11.06 Science, Technology and Environment (₹ 6,856.44 crore) :– The provisions include ₹ 3,238.10 crore for Atomic Energy Research, ₹ 1,319.10 crore for Space Research, ₹ 364.58 crore for the Schemes of the Department of Science and Technology, ₹ 1,738.70 crore for the Council of Scientific and Industrial Research, ₹ 81.07 crore for Ecology and Environment and ₹ 50 crore for Oceanographic Research.

11.09 Census, Surveys and Statistics (₹ 733.17 crore): The provision is mainly for National Sample Survey Organisation.

12. NON-PLAN GRANTS TO STATE GOVERNMENTS (₹ 1,07,559.35 crore)

The provision is mainly to provide the Non-Plan Grants recommended by XIV Finance Commission. These includes Post devolution Revenue deficit grants, Grants to Municipal Bodies (Rural and Urban) and Grants as Contribution of Union to State Disaster Response Fund (SDRF). In addition a provision is also made for providing compensation to States for revenue loses due to phasing out of CST.

13. NON-PLAN GRANTS TO UNION TERRITORY GOVERNMENTS (₹ 992.35 crore)

The provision is mainly for Puducherry to cover its non-Plan revenue gap (₹ 556 crore) and Grants in lieu of share in Central taxes & duties to NCT of Delhi (₹ 325 crore). Details are given in Statement No.10.

14. GRANTS TO FOREIGN GOVERNMENTS (₹ 4,341.62 crore)

The major provisions are ₹ 1200 crore for Bhutan, ₹ 420 crore for Nepal, ₹ 200 crore for African Countries, ₹ 250 crore for Bangladesh, ₹ 500 crore for Sri Lanka, ₹ 120 crore for Myanmar, ₹ 550 crore for Afghanistan, ₹ 25 crore for Maldives, ₹ 1,076.62 crore for other developing countries and other programmes, etc. Details are given in Statement No.11.

15. NON-PLAN CAPITAL OUTLAY (EXCLUDING DEFENCE) (₹ 10,582.16 crore)

The major provisions are for Captial outlay on Research activities related to Police (₹ 1168.65 crore), Capital outlay of Atomic Energy Department (₹ 942.68 crore), acquisition of ships, vessels and aircrafts for Coast Guard Organisation (₹ 1200 crore), construction of road works by Border Roads Development Board (₹ 1942 crore), purchase of ready-built accommodation for CBDT (₹ 574.20 crore), construction of office buildings by CPWD (₹ 378.31crore), acquisition/construction of residential and non-residential buildings for Indian Missions abroad (₹ 330 crore) and Investment in International Financial Institutions (₹ 1066.29 crore), Capital Outlay on Police (₹ 2800.93 crore). Details are given in Statement No.8.

17. NON-PLAN LOANS TO UNION TERRITORY GOVERNMENTS (₹ 72 crore)

The provision is for Puducherry for covering its Non Plan gap in resources. Details are given in Statement No. 10.

18. NON-PLAN GRANTS AND LOANS TO PUBLIC ENTERPRISES (₹ 1,957.06 crore)

The provision includes ₹ 70.01 crore for meeting shortfall in resources of Public Sector Enterprises. A lumpsum provision of ₹ 150 crore has been provided for revival schemes of Public Sector Enterprises. Another lumpsum provision of ₹ 734 crore has been made for Voluntary Separation Scheme and statutory dues. An amount of ₹ 1,003.05 crore is also provided to Public Sector Undertakings as grants. Details are given in Statement No.9.

21. NON-PLAN EXPENDITURE OF UNION TERRITORIES WITHOUT LEGISLATURE (₹ 4,982.25 crore)

The provisions include ₹ 1,541.38 crore for Andaman and Nicobar Islands, ₹ 141.56 crore for Dadra and Nagar Haveli, ₹ 549.59 crore for Lakshadweep, ₹ 2,594.50 crore for Chandigarh and ₹ 155.22 crore for Daman and Diu. Details are given in Statement No.3.

