



**Report of the
Comptroller and Auditor General of India
ON
State Finances
for the year ended 31 March 2018**



लोकहितार्थं सत्यनिष्ठा
Dedicated to Truth in Public Interest

Government of Rajasthan
Report No. 2 of the year 2019

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Comptroller and Auditor General of India**

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PREFACE

1. This Report has been prepared for submission to the Governor of Rajasthan under Article 151 of the Constitution.
2. Chapters I and II of this Report contain audit observations on matters arising from examination of the Finance Accounts and Appropriation Accounts respectively, of the State Government for the year ended 31 March 2018. Information has also been obtained from the Government of Rajasthan, wherever necessary.
3. Chapter III on 'Financial Reporting' provides an overview and status of the State Government's compliance with various financial rules, procedures and directives relating to financial reporting during the current year.
4. The Reports containing the findings of performance audit and audit of transactions in various departments and observations arising out of audit of Statutory Corporations, Boards and Government Companies and the Report containing observations on Revenue Receipts are presented separately.

Executive Summary

Background

This report provides an analytical review of the finances of the Government of Rajasthan based on the audited accounts for the year ended March 2018. The financial performance of the State has been assessed based on the Fiscal Responsibility and Budgetary Management Act, Budget Documents, Economic Review 2017-18, XIV Finance Commission Report and other financial data obtained from various Government departments and organisations.

Report

This report is structured in three Chapters.

Chapter I is based on Finance Accounts of the Government of Rajasthan and makes an assessment of the State's fiscal position as on 31 March 2018. It provides an insight into trends in receipts, expenditure, borrowing pattern etc.

Chapter II is based on Appropriation Accounts of the Government of Rajasthan and analyses appropriations in various grants and includes review of selected grant.

Chapter III is status of the State Government's compliance with various reporting requirements and financial rules.

The report also includes *Appendix 1.1* giving additional data regarding Social and Economic indicators of Rajasthan. *Appendix 4.1* at the end gives a glossary of selected terms used in this report.

Audit Findings and Recommendations

Fiscal Position of the State

As compared to 2016-17, in 2017-18 there has been an increase in the rate of growth of revenue receipts and capital expenditure and decrease in the revenue expenditure as percentage of GSDP even after accounting for inflation.

(Paragraph 1.2)

The ratio of outstanding debt during the financial year was maintained within limit as targeted in budget estimates and FRBM Act. However, annual incremental borrowings were higher than the ceiling for annual borrowings fixed by the Government of India.

(Paragraph 1.10.2)

The State has achieved fiscal deficit to GSDP ratio of 3.02 *per cent* against 3 *per cent* targeted under FRBM Act. The State continued to have a revenue deficit which was ₹ 18,535 crore during 2017-18.

(Paragraph 1.11)

Budget Estimates, Revised Estimates and Actual

Revenue receipts increased by ₹ 18,281.18 crore (16.8 per cent) over the previous year which was lower by ₹ 2,855 crore and ₹ 7,386 crore than the Budget Estimates & Revised Estimates respectively.

Revenue expenditure increased by ₹ 18,701.38 crore (14.7 per cent) over the previous year which was lower than revised estimates by ₹ 9,017 crore. However, it was higher than by budget estimates by ₹ 2,152 crore.

Capital expenditure increased by ₹ 3,643.56 crore (21.5 per cent) over the previous year which was lower than budget estimates by ₹ 4,980 crore and revised estimates by ₹ 1,914 crore.

(Paragraph 1.2.2)

Recommendation: The Finance Department should rationalise the budget formulation to make the estimates included therein, more realistic so that parameters of fiscal deficit and revenue deficit are brought within the prescribed limits of the FRBM Act.

Gender Responsive Budgeting

Out of selected four gender budgeting schemes, Nil expenditure in one gender based scheme and expenditure ranging between 24 to 67 per cent in the remaining three schemes points to be need for better monitoring and implementation of gender budgeting by the State.

(Paragraph 1.2.3)

Major project/policy initiatives and status of action taken on Budget Speech 2017-18

The slow pace in follow up action and delay in starting the works points to need for better monitoring and implementing a system for pursuance of initiatives announced during budget speech on 08 March 2017.

Recommendation: Considering the importance of announcements made in the budget speech every year and the repeated recommendations by the Public Accounts Committee, the concerned departments should ensure the timely implementation and better monitoring of these schemes.

(Paragraph 1.2.4)

New Contributory Pension Scheme

As on 31st March 2018, the State Government has not transferred balance legacy amount of ₹ 63.13 crore to National Securities Depository Limited.

Recommendation: The State Government should expedite transfer of balance legacy amount of NPS to NSDL so as the Government employees are not denied of their due benefits under the scheme.

(Paragraph 1.7.2.2)

Adequacy of public expenditure

Though the ratio of development, economic sector, education and health sector expenditure to aggregate expenditure was higher than the average for the General Category States, the fact remained that infant mortality, literacy and per capita income in Rajasthan continued to be adverse as compared to All India averages.

(Paragraph 1.8.1 and Appendix 1.1)

Efficiency of Expenditure Use

The share of operation and maintenance in revenue expenditure on social services and economic services decreased to 0.91 per cent in 2017-18 from 1.19 per cent in 2016-17.

Recommendation: In order to ensure that the created assets are utilized effectively over its lifespan, it is important to ensure that adequate funds are allocated for operation and maintenance.

(Paragraph 1.8.2)

Major Programmes/Schemes

Non utilisation of substantial funds in major schemes indicates failure of the department concerned in achieving objectives and targets under the schemes as well as depriving beneficiaries of their due benefits under the schemes.

(Paragraph 1.8.3.1)

Incomplete Projects

The amount spent (₹ 20,175.99 crore) in 247 incomplete projects/works was 12 per cent of the cumulative capital outlay (₹ 1,68,490.76 crore) of the State. The total cost overrun was ₹ 7,992 crore in 39 projects. Due to non-completion of projects within the stipulated time, the expected benefits to society were delayed and the cost also increased over the years.

(Paragraph 1.9.2)

Investment and Returns

As per the Finance Accounts of the State Government, the investment of the State Government included ₹ 44,281.63 crore in 49 working Government companies, of which only eight companies declared dividend aggregating to ₹ 64.46 crore against an investment of ₹ 573.71 crore.

The investment of the State government in five power sector companies was ₹ 41,442.76 crore which was 91 per cent of the total investment of the State Government.

Recommendation: In view of the huge losses of some of the State-owned Public Sector Undertakings, the State Government may consider reviewing their working so as to reduce losses and take proactive steps to strengthen these PSUs.

(Paragraph 1.9.3)

Adverse balances under Debts, Deposits and Remittances Heads

As of 31 March 2018, there were 64 cases amounting to ₹ 1,094.90 crore of adverse balances under Debt, Deposit and Remittances (DDR) heads out of which ₹ 1,031.52 crore was under Pension Funds of employees of Municipal Councils/Municipalities under 'Insurance and Pension Funds'.

Recommendation: Adverse balances in DDR heads in 64 cases amounting to ₹ 1,094.90 crore need to be reconciled and adjusted on priority.

(Paragraph 1.9.6)

Cash balances and investment of cash balances

State Government had maintained positive cash balances throughout the financial year without availing any ways and means or overdraft situation.

(Paragraph 1.10.3)

Excess Expenditure

In 24 heads of accounts, there were cases of excess expenditure of more than ₹ one crore and also by more than 10 per cent of the total provisions in each head. Even though there was overall savings in the grant, re-appropriation within the grant was not done. Excess expenditure incurred over budgetary allocation indicates deficient budgetary and expenditure controls.

(Paragraph 2.3.1)

Rush of Expenditure

During 2017-18, 42.37 per cent (₹ 76,035 crore) of the total expenditure (₹ 1,79,473 crore) was incurred during last quarter of the current financial year. However, 37.68 per cent (₹ 64,442 crore) of the total receipts (₹ 1,71,015 crore) was received during last quarter only. The expenditure has increased from 29.08 per cent (₹ 47,141 crore) incurred in last quarter of the previous year 2016-17. Thus, substantial expenditure was incurred by the departments during last quarter of the year which was indicative of inadequate financial control over the expenditure.

Recommendation: As the expenditure during the last quarter of the year increased from 29.08 per cent in 2016-17 to 42.37 per cent in 2017-18, the GoR should regularly monitor progress of expenditure throughout the year and control rush of expenditure during the last quarter/month.

(Paragraph 2.3.2)

Savings/Persistent Savings

During 2017-18, an expenditure of ₹ 1,84,087.31 crore was incurred against total grants and appropriations of ₹ 2,00,077.50 crore leaving savings of ₹ 15,990.19 crore. Supplementary provisions of ₹ 3,160.89 crore obtained in 28 cases, proved unnecessary. Departments surrendered ₹ 15,799.52 crore on the last working day of the financial year leaving no scope for utilising these funds for other purposes. Further, in 80 cases, lump sum provision of ₹ 5,940 crore was made, out of which ₹ 4,707.59 crore (79.3 per cent) remained unutilized.

(Paragraph 2.2, 2.3.5, 2.3.9)

In 9 cases involving 8 grants there was persistent savings (₹ 100 crore and above) ranging between ₹ 164.25 crore and ₹ 1,734.07 crore during the preceding three years. The persistent savings over the years were indicative of over assessment of requirement of funds by the State Government in their Appropriation Act without adequate scrutiny and proper monitoring the flow of expenditure and trends of expenditure during previous years.

The Public Accounts Committee in its 86th (March 2016) and 153rd (March 2017) Reports had also recommended to take effective measure to avoid cases of persistent savings in future and ensure due diligence while preparing budget estimates. However, inspite of these recommendations, the incidence of persistent savings continued during 2017-18 also.

(Paragraph 2.3.4)

Outstanding Detailed Contingent bills

Detailed Contingent Bills remained outstanding against 134 Abstract Contingent Bills amounting to ₹ 429.19 crore as on 30 June 2018.

(Paragraph 2.5)

Non-submission of Utilisation Certificates

During 2016-17, 104 UCs amounting to ₹ 9.32 crore were pending for submission as on 30 June 2017. Comparatively, during 2017-18, 62 UCs amounting ₹ 2.34 crore were pending for submission. However, non-submission of UCs within the stipulated period indicates systemic deficiency in utilization of grants by the Departments and is fraught with the danger of financial mismanagement.

(Paragraph 3.1)

Departmentally managed commercial undertakings

An amount of ₹ 16,565.70 crore had been invested by the State Government in 10 undertakings at the end of financial year up to which their accounts were finalised. Of these, eight undertakings incurred accumulated loss of ₹ 12,211.94 crore, continuously for more than five years.

The finalised accounts of departmentally managed commercial and quasi-commercial undertakings reflect their overall financial health and efficiency in

conducting their businesses. As of March 2018, only seven out of 10 undertakings have prepared and submitted their accounts up to 2016-17.

Recommendation: *Head of department should ensure timely preparation and submission of proforma account for taking remedial measures, to improve efficiency and accountability of these undertakings.*

(Paragraph 3.3)

Misappropriations, losses, defalcations etc.

Out of 872 outstanding cases of misappropriation, theft and losses of Government money amounting to ₹ 67.73 crore, departmental and criminal investigation was awaited in 320 cases involving ₹ 32 crore. Further, orders for recovery/write off in 491 cases involving ₹ 30.80 crore were also awaited.

Recommendation: *Departmental inquiries in all misappropriation and embezzlement cases should be expedited and the internal controls in all these organizations should be strengthened to prevent recurrence of such cases.*

(Paragraph 3.4)

Personal Deposit Accounts

During 2017-18, the amount of ₹ 30,295.29 crore was transferred to/deposited in Personal Deposit Account, which comprised 18.05 per cent of total expenditure (₹ 1,67,798 crore). Out of this, ₹ 4,035.89 crore (13.32 per cent) was transferred to/deposited to PD Account only in March 2018. Out of total transferred, there was unspent balances of ₹ 9,538.57 crore (1,666 PD accounts) lying in all PD accounts. As of 31 March 2018, total 20 PD Accounts having balance amount of ₹ 1.98 crore remained inoperative for the last five years (2013-18).

Recommendation: *In view of huge amount credited in these PD Accounts lying unutilized for more than two to three years, the Finance Department should review these PD Accounts and ensure that amounts lying in these PD Accounts are either utilized for intended purposes or closed.*

(Paragraph 3.5)

Opaqueness in Accounts

Minor Head '800-Other Expenditure' is intended to be operated when the appropriate Minor Head has not been provided in the accounts. During 2017-18 Finance Accounts 2017-18 of Government of Rajasthan disclosed that ₹ 10,927.16 crore, comprising 6.56 per cent of the total expenditure (Revenue and Capital) were classified under the Minor Head '800-Other Expenditure'.

Recommendation: *The Finance Department should, in consultation with the Accountant General (A&E), conduct a comprehensive review of all items presently appearing under minor head 800 and ensure that all such receipt and expenditure are in future booked under the appropriate heads of account to avoid opaqueness in the accounts.*

(Paragraph 3.6)

MAIN REPORT

Chapter I

Finances of the State Government

Social Indicators of the State

Rajasthan is the largest State of India in terms of geographical area (342.24 thousand square kilometres) and eighth in terms of population. It is located in the north-western part of the country. The population of the State¹ increased from 6.52 crore in 2008 to 7.45 crore in 2017, recording a decadal growth of 14.3 *per cent*, as against the average growth rate of General Category States² at 11.6 *per cent*. The percentage of population below the poverty line* was 14.7 *per cent* which was less than the All India average of 21.9 *per cent*. The Gross State Domestic Product³ (GSDP) in 2017-18 at current prices was ₹ 8,40,263 crore (advance estimates). The literacy rate increased from 60.4 *per cent* (2001 census) to 66.1 *per cent* (2011 census), however, it was 6.9 percentage points below All India average of 73 *per cent* during the corresponding period. During 2017-18, per capita income of the State stood at ₹ 1,12,787 which was lower than the average per capita income of ₹ 1,28,853 of General Category States. The Economic and Social indicators of the State are given in *Appendix 1.1*.

Economic Indicators of State

Gross State Domestic Product (GSDP) is the market value of all officially recognised final goods and services produced within the State in a given period of time. The growth of GSDP of the State is an important indicator of the State's economy, as it denotes the standard of living of the State's population. The trends in the annual growth rate of the State's GSDP as compared to India's Gross Domestic Product (GDP) at current prices are indicated in **Table 1.1**:

¹ Population projection for India and State 2001-2026 (Revised December 2006) report of the Technical Group on population projection constituted by the National Commission on population Table-14 (projected total population by sex as on 1st October 2001-2026).

² General Category States: (i) Undivided Andhra Pradesh, (ii) Bihar, (iii) Chhattisgarh, (iv) Goa, (v) Gujarat, (vi) Haryana, (vii) Jharkhand, (viii) Karnataka, (ix) Kerala, (x) Madhya Pradesh, (xi) Maharashtra, (xii) Orissa, (xiii) Punjab, (xiv) Rajasthan, (xv) Tamil Nadu, (xvi) Uttar Pradesh and (xvii) West Bengal.

* Economic Survey 2017-18 (January 2018), Vol. II page A 160-161

³ Gross State Domestic Product (GSDP) is the market value of all officially recognised final goods and services produced within the State in a given period of time.

Table 1.1: Annual growth rate of GDP/GSDP at current prices

Year	2013-14	2014-15	2015-16	2016-17	2017-18
India's GDP# (₹ in crore)	1,12,33,522	1,24,45,128	1,37,64,037	1,52,53,714	1,67,73,145
Growth rate of GDP (percentage)	13.0	10.8	10.6	10.8	10.0
State's GSDP@ (₹ in crore)	5,51,031 [§]	6,15,695 [§]	6,83,758 [§]	7,59,235 ^{**}	8,40,263 ^{&}
Growth rate of GSDP (percentage)	11.6	11.7	11.1	11.0	10.7

Sources: # Press release of Ministry of Statistics and Programme Implementation, Government of India on 28.08.2018

@ Directorate of Economics and Statistics, Government of Rajasthan

The growth rate of GSDP was 11.7 per cent during 2014-15, which showed a decreasing trend since then and was 10.7 per cent during 2017-18. However, during 2017-18 GSDP growth rate was higher than India's GDP growth rate of 10 per cent.

1.1 Introduction

This chapter provides a broad perspective of the finances of the Government of Rajasthan (GoR) during 2017-18 and analyses the changes observed in the major fiscal aggregates in relation to that of the previous year, keeping in view the overall trends during last five years. The annual accounts of GoR consist of Finance Accounts and Appropriation Accounts. The formats of Finance Accounts, are divided into two volumes (Volume I contains the summarised financial statements and Volume II presents detailed financial statements). This is summarised in *Appendix 1.2 (Part A) and Appendix 1.2 (Part B)*.

This chapter is structured in four parts.

- Summary of Fiscal Operations.

(Para 1.2)

- Resources of the State covers details regarding revenue receipts, capital receipts and public account receipts.

(Para 1.3 to 1.6)

- Application of Resources deals with quality of expenditure and financial analysis of government expenditure and investment.

(Para 1.7 to 1.9)

- Financial position includes assets and liabilities, fiscal imbalances and debt management.

(Para 1.10 to 1.12)

[§] Estimates of GSDP of previous years has changed in current year based on Revised Estimates-II.

^{**} Estimates of GSDP of previous year has changed in current year based on Revised Estimates-I.

[&] GSDP of current year is based on Advance Estimates.

1.2 Summary of Fiscal Operations in 2017-18

Summary of Fiscal Operations gives an overview of the Fiscal position, comparison of budget estimates with actuals achieved, review of Gender Responsive Budgeting and Major project/policy initiatives and status of action taken on Budget Speech (2017-18) which are given in detail in *sub paragraphs 1.2.1 to 1.2.4*.

Table 1.2 below presents the summary of the State Government's fiscal operations during current year (2017-18) *vis-à-vis* previous year (2016-17), while *Appendix 1.3* provides an abstract of receipts and disbursements as well as overall fiscal position during the current year.

Table 1.2: Summary of Fiscal Operations in 2017-18

(₹ in crore)

Receipts			Disbursements		
	2016-17	2017-18		2016-17	2017-18
Section-A: Revenue					
Tax Revenue	44,371.66	50,605.41	General Services	39,203.26	43,450.36
Non-Tax Revenue	11,615.57	15,733.72	Social Services	49,371.68	53,064.07
Share of Union Taxes/ Duties	33,555.86	37,028.01	Economic Services	38,565.14	49,326.98
Grants-in-aid from Government of India	19,482.91	23,940.04	Grants-in-aid and Contributions	0.06	0.11
Total Section-A Revenue Receipts	1,09,026.00	1,27,307.18	Total Section-A Revenue Expenditure	1,27,140.14	1,45,841.52
Section-B: Capital and others					
Miscellaneous Capital Receipts	27.84	16.61	Capital Outlay	16,979.72	20,623.28
Recoveries of Loans and Advances	1,713.53	15,133.41	Loans and Advances disbursed	12,965.45	1,334.02
Public Debt Receipts*	43,888.85	28,556.57	Repayment of Public Debt*	5,014.57	11,673.66
Contingency Fund	-	-	Contingency Fund	-	-
Public Account Receipts#	1,56,044.35	1,56,811.26	Public Account Disbursements#	1,48,885.50	1,47,088.02
Opening Cash Balance	8,397.27	8,112.46	Closing Cash Balance	8,112.46	9,376.99
Total Section-B Receipts	2,10,071.84	2,08,630.31	Total Section-B Disbursements	1,91,957.70	1,90,095.97
Grand Total (A + B)	3,19,097.84	3,35,937.49	Grand Total (A + B)	3,19,097.84	3,35,937.49

Source: Finance Accounts for the respective years

*Excluding net transaction under Ways and Means advances and overdraft

#The figures of Public Account Receipts/Disbursements are shown on gross basis in **Table 1.2**, while in other tables/paragraphs, they are shown on net basis.

Status of fiscal indicators i.e. Fiscal Deficit, Revenue Deficit & Primary Deficit are discussed in **paragraph 1.2.1 & 1.11**.

Detailed analysis and trend analysis of the fiscal operations are discussed in subsequent paragraphs in this chapter and the salient features of fiscal operations in 2017-18 are given below:

- Revenue Receipts increased by ₹ 18,281.18 crore (16.8 per cent) over the previous year.
- Revenue Expenditure increased by ₹ 18,701.38 crore (14.7 per cent).
- Capital Outlay increased by ₹ 3,643.56 crore (21.5 per cent).
- Public Debt Receipts (excluding Ways and Means advances and overdraft) decreased by ₹ 15,332.28 crore (34.9 per cent), while Repayment of Public Debt increased by ₹ 6,659.09 crore (132.8 per cent).
- Public Account Receipts increased by ₹ 766.91 crore (0.5 per cent), while Public Account Disbursements decreased by ₹ 1,797.48 crore (1.2 per cent).
- Cash balance increased by ₹ 1,264.53 crore (15.6 per cent).

The trends of Revenue Receipts (RR)/Revenue Expenditure (RE)/Capital Expenditure (CE) relative to GSDP at current as well as constant prices are presented in the table below:

Table: Trends in RR/RE/CE at current and constant prices

Particulars	2013-14	2014-15	2015-16	2016-17	2017-18
GDP at constant prices (₹ in crore)	98,01,370	1,05,27,674	1,13,86,145	1,21,96,006	1,30,10,843
GDP at current prices (₹ in crore)	1,12,33,522	1,24,67,959	1,37,64,037	1,52,53,714	1,67,73,145
GDP Deflator ⁴	115	118	121	125	129
Revenue Receipts at current and constant prices					
RR at current prices (₹ in crore)	74,471	91,327	1,00,285	1,09,026	1,27,307
Rate of growth of RR at current prices (per cent)	11.30	22.63	9.81	8.72	16.77
RR at constant prices (₹ in crore)	64,757	77,396	82,880	87,221	98,688
Rate of growth of RR at constant prices (per cent)	4.52	19.52	7.09	5.24	13.15
Revenue Expenditure at current and constant prices					
RE at current prices (₹ in crore)	75,510	94,542	1,06,239	1,27,140	1,45,842
Rate of growth of RE at current prices (per cent)	18.98	25.20	12.37	19.67	14.71
RE at constant prices (₹ in crore)	65,661	80,120	87,801	1,01,712	1,13,056
Rate of growth of RE at constant prices (per cent)	11.74	22.02	9.59	15.84	11.15
Capital Expenditure at current and constant prices					
CE at current prices (₹ in crore)	13,664	16,103	21,986	16,980	20,623
Rate of growth of CE at current prices (per cent)	27.90	17.85	36.53	(-) 22.77	21.45
CE at constant prices (₹ in crore)	11,882	13,647	18,170	13,584	15,987
Rate of growth of CE at constant prices (per cent)	20.12	14.85	33.15	(-) 25.24	17.69

As evident from the table above, there has been fluctuating trend in growth of revenue receipts, revenue expenditure and capital expenditure during the period from 2013-14 to 2017-18. However, as compared to previous year, there has been increase in rate of growth of Revenue Receipt and Capital Expenditure both at current prices and constant prices.

⁴ GDP deflator is calculated by dividing GDP at current prices by GDP at constant prices. For converting Revenue receipts, Revenue expenditure and Capital expenditure at current prices into constant prices, GDP Deflator is used.

1.2.1 Review of fiscal position

In pursuance of the recommendations of the Twelfth Finance Commission, the State Government enacted "Fiscal Responsibility and Budgetary Management (FRBM) Act, 2005" with a view to ensure prudence in fiscal management and to maintain fiscal stability in the State. This Act was amended in 2011 and 2016. Besides, Fourteenth Finance Commission (XIV-FC) (2015-2020) also suggested fiscal consolidation roadmap for the state.

Review of fiscal position of the state, revealed the following:

(I) As per the provisions of Section 6(a) of FRBM Act, the State Government was to achieve Zero Revenue Deficit⁵ from the financial year 2011-12 and thereafter maintain it or achieve revenue surplus.

It was observed that the State Government could maintain the revenue surplus only in 2011-12 and 2012-13 and thereafter, there was revenue deficit during five consecutive years up to 2017-18. The Budget Estimates (BE), Revised Estimates (RE) and Actual figures in respect of Revenue Deficit/ Surplus during the last six years is summarised below:

(₹ in crore)

Revenue Deficit/Surplus as per	2012-13	2013-14	2014-15	2015-16*	2016-17*	2017-18	
						With UDAY	Without UDAY
Budget Estimates	(+) 928	(+) 1,026	(+) 738	(+) 557	(-) 8,802	(-) 13,528	(-)1,528
Revised Estimates	(+) 772	(-) 2,505	(-)4,220	(-) 5,232	(-) 17,838	(-) 20,166	(-)8,166
Actual	(+) 3,451	(-) 1,039	(-) 3215	(-) 5,954	(-) 18,114	(-) 18,535	(-)6,535

*with impact of UDAY⁶

It is seen from the table that the revenue deficit (including UDAY) stood at ₹ 18,535 crore which was higher than the projections made in BE (₹ 13,528 crore) but lower than RE (₹ 20,166 crore). The above table also indicates that the formulation of BE for 2013-14 to 2017-18 was deficient as there was regular and significant fall in Revised estimates and Actual in comparison to BE during these years.

State Government was unable to contain projected revenue deficit to budgeted estimates during 2017-18 as the actual revenue expenditure increased to ₹ 1,45,842 crore against the BE of ₹ 1,43,690 crore i.e by 1.50 per cent (₹ 2,152 crore) whereas the actual revenue receipt declined to ₹ 1,27,307 crore (including ₹ 2,598 crore received from GoI on account of compensation for

⁵ Revenue Deficit = Revenue Expenditure (-) Revenue Receipts.

⁶ Ujwal DISCOM Assurance Yojana (UDAY) is the financial turnaround and revival package for electricity distribution companies (DISCOMs) initiated (November 2015) by the GoI with the intent to find a permanent solution to the financial mismanagement of State DISCOMs with an objective to improve the operational and financial efficiency of the State DISCOMs by taking over 75 per cent of the debt of the DISCOMs as on 30 September 2015 over a period of 2 years. Impact of this scheme has been **discussed in paragraph 1.9.5.**

loss of revenue arising out of implementation of Goods and Service Tax) against the BE of ₹ 1,30,162 crore i.e. by 2.19 per cent (₹ 2,855 crore).

Significant decline was witnessed in revenue receipts: (i) Taxes on sales, trade etc., including State Goods and Service Tax (SGST) were ₹ 31,145 crore against BE of ₹ 35,300 crore, (ii) State Excise ₹ 7,276 crore against BE of ₹ 8,300 crore, (iii) Royalty on Petroleum were ₹ 2,579 crore against BE of ₹ 3,500 crore and (iv) Non-ferrous Mining and Metallurgical Industries generated ₹ 4,522 crore against BE of ₹ 5,200 crore.

The table below shows that the actual receipts on account of taxes on Sales, Trade etc., including SGST and Royalty on Petroleum was below the Budget Estimates during 2016-17 and 2017-18:

Particular of Receipts	2016-17			2017-18		
	BE	Actual	Increase/ Decrease (in per cent)	BE	Actual	Increase/ Decrease (in per cent)
Taxes on sales, trade etc. including SGST	34,515	28,558	(-) 17.3	35,300	31,145	(-) 11.8
Royalty on Petroleum	3,500	2,332	(-) 33.4	3,500	2,579	(-) 26.3

Source: Budget document and Finance Accounts.

Thus, relatively less control over expenditure and fall in revenue receipts than budgeted was the reason for the increase in revenue deficit.

The above position indicates that the state has to make more realistic estimates of receipts while preparing the budget of the State.

(2) Section 6 (b) of the FRBM Act, envisaged achievement of fiscal deficit⁷ of 3 per cent of GSDP by financial year 2011-12 and thereafter to maintain the ratio or reduce it.

The following table shows position of fiscal deficit as percentage of GSDP during 2015-18 as per BE, RE and Actuals:

	Budget Estimates	Revised Estimates	Actual
2015-16	2.99 (excluding UDAY)	3.62 (excluding UDAY) 9.99 (including UDAY)	3.37 (excluding UDAY) 9.22 (including UDAY)
2016-17	3.00 (excluding UDAY) 5.62 (including UDAY)	3.37 (excluding UDAY) 6.36 (including UDAY)	3.15 (excluding UDAY) 6.10 (including UDAY)
2017-18	2.95	3.46	3.02

It is observed that the ratio of fiscal deficit to GSDP for the year 2017-18 is marginally higher than the target of 3 per cent prescribed under the FRBM Act and XIV-Finance Commission. The fiscal deficit (including UDAY) stood at ₹ 25,342 crore which was higher than the projection in BE (₹ 24,754 crore) but lower than in RE (₹ 29,092 crore). Further details of fiscal deficit-GSDP ratio are given in **Paragraph 1.11.1.2.**

⁷ Fiscal Deficit = Revenue Expenditure + Capital Expenditure + Net Loan and Advances - Revenue Receipts - Miscellaneous Capital Receipts.

