outlay 2012-13 (₹ In Crore)		Quantifiable Deliverables/ Physical Outputs	Processes/ Timelines	Risk Factors	Status as on 31st March 2013
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	150.00	178.00	- Setting up of an All-India Wide Area Network (WAN).	Connectivity of all CBEC offices to the National Data Centre, Business continuity and Disaster Recovery Sites. Sufficient Internet Bandwidth at DC and DR to enable e-filing of Central Excise & Service Tax Returns. Dedicated link between DC & DR has been provisioned for faster replication of data.	WAN has been implemented at 528 CBEC sites. Helpdesks facility has been provided. Additional locations are being brought under WAN.	The WAN is under support and maintenance phase.
					SYSTEMS INTEGRATION (SI) - Installation of Central servers (hardware, storage and security infrastructure) etc.	● Three National Data Centres are in operation with System uptime of > 99%. Centralized monitoring and security management on 24*7*365 basis. ● All centralized business software applications such as Indian Customs EDI system (ICES), Central Excise and Service		● 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				
						Tax application (ACES), Enterprise Data Warehouse (EDW), Currency Declaration Form (CDF) and Interactive Tariff etc. are being hosted from these Data Centres. The system supports about 35000 internal users / departmental users to whom Single Sign-on (SSO) ID has been issued. It also supports about 30 Lakh taxpayers. ● 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		

1	2	3	4		5	6	7	8
			4(i) BE	4(ii) RE				
						support to applications users and pro-active monitoring of the infrastructure.		
					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 in 1177 buildings with requisite IT hardware such as Thin Clients, Network Printers, Print Servers, Scanners etc.	The LAN has been implemented and is under support and maintenance phase. 24*7*365 Help Desk Facility is available to sought out users difficulty relating to LAN.
					- Establishment of Data warehouse.	Data Warehouse is a centralized repository of all Customs, Central Excise and Service Tax Data which would be available to all users over MPLS network (CBEC WAN) with user friendly interface, for analytical reporting including data mining.	The project has timely implemented. Various Analytical reports on Customs, Central Excise and Service tax have been developed and hosted on the EDW portal, using Business Intelligence software tools.	The Data Warehouse is under support and maintenance phase.
					Automation of Central Excise & Service Tax (ACES)	Ensuring a large degree of transparency and reduced interface with Central Excise and Service Tax assesses through automated workflow of all business processes.	ACES has been implemented in all 104 Central Excise and Service Tax Commissionerates	● The ACES project has been implemented and is under support and maintenance phase. ● ACES website has been made bilingual ● Integration of

1	2	3	4		5	6	7	8
			4(i) BE	4(ii) RE				
								ACES with e-Biz project of Department of Commerce and Industry is being implemented.
					- Gateway Project for Customs upgradation	This project aims to link the Customs Trade Partners and other Govt. Agencies through a single Network Remote EDI System for e-filing of Customs documents. 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.	The upgraded version of ICEGATE for ICES 1.5 is now operational at 115 Customs locations.	This Project is under support and maintenance phase. Some new functionality include online refund of service tax, online registration of DFIA licences, centralized bond management and e-payment of customs duties. At present 127 messages are exchanged between customs and its Trade Partners through ICEGATE. Mandatory e-payment multiple challan facility under new e-payment gateway has been introduced. Data transmission with e-PAO has been established.
					- 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	Risk Management System (RMS 3.1 version) compatible with ICES 1.5 is operational in 80 Customs locations.	RMS will be implemented at additional sites and the extent of trade facilitation being provided will be

1	2	3	4(i) BE	4(ii) RE	5	6	7	8
						customs along with an assured customs clearance procedure for special clients having good track record and who meet specified criteria identified by the Customs.		enhanced. RMS for export cargo is expected to be launched by 30.4.2013
					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 1.0 has been phased out and ICES 1.5 has been rolled out at 109 Customs locations.	ICES 1.5 is under maintenance and support phase. New modules to suite changes in policies are continuously developed and added to ICES 1.5.
					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 delivery of As Is reports and modules of the development phase have been presented and discussed at various forums of Centre and States.	The pilot is currently in maintenance phase upto 31.03.2013
					EASIEST	The objective is to make available accurate tax	During 2012-13, 59.89 Lac challans have been uploaded. 98% of the	Efforts are being made to ensure 100% challan

1	2	3	4		5	6	7	8
			4(i) BE	4(ii) RE				
						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.	revenue in Central Excise and 87% of revenue in Service tax was through e-payment.	upload by the banks into NSDL site. This will 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	10.18	20.00	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 curving smuggling of dangerous/ prohibited goods, prevention of environment hazardous and protection of endangered species.	All 109 boats have been received and deployed. An amount of ₹5.44 crores was released in the Financial year 2012-13.	

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.	76.97	10.17	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.	The contracted dates of installation of Scanners are /are as below: **MOBILE SCANNERS** Kandla-12/02/2013 Chennai - 12/11/2012 Tuticorin - 12/11/2012 FIXED SCANNERS Kandla-05/09/2013 Chennai - 28/02/2013 Tuticorin - 04/12/2012 Mumbai - 14/05/2013	The progress is being monitored by the Project Implementation Committee. There has been delay in commissioning of scanners because of inadequate deployment of manpower, machinery and material by the suppliers. Factory Acceptance Test (FAT) for Mobile Gamma Ray Scanners was conducted at Carolina, USA from 03/12/2012 to 11/12/2012 by delegation from CBEC. It is likely to be delivered in India in Financial Year 2013-14. M/s BEL has requested for extension of delivery for installation of Fixed Scanners and follows:- Kandla-14/02/2014 Chennai- 31/01/2014

1	2	3	4		5	6	7	8
			4(i) BE	4(ii) RE				
								Tuticorin- 31/01/2014 Mumbai-14/02/2014
4.	Major Head 4059 - Acquisition of Office Accommodation	To meet shortfall in Office Accommodation	28.00	4.31	The purchase of office accommodation will bridge the shortfall in requirement of office space.	-Further payment in respect of office space in NBCC building, Saket, New Delhi purchased in March, 2008. -Payment of stamp duty and other charges to be made to local authority i.e. Mumbai Municipal Corporation in respect of building purchased from Specified Undertaking of Unit Trust of India in November, 2006 at Mumbai. -Payment for purchase of office accommodation at Chennai from TNSCB, purchase of office space for LTU at Kolkata and for other small proposals likely to be made.	Payment in such cases depends on various formalities involving consultation with different concerned authorities.	For purchase of office space from NBCC in New Delhi for use by CBEC, an advance payment of ₹30.00 crore was made in March, 2008. Part payment of ₹7.95 crore was also made to NBCC up to March, 2010 on completion of 75% of interior work in the office space. Other payment has not been made as the completion certificate has not been obtained by the NBCC which is necessary for execution of sublease agreement between NBCC and CBEC. Payment of stamp duty and other charges in respect of building purchased from SUUTI at Mumbai payable to local authority i.e.

