



**MEMORANDUM OF UNDERSTANDING (MoU)**

**BETWEEN**

**PRINCIPAL SECRETARY TO GOVERNMENT  
FINANCE DEPARTMENT**

**AND**

**MINISTRY OF FINANCE  
Government of Jammu and Kashmir**

**[2013-14]**

**Government of Jammu and Kashmir  
FINANCE DEPARTMENT**

## Section 1: Vision, Mission, Objectives and Functions

### Vision

Financial self-reliance for Jammu and Kashmir Government through efficient and appropriate resource mobilization and utilization.

### Mission

Generate and access resources for giving fillip to development and growth of the State on a sustainable basis. Infuse financial discipline in the State. Implement fiscal reforms programme for providing fiscal and financial stability to the State. Efficient management of State's fiscal resources, judicious financial allocation and regulation of expenditure.

### Objectives

- 1 Preparation of Annual Budget and the Supplementary Demands.
- 2 Performing Advisory and mandated Roles for other departments.
- 3 Monitoring and managing various FRBM compliances and efficient Debt Management.
- 4 Promoting efficient Debt Management.
- 5 Utilizing optimally audit/inspections/monitoring as tools for ensuring financial discipline.
- 6 Ensuring efficient functioning of treasuries.
- 7 Efficient Management and administration of Unfunded Debt Accounts.
- 8 Effective implementation of Acts and Statutes by the Commercial Taxes.
- 9 Effective Implementation of Acts and Statutes relating to Excise.

### Functions

- 1 Realistic estimation of State's resources and judicious allocation in the budget
- 2 Fiscal management of resources including borrowings.
- 3 Formulation, amendment of rules/regulations for the efficient conduct of financial administration of Government
- 4 Efficient implementation of all the Acts and Statutes being administered by the Commercial Taxes and Excise Departments
- 5 Create and manage requisite departmental resources including IT infrastructure for achieving the objective of healthy revenue growth and efficient fiscal management of the resources
- 6 Periodic inspections of field offices as per fixed targets

## Section 1: Vision, Mission, Objectives and Functions

- 7 Regular review meetings of Treasury Officers/FA & CAOs/Taxation Officers for ensuring efficient functioning.
- 8 Periodic Revenue/Performance Review meetings of Excise and Taxation Departments.
- 9 Affecting recoveries of outstanding amounts by the Commercial Taxes and the Excise Departments.
- 10 Maintenance of GPF/SLI accounts of the government employees.

**Section 2:**  
**Inter se Priorities among Key Objectives, Success indicators and Targets**

Objective	Weight	Action	Success Indicator	Unit	Weight	Target / Criteria Value				
						Excellent	Very Good	Good	Fair	Poor
						100%	90%	80%	70%	60%
[1] Preparation of Annual Budget and the Supplementary Demands.	15.00	[1.1] Finalization of consultative process with departments and other stake holders.	[1.1.1] Timely Completion.	Date	4.00	05/02/2014	10/02/2014	12/02/2014	15/02/2014	--
		[1.2] Preparation of annual budget.	[1.2.1] Timely preparation.	Date	5.00	28/02/2014	03/03/2014	04/03/2014	05/03/2014	--
		[1.3] Monitoring of action taken on previous budget cabinet decisions/budget announcements.	[1.3.1] Filing of ATR before Budget Cabinet.	Date	2.00	20/02/2014	22/02/2014	24/02/2014	26/02/2014	--
			[1.3.2] Laying of ATR in the House along with the Annual Budget to be presented within 10 days of convening of Budget Session.	Day	2.00	--	--	--	--	--
		[1.4] Presentation of budget.	[1.4.1] Presentation within ten days of convening of Budget Session.	Day	2.00	9	10	12	12	--
[2] Performing Advisory and mandated Roles for other departments.	5.00	[2.1] Concurring to administrative approval proposals.	[2.1.1] Disposal of the proposals received from the Department within timeline.	%	2.00	100	90	80	70	60
		[2.2] Concurring to advance drawal proposals.	[2.2.1] Disposal of the proposals received from the Department within timeline	%	2.00	100	90	80	70	60