Defence Services (₹ 54,500 crore) and other civil departments (₹34,021.26 crore) including pensionary benefits of the employees of the Department of Telecommunications together with employees absorbed in Bharat Sanchar Nigam Ltd. (₹ 6,833.02 crore) and ₹ 965 crore for medical treatment of CGHS pensioners. Pensionary charges of Railways and Department of Posts are treated as part of operating expenses of these Departments.

9.09 Others (₹ 3,425.92 crore) :– The major provisions included are ₹ 1593.47 crore for public works, ₹ (-)125 crore for working expenses of Canteen Stores Department, ₹ 300 crore for transfer to Guarantee Redemption Fund, ₹ 372.52 crore for Secretariat of Border Roads Organisation and ₹ 1284.93 crore for others.

The revenue expenditure of the commercial departments included in this sector, namely the Canteen Stores Department, is estimated at ₹ 14,799.62 crore. However, this will be offset by receipts of ₹ 14,924.62 crore.

10. SOCIAL SERVICES

10.01 Education (₹ 12,873.34 crore) :– The provision includes ₹ 2,403.47 crore for Kendriya Vidyalayas, ₹ 511 crore for Navodaya Vidyalaya Samiti, ₹ 6,095.45 crore for University Grants Commission, ₹ 3,295.98 crore for technical education including ₹ 1,703.85 crore for Indian Institutes of Technology and ₹ 934.98 crore for National Institutes of Technology. This also includes provisions for Indian Institutes of Management (₹ 5 crore), Support to Indian Institute of Science and Indian Institutes of Science for Education and Research (₹ 269.09 crore), National Institute for Industrial Engineering, Mumbai (₹ 27.14 crore), National Institutes of Technical Teachers Training and Research (₹ 65.55 crore), assistance to other institutes including SLIET, NERIST, NIFFT, Ranchi & CIT Kokrajhar (₹106.68 crore) and ISM, Dhanbad (₹ 74.50 crore).

10.04 Medical, Public Health and Family Welfare (₹ 4,554.11 crore) :– The provision includes ₹ 815 crore for Central Government Health Scheme, ₹ 1,619 crore for hospitals and dispensaries, ₹ 2,038.30 crore for medical education, training and research ₹ 479.86 crore for Public Health Schemes and Indian Council of Medical Research (₹ 295 crore). This also includes ₹ 205.36 crore towards Ayurveda, Yoga and Naturopathy Siddha and Homoeopathy.

10.06 Information and Broadcasting (₹ 2,730.57 crore):- The provision includes grants to Prasar Bharati (₹ 2,342.12 crore) towards meeting salary and salary related expenditure and ₹ 388.45 crore for the various information and publicity agencies like Films Division, Directorate of Advertising and Visual Publicity, Press Information Service, Song and Drama Division, Publications Division, etc.

10.07 Labour Welfare (₹ 3,138.52 crore) :– The provision includes ₹ 2,540 crore for contribution to the Social Security for Employees' Pension Scheme, 1995. Other schemes for which provision has been made include Industrial Relations, Working Conditions and Safety, Labour Welfare, Labour Education and Training of Craftsmen and Supervisors.

10.08 Social Security and Welfare (₹ 3,068.73 crore):– The provision includes ₹ 750.16 crore for pension and other benefits to freedom fighters, ₹ 55.81crore for child and women welfare and ₹ 59.82 crore for the welfare of handicapped, etc.

10.09 Secretariat Social Services (₹ 464.15 crore):– This includes a provision of ₹ 71 crore for Health and Family Welfare Secretariat, ₹ 99.95 crore for Higher Education, ₹ 43.08 crore for Labour & Employment and ₹ 58.33 crore for Information & Broadcasting.

10.10 Others (₹ 2,280.04 crore):- This include Art & Culture (₹ 691.09 crore), Housing & Urban Development (₹ 852.22 crore), Sports & Youth Services (₹ 119.75 crore).

11. ECONOMIC SERVICES

11.01 Agriculture and Allied Activities (₹2,928.34 crore):– The provisions are for various schemes relating to crop husbandry, plantations, soil and water conservation, animal husbandry, dairy development, fisheries, forestry and wild life, food, storage, warehousing, etc. Major provision is for agricultural research and education (₹ 2,622.89 crore).