1	2	3	4		5	6	7	8
			4(i) BE	4(ii) RE				
								Municipal Corporation of Greater Mumbai is still pending as dispute regarding rate of stamp duty is yet to be settled. Other proposals for purchase of office accommodation from TNSCB at Chennai and office space for LTU, Kolkata have been dropped.
5.	Major Head 4216 - Acquisition of Residential Accommodation	To meet shortfall in residential accommodation	4.00	0.10	The purchase of residential accommodation will bridge the shortfall in requirement.	Purchase of ready built residential accommodation at Aizawal and lump-sum payment in respect of other ongoing projects are likely to be made.	The proposals involve obtaining clearance from CPWD, Ministry of Urban Development, SFC etc. after following the due procedure prescribed in GFRs.	For purchase of 67 flats at National Games Housing Complex at Ranchi, payment of ₹12.04 crore was made in two instalments. Balance payment of ₹1.24 crore would be made at the time of taking possession. Proposal for purchase of residential accommodation at Shillong has not been finalised. Against RE of ₹0.10 crore, the actual expenditure was NIL

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 (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	152.00	147.00	Setting up of an All India Wide Area Network	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.		
					SYSTEMS INTEGRATION (SI) Installation of Central servers (hardware, storage and security infrastructure, etc.)	● Three National Data Centres are in operation with System uptime of > 99%. Centralized monitoring and security management on 24*7*365 basis. ● All 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 (CDF) and		● 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(i) BE	4(ii) RE	5	6	7	8
						Interactive Tariff etc. are being hosted from these Data Centres. The system supports about 35000 internal users / departmental users to whom Single Sign-on (SSO) ID has been issued. It also supports about 30 Lakh taxpayers. ● 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. ● RMS Exports has		

1	2	3	4(i) BE	4(ii) RE	5	6	7	8
						been launched on 88 ICES Locations ● At present ICES applications has been rolled out at 120 ICES Locations from CBEC Data Centres ● New Modules of ICES applications have been rolled out on the existing infrastructure ● Sea to Sea Transshipment Module ¢ Containers selection Module		
					Provision of local area network to all departmental users	Provision of local area network to all Departmental users.	Local Area Network Connectivity has been provided to CBEC users in 1177 buildings with requisite IT hardware such as Thin Clients, Network Printers, Print Servers, Scanners etc.	The LAN has been implemented and is under support and maintenance phase. 24*7*365 Help Desk Facility is available to sought out users difficulty relating to LAN.
					Establishment of Data Warehouse	Data Warehouse is a centralized repository of all Customs, Central Excise and Service Tax Data which would be available to all users over MPLS network (CBEC WAN) with user friendly interface, for	The project has timely implemented. Various Analytical reports on Customs, Central Excise and Service tax have been developed and hosted on the EDW portal, using Business Intelligence software tools.	The Data Warehouse is under support and maintenance phase.

1	2	3	4		5	6	7	8
			4(i) BE	4(ii) RE				
						analytical reporting including data mining.		
					Automation of Central Excise & Service Tax (ACES)	Ensuring a large degree of transparency and reduced interface with Central Excise and Service Tax assesses through automated workflow of all business processes.	ACES has been implemented in all 104 Central Excise and Service Tax Commissionerates	● The ACES project has been implemented and is under support and maintenance phase. ● E-filing on Central Excise and Service Tax has been made mandatory ● As per Hon'ble FM directions process has been initiated for making e-payments of refunds .
					Gateway Project for Customs Up-gradation	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	The upgraded version of ICEGATE for ICES 1.5 is now operational at 115 Customs locations.	This Project is under support and maintenance phase. Some new functionalities include online refund of service tax, online registration of DFIA licences, centralized bond management and e-payment of customs duties. At present 127 messages are exchanged between customs and its Trade Partners through ICEGATE. Mandatory e-

1	2	3	4		5	6	7	8
			4(i) BE	4(ii) RE				
						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 importer/exporters and inventory cost of production lines / suppliers significantly.		payment multiple challan facility under new e-payment gateway has been introduced. Data transmission with e-PAO has been established. Cargo import module has been launched and RMS under export has been launched at 88 major customs locations.
					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	It is planned that RMS will be implemented at additional sites and 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,	Development phase for the modules of the pilot portal has ended and the delivery of As Is reports and modules of the development phase have been presented and	The pilot phase got completed on 31.03.2013.

1	2	3	4		5	6	7	8
			4(i) BE	4(ii) RE				
						Returns, and Payment modules of the pilot portal, DPR preparation for GST rollout and maintenance phase of six months for the developed applications.	discussed at various forums of Centre and States.	
					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	Project is in maintenance phase along with development of additional modules. The Automation of precious cargo import module has been launched in January,14	New modules to enhance functionalities and meet changes in policies are continuously developed and 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. Modern fast vessels	During 2012-13, 59.89 Lac challans have been uploaded. 98% of the revenue in Central Excise and 87% of revenue in Service tax was through e-payment.	Efforts are being made to ensure 100% challan upload by the banks into NSDL site. This will ensure that all the revenue are reported and accounted for in the website.

1	2	3	4		5	6	7	8
			4(i) BE	4(ii) RE				
2.	Major Head 4047 - Preventive Functions - Acquisition of ships and fleets	Strengthening Anti-smuggling capability and improved coastal security	17.95	7.00	Provide Customs field formations with 109 modem fast boats	will strengthen anti-smuggling capability of Customs Department. Improved coastal security will greatly help in curbing smuggling of dangerous/prohibited goods, prevention of environment hazards and protection of endangered species.	- All 109 Boats have been received and deployed. - An amount of Rs. 4.00 Crores in the Financial year 2013-14 has been released in December, 2013.	
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.	**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. From the progress made so far, it appears that scanners at Chennai and Kandla may be deployed by May 2014 and October 2014 respectively. Payments to the tune of ₹9.97 crore was made to the vendor in last quarter of FY 2013-14 for	Because of inadequate deployment of 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).

1	2	3	4		5	6	7	8
			4(i) BE	**4(ii) RE**				
							mobile scanner installed at Tuticorin. Fixed X-Ray Scanners: Fixed container scanners were to be commissioned in different phases from December 2012 to September 2013 but there has been delay due to inadequate deployment of manpower, machinery and material. These are projected to be commissioned in different phases from July 2014 to November 2014.	
4.	Major Head 4059 - Acquisition of Office Accommodation	To meet shortfall in Office Accommodation	47.91	21.90	The purchase of office accommodation will bridge the shortfall in requirement of office space.	The availability of adequate own office space would increase the efficiency of the department.	-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	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				
							Mumbai in respect of building purchased from Specified Undertaking of Unit Trust of India in November, 2006 at Mumbai.	
5.	Major Head 4216 - Acquisition of Residential Accommodation	To meet shortfall in 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.	Lump-sum other payments in respect of other ongoing projects likely to be made.	The proposals involve obtaining clearance from CPWD, Ministry of Urban Development, SFC etc. after following the due procedure prescribed in GFRs.

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% (₹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.
- Total Indirect Tax collection in 2013-14 have shown growth of 4.12% over the comparative period of previous financial year. Union Excise Duties, Customs Duties and Service Tax collections respectively have increased/decreased by -3.67%, 3.74% and 15.01% over the collections in the comparative period of previous year.
- 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	2012-13	2013-14 (Provisional)
Customs	0.51%	0.72%	1.09%	0.67%	0.67%	0.63%	0.64%
Central Excise & Service Tax	0.64%	0.98%	1.32%	1.00%	0.96%	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 linking 20,000 Departmental users to the National Data Centre, Data Replication and DR Site has been set up to link CBEC officers with the national data centre and disaster recovery site. The Wide Area Network (WAN) has been implemented except for sites facing force majeure issues. Helpdesks have been provisioned to address user complaints on WAN and LAN issues.