## Section 2: Inter se Priorities among Key Objectives, Success indicators and Targets

Objective	Weight	Action	Success Indicator	Unit	Weight	Target / Criteria Value				
						Excellent	Very Good	Good	Fair	Poor
						100%	90%	80%	70%	60%
		[2.3] Rendering financial advances.	[2.3.1] Disposal of the proposals received from the Department within timeline	%	1.00	100	90	80	70	60
[3] Monitoring and managing various FRBM compliances and efficient Debt Management.	5.00	[3.1] Compliance with FRBM targets.	[3.1.1] Revenue deficit	% of GSDP	2.00	0	0	0.1	0.3	0.5
			[3.1.2] Fiscal deficit	% of GSDP	3.00	3.6	4.2	4.5	4.6	4.7
[4] Promoting efficient Debt Management.	10.00	[4.1] Keeping debt within ceiling	[4.1.1] Debt/ GSDP ratio	% of GSDP	4.00	51.6	52.0	52.5	53.0	53.5
		[4.2] Managing interest outgo on WMA/OD.	[4.2.1] Interest payment on WMA/OD as percentage of State's own revenue receipts.	%	6.00	0.22	0.25	0.28	0.33	0.35
[5] Utilizing optimally audit/inspections/monitoring as tools for ensuring financial discipline.	8.00	[5.1] Preparation of audit plan for the year 2014-15.	[5.1.1] Finalization of plan.	Date	1.50	15/03/2014	20/03/2014	25/03/2014	30/03/2014	31/03/2014
		[5.2] Audit of Government Organizations.	[5.2.1] Reports issued.	Number	2.00	570	565	550	530	500
		[5.3] Conducting audit of local bodies.	[5.3.1] Reports issued.	Number	1.00	70	65	60	57	55
		[5.4] Settlement of pension cases of employees of local bodies retiring during the financial year.	[5.4.1] Percentage of cases sanctioned within three months of retirement.	%	1.00	100	95	90	85	80
		[5.5] Compliance of audit reports issued upto 31.03.2012.	[5.5.1] Extent of Compliance.	%	1.00	100	90	80	70	60

## Section 2: Inter se Priorities among Key Objectives, Success indicators and Targets

Objective	Weight	Action	Success Indicator	Unit	Weight	Target / Criteria Value				
						Excellent	Very Good	Good	Fair	Poor
						100%	90%	80%	70%	60%
		[5.6] Compliance of CAG paras.	[5.6.1] Submission of replies to CAG paras received upto 31.03.2012	%	1.00	100	90	80	70	60
		[5.7] Regularization of excess over voted grants.	[5.7.1] Seek approval of Legislature to excess expenditure reported in the Appropriation Accounts pertaining to FY 2011-12, if any.	FY	0.20	2014	2015	--	--	--
			[5.7.2] Analysing and quantifying the cumulative excess expenditure reported in the Appropriation Accounts in the past upto FY2010-11 for seeking regularization in subsequent year(s).	FY	0.30	2014	2015	--	--	--
[6] Ensuring efficient functioning of treasuries.	12.00	[6.1] Development of physical infrastructure.	[6.1.1] Making treasuries functional in new buildings.	Number	4.00	16	14	13	12	11
		[6.2] Delivery of prompt services by treasuries.	[6.2.1] Payment of bills within time line.	%	3.00	100	92	83	75	65
		[6.3] Computerization of treasuries and there online connectivity.	[6.3.1] Treasuries computerization.	Number	5.00	45	43	42	41	40

## Section 2: Inter se Priorities among Key Objectives, Success indicators and Targets

Objective	Weight	Action	Success Indicator	Unit	Weight	Target / Criteria Value				
						Excellent	Very Good	Good	Fair	Poor
						100%	90%	80%	70%	60%
[7] Efficient Management and administration of Unfunded Debt Accounts.	10.00	[7.1] Maintaining GP Fund accounts of Government employees.	[7.1.1] Issue GPF Statements within four months from the end of the financial year - Current (80%)	%	2.00	100	95	90	85	80
			[7.1.2] Issue GPF Statements within four months from the end of the financial year - Backlog of 1-5- years in 7 of 22 districts of the state (20%)	%	1.00	33	30	29	28	27
			[7.1.3] Pendency in Issuance of Transfer Entry (TE) advice for inter-district transfer / adjustment of balance within time line - Current (80%)	%	0.75	30	35	40	45	--
			[7.1.4] Pendency in Issuance of Transfer Entry (TE) advice for inter-district transfer / adjustment of balance within time line - Backlog of 1-5- years in 7 of 22 districts of	%	0.25	30	35	40	45	--