11.02 Foreign Trade & Export Promotion (₹ 1,704.03 crore) : - The provision is mainly towards assistance for Export Promotion and Market Development (₹ 1,259.93 crore) for deemed export benefits. This provision also includes payment of Grants to Export Promotion and other institutions for specific export promotion schemes.

11.04 Industry and Minerals (₹ 1,709.99 crore) :– The main provisions are for village and small industries, the Geological Survey of India, the industrial projects of Department of Atomic Energy, including nuclear fuel projects and for organisations and schemes relating to textiles and jute. The provision for projects of Department of Atomic Energy takes into account ₹ 1,156.42 crore as net receipts on Fuel Fabrication Facilities, which is treated as a departmentally run commercial undertaking. This includes provision for Bhaba Atomic Research Centre (₹ 437.35 crore).

11.05 Transport (₹ 4,139.92 crore) :– The provisions mainly relate to maintenance of roads and bridges (₹ 3,490.26 crore), including National Highways (₹ 2,701.47 crore), Border Roads Organisation (₹ 736 crore) and Dredging and Survey Organisations (₹ 286.46 crore). Lighthouses and Lightships Department is treated as a commercial undertaking and the net receipt is estimated at ₹ 38.08 crore.

Banks and PSBs on short term credit to farmers. An amount of ₹ 1,625 crore has also been provided towards interest subsidy to banks under export promotion. Provision of ₹ 101.79 crore has been made as interest subsidies to LIC for Pension Plan for Senior Citizens. Interest subsidy is also given for financing interest payment on loans raised by the CPSUs from banks for implementation of VRS in Central Public SectorUndertakings (₹ 44.11 crore). An amount of ₹100 crore has also been made towards interest subvention to the industrial units to be set up in the States of the Andra Pradesh and Telengana. Details of interest subsidies are given in Statement No.5.

3.3 Other Subsidies (₹ 1520.00 crore) :- The details of other subsidies are given in Statement No.6. Major items for which provisions have been made are explained below:-

(a) **Scheme for exending financial assistance to Suger Undertakings-2007 (₹ 800 crore):** The provision is for providing financial assistance to Suger Undertakings.

(b) **Haj Subsidy (₹ 500 crore):** This is in respect of the Haj operations and is provided to subsidise the air fare payable by the Haj pilgrims.

(c) **Support for Market Intervention/Price Support Scheme for agricultural produce-(₹ 80 crore):** The price support or market intervention measures are designed to ensure remunerative prices to farmers. The provision of ₹ crore in mainly for implementation of MIS/ PSS.

(d) **Subsidy for Helicopter Services in North East Region (₹ 76.45 crore):** The provision is for providing Helicopter Services in North East Region.

(e) **Subsidy to Shipyard's (₹ 43 crore):** The provision is for subsidy to Non-Central PSUs Shipyards and private sector Shipyards.

(f) **Subsidy on import of Pulses (₹ 10 crore):** The provision is for subsidy on import of pulses.

4. ASSISTANCE TO STATES FROM NATIONAL DISASTER RESPONSE FUND (₹ 5,690 crore)

The Thirteenth Finance Commission has recommended merger of the existing National Calamity Contingency Fund (NCCF), constituted as per the recommendations of Eleventh Finance Commission, into National Disaster Response Fund (NDRF) as provided under Disaster Management Act, 2005. The amount collected from National Calamity Contingent Duty (NCCD) is transferred to the NDRF and assistance to States for calamity relief is met out of the NDRF. It is estimated that NCCD of ₹ 5,690 crore will be collected and transferred to NDRF.

6. POSTAL DEFICIT (₹ 6,665.09 crore)

Postal Deficit represents the shortfall in the working expenses of the Department of Posts. While the working expenses of the Department is placed at ₹ 18,701.96 crore, postal receipts are estimated at ₹ 12,036.87 crore, leaving a deficit of ₹ 6,665.09 crore.

7. REIMBURSEMENT OF LOSSES TO RAILWAYS ON OPERATING STRATEGIC LINES (₹ 664.82 crore)

An amount of ₹ 664.82 crore is provided towards reimbursement in 2015-16 to Railways for losses on operating strategic lines.