(ii) System Integration - Three National Data Centers are in operation with System uptime of greater than 99%. There is centralized monitoring and security management on a 24*7*365 basis. All Centralized business software applications such as the Indian Customs EDI system (ICES), the Central Excise and Service Tax application (ACES), Indian Customs and Excise Gateway (ICEGATE), Enterprise Data Warehouse (EDW), etc. are being hosted from these National Data Centers. The system supports about 37000 internal users and has about 35 lakh registered external users (taxpayers). Websites hosted - The corporate website (cbec.gov.in), e-commerce portal (icegate.gov.in) and the ACES website (aces.gov.in) are running from this central infrastructure.

A 24*7*365 SI helpdesk is in operation for Infrastructure and resolution of end user problems.

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

Owned email domain- webmail.icegate.gov.in mail messaging solution has been implemented from the Data Centre to provide official mail accounts to over 20,000 internal users.

A Network & IT Operations Centre (NOC) has been set up for providing support to applications users and pro-active monitoring of the infrastructure.

The Infrastructure supported the following:-

- New applications/taxpayer services such as RMS Export has been launched on 88 ICES locations out of which 33 locations have been rolled out in the Quarter Jan'14-Mar'14.
- At present ICES applications has been rolled out at 120 ICESlocations from CBEC'sData Centre.

- Following new modules of ICES application have been rolled out on the existing infrastructure:-
  - ♦ Sea to Sea transshipment Module
  - ♦ Container selection module

(iii) Local Area Networks (LAN) - Local Area Network Connectivity has been provided to CBEC users in about 1177 buildings with requisite IT hardware such as Thin Clients, Network Printers, Print Servers, and Scanners etc. Using LAN, the CBEC formatio0ns will be able to securely connect/access the central computing facility. LAN helpdesk has been provisioned by the service provider for LAN issues being faced at the locations.

Customs:

The Gateway project aims to link the Customs Trade Partners and other Govt. Agencies through a single Network. Remote EDI System (RES) facility for e-filing of Customs documents from the premises of exporters/ importer /CHAs /Airlines/ Shipping Lines etc.; 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; services related to quires and replies during assessment of goods; online financial transaction with banks for customs duty payment through e-payment gateway; export incentive disbursement; and 24x7 Help Desk facility are different basis business processes available at ICEGATE. It provides doorstep services and connects various Govt. Agencies with a view to facilitate trade and industry at enhanced level of capabilities and to induce excellence in Public Service Delivery. It works in a consolidated Environment and provides all the services at a Single Window.

ICES 1.5 is now implemented at 120 Customs locations. New functionalities included in the application include facility for online refund of service tax, online registration of DFIA licenses, centralized bond management and e-payment of customs duties from any of the authorized banks at any customs location. Other modules such as automation of precious cargo, greater integration with ACES and RMS, and online interface with SEZ are under development. Mandatory e-payment, multiple challan facility under new e-payment gateway has been introduced, which has been appreciated by trade and industry at a large. Data transmission with e-PAO has already been established.

Online transmission of documents under Chapter-3 Reward Scheme has been started. DGFT has to notify date of online transmission of Chapter 3 licenses.

It is also proposed to implement the remaining messages with the Trade Partners finalized in consultation with them. Discussion on online interface with SEZ is in process. A new version of Risk Management System (RMS 3.1) compatible with ICES 1.5 is operational at 89 Customs locations.

Central Excise and Service Tax

The ACES project has been implemented and is under technical support and maintenance. Additional functionalities are planned such as detailed MIS Reports covering Central Excise and Service Tax Registration, Returns, Audit and Refunds. Further, the ACES website has been made bilingual; e-filing of Central Excise and Service Tax has been made mandatory. As per directions of Hon'ble F.M. process has been initiated for making e-payment of Refunds.

Data Warehouse

The Data Warehouse is under technical support and maintenance phase. Additional licences have been procured for CBEC officers for accessing the data Warehouse. Training sessions for field formations have been organized. Requests for data from the Board, TRU and other offices are also being processed on a daily basis. Various Analytical reports on Customs, Central Excise and Service tax (both returns and payments data) have been developed and hosted on the EDW portal, using the 'best of breed' Business Intelligence software tools.

Procurement of Scanners

Towards procurement of scanners 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 (JNPT), Nhava Sheva was taken up and completed by June, 2005. With the successful completion of the Pilot Project, a major step was taken towards facilitation of cargo clearance, efficient handling of increased volume of container traffic and improved customs control through non-intrusive examination have been achieved. In view of the encouraging results, the process of 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 Scanners for installation at Mumbai, Kandla, Chennai and Tuticorin. Ministry of Shipping has approved allocation of land for installation of scanners at Mumbai, Kandla, Chennai and Tuticorin. There has been delay in installation and commissioning of container scanners because of inadequate deployment of manpower, machinery by M/s. ECIL, Hyderabad and M/s. BEL, Bangalore. However, with the active monitoring, mobile container scanners, being supplied by M/s. EICL at Tuticorin and Chennai have been installed in March 14 and April 14 respectively, while this type of container scanner at Kandla would be installed by September, 2014. Fixed X-Ray container scanner, being supplied by M/s. BEL is likely to be installed at Turicorin, Chennai, Mumbai and Kandla in differend phases, last being in November, 2014.

As per the contracts signed with M/s. EICL, Hyderabad (supplier of mobile container scanner), the commissioning should have been completed in different phases by February, 2013. Fixed container scanner (being supplied by M/s. BEL) were to be commissioned at four locations in different phases, last in

September, 2013. However, there has been inordinate delay in execution of projects because of inadequate deployment of manpower, machinery and material by the both suppliers. Active monitoring was undertaken at a higher level, which resulted in commissioning of mobile container scanner at Turicorin in the month of March, 2014. Project at Chennai had been completed in April, 2014 and Kandla is likely to be commissioned by end of September, 2014. Similarly, fixed X-Ray container scanners are likely to be commissioned in different phases, last being November, 2014.

The numbers of containers scanned, cases booked and amount realized in preceding three years are as under:-

(` in thousands)

Year	Containers scanned through		No. of cases booked	Value of goods	Duty involved (RF+PP+INT)
	Mobile Scanner	Fixed Scanner			
2011-12	50169	66374	122	362308	61788
2012-13	82625	81369	152	453724	88265
2013-14 (Provisional)	61922	78750	192	935459	217699