## Section 2: Inter se Priorities among Key Objectives, Success indicators and Targets

Objective	Weight	Action	Success Indicator	Unit	Weight	Target / Criteria Value				
						Excellent	Very Good	Good	Fair	Poor
						100%	90%	80%	70%	60%
			the state (20%)							
		[7.2] Maintaining SLI accounts of Government employees.	[7.2.1] Posting in individual ledger cards within twenty days from the due date of receipt of SLI account.	Days	1.00	20	22	23	24	25
			[7.2.2] Pendency in Issuance of policy on receipt of application along with first subscription amount, within a time line of 25 days.	%	1.00	20	21	23	25	27
		[7.3] Settlement of final refund / maturity claim cases.	[7.3.1] Pendency in settlement of F.R cases from the date of receipt of complete case, within time line of 30 days	%	2.00	20	21	23	25	27
			[7.3.2] Pendency in disposal of maturity claim cases from the date of receipt of complete case, within time line of 15 days.	%	2.00	20	21	23	25	27
[8] Effective implementation of Acts and Statutes by the Commercial	15.00	[8.1] Collection of VAT/GST/MST.	[8.1.1] Target Realization.	Crore	11.50	4790	4780	4770	4760	4750

## Section 2: Inter se Priorities among Key Objectives, Success indicators and Targets

Objective	Weight	Action	Success Indicator	Unit	Weight	Target / Criteria Value				
						Excellent	Very Good	Good	Fair	Poor
						100%	90%	80%	70%	60%
Taxes.										
		[8.2] Collection of Stamp Duty.	[8.2.1] Target Realization.	Crore	2.50	294	293	292	291	290
		[8.3] Collection of Passenger Tax.	[8.3.1] Target Realization.	Crore	0.25	14	13.9	13.8	13.75	13.7
		[8.4] Recovery of arrears.	[8.4.1] Amount recovered.	Crore	0.50	9	8.5	8	7.5	7
		[8.5] Increasing the Dealers' base through identification of the unregistered dealers.	[8.5.1] New registrations as percentage of registered dealers upto 31.03.2013.	Crore	0.25	1.4	1.3	1.2	1.1	1
[9] Effective implementation of Acts and Statutes relating to Excise.	10.00	[9.1] Excise revenue mobilization.	[9.1.1] Target Realization.	Crore	4.00	423	422	421	420	419
		[9.2] Toll revenue mobilization.	[9.2.1] Target Realization.	Crore	4.50	502	501	500	498	497
		[9.3] Entertainment tax revenue mobilization.	[9.3.1] Target Realization.	Crore	0.25	0.54	0.53	0.52	0.51	0.50
		[9.4] Excise inspections.	[9.4.1] Inspection of excise units.	Number	0.50	3400	3300	3250	3225	3200
			[9.4.2] Invoking penal provisions under the relevant Acts as per laid down time frame.	%	0.25	92	90	88	86	85
		[9.5] Toll Nakas.	[9.5.1] Containing the increase in toll evasion cases in comparison to previous FY.	%	0.50	1	1.25	1.50	1.75	2

## Section 2: Inter se Priorities among Key Objectives, Success indicators and Targets

Objective	Weight	Action	Success Indicator	Unit	Weight	Target / Criteria Value				
						Excellent	Very Good	Good	Fair	Poor
						100%	90%	80%	70%	60%
* Efficient Functioning of the RFD System	5.00	Timely Submission of Draft Approval	On time Submission	Date	2.0	20/03/2013	21/03/2013	22/03/2013	25/03/2013	26/03/2013
		Timely Submission of Results	On time Submission	Date	1.0	01/05/2014	02/05/2014	03/05/2014	06/05/2014	07/05/2014
		Finalize Strategic Plan (After meeting all intermediate deadline)	Finalize the Strategic Plan for next 5 years	Date	2.0	10/06/2013	14/06/2013	18/06/2013	24/06/2013	28/06/2013
* Improving Internal Efficiency / Responsiveness Service Delivery of Department	5.00	Development RFDs for all Responsibility centers (Subordinate officers, Attached Officers and Autonomous Bodies)	Percentage of RCs covered	%	2.0	100	95	90	85	80
		Implementation of Sevottam	Create a compliant System to implement, monitor and review Citizen's/Client's Charter	Date	2.0	15/09/2013	20/09/2013	25/09/2013	30/09/2013	01/10/2013
			Create a compliant system to redress and monitor to public Grievances	Date	1.0	15/09/2013	20/09/2013	25/09/2013	30/09/2013	01/09/2013