(3) The State Government amended (April 2016) the provisions of Section 6(c) of the FRBM Act to prescribe the limit of total outstanding debt up to 35.5 per cent of GSDP for the financial year 2017-18.

The ratio of Debt to GSDP was 33.46 during 2017-18, which was within the limit fixed under the revised FRBM Act. Further details of Debt (fiscal liability) are given in *Paragraph 1.10.2*.

(4) Against the primary deficit of ₹ 5,127 crore and ₹ 9,306 crore respectively, as projected in BE and RE, actual primary deficit stood at ₹ 5,622 crore, which was higher than BE but lower than RE.

1.2.2 Budget Estimates, Revised Estimates and Actual

The budget papers presented by the State Government provide projections or estimations of receipts and expenditure for a particular fiscal year. The importance of accuracy in the estimation of receipts and expenditure is widely accepted in the context of effective implementation of fiscal policies for overall economic management. Deviations from BE are indicative of non-attainment/non-optimisation of the desired fiscal objectives due to various reasons, some within the control of the government and some beyond its control. The State Government presented its RE for financial year 2017-18 along with BE of 2018-19 on 12 February 2018.

A comparison of Actual receipts/expenditure with BE and RE for the year 2017-18 is given in **Table 1.3** below and detailed comparison is given in *Appendix 1.6*.

Table 1.3: Budget Estimates, Revised Estimates and Actual for the year 2017-18

(₹ in crore)

Fiscal parameters	Budget Estimates	Revised Estimates	Actuals	Difference between Actuals and BE	Difference between Actuals and RE
1	2	3	4	5 (4-2)	6 (4-3)
Tax Revenue	54,569	51,817	50,605	(-) 3,964	(-) 1,212
Non-Tax Revenue	14,493	16,659	15,734	1,241	(-) 925
State's share of Union Taxes and Duties	37,229	37,029	37,028	(-) 201	(-) 1
Grants-in-aid from GoI	23,871	29,188	23,940	69	(-) 5,248
Total Revenue Receipts	1,30,162	1,34,693	1,27,307	(-) 2,855	(-) 7,386
Total Revenue Expenditure	1,43,690	1,54,859	1,45,842	2,152	(-) 9,017
Interest Payments	19,627	19,786	19,720	93	(-) 66
Capital Expenditure	25,603	22,537	20,623	(-) 4,980	(-) 1,914
Revenue Deficit (-)/Surplus (+)	(-) 13,528	(-) 20,166	(-) 18,535	(-) 5,007	1,631
Fiscal Deficit (-)/Surplus (+)	(-) 24,754	(-) 29,092	(-) 25,342	(-) 588	3,750
Primary Deficit ⁸ (-)/Surplus (+)	(-) 5,127	(-) 9,306	(-) 5,622	(-) 495	3,684

Source: Finance Accounts and Budget Documents

Analysis of revenue receipts, revenue expenditure and capital expenditure is given below:

⁸ Primary Deficit = Fiscal Deficit - Interest payments.

1.2.2.1 Revenue Receipts

Revenue Receipts were lower than BE and RE by ₹ 2,855 crore (2.2 per cent) and ₹ 7,386 crore (5 per cent) respectively. The Revenue Receipts were lower than BE/RE primarily due to lesser collection of Tax Revenue⁹. The collection in respect of most of the constituents of Tax Revenue Receipts was lower than the projections made in BE and RE as discussed in *paragraph 1.2.1*.

1.2.2.2 Revenue Expenditure

Revenue Expenditure was lower than RE by ₹ 9,017 crore (5.8 per cent), however, it was higher than BE by ₹ 2,152 crore (1.5 per cent). The revenue expenditure decreased as compared to RE mainly due to decline in expenditure by ₹ 1,035 crore under 'Pension and Other Retirement Benefits'; ₹ 337 crore under 'Police'; ₹ 1,290 crore under 'General Education'; ₹ 376 crore under 'Medical and Public Health'; ₹ 866 crore under 'Urban Development'; ₹ 1,868 crore under 'Rural Employment' and ₹ 609 crore under 'Other Rural Development Programmes'.

1.2.2.3 Capital Expenditure

During 2017-18, the capital expenditure was lower than BE and RE by ₹ 4,980 crore (19.5 per cent) and ₹ 1,914 crore (8.5 per cent) respectively. The decrease in capital expenditure in comparison to BE was mainly due to decline in expenditure under Capital Outlay on Petroleum: ₹ 1,054 crore; Water Supply and Sanitation: ₹ 1,017 crore; Medical and Public Health: ₹ 673 crore; Education, Sports, Art and Culture: ₹ 367 crore; Urban Development: ₹ 364 crore; Major Irrigation: ₹ 313 crore; Power Projects ₹ 269 crore; Public Works: ₹ 265 crore and Roads and Bridges: ₹ 243 crore. The actual expenditure in all above components of Capital Expenditure was also lower than projections made in RE.

Recommendation:1

The Government should rationalise the budget formulation to make the estimates included therein, more realistic so that parameters of fiscal deficit and revenue deficit are brought within the prescribed limit of the FRBM Act.

1.2.3 Gender Responsive Budgeting

Gender Responsive Budgeting (GRB) is a means of ensuring that public resources are allocated in an equitable way so that the most pressing needs of specific gender groups are satisfied. During the Budget speech of 2009-10, GoR announced preparation of GRB which would enable gender based budget analysis of each department. Accordingly, a High Level Committee (HLC) was formed (August, 2009) under the chairmanship of the Chief Secretary and a Gender Cell was formed in September 2009 in the Department of Women and Child Development (WCD). One of the functions and objectives of GRB

⁹ State Tax Revenue and State's share of Union Taxes and Duties decreased by ₹ 3,964 crore and ₹ 201 crore respectively compared to BE.

was consolidating budget schemes and facilitating integration of gender analysis in the Government Budget. Further, during August 2010, Gender Desks were also constituted in various departments for implementation of various GRB initiatives. Besides, GoR decided (August 2011) to include Gender Budget Statement in the new Integrated Financial Management System (IFMS) for preparation of BE from the financial year 2012-13.

Gender Budgeting in the State is regulated as per provisions contained in paragraph 13.27 of the State Budget Manual (SBM). To prepare the annual Gender Budget Statement, Budget Controlling officers of specified departments are required to provide information in the format given in the budget circular issued by the Finance Department. This format requires classification of plan schemes/Programmes targeted at women into four categories. The details of categories are given below:

A	Schemes under which expenditure targeted at women is more than 70 <i>per cent</i> .
B	Schemes under which expenditure targeted at women lies between 70 <i>per cent</i> -30 <i>per cent</i> .
C	Schemes under which expenditure targeted at women lies between 30 <i>per cent</i> -10 <i>per cent</i> .
D	Schemes under which expenditure targeted at women is less than 10 <i>per cent</i> .

The category wise allocation during 2013-18 as per budget presented in the Rajasthan Legislative Assembly was as shown below:-

Table: Gender budgetary allocations and actuals during 2013-18

(₹ in crore)						
Year		Category 'A'	Category 'B'	Category 'C'	Category 'D'	Total
2013-14	BE	3,262.82	18,832.71	980.81	60.62	23,136.96
	Actual expenditure	5,020.62	11,190.07	657.65	329.79	17,198.13
	Actual in <i>per cent</i> of BE	153.9	59.4	67.1	544.0	74.3
2014-15	BE	4,241.11	21,143.72	2,887.26	38.49	28,310.58
	Actual expenditure	5,767.98	18,329.41	1,093.63	1,315.92	26,506.94
	Actual in <i>per cent</i> of BE	136.0	86.7	37.9	3418.9	93.6
2015-16	BE	5,963.18	30,381.26	2,264.05	42.63	38,651.12
	Actual expenditure	7,814.04	20,263.82	2,176.33	49.76	30,303.95
	Actual in <i>per cent</i> of BE	131.0	66.7	96.1	116.7	78.4
2016-17	BE	5,771.71	37,876.75	3,251.84	40.64	46,940.94
	Actual expenditure	3,524.88	23,211.34	2,450.84	89.69	29,276.75
	Actual in <i>per cent</i> of BE	61.1	61.3	75.4	220.7	62.4
2017-18	BE	5,870.89	44,428.87	2,372.26	118.19	52,790.21
	Actual expenditure*	-	-	-	-	-
	Actual in <i>per cent</i> of BE	-	-	-	-	-

* Information about the expenditure incurred during 2017-18, not received from WCD (the Nodal Department) (January 2019).

With a view to assess the extent of utilisation of the gender budget, out of a total 1,133 gender specific schemes, test check was conducted in respect of 30 schemes which belonged to 'A' category with *cent per cent* allotment for

women and in which the budget exceeded ₹ 10 crore. The major irregularities noticed are summarized below:

(i) Women and Child Development Department

(a) The "*Mission Gramya Shakti*" (MGS) aims to strengthen women Self Help Groups (SHGs), through clustering, capacity building and handholding of SHGs and create channel of link with livelihood promoting programmes for woman empowerment. It was observed that no expenditure was incurred during 2017-18 on this scheme against budget provision of ₹ 16.60 crore.

Director, Women Empowerment Department informed (June 2018) that the scheme could not be implemented due to non-approval of work plan of MGS by the Finance Department. It is to be noted that despite similar observations made in the CAG's Audit Reports on the State Finances for the years 2013-14 to 2016-17, no expenditure was incurred on this scheme during 2017-18.

(b) 'Conditional Maternity Benefit Scheme', aims at improving the health and nutritional status of pregnant women (age 19 years and above), lactating women and their infants. The State Government made the provision of ₹ 25 crore in BE during 2017-18. This was subsequently reduced to ₹ 9 crore by re-appropriation and expenditure incurred was only ₹ 5.94 crore (24 per cent of BE). The reason for less expenditure as intimated (August 2018) by department was that *Pradhan Mantri Matritva Vandana Yojana* (PMMVY) was implemented (January 2017) instead of 'Conditional Maternity Benefit Scheme'.

The matter was referred to the Finance and Concerned Department, reply is awaited.

(ii) Rural Development and Panchayati Raj Department

Rajasthan Rural Livelihood Project (RRLP) was implemented by '*Rajasthan Grameen Aajeevika Vikas Parishad-RAJEEVIKA* (RGAVP)', a society established under administrative control of Rural Development and Panchayati Raj Department (RD PRD). The society aims at creating financially sustainable and effective institutional platform for the rural poor enabling them to increase household income through sustainable livelihood enhancements and improved access to financial and selected public services and to build their capacities to deal with the rapidly changing external socio-economic world.

It was observed that out of gender budget of ₹ 300 crore provided under RRLP for 2017-18, a sum of only ₹ 200 crore (67 per cent) was spent. The Department attributed the reason for less expenditure to less receipt of loans from financial institutions. However, no details were provided by the Department in this regard.

(iii) Secondary Education Department

Under the scheme for construction and operation of Girls Hostels for students of Secondary Education, residential facility is to be provided for Girl students. It was observed that gender budget for 2017-18 allocated ₹ 40.62 crore for construction and operation of Girls hostels. However, a sum of ₹ 15.26 crore (38 per cent) only was utilised. The reason for underutilisation of funds was not intimated.

Nil expenditure in one gender based scheme and expenditure ranging between 24 and 67 per cent in remaining cases points to need for better monitoring of the implementation of gender budgeting by the State as recommended by the Public Accounts Committee in its 279th Report of September 2018.

1.2.4 Major project/policy initiatives and the status of action taken on Budget Speech 2017-18

While presenting budget in March 2017 for the year 2017-18, the State Government had announced several schemes/policies. The concerned Departments intimated (June-August 2018) the status of action taken on the major policy initiatives. However, Audit observed that in respect of following project/ policy initiatives, limited or no progress was made:

Para No. of Budget speech	Name of Department	Brief of announcements made in Budget speech	Status of follow up action taken by the Department
75	Forest	It has been decided to protect and exhibit in a better way the existing fossils at fossil park near Aakal and to develop basic infrastructure in the wood fossil park for development of tourism at a cost of ₹ 10.90 crore. Provision of ₹ 5 crore in 2017-18 was proposed for this project.	Against budget announcement for provision of ₹ 5 crore, only ₹ 20 lakh was allotted in 2017-18 against which expenditure of ₹ 0.13 lakh only was incurred. The department informed (January 2019) that Detailed Project Report was reviewed in June/ August 2018 and not found technically fit and the services of the existing consultant was cancelled.
94	Mining	An amount of ₹ 500 crore will be spent on welfare activities for residents of mining affected areas. These welfare activities will include drinking water schemes, environment conservation, health, education, woman and child welfare, welfare of handicapped and senior citizens, skill development, construction and renewal of roads, energy, irrigation and water conservation.	Expenditure up to 2017-18 was only ₹ 119.18 crore. The welfare of residents of mining affected areas was therefore not met to the extent promised.

Para No. of Budget speech	Name of Department	Brief of announcements made in Budget speech	Status of follow up action taken by the Department
158	Woman and Child Development	Provision of ₹ 40 crore was proposed for ensuing year for providing basic amenities such as table, chair, green board, display board etc., in <i>Aanganwadi Kendras</i> in the state under Integrated Child Development Services.	An amount of ₹ 13.04 crore only was spent against budget provision of ₹ 40 crore on basic amenities in <i>Aanganwadi Kendras</i> as the matter is under consideration of High Court.
159	Woman and Child Development	As per budget announcement for 2016-17, ₹ 75 crore was incurred in three years on upgradation and maintenance of <i>Aanganwadi Kendras</i> being run in government buildings. Works amounting to ₹ 20 crore were started in 2016-17 and provision of ₹ 30 crore was proposed for 2017-18.	No expenditure was incurred during 2017-18. The department stated that administrative sanction was issued only for 292 <i>Kendras</i> against the target of 2,265 <i>Aanganwadi Kendras</i> upto March 2018 and action was being taken for issuing administrative and financial sanctions in respect of remaining <i>Kendras</i> (August 2018).
210	College Education	As per Budget declaration for 2014-15, new buildings were proposed to be constructed for following eight colleges at a cost of ₹ 48 crore during the year 2017-18: Government Art College, Dausa, Sikar, Kota and Chimanpura, Commerce College, Sikar and Alwar, Government Art Girls College, Kota, Government Commerce College, Kota.	An amount of only ₹ 3 crore was spent against financial sanction of ₹ 48 crore during 2017-18. Further, construction work was started in respect of only three Government College buildings (July 2018).
211	College Education	Smart science labs at a cost of ₹ 2.50 crore were to be established at selected colleges of seven divisional headquarters. Main features of these labs will be 3D animated modules, virtual reality, video etc.	No expenditure was incurred during 2017-18. The department has intimated that the sanctioned amount of ₹ 3.37 crore has been transferred to RajComp, which has started the tender process.
231	Medical Education	Life period of Cathlab installed in ICU of Medical College, Jodhpur has expired. It was, therefore, proposed to install a new Cathlab machine at a cost of ₹ 10 crore.	No expenditure was incurred during 2017-18. Tender process has been initiated for purchase of new machinery.
232	Medical Education	Construction of 2 nd floor in premises of Medical College, Kota at a cost of ₹ 29.39 crore.	No expenditure was incurred in 2017-18 despite sanction of ₹ 4 crore. The department informed that the tender was accepted in June 2018. Thus, due to delay in administrative process, the work was not started.

In most of the above cases, the works were not even started with in the period stipulated in the budget speech. Due to delays in issuing administrative and financial sanctions, the public at large was deprived of benefits in the sectors like Forest, Mining, Woman and Child Development, College Education and Medical Education.

The slow pace in follow up action and delay in starting the works points to need for better monitoring and implementing a system for pursuance of initiatives announced during budget speech on 08 March 2017.

The Public Accounts Committee in its 70th (March 2016), 116th (September 2016) and 253rd (February 2018) Reports had also recommended for timely completion of works included in the budget speeches. However, the slow pace in implementation continued during 2017-18 also.

Recommendation: 2

Considering the importance of the announcements made in the budget speech every year and the repeated recommendations by the Public Accounts Committee, the concerned departments should ensure the timely implementation and better monitoring of these schemes.

1.3 Financial Resources of the State

Financial Resources of the State as per Annual Finance Accounts

Receipts of the State Government can be divided into two categories namely Revenue Receipts¹⁰ and Capital Receipts¹¹. Besides, the funds available in the Public Account net of disbursement made from it are also utilised by the Government to finance its deficit. Following flowchart depicts the components and sub-components of the state’s financial resources:

Components and sub-components of financial resources

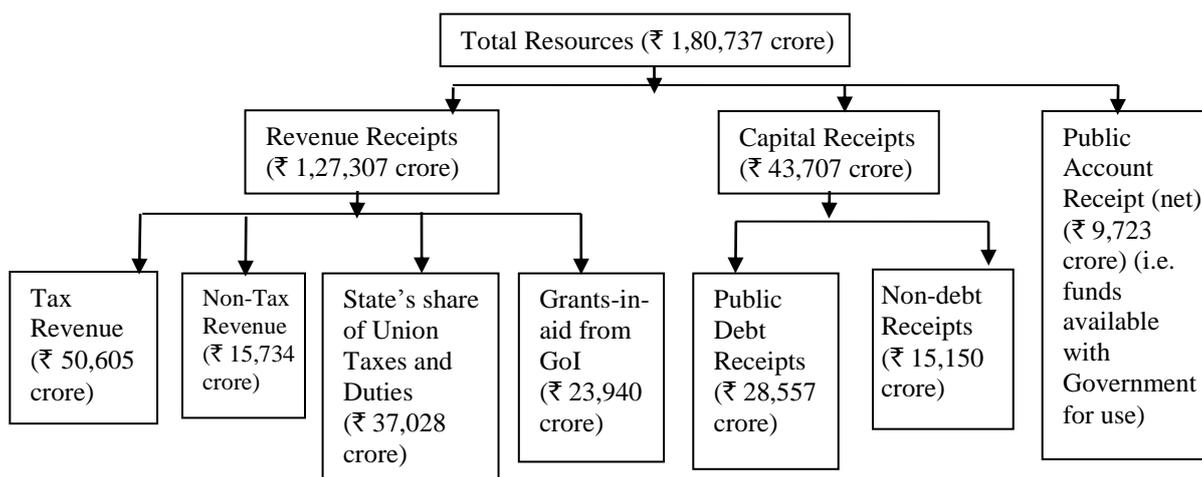
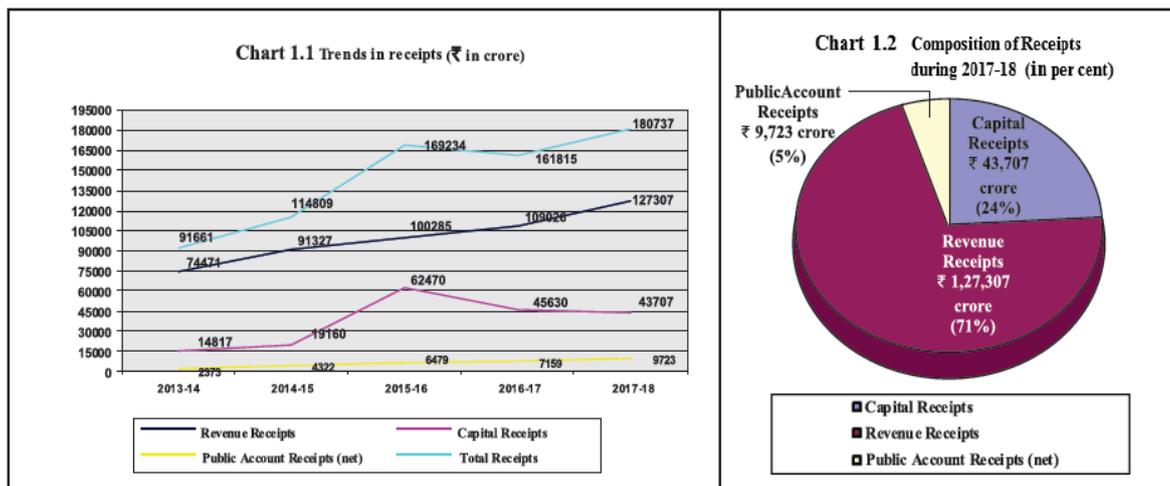


Chart 1.1 depicts the trends in various components of the receipts of the State during 2013-18 and **Chart 1.2** depicts the composition of resources of the State during the current year.

¹⁰ Revenue Receipts consist of Tax Revenues, Non-Tax Revenues, State’s share of Union Taxes and Duties and Grants-in-aid from GoI.

¹¹ Capital Receipts comprise of proceeds from disinvestments, recoveries of loans and advances, debt receipts (market loans, borrowings from financial institutions/ commercial banks) and Loans and Advances from GoI.



Source: Finance Accounts

During 2013-14 to 2017-18, total receipts (excluding Contingency Fund Receipts) increased from ₹ 91,661 crore in 2013-14 to ₹ 1,80,737 crore in 2017-18, recording average annual growth rate of 24 per cent. During 2017-18, the total receipts increased by ₹ 18,922 crore (12 per cent) in comparison to previous year.

The share of revenue receipts in total receipts was 71 per cent during the year 2017-18. Further details of Revenue Receipts are given in **Paragraph 1.4**.

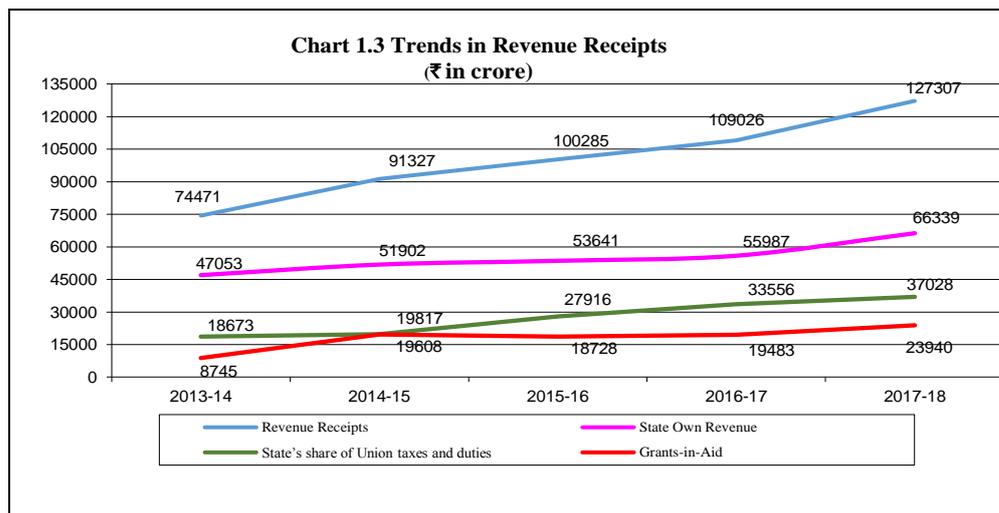
Public Account Receipts, which refer to those receipts for which the Government acts as a banker/trustee for the public money, accounted for 5 per cent of total receipts during 2017-18. Net receipts of Public Account (₹ 9,723 crore) were mainly from Deposits and Advances (₹ 5,703 crore), Small Savings, Provident Funds, etc. (₹ 3,201 crore).

Capital Receipts increased from ₹ 14,817 crore in 2013-14 to ₹ 43,707 crore in 2017-18 with an average annual growth rate of 49 per cent during the period and also accounted for 24 per cent of total receipts during 2017-18. Further details of Capital Receipts are given in **Paragraph 1.5**.

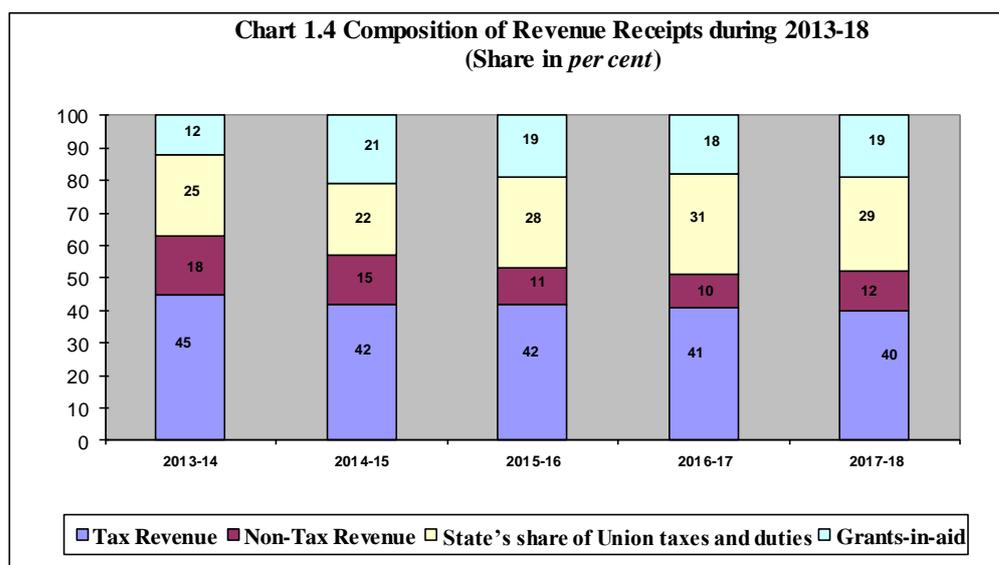
1.4 Revenue Receipts

Details regarding revenue receipts viz State's own resources, Transfers from Central Government including State's share of Union taxes and Grants-in-aid from GoI, Fund transferred by the Central Government to State implementing agencies outside the State budget and optimization of the XIV-FC grant and Revenue Foregone are given in **paragraphs 1.4 and sub paragraphs from 1.4.1 to 1.4.5**.

Statement 14 of the Finance Accounts exhibits details of the Revenue Receipts of the Government. Revenue Receipts consist of State's own revenue (Tax and Non-Tax Revenues), State's share of Union taxes and duties and Grants-in-aid from GoI. The trends and composition of Revenue Receipts over the period 2013-18 are presented in **Appendix 1.4** and also in **Chart 1.3** and **Chart 1.4** below:



Source: Finance Accounts



Source: Finance Accounts

Revenue Receipts increased at an average annual growth rate of 18 per cent from ₹ 74,471 crore in 2013-14 to ₹ 1,27,307 crore in 2017-18.

On an average, 55 per cent of the revenue came from the State's own resources during 2013-18 and the balance came from GoI as the State's share of Union Taxes and Duties and Grants-in-aid.

The share of Tax Revenue in Revenue Receipts ranged between 40 and 45 per cent, whereas the share of Non-Tax Revenue ranged between 11 and 18 per cent during 2013-18. However, the share of Tax Revenue in Revenue Receipts decreased from 41 per cent in 2016-17 to 40 per cent in 2017-18 and was lowest in last five years.

The trends in Revenue Receipts relative to GSDP are shown in **Table 1.4**.

Table 1.4: Trends in Revenue Receipts relative to GSDP

	2013-14	2014-15	2015-16	2016-17	2017-18
Revenue Receipts (RR) (₹ in crore)	74,471	91,327	1,00,285	1,09,026	1,27,307
Rate of growth of RR (per cent)	11.3	22.6	9.8	8.7	16.8
Rate of growth of Tax Revenue (per cent)	9.8	15.5	10.4	3.9	14.0
RR/GSDP (per cent)	13.5	14.8	14.7	14.4	15.2

Revenue receipts-GSDP ratio increased from 13.5 per cent in 2013-14 to 15.2 per cent in 2017-18.

Buoyancy Ratio

Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. The value more than 1 indicates high degree of responsiveness of the fiscal variable to the Base variable. As GSDP grows, the ability of the Government to mobilise Revenue should also increase. The following table shows the Buoyancy of revenue with respect to change in GDP of State:

	2013-14	2014-15	2015-16	2016-17	2017-18
Buoyancy Ratios					
Revenue buoyancy with respect to GSDP	1.0	1.9	0.9	0.8	1.6
Tax revenue buoyancy with respect to GSDP	0.8	1.3	0.9	0.4	1.3
GSDP (₹ in crore)	5,51,031	6,15,695	6,83,758	7,59,235	8,40,263
Growth rate of GSDP (per cent)	11.6	11.7	11.1	11.0	10.7

Source: Finance Accounts

Revenue buoyancy measures the percentage change in the revenue receipts to the percentage change in GSDP. As can be seen from the table above, the Revenue buoyancy though it was less than 1 in 2016-17 has improved to 1.6 in 2017-18. Tax revenue buoyancy to GSDP also improved from 0.4 in 2016-17 to 1.3 in 2017-18.