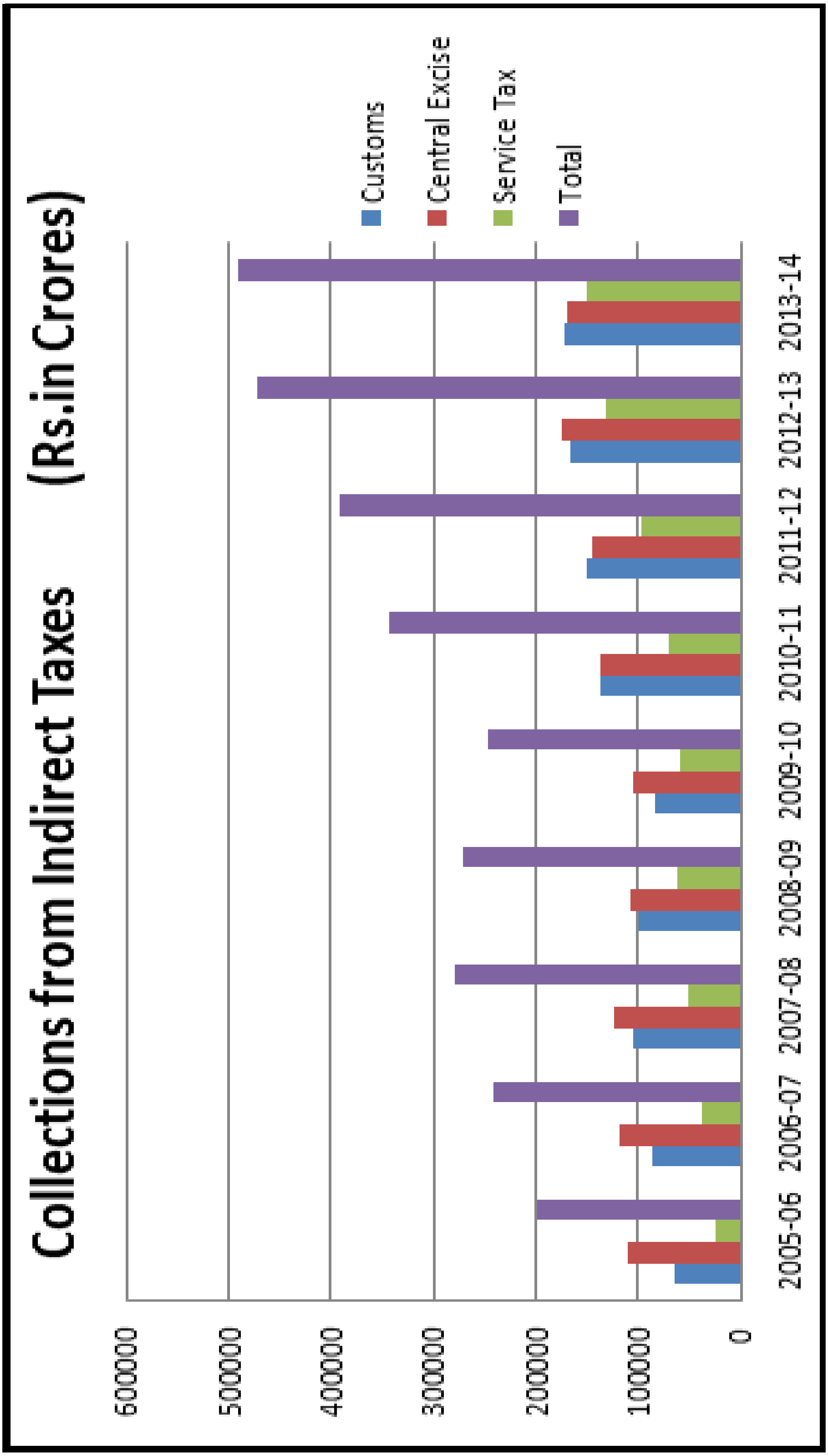
During 2011-12, 122 cases were booked through Fixed Scanner where the value of goods seized was ₹36.23 crore and customs duty involved was ₹6.18 crore. During 2012-13, 152 cases were booked involving the value of seized goods was ₹45.37 crore and customs duty of ₹8.83 crore. During 2013-14, 192 cases were booked involving the value of seized goods at ₹ 93.55 crore involving customs duty of ₹2.18 crore.

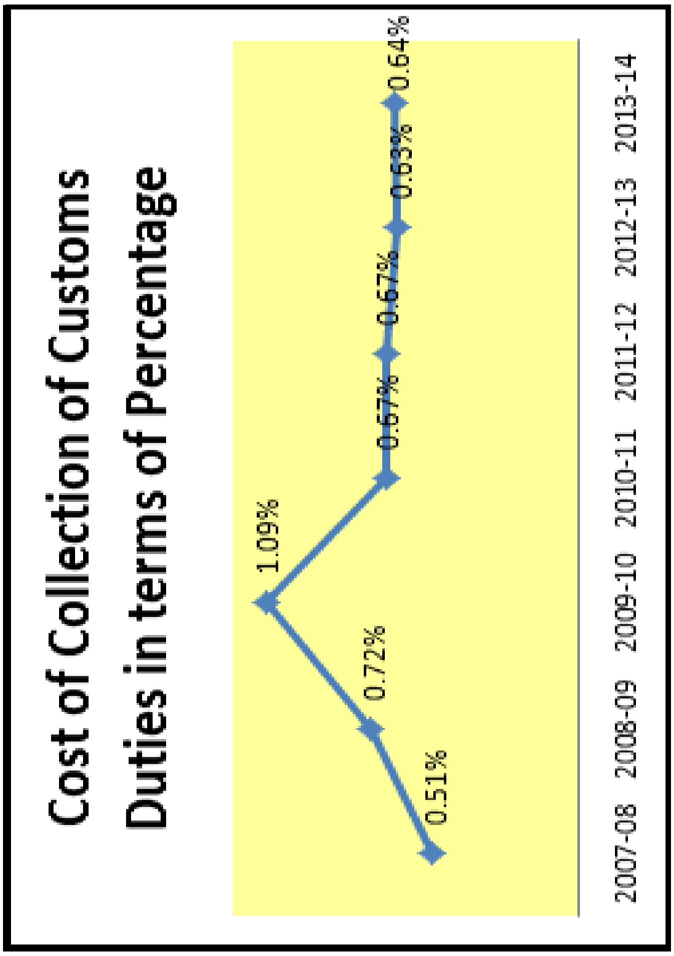
Procurement of Marine Vessels

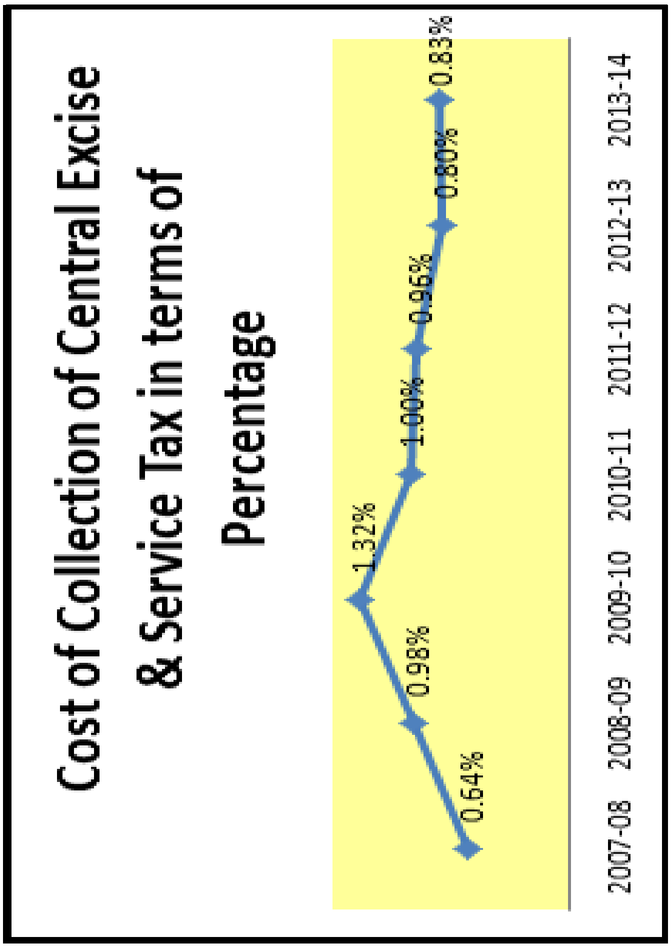
Cabinet Committee of Economic Affairs (CCEA) had approved the procurement of 109 marine vessels at a cost of ₹358.19 on 22.02.2007 including five years AMC. All 24 Category I vessels have been delivered and deployed at Mumbai (03), Goa(02), Mangalore(03), Cochin(04), Pune (Ratnagiri) (02) and one vessels each at Ahmedabad (Umargaon), Jamnagar(Okha), Kandla, Visakhapatnam, Chennai, Trichy (Tuticorin), Trichy (Nagapattinam), Visakhapatnam-II (Kakinada), Kolkatta and Bhubneshwar-I (Paradip) Commissionerate.