\* Mandatory Objective(s)

### Section 3: Trend Values of the Success Indicators

Objective	Action	Success Indicator	Unit	Actual Value for FY 11/12	Actual Value for FY 12/13	Target Value for FY 13/14	Projected Value for FY 14/15	Projected Value for FY 15/16
[1] Preparation of Annual Budget and the Supplementary Demands.	[1.1] Finalization of consultative process with departments and other stake holders.	[1.1.1] Timely Completion.	Date	08/02/2012	07/02/2013	10/02/2014	05/02/2015	05/02/2016
	[1.2] Preparation of annual budget.	[1.2.1] Timely preparation.	Date	--	28/02/2013	28/02/2014	28/02/2015	28/02/2016
	[1.3] Monitoring of action taken on previous budget cabinet decisions/budget announcements.	[1.3.1] Filing of ATR before Budget Cabinet.	Date	--	20/02/2013	20/02/2014	20/02/2015	20/02/2016
		[1.3.2] Laying of ATR in the House along with the Annual Budget to be presented within 10 days of convening of Budget Session.	Day	--	--	10	10	10
	[1.4] Presentation of budget.	[1.4.1] Presentation within ten days of convening of Budget Session.	Day	--	--	10	10	10
[2] Performing Advisory and mandated Roles for other departments.	[2.1] Concurring to administrative approval proposals.	[2.1.1] Disposal of the proposals received from the Department within timeline.	%	--	90	90	92	94
	[2.2] Concurring to advance drawal proposals.	[2.2.1] Disposal of the proposals received from the Department within timeline.	%	--	90	90	92	94

### Section 3: Trend Values of the Success Indicators

Objective	Action	Success Indicator	Unit	Actual Value for FY 11/12	Actual Value for FY 12/13	Target Value for FY 13/14	Projected Value for FY 14/15	Projected Value for FY 15/16
	[2.3] Rendering financial advances.	[2.3.1] Disposal of the proposals received from the Department within timeline	%	--	90	90	92	94
[3] Monitoring and managing various FRBM compliances and efficient Debt Management.	[3.1] Compliance with FRBM targets.	[3.1.1] Revenue deficit	% of GSDP	3.37	0	0	0	0
		[3.1.2] Fiscal deficit	% of GSDP	4.54	4.2	3.6	3.0	3.0
[4] Promoting efficient Debt Management.	[4.1] Keeping debt within ceiling	[4.1.1] Debt/ GSDP ratio	% of GSDP	54.84	53.6	51.6	49.3	49.3
	[4.2] Managing interest outgo on WMA/OD.	[4.2.1] Interest payment on WMA/OD as percentage of State's own revenue receipts.	%	0.11	0.27	0.22	0.21	0.20
[5] Utilizing optimally audit/inspections/monitoring as tools for ensuring financial discipline.	[5.1] Preparation of audit plan for the year 2014-15.	[5.1.1] Finalization of plan.	Date	--	--	15/03/2014	15/03/2015	15/03/2016
	[5.2] Audit of Government Organizations.	[5.2.1] Reports issued.	Number	539	566	570	575	580
	[5.3] Conducting audit of local bodies.	[5.3.1] Reports issued.	Number	26	43	70	75	83
	[5.4] Settlement of pension cases of employees of local bodies retiring during the financial year.	[5.4.1] Percentage of cases sanctioned within three months of retirement.	%	--	--	100	100	100