1.4.1 State's own resources

As the State's share in Central Taxes and Grants-in-aid is determined on the basis of recommendations of the Finance Commission, the State's performance in mobilisation of resources was assessed in terms of its own resources comprising Tax and Non-Tax sources.

The State's actual Tax and Non-Tax Revenue *vis-a-vis* assessment made by XIV-FC and Medium Term Fiscal Policy Statement (MTFPS) are given in **Table 1.5** below:

Table 1.5: Tax and Non-Tax Revenue projection and Actual for 2017-18

	XIV-FC projections	BE/ MTFPS	Actual	Difference between Actual and BE	
				(₹ in crore)	
				Amount	per cent
Tax Revenue	77,093	54,569	50,605	(-) 3,964	7.26
Non-Tax Revenue	21,089	14,493	15,734	1,241	8.56

The Receipts under Tax Revenue and Non-Tax Revenue were less by 34.36 per cent (₹ 26,488 crore) and 25.39 per cent (₹ 5,355 crore) respectively

compared to than the normative assessment made by XIV-FC. Actual Tax Revenue was also less than BE but Non-Tax Revenue was higher than the BE.

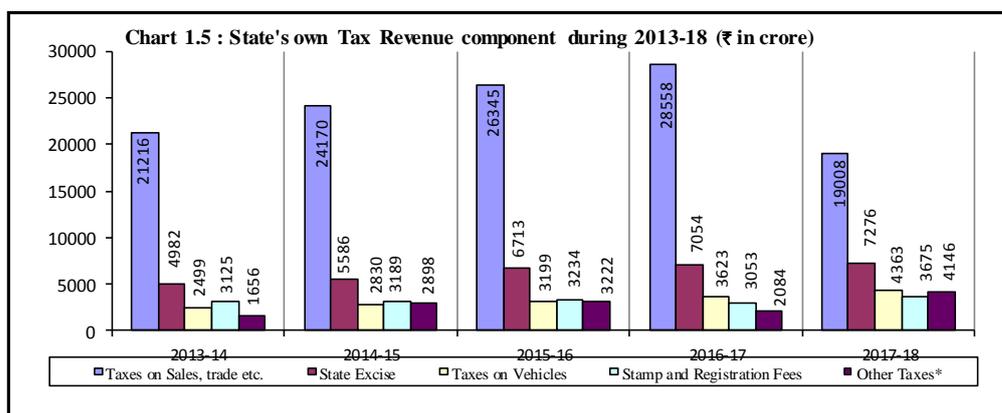
1.4.1.1 Tax Revenue

Taxes on Sales, Trade, etc., (38 per cent) and State Goods and Service Tax (24 per cent) were the main sources of the State's Tax Revenue, followed by State Excise (14 per cent), Taxes on Vehicles (9 per cent) and Stamps and Registration Fees (7 per cent). The component wise position of gross collection in respect of major taxes and duties is given in **Table 1.6** and **Chart 1.5** below:

Table 1.6: Components of State's Own Tax Revenue

Revenue Head	2013-14	2014-15	2015-16	2016-17	2017-18	Increase/ decrease during 2017-18 over previous year (in per cent)
Taxes on Sales, Trade etc.	21,216	24,170	26,345	28,558	19,008	(-)33.4
Taxes on Goods and Passengers	288	956	848	803	341	(-) 57.5
Entertainment Tax and Luxury Tax (under other taxes and duties on Commodities and services)	68	114	171	220	64	(-)70.9
State Goods and Service Tax	-	-	-	-	12,137	-
Total	21,572	25,240	27,364	29,581	31,550	6.6
State Excise	4,982	5,586	6,713	7,054	7,276	3.1
Taxes on Vehicles	2,499	2,830	3,199	3,623	4,363	20.4
Stamps and Registration Fees	3,125	3,189	3,234	3,053	3,675	20.4
Land Revenue	338	289	272	315	364	15.6
Other Taxes ¹²	962	1,539	1,931	746 ¹³	3,377 ¹⁴	352.7
Grand Total	33,478	38,673	42,713	44,372	50,605	14.0

Source: Finance Accounts for the respective years



Source: Finance Accounts for the respective years

* Other Taxes include Land Revenue, Taxes on goods and passengers, Taxes on immovable property other than agricultural land, Taxes and duties on electricity and Taxes on agricultural income etc.

¹² Other Taxes include taxes on immovable property other than agricultural land, taxes and duties on electricity and other taxes and duties on Commodities and Services (excluding Entertainment Tax and Luxury Tax).

¹³ It includes receipts ₹ 738 crore under Taxes and Duties on Electricity.

¹⁴ It includes receipts ₹3,376 crore under Taxes and Duties on Electricity.

During 2017-18, the Receipts from Taxes on Sales, Trade, etc., and State Goods and Service Tax, contributed a major share of Tax Revenue in the proportion of 38 *per cent* and 24 *per cent* respectively despite 33.4 *per cent* decrease in Receipts from Taxes on Sales, Trade, etc. over the previous year due to implementation of GST from July 2017 by GoI. However, overall receipts from taxes (Taxes on Sales, Trade etc, Taxes on Goods and Passengers, Entertainment Tax and Luxury Tax and State Goods and Service Tax) increased 6.6 *per cent* over the previous year.

During 2017-18, Taxes and Duties on Electricity under the head ‘Other Taxes’ increased from ₹ 738 crore in 2016-17 to ₹ 3,376 crore in 2017-18. This increase was mainly due to deposit of outstanding amount of electricity duty pertaining to the period 2016-17 in the current year.

State Excise increased by 3 *per cent* over the previous year. However, the growth rate of State Excise declined by 2 percentage points from the previous year 2016-17 (5 *per cent*).

Taxes on Stamps and Registration Fees (₹ 3,675 crore) increased in 2017-18 by 20 *per cent* as compared to previous year (₹ 3,053 crore) and Taxes on Vehicles (₹ 4,363 crore) in 2017-18 also increased by 20 *per cent* as compared to previous year (₹ 3,623 crore).

1.4.1.2 Non-Tax Revenue

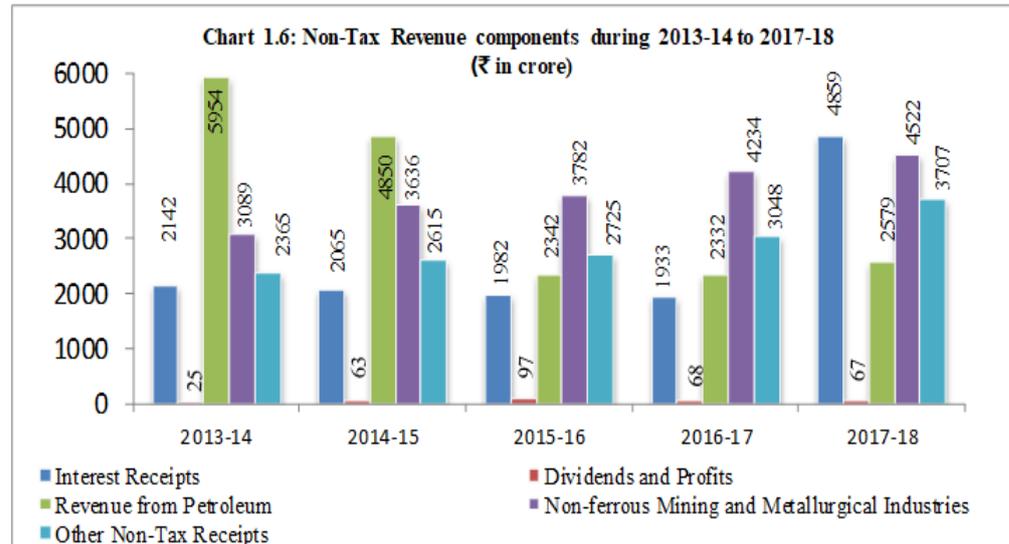
The trends in major constituents of Non-Tax Revenue during the period 2013-18 are shown in **Table 1.7** and **Chart 1.6** below:

Table 1.7: Components of Non-Tax Revenue

(₹ in crore)						
Revenue Head	2013-14	2014-15	2015-16	2016-17	2017-18	Increase/ decrease during 2017-18 over the previous year (in per cent)
Interest Receipts	2,142	2,065	1,982	1,933	4,859	151.4
Dividends and Profits	25	63	97	68	67	(-) 1.5
Revenue from Petroleum ¹⁵	5,954	4,850	2,342	2,332	2,579	10.6
Non-ferrous Mining and Metallurgical Industries	3,089	3,636	3,782	4,234	4,522	6.8
Other Non-Tax Receipts	2,365	2,615	2,725	3,048	3,707	21.6
Total	13,575	13,229	10,928	11,615	15,734	35.5

Source: Finance Accounts

¹⁵ Revenue from royalties on crude oil produced in Barmer-Sanchor basin.



Non-Tax Revenue (₹ 15,734 crore) which constituted 12 *per cent* of Revenue Receipts in 2017-18, increased by 35 *per cent* (₹ 4,119 crore) compared to the previous year. Revenue from Interest Receipts significantly increased by ₹ 2,926 crore i.e. 151 *per cent*, due to higher interest receipts from Public Sector and other Undertakings.

1.4.2 Transfers from Central Government including State's share of Union taxes and Grants-in-aid from GoI

XIV-FC recommended for increase in the share of the States in Central Taxes from 32 *per cent* (recommended by XIII-FC) to 42 *per cent*. The share of the State in the net proceeds of Central Tax and net proceeds of Service Tax were fixed at 5.50 *per cent* and 5.65 *per cent*, respectively. Components of the State's share of Union taxes and duties and Grant-in-aid from GoI are given below **Table 1.8**.

Table 1.8: Devolution of different components of the State's share of Union taxes and duties and Grant-in-aid from GoI

(₹ in crore)

Components of the State's share of Union taxes and duties and Grant-in-aid from GoI	2013-14	2014-15	2015-16	2016-17	2017-18
(A) State's share of Union Taxes and duties					
Central Goods and Service Tax	-	-	-	-	520
Integrated Goods and Service Tax	-	-	-	-	3,736
Corporation Tax	6,280	6,920	8,760	10,739	11,334
Taxes on Income other than Corporation Tax	4,135	4,942	6,073	7,464	9,571
Taxes on Wealth	17	19	2	25	¹⁶
Customs	3,047	3,205	4,464	4,620	3,735
Union Excise Duties	2,152	1,810	3,731	5,275	3,905
Service Tax	3,042	2,921	4,864	5,433	4,227
Other Taxes and Duties on Commodities and Services	-	-	22	¹⁷	¹⁸
Total (A)	18,673	19,817	27,916	33,556	37,028

¹⁶ ₹ (-) 0.34 crore.

¹⁷ ₹ 0.09 crore.

¹⁸ ₹ (-) 0.01 crore.

Components of the State's share of Union taxes and duties and Grant-in-aid from GoI	2013-14	2014-15	2015-16	2016-17	2017-18
Non-Plan Grants	3,551	4,527	5,241	5,928	-
Grants for State Plan Schemes	2,993	14,885	12,957	13,462	-
Grants for Central Plan Schemes (including Centrally Sponsored Schemes)	2,201	196	530	93	-
Centrally Sponsored Schemes	-	-	-	-	16,104
Finance Commission Grants	-	-	-	-	4,262
Other transfer/ Grants to State/ Union Territories with Legislature	-	-	-	-	3,574
Total (B)	8,745	19,608	18,728	19,483	23,940
Grand Total (A) + (B)	27,418	39,425	46,644	53,039	60,968

Source: Finance Accounts

The above position reveals that during 2017-18, State's share of Union taxes and duties increased by ₹ 3,472 crore over the previous year and it constituted 29 per cent of Revenue Receipts. During 2017-18, total transfer from GoI (including Tax Devolution and Grant-in-aid) increased by 15 per cent (₹ 7,929 crore) over the previous year on account of increased tax devolution and compensation for loss of revenue arising out of implementation of GST.

1.4.2.1 Status of Provisional apportionment of IGST and its adjustment against GST compensation

Goods and Services Tax (GST) was implemented with effect from 1st July 2017. GST¹⁹ is leviable on intra-State supply of goods or services (*except alcohol for human consumption and five specified petroleum products*²⁰) separately and concurrently by the Union (CGST) and the States (SGST)/ Union territories (UTGST). Further, Integrated GST (IGST) is also leviable and collectable by the Central Government on inter-State supply of goods and services. The collected IGST is apportioned between the Central Government and the concerned State where the goods and services are consumed.

Under GST (Compensation to States) Act, 2017, on implementation of GST Act, if the share of a State fell short of the revenue earned in pre GST regime during 2015-16, compensation considering the base figure of revenue of 2015-16 increased by 14 per cent per annum for next five years starting from 1st July 2017, was payable to that State. The revenue from the subsumed taxes²¹ for the financial year 2015-16 of the state of Rajasthan was ₹ 17,158.62 crore. Thus, the projected revenue for Rajasthan was calculated at ₹ 16,724.51 crore for July 2017 to March 2018 against which ₹ 12,137.02 crore was actually collected during 2017-18. This amount was also inclusive of amount of ₹ 751 crore as advance apportionment of unsettled IGST on *ad hoc* basis in terms of section 11(3) of GST Settlement of Funds Rules, 2017 subject to adjustment in 10 installments in next financial year *i.e.* 2018-19 against the amount finally apportioned.

¹⁹ Central GST: CGST and State GST/Union Territory GST: SGST /UTGST.

²⁰ Petroleum products: crude, high speed diesel, petrol, aviation turbine fuel and natural gas.

²¹ Taxes that have subsumed under GST *i.e.* Value Added Tax, Central Sales Tax, Entertainment Tax, Luxury Tax, Entry tax, Cesses & Surcharges, Duties on Excise on medicinal and toilet preparations excluding VAT and CST on alcohol for human consumption and five specified petroleum products.

The compensation payable to the State was to be calculated provisionally and released after completion of every two months period from 1st July 2017. The Commercial Tax Department intimated that compensation amounting to ₹ 3,702 crore was due to the State for the period July 2017 to March 2018 against which the State received provisional compensation amounting to ₹ 2,899 crore²² for the period July to October 2017 and January to March, 2018.

1.4.3 Funds transferred by the Central Government to State Implementing Agencies outside the State Budget

The Central Government transferred funds directly to the State Implementing Agencies (IAs)²³ for the implementation of various schemes/programmes in the social and economic sector. The Central Government decided that from 2014-15, plan assistance under all Centrally Sponsored Schemes (CSS) and block grants would be classified as Central Assistance to State Plan by transfer through the Consolidated Fund of the State in a phased manner. As the funds were not routed through the State Budget/State Treasury System, the Annual Finance Accounts did not capture these funds and to that extent, the State's receipts and expenditure as well as other fiscal variables/parameters derived from them, did not represent the complete picture.

During 2017-18, Central funds of ₹ 3,946.78 crore were transferred directly to the State IAs for implementation of the programmes/schemes as compared to ₹ 3799.71 crore in 2016-17. Out of this, the Central Government transferred ₹ 3,190 crore for National Rural Employment Guarantee Scheme, ₹ 182 crore for Member of Parliament Local Area Development, ₹ 106 crore for *Pradhan Mantri Matritva Vandana Yojana*, ₹ 89 crore for Solar Power-Off Grid Distributed and Decentralised Renewable Power and ₹ 60 crore for Swadesh Darshan-Integrated development of theme based tourism circuits.

1.4.4 Optimisation of grants

Optimisation of Fourteenth Finance Commission grants

The Fourteenth Finance Commission (XIV-FC) submitted its report in December 2014 covering the five year period commencing from April 1, 2015 and recommended that grant-in-aid of ₹ 24,240.75 crore (including State share of SDRF) is to be utilised for Local Bodies and Disaster Relief Fund during 2015-2020. The State Government constituted (January 2016) a High Level Monitoring Committee (HLMC) headed by the Chief Secretary to ensure proper utilisation of grant-in-aid. The position of releases by GoI and onward transfers by the State Government is given below in **Table 1.9** below:

²² This includes compensation amount ₹ 301 crore for the period March 2018, which was received in May 2018.

²³ State IAs are organisations/institutions including non-governmental organisations which are authorised by the State Government to receive funds from the GoI, for implementing the specific programmes.

Table 1.9: Details of recommended amount, actual release and transfers of Grants-in-aid

(₹ in crore)

S. No.	Transfers	Recommendation of the XIV-FC 2015-20	Recommendation of the XIV-FC				Actual Release by GoI				Transfers to Local Bodies/Fund			
			2015-16	2016-17	2017-18	Total	2015-16	2016-17	2017-18	Total (per cent)	2015-16	2016-17	2017-18	Total (per cent)
1	Local Bodies	13,633.63	1,471.95	2,305.52	2,657.47	6,434.94	1,471.95	2,305.52	2,657.47	6,434.94 (100)	1,471.95	2,305.52	2,657.47	6,434.94 (100)
	(i) Grants to PRIs	12,270.27	1,471.95	2,038.17	2,354.92	5,865.04	1,471.95	2,038.17	2,354.92	5,865.04 (100)	1,471.95	2,038.17	2,354.92	5,865.04 (100)
	(a) General Basic Grant	1,363.36	-	267.35	302.55	569.90	-	267.35	302.55	569.90 (100)	-	267.35	302.55	569.90 (100)
	(b) General Performance Grants	4,513.12	433.12	776.73	893.23	2,103.08	433.12	776.73	692.93	1902.78 (90.5)	433.12	776.73	692.93	1,902.78 (100)
	(ii) Grants to ULBs	3,610.50	433.12	599.73	692.93	1,725.78	433.12	599.73	692.93	1,725.78 (100)	433.12	599.73	692.93	1,725.78 (100)
	(a) General Basic Grant	902.62	-	177.00	200.30	377.30	-	177.00	-	177.00 (46.9)	-	177.00	-	177.00 (100)
	(b) General Performance Grants	18,146.75	1,905.07	3,082.25	3,550.70	8,538.02	1,905.07	3,082.25	3,350.40	8,337.72 (97.7)	1,905.07	3,082.25	3,350.40	8,337.72 (100)
2	State Disaster Relief Fund*	6,094.00	1,103.00	1,158.00	1,216.00	3,477.00	1,103.00	1,158.00	1,216.00	3,477.00 (100)	1,103.00	1,158.00	1,216.00	3,477.00 (100)
	Grand Total (1 to 2)	24,240.75	3,008.07	4,240.25	4766.70	12,015.02	3,008.07	4,240.25	4566.40	11,814.72 (98.3)	3,008.07	4,240.25	4,566.40	11,814.72 (100)

* Including State share of 25 per cent of total grant.

Source: XIV-FC Report and Finance Accounts

It was noticed that ₹ 1,725.78 crore was received by Local Self Government Department (LSGD) as basic grants during 2015-16 to 2017-18 which was distributed to Urban Local Bodies. However, Utilisation Certificates (UCs) for only ₹ 762.10 crore (44.16 per cent) were received by LSGD as of 31 August 2018. Similarly, UCs of only ₹ 70.77 crore (39.98 per cent) was received against performance grants of ₹ 177 crore released in 2016-17.

LSGD intimated (September 2018) that due to not achieving the eligibility criteria²⁴, the performance grant of ₹ 200.30 crore during 2017-18 was not received from GoI.

1.4.5 Revenue Foregone

Scrutiny of information received from five departments/boards revealed the position of Revenue Foregone during 2017-18 as discussed below:

(i) Transport Department waived/exempted ₹ 1.96 crore through notifications on account of Motor Vehicle Tax, Special Road Tax and Surcharge for all passenger vehicles of other States coming and going for Urs Mela in Ajmer (₹ 1.00 crore), Ramdevra fair in District Jaisalmer (₹ 0.93 crore) and passenger vehicles of Jodhpur Network of People Living with H.I.V. Institute, Jodhpur (one time tax rebate of ₹ 0.03 crore).

(ii) Commercial Tax Department (CTD) intimated (July 2018) that recovery of ₹ 2.71 crore was deferred during 2017-18 and further intimated that information in respect of exemptions is not being maintained by the Department.

²⁴ **Eligibility criteria:** The urban local body was to submit audited annual accounts that relate to a year not earlier than two years preceding the year in which it seeks to claim the performance grant.

(iii) Registration and Stamps Department Rajasthan, Ajmer did not provide the information, however, they intimated (June 2018) that National Information Centre (NIC), Jaipur has been requested for preparation of software for compilation of information.

(iv) Mines and Geology Department Rajasthan, Udaipur intimated (July 2018) that during 2017-18, an amount of ₹ 20.74 crore was waived off which comprised of departmental dues including interest.

(v) Revenue Board Rajasthan, Ajmer intimated (August 2018) waiver of revenue in respect of Rajsamand and Jaisalmer districts amounting to ₹ 0.07 crore.

1.5 Capital Receipts

The trends in growth and composition of Capital Receipts during 2013-18 were as shown in **Table 1.10** below:

Table 1.10: Trends in growth and composition of Capital Receipts

(₹ in crore)					
Sources of State's Receipts	2013-14	2014-15	2015-16	2016-17	2017-18
Capital Receipts (CR)	14,817	19,160	62,470	45,630	43,707
Miscellaneous Capital Receipts	10	15	25	28	16
Recoveries of Loans and Advances	316	1,004	1,447	1,713	15,134
Public Debt Receipts	14,491	18,141	60,998	43,889	28,557
Rate of growth of Debt Receipts (<i>per cent</i>)	45.6	25.2	236.2	(-) 28.0	(-) 34.9
Rate of growth of Non-Debt Receipts (<i>per cent</i>)	(-) 70.6	212.6	44.5	18.3	770.2
Rate of growth of CR (<i>per cent</i>)	33.9	29.3	226.0	(-) 27.0	(-) 4.2

Source: Finance Accounts

1.5.1 Capital Receipts

Capital Receipts (debt and non-debt receipts) of the State increased at an average annual growth rate of 49 *per cent* from 2013-14 to 2017-18. However, during 2017-18, it decreased by 4 *per cent* compared to the previous year.

1.5.2 Recovery of Loans and Advances

There has been increase in recovery of Loans and advances by ₹ 13,421 crore during 2017-18 over the previous year. The loan balances have decreased due to adjustment of loans given to DISCOMs under UDAY Scheme. The loans given during 2015-16 and 2016-17 to DISCOMs under UDAY Scheme have been converted into equity and subsidy during 2017-18.

1.5.3 Public Debt Receipts

1.5.3.1 Debt Receipts from internal sources

During 2017-18, the internal debt receipts i.e. market loans, borrowings from financial institutions, banks, etc., under Public Debt Receipts decreased by 33 *per cent* (₹ 13,434 crore) over the previous year due to non-issue of Non SLR Bonds and forfeited Bonds under Ujwal DISCOM Assurance Yojana (UDAY).

1.5.3.2 Loans and Advances from GoI

During 2017-18, the receipt of loans and advances from GoI (₹ 1,557 crore) decreased by 55 per cent (₹ 1,898 crore) over the previous year (₹ 3,455 crore) due to less receipts of block loans²⁵ for State.

1.6 Public Account Receipts

Receipts and disbursements in respect of certain transactions such as small savings, provident funds, reserve funds, deposits, suspense, remittances etc., which do not form part of the Consolidated Fund, are kept in the Public Account, set up under Article 266(2) of the Constitution and are not subject to vote by the State legislature. Here, the Government acts as a banker and utilises the balances remaining after disbursements. Details of Public Account Receipts during the last five years are given in **Table 1.11**:

Table 1.11: Components of Public Account Receipts during the years

(₹ in crore)					
Resources under various heads	2013-14	2014-15	2015-16	2016-17	2017-18
a. Small Savings, Provident Fund, etc.	6,311	7,082	7,967	8,620	9,346
b. Reserve Funds	2,233	1,724	3,678	3,068	3,466
c. Deposits and Advances	89,436	1,07,067	1,25,570	1,44,292	1,42,603
d. Suspense and Miscellaneous	91	22	78	(-) 67	51
e. Remittances	9,908	10,487	9,617	132	1,345 ²⁶
Total	1,07,979	1,26,382	1,46,910	1,56,045	1,56,811

Source: Finance Accounts

Public Account Receipts increased by ₹ 766 crore (0.5 per cent) during 2017-18 over the previous year. The increase was mainly under Small Savings, Provident Fund etc., by ₹ 726 crore and Remittances by ₹ 1,213 crore. However, it was counterbalanced by decrease in Deposits and Advances by ₹ 1,689 crore.

1.7 Application of Resources

Analysis of the allocation of expenditure at the State Government level assumes significance as responsibilities for major expenditure are entrusted with the State Government. Within the framework of fiscal responsibility legislations, there are budgetary constraints in raising public expenditure financed by deficit or borrowings. It is, therefore, important to ensure that the ongoing fiscal correction and consolidation process at the state level is not done at the cost of expenditure, especially the expenditure directed towards development of social sector.

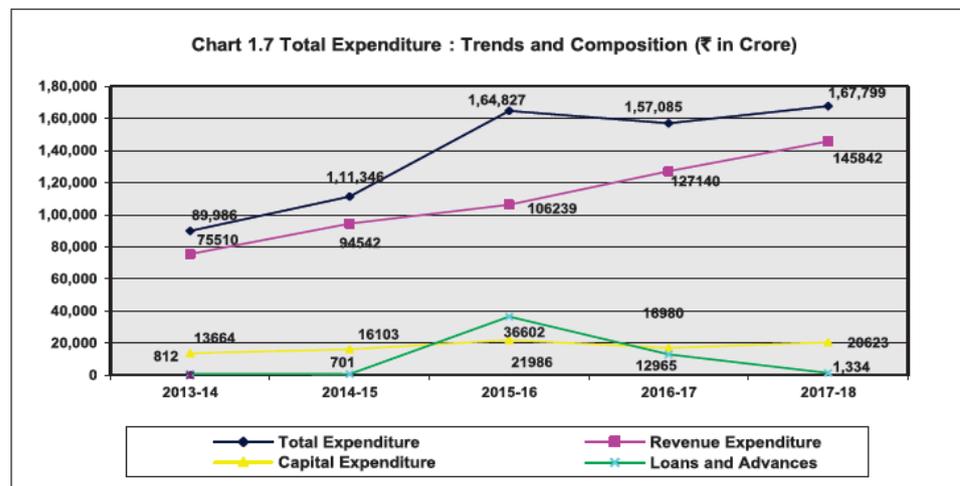
Details regarding total expenditure, committed expenditure and financial assistance by the State Government to local bodies and other Institutions are given in **sub Paragraphs 1.7.1 to 1.7.3**.

²⁵ 'Block Loan' is a minor head under major head '6004-loan from Government of India'.

²⁶ It included Cash Remittances between Treasuries and Currency Chests: ₹ 1,321.33 crore; Public Works Remittances: ₹ 23.58 crore and Forest Remittances: ₹ 0.14 crore.

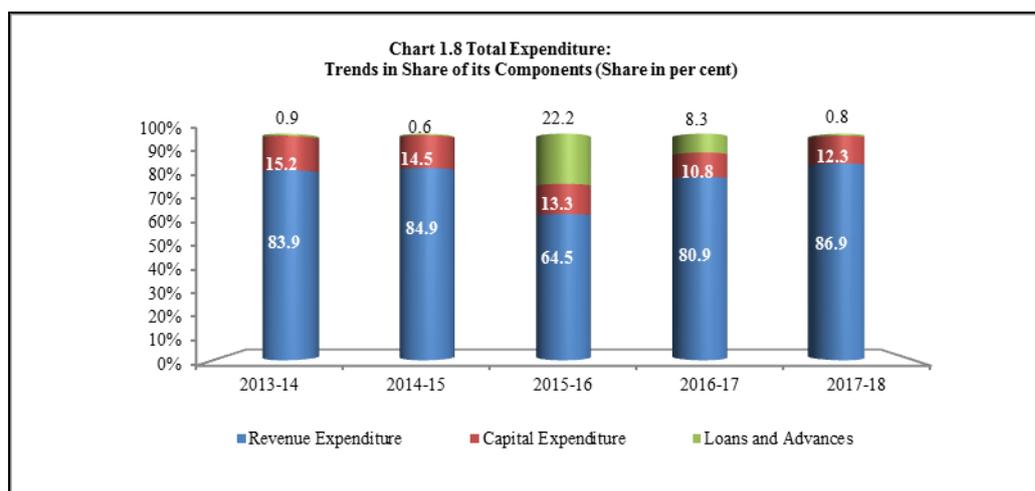
1.7.1 Total Expenditure

Chart 1.7 below, presents the trends in total expenditure over a period of five years (2013-18) and **Chart 1.8** depicts its composition in terms of ‘economic classification’.