All 22 sanctioned Category-II vessels, have been delivered and deployed at Mumbai (03), Jamnagar (02), Pune (Ratnagiri) (02), Mangalore(02), Ahmedabad (01), Goa(01), Kandla Commissionerate (01), Cochin(03), Chennai(01), Trichy(02), Vizag(01), Bhubneshwar(01) and Kolkata(02).

All 63 Category-III vessels (30 vessels in Cat-IIIA & 33 in Cat-I(IIB have been delivered and deployed at Mumbai(07), Goa(02), Mangalore(02), Pune (04), Cochin(04), Ahmedabad (02), Jamnagar (02), Kandla (02), Chennai (03), Visakhapatnam (01), Visakhapatnam-II(02), Guntur(01), Trichy (10), Kolkatta (10), Bhubneshwar (02), Patna (03) and Shillong Commissionerate (06).


Collections from Indirect Taxes (Rs.in Crores)
Customs
Central Excise
Service Tax
Total
600000
500000
400000
300000
200000
100000
0
2005-06
2006-07
2007-08
2008-09
2009-10
2010-11
2011-12
2012-13
2013-14


Cost of Collection of Customs Duties in terms of Percentage
0.51%
0.72%
1.09%
0.67%
0.67%
0.63%
0.64%
2007-08
2008-09
2009-10
2010-11
2011-12
2012-13
2013-14


Cost of Collection of Central Excise & Service Tax in terms of Percentage
0.64%
0.98%
1.32%
1.00%
0.96%
0.80%
0.83%
2007-08
2008-09
2009-10
2010-11
2011-12
2012-13
2013-14

SUMMARISED POSITION OF SCHEMES UNDER DEMAND NO.44 - INDIRECT TAXES

(₹ in crore)

S. No.	Scheme	2012-13 BE	2012-13 RE	2012-13 Actual	2013-14 BE	2013-14 RE	2013-14 Actual (Provisional)	2014-15 BE
1.	Strengthening of IT Capability for e-governance	150.00	178.00	161.55	152.00	147.00	137.56	221.31
2.	Acquisition of Ships & Fleets	10.18	20.00	5.45	17.95	7.00	4.00	20.00
3.	Acquisition of Container Scanners	76.97	10.17	...	82.00	50.65	10.79	112.72
4.	Acquisition of Office Accommodation	28.00	4.31	4.50	47.91	21.70	4.31	133.59
5.	Acquisition of Residential Accommodation	4.00	...	...	1.34	3.36	3.20	4.50
	Total	**269.15**	**212.58**	**171.50**	**301.20**	**229.71**	**159.86**	**492.12**
	Percentage w.r.t. RE			80.68%			69.59%	

STATEMENT SHOWING SCHEME-WISE ACTUAL EXPENDITURE VIS-À-VIS BE/RE FOR THE YEARS 2011-12, 2012-13 AND 2013-14

(₹ *in crore)*

S. No.	Descriptions	Major Head	2011-12			2012-13			2013-14		
			BE	RE	Actual	BE	RE	Actual	BE	RE	Actual (Provisional)
	Revenue Section										
1	MH-2037 (Customs)										
	Collection of Customs	2037	981.51	978.03	960.56	1047.03	1051.21	1026.52	1148.47	1129.19	1093.42
	Customs Welfare Fund	2037	...	6.14	...	6.20	5.58	5.58	6.20	5.58	...
	Missions Abroad	2037	1.70	2.10	2.10	2.30	2.30	2.30	2.30	2.30	1.15
2	Collection of Union Excise Duties	2038	1970.27	1964.87	1938.32	2103.84	2126.49	2118.41	2325.63	2318.67	2267.64
	Printing of Banderols etc.	2038	...	...	...	...	...	...			
	Directorate of Inspection	2038	31.83	34.76	31.75	37.12	38.71	35.77	39.38	42.98	37.32
	Systems and Data Management	2038	135.15	134.80	131.25	138.00	165.49	155.76	143.75	139.55	128.52
	Vigilance	2038	12.61	12.32	11.61	13.10	12.73	11.43	13.78	14.13	13.46
	National Academy of Customs, Excise & Narcotics	2038	37.83	43.37	41.09	44.31	44.60	39.27	59.15	66.55	57.34
	Directorate of Publicity & Public Relations	2038	30.21	31.35	31.18	35.44	33.48	33.07	35.37	75.34	74.27
	Directorate of Central Excise Intelligence	2038	30.73	32.92	29.88	33.91	36.66	33.04	37.21	47.96	42.57
	Other Offices	2038	13.50	12.88	11.97	13.63	13.53	12.48	14.01	14.53	13.94
3	Housing - Maintenance & Repair	2216	6.00	5.30	3.96	7.00	5.00	2.80	5.00	4.50	1.95
4	Aid Material & Equipment	3606	...	...	...	...	...	...	...	...	...
	Total- Revenue Section		3251.34	3258.84	3193.67	3481.88	3535.78	3476.43	3830.25	3861.28	3731.58
5	Acquisition of Marine Vessels	4047	13.50	38.27	3.23	10.18	20.00	5.45	17.95	7.00	4.00
	Acquisition of Container Scanners	4047	70.00	43.65	43.29	76.97	10.17	...	82.00	50.65	10.79
	Major Works	4047	0.05	0.03	...	0.05	0.25	...	0.05	0.07	...
6	Acquisition of Office Buildings	4059	40.00	7.00	...	28.00	4.31	4.50	47.91	21.70	4.31
7	Acquisition of Ready Built Residential Buildings	4216	4.00	4.00	0.82	4.00	0.10	...	1.34	3.36	3.20
	Total- Capital Section		**127.55**	**92.95**	**47.34**	**119.20**	**34.83**	**9.95**	**149.25**	**82.78**	**22.30**
	Grand Total		***3378.89***	***3351.79***	***3241.01***	***3601.08***	***3570.61***	***3486.38***	***3979.50***	***3944.06***	***3753.88***
	Recoveries		-0.50	-0.50	-0.54	-0.50	-0.50	-0.41	-50	-0.50	-0.65
	Net		**3378.39**	**3351.29**	**3240.47**	**3600.58**	**3570.11**	**3485.97**	**3979.00**	**3943.56**	**3753.23**