### Section 3: Trend Values of the Success Indicators

Objective	Action	Success Indicator	Unit	Actual Value for FY 11/12	Actual Value for FY 12/13	Target Value for FY 13/14	Projected Value for FY 14/15	Projected Value for FY 15/16
	[5.5] Compliance of audit reports issued upto 31.03.2012.	[5.5.1] Extent of Compliance.	%	--	--	100	100	100
	[5.6] Compliance of CAG paras.	[5.6.1] Submission of replies to CAG paras received upto 31.03.2012	%	--	--	100	100	100
	[5.7] Regularization of excess over voted grants.	[5.7.1] Seek approval of Legislature to excess expenditure reported in the Appropriation Accounts pertaining to FY 2011-12, if any.	FY	--	--	2014	2015	2016
		[5.7.2] Analysing and quantifying the cumulative excess expenditure reported in the Appropriation Accounts in the past upto FY2010-11 for seeking regularization in subsequent year(s).	FY	--	--	2014	2015	--
[6] Ensuring efficient functioning of treasuries.	[6.1] Development of physical infrastructure.	[6.1.1] Making treasuries functional in new buildings.	Number	2	8	14	11	10
	[6.2] Delivery of prompt services by treasuries.	[6.2.1] Payment of bills within time line.	%	--	--	90	92	93
	[6.3] Computerization of treasuries and there	[6.3.1] Treasuries computerization.	Number	0	28	45	45	10

### Section 3: Trend Values of the Success Indicators

Objective	Action	Success Indicator	Unit	Actual Value for FY 11/12	Actual Value for FY 12/13	Target Value for FY 13/14	Projected Value for FY 14/15	Projected Value for FY 15/16
	online connectivity.							
[7] Efficient Management and administration of Unfunded Debt Accounts.	[7.1] Maintaining GP Fund accounts of Government employees.	[7.1.1] Issue GPF Statements within four months from the end of the financial year- Current (80%)	%	100	95	90	85	80
		[7.1.2] Issue GPF Statements within four months from the end of the financial year - Backlog of 1-5- years in 7 of 22 districts of the state (20%)	%	33	30	29	28	27
		[7.1.3] Pendency in Issuance of Transfer Entry (TE) advice for inter-district transfer / adjustment of balance within time line- Current (80%)	%	--	--	20	18	16
		[7.1.4] Pendency in Issuance of Transfer Entry (TE) advice for inter-district transfer / adjustment of balance within time line- Backlog of 1-5- years in 7 of 22 districts of the state (20%)	%	--	--	40	25	16

### Section 3: Trend Values of the Success Indicators

Objective	Action	Success Indicator	Unit	Actual Value for FY 11/12	Actual Value for FY 12/13	Target Value for FY 13/14	Projected Value for FY 14/15	Projected Value for FY 15/16
		<del>(20%)</del>						
	[7.2] Maintaining SLI accounts of Government employees.	[7.2.1] Posting in individual ledger cards within twenty days from the due date of receipt of SLI account.	Days	--	--	20	15	15
		[7.2.2] Pendency in Issuance of policy on receipt of application along with first subscription amount, within a time line of 25 days.	%	--	--	20	18	16
	[7.3] Settlement of final refund / maturity claim cases.	[7.3.1] Pendency in settlement of F.R cases from the date of receipt of complete case, within time line of 30 days.	%	--	--	20	18	16
		[7.3.2] Pendency in disposal of maturity claim cases from the date of receipt of complete case, within time line of 15 days.	%	--	--	20	18	16
[8] Effective implementation of Acts and Statutes by the Commercial Taxes.	[8.1] Collection of VAT/GST/MST.	[8.1.1] Target Realization.	Crore	3406	4212	4790	5300	5800

### Section 3: Trend Values of the Success Indicators

Objective	Action	Success Indicator	Unit	Actual Value for FY 11/12	Actual Value for FY 12/13	Target Value for FY 13/14	Projected Value for FY 14/15	Projected Value for FY 15/16
	[8.2] Collection of Stamp Duty.	[8.2.1] Target Realization.	Crore	171	271	294	323	355
	[8.3] Collection of Passenger Tax.	[8.3.1] Target Realization.	Crore	28	12	14	16	18
	[8.4] Recovery of arrears.	[8.4.1] Amount recovered.	Crore	08	07	09	10	10
	[8.5] Increasing the Dealers' base through identification of the unregistered dealers.	[8.5.1] New registrations as percentage of registered dealers upto 31.03.2013.	Crore	--	--	400	450	500
[9] Effective implementation of Acts and Statutes relating to Excise.	[9.1] Excise revenue mobilization.	[9.1.1] Target Realization.	Crore	385	413	423	445	470
	[9.2] Toll revenue mobilization.	[9.2.1] Target Realization.	Crore	430	462	502	545	590
	[9.3] Entertainment tax revenue mobilization.	[9.3.1] Target Realization.	Crore	0.47	0.54	0.54	0.60	0.60
	[9.4] Excise inspections.	[9.4.1] Inspection of excise units.	Number	3137	3276	3400	3600	3800
		[9.4.2] Invoking penal provisions under the relevant Acts as per laid down time frame.	%	88	90	90	95	98
	[9.5] Toll Nakas.	[9.5.1] Containing the increase in toll evasion cases in comparison to previous FY.	%	1	1.05	1.1	1.15	1.2