Source: Finance Accounts

Total expenditure of the State increased at an average annual growth rate of 21.6 per cent during 2013-14 to 2017-18, however, during 2017-18 it increased by 6.8 per cent over the previous year.



Revenue Expenditure

Revenue Expenditure is incurred to maintain the current level of services and make payment for past obligation and as such, does not result in any addition to the State's infrastructure and services' network.

Revenue Expenditure constituted 87 per cent of total expenditure during 2017-18. It increased at an average annual growth rate of 23 per cent from ₹ 75,510 crore in 2013-14 to ₹ 1,45,842 crore in 2017-18. During 2017-18, the revenue expenditure increased by 15 per cent (₹ 18,702 crore) over the previous year, mainly under Power (₹ 6,601 crore), Rural Employment

(₹ 2,856 crore), General Education (₹ 2,182 crore), Interest Payments (₹ 2,043 crore), Pensions and Other Retirement Benefits (₹ 1,630 crore), Medical and Public Health (₹ 1,243 crore) and Other Rural Development Programmes (₹ 932 crore).

Capital Expenditure

Capital expenditure increased at an average annual growth rate of 13 per cent from ₹ 13,664 crore in 2013-14 to ₹ 20,623 crore in 2017-18. During 2017-18, Capital expenditure increased by 21 per cent (₹ 3,643 crore) over the previous year, this increased mainly under Capital Outlay on Roads and Bridges (₹ 2,118 crore), Water Supply and Sanitation (₹ 396 crore), Education, Sports, Art and Culture (₹ 396 crore), Other General Economic Services (₹ 287 crore) and Major Irrigation (₹ 213 crore). The percentage share of capital expenditure over total expenditure increased from 10.8 per cent in 2016-17 to 12.3 per cent during 2017-18.

1.7.2 Committed Expenditure

The committed expenditure of the State Government on revenue account mainly consists of interest payments, expenditure on salaries and wages, pensions payments and subsidies. **Table 1.12** below presents the trends in the expenditure on these components during 2013-18.

Table-1.12: Components of Committed Expenditure

(₹ in crore)					
Components of Committed Expenditure	2013-14	2014-15	2015-16	2016-17	2017-18
Salaries and Wages	20,604 (27.7)	23,498 (25.7)	25,871 (25.8)	30,016 (27.5)	37,611* (29.6)
Interest Payments	9,063 (12.2)	10,463 (11.5)	12,008 (12.0)	17,677 (16.2)	19,720 (15.5)
Expenditure on Pensions	7,801 (10.5)	9,629 (10.6)	10,864 (10.8)	12,296 (11.3)	13,925 (10.9)
Subsidies	6,940 (9.3)	8,626 (9.4)	10,461 (10.4)	17,208 (15.8)	23,674 (18.6)
Total Committed Expenditure	44,408 (59.6)	52,216 (57.2)	59,204 (59.0)	77,197 (70.8)	94,930 (74.6)
Other Components	31,102 (41.8)	42,326 (46.3)	47,035 (46.9)	49,943 (45.8)	50,912** (40.0)
Total Revenue Expenditure	75,510	94,542	1,06,239	1,27,140	1,45,842
Revenue Receipts	74,471	91,327	1,00,285	1,09,026	1,27,307
Committed Expenditure as percentage of Revenue Expenditure	58.8	55.2	55.7	60.7	65.1

Note: Figures in parentheses indicate percentage to Revenue Receipts.

* Salaries: ₹ 37,055 crore and Wages ₹ 556 crore.

** Includes expenditure on financial assistance (Grants-in-aid): ₹ 29,869 crore; Grants-in-aid General (Salaries): ₹ 5,116 crore;

Transfer to funds from Consolidate fund to Public Accounts: ₹ 3,757 crore; and Maintenance and Repairs: ₹ 999 crore.

Source: Finance Accounts

The share of committed expenditure to revenue receipts increased from 59.6 per cent in 2013-14 to 74.6 per cent in 2017-18. During 2017-18, the committed expenditure amounted to ₹ 94,930 crore, which was 65.1 per cent (from 60.7 per cent in 2016-17) and 74.6 per cent (from 70.8 per cent in 2016-17) of revenue expenditure and revenue receipts respectively.

1.7.2.1 Salaries and Wages

The expenditure on Salaries and Wages increased at an average annual growth rate of 21 per cent from ₹ 20,604 crore in 2013-14 to ₹ 37,611 crore in 2017-18. During 2017-18, the expenditure on Salaries and Wages increased by 25 per cent over the previous year, which was 16 per cent in 2016-17. It was higher than the assessment made by the State Government in Mid Term Fiscal Policy Statement (MTFPS) (₹ 34,887 crore) by ₹ 2,724 crore.

1.7.2.2 Pension payments

- **General**

The expenditure on overall pension payments increased at an average annual growth rate of 20 per cent from ₹ 7,801 crore in 2013-14 to ₹ 13,925 crore²⁷ in 2017-18. During 2017-18, the expenditure on pension payments recorded a growth of 13 per cent over the previous year due to increase in total number of pensioners²⁸ by 13,157 (3.4 per cent). A comparative analysis of actual pension payments, with the assessment/ projection made by XIV-FC and the State Government in MTFPS, shows that actual pension payment (₹ 13,925 crore) exceeded the normative assessment made by XIV-FC (₹ 12,030 crore) by 15.8 per cent but was marginally lower than the assessment made by the State Government in MTFPS (₹ 14,170 crore) by 1.7 per cent. The expenditure on pension and other retirement benefits to the State Government employees was 9.5 per cent (9.7 per cent in 2016-17) of total revenue expenditure.

- **New Contributory Pension Scheme**

The Defined Contribution Pension Scheme known as New Contributory Pension Scheme (NPS) has been implemented for all Government servants appointed on or after 01.01.2004 to civil services and posts in Rajasthan. As per the guidelines, it is mandatory for every employee to contribute 10 per cent of basic pay and dearness allowance every month from salary and equal contribution is to be made by the Government of Rajasthan (GoR). The contribution details and corresponding amounts are to be transferred to the National Securities Depository Limited (NSDL) and to fund managers appointed by the New Pension Scheme (NPS) Trust.

GoR has adopted NPS architecture designed by the Pension Fund Regulatory Development Authority (PFRDA) in toto and entered into agreements with NSDL on 09 November 2010 and NPS Trust on 02 December 2010. The contribution details and corresponding amounts are being transferred to the NSDL and Trustee Bank since November 2011. GoR declared Director, State Insurance and Provident Fund Department (SIPF) as nodal officer for implementation of NPS who would maintain the records for the scheme pending regular final arrangements regarding record keeping. The employees contribution to the pension account and matching contribution from the

²⁷ It includes a sum of ₹ 12,841.94 crore on account of expenditure on "pension and other retirement benefits" during the year to the State Government employees recruited on or before 31 December 2003 and Government contribution for Defined Contribution Pension Scheme of ₹ 1,083.29 crore.

²⁸ Number of pensioners in 2016-17: 3,89,287 and in 2017-18: 4,02,444.

Government (from respective salary head of account up to 2011-12) were being deposited in the interest bearing Personal Deposit (PD) Account maintained by concerned Treasury Officers in the budget head 8011-106-103-01.

As per information made available by the Director, SIPF, a legacy amount²⁹ of ₹ 1,393.92 crore (employees contribution ₹ 620.34 crore, employer contribution ₹ 620.34 crore and interest ₹ 153.24 crore) was lying in the PD Account as on 31 October 2011. The detail of transfer of legacy amount to the NSDL is given in the table below:

Detail of transfer of legacy amount

(₹ in crore)					
Balance legacy as on	Total Legacy amount in opening balance	Total amount uploaded to NSDL during the year	Balance legacy amount	Interest	Net balance of legacy amount
31/10/2011	1,393.92	-	1,393.92	-	1,393.92
2011-12	1,393.92	-	1,393.92	97.41	1,491.33
2012-13	1,491.33	613.58	877.75	56.20	933.95
2013-14	933.95	363.97	569.98	60.00	629.98
2014-15	629.98	297.31	332.67	37.09	369.76
2015-16	369.76	131.66	238.10	34.97	273.07
2016-17	273.07	161.70	111.37	9.46	120.83
2017-18	120.83	65.04	55.79	7.34	63.13

From above table, it is evident that till 31st March 2018, legacy amount of ₹ 63.13 crore has not been transferred to NSDL. Further, it was observed that there were negative balances ₹ 5.10 crore in nine District Treasury offices³⁰ due to outward and inward entries not tallying and hence needs to be reconciled.

Recommendation: 3

The State Government should expedite transfer of balance legacy amount of NPS to NSDL so as to ensure that the Government employees are not denied of their due benefits under the scheme.

1.7.2.3 Interest payments

Interest payments increased at an average annual growth rate by 29 per cent from ₹ 9,063 crore in 2013-14 to ₹ 19,720 crore in 2017-18 and by 12 per cent over the previous year (₹ 17,677 crore). Major components of interest payments were interest on Internal Debt (₹ 15,797 crore), Interest on Small Savings, Provident Fund etc., (₹ 3,351 crore) and Interest on Loans and Advances from the Central Government (₹ 417 crore).

²⁹ Both employees and employer's contribution for period from 01 January 2004 to 31 October 2011.

³⁰ Ajmer: ₹ 0.25 crore, Bhilwara: ₹ 1.33 crore, Jaipur Secretariat: ₹ 0.21 crore, Jalore: ₹ 0.22 crore, Jhalawar: ₹ 0.29 crore, Karoli: ₹ 0.17 crore, Kota: ₹ 0.17 crore, New Delhi: ₹ 1.48 crore and Udaipur: ₹ 0.98 crore.

Interest on Internal Debt which included market loans, increased by 13 *per cent* from ₹ 14,002 crore in 2016-17 to ₹ 15,797 crore in 2017-18 mainly on account of increase of market loans by ₹ 20,927 crore.

Interest on small savings, provident fund, etc. also increased by 7 *per cent* from ₹ 3,130 crore during 2016-17 to ₹ 3,351 crore in 2017-18, mainly on account of increase in the corpus of State Provident Funds by ₹ 1,870 crore (7 *per cent*) and Insurance and Pension Funds by ₹ 1,331 crore (11 *per cent*).

Interest payments made during 2017-18 (₹ 19,720 crore) were higher than the projections made in MTFPS (₹ 19,627 crore) and XIV-FC (₹ 15,143 crore).

The ratio of Interest Payments to Revenue Receipts determines the debt sustainability of the State. The ratio of Interest Payments to Total Revenue Receipts of the State was 15.5 *per cent* during the year, which was lower than the previous year (16.2 *per cent*).

1.7.2.4 Subsidies

In a welfare state, subsidies are forwarded to the disadvantaged sections of the society.

Appendix II of Finance Accounts shows an explicit subsidy of ₹ 23,674 crore during 2017-18, which was ₹ 6,466 crore (38 *per cent*) more than the previous year (₹ 17,208 crore), mainly in the areas of Power (₹ 23,391 crore) and Crop Husbandry (₹ 251 crore).

Subsidy to the Power Sector accounted for 98.8 *per cent* of the total subsidy. During 2017-18, the subsidy was given to the Power Sector mainly on account of Grant for *Vidyut Tax* (₹ 2,613 crore), non-increasing the power tariff (₹ 8,759 crore) and as assistance to Distribution Companies under UDAY Yojana (₹ 12,000 crore). Further, subsidy to Power Sector ranged from 88 *per cent* to 99 *per cent* of the total subsidy provided by GoR during 2008-09 to 2017-18 (**Appendix 1.10**).

Power Sector subsidy increased by 38.9 *per cent* (₹ 6,549 crore) over the previous year (₹ 16,842 crore) mainly due to increase under Assistance to Distribution Companies under UDAY Yojana by ₹ 3,000 crore³¹ and Grant for *Vidyut Tax* by ₹ 2,613 crore³².

However, Crop Husbandry Subsidy decreased by 7 *per cent* from ₹ 269 crore in 2016-17 to ₹ 251 crore in 2017-18.

³¹ (i) Jaipur *Vidyut Vitaran Nigam Limited*: ₹ 1,028.07 crore, (ii) Ajmer *Vidyut Vitaran Nigam Limited*: ₹ 1,013.86 crore and (iii) Jodhpur *Vidyut Vitaran Nigam Limited*: ₹ 958.07 crore.

³² (i) Jaipur *Vidyut Vitaran Nigam Limited*: ₹ 1,119.59 crore, (ii) Ajmer *Vidyut Vitaran Nigam Limited*: ₹ 838.08 crore and (iii) Jodhpur *Vidyut Vitaran Nigam Limited*: ₹ 655.47 crore).

1.7.3 Financial assistance by the State Government to Local Bodies and Other Institutions

The quantum of assistance provided through grants and loans to Local Bodies and others during 2013-18 is as under:

Table 1.13: Financial Assistance to Local Bodies etc.

Financial Assistance to Institutions	2013-14	2014-15	2015-16	2016-17	2017-18	
					Allotment	Actual
(A) Local Bodies						
Municipal Corporations and Municipalities	2,324.16	2,450.65	3,063.89	3,839.93	3,695.48	3,695.48
Panchayati Raj Institutions	8,953.21	13,833.28	15,981.85	14,472.66	18,551.13	18,550.27
Total (A)	11,277.37	16,283.93	19,045.74	18,312.59	22,246.61	22,245.75
(B) Others						
Educational Institutions (Aided Schools, Aided Colleges, Universities, etc.)	2,236.99	1,128.22	1,239.54	1,671.13	1,283.54	1,283.29
Development Authorities	195.36	6.93	6.19	7.61	11.68	11.68
Hospitals and Other Charitable Institutions	124.72	169.47	116.62	77.41	918.97	918.96
Other Institutions	4,929.02	10,740.54	11,316.72	12,823.46	10,532.64	10525.42 ³³
Total (B)	7,486.09	12,045.16	12,679.07	14,579.61	12,746.83	12,739.35
Total (A+B)	18,763.46	28,329.09	31,724.81	32,892.20	34,993.44	34,985.10
Revenue Expenditure	75,510	94,542	1,06,239	1,27,140	1,43,690	1,45,842
Assistance as percentage of Revenue Expenditure	25	30	30	26		24

Source: Finance Accounts and vouchers compiled by AG (A&E) Rajasthan

During 2017-18, the financial assistance to Local Bodies increased by ₹ 3,933.16 crore (21 per cent) compared to the previous year. However, the financial assistance to development authorities, hospitals and educational institutions decreased by ₹ 1,840.26 crore (13 per cent) over the previous year. Further, during 2013-14 to 2017-18 the overall financial assistance to Local Bodies and Others ranged between 24 and 30 per cent of revenue expenditure.

1.8 Quality of Expenditure

Availability of better social and physical infrastructure in the State reflects the quality of its expenditure. The improvement in the quality of expenditure basically involves three aspects viz., adequacy (adequate provisions for public services), efficiency and effectiveness (assessment of outlay-outcome relationships for selected services) of expenditure.

Details regarding Adequacy of Public Expenditure, Efficiency of Expenditure Use and Central Assistance Schemes are given in **sub Paragraphs 1.8.1 to 1.8.3**.

³³ It included grants given for (i) Family Welfare ₹ 2,005.35 crore; (ii) Relief on account of Natural Calamities ₹ 1,720.31 crore; (iii) Education: ₹ 1,339.53 crore and (iv) Crop Husbandry ₹ 1,161.01 crore.

1.8.1 Adequacy of Public Expenditure

Expenditure responsibilities relating to the social sector and economic infrastructure assigned to the State Governments are largely state subjects. Enhancing human development levels requires the States to step up their expenditure on key social services like education and health, etc. Low fiscal priority (ratio of expenditure under a category to aggregate expenditure) in a particular sector, makes it fall below the respective National average.

Table 1.14 below, analyses the fiscal priority of the State Government with regard to aggregate expenditure, development expenditure, social sector expenditure and capital expenditure *vis-a-vis* the average of General Category States (GCS) during 2013-14, 2016-17 and 2017-18.

Table 1.14: Fiscal Priority of the State during 2013-14, 2016-17 and 2017-18

Fiscal Priority by the State	Aggregate Expenditure/ GSDP	Social Sector Expenditure/ Aggregate Expenditure	Economic Sector Expenditure/ Aggregate Expenditure	Development Expenditure/ Aggregate Expenditure	Capital Expenditure/ Aggregate Expenditure	Education/ Aggregate Expenditure	Health/ Aggregate Expenditure
General Category States' Average (Ratio) 2013-14	14.7	37.6	28.9	66.5	13.6	17.2	4.5
Rajasthan (Ratio) 2013-14	16.3	40.4	33.0	73.4	15.2	17.1	5.3
General Category States' Average (Ratio) 2016-17	17.3	35.7	32.9	70.8	15.3	15.2	4.5
Rajasthan (Ratio) 2016-17	20.7	35.5	39.3	74.8	10.8	15.7	5.3
General Category States' Average (Ratio) 2017-18	16.1	36.7	29.6	67.9	14.4	15.5	4.9
Rajasthan (Ratio) 2017-18	20.0	36.1	37.7	73.8	12.3	16.2	6.0
# Development Expenditure includes Development Revenue Expenditure, Development Capital Expenditure and Loans and Advances disbursed. See glossary at page no. 129.							

Source: (i) For GSDP of Rajasthan, the information was collected from the Directorate of Economics and Statistics, GoR and Finance Accounts.

(ii) GSDP figures have been adopted from the Economic Reviews of the respective States.

Table 1.14 indicates the following:

- The ratio of Aggregate Expenditure (AE) to GSDP in the State is higher (20.0 *per cent*), compared to GCS (16.1 *per cent*) during 2017-18.
- Development Expenditure as a proportion of AE was higher than GCS average.
- Economic Sector Expenditure as a proportion of AE was higher than GCS average. However, Social Sector Expenditure as a proportion of AE was lower than GCS average.
- Education and Health sector as a proportion of AE were higher than GCS average.

1.8.2 Efficiency of Expenditure Use

In view of the importance of public expenditure on development heads from the point of view of social and economic development, it is important for the State Government to take appropriate expenditure rationalisation measures

and lay emphasis on provision of core public goods and merit goods³⁴. Apart from improving the allocation towards development expenditure³⁵, the efficiency of expenditure use is also reflected by the ratio of capital expenditure to total expenditure (and/or GSDP) and proportion of revenue expenditure being spent on operation and maintenance of the existing Social and Economic services. The higher the ratio of these components to the total expenditure (and/or GSDP), the better would be the quality of expenditure. **Table 1.15** presents the trends in development expenditure relative to the aggregate expenditure of the State during the current year *vis-à-vis* budgeted for the year as well as actual in the previous years.

Table 1.15: Development Expenditure

Components of Development Expenditure (Social and Economic service)	2013-14	2014-15	2015-16	2016-17	2017-18	
					BE	Actual
					₹ in crore)	
a. Development Revenue Expenditure	51,921 (57.7)	66,674 (59.9)	75,223 (45.6)	87,937 (56.0)	99,734 (58.6)	1,02,391 (61.0)
b. Development Capital Expenditure	13,330 (14.8)	15,569 (14.0)	21,545 (13.1)	16,543 (10.5)	24,705 (14.5)	20,096 (12.0)
c. Development Loans and Advances	812 (0.9)	701 (0.6)	36,602 (22.2)	12,965 (8.3)	780 (0.5)	1,334 (0.8)
Development Expenditure (a to c)	66,063 (73.4)	82,944 (74.5)	1,33,370 (80.9)	1,17,445 (74.8)	1,25,219 (73.6)	1,23,821 (73.8)
Rate of Growth of Development Expenditure	18.9	25.6	60.8	(-) 11.9		5.4

Figures in parentheses indicate percentage of aggregate expenditure

Source: Finance Accounts and Budget Documents

Development expenditure comprises Revenue Expenditure, Capital Expenditure and Loans and Advances on Social and Economic Services. As a percentage of total expenditure, it increased from 73.4 *per cent* during 2013-14 to 73.8 *per cent* during 2017-18.

Table 1.16 below, gives details of Capital Expenditure and the components of Revenue Expenditure incurred on the maintenance of the selected Social and Economic services.

Table 1.16: Efficiency of Expenditure Use in Selected Social and Economic Services

Sector	(In per cent)					
	2016-17			2017-18		
	Capital Expenditure to Total Expenditure	Revenue Salaries and Wages	Expenditure Operation and Maintenance	Capital Expenditure to Total Expenditure	Revenue Salaries and Wages	Expenditure Operation and Maintenance
(A) Social Services						
General Education	0.30	58.47	0.01	1.70	77.48	0.01
Health and Family Welfare	6.23	57.08	0.13	6.57	52.18	0.12
Water Supply, Sanitation, Housing and Urban Development	40.68	18.32	1.48	43.32	19.85	0.97
Total (A)	11.18	41.84	0.31	11.98	51.85	0.37

³⁴ See glossary at page 132.

³⁵ See glossary at page 132.

Sector	2016-17			2017-18		
	Capital Expenditure to Total Expenditure	Revenue Salaries and Wages	Expenditure Operation and Maintenance	Capital Expenditure to Total Expenditure	Revenue Salaries and Wages	Expenditure Operation and Maintenance
(B) Economic Services						
Agriculture and Allied Activities	8.25	29.98	0.44	7.10	33.54	0.57
Irrigation and Flood Control	50.23	22.45	15.99	51.55	20.71	8.08
Power and Energy	19.63	0.01	0.00	14.31	0.01	-
Transport	58.95	7.56	34.00	67.58	5.95	24.49
Total (B)	21.13	6.40	2.30	20.70	5.46	1.49
Total (A+B)	15.83*	26.30	1.19	16.41*	29.50	0.91

Source: Finance Accounts

* $(\text{Capital Expenditure on Social Services} + \text{Capital Expenditure on Economic Services}) / \text{Total Expenditure (Revenue and Capital Expenditure)} * 100$

From the above table it can be seen that:

- The share of expenditure on salary and wages in total revenue expenditure increased from 26.30 per cent in 2016-17 to 29.50 per cent in 2017-18.
- The ratio of Capital expenditure to total expenditure increased from 15.83 per cent in 2016-17 to 16.41 per cent in 2017-18.
- The share of operation and maintenance in revenue expenditure on social services and economic services decreased to 0.91 per cent in 2017-18 from 1.19 per cent in 2016-17.

In order to ensure that the created assets are utilised effectively over its lifespan, it is important to ensure that adequate funds are allocated for operation and maintenance.

Recommendation: 4

State Government should increase allocation on operation and maintenance for better maintenance of assets.

1.8.3 Central Assistance Schemes

As per budget 2017-18 of the State Government, 69 Schemes were restructured under Central Assistance for the State. These were aimed at building rural and urban infrastructure for providing basic services with the objective of increasing inclusiveness and reducing poverty. The position of budget allocations and expenditure during 2017-18 under these 69 schemes is summarised in table below:

No. of Central Assistance Schemes/ Programmes	Budget estimate for State	Central Assistance for state plan	₹ in crore	
			Amount released by GOI	Expenditure
69	27,571.97	17,100.33	15,252.69	27,854.75

1.8.3.1 Major Programmes/Schemes

Expenditure incurred under Major Schemes both State as well as Central Sponsored schemes against their budget allotment (including Central and State Share) were analysed. Monitoring of both State and Central Sponsored Schemes is being done by the Planning Department. Planning Department informed that no scheme is declared as Flagship scheme by the Central and State Government.

Out of aforesaid 69 schemes, following thirteen major schemes had a shortfall of more than 20 per cent of expenditure against the budget provision:

(₹ in crore)					
S. No	Name of Programme /Schemes	Budget Provision	Total Expenditure	Shortfall in Expenditure	Shortfall (in per cent)
1	Nirmal Bharat Abhiyan (NBA)	2,309.97	1,825.69	484.28	21
2	Human resource in Health and Medical Education	1,054.54	597.81	456.73	43
3	Smart Cities Yojana	640.00	335.20	304.80	48
4	Integrated watershed Management Programme (IWMP)	542.13	288.53	253.60	47
5	Pradhanmantri Awas Yojana (Gramin)	250.00	16.03	233.97	94
6	Pradhanmantri Krishi Sinchai Yojana	439.73	233.77	205.96	47
7	Atal mission for Rejuvenation and Urban Transformantion (AMRUT)	463.93	338.29	125.64	27
8	Rashtriya Krishi Vikash Yojana (RKVY)	520.34	395.81	124.53	24
9	Shyama Prasad Mukharjee Rurban Mission (SPMRM)	135.00	40.17	94.83	70
10	National Mission on Sustainable Agriculture	221.86	140.13	81.73	37
11	Jawahar Lal Nehru National Urban Renewal Mission (JNNURM)	74.91	0.00	74.91	100
12	Rajiv Awas Yojana (MOHPUA)	69.97	7.28	62.69	90
13	Rashtriya Uchhtar Shiksha Abhiyan	164.94	104.01	60.93	37
	Total	6,887.32	4,322.72	2,564.60	37

Non utilisation of substantial funds in major schemes indicates failure of the department concerned in achieving objectives and targets under the schemes as well as depriving beneficiaries of their due benefits under the schemes.

1.9 Financial Analysis of Government Expenditure and Investment

In post-FRBM framework, the State is expected to keep its fiscal deficit at targeted levels and also meet its capital expenditure/investment (including loans and advances) requirements. In addition, in a transition to reduce dependence on market resources, the State Government needs to initiate measures to earn adequate returns on its investments and recover the cost of borrowed funds rather than bearing the same in its budget in the form of implicit subsidy. Requisite steps have to be taken to infuse transparency in financial operations. This section presents an analysis of investments and other capital expenditure undertaken by the Government during the current year *vis-à-vis* the previous years.

Details regarding Financial results of Irrigation projects, Incomplete Projects, Investment and returns, Loans and Advances by the State Government, Implementation of UDAY by taking over debt of Power Distribution Companies, Adverse balances under DDR heads and Resource availability of State under PPP projects are given in **sub Paragraphs 1.9.1 to 1.9.7**.

1.9.1 Financial results of Irrigation Projects

The financial results of 6 major³⁶ and 11 medium³⁷ irrigation projects completed with a capital outlay of ₹ 7,215.25 crore at the end of March 2018, revealed that during 2017-18 revenue realised (₹ 63.30 crore) from these projects was only 0.9 *per cent* of capital expenditure. This was not even sufficient to cover the direct working expenses. After meeting working and maintenance expenditure (₹ 247.31 crore) and interest charges (₹ 688.34 crore), the projects suffered a net loss of ₹ 872.35 crore.

1.9.2 Incomplete projects

The department-wise information, pertaining to incomplete projects (more than ₹ 10 crore each) as on 31 March 2018, is as follows:

Table 1.17: Department-wise profile of incomplete projects

Department	Total no. of incomplete projects	Original sanctioned cost of all incomplete projects	Original estimated cost of 39 projects which were revised		Revised cost of 39 incomplete projects	Cost Overrun of 39 projects which were revised	Cumulative actual expenditure of all incomplete projects as on 31 March 2018
			No.	Amount			
Water Resources Department / Projects	66	6,460.51	20	1,182.97	5,200.40	4,017.43	5,865.37
Public Works Department/ Project	127	4,995.54	6	114.93	225.87	110.94	2,077.72
Public Health Engineering Department	54	18,687.71	13	4,471.87	8,335.06	3,863.19	12,232.90
Total	247	30,143.76	39	5,769.77	13,761.33	7,991.56	20,175.99

Source: Finance Accounts

As per the information furnished by the State Government, there were 247 incomplete projects (more than ₹ 10 crore each) as on 31 March 2018, on which an amount of ₹ 20,176 crore was spent. There were cost overruns (₹ 7992 crore) in 39 projects of which cost of Narmada Jalore Project alone increased by 568 *per cent* (₹ 2,656.47 crore) from ₹ 467.53 crore to ₹ 3,124 crore. Further, 63 projects (₹ 11,940.43 crore) were incomplete for the past 5 to 24 years out of which cost of 34 incomplete projects increased by 145 *per cent* i.e. from ₹ 5,400.02 crore (initial cost) to ₹ 13,221.84 crore.

The amount spent (₹ 20,175.99 crore) in all the incomplete projects/works was 12 *per cent* of the cumulative capital outlay (₹ 1,68,490.76 crore) of the State.

³⁶ (i) Bhakra Nangal Project; (ii) Chambal Project; (iii) Indira Gandhi Nahar Project; (iv) Gurgaon Canal; (v) Jakham Project and (vi) Gang Canal.