STATEMENT SHOWING OBJECT HEAD-WISE ACTUAL EXPENDITURE VIS-À-VIS BE/RE FOR THE YEARS 2011-12, 2012-13 AND 2013-14

(₹ in crore)

S. No.	Descriptions	Major Head	2011-12 BE	2011-12 RE	2011-12 Actual	2012-13 BE	2012-13 RE	2012-13 Actual	2013-14 BE	2013-14 RE	2013-14 Actual (Provisional)
	Revenue Section										
1	Salaries		2521.00	2500.00	2476.80	2700.00	2760.00	2728.02	2981.00	2981.00	2894.04
2	Wages		12.50	13.00	12.29	14.00	15.65	15.78	16.91	16.91	16.75
3	Overtime Allowance		12.00	10.20	8.70	11.00	9.89	6.60	11.00	6.60	5.80
4	Rewards		20.00	23.15	19.01	20.50	20.50	20.19	25.00	40.00	36.91
5	Medical Treatment		25.00	24.90	23.18	26.00	25.45	24.17	28.00	28.00	25.45
6	Domestic Travel Expenses		55.00	56.50	53.91	59.50	60.60	57.83	66.00	60.00	56.73
7	Foreign Travel Expenses		1.75	1.75	1.41	1.75	1.58	1.51	2.00	1.10	0.70
8	Office Expenses		258.00	257.55	259.08	273.00	246.00	257.59	284.01	284.01	282.13
9	Rent, Rates & Taxes		110.00	127.00	115.92	119.00	124.00	121.63	130.00	134.00	133.05
10	Publications		1.20	1.16	1.11	1.20	1.40	1.18	1.40	1.27	1.27
11	Other Administrative Expenses		3.10	3.00	3.03	3.00	2.70	2.47	25.00	25.00	22.34
12	Advertising & Publicity		26.00	26.96	26.21	31.00	28.00	27.28	36.00	70.42	69.28
13	Minor Works		14.00	14.75	11.18	17.00	12.30	8.19	17.00	15.30	8.26
14	Professional Services		14.00	16.70	15.75	17.00	15.30	15.11	17.00	18.25	19.04
15	Grants-in-Aid-General		0.09	0.09	0.07	0.09	0.08	0.07	0.09	0.08	0.08
16	Secret Service Expenditure		4.80	5.39	5.29	6.20	5.58	5.65	6.20	5.58	5.87
17	Other Charges										
	(Charged)		0.50	0.50	0.16	0.50	0.50	0.09	0.50	0.50	0.19
	(Voted)		2.40	2.60	2.54	2.94	2.87	2.69	2.94	2.88	1.58
18	Machinery & Equipment		20.00	17.50	13.72	22.00	19.80	13.25	22.00	17.80	14.55
19	Inter Accounts Transfer		...	6.14	...	6.20	5.58	5.58	6.20	5.58	...
20	Information Technology		150.00	150.00	144.31	150.00	178.00	161.55	152.00	147.00	137.56
	Total - Revenue Section		**3251.34**	**3258.84**	**3193.67**	**3481.88**	**3535.78**	**3476.43**	**3830.25**	**3861.28**	**3731.58**
21	Acquisition of Ships & Fleets		13.50	38.27	3.23	10.18	20.00	5.45	17.95	7.00	4.00
22	Acquisition of Anti Smuggling Equipment		70.00	43.65	43.29	76.97	10.17	...	82.00	50.65	10.79
23	Major Works		0.05	0.03	...	0.05	0.25	...	0.05	0.07	...
	Total - Major Head '4047'		**83.55**	**81.95**	**46.52**	**87.20**	**30.42**	**5.45**	**100.00**	**57.72**	**14.79**
24	Acquisition of Office Accommodation		40.00	7.00	...	28.00	4.31	4.50	47.91	21.70	4.31
25	Purchase of Ready Built Residential Accommodation		4.00	4.00	0.82	4.00	0.10	...	1.34	3.36	3.20
	Total - Capital Section		**127.55**	**92.95**	**47.34**	**119.20**	**34.83**	**9.95**	**149.25**	**82.78**	**22.30**
	Grand Total		***3378.89***	***3351.79***	***3241.01***	***3601.08***	***3570.61***	***3486.38***	***3979.50***	***3944.06***	***3753.88***
	Recoveries		0.50	0.50	-0.54	0.50	0.50	-0.41	0.50	0.50	-0.65
	Net		**3378.39**	**3351.29**	**3240.47**	**3600.58**	**3570.11**	**3485.97**	**3979.00**	**3943.56**	**3753.23**

FINANCIAL REVIEW
ANALYSIS OF TRENDS IN EXPENDITURE

During 2013-14, total expenditure of ₹3753.23 crore is 7.67% more than the expenditure of ₹3485.97 crore incurred in 2012-13. In Revenue Section, the increase is 7.26% is mainly due to more expenditure on pay & allowances.

Under Capital Section, there is a 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 Voluntarily Compliance Encourage Scheme (VCES) during 2013-2014 and on account of wider campaigns of publicity through outdoor and miscellaneous media.

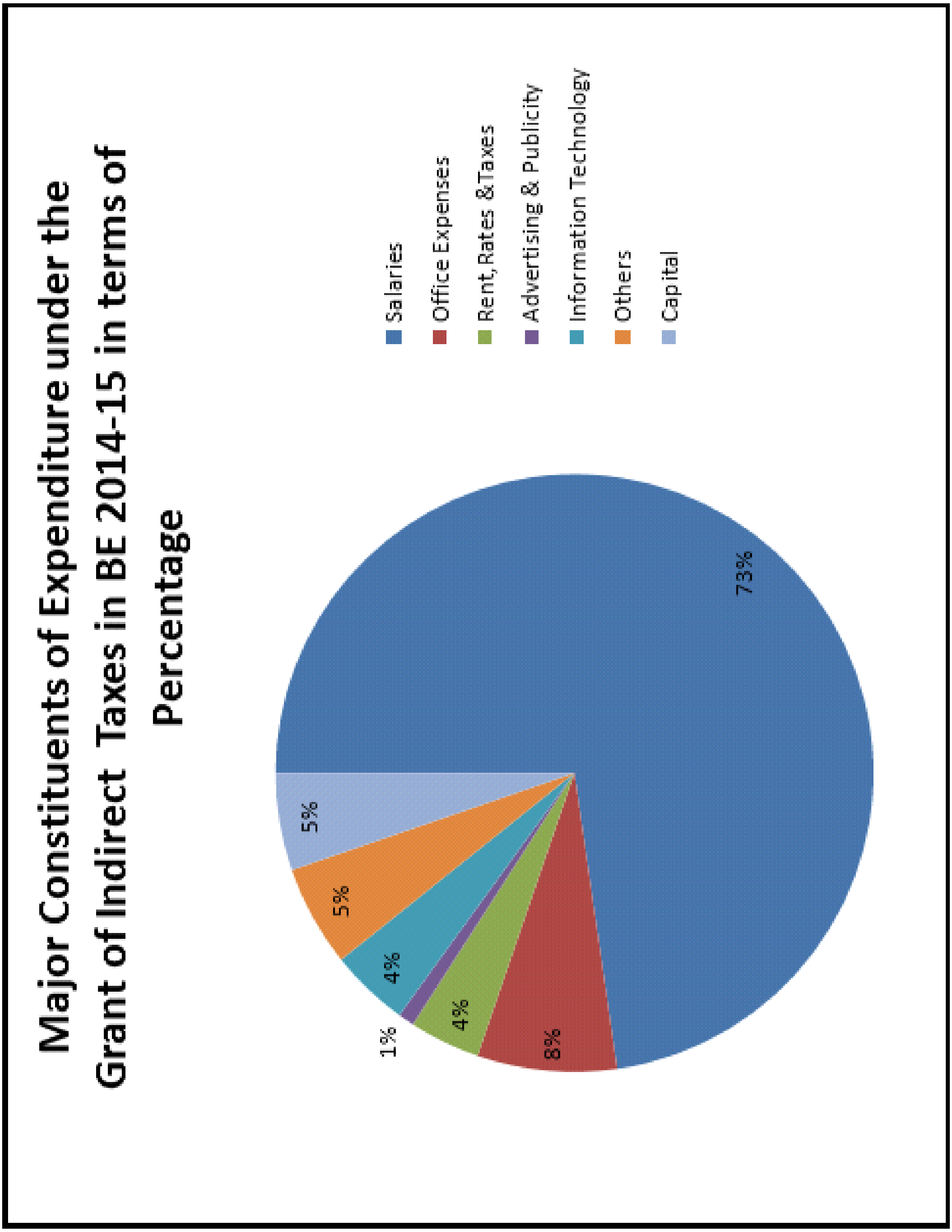
Under 'Information Technology' expenditure during 2013-14 is ₹137.56 crore which is 14.85% less than the expenditure of ₹161.55 crore incurred in 2012-13 because of less expenditure towards implementation of most of the components of consolidation of computerization programme during 2013-14.