8. SUBSIDIES TO RAILWAYS FOR DIVIDEND RELIEF AND OTHER CONCESSIONS (₹ 4,728.71 crore)

In terms of the recommendations of the Railway Convention Committee, the Railways are given concessions in payment of dividend to General Revenues on a number of items. These have been explained in the Receipts Budget. The dividend concessions, except those relating to loss on operating of strategic lines, are provided to Railways in the form of subsidy from General Revenues.

9. GENERAL SERVICES

9.01 Organs of State (₹ 5,281.62 crore) :– The main provisions are for Parliament (₹ 935.99 crore), President/Vice President (₹ 51.55 crore), Council of Ministers (₹ 415.68 crore), Administration of Justice (₹ 464.35 crore) and the Indian Audit and Accounts Department (₹ 3,414.05 crore).

9.02 Tax Collection (₹ 11,287.78 crore) :– The provisions are for expenditure of tax collecting agencies and relate mainly to the Income Tax department (₹ 4,857.97 crore), Customs (₹ 2,859.41 crore) and Central Excise (₹ 3,449.58 crore). The expenditure relating to Customs includes provision for Coast Guards (₹ 1,314 crore).

9.03 Elections (₹2,218.40 crore) :- The provision is towards normal election expenses (₹ 547 crore), issue of identity cards to voters (₹ 40 crore), General elections (₹ 1555.40 crore) and Election Commission of India (₹ 76 crore).

9.04 Secretariat-General Services (₹3,534.41 crore):- The major provisions are for Ministry of Defence, including the organisation of Controller General of Defence Accounts and Defence Estates Organisation (₹ 2,154.02 crore); External Affairs (₹ 297.98 crore), Home Affairs (₹ 291.95 crore), Revenue (₹ 184.78 crore) and Economic Affairs (₹ 162.45 crore).

9.05 Police (₹51,790.83 crore) :– The provision includes ₹ 13,647.89 crore for Central Reserve Police, ₹ 12,227.82 crore for Border Security Force, ₹ 3,723.28 crore for Assam Rifles, ₹ 5,169.02 crore for Central Industrial Security Force, ₹ 3,646.67 crore for Indo-Tibetan Border Police, ₹ 4851.77 crore for Delhi Police, ₹ 3,366.16 crore for Sashastra Seema Bal, ₹ 70 crore for Modernisation of Police Force, ₹598.76 crore for National Security Guard, ₹ 1,250.40 crore for Intelligence Bureau, ₹ 1,050.40 crore for Jammu & Kashmir Light Infantry and ₹ 477.82 crore for Central Bureau of Investigation.

9.06 External Affairs (₹5,187.32 crore) :– This expenditure is mainly for the Embassies and Missions abroad and for Special Diplomatic Expenditure.

9.07 Pensions (₹88,521.26 crore) :– The Provision is for pensions and other retirement benefits of retired personnel of

PART-II

NON-PLAN EXPENDITURE 2015-2016

Non-Plan expenditure covers all expenditure of Government not included in the Plan. It may either be revenue expenditure or capital expenditure. Part of the expenditure is obligatory in nature e.g. interest payments, pensionary charges and statutory transfers to State and Union Territory Governments. A part of the expenditure relates to essential functions of the State, e.g. defence, internal security, external affairs and revenue collection. Details of Non-Plan expenditure by broad categories are given in Statement No.4. Important items of Non-Plan expenditure included in the Budget for 2015-2016 are indicated in the following paragraphs. In general, Non-Plan Capital outlays excluding Defence Services and Union Territories (without legislature) have been put together in Statement No.8.

1. INTEREST PAYMENTS AND DEBT SERVICING (₹ 4,56,145.05 crore)

An amount of ₹ 4,55,145.05 crore is provided for payment of interest on Public Debt, both internal and external and other interest bearing liabilities of the Government. The internal debt mainly comprises market loans through dated securities; treasury bills and special securities issued to National Small Savings Fund. Other interest bearing liabilities include Insurance and Pension funds, deposits of non-Government provident funds, Reserve funds, Special securities issued to Oil marketing companies, Fertilizer companies, FCI and others. From 2004-05, the provision for interest payment on borrowings under the Market Stabilization Scheme (MSS), have been separately reflected in terms of the MoU on MSS. An amount of ₹ 1,000 crore is provided towards pre-payment premium for reduction of debt.