³⁷ (i) Jawai River Project Sei Diversion Scheme; (ii) Meja Project; (iii) Parbati Project; (iv) Gudha Project; (v) Morel Project; (vi) Alnia Project; (vii) West Banas Project; (viii) Vallabh Nagar Project; (ix) Badgaon Pal Project; (x) Orai Irrigation Project and (xi) Wagon Diversion Scheme.

Due to non-completion of projects within the stipulated time, the expected benefits to society were delayed and the cost of the projects also increased over the years.

1.9.3 Investment and returns

Statement 19 of Annual Finance Accounts of the State Government contains the details of investments of the Government. As per the statement, as on 31 March 2018, the total Government investment (₹ 45,780.60 crore) was in 52 Government Companies (₹ 44,292.46 crore), seven Statutory Corporations (₹ 764.34 crore), two Rural Banks (₹ 73.69 crore), 24 Joint Stock Companies (₹ 140.65 crore), one partnership concerns³⁸ and Cooperative Banks and Societies (₹ 509.46 crore). The above investment included ₹ 19.37 crore in three non-working Statutory Corporations and ₹ 10.83 crore in three non-working Government Companies. The average return on this investment was 0.1 to 0.3 *per cent* during 2013-18, while the Government paid an average interest of 6.7 to 7.6 *per cent* on its borrowings (**Table 1.18**). Therefore, return on investment of the State Government is very low.

Continued use of borrowed funds for investments, which do not yield sufficient financial return would lead to unsustainable financial position.

Table 1.18: Returns on Investment

Investment>Returns/Cost of Borrowings	2013-14	2014-15	2015-16	2016-17	2017-18
Investment at the end of the year (₹ in crore)	23,518.00	27,909.59	37,417.62	41,733.94	45,780.60
Returns (₹ in crore)	24.60	63.33	97.41	67.80	66.76
Returns (<i>per cent</i>)	0.1	0.2	0.3	0.2	0.1
Average rate ³⁹ of interest on Government borrowings (<i>per cent</i>)	7.3	7.5	6.7	7.6	7.3
Difference between interest rate and returns (<i>per cent</i>)	7.2	7.3	6.4	7.4	7.2

Source: Finance Accounts

During the year 2017-18, net investment of the State Government in Government Companies, Rural Banks and Cooperative Banks and Societies was ₹ 4,046.66 crore. Out of this, ₹ 3,849.92 crore was invested in five power companies having accumulated losses of ₹ 98,138.14 crore.

The Government had invested ₹ 41,442.76 crore (91 *per cent* of total investment) in five power companies as on 31 March 2018. It is also pertinent to note that Central Government has introduced (November 2015) UDAY scheme to improve the operational and financial efficiency of the State DISCOMs and results of the scheme shall be visible after December 2019.

The investment of the State Government included ₹ 44,281.63 crore in 49 working Government Companies, of which only eight companies declared dividend aggregating to ₹ 64.46 crore against an investment of ₹ 573.71 crore.

³⁸ Only ₹ 20,833.

³⁹ See glossary at page 132 for method of calculation.

Statement No 19 of the Finance Accounts of the State Government for the year 2017-18 revealed that the State Government had made investments of ₹ 1.35 crore in two statutory corporations and 15 JSCs between the period from 1927-28 to 1990-91 but received no dividend. In most of these cases, the accounting information was not made available due to which the picture of updated status in respect of all JSCs is not clear. Moreover, the status of liquidation in most of these units could not be ascertained. This position needs to be reconciled and ratified by the State Government. The details are given in *Appendix 1.8*.

- ***Investment in Joint Stock Companies***

The State Government has invested ₹ 140.65 crore (only 0.3 per cent of total investment) in 24 JSCs out of total investment ₹ 45,780.60 crore as of 31 March 2018. The accumulated losses of these JSCs were ₹ 66.46 crore. The investment of State Government in JSCs included ₹ 137.50 crore (98 per cent) in Road Infrastructure Development Company of Rajasthan Limited, Jaipur. The State Government received dividend of only ₹ 486 from JSCs during 2017-18. Further, nine JSCs were under liquidation where the State Government has invested ₹ 0.23 crore upto 1990-91.

- ***Erosion of capital due to losses***

As per latest finalised accounts of the State PSU's, the capital investment in 43 State PSUs (including 10 subsidiary companies) was ₹ 45,409.44 crore which included State Government investment of ₹ 44,580.49 crore (98.2 per cent). The aggregated accumulated losses of State PSUs was ₹ 1,00,029.11 crore (*Appendix 1.9*). A higher quantum of accumulated losses than the capital investment shows that the overall capital of the State PSUs had entirely been eroded and culminated into negative net worth of ₹ 54,619.67 crore. Further analysis of investment and accumulated losses disclosed that this erosion (₹ 69,825.77 crore) occurred in 16 out of 43 PSUs. PSUs of power sector mainly contributed to the erosion of investment. The accumulated losses of the power sector PSUs were ₹ 98,929.72 crore as against the capital investment of ₹ 41,876.05 crore.

XIII-FC had recommended that the State Government should draw up a road map by March 2011 for closure of non-working companies. However, it was observed that no such road map was drawn by the Government in respect of six non-working Statutory Corporations/Government Companies⁴⁰.

⁴⁰ (i) Rajasthan Land Development Corporation, Jaipur: (₹ 19.36 crore), (ii) Rajasthan State Mandi Development Corporation, Jaipur: (₹ 0.65 lakh), (iii) Rajasthan Water Supply and Sewerage Corporation, Jaipur: (₹ 0.08 lakh), (iv) Rajasthan State Mineral Development Corporation Limited, Jaipur: (₹ 10.61 crore), (v) Rajasthan *Rajya Van Vikas Nigam* Limited, Jaipur: (₹ 16.75 lakh) and (vi) Rajasthan State Electricity Corporation, Jaipur: (₹ 5.00 lakh).

Recommendation: 5

In view of the huge losses of some of the State-owned Public Sector Undertakings, the State Government may consider reviewing their working so as to reduce losses and take proactive steps to strengthen these PSUs.

1.9.4 Loans and Advances by the State Government

In addition to investments in Cooperative Societies, Corporations and Companies, the Government has also been providing loans and advances to many of these institutions/organisations. **Table 1.19** presents the outstanding loans and advances as on 31 March 2018 and interest receipts *vis-à-vis* interest payments during the last three years.

Table 1.19: Average interest received on loans advanced by Government

Quantum of Loans/Interest Receipts/ Cost of Borrowings	2015-16	2016-17	2017-18	
			BE	Actual
Opening Balance	4,701	39,856	51,171	51,108
Amount advanced during the year	36,602	12,965	780	1,334
Amount repaid during the year	1,447	1,713	15,133	15,134
Closing Balance	39,856	51,108	36,818	37,308
Net addition	35,155	11,252	(-) 14,353	(-) 13,800
Interest Receipts	196	172	-	3,020
Interest Receipts as <i>per cent</i> to average of outstanding Loans and Advances	0.9	0.4	-	6.8
Interest payments as <i>per cent</i> to outstanding fiscal liabilities of the State Government.	6.7	7.6	-	7.3
Difference between interest payments and interest Receipts (<i>per cent</i>)	(-) 5.8	(-) 7.2	-	(-) 0.5

Source: Finance Accounts

From above table, it is evident that the average interest earned by the State on loans was 0.4 to 6.8 *per cent* during 2015-18, while the Government paid an average interest of 6.7 to 7.6 *per cent* on its borrowings.

Total loans and advances of ₹ 37,308 crore included loans and advances of ₹ 33,557 crore (90 *per cent*) given to Power Projects. The amount of loans and advances disbursed during the year decreased from ₹ 12,965 crore in 2016-17 to ₹ 1,334 crore (Economic Services: ₹ 1,125 crore and Social Services: ₹ 209 crore) in 2017-18.

During the current year major portion of loan was advance to Rajasthan Rajya Kray-Vikray Sahakari Sangh: ₹ 507 crore and Rajasthan Rajya Vidyut Prasaran Nigam Limited: ₹ 342 crore. Regarding repayment of loans, it was seen that loans amounting to ₹ 67 crore were not repaid by some loanees (*Appendix 1.7*) for the last 15 years or more.

Thus, the State has been borrowing at a higher rate while earning interest at much lower rate on its lending.

1.9.5 Implementation of Ujwal Discom Assurance Yojana (UDAY) by taking over debt of Power Distribution Companies

The Ministry of Power, GoI approved (November 2015) the Ujwal Discom Assurance Yojana (UDAY) Scheme for the financial turnaround of Power Distribution Companies (DISCOMs).

Transmission and Distribution (T&D) losses of DISCOMs during the period 2008-09 to 2017-18 ranged between 24 per cent and 31 per cent wherein, the major portion of T&D losses were due to Distribution losses. As of March 2018, T&D losses stood at 25 per cent, 81 per cent of the same was on account of distribution losses. Further, the cumulative losses of DISCOMs increased to ₹ 92,460.5 crore in the last decade. Net profit for the year 2017-18 was ₹ 2,172.7 crore (*Appendix 1.10*).

With an objective to improve the operational and financial efficiency of the State DISCOMs, a tripartite Memorandum of Undertaking (MoU) was executed (27th January 2016) between Ministry of Power, Government of India, GoR and State Power Distribution Companies i.e. Ajmer Vidyut Vitran Nigam Limited, Jaipur Vidyut Vitran Nigam Limited and Jodhpur Vidyut Vitran Nigam Limited under this scheme for facilitating GoR to take over 75 per cent of DISCOM's outstanding debt as on 30th September 2015 over a period of two years.

The outstanding debt of three DISCOMs was ₹ 83,230 crore as on 30 September 2015. The GoR had taken over debt of DISCOMs of ₹ 62,422 crore⁴¹ (75 per cent of ₹ 83,230 crore) under UDAY (₹ 8,700 crore as equity, ₹ 44,722 crore as loan and ₹ 9,000 crore as subsidy). It has been informed by the State Government to Ministry of Power, GoI that the loan extended (₹ 44,722 crore) to DISCOMs under UDAY scheme will be converted into grant and equity in the next three years i.e. upto 2019-20 as per relaxation given in UDAY. Accordingly, during 2017-18, the GoR has converted loan of ₹ 15,000 crore into equity (₹ 3,000 crore) and subsidy (₹ 12,000 crore). At the end of 2017-18, equity support to DISCOMs was 18.74 per cent of the total debt taken over by the State Government which was within the limit of 25 per cent as prescribed in the guidelines of the scheme. Details are given below:

(₹ in crore)

Year	Equity Investment	Loan	Subsidy	Total
2015-16	5,700.00	34,349.77	-	40,049.77
2016-17	3,000.00	10,372.19	9,000.00	22,372.19
Total	8,700.00	44,721.96	9,000.00	62,421.96
2017-18	3,000.00	(-) 15,000.00	12,000.00	-
Position as on 31-03-2018	11,700.00 (18.74%)	29,721.96 (47.62%)	21,000.00 (33.64%)	62,421.96

The above position indicates that on account of taking over debt of DISCOMs the GoR had made investment (Equity) of ₹ 11,700 crore, Loans of ₹ 29,722 crore and Subsidy of ₹ 21,000 crore upto March 2018. The GoR raised borrowings by issuing bonds of ₹ 62,422 crore during 2015-16 and 2016-17

⁴¹ During 2015-16: ₹ 40,050 crore and 2016-17: ₹ 22,372 crore.

(₹ 40,050 crore during 2015-16 and ₹ 22,372 crore during 2016-17). At the end of March 2018 outstanding borrowings of the State on account of issue of Non Statutory Liquidity Ratio Bonds and forfeited Bonds under UDAY Yojana was ₹ 58,272 crore.

1.9.6 Adverse balances under Debt, Deposit and Remittances Heads

Adverse balances (credit balance in debit heads and debit balances in credit heads) are negative balances appearing under those heads of accounts, where there should not be a negative balance. For example, against the accounting head of any loan or advance, a negative balance will indicate more repayments than the original amount advanced.

As of 31 March 2018, there were 64 cases⁴² of adverse balances under Debt, Deposit and Remittances (DDR) heads in 8 Major Heads amounting to ₹ 1,094.90 crore. The adverse balances were mainly under Pension Funds of employees of Municipal Councils/Municipalities (₹ 1,031.52 crore) under 'Insurance and Pension Funds'.

Recommendation: 6

Adverse balances in DDR heads in 64 cases amounting to ₹ 1,094.90 crore need to be reconciled and adjusted on priority.

1.9.7 Resource availability of the State under Public Private Partnership Projects

Public Private Partnership (PPP) is an arrangement between the government or statutory entity and a private sector entity, to provide a framework that enables them to work together to meet the rising demand of the public for adequate infrastructure development activities. The PPP cell was established (July 2007) by the State Government in Planning Department. It is the nodal agency to coordinate and monitor all efforts of the State Government for public private partnership. It serves as the repository of all information relating to PPP in the State including best practices, guidelines, schemes etc. The Administrative Departments are required to submit their proposals to the PPP cell to seek in-principle approval of Empowered Committee on Infrastructure Development (ECID).

As per information furnished (July 2018) by the PPP cell of Planning Department, 219 projects involving ₹ 65,018.66 crore, have been taken up during the period 1995-2018 under different sectors. Of these, 156 projects (₹ 12,004.68 crore) had been completed and 63 projects (₹ 53,013.98 crore) are under progress as on 31 March 2018. Besides, 102 projects involving

⁴² Loans and Advances from the Central Government (seven cases: ₹ 12.23 crore); Loans to Government Servants (46 cases: ₹ 2.64 crore); State Provident Funds (one case: ₹ 0.01 crore); Insurance and Pension Funds (one case: ₹ 1,031.52 crore); Deposits of Local Funds (one case: ₹ 9.32 crore); Civil Deposits (three cases: ₹ 33.26 crore); Suspense Account (two cases: ₹ 3.18 crore); and Cash Remittance and adjustments between officers rendering accounts to the same Accounts Officers (three cases: ₹ 2.74 crore).

₹ 25,064.86 crore, relating to Roads, Urban Infrastructures, Power, Water, Social and Other Sectors are under planning.

Sector-wise details of PPP projects completed, ongoing and to be taken up in future are shown in **Table 1.20** below:

Table 1.20: Sector-wise details of PPP Projects

(₹ in crore)							
S. No.	Sector	Completed		On going		Planned for future	
		No.	Estimated Cost	No.	Estimated Cost	No.	Estimated Cost
1.	Road	56	5,076.03	20	4,537.30	68	8,330.25
2.	Urban Infrastructure	22	392.36	10	269.08	16	13,149.25
3.	Power	5	5,759.32	13	48,057.49	2	98.78
4.	Water	1	46.00	-	-	2	2,165.00
5.	IT	1	54.01	-	-	-	-
6.	Social	58	626.87	19	149.56	11	853.28
7.	Other	13	50.09	1	0.55	3	468.30
	Total	156	12,004.68	63	53,013.98	102	25,064.86

Scrutiny of the budget documents of 2017-18 revealed that the State Government did not provide the details of figures and information regarding investment made in PPP projects in the previous year. Further, the revenue generated against the resources of the State Government was not ascertainable (by the Private sector as well) in the budget document. For the current year the documents also do not reveal distinctively and separately, the estimated investment to be made by the Private and Government sectors in connection with PPP projects involving the State Government.

1.10 Assets and Liabilities

Details regarding Growth and composition of Assets and Liabilities, Fiscal Liabilities, Cash balances and Investment of cash balances, Transactions under Reserve Funds, Contingent liabilities and Analysis of Borrowings of the Government are given in **sub Paragraphs 1.10.1 to 1.10.6**.

1.10.1 Growth and composition of Assets and Liabilities

In the existing Government accounting system, comprehensive accounting of fixed assets like land and buildings owned by the Government is not done. However, the Government accounts do capture the financial liabilities of the Government and the assets created out of the expenditure incurred. **Appendix 1.5** gives an abstract of such liabilities and the assets as on 31 March 2018, compared with the corresponding position on 31 March 2017. While the liabilities in this Appendix consist mainly of internal borrowings, loans and advances from GoI, receipts from public account and reserve funds, the assets comprise mainly the capital outlay and loans and advances given by the State Government and cash balances.

According to FRBM Act, 2005, the total liability means the explicit liabilities under the Consolidated Fund of the State and the Public Account of the State including General Provident Fund.

The growth rate of components of assets and liabilities are summarised in the **Table 1.21**:

Table 1.21: Summarised position of Assets and Liabilities

(₹ in crore)

Liabilities				Assets			
	2016-17	2017-18	Per cent increase		2016-17	2017-18	Per cent increase
Consolidated Fund	1,95,423.95	2,12,306.86	8.6	Consolidated Fund	1,98,991.29	2,05,798.57	3.4
a Internal Debt	1,84,284.58	2,00,243.86	8.7	a Gross Capital Outlay	1,47,884.09	1,68,490.76	13.9
b Loans and Advances from GoI	11,139.37	12,063.00	8.3	b Loans and Advances	51,107.20	37,307.81	(-) 27.0
Contingency Fund	500.00	500.00	-				
Public Account	62,103.06	71,841.90	15.7	Public Account	148.91	164.51	10.5
a Small Savings, Provident Funds, etc.	38,894.45	42,095.22	8.2	a Advances	4.71	3.21	(-) 31.8
b Deposits	19,060.56	24,762.22	29.9	b Remittance	21.66	11.47	(-) 47.0
c Reserve Funds	4,148.05	4,984.46	20.2	c Suspense and Miscellaneous	122.54	149.83	22.3
d Remittances	-	-	-	Cash balance (including investment in Earmarked Fund)	8,112.46	9,376.99	15.6
				Total	2,07,252.66	2,15,340.07	3.9
				Deficit in Revenue Account	50,774.35	69,308.69	36.5
Total	2,58,027.01	2,84,648.76	10.3	Total	2,58,027.01	2,84,648.76	10.3

Source: Finance Accounts

During 2017-18, the assets increased by 3.9 *per cent*, while the liabilities increased by 10.3 *per cent* over the previous year.

1.10.2 Fiscal Liabilities

The trends in Fiscal Liabilities relative to GSDP are shown in **Table 1.22**.

Table 1.22: Fiscal Liabilities- Basic Parameters

(₹ in crore)

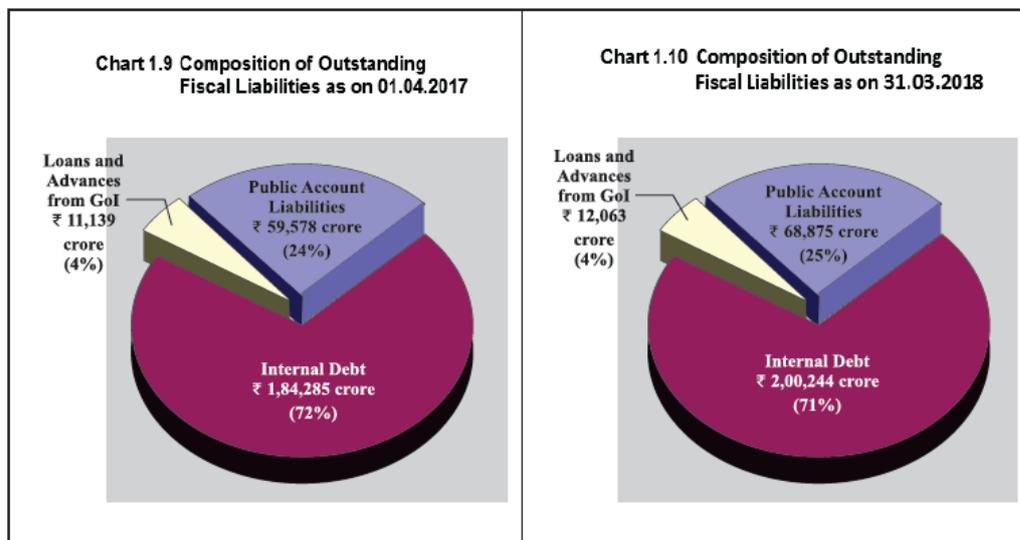
	2013-14	2014-15	2015-16	2016-17	2017-18
Fiscal Liabilities	1,29,910	1,47,609	2,09,386	2,55,002	2,81,182
Rate of Growth	10.3	13.6	41.9	21.8	10.3
Population (in crore)	7.06	7.16	7.26	7.35	7.45
Per capita debt (in ₹)	18,401	20,616	28,841	34,694	37,743
Fiscal Liabilities as a percentage of					
GSDP	23.6	24.0	30.6	33.6	33.5
Revenue Receipts	174.4	161.6	208.8	233.9	220.9
Own Resources	276.1	284.4	390.3	455.5	423.9

Source: Finance Accounts

The outstanding fiscal liabilities of the State increased from ₹ 1,29,910 crore in 2013-14 to ₹ 2,81,182 crore at the end of 2017-18, it increased by 10 *per cent* over to 2016-17.

The average annual per capita debt increased significantly by 26 per cent per annum from ₹ 18,401 in 2013-14 to ₹ 37,743 in 2017-18.

The composition of fiscal liabilities during the current year *vis-à-vis* the previous year is presented in **Charts 1.9** and **1.10** below:



Source: Finance Accounts

During 2017-18, fiscal liabilities increased by 10 per cent (₹ 26,180 crore) over the previous year due to increase in Internal Debt by 9 per cent (₹ 15,959 crore), Public Account Liabilities by 16 per cent (₹ 9,297 crore) and Loans and Advances from GoI by 8 per cent (₹ 924 crore).

The fiscal liabilities of ₹ 2,81,182 crore existing on 31 March 2018, included outstanding borrowings of ₹ 58,272 crore under UDAY, on account of issue of Non Statutory Liquidity Ratio (SLR) Bonds and forfeited Bonds which constituted Internal Debt of the State Government.

Though, the fiscal liability (total outstanding debt) to GSDP ratio (33.46 per cent) during 2017-18 was lower than the MTFPS projections (33.61 per cent), the State Government annual incremental borrowings⁴³ (₹ 26,180 crore) were higher than the ceilings for annual borrowings fixed by the GoI (₹ 24,827 crore) as per recommendations of XIV-FC.

1.10.3 Cash balances and investment of cash balances

Table 1.23 depicts the cash balances and investments made by the State Government out of cash balances during the year.

⁴³ It included Open Market Borrowings, Negotiated Loans from financial institutions, National Small Savings Fund loans, Central Government loans including EAPs, any loans for State Plan Schemes and Centrally Sponsored Schemes, other liabilities arising out of Public Account transfers under Small Savings, Provident Funds, Reserve Funds, Deposits, etc.

Table 1.23: Cash balances and Investment of Cash balances

	(₹ in crore)		
	Opening balance on 1 April 2017	Closing balance on 31 March 2018	Increase/ Decrease (-)
(a) General Cash Balance			
Cash in Treasuries	0.05	0.05	-
Deposits with Reserve Bank	(-) 2.28	11.09	13.37
Remittances in transit - Local	0.07	(-) 6.51	(-) 6.58
Total	(-) 2.16	4.63	6.79
Investments held in Cash Balance investment account	5,585.10	6,401.72	816.62
Total (a)	5,582.94	6,406.35	823.41
(b) Other Cash Balances and Investments			
Cash with departmental officers viz, Public Works Department Officers, Forest Department Officers, District Collectors	1.13	1.03	(-) 0.10
Permanent advances for contingent expenditure with departmental officers	2.93	2.90	(-) 0.03
Investment of earmarked funds	2,525.46	2,966.71	441.25
Total (b)	2,529.52	2,970.64	441.12
Grand total (a)+ (b)	8,112.46	9,376.99	1,264.53

Source: Finance Accounts

The State Government's cash balances at the end of the current year amounted to ₹ 9,377 crore. This has increased by ₹ 1,264 crore (15.6 per cent) from the previous year.

- **Investment of cash balances**

Many States had cash balances exceeding the total expenditure for one month therefore, XIII-FC and XIV-FC recommended a directed effort by State having large cash balances towards utilising their existing cash balances before resorting to fresh borrowings. Accumulation of cash beyond a level, can be treated as inefficient management, as it leads to borrowing and avoidable interest burden. The Reserve Bank of India also reiterated the fact and advised the States to manage their cash balances more efficiently.

Year-wise position of cash balances⁴⁴, market loans raised and budgeted expenditure is given in **Table 1.24**.

Table 1.24: Position of cash balances, market loans and budgeted expenditure

	(₹ in crore)				
	2013-14	2014-15	2015-16	2016-17	2017-18
Cash balance as on 1 April	12,886.72	10,446.44	8,949.28	8,397.27	8,112.46
Cash balance as on 31 March	10,446.44	8,949.28	8,397.27	8,112.46	9,376.99
Investment of cash balance in GoI Treasury Bills/Securities	8,997.40	7,628.42	5,915.95	5,585.10	6,401.72
Market loan raised	8,800	12,300	15,800	16,054	24,914
Total budgeted expenditure	90,440	1,26,470	1,32,883	1,66,541	1,70,073
Average monthly budgeted expenditure	7,537	10,539	11,074	13,878	14,173

Source: Finance Accounts and Budget Documents

⁴⁴ It includes Cash in Treasuries, Deposits with Reserve Bank, Remittances in Transit-Local, Cash with the Departmental Officers, Permanent Advance, Investment from Cash balances and Investment from Earmarked balances.

The surplus cash balances of the State Government are automatically invested in 14 day treasury bills with an average interest rate of 5 *per cent* per annum and partly in 91, 181 and 364 day auctioned treasury bills of RBI. Till the end of 2017-18, a sum of ₹ 6,401.72 crore was invested in GoI Treasury Bills/ Securities, which earned an interest of ₹ 365.84 crore. Further, ₹ 2,966.71 crore was also invested in earmarked funds.

State Government had maintained positive cash balances throughout the financial year without availing any ways and means advances or overdraft situation.

1.10.4 Transactions under Reserve Funds

According to Paragraph 4.5 of the State Budget Manual, Reserves and Reserve Funds are created for specific and well defined purposes in the accounts of the State Government (Public Account). These funds are created by contributions or grants from the Consolidated Fund of State or from outside agencies. The funds are further divided into two parts (i) Reserve Funds bearing interest and (ii) Reserve Funds not bearing interest. The funds are created by the sums transferred by debiting the concerned expenditure head of the Consolidated Fund of the State. Thereafter, the total expenditure incurred during the year is to be reimbursed from the concerned Reserve Fund.

- ***Operative Reserve Funds***

As on 31 March 2018, there were 25 Reserve Funds in Public Accounts containing ₹ 4,984.46 crore⁴⁵, in which included a sum of ₹ 150.75 crore in three interest bearing funds. During 2017-18, a sum of ₹ 3,465.86 crore was credited to the Reserve Funds of the state which included State Disaster Response Fund (₹ 1567.73 crore⁴⁶), Guarantee Redemption Fund (₹ 732.03 crore), State Road and Bridges Fund (₹ 466.68 crore), Other Development and Welfare Fund (₹ 523.97 crore) and Development Funds for Animal Husbandry Purposes (₹ 173.68 crore).

The State Government was required to credit interest of ₹ 5.10 crore (conservatively estimated at 7.5 *per cent*, representing the average interest rate on Ways and Means Advances) on ₹ 67.97 crore lying in other interest bearing funds as on 31 March 2017. It was however, observed that the same was not credited.

- ***Inoperative Reserve Funds***

As per Finance Account 2017-18, five Reserve Funds (₹ 4.24 crore) were inactive for more than five years. However, there is no provision for closing of

⁴⁵ It included (i) State Disaster Response Fund: ₹ 83.27 crore; (ii) Guarantee Redemption Fund: ₹ 3,366.68 crore; (iii) Resource Development Fund: ₹ 180.89 crore; (iv) State Road and Bridges Fund: ₹ 765.65 crore (v) Water Works under Depreciation Reserve Fund: ₹ 67.27 crore (vi) Environment Reform and Health Fund in Mining Areas: ₹ 248.79 crore and (vii) Water Conservation Cess Fund ₹ 158.80 crore.

⁴⁶ It included NDRF of ₹ 301.65 crore.

inoperative reserve fund in the State Budget Manual. Of these, one fund⁴⁷ (₹ 0.20 crore) was interest bearing and four funds⁴⁸ (₹ 4.04 crore) were non-interest bearing.

1.10.4.1 State Disaster Response Fund

The State Disaster Response Fund (SDRF) was set up on 1 April 2010 replacing the existing Calamity Relief Fund. The XIV-FC had recommended that annual contributions to the fund were to be contributed by GoI and State Government in the ratio of 75:25 *per cent*. As per Guidelines (July 2015) for Administration of the State Disaster Response Fund, the accretions to the fund together with income earned on the investment of the SDRF was to be invested in Central Government dated Securities, Auctioned Treasury Bills and Interest earning deposits and certificates of deposits with scheduled Commercial banks. However, subsequent upon issue of these guidelines, no investment was made from this fund.