For procurement of Marine Vessels, expenditure during 2013-14 is ₹4.00 crore which is 26.61% less than the expenditure of ₹5.45 crore incurred in 2012-13 due to non-payment to the Boat Builders linked with the construction and delivery of boats. Out of 109 vessels to be procured, 109 vessels (24 in Category-I, 22 in Category-II and 30 in Category III-A and 33 in Category III-B) have been delivered to the Department by December, 2012.

For procurement of container scanners, expenditure incurred during 2013-14 is ₹10.79 crore as against the Nil expenditure of 2012-13 which is on account of expenditure towards acquisition of anti-smuggling equipments.

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 2014-15 in terms of Percentage
Salaries
Office Expenses
Rent, Rates &Taxes
Advertising & Publicity
Information Technology
Others
Capital
73%
8%
4%
1%
4%
5%
5%

STATEMENT ON SURRENDER AND SAVING DURING THE FINANCIAL YEAR 2012-13

During the FY 2012-13 against a budgetary provision of ₹3654.98 crore including supplementary grant, there was an expenditure of ₹3486.38 crore during the year resulting into savings and surrender of`₹168.60 crore. These savings are the net effect of total savings of ₹206.37 crore and total excess of ₹37.77 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 2012-13, 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	21.32	Saving was due to non-filling of vacant posts, non-finalization of rent revision in respect of hired office building, non-finalization of proposal towards renovation of office premises and maintenance of office building, less purchase of computer and related items and requirement of less loans towards maintenance of machine and equipments.
2.	Central Revenue Control Laboratory	3.11	Saving was made due to delay in purchase of equipment for laboratories, less expenditure towards payment of overtime allowance and less purchase of computer and related items.
3.	Directorate of Logistics	3.31	Saving was due to non-filling of vacant posts, receipt of less medical claims
4.	Departmental Canteen	1.06	Saving was due to less expenditure on account of salaries to the deployed canteen persons.
5.	Inspection	4.30	Saving was mainly due to less expenditure towards Pay & Allowances to the Officers/ Staff on account of non-filling up of vacant posts.
6.	National Academy of Customs, Excise and Narcotics (NACEN)	5.04	Saving was due to joining of less number of probationers, less submission of medical claims for reimbursement to the employees and less domestic/ foreign tour undertaken by the staff and the officers.
7.	Vigilance	1.68	Saving was due to less expenditure towards Pay and Allowances of Officers/ Staff, less expenditure towards Overtime Allowance and less submission of medical claims for reimbursement to the employees.
8.	Directorate of Publicity and Publicity and Public Relations	2.37	Saving was due to requirement of less funds towards advertisement in electronic and print media.
9.	Directorate General of Central Excise Intelligence	5.13	Saving was due to less filling of vacant posts, sanction of less reward cases, less submission of medical claims and less purchase of furniture and equipments.
10.	Systems & Data Management	11.67	Saving was mainly due to less expenditure toward Object Head 'Information Technology that has been made in Supplementary Grants as well as Re-appropriation of funds.

(₹ in crore)

S. No.	Sub Head/ Scheme/ Programme	Savings	Remarks/ Reasons
11.	Collection Charges - Commissionerates (HQ)	21.83	Saving was due to less expenditure on wages, OTA, less expenditure on medical claims submitted by the employees for reimbursement, less domestic tours undertaken by the staff/ officers as well as less expenditure towards advertising and publicity.
12.	Pay and Accounts Offices (Central Excise of Principal Chief Controller of Accounts)	1.00	Saving was due to less expenditure towards allowances, less expenditure on reimbursement of medical claims submitted by employees, less domestic tours undertaken by staff/ officers, less purchase of furniture and other office equipments.
13.	Collection of Land Customs	2.86	Saving was due to non-filling of vacant posts, receipt of less medical claims and less expenditure towards wages.
14.	Other Items - Minor Works	2.86	Saving was due to requirement of less funds towards repair and maintenance of buildings.
15.	Major Head-2216 (Housing)	4.20	Saving was due to less demand for maintenance and repair of departmental residential building during the year.
16.	Capital Outlay on other Fiscal Services	81.75	Saving was due to non-fulfillment of technical specification of boats by the boat supplier and delay in import of 18 Gamma ray scanners and 2 X-ray scanners.
17.	Acquisition of Ready built accommodation	27.00	Saving was due to non-finalization of issues regarding payment of stamp duty on registration and conversion of leasehold to freehold and non-materialisaton of proposal for purchase of office accommodation.
18.	Acquisition of Ready built flats	4.00	Saving was done to non-materialisaton of proposal for purchase of residential accommodation in National Games Housing Complex at Ranchi.

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(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 as desired by the Standing Committee on Finance in its 33rd Report.*

DEPARTMENT OF DISINVESTMENT

INTRODUCTION

The Department of Disinvestment is mandated the following work:-

(1) (a) All matters relating to disinvestment of Central Government equity from Central Public Sector Enterprises(CPSEs);

(b) All matters relating to sale of Central Government equity through offer for sale or private placement in the erstwhile CPSEs;

Note: All other post disinvestment matters, including those relating to and arising out of the exercise of call option by the strategic partner in the erstwhile CPSEs, shall continue to be handled by the administrative Ministry or Department concerned, where necessary, in consultation with the Department of Disinvestment.

(2) Decisions on the recommendations of Disinvestment Commission on the modalities of disinvestment, including restructuring;

(3) Implementation of disinvestment decisions, including appointment of advisors, pricing of shares, and other terms and conditions of disinvestment;

(4) Disinvestment Commission;

(5) CPSEs for purposes of disinvestment of Government equity only;

(6) Financial policy in regard to the utilization of the proceeds of disinvestment channelised into the National Investment Fund.