\* Mandatory Objective(s)

### Section 3: Trend Values of the Success Indicators

Objective	Action	Success Indicator	Unit	Actual Value for FY 11/12	Actual Value for FY 12/13	Target Value for FY 13/14	Projected Value for FY 14/15	Projected Value for FY 15/16
* Efficient Functioning of the RFD System	Timely Submission of Draft Approval	On time Submission	Date	--	--	21/03/2013	--	--
	Timely Submission of Results	On time Submission	Date	--	--	02/05/2014	--	--
	Finalize Strategic Plan (After meeting all intermediate deadline)	Finalize the Strategic Plan for next 5 years	Date	--	--	14/06/2013	--	--
* Improving Internal Efficiency / Responsiveness Service Delivery of Department	Development RFDs for all Responsibility centers (Subordinate officers, Attached Officers and Autonomous Bodies)	Percentage of RCs covered	%	--	--	95	--	--
	Implementation of Sevottam	Create a compliant System to implement, monitor and review Citizen's/Client's Charter	Date	--	--	20/09/2013	--	--
		Create a compliant system to redress and monitor to public Grievances	Date	--	--	20/09/2013	--	--

\* Mandatory Objective(s)

**Section 4:  
Acronym**

Sl.No	Acronym	Description
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**Section 4:**  
**Description and Definition of Success Indicators and Proposed Measurement Methodology**

Sl.No	Success Indicator	Description	Definition	Measurement	General Comments
1	[1.3.1] Filing of ATR before Budget Cabinet.	Action taken report on Budget Cabinet decisions.	Action Taken Report.	Time bound Compliance.	Implementation of Budget Cabinet decisions of last year is reported to the Cabinet.
2	[2.1.1] Disposal of the proposals received from the Department within timeline.	Time line shall be 15 days.	Time line.	Day	Indicative of the pace with which issues of other departments are disposed of.
3	[2.2.1] Disposal of the proposals received from the Department within timeline	Time line shall be 15 days.	Time line.	Day	Indicative of the pace with which issues of other departments are disposed of.
4	[2.3.1] Disposal of the proposals received from the Department within timeline	Time line shall be 15 days.	Time line.	DAY.	Indicative of the pace with which issues of other departments are disposed of.
5	[3.1.1] Revenue deficit	It is the net of total revenue receipts and total revenue expenditure.	Revenue Deficit.	Percentage of Gross of State Domestic Product.	Indicative of the revenue and expenditure scenario.

### Section 4: Description and Definition of Success Indicators and Proposed Measurement Methodology

Sl.No	Success Indicator	Description	Definition	Measurement	General Comments
6	[3.1.2] Fiscal deficit	It is the net of total revenue receipts minus recovery of loans and total expenditure minus repayment of loans.	Fiscal Deficit.	Percentage of Gross State Domestic Product.	Indicator of better fiscal management.
7	[4.1.1] Debt/ GDP ratio	Debt as percentage of Gross State Domestic Product.	Gross State Domestic Product.	%	Fiscal indicator for Debt-sustainability vis-a-vis the economy of the State.
8	[4.2.1] Interest payment on WMA/OD as percentage of State's own revenue receipts.	Restored to address the liquidity deficit.	Ways and Means Advance/Over Draft.	%	Indicator of Improved cash mangement.
9	[5.6.1] Submission of replies to CAG paras received upto 31.03 2012	Ensure replies to CAG paras in the financial year succeeding the financial year in which the CAG Report containing the paras is tabled in the House.	Financial Year.	%	Indicative of prompt attention being paid to CAG paras.
10	[5.7.1] Seek approval of Legislature to excess expenditure reported in the Appropriation Accounts pertaining to FY 2011-12, if any.	Render cogent justification for such excess, if finally established.	Financial year	Early approval	Enabling mechanism for keeping strict watch over the expenditure against voted grants and seeking approval of Legislature to the excess, if any, on a year to year basis.. Cumulative excess expenditure reported in the Appropriation Accounts in the