During 2017-18, GoI and State Government contributed their shares in appropriate proportion. However, GoI during 2017-18, released additional assistance of ₹ 607.77 crore from National Disaster Response Fund out of which the State Government did not transfer an amount of ₹ 306.12 crore into SDRF.

As on 31 March 2018, the balance in SDRF (including National Disaster Response Fund) was ₹ 83.27 crore. This was after setting off the expenditure (₹ 1,810.52 crore) for disaster relief operations.

During 2017-18, ₹ 50.08 crore was credited by State Government as interest on the un-invested amount of SDRF for the period 2016-17. However, the State Government did not credit interest of ₹ 31.75 crore on the un-invested amount for 2017-18.

1.10.4.2 Guarantee Redemption Fund

The State Government had set up the Guarantee Redemption Fund in 1999-2000. The corpus of the Fund is to be gradually increased to the desirable level of 5 *per cent* of outstanding guarantees in terms of the guidelines of the Reserve Bank of India (RBI), which administers the Fund. The Guarantee Redemption Fund has a balance of ₹ 3,366.68 crore as on 31 March 2018 which was 5.5 *per cent* of outstanding guarantees (₹ 61,761 crore) as against the desirable level of 5 *per cent* of the total outstanding guarantees. No amount was reimbursed from this Fund during the year.

Further, during 2017-18 the State Government received ₹ 464.04 crore Guarantee Commission (including advance payment of ₹ 0.31 crore) against the receivable amount of ₹ 460.97 crore. This amount was booked under

⁴⁷ Departmental Management Scheme of *Jhamar Kotra* Rock Phosphate: ₹ 20.45 lakh.

⁴⁸ (i) Farmers Reform Fund: ₹ 0.74 lakh, (ii) Fund for intensive egg and hen production and marketing centres with the assistance of World Food Programme: ₹ 0.95 lakh, (iii) State Road Development Fund: ₹ 402.08 lakh and (iv) Government Security Redemption Fund: ₹ 0.18 lakh.

Miscellaneous Receipts and an amount of ₹ 569.93 crore (included ₹ 109.81 crore pertaining to 2016-17) was transferred to Guarantee Redemption Fund.

1.10.5 Contingent liabilities

- **Status of Guarantees**

Guarantees are contingent liabilities on the Consolidated Fund of the State which can be invoked in case of default by the borrower for whom the guarantee was extended. As per FRBM Act, 2005 (amended in April 2016) total outstanding Government guarantee on 31st March 2017 shall not exceed 70 *per cent* of estimated receipts in the Consolidated Fund of the State in financial year 2016-17 and thereafter total outstanding government guarantee at the end of each financial year shall not exceed 60 *per cent* of estimated receipts in the Consolidated Fund of the State in that financial year.

As per **Statement 9** of the Finance Accounts, the maximum amount for which guarantees were given by the State and outstanding guarantees for the last three years is as follows:

Table 1.25: Guarantees given by the Government of Rajasthan

Guarantees	(₹ in crore)		
	2015-16	2016-17	2017-18
Maximum amount guaranteed	1,61,236	1,18,161	1,12,057
Outstanding amount of guarantees	53,620	51,119	61,761
Maximum amount guaranteed to total Revenue Receipts (in <i>per cent</i>)	160.8	108.4	88.0
Estimated receipts in the Consolidated Fund	1,34,430	1,67,405	1,77,390
Outstanding guarantee w.r.t. estimated receipts (in <i>per cent</i>)	39.9	30.5	34.8

Source: Finance Accounts and budget documents

The outstanding guarantees increased by 21 *per cent* from ₹ 51,119 crore in 2016-17 to ₹ 61,761 crore in 2017-18 and were 48.5 *per cent* of the Revenue Receipts of the Government. The outstanding guarantees mainly pertained to five Power Companies (₹ 53,247 crore), three Urban Development and Housing (₹ 3,571 crore), one Road and Transport (₹ 2,260 crore) and seven Co-operatives (₹ 1,647 crore). The guarantees of Power Companies were given for repayment of loans/overdraft, amount raised by issue of bonds/debentures and payment of interest at stipulated rates.

The outstanding guarantee to estimated receipts ratio (34.8 per cent) during 2017-18 was lower than the limit fixed under FRBM Act (60.0 per cent).

- **Off Budget borrowings**

The borrowings of a State are governed by Article 293 of the Constitution of India. In addition to the fiscal liabilities, the State Government guaranteed loans availed by Zila Parishads/Companies/Corporations from the market/financial institutions for implementation of various State Plan programmes, projected outside the State Budget. The State Government projected that the fund raised for these programmes would be met out of the resources mobilized by these Companies/Corporations/Zila Parishads. In reality the borrowings of many of these concerns are repaid by the Government and ultimately turn out

to be the liabilities of the State Government. These are termed as "off budget borrowings" which is not permissible under Article 293 (3).

During 2017-18, GoR added guarantees of ₹ 6.34 crore to the opening outstanding balances of ₹ 2,605.52 crore and cleared guarantees of ₹ 238.95 crore leaving a balance of ₹ 2,372.91 crore outstanding at the end of 2017-18 as against the maximum amount of guarantees of ₹ 3,948.66 crore. The Finance Department, GoR, informed (August, 2018) that the State Government gave guarantees with respect to loans of ₹ 3,948.66 crore obtained by Zila Parishads (ZPs) from Housing Urban Development Corporation (HUDCO) for construction of dwelling units for Economically Weaker Section (EWS) families in Rural areas under Chief Minister Below Poverty Line (CMBPL) Awas Yojana.

Scrutiny of the sanctions issued by the RDPRD revealed that ₹ 458.86 crore (₹ 238.95 crore on account of principal and ₹ 219.91 crore as interest) was transferred by GoR in Personal Deposit accounts of 31 ZPs during 2017-18, for payment of principal and interest on loans raised by them from HUDCO for CMBPL Awas Yojana, which indicated that State Government resorted to off budget borrowings for meeting plan expenditure.

1.10.6 Analysis of Borrowings of the Government

The Public Debt of the State Government increased by 36 *per cent* per annum from ₹ 87,330 crore in 2013-14 to ₹ 2,12,307 crore in 2017-18. During 2017-18 it increased by 8.6 *per cent* over the previous year. The details are given below in **Table 1.26**:

Table 1.26: Outstanding Borrowings during 2013-18

	(₹ in crore)				
	2013-14	2014-15	2015-16	2016-17	2017-18
(a) Internal Debt					
Market Loans	51,384	61,386	75,193	89,518	1,10,445
Loans from National Bank for Agriculture and Rural Development	5,422	6,482	7,624	8,377	9,077
Special Securities issued to National Small Savings Fund of the Central Government	20,022	20,126	20,040	18,504	16,968
Loans from other Institutions	3,753	5,483	45,435*	67,886*	63,754
Total (a)	80,581	93,477	1,48,292	1,84,285	2,00,244
(b) Loans and Advances from the Central Government					
Non-Plan Loans	49	44	39	34	29
Loans for State/Union Territory Plan Schemes	6,690	6,980	8,209	11,095	12,024
Other Plan Loans	10	10	10	10	10
Total (b)	6,749	7,034	8,258	11,139	12,063
Total Borrowings (a + b)	87,330	1,00,511	1,56,550	1,95,424	2,12,307
Rate of Growth	13.5	15.1	55.8	24.8	8.6

Source: Finance Accounts

* Including outstanding borrowing under UDAY during 2015-16: ₹ 40,050 crore, 2016-17: ₹ 62,422 crore and 2017-18: ₹ 58,272 crore.

The outstanding borrowings both internal debt and loans and advances from the Central Government have shown a progressive increase over the period 2014-18. The share of market loans to total borrowing decreased from 59 *per cent* in 2013-14 to 52 *per cent* in 2017-18.

1.11 Fiscal Imbalances

Three key fiscal parameters - Revenue Deficit, Fiscal Deficit and Primary Deficit - indicate the extent of overall fiscal imbalances in the finances of the State Government during a specified period. The deficit in the Government accounts represents the gap between its receipts and expenditure. The nature of deficit is an indicator of the prudence of fiscal management of the Government. Further, the manner in which the deficit is financed and the resources are applied, are important pointers to its fiscal health. This section presents trends, nature, magnitude and the manner of financing these deficits and also the assessment of actual level of revenue and fiscal deficits *vis-à-vis* targets set under FRBM Act/Rules for the financial year 2017-18.

Details regarding Trends in Deficits, Component of Fiscal deficit and its item-wise financing pattern and Quality of deficit/surplus are given in **sub Paragraphs 1.11.1 to 1.11.3**.

1.11.1 Trends in Deficits

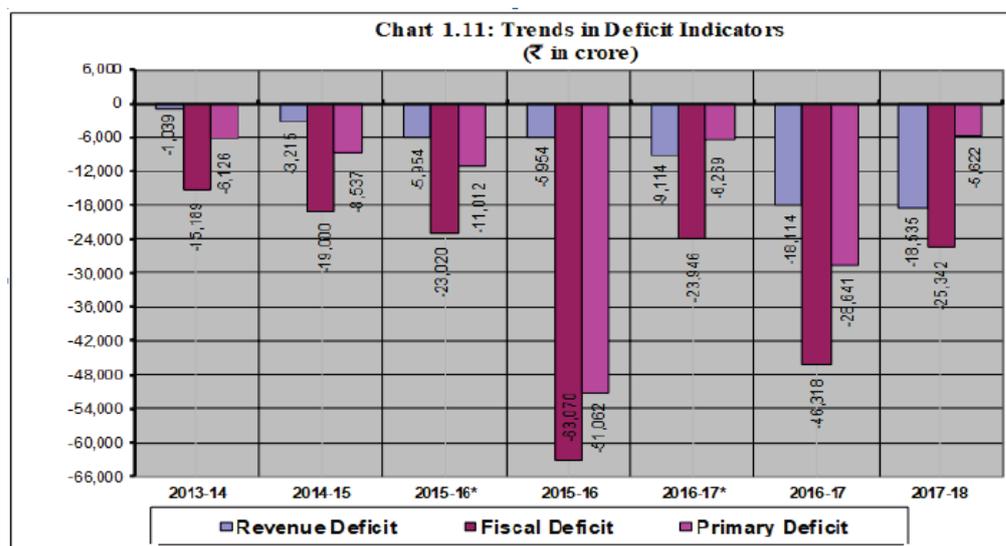
Trends in deficit and its indicators relative to GSDP are summarised below in **Table 1.27**:

Table 1.27: Trends in deficit indicators relative to GSDP

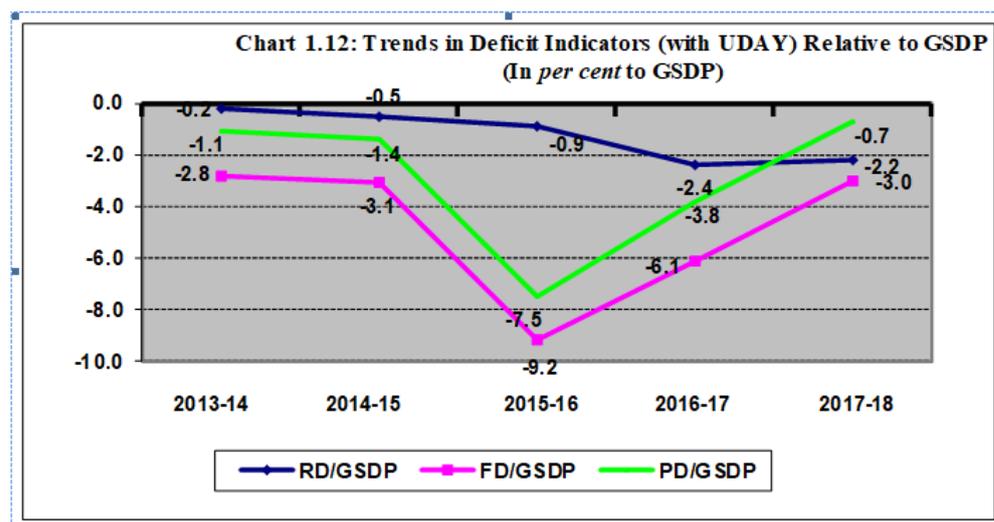
	2013-14	2014-15	2015-16		2016-17		2017-18
			Without UDAY	With UDAY	Without UDAY	With UDAY	
Revenue Deficit(-)/Revenue Surplus (+)	(-) 1,039	(-) 3,215	(-) 5,954	(-) 5,954	(-) 9,114	(-) 18,114	(-) 18,535
Fiscal Deficit (-)/Fiscal Surplus (+)	(-) 15,189	(-) 19,000	(-) 23,020	(-) 63,070	(-) 23,946	(-) 46,318	(-) 25,342
Primary Deficit	(-) 6,126	(-) 8,537	(-) 11,012	(-) 51,062	(-) 6,269	(-) 28,641	(-) 5,622
Revenue Deficit (surplus+)/GSDP	(-) 0.2	(-) 0.5	(-) 0.9	(-) 0.9	(-) 1.2	(-) 2.4	(-) 2.2
Fiscal Deficit as a percentage of GSDP	(-) 2.8	(-) 3.1	(-) 3.4	(-) 9.2	(-) 3.2	(-) 6.1	(-) 3.0
Primary Deficit (surplus +) as a percentage of GSDP	(-) 1.1	(-) 1.4	(-) 1.6	(-) 7.5	(-) 0.8	(-) 3.8	(-) 0.7
Revenue Deficit as a percentage of Fiscal Deficit	6.8	16.9	25.9	9.4	38.1	39.1	73.1

Source: Finance Accounts

Charts 1.11 and 1.12 present the trends in deficit indicators over the period 2013-18.



* Without UDAY



1.11.1.1 Revenue Surplus/Deficit

Revenue Surplus represents the difference between Revenue Receipts and Revenue Expenditures. Revenue Surplus helps to decrease the borrowings.

The State Government turned into a revenue deficit State in 2013-14 from revenue surplus in 2012-13. During 2017-18, revenue deficit (₹ 18,535 crore) increased by ₹ 421 crore (2.3 per cent) over the previous year (₹ 18,114 crore). During 2017-18, against the growth rate of 16.8 per cent of Revenue Receipts, the growth rate of Revenue Expenditure was 14.7 per cent. This issue is discussed in detail in **Paragraph 1.2.1**.

Recommendation: 7

State Government should strive to attain Zero Revenue Deficit and maintain it or attain revenue surplus as per FRBM Act.

1.11.1.2 Fiscal Deficit

Fiscal deficit normally represents the net incremental liabilities of the Government or its additional borrowings. The shortfall could be met either by additional public debts (internal or external) or by the use of surplus funds from Public Account. Fiscal deficit trends along with the trends of the deficit relative to key components are indicated in **Table 1.28**:

Table: 1.28: Fiscal deficit and its parameters

(₹ in crore)

Period	Non-debt Receipts	Total Expenditure	Fiscal Deficit	Fiscal Deficit as per cent of		
				GSDP	Non-debt Receipts	Total Expenditure
2013-14	74,797	89,986	15,189	2.76	20.3	16.9
2014-15	92,346	1,11,346	19,000	3.09	20.6	17.1
2015-16*	1,01,757	1,64,827	63,070	9.22	62.0	38.3
2016-17*	1,10,767	1,57,085	46,318	6.10	41.8	29.5
2017-18	1,42,457	1,67,799	25,342	3.02	17.8	15.1

Source: Finance Accounts

* The position includes impact of UDAY.

Fiscal deficit as a percentage of GSDP was least in 2013-14 and thereafter it continuously increased upto 2015-16. During 2017-18, the fiscal deficit decreased by ₹ 20,976 crore from the previous year due to decreased in accounts of Loan and Advances (₹ 25,051 crore).

Fiscal deficit as a percentage of GSDP decreased from 3.15 per cent (without UDAY) and 6.10 per cent (with UDAY) in 2016-17 to 3.02 per cent in 2017-18, which was marginally higher than the target of 3 per cent as prescribed under FRBM Act, 2005. After containing fiscal deficit regularly within the limit for the years 2012-13 and 2013-14 as prescribed under FRBM Act, the State Government has been unable to contain fiscal deficit under the target of 3 per cent from 2014-15.

1.11.1.3 Primary Deficit

While fiscal deficit represents the need for additional resources in general, a part of such resources may be needed to finance interest payments. Interest payments represent the expenditure of past obligations and are independent of current allocative priorities. To look at the imbalances of the current nature, these payments need to be separated and deducted from the total imbalances.

The primary surplus was maintained till 2011-12. The primary surplus turned into a primary deficit in 2012-13, due to increase in capital expenditure. The primary deficit decreased from ₹ 28,641 crore in 2016-17 to ₹ 5,622 crore in 2017-18.

1.11.2 Components of Fiscal Deficit and its item-wise financing pattern

Table 1.29 presents item-wise net disbursement/outflow financing pattern of fiscal deficits of the State during 2012-13 to 2017-18 along with receipts and disbursements during 2017-18.

Table 1.29: Components of fiscal deficit and its item-wise financing pattern

		Net disbursements/outflows					2017-18#		
		2012-13	2013-14	2014-15	2015-16#	2016-17#	Receipts	Disbursements	Net
(a) Composition of Fiscal Deficit									
1	Revenue Deficit/ Surplus (-)	(-) 3,451	1,039	3,215	5,954	18,114	1,27,307	1,45,842	18,535
2	Net Capital Expenditure	10,675	13,654	16,088	21,961	16,952	16	20,623	20,607
3	Net Loans and Advances	1,310	496	(-) 303	35,155	11,252	15,134	1,334	(-) 13,800
	Total (a)	8,534	15,189	19,000	63,070	46,318	1,42,457	1,67,799	25,342
(b) Financing Pattern of Fiscal Deficit									
1	Market Borrowings	5,658	7,175	10,002	13,807	14,325	24,914	3,987	20,927
2	Loans from GoI	(-) 268	(-) 232	286	1,224	2,881	1,557	633	924
3	Special Securities Issued to National Small Saving Funds	(-) 751	(-) 745	104	(-) 86	(-) 1,536	0	1,536	(-) 1,536
4	Ways and Means	-	-	-	-	-	0	0	-
5	Loans from Financial Institutions	610	4,178	2,789	41,094	23,204	2,086	5,518	(-) 3,432
6	Small Savings, Provident Fund etc	2,164	2,521	2,982	3,267	3,380	9,346	6,145	3,201
7	Deposits and Advances	3,416	(-) 421	1,409	2,255	3,242	1,42,603	1,36,900	5,703
8	Suspense and Miscellaneous	(-) 3	12	(-) 40	59	(-) 119	51	78	(-) 27
9	Remittances	29	(-) 6	(-) 1	(-) 20	(-) 3	1,345	1,335	10
10	Reserve Funds	781	267	(-) 28	918	659	3,466	2,630	836
	Total (b)	11,636	12,749	17,503	62,518	46,033	1,85,368	1,58,762	26,606
11	Increase (-)/ Decrease (+) in Cash Balance (a-b)	(-)3,102	2,440	1,497	552	285	-	-	(-) 1,264
12	Overall Deficit (b+11)	8,534	15,189	19,000	63,070	46,318	-	-	25,342

The position includes impact of UDAY.

Source : Finance Accounts

Fiscal deficit is the total borrowing requirement of the State and is the excess of Revenue and Capital Expenditure including loans and advances, over revenue and non-debt receipts. Composition of fiscal deficit reveals the extent of various borrowings resorted to, by the State to meet its requirement of funds over and above Revenue and non-debt Receipts.

Market borrowings continued to finance a major portion of fiscal deficit. Its share in financing fiscal deficit increased from 31 *per cent* in 2016-17 to 83 *per cent* in 2017-18. During 2017-18, the fiscal deficit of ₹ 25,342 crore was mainly met from Market Borrowings (₹ 20,927 crore).

1.11.3 Quality of deficit/surplus

The ratio of revenue deficit to fiscal deficit and the composition of primary deficit into primary revenue deficit and capital expenditure (including loans and advances) indicate the quality of deficit in the State's finances. The ratio of revenue deficit to fiscal deficit indicates the extent to which borrowed funds were used for current consumption. Persistent high ratio of revenue deficit to fiscal deficit also indicates that the asset base of the State was continuously shrinking and a part of borrowings (fiscal liabilities) did not have adequate assets backup. As per **Table 1.27**, it is evident that ratio of the revenue deficit to fiscal deficit increased from 6.8 *per cent* in 2013-14 to 73.1 *per cent* in 2017-18. This indicates that the major part of the borrowing of the state is being used to meet out the revenue deficit.

The bifurcation of the primary deficit (**Table 1.30**) indicated the extent to which the deficit was on account of enhancement in capital expenditure which may be desirable to improve the productive capacity of the State's economy.

Table 1.30: Primary deficit/surplus-Bifurcation of factors

(₹ in crore)							
Year	Non-debt Receipts (NDR)	Primary Revenue Expenditure ⁴⁹	Capital Expenditure	Loans and Advances	Primary Expenditure	Excess of Non-debt Receipts over Primary revenue expenditure	Primary deficit (-) / surplus (+)
1	2	3	4	5	6 (3+4+5)	7 (2-3)	8 (2-6)
2013-14	74,797	66,447	13,664	812	80,923	(+) 8,350	(-) 6,126
2014-15	92,346	84,079	16,103	701	1,00,883	(+) 8,267	(-) 8,537
2015-16	1,01,757	94,231	21,986	36,602	1,52,819	(+) 7,526	(-) 51,062
2016-17	1,10,767	1,09,463	16,980	12,965	1,39,408	(+) 1,304	(-) 28,641
2017-18	1,42,457	1,26,122	20,623	1,334	1,48,079	(+) 16,335	(-) 5,622

Source: Finance Accounts

The above table shows that during 2013-14 to 2017-18, though the Non-debt receipts were sufficient to meet primary revenue expenditure however; it falls short of meeting the capital expenditure.

The share of capital expenditure in primary expenditure which was 17 *per cent* in 2013-14, decreased to 14 *per cent* in 2017-18, however, it increased two percentage points over the previous year (12 *per cent*). The non-debt receipts and primary expenditure increased by ₹ 31,690 crore and

⁴⁹ Primary revenue expenditure=Revenue expenditure- Interest payments.

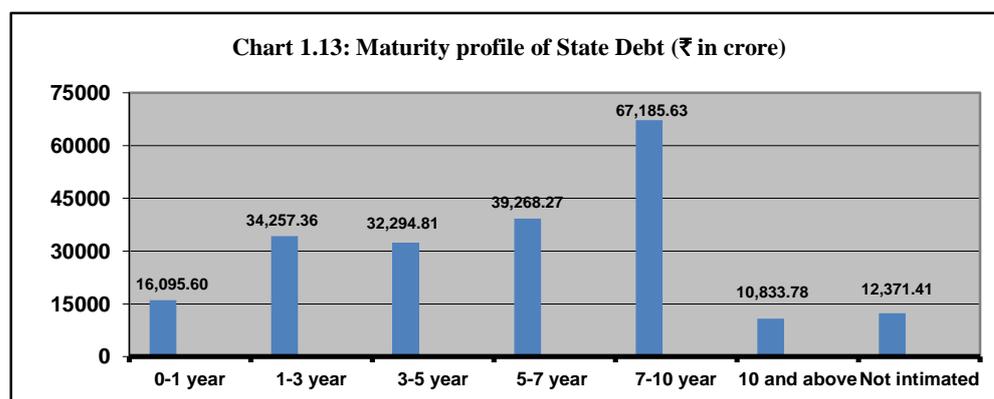
₹ 8,671 crore respectively in 2017-18 compared to the previous year. This resulted in decrease of primary deficit by ₹ 23,019 crore.

Though the primary deficit of the State Government decreased from ₹ 6,126 crore in 2013-14 to ₹ 5,622 crore during 2017-18, the fact remains that non-debt receipts were not sufficient to meet the primary expenditure of the State.

1.12 Debt Management

(i) Debt Profile

The Maturity Profile of the State Debt (amounts payable in respect of each category of loans in different years) as on 31 March 2018 is depicted in **Chart 1.13**:



As per data shown in **Chart 1.13**, the maturity profile in respect of ₹ 12,371.41 crore was not clearly defined. In terms of maturity profile, around (₹ 67,185.63 crore) 32 per cent of the total public debt at the end of the year belonged to a maturity bracket of 7 to 10 years. Therefore, debt repayment strategy will have to be worked out by the Government.

(ii) Debt sustainability

Debt sustainability is defined as the ability of the State to service its debt liability in the future. Sustainability of debt therefore also refers to sufficiency of liquid assets to meet current or committed obligations and the capacity to keep balance between costs of additional borrowings with returns from such borrowings. It means that increase in fiscal deficit should match with the increase in capacity to service the debt. **Table 1.31** analyses the debt sustainability of the State according to these indicators for a period of five years beginning 2013-14.

Table 1.31: Debt Sustainability: Indicators and Trends

Indicators of Debt Sustainability	2013-14	2014-15	2015-16	2016-17	2017-18
Rate of Growth of Outstanding debt	10.3	13.6	41.9	21.8	10.3
Rate of Growth of GSDP	11.6	11.7	11.1	11.0	10.7
Average interest rate of Outstanding Debt	7.3	7.5	6.7	7.6	7.3
Interest Payments/Revenue Receipts (in <i>per cent</i>)	12	11	12	16	15
Receipts under public debt and other liabilities (₹ in crore)	1,12,811	1,34,644	1,99,313	2,01,683	1,86,325
Repayment (principal and interest) under public debt and other liabilities (₹ in crore)	1,09,773	1,27,408	1,49,544	1,73,744	1,79,865
Debt Redemption ((Principal + Interest Payments)/Debt Receipts) (<i>per cent</i>)	97.3	94.6	75.0	86.1	96.5
Net Availability of Borrowed Funds (₹ in crore) (<i>per cent</i>)	3,038 (2.7)	7,236 (5.4)	49,769 (25.0)	27,939 (13.9)	6,460 (3.5)

- ***Net availability of borrowed funds***

Net availability of borrowed funds is defined as the ratio of the debt redemption (Principal + Interest Payments) to total debt receipts and indicates the extent to which the debt receipts are used for redemption of old debt.

The net fund available from borrowing for current operations after providing for interest and repayment increased from ₹ 3,038 crore (2.7 *per cent*) in 2013-14 to ₹ 6,460 crore (3.5 *per cent*) in 2017-18.

- ***Interest burden***

The ratio of interest payments to revenue receipt determines the debt sustainability of the State. During 2017-18, interest payments decreased by one percentage points over the previous year and constituted 15 *per cent* of Revenue Receipts of the State.

1.13 Follow-up

The Report of the Comptroller and Auditor General of India on State Finances for the year 2016-17 was presented in the State Legislature in March 2018. However, the report is yet to be discussed by Public Accounts Committee (PAC). PAC has discussed and made recommendations on the Audit Reports of State Finances upto the year 2015-16.

Further, as per the order (December 1996) of the Finance Department of GoR, Action Taken Notes (ATNs) on all paragraphs appeared in Audit Reports are required to be submitted to PAC, duly vetted by Audit, within three months from the date of laying of the Reports in the State Legislature. A review of the outstanding ATNs on paragraphs included in the Audit reports as of November 2018 revealed that nine ATNs were pending from the concerned Departments⁵⁰.

⁵⁰ Agriculture, Ground Water, Horticulture, Information and Public Relation, Labour & Employment, Local Self Government, Rural Development, Technical Education, Transport and Urban Development & Housing Department.

Chapter II

Financial Management and Budgetary Control

2.1 Introduction

The Comptroller and Auditor General of India performs the audit of appropriations to ascertain whether the expenditure actually incurred under various grants underlying in the budget, is within the authorisations given under the Appropriation Act for the year and whether charged appropriations are as required to be charged under the provisions of the Constitution. It also seeks to ascertain whether the expenditure so incurred is in conformity with the law, relevant rules, regulations and instructions.

The State Budget Manual (SBM), stipulates that the estimates of expenditure should be as accurate as possible. An avoidable excess in an estimate is as much a financial irregularity as an excess in the actual expenditure. The budget procedure envisages that the sum provided in an estimate of expenditure on a particular item must be that sum which can be expended in the year and it should neither be more nor less.