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

STATEMENT OF OUTLAYS AND OUTCOMES 2014-15

S. No.	Name of the Scheme/Programe	Objective/Outcome	Outlay 2014-15 (₹ 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.	Secretariat Economic Services	To raise resources as well as unlock true value of CPSEs.	50	...	...	₹ 51,925 crore. (BE 2014-15)	To achieve wide dispersal of ownership of CPSEs. To enhance people ownership of CPSEs. Improve corporate governance. Improvement of profitability of CPSEs. Improvement of efficiency of CPSEs.	Disinvestment depends on approvals by Government, and then by SEBI, including preparedness of CPSEs No strict timelines can be prescribed. However, a roadmap is prepared by Department which is monitored on a regular basis.	- Requisite number of independent directors not appointed on the Board. - Volatility in the stock markets- Domestic & International.

REFORM MEASURES AND POLICY INITIATIVES

- 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 ₹3000 crore as disinvestment proceeds through CPSE-ETF.

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 for the financial year 2013-14 for Revenue was ₹63.24 crore and Revised Estimate was ₹30 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 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 Offer for Sale of Shares by Promoters through Stock Exchange mechanism 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 Offer for Sale of shares by Promoters through Stock Exchange mechanism. 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 Offer for Sale (OFS) of shares by Promoters through Stock Exchange mechanism. 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 Offer for Sale of Shares by Promoters through Stock Exchange mechanism. 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 Offer for Sale (OFS) of shares by Promoters through Stock Exchange mechanism. 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 ₹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 of consideration 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 Offer for Sale in the domestic market. Government realized an amount of ₹1637.32 crore.

(i) **Engineers India Ltd. (EIL)** - Government approved disinvestment of 10% paid-up equity capital in Engineers India Limited (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 ₹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 ₹1886.77 crore as disinvestment proceeds.

(k) **Indian Oil Corporation of India Ltd. (IOCL)** - Government approved disinvestment of 10% paid up equity capital of IOCL out of Government shareholding of 78.92% through Offer for Sale of Shares through Stock Exchange Mechanism as per SEBI Rules and Regulations. Government realized an amount of ₹5341.49 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 ₹3000 crore as disinvestment proceeds.

(ii) Other Disinvestment transaction(s) approved and pending implementation:

(a) **Rashtriya Ispat Nigam Ltd. (RINL)** - Government approved disinvestment of 10% paid-up equity capital in RINL. The Red Herring Prospectus was filed with SEBI on 27th September, 2012. Preparatory action for appointment of Advisors was completed. The Issue is deferred for the time being due to negative market conditions.

(b) **NEEPCO**: Government approved disinvestment of 10% paid-up equity capital in NEEPCO out of Government shareholding of 100% through Initial Public Offer (IPO). The issue was deferred due to non-completion of various projects by the Company in the year.

(c) **Hindustan Aeronautics Ltd. (HAL)** - Government approved disinvestment of 10% paid-up equity capital in HAL out of Government shareholding of 100% through an Initial Public Offering (IPO). The Book Running Lead Managers (BRLM), Legal Advisers and Registrar for the Issue have been appointed. Due diligence of the Company by the BRLMs and Legal Adviser are going on.

(d) **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. Balance 5% disinvestment will be done in due course.

II The Budgeted targets and Revised Estimates for Disinvestment receipts and amounts realized through disinvestment in CPSEs during 2012-13 and 2013-14 are given below:-

Year	Budgeted targets	Revised Estimates (₹ in crore)	Proceeds from Disinvestment (₹ in crore)	Remarks (₹ in crores)	
2012-13	30,000	24,000	23,956	National Building Construction Corporation Ltd:	124.97
				Hindustan Copper Ltd.:	807.03
				National Mineral Development Corporation Ltd. :	5973.27
				Oil India Ltd. :	3141.00
				National Thermal Power Corporation Ltd:	11456.78
				Rashtriya Chemicals & Fertilizers Ltd.:	310.15
				National Aluminum Company:	627.84
				Steel Authority of India Ltd.:	1514.50
2013-14	40,000	16,027	15,819.45	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

III In accordance with the decision of CCEA in its meeting held on 17th January 2013, the services of the Fund Managers managing the NIF were terminated on 31st March, 2013. The Fund Managers returned the NIF corpus of ₹1,814.45 crores, including the income of ₹209.20 crores accrued thereon, which has been credited to the NIF - Public Account.

FINANCIAL REVIEW

OBJECT HEAD-WISE EXPENDITURE VIS-À-VIS BE/RE FOR THE YEAR 2011-12, 2012-13 & 2013-14

(₹ in crore)

S.No.	Description	2011-12			2012-13			2013-14		
		B.E.	R.E.	Actual	B.E.	R.E.	Actual	B.E.	R.E.	Actual (Provisional)
REVENUE SECTION										
1	Salaries	2.99	3.34	3.24	3.60	3.46	3.51	3.73	3.73	4.10
2	Wages	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	Overtime Allowance	0.02	0.02	0.01	0.02	0.01	0.00	0.01	0.01	0.00
4	Medical Treatment	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04
5	Domestic Travel Expense	0.40	0.40	0.14	0.40	0.20	0.17	0.40	0.40	0.33
6	Foreign Travel Expenses	3.00	3.00	0.30	3.00	1.00	0.88	3.00	3.00	3.00
7	Office Expenses	0.95	1.10	1.10	1.00	1.00	1.00	1.00	1.20	1.20
8	Publication	0.01	0.01	0.01	0.01	0.01	0.00	0.01	0.01	0.00
9	Other Administrative Expenses	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.04	0.03
10	Advertising and Publicity	---	---	----	----	----	----	----	6.00	4.69
	Professional Services	55.14	42.57	30.31	55.09	20.04	12.10	54.97	15.51	11.61
11	Information Technology									
	(other charges)	0.05	0.07	0.08	0.05	0.04	0.05	0.05	0.05	0.05
Total Revenue Section		**62.63**	**50.58**	**35.26**	**63.24**	**25.83**	**17.77**	**63.24**	**30.00**	**25.05**
CAPITAL SECTION		**00.00**	**00.00**	**00.00**	**00.00**	**00.00**	**00.00**	**00.00**	**00.00**	**00.00**
GRAND TOTAL		**62.63**	**50.58**	**35.26**	**63.24**	**25.83**	**17.77**	**63.24**	**30.00**	**25.05**

ANALYSIS OF OVERALL TRENDS IN EXPENDITUE

The overall Revenue expenditure under this Grant was ₹35.26 crore in 2011-12, ₹17.77 crore in 2012-13 and ₹25.05 crore in 2013-14 (Provisional). This expenditure is mainly to meet the requirements of the Secretariat of the Department.

Statement on Surrender and Savings during the Financial Year 2012-13

During the Financial Year 2012-13 against a budgetary provision of ₹63.24 crore for Secretariat Economic Service, an expenditure of ₹17.77 crore was incurred resulting in a savings of ₹45.47 crore.

These savings have been segregated into following categories:-

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

₹45.47 crore (Due to Non-completion of Public Issues)

(ii) Under/Non utilization : Savings due to non-implementation/delay in execution of Projects/Schemes

Nil

(iii) Surrenders: Saving due to obsolete/defunct project/scheme or due to completion of a project/scheme and the 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.*