### Section 4: Description and Definition of Success Indicators and Proposed Measurement Methodology

Sl.No	Success indicator	Description	Definition	Measurement	General Comments
10	[5.7.1] Seek approval of Legislature to excess expenditure reported in the Appropriation Accounts pertaining to FY 2011-12, if any.	Render cogent justification for such excess, if finally established.	Financial year	Early approval	past upto the year ended 31st March, 2011 to be analysed and quantified for seeking regularization of such quantified excess in 2014-15
11	[6.2.1] Payment of bills within time line.	Time line shall be 15 days.	Time line	Day	Indicative of prompt disbursement of the bills by the treasuries.
12	[6.3.1] Treasuries computerization.	Use the TreasuryNet Application by all the treasuries of the State under a time bound action plan.	Time line.	FY	Important for bringing regulation and transparency in transactions and maintenance of accounts. Stiff targets have been assigned to fast track working on the TreasuryNet Application by all the treasuries of the State by 2015-16.
13	[7.1.1] Issue GPF Statements within four months from the end of the financial year- Current (80%)	Subscribers accounts statements issued annually	Time line.	Months from the end of FY.	Important for maintenance of updated subscribers accounts. There is backlog in the range of 1-5 years in 7 districts of bandipora, Baramulla, Kargil, Leh, Rajouri, Ramban and Reasi where subscribers strength constitutes 86306 employees i.e about 20% of the total

### Section 4: Description and Definition of Success Indicators and Proposed Measurement Methodology

Sl.No	Success Indicator	Description	Definition	Measurement	General Comments
13	[7.1.1] Issue GPF Statements within four months from the end of the financial year- Current (80%)	Subscribers accounts statements issued annually	Time line.	Months from the end of FY.	subscribers base of 418966 employees. it is proposed to clear 33% of the backlog in each of the FYs 2013-14, 2014-15 and 2015-16 to bring it up to date from the FY 2016-17.
14	[7.1.3] Pendency in Issuance of Transfer Entry (TE) advice for inter-district transfer / adjustment of balance within time line- Current (80%)	GPF balances are transfered from one district to ather at the time of transfer involving change of district.	Time line.	Day.	Indicative of correct / up-to-date balance at the credit of the subscriber.
15	[7.2.1] Posting in individual ledger cards within twenty days from the due date of receipt of SLI account.	Timely posting of SLI premium paid in individual leger cards.	Time line.	Day.	Indicative of correct maintenance of SLI accounts of insurants.
16	[7.2.2] Pendency in Issuance of policy on receipt of application along with first subscription amount, within a time line of 25 days.	Provide insurance cover to new entrants promptly, within, 25 days from the receipt of application.	Time line	Day.	Indicative of vibrant Insurance Scheme.
17	[7.3.1] Pendency in settlement of F.R cases from the date of receipt of complete case, within time line of 30 days.	Fast track settlement of final refund cases soon after retirement / death of the subscriber. Within 15 days from the receipt of complete case.	Time line	Day	Indicative of expeditious disposal of FR cases.

### Section 4: Description and Definition of Success Indicators and Proposed Measurement Methodology

Sl.No	Success indicator	Description	Definition	Measurement	General Comments
18	[7.3.2] Pendency in disposal of maturity claim cases from the date of receipt of complete case, within time line of 15 days.	Payment of maturity value amicably after the date of maturity/death of insurant, within 15 days from the receipt of complete case.	Time line	Day	Indicative of expeditious disposal of maturity claim cases.
19	[8.1.1] Target Realization.	Taxes levied under various Acts and Statutes for boosting Commercial Taxes revenue.	Target.	Crores.	Indicative of serious effort to realising own internal revenues.
20	[9.1.1] Target Realization.	Taxes levied under various Acts and Statutes for boosting Excise revenue.	Target	Crores	Indicative of serious effort to realising own internal revenues.