2.2 Summary of Appropriation Accounts

The summarised position of actual expenditure during 2017-18 against 55 grants/appropriations is given in **Table 2.1** below:

Table 2.1: Actual Expenditure vis-à-vis original/supplementary provisions

(₹ in crore)

Nature of expenditure		Original grant/appropriation	Supplementary grant/appropriation	Total	Actual expenditure	Savings (-)/ Excess (+)	Amount Surrendered	Amount surrendered on 31 March 2018	Percentage of savings surrendered by 31 March 2018
Voted	I Revenue	1,26,967.39	12,196.47	1,39,163.86	1,29,274.51	(-) 9,889.35	9,800.70	9,800.70	99.1
	II Capital	27,443.80	354.83	27,798.63	21,837.92	(-) 5,960.70	5,602.55	5,602.55	94.0
	III Loans and Advances	780.08	586.84	1,366.92	1,334.02	(-) 32.91**	286.12	286.12	-
Appropriation to Contingency Fund		-	-	-	-	-	-	-	-
Total Voted		1,55,191.27	13,138.14	1,68,329.41	1,52,446.45	15,882.96	15,689.37	15,689.37	98.8
Charged	IV Revenue	19,782.10	284.88	20,066.98	19,966.74	(-) 100.24	103.17	103.17	-
	V Capital	- ¹	0.47	0.47	0.46	(-) 0.01	- ²	- ²	-
	VI Public Debt-Repayment	11,680.64	- ³	11,680.64	11,673.66	(-) 6.98	6.98	6.98	100.0
Total Charged		31,462.74	285.35	31,748.09	31,640.86	107.23	110.15	110.15	
Grand Total		1,86,654.01	13,423.49	2,00,077.50	1,84,087.31*	15,990.19	15,799.52	15,799.52	98.8

* The figures of actual expenditure include recoveries adjusted as reduction of expenditure (Revenue: ₹ 3,399.73 crore and Capital: ₹ 1,215.11 crore Total: ₹ 4,614.84 crore).

** Less savings shown against surrender under loans and advances due to savings offset by additional funds through re-appropriation in various Major Heads under mainly grants no. 29-Urban Plan and Regional Development, 48- Power and 51- Special Component Plan for Welfare of Scheduled Castes.

Source: Appropriation Accounts

¹ Only ₹ 7,000.

² Only ₹ 6,000

³ Only ₹ 1,000.

Table 2.1 indicates that supplementary provision aggregating to ₹ 13,423.49 crore obtained during 2017-18 proved unnecessary as the actual expenditure did not even come up to the level of original grant/appropriation. The overall savings of ₹ 15,990.19 crore was the result of savings in 43 grants and 44 appropriations under Revenue Section and 35 grants and four appropriations under Capital Section.

The Accountant General, Accounts and Entitlement (A&E), Rajasthan called for explanation from the Controlling Officers on the significant variations in savings/excesses in 1,294 sub-heads. However, explanations in respect of 750 sub-heads (saving: 563 and excess: 187) were not received (October 2018).

2.3 Financial accountability and budget management

2.3.1 Excess Expenditure

As per para 8.5(5) of SBM, Budget Controlling Officer will ensure that expenditure does not exceed the budget allocation. Para 24.1 of SBM also provided that Expenditure shall neither be incurred in excess of the sanctioned allotment for any purpose nor on the items for which no provision has been made in the budget.

In 24 cases under seven grants, there was excess expenditure of more than ₹ one crore which was also more than 10 *per cent* of the total provisions of the sub-heads of the grants (**Appendix 2.1**). Even though there was overall savings in the grant, re-appropriation within the grant was not done.

Excess expenditure incurred over budgetary allocation indicates deficient budgetary and expenditure controls.

2.3.2 Rush of expenditure

Maintaining uniform pace of expenditure is a crucial component of sound public financial management. Any rush of expenditure in the closing month of the financial year should be avoided.

During 2017-18, 42.37 *per cent* (₹ 76,035 crore) of the total expenditure (₹ 1,79,473 crore) was incurred during last quarter of the current financial year. However, 37.68 *per cent* (₹ 64,442 crore) of the total receipts (₹ 1,71,015 crore) was received during last quarter only. The expenditure has increased from 29.08 *per cent* (₹ 47,141 crore) incurred in last quarter of the previous year 2016-17.

During 2017-18, in respect of 76 sub-heads under 20 grants, expenditure of ₹ 34,800.16 crore exceeding ₹ 100 crore and more than 30 *per cent* of the total expenditure in each case was incurred in the last quarter of the financial year which was 59.4 *per cent* of total expenditure (₹ 58,609.15 crore). Of this, ₹ 28,025.64 crore (47.8 *per cent*) was spent in March 2018 alone as detailed in **Appendix 2.2**.

Major Heads, where expenditure exceeding ₹ 25 crore and more than 50 *per cent* of total expenditure, was incurred either during the last quarter or during the last month of the financial year, are shown below:

Table 2.2: Cases of Rush of expenditure towards the end of the Financial Year 2017-18

(₹ in crore)

S. No.	Head of Account	Total expenditure during the year	Expenditure during last quarter of the year		Expenditure during March 2018	
			Amount	% of total expenditure	Amount	% of total expenditure
1.	2040-Taxes on Sales, Trades etc.	999.69	589.91	59.0	519.10	51.9
2.	2075- Miscellaneous General Services	572.95	570.93	99.6	570.15	99.5
3.	2245- Relief on account of Natural Calamities	3,335.65*	1,907.65	57.2	1,486.81	44.6
4.	2501- Special Programmes for Rural Development	922.10	636.33	69.0	495.56	53.7
5.	2801- Power	23,442.56	16,695.96	71.2	15,103.86	64.4
6.	4250-Capital Outlay on Other Social Services	214.42	165.74	77.3	131.97	61.5
7.	4801- Capital Outlay on Power Projects	3,849.92	3,408.69	88.5	3,297.23	85.6
8.	4802- Capital Outlay on Petroleum	66.30	66.30	100.0	66.30	100
9.	6003-Internal Debt of the State Government	11,040.38	7,205.76	65.3	5,525.95	50.1

Source: Information compiled by office of the AG (A&E), Rajasthan.

* Expenditure of ₹ 1,810.52 crore was met from SDRF at the end of the year.

Incidentally, out of ₹ 30,295.29 crore transferred/deposited in Personal Deposit Account during 2017-18, ₹ 4,035.89 crore (13.3 per cent) was transferred in March 2018 alone, as detailed in **Paragraph 3.5**.

Thus, substantial expenditure incurred by the departments during the last quarter/month of the year was indicative of inadequate financial control over the expenditure.

Recommendation: 8

The Departments should regularly monitor progress of expenditure throughout the year and control rush of expenditure during the last quarter/month.

2.3.3 Savings

The cases of substantial savings were noticed from budget allocation during the financial year, raising questions about the credibility of the budgeting process and budget monitoring.

The outcome of Appropriation audit revealed that out of total savings of ₹ 15,990.19 crore during the year 2017-18, in case of 21 grants amounting to ₹ 14,459.22 crore (90 per cent), the savings exceeded ₹ 100 crore in each case, as indicated in **Appendix 2.3**.

This indicates that the provisions of Chapter 13 of the SBM were not followed during preparation of budget estimates of expenditure by the departments and Budget Controlling Officers of these grants, which resulted in savings of ₹ 14,459.22 crore.

Recommendation: 9

The State Government should prepare budget as per actual requirement and ensure its optimum utilisation.

2.3.4 Persistent savings

In 9 cases involving 8 grants there were persistent savings of more than ₹ 100 crore ranging from 12.5 per cent to 59.7 per cent during last three years as per details given in *Appendix 2.4*.

Reasons for persistent savings were mainly due to non/less release of share/funds by GoI. Other reasons reported were slow progress of work, non-receipt of sanction from GoI, non/less execution of work, non-availability of land, posts remaining vacant etc.

The persistent savings over the years were indicative of over assessment of requirement of funds by the State Government in their Appropriation Act without adequate scrutiny and proper monitoring of the flow of expenditure and trends of expenditure during previous years.

The Public Accounts Committee in its 86th (March 2016) and 153rd (March 2017) Reports had also recommended to take effective measure to avoid cases of persistent savings in future and ensure due diligence while preparing budget estimates. However, inspite of these recommendations, the incidence of persistent savings continued during 2017-18 also.

2.3.4.1 A detailed review of persistent savings under Grant No. 19-Public Works and Grant No. 30-Tribal Area Development was undertaken. Significant audit findings are discussed below:

Grant No. 19 – Public Works

Public Works Department (PWD) is mainly entrusted with construction and maintenance of Roads (National Highway, State Highway and main Districts roads), Bridges, Government buildings (Residential and Non Residential) and Public Parks. All the activities related to construction and maintenance of work under PWD is administered by Principal Secretary, PWD in Rajasthan.

The overall position of budgetary provision, expenditure and savings during the period 2015-18 is detailed below:

Budget vis-a-vis expenditure under PWD

(₹ in crore)

Head of Accounts	2015-16				2016-17				2017-18			
	Provision (O+S)	Expenditure	Savings (Per cent)	Surrender/ Re-appropriation	Provision (O+S)	Expenditure	Savings (Per cent)	Surrender/Re-appropriation	Provision (O+S)	Expenditure	Savings (Per cent)	Surrender/Re-appropriation
Revenue Voted	439.99	401.95	38.04 (8.65)	37.89	469.89	402.56	67.33 (14.33)	66.92	467.27	419.91	47.36 (10.14)	47.18
Capital Voted	1,142.22	823.09	319.13 (27.93)	301.33	1,617.69	719.52	898.17 (55.52)	893.21	1,509.83	884.68	625.15 (41.41)	630.51
Total	1,582.21	1,225.04	357.17	339.22	2,087.58	1,122.08	965.50	960.13	1,977.10	1,304.59	672.51	677.69

Source: Appropriation Accounts

Detailed audit of budget and expenditure under this grant shows that:

- The unutilised budget provision/savings under revenue section of the grant ranged from 8.65 per cent to 14.33 per cent during 2015-16 to 2017-18.
- The unutilised budget provision/savings under capital section of the grant ranged from 27.93 per cent to 55.52 per cent during 2015-16 to 2017-18.
- In Revenue section, out of final savings of ₹ 47.36 crore during 2017-18, a sum of ₹ 0.18 crore was not surrendered and surrender of ₹ 5.36 crore was excessive under capital section as against the final savings of ₹ 625.15 crore.

Head wise position of Savings

It was observed that during 2015-16 to 2017-18, a substantial portion of the budget allocation remained unutilised every year under certain heads as depicted in the table below, indicating non achievement of projected financial outlay in the respective years. This also indicate that the budget allocations were made without considering the provision under para 13.7 of the SBM.

							(₹ in crore)
Head	Year	Total (O+S)	Expenditure	Savings	Percentage of savings	Reasons for savings intimated by the department	Audit Comments
2059- Public Works 80- General 053-Maintenance and Repairs 04- Registrar Revenue Board -Committed	2015-16	5.00	4.10	0.90	18.0	Non-receipt of proposal for repair from the respective Offices of District Collector and non- execution of work in time by PWD.	Trend of expenditure and availability of proposals for repair was not kept in view during preparation of Budget by the department. Persistent huge savings indicate faulty estimation.
	2016-17	13.70	2.30	11.40	83.2		
	2017-18	5.00	2.97	2.03	40.6		
4059-Capital Outlay on Public Works 80- General 001- Direction and Administration 01-Percentage Charges (General Area) 91- Percentage charges for establishment expenditure(2059)	2015-16	25.73	18.62	7.11	27.6	Actual expenditure was less than the budgeted allocation in these years which resulted in less credit on account of percentage charges.	The trend of expenditure in previous years was not kept in view while allocating funds for ensuing year. Persistent huge savings indicate faulty estimation.
	2016-17	34.77	17.78	16.99	48.9		
	2017-18	32.15	15.62	16.53	51.4		
Works 80- General 001- Direction and Administration 01-Percentage Charges (General Area) 93- Percentage charges for Roads and Bridges (3054)	2015-16	9.65	6.98	2.67	27.7	Actual expenditure was less than the budgeted allocation in these years which resulted in less credit on account of percentage charges.	The trend of expenditure in previous years was not kept in view while allocating funds for ensuing year. Persistent huge savings indicate faulty estimation.
	2016-17	13.04	6.67	6.37	48.8		
	2017-18	12.06	5.86	6.20	51.4		
4059-Capital Outlay on Public Works 80- General 051- Construction 01- General Building (Land Revenue) 01- Through the Chief Engineer, Public Works Department	2015-16	69.57	69.54	0.03	0.0	Work could not be completed due to slow progress of work by the PWD.	Non-utilisation of fund within stipulated time for construction work led to blocking of funds. Further, escalation of cost cannot also be ruled out on delayed works.
	2016-17	110.18	95.85	14.33	13.0		
	2017-18	119.82	41.21	78.61	65.6		
4059-Capital Outlay on Public Works 80- General 051- Construction 03- General Building (Administration of Justice) 01- New High Court Building, Jodhpur (through the RSRDC)	2015-16	70.00	20.00	50.00	71.4	The amounts shown as expenditure have only been transferred to the PD account of RSRDC during 2015-16 to 2017-18. Work could not be started due to non approval of new works at high level.	This indicates lack of coordination on the part of the department for getting the requisite approval for the work.
	2016-17	20.52	15.52	5.00	24.4		
	2017-18	35.00	20.00	15.00	42.9		
4059-Capital Outlay on Public Works 80- General 051- Construction	2015-16	35.20	26.10	9.10	25.9	Non-availability/dispute of land.	Non-allotment/dispute of land could have been avoided with proper planning.
	2016-17	37.19	18.19	19.00	51.1		
	2017-18	38.66	21.16	17.50	45.3		

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Head	Year	Total (O+S)	Expenditure	Savings	Percentage of savings	Reasons for savings intimated by the department	Audit Comments
04- General Building (Jails) 01- Through the Chief Engineer, Public Works Department							
4059-Capital Outlay on Public Works 80- General 051- Construction 07- General Building (Cooperative Department) 01- Through the Chief Engineer, Public Works Department	2015-16	4.24	0.85	3.39	80.0	Delay in tender process due to late receipt of administrative and financial sanction.	Department should have pursued with concerned authority to ensure timely release of requisite sanctions.
	2016-17	4.38	2.32	2.06	47.0		
	2017-18	1.69	0.03	1.66	98.2		
4059-Capital Outlay on Public Works 80- General 051- Construction 26-General building (Employment Office)	2015-16	3.72	0.34	3.38	90.9	In respect of construction work of Employment Office building at Bharatpur, the work could not be completed due to stay on construction by Indian Archaeological Survey Department. The work of construction of Jaipur office building is in progress.	The Department should follow-up the matter persistently with Indian Archaeological Survey Department. This indicates lack of monitoring and coordination on the part of the department for getting timely release of requisite sanctions.
	2016-17	2.43	0.98	1.45	59.7		
	2017-18	2.29	0.21	2.08	90.8		
4059-Capital Outlay on Public Works 80- General 051- Construction 29- General Building (Construction of Transport Buildings) 01- Construction of Building and Driving track	2015-16	5.59	4.13	1.46	26.1	Non/late allotment of land.	Non/late allotment of land could have been avoided with proper planning.
	2016-17	2.72	2.45	0.27	9.9		
	2017-18	4.08	2.04	2.04	50.0		
4059-Capital Outlay on Public Works 80- General 051- Construction 42- General Building (Director, Treasury and Accounts Department)	2015-16	8.86	4.86	4.00	45.1	Land dispute in some places, stay on mining of gravel soil by Hon'ble court and delay in sanction of construction work due to changing in land side/ design and increased estimates.	Proposal for capital expenditure should have been prepared with proper planning and feasibility study.
	2016-17	7.99	2.82	5.17	64.7		
	2017-18	9.29	4.18	5.11	55.0		
4059-Capital Outlay on Public Works 80- General 051- Construction 54-Directorate of Gopalan	2015-16	3.68	0.71	2.97	80.7	Delay in tender process due to late receipt of financial and administrative sanction and stay on mining of gravel soil by the Hon'ble court.	This indicates that the department did not make timely efforts to release required sanctions.
	2016-17	4.42	2.37	2.05	46.4		
	2017-18	3.35	2.21	1.14	34.0		
4202-Capital Outlay on Education, Sports, Art and Culture 01- General Education 202-Secondary Education 01-Building 90- Construction Works	2015-16	12.72	6.79	5.93	46.6	Due to delay in starting of construction work by PWD.	The department could not ensure required level of progress, timely completion and implementation of the work.
	2016-17	43.08	30.29	12.79	29.7		
	2017-18	19.22	13.73	5.49	28.6		
4210-Capital Outlay on Medical and Public Health 03- Medical Education, Training and Research 105-Allopathy 06-Medical College, Kota 90- Construction Works	2015-16	10.95	8.86	2.09	19.1	Due to delay in sanction for excess/extra items/ preparation of map and stay on mining of gravel soil by the Hon'ble court.	This indicates that the Department did not make timely efforts to release required sanction. The trend of Expenditure in previous years not kept in view.
	2016-17	8.05	4.37	3.68	45.7		
	2017-18	18.94	9.99	8.95	47.3		
4235-Capital Outlay Social Security and Welfare 02- Social Welfare 102- Child Welfare 01- Building 90- Construction Works	2015-16	4.52	4.42	0.10	2.2	Delay in tender process due to late receipt of sanction, non-availability of land and stay on mining of gravel soil by the Hon'ble court.	This indicates that the Department did not make timely efforts to release required sanction. Non-availability of land could have been avoided with proper planning.
	2016-17	4.49	3.10	1.39	31.0		
	2017-18	5.31	3.16	2.15	40.5		

Head	Year	Total (O+S)	Expenditure	Savings	Percentage of savings	Reasons for savings intimated by the department	Audit Comments
4250- Capital Outlay on Other Social Services 201- Labour 02-Divisional and Districts Office 90- Construction works	2015-16	-*	0	-*	100.0	Non- allotment/ availability of land for construction of utility and information centre in the districts.	Non allotment of land could have been avoided with proper planning.
	2016-17	5.17	0.34	4.83	93.4		
	2017-18	3.28	0.38	2.90	88.4		
4853- Capital Outlay on Non-Ferrous Mining and Metallurgical Industries 01- Mineral Exploration and Development 004- Research and Development 06-Khanij Bhawan 90- Construction Works	2015-16	10.32	10.07	0.25	2.4	Construction work not timely completed by PWD	The department could not ensure required level of progress, timely completion and implementation of the work.
	2016-17	7.52	5.05	2.47	32.8		
	2017-18	4.96	1.19	3.77	76.0		
4250- Capital Outlay on Other Social Services 203- Employment 02- Training 91- Percentage Charges for Establishment Expenditure	2015-16	2.03	0.23	1.80	88.7	Reasons were not furnished by the department.	Reason were not furnished by the department despite request made by audit vide letter (May-July 2018).
	2016-17	8.42	0.49	7.93	94.2		
	2017-18	6.98	2.57	4.41	63.2		

* ₹ 1000

The persistent savings in the above cases indicates improper planning, inadequate financial control and lack of monitoring over the expenditure on the part of the department to ensure timely implementation and completion of work.

Percentage Charges

Percentage charges are charged exclusively by PWD as a part of cost of their establishment and tool and plants on Capital Projects undertaken by it. Percentage charges are imposed over and above the total cost of the project at a fixed rate. There are three components of the percentage charges; (i) establishment charges (8 *per cent*) imposed by PWD for ensuring timely progress and quality of work undertaken by private contractors who have been awarded projects, (ii) tool and plants cost (2 *per cent*) and (iii) establishment cost of work charged employee of PWD (3 *per cent*). Year wise position of credited percentage charges is given below:

Year wise position of percentage charges

(₹ in crore)				
Year	Budget provision	Credited amount (per cent)	Surrender/re-appropriation	Non surrender
2015-16	69.70	44.78 (64.2)	22.62 (32.5)	2.30 (3.3)
2016-17	110.26	42.55 (38.6)	64.80 (58.7)	2.91 (2.7)
2017-18	105.41	48.27 (45.8)	56.95 (54.0)	0.19 (0.2)

The department stated (July-August 2018) that the reason of savings was due to levy of percentage charges on the actual expenditure on work.

While reviewing '*persistent savings*' under the same Grant i.e. Grant No 19 (Public Works), the Public Accounts Committee in its 86th Report of March 2016 had recommended preparation of budget estimates in future based on trends of expenditure in previous years. In spite of this, persistent savings in the above grant during 2015-18 indicates that the trend of expenditure in previous years was not kept in view and the estimation was faulty.

Grant No. 30 – Tribal Area Development

The fifth schedule of the Indian Constitution deals with the administration and control of Scheduled Areas as well as Scheduled Tribes residing in these areas. The Tribal Area Development Department (TAD) was established in year 1975 for the overall development of tribal community residing in Rajasthan.

The objectives of department are overall development of the Scheduled Area such as economic, social, cultural and intellectual development; preparation, coordination, control and monitoring of various schemes for tribal development; bringing level of administration in tribal areas in equivalence to other areas and up-gradation of living status of tribal communities.

TAD Department is under administrative control of Principal Secretary (TAD), Rajasthan, Jaipur. Commissioner, TAD, Udaipur is responsible for preparation, initiation and execution of schemes for tribal development.

The overall position of budgetary provision, expenditure and savings during 2015-18 is detailed below:

Budget vis-a-vis expenditure under Tribal Area Development department

(₹ in crore)

Head of Accounts	2015-16				2016-17				2017-18			
	Provision (O+S)	Expenditure	Savings (Per cent)	Surrender / Reappropriation	Provision (O+S)	Expenditure	Savings (Per cent)	Surrender/ Reappropriation	Provision (O+S)	Expenditure	Savings (Per cent)	Surrender/ Reappropriation
Revenue	6,715.05*	5,507.54	1,207.51 (17.98)	1,204.35	9,113.00*	7,378.93	1,734.07 (19.03)	1,729.12	10,700.33*	9,363.32	1,337.01 (12.50)	1,333.33
Capital	8,754.72*	8,045.56	709.16 (8.10)	704.24	4,680.83*	4,346.48	334.35 (7.14)	330.04	3,645.45*	3,017.19	6,28.26 (17.23)	636.93
Total	15,469.77	13,553.10	1,916.67	1,908.59	13,793.83	11,725.41	2,068.42	2,059.16	14,345.78	12,380.51	1,965.27	1,970.26

* Includes supplementary provision of ₹ 0.68 lakh, ₹ 0.22 lakh, ₹ 1,843.36 crore under Revenue Section and supplementary provision of ₹ 6,101.53 crore, ₹ 13.93 crore and ₹ 0.18 lakh under Capital Section during 2015-16, 2016-17 and 2017-18 respectively.

From above table, these are the following observation:

- The unutilised budget provision/savings under revenue section of the grant ranged from 12.50 per cent to 19.03 per cent during 2015-16 to 2017-18
- The unutilised budget provision/savings under capital section of the grant ranged from 7.14 per cent to 17.23 per cent during 2015-16 to 2017-18.
- During 2015-16 and 2016-17, supplementary provision of ₹ 0.68 lakh and ₹ 0.22 lakh was unnecessary and during 2017-18, ₹ 1,843.36 crore under Revenue Section was excessive by ₹ 1,337.01 crore in view of the final savings.
- Similarly, during 2016-17 and 2017-18 supplementary provision of ₹ 13.93 crore and ₹ 0.18 lakh respectively under Capital Section was unnecessary in view of the savings.

Head-wise position of savings

It was observed that during 2015-16 to 2017-18, a substantial portion of the budget allocation remained unutilised every year under the following heads indicating non achievement of projected financial outlay in the respective years. This also indicates that the budget allocation was made without considering the provision under para 13.7 of the SBM.

							(₹ in crore)
Head	Year	Total (O+S)	Expenditure	Savings	Percentage of savings	Reasons for savings intimated by the department	Audit comments
2202-General Education 02-Secondary Education 107-Scholarships 06-Pre-matric scholarships to students of scheduled tribes 02- Pre-matric Scholarships	2015-16	66.49	15.84	50.65	76.2	Less expenditure incurred by the state Government due to direct transfer of fund to students accounts under Direct Benefit Scheme (DBT) by GoI.	The Department did not kept in view the trend of previous year expenditure before making budget provision because the DBT scheme was started in 2015-16.
	2016-17	67.00	16.94	50.06	74.7		
	2017-18	68.00	24.79	43.21	63.5		
2210-Medical and Public Health 06-Public Health 796- Tribal Area Sub-plan 07- Nishulk Janch Yojana 01- Through the Director, Medical and Health Services	2015-16	19.13	11.72	7.4	38.7	Due to posts remaining vacant.	Keeping provision for vacant posts was in contravention of provision of para 13.18.2(a) of the SBM.
	2016-17	16.05	13.98	2.06	12.8		
	2017-18	18.42	15.27	3.16	17.1		
2211-Family Welfare 796- Tribal Area Sub-plan 07-NishulkJanchYojana 03- National Urban Health Mission	2015-16	39.17	10.55	28.62	73.1	Non-release of funds by GoI led to less release of State's share.	This indicates lack of monitoring and implementation of scheme by the Department.
	2016-17	15.84	0.87	14.97	94.5	Less receipt of fund from GoI due to savings in previous year's expenditure.	
	2017-18	22.91	0.00	22.91	100.0	Non-release of funds by GoI led to less release of State's share.	
2401-Crop Husbandry 796-Tribal Area Sub-plan 51-Through the Horticulture Department 13-National Agriculture Forestry and Bamboo Mission	2015-16	0.26	0.04	0.22	84.6	Non/late sanction of work plan by GoI under the scheme.	This indicate lack of pursuance with the concerned sanctioning authority for timely release of requisite sanctions by the Department
	2016-17	0.39	0.03	0.36	92.3		
	2017-18	0.27	0.00	0.27	100.0		
4059-Capital Outlay on Public Works 80-General 796-Tribal Area Sub-plan 02-General Building (Treasury and Accounts Department 01-construction of Building	2015-16	0.99	0.91	0.08	8.1	Non starting of work in some places due to land dispute, changes in the site plan/design of land, late release of sanction of construction work due to delay in approval and due to increase in estimates.	This indicates lack of proper planning of the Department.
	2016-17	1.21	0.26	0.95	78.5		
	2017-18	2.20	0.70	1.50	68.2		
4059-Capital Outlay on Public Works 80-General 796-Tribal Area Sub-plan 05-judical Building(tribal Area Sub plan)	2015-16	15.81	1.23	14.58	92.2	Non/less expenditure incurred on construction work by the Department, non-approval of blue print for new court complex in Banswara, Dholpur, Abu and non-approval of drawing of court complex in Pratapgarh district.	Non utilization of funds for intended purpose within stipulated time for construction works which led to blocking of funds. Further, escalation of cost cannot also be ruled out on delayed works. This indicates lack of pursuance of matter with the concerned authority for timely release of requisite sanctions and approval of blue print by the Department.
	2016-17	23.03	5.59	17.44	75.7		
	2017-18	20.09	4.75	15.34	76.4		
4202-Capital Outlay on Education, Sports, Art and Culture 01-General Education 796-Tribal Area Sub-plan 11-Block Institute for Teachers Education 90 -Construction Work	2015-16	1.78	0.00	1.78	100.0	Non-release of funds by GoI led to less release of State's share.	This indicates lack of pursuance by the Department with GoI for timely release of requisite sanction.
	2016-17	1.58	1.58	0.00	0.0		
	2017-18	1.17	0.00	1.17	100.0		

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Head	Year	Total (O+S)	Expenditure	Savings	Percentage of savings	Reasons for savings intimated by the department	Audit comments
4210- Capital Outlay on Medical and Public Health 02- Rural Health Services (Directorate, Medical and Health Services) 796- Tribal Area Sub-plan 03- NABARD Loan based Schemes 03-Construction of Community Health Centers	2015-16	2.95	1.11	1.84	62.4	Non availability of land, encroachment of land and delay in sanction of tender.	This indicates lack of proper planning by the Department and delay in tendering process for entrustment of work indicates systematic deficiencies.
	2016-17	15	3.28	11.72	78.1		
	2017-18	6.87	3.15	3.72	54.1		
4215- Capital Outlay on Water Supply and Sanitation 01- Water Supply 796- Tribal Area Sub-plan 01- Rural Water Supply Schemes 10-Narmada Water Supply Scheme (F.R.) (NABARD)	2015-16	6.89	3.11	3.78	54.9	Slow progress of work by contractor.	The Department/State Government could not ensure required level of progress of work. Further, escalation of cost cannot also be ruled out on delayed works.
	2016-17	3.51	1.42	2.09	59.5		
	2017-18	1.86	0.8	1.06	57.0		
4215- Capital Outlay on Water Supply and Sanitation 01- Water Supply 796- Tribal Area Sub-plan 01- Rural Water Supply Schemes 27- Barmer Lift Canal Water Supply Project Phase-2	2015-16	2.95	2.19	0.76	25.8	Slow progress of work by contractor.	It is the responsibility of the Department/State Government to ensure required level of progress of work with timely decision, implementation and monitoring. Further, escalation of cost cannot also be ruled out on delayed works.
	2016-17	3.85	0.84	3.01	78.2		
	2017-18	10.21	0.64	9.57	93.7		
4217-Capital Outlay on Urban Development 03-Integrated Development of Small and Medium Towns 796-Tribal Area Sub-plan 07-Urban Roads and Drains etc.(ROB) 01- For Various Urban Bodies	2015-16	16.87	14.2	2.67	15.8	Late availability of land with consequent delay in RUB/ROB (alignment) work.	This indicates lack of proper planning by the Department.
	2016-17	20.25	5.18	15.07	74.4		
	2017-18	9.45	3.86	5.59	59.2		
4700-Capital Outlay on Major Irrigation 02- Chambal Project (Commercial) 796-Tribal Area Sub-plan 01-Through the Area Development Commissioner, Chambal 02- Left Main Canal	2015-16	3.49	0.01	3.48	99.7	Non-issue of separate sanctions for work related to revamping project in respect of ST beneficiaries and tribal beneficiaries.	Trend of expenditure in previous years, restructuring of scheme not kept in view before making budget provision by the Department.
	2016-17	2.95	0.38	2.57	87.1		
	2017-18	5.35	0.01	5.34	99.8		
4853-Capital Outlay on Non-Ferrous Mining and Metallurgical Industries 01-Mineral Exploration and Development 796-Tribal Area Sub-plan 04-Expenditure relating to environment reform and health in mining areas 01-Through the Public Works Department, Road Construction in mining areas	2015-16	0.00	0.00	0.00	-	Due to less expenditure incurred by the PWD.	It was the responsibility of the Department/State Government to ensure required level of progress of work with timely decision, implementation and monitoring. Further, escalation of cost cannot also be ruled out on delayed works.
	2016-17	14.00	2.61	11.39	81.4		
	2017-18	40.00	7.24	32.76	81.9		
5054-Capital Outlay on Roads and Bridges 04-District and Other Roads 796-Tribal Area Sub-plan 08-Roads recouped from State Road Development Fund (M.D.R.) 90-Construction Works-	2015-16	28.67	4.78	23.89	83.3	Non issue of Administrative and Financial sanction due to non-constitution of the Board in time and delay in tendering process due to late issue of sanctions.	It was the responsibility of the Department/State Government to ensure required level of progress of work with timely decision, implementation and monitoring. Further, escalation of cost cannot also be ruled out on delayed works. This also indicates lack of proper planning by the Department.
	2016-17	25.09	0.16	24.93	99.4		
	2017-18	16.11	4.19	11.92	74.0		

During Scrutiny of the grant it was observed that in 2015-16, 2016-17 and 2017-18 budget provision of ₹ 9.26 crore, ₹ 62.00 crore and ₹ 125.87 crore respectively were made under various schemes of this grant which remained entirely unutilized as detailed in **Appendix 2.5**.