2. DEFENCE (₹ 2,46,727 crore)

This includes revenue and capital expenditure on Defence Services, net of recoveries and revenue receipts. The components are Army (₹ 1,04,158.95 crore), Navy (₹ 15,525.64 crore), Air Force (₹ 23,000.09 crore), Ordnance Factories (₹2,884.23 crore), Research and Development (₹ 6,570.09 crore) and Capital outlay on all the above services (₹ 94,588 crore) for modernisation of Defence forces.

3.1 MAJOR SUBSIDIES (₹ 2,27,387.56 crore)

3.1.1 Fertiliser subsidy (₹ 72,968.56 crore):- It comprises of the following:-

3.1.1.1 Imported (urea) fertilisers (₹12,300 crore) :- As indigenous production is not adequate to meet the demand for fertilisers, imports are arranged to make up for the shortfall. Mainly three varieties of fertilisers, viz. Urea, Di-ammonium phosphate(DAP) and Muriate of Potash are imported. As only Nitrogenous fertilisers are under price control, the estimates are based on the likely imports of urea during the year.

3.1.1.2 Indigenous (urea) fertilisers (₹ 38,200 crore):- Urea is the only fertilizer under statutory price control and its Maximum Retail Price (MRP) is fixed by the Government. Urea is subject to price distribution and movement control under Fertilizer Control Order (FCO) issued under Essential Commodities Act. (ECA). With effect from 01 Nov, 2012, the Urea is sold at MRP of ₹5,360 per tonne exclusive of the Central Excise Duty, Central Sales Tax, Countervailing Duty, the State Tax and other local taxes where levied. The difference between Production cost and the Concessional price, is allowed as subsidy.

3.1.1.3 Sale of decontrolled fertilisers with concession to farmers (₹ 22,468.56 crore) :- The provision relates to payments to manufacturers/importers of fertilisers/agencies. The scheme was introduced after the prices of phosphatic and potassic fertilisers were decontrolled, with a view to enable farmers to maintain a healthy N:P:K ratio and contain prices of fertilizers.

3.1.2 Food subsidy (₹ 1,24,419 crore) :- Food Subsidy is provided in the budget of the Department of Food & Public Distribution to meet the difference between economic cost of foodgrains and their sales realization at Central Issue Prices fixed for Targeted Public Distribution System (TPDS) and other welfare schemes. In addition, the Central Government also procures foodgrains for meeting the requirements of buffer stock. Hence, part of the food subsidy also goes towards meeting the carrying cost of buffer stock. The subsidy is provided to Food Corporation of India, for procurement and distribution of wheat and rice under TPDS and other welfare schemes and for maintaining the buffer stock of foodgrains as a measure of food security. 12 States & 1 UT, namely Andhra Pradesh, Madhya Pradesh, Uttar Pradesh, Rajasthan, Chhattisgarh, West Bengal, Uttarakhand, Tamil Nadu, Andaman & Nicobar Islands, Odisha, Gujarat, Kerala and Karnataka have undertaken the responsibility of not only procuring foodgrains from within the State but also distributing the same to the targeted population under TPDS and other welfare schemes. Under this scheme of Decentralized Procurement, State specific economic cost is determined by the Government of India and the difference between the economic cost and the Central Issue Prices is passed on to the States as food subsidy. Recently, Government of Bihar has decided to adopt 'Direct Cash Payment (DCP)'scheme. Other states are being persuaded to adopt this scheme.

Provision of ₹ 1,24,419 crore for food subsidy also includes a provision of ₹ 64,919 crore for implementation of National Food Security Act.

3.1.3 Petroleum subsidy (₹30,000 crore): - Government modulates the retail selling price of Diesel, PDS Kerosene and Domestic LPG to insulate consumers from the full impact of high international crude prices. This includes ₹22,000 crore for subsidy on LPG and ₹8000 crore for Kerosene subsidy.

3.2 Interest subsidies (₹ 14,903.42 crore) :- Interest subsidy includes a provision of ₹ 13,000 crore as interest subvention to NABARD, Regional Rural Banks, Co-operative