### Section 5 : Specific Performance Requirements from other Departments

Location Type	State	Organisation Type	Organisation Name	Relevant Success Indicator	What is your requirement from this organisation	Justification for this requirement	Please quantify your requirement from this Organisation	What happens if your requirement is not met.
Central Government		Ministry	Ministry of Finance	[6.3.1] Treasuries computerization. [3.1.1] Revenue deficit  [3.1.2] Fiscal deficit  [4.1.1] Debt/ GSDP ratio  [4.2.1] Interest payment on WMA/OD as percentage of State's own revenue receipts.	Running of Treasury Net application  Timely flow of funds and reconciliation of loan accounts.	Target can be met only by timely providing of services  Targets can only be met by timely release of funds.	100%  100% Projected.	Targets will not be achieved.  Target will not be achieved.
State Government	J & K	Departments	All Administrative Departments	[5.7.1] Seek approval of Legislature to excess expenditure reported in the Appropriation Accounts pertaining to FY 2011-12, if any.      [8.1.1] Target Realization. [8.2.1] Target Realization.	All administrative Departments to take corrective action in the month following the month in which the excess is reported in the monthly Appropriation Accounts issued by the Accountant General.    Achievement of target	Obviate any scope of excess over voted grants.    To satisfy tax revenue targets.	100% support.    100%	Invite the wrath of Legislature at the time of getting excess regularization.    Slippage of tax revenue targets.

**Section 5 :**  
**Specific Performance Requirements from other Departments**

Location Type	State	Organisation Type	Organisation Name	Relevant Success Indicator	What is your requirement from this organisation	Justification for this requirement	Please quantify your requirement from this Organisation	What happens if your requirement is not met.
				<p>[8.3.1] Target Realization.</p> <p>[8.4.1] Amount recovered.</p> <p>[9.1.1] Target Realization.</p> <p>[9.2.1] Target Realization.</p> <p>[9.3.1] Target Realization.</p> <p>[1.1.1] Timely Completion.</p> <p>[3.1.1] Revenue deficit</p> <p>[3.1.2] Fiscal deficit</p>	Timely receipt of Budget proposals/ Implementation of Budget announcements and action as per FRBM targets.	For formulations of Budget / achievement of FRBM targets	100% support.	Delay in Budget formulation process and slippage of fiscal targets.

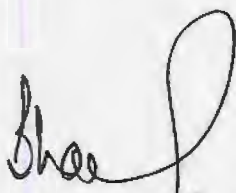
## Section 6: Outcome/Impact of Department/Ministry

Outcome/Impact of Department/Ministry	Jointly responsible for influencing this outcome / impact with the following department (s) / ministry(ies)	Success Indicator	Unit	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16
1 Reduction in revenue deficit.	All Departments	Revenue Deficit	% of GSDP	3.37	0.00	0.00	0.00	0.00
2 Reduction in Fiscal deficit.	All departments.	Fiscal Deficit.	% of GSDP	4.54	4.2	3.6	3.0	3.0
3 Reduction in Debt	All Departments.	Debt/GSDP ration	% of GSDP	54.84	53.60	51.6	49.3	48.0
4 Percentage of Plan deliverance through own resources(after BCR adjustment)	All revenue earning Departments of the State and Ministry of Finance for devolution of State's own resources.	Target realization	%	64.52	62.27	65.92	TBD	TBD

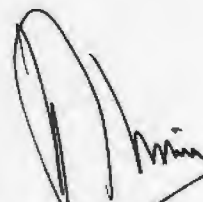
## Section: 7

### Action Plan for implementation and monitoring of the MoU

- (i) Principal Secretary to Government, Finance Department undertakes to submit quarterly reports on the various performance areas within 30 days of the end of each quarter.
- (ii) Principal Secretary to Government, Finance Department will also ensure internal monitoring of performance against MoU targets.
- (iii) Half yearly joint review meetings will be held at the Ministerial level and if need be targets will be revised in due consultation with all the stake holders.
- (iv) Within Q-1 of the next financial year, the target and achievements in respect of financial parameters will be evaluated and scores awarded.



**(B. B. Vyas)IAS**  
**Principal Secretary to Government**  
**Finance Department.**



**(A. R. Rather)**  
**Minister for Finance**