Thus, the savings against total budget provision during 2015-18 exhibited persistent trends which were indicative of over assessment in requirement of funds under various heads by the department without adequate scrutiny and proper monitoring of the flow of expenditure.

2.3.5 Unnecessary/excessive supplementary provision

Para 24.2 of SBM stipulates that during the course of a financial year, the amount provided for the purpose is found to be inadequate or need arises for an expenditure on some object or service for which no provision has been made, a supplementary provision can be sanctioned by the Legislature. During 2017-18, supplementary provisions of ₹ one crore or more in each case, aggregating to ₹ 3,160.89 crore, obtained in 28 cases, proved unnecessary as the expenditure did not even come up to the level of the original provision (**Appendix 2.6**). Out of these, 6 cases where supplementary provisions of more than ₹ 100 crore in each case proved unnecessary are given below in **Table 2.3**:

Table 2.3: Cases where supplementary provisions (more than ₹ 100 crore) proved unnecessary during 2017-18

(₹ in crore)					
Sl. No.	Number and Name of the Grant	Original Provision	Expenditure	Supplementary Provision	Reasons for supplementary provisions
Revenue-Voted					
1	15- Pensions and Other Retirement Benefits	14,162.71	13,919.97	787.71	For payment of pension and retirement benefits and contribution of Government under NPS.
2	24- Education, Art and Culture	22,778.94	22,665.12	696.60	For payment of arrear of pay and allowances.
3.	27-Drinking Water Scheme	3,401.13	3,299.12	148.60	For payment of electric charges under water supply schemes.
4.	29- Urban Plan and Regional Development	4,437.26	3,881.28	547.63	For transfer of urban cess to Rajasthan Urban Development Fund and grant to local bodies for construction of Gaurav Path.
5.	33- Social Security and Welfare	4,968.16	4,902.68	171.71	For payment under Social Security Pension and Palanhar Yojana.
Capital Voted					
6.	29- Urban Plan and Regional Development	1,371.38	950.74	130.20	Capital investment in Smart City Corporation.

Source: Appropriation Accounts

In all the above cases, it was seen that provision for supplementary grants proved unnecessary as the actual expenditure was even less than the original budget estimates.

This indicates deficiencies in estimation of requirement of funds for the remaining period of the financial year and failure to monitor the flow of expenditure by these departments. Thus, unnecessary supplementary provisions were made without assessing the actual requirements of funds under these sub-heads.

2.3.6 Excessive/unnecessary re-appropriation of funds

As per para 23.3 of SBM, re-appropriations are permissible only when it is known or anticipated that appropriation for the unit from which funds are diverted will not be utilized in full or that savings can definitely be affected in it. Re-appropriation is transfer of funds within a grant from one unit of appropriation where savings are anticipated, to another unit where additional funds are needed.

Injudicious re-appropriation of funds proved excessive, unnecessary or insufficient and resulted in excess expenditure of ₹ 250.47 crore in 121 sub-heads and final savings of ₹ 444.88 crore in 318 sub-heads. The final excesses/savings after re-appropriation was more than ₹ one crore in 29 head of accounts (*Appendix 2.7*). There was insufficient re-appropriation in 17 head of accounts, unnecessary re-appropriation in five head of accounts and excessive re-appropriation in seven head of accounts.

This indicates that the availability/requirement of funds was not properly assessed before its reappropriation.

2.3.7 Unexplained re-appropriations

Para 23.15.6 of SBM envisages that the reasons for anticipating excesses or savings should be clearly explained by the Department. Scrutiny of re-appropriation orders issued (31 March 2018) by the Finance Department, revealed that out of 1,917 explanations, 514 cases were clearly explained in the re-appropriation orders. Explanations in the remaining 1,403 cases were of general nature like ‘actual requirement’, ‘based on latest assessment’ and ‘restriction of expenditure’.

The above tendency of non-specific explanations goes against the principle of transparency stipulated in Section 4 of FRBM Act.

2.3.8 Anticipated savings not surrendered

As per para 23.16 of SBM, grants that cannot be properly utilised should be surrendered. In accordance with the provisions of the SBM, it is the duty of the Budget Controlling Officers to ensure that all anticipated savings are surrendered to Government immediately when they are foreseen, without waiting till the end of the year, unless they are definitely required to meet excesses under some other units under the same grant. No savings can be held in reserve by them for meeting possible future excesses.

In 15 cases (12 grants), where savings were ₹ one crore and above aggregating to ₹ 8,782.39 crore, an amount of ₹ 302.80 crore was not surrendered

(Appendix 2.8). Early surrender could have ensured more productive use of resources in other areas where there may be shortfall.

This indicates lack of realistic financial planning and weak financial control leading to savings not being surrendered.

The Departments did not furnish (October 2018) reasons/explanations for non-surrendering of ₹ 302.80 crore.

Recommendation: 10

All anticipated savings should be surrendered on time so that funds can be utilised for other purposes.

2.3.9 Lump sum provision

Para 13.16 of SBM stipulates that as a rule, the lump sum provision should not be made in the estimates. However, in some cases, where the lump sum provision may become unavoidable and barring the cases where expenditure from lump sum allotments is regulated by standing sanctions, instructions or rules, detailed explanations justifying proposed provision shall be given in the budget note accompanying the lump sum estimates.

During 2017-18, in 80 cases under 22 grants (where surrender was more than ₹ 15 crore and also more than 50 per cent of budget provision), lump sum provision of ₹ 5,940 crore was made in the estimates. Out of this, a sum of ₹ 4,707.59 crore (79.3 per cent) remained unutilized and was surrendered at the fag end of the year (Appendix 2.9). Reasons for making lump sum budget provisions in these cases were not furnished (October 2018) by the Government.

2.3.10 Surrender in excess of actual savings/excess

In six grants and one appropriation, an amount of ₹ 2,105.35 crore was surrendered against the savings/excess of ₹ 1,990.58 crore, which was in excess by ₹ 114.77 crore (Appendix 2.10).

This indicated that the Departments failed to exercise necessary budgetary controls over the flow of expenditure through the monthly expenditure statements.

The Departments did not furnish any reasons/explanations regarding surrender in excess of actual savings (October 2018).

2.3.11 Non-utilization of entire provision under scheme/heads.

During scrutiny of appropriation account it was observed that budget provisions were made under various schemes which remained entirely unutilized. During 2017-18, the entire provision of ₹ 10 crore or more in each case made under 25 schemes/heads aggregating to ₹ 1,927.77 crore was not utilized. The details are given in Appendix 2.11.

This indicates that the budget provision for these schemes/heads was prepared without properly assessing the actual requirement.

2.3.12 Expenditure incurred without Budget provision

As per para 24.1 of SBM, expenditure shall neither be incurred in excess of the sanctioned allotment nor on the items for which no provision has been made in the budget.

However, it was observed that an amount of ₹ 2.20 crore was incurred under head '4702-Capital Outlay on Minor Irrigation-101-Surface Water-11-Rajasthan Water Sector Livelihood Improvement Project-02-Proportionate expenditure' transferred from Major Head 2701-Establishment in Grant No. '46-Irrigation' without any original or supplementary budget provision.

Reasons for expenditure under this Major Head without any budget provision have not been intimated (October 2018).

Recommendation: 11

Budget Controlling Officers should endeavor to prepare realistic budget estimates keeping in view the trends of expenditure during previous years to avoid cases of savings/excess, unnecessary re-appropriations and surrenders at the end of the year.

2.4 Review of selected grants

With a view to have detailed analysis of a particular grant, Grant No.27-Drinking Water Scheme was selected. This analysis encompasses comment on Budget and Expenditure, Receipts with respect to Revised Estimates, Excess expenditure after re-appropriation/surrender, unnecessary/excessive supplementary provision, non-utilisation of entire provision, persistent savings and status of schemes in Chief Minister's previous Budget Speech under this grant.

2.4.1 Grant No.27- Drinking Water Scheme

Public Health Engineering Department (PHED) is committed to provide potable water to every citizen of the State. PHED with a state wide office network and use of state of art Reverse Osmosis, de-fluoridation, Supervisory control and Data Acquisition (SCADA), IT and solar Energy technology is providing safe drinking water in the remotest places of Rajasthan. PHED is shifting from ground water based schemes to surface water source based schemes in a phased manner.

The Grant is administered by Principal Secretary, PHED. The allocation of budget to PHED constituted ₹ 7,451.24 crore (4.43 per cent) of the total State Voted Budget (₹ 1,68,329.41 crore) during 2017-18. This Grant is mainly constituted of three schemes viz. Rural Water Supply Scheme, Urban Water Supply Scheme and Sewerage and Sanitation.

The overall budgetary position, expenditure and savings during 2015-18 is detailed below in the table:

(₹ in crore)

	2015-16				2016-17				2017-18			
	Total (O+S)	Expenditure	Savings	Surrender	Total (O+S)	Expenditure	Savings	Surrender	Total (O+S)	Expenditure	Savings	Surrender
Revenue	2,859.54*	2,765.76	93.78	88.62	3,176.93*	2,913.73	263.20	260.26	3,549.73*	3,299.12	250.61	246.91
Capital	3,594.78	3,113.31	481.47	475.97	3,876.33	2,980.11	896.22	878.97	3,901.51	3,218.49	683.02	675.45
Total	6,454.32	5,879.07	575.25	564.59	7,053.26	5,893.84	1,159.42	1,139.23	7,451.24	6,517.61	933.63	922.36

*Includes supplementary provision of ₹ 252.58 crore, ₹ 339.95 crore, ₹ 148.60 crore under revenue section during 2015-16, 2016-17 and 2017-18 respectively.

Detailed audit of Budget and expenditure under the grant showed that:

- (i) During 2017-18, out of final savings of ₹ 933.63 crore (12.5 per cent), major savings were related to Rural Water Supply Scheme (₹ 578.58 crore). Specific reasons for savings were not intimated by the department.
- (ii) During 2017-18, out of final savings of ₹ 250.61 crore (7.1 per cent) under revenue section, an amount of ₹ 3.70 crore remained un-surrendered in respect of mainly 14 heads of accounts and out of final savings of ₹ 683.02 crore under capital section, an amounts of ₹ 7.57 crore remained un-surrendered.

2.4.1.1 Excess expenditure after reappropriation/surrender

As per SBM, the concerned Budget controlling officer is responsible for excess expenditure after surrender/re-appropriation.

During 2017-18 an amount of ₹ 6.31 crore was incurred in respect of two heads⁴ of accounts in excess of the available budget provisions after re-appropriation/surrender.

2.4.1.2 Unnecessary/excessive supplementary provision

As per SBM supplementary grant is required to be taken when the amount sanctioned in the original appropriation is found inadequate for the expenditure to be incurred during the year.

During 2017-18 the supplementary grant of ₹ 148.60 crore allotted in revenue section proved unnecessary as the expenditure was not up to the level of the original budget provision. The provision of ₹ 148.60 crore was through supplementary provision to meet increased expenditure on power charges. Similarly, during 2015-16 and 2016-17 the supplementary grant of ₹ 252.58 crore and ₹ 339.95 crore allotted in revenue section was excessive.

Significant cases where supplementary provisions proved unnecessary during 2017-18, are given below:

⁴ (i) 4215-01-101-01-61 (Urban Water Supply Scheme, Jodhpur): ₹ 0.07 crore and (ii) 4215-01-102-45 (Nagaur Lift Canal Project-Phase-II (EAP)): ₹ 6.24 crore.

(₹ in crore)

Name of Heads	Year	Original Provision	Expenditure	Supplementary	Reasons for supplementary provisions
2215-01-101-12 Other Urban Water Supply Schemes	2017-18	576.60	560.82	40.00	Due to increase in expenditure on power charges
2215-01-102-01 Other Rural Water Supply Schemes	2017-18	1,395.50	1,386.68	100.00	

Unnecessary/excessive supplementary provision shows that the department failed to assess the actual requirement of funds for implementation of scheme/work/programme.

2.4.1.3 Non-utilisation of entire provision

As per SBM the estimate of expenditure should be as accurate as possible. Cases where entire provisions were not utilized during 2017-18, are given below:

(₹ in crore)

Year	Schemes	Provision	Savings	Reasons intimated by the department
2017-18	Chambal-Dholpur-Bharatpur Project phase I and Part II (Urban)	15.68	15.68	Non-execution of works
	Drinking Water Project of Villages of Block of Sajjangerh and Kushalgarh of District Banswara from Mahi Dam (Rural)	4.81	4.81	
	Water Purification System Programme in the Schools of Rural Areas	5.90	5.90	
	Misc. Public Works Advances	5.00	5.00	Reasons not intimated by the department.

This indicates that the budget provisions were prepared on *ad hoc* basis without assessing the actual requirement.

2.4.1.4 Persistent saving

As per SBM actual expenditure incurred in last three years, and revised estimates for the current year should be taken into consideration for preparing estimates for the ensuing financial year and the estimates of expenditure should be as accurate as possible.

Funds amounting to ₹ 6,447.27 crore (98.9 per cent) of the total expenditure of ₹ 6,517.61 crore were related mainly to three schemes, Rural Water supply Scheme- ₹ 3,945.73 crore, Urban Water Supply Scheme- ₹ 2,118.93 crore and Sewerage and Sanitation – ₹ 382.61 crore during 2017-18.

Savings in respect of two major schemes which were surrendered at the end of financial year are discussed below:

(₹ in crore)

Name of scheme	Year	Provision	Surrender (per cent)	Reasons intimated by the department
Urban water supply schemes				
Chambal-Baler-Sawaimadhopur Water Supply Scheme	2016-17	10.31	8.01 (78)	Due to slow progress of work by contractor.
	2017-18	24.05	18.57 (77)	
Nagur Lift Canal Phase-I	2016-17	9.00	5.58 (62)	The work related to package no. 4 (Merta) was cancelled (May 2016) due to slow progress of work. The procedure for awarding new tender was started for the remaining work but decision could not be taken due to court stay.
	2017-18	10.00	5.07 (51)	
Rajarah-Bungi Water Supply Scheme	2015-16	16.91	9.44 (56)	Because of demand for home-to-home water connection by the local villagers, the work could not be executed.
	2016-17	10.31	6.68 (65)	
	2017-18	4.12	3.21 (78)	
Urban Water Supply Scheme, Jodhpur (EAP).	2015-16	103.05	74.01 (72)	Due to slow progress of construction by contractor in some packages and delay in preparation of proposal of technical sanction and tender in other packages.
	2016-17	61.83	23.98 (39)	Due to slow progress of work
	2017-18	104.42	41.85 (40)	Three Tenders being under consideration for approval/ with Court and one tender being cancelled.
Renovation of Urban Water Supply Scheme for Kishangrah Town	2016-17	27.48	6.87 (25)	Due to late receipt of sanction from National Highway Authority of India.
	2017-18	13.68	3.41 (25)	
Renovation of Urban Water Supply Scheme for Pratapgarh Town	2016-17	27.48	17.21 (63)	Proposal for sanction is under process with Forest Department
	2017-18	20.48	3.44 (17)	Due to late receipt of sanction by the Forest Department and slow progress of work by the contractor.
Water Supply Scheme aided from National Capital Region Planning Board (NCRPB)	2017-18	85.61	47.73 (56)	Delay in execution of scheme due to encroachment of allotted land by local person and dispute in land allotment.
Computerisation/SCADA system/e-governance etc	2017-18	20.50	20.20 (99)	Due to work related to this scheme attached with Central Sponsored Scheme AMRIT.
Rural water supply schemes				
Devniya-Shergarh-Chhaba Water Supply Scheme	2015-16	72.48	36.56 (50)	Work was not completed due to delay in tender process for IEC activities and village distribution.
	2016-17	27.01	13.57 (50)	Due to cancellation of tender
	2017-18	10.00	9.81 (98)	Non-release of funds by GoI led to less release of State's share.
Water Purification System Programme in the schools of Rural Areas	2015-16	4.40	4.40 (100)	Due to non-execution of works by the company (executing agency).
	2016-17	4.40	4.40 (100)	
	2017-18	5.90	5.90 (100)	
Chambal-Baler-Sawai Madhopur Water Supply Scheme	2016-17	30.92	22.30 (72)	Due to slow progress of work by the contractor
	2017-18	28.33	17.58 (62)	
Boravas-Mandana Water Supply Project	2015-16	9.54	5.44 (57)	Due to non-receipt of sanction from the Forest Department.
	2016-17	6.87	3.06 (45)	Due to late receipt of sanction by the Forest Department.
	2017-18	18.63	11.60 (62)	
National Rural Drinking Water Quality Control and Monitoring Programme	2015-16	17.50	9.61 (55)	Reasons have not been intimated by the Department.
	2016-17	17.50	13.83 (79)	
	2017-18	15.25	12.71 (83)	
Barmer Lift Canal Water Supply Project Phase-II	2015-16	11.29	7.12 (63)	Due to slow progress of work by the contractor.
	2016-17	20.92	12.38 (59)	
	2017-18	37.64	35.07 (93)	

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Name of scheme	Year	Provision	Surrender (per cent)	Reasons intimated by the department
National Rural Drinking Water Programme (DDP)	2016-17	94.74	55.97 (59)	Reasons have not been intimated by the Department.
	2017-18	63.17	28.16 (45)	
Narmada F.R. Cluster	2016-17	9.74	9.04 (93)	Due to slow progress of work by the firm.
	2017-18	65.98	24.30 (37)	Non-release of funds by GoI led to less release of State's share.
Bisalpur Dudu Water Supply Scheme (NABARD)	2016-17	57.43	34.35 (60)	Due to late approval of project by Water and Health Samiti and slow progress of work by the firm.
	2017-18	35.68	16.76 (47)	Due to slow progress of work by the contractor
Narmada Project (NABARD)	2015-16	35.06	21.65 (62)	Due to slow progress of work by the contractor.
	2016-17	16.63	10.63 (64)	
	2017-18	7.71	5.12 (66)	
Nagaur Lift Canal Phase-I	2015-16	34.09	9.87 (29)	Due to slow progress of work by the contractor.
	2016-17	28.17	8.82 (31)	The work related to package no. 4 (Merta) was cancelled (May 2016) due to slow progress of work. The procedure for awarding new tender was started for the remaining work but decision could not be taken due to court stay.
	2017-18	33.66	22.89 (68)	Due to work related to package no. 4 under consideration of court.
Bisalpur-Dudu Project (Chaksu-Phagi-Bassi)	2016-17	141.30	24.06 (17)	Due to late allotment of land for pond, late receipt of sanction from NHAI and slow progress of work by the contractor.
	2017-18	96.87	29.61 (31)	Due to slow progress of work by the contractor
Modernisation, Strengthening, Renovation and Upgradation of Department	2015-16	3.00	1.48 (49)	Due to non-receipt of proposal of renovation/modernisation from the subordinate offices.
	2016-17	5.00	2.08 (42)	Due to reduction of plan ceiling by the Finance Department, GoR.
	2017-18	5.00	3.35 (67)	Due to non-receipt of proposal of renovation/modernisation from the subordinate offices.
Barmer Lift Canal Water Supply Project-II Part-B (cluster scheme of 68 villages)	2016-17	36.89	26.17 (71)	Due to late allotment of land for pond and slow progress of work by the contractor.
	2017-18	26.86	19.27 (72)	Due to slow progress of work by the contractor.
National Rural Drinking Water Programme- Earmarked 5 per cent fund for water quality	2015-16	37.33	16.09 (43)	Expenditure met from separate fund allotted by Niti Ayog.
	2016-17	48.78	30.82 (63)	
	2017-18	22.40	11.92 (53)	
NRDWP-Assistance amount-Support Fund	2015-16	25.00	7.93 (32)	Reasons have not been intimated by the Department.
	2016-17	25.00	12.58 (50)	
	2017-18	20.00	9.42 (47)	

The above observations show that the Department did not utilise the budgeted funds in respect of important development works/programme/schemes as mentioned above which led to surrender of huge amount ranging from 17 per cent to 100 per cent of the actual provision.

2.4.1.5 Status of schemes in previous Budget speech

During Budget Speech of 2015-16, the Chief Minister announced that a new water supply distribution centre would be constructed in Kho Nagoriyan area for remaining one package under Jaipur-Bisalpur Water Supply Project.

The Department stated (September 2018) that Administrative Sanction (April 2018) and Technical Sanction (May 2018) were issued by the

Government. Tender has been issued and technical bid would be opened on 31 August 2018. However, work was not started during 2015-18.

2.4.1.6 Receipts

The position of Budget Estimates, Revised Estimates and Actual Receipts under heads during the period 2015-18 is summarised below:

Statement of Receipt during 2015-18

(₹ in lakh)

S. No.	Head of Account	Year	Budget Estimates	Revised Estimates	Actual Receipts	Excess(+)/ (-) Shortfall	Percent variation to Revised Estimates
1.	0215-01-102-01-02-01 Water Supply Scheme, Ajmer (District)	2015-16	232.00	170.00	210.39	40.39	23.76
		2016-17	286.00	425.00	315.30	-109.70	25.81
		2017-18	560.00	560.00	385.32	-174.68	31.19
2.	0215-01-102-01-02-02 Water Supply Scheme, Alwar (District)	2015-16	260.00	191.00	273.07	82.07	42.97
		2016-17	305.00	400.00	294.22	-105.78	26.45
		2017-18	515.00	515.00	348.71	-166.29	32.29
3.	0215-01-102-01-02-09 Water Supply Scheme, Bundi (District)	2015-16	43.00	50.00	55.64	5.64	11.28
		2016-17	78.50	230.00	127.02	-102.98	44.77
		2017-18	242.00	242.00	105.14	-136.86	56.55
4.	0215-01-102-01-02-11 Water Supply Scheme, Churu (District)	2015-16	606.00	565.00	479.45	-85.55	15.14
		2016-17	896.70	730.00	567.76	-162.24	22.22
		2017-18	790.00	790.00	705.67	-84.33	10.67
5.	0215-01-102-01-02-18 Water Supply Scheme, Jaisalmer (District)	2015-16	23.00	150.00	258.93	108.93	72.62
		2016-17	240.00	700.00	678.08	-21.92	3.13
		2017-18	780.00	780.00	905.68	125.68	16.11
6.	0215-01-102-01-02-22 Water Supply Scheme, Jodhpur (District)	2015-16	160.00	235.00	236.23	1.23	0.52
		2016-17	374.20	500.00	513.57	13.57	2.71
		2017-18	645.00	645.00	2029.7	1384.70	214.68
7.	0215-01-102-01-02-24 Water Supply Scheme, Kota (District)	2015-16	111.00	235.00	123.81	-111.19	47.31
		2016-17	376.30	400.00	269.87	-130.13	32.53
		2017-18	420.00	420.00	200.13	-219.87	52.35
8.	0215-01-103-01-19 Water Supply Scheme, Dungarpur	2015-16	79.00	100.00	88.08	-11.92	11.92
		2016-17	144.00	245.00	153.21	-91.79	37.47
		2017-18	260.00	260.00	171.12	-88.88	34.18
9.	0215-01-103-01-21 Water Supply Scheme, Ganganagar	2015-16	1,270.00	790.00	460.37	-329.63	41.73
		2016-17	1,118.14	900.00	504.4	-395.60	43.96
		2017-18	950.00	950.00	602.33	-347.67	36.60
10.	0215-01-103-01-30 Water Supply Scheme, Sawai Madhopur	2015-16	319.00	146.00	164.48	18.48	12.66
		2016-17	212.70	175.00	220.9	45.90	26.23
		2017-18	300.00	300.00	249.92	-50.08	16.69
11.	0215-01-800-01 Partnership amount under Urban water Supply	2015-16	13.00	35.00	31.65	-3.35	9.57
		2016-17	48.00	750.00	654.15	-95.85	12.78
		2017-18	805.00	805.00	113.02	-691.98	85.96

It was observed that in above cases, the deviation in actual receipts from the revised estimates ranged between 0.52 per cent and more than 100 per cent which indicated deficiency in estimation of receipts.

While reviewing 'budget formulation and budgetary control' under the same Grant i.e. Grant No 27 (Drinking Water Scheme), the Public Accounts Committee in its 114th Report of September 2016 had recommended preparation of realistic budget estimates in accordance with the provisions of State Budget Manual. In spite of the direction of the PAC, the budgetary irregularities continue to persist.

2.5 Irregularities in submission of Detailed Contingent Bills against Abstract Contingent Bills

Rule 219 regulates preparation and drawal of Abstract Contingent (AC) Bill and submission of Detailed Contingent (DC) Bill to the Accountant General. Rule 220(1) provides for submission of DC bills within a period of three months from the drawal of AC bills (except in case of purchase of machinery/equipments and other articles from abroad by opening of letter of credit, the DC bills may be rendered to the competent authority within six months of the drawal of AC bills).

Last five years position depicting Pendency in submission of Detailed Contingent bills against Abstract Contingent bills at the end of the year

(₹ in crore)

S. No.	Year up to	AC bills drawn		DC bill received		Outstanding AC bills	
		Number	Amount	Number	Amount	Number	Amount
1.	2013-14	40,701	4,174.63	39,619	3,851.06	1,082	323.57
2.	2014-15	43,965	4,794.52	43,597	4,505.59	368	288.93
3.	2015-16	45,244	5,203.47	44,992	4,929.59	252	273.88
4.	2016-17	46,426	5,847.82	46,206	5,476.07	220	371.75
5.	2017-18	47,239	6,323.92	47,105	5,894.73	134	429.19

The outstanding amount of AC bills increased from ₹ 323.57 crore in 2013-14 to ₹ 429.19 crore in 2017-18. Though there is decrease in number of outstanding bills; the fact remains that outstanding balance of ₹ 429.19 crore is still outstanding in AC bills as on 30 June 2018. Further, during 2017-18 outstanding amount of AC bills increased by 15.5 per cent over the previous year. Year wise details of outstanding AC bills are given below:

Pendency in submission of Detailed Contingent bills against Abstract Contingent bills

(₹ in crore)

S.No.	Year	AC bills drawn		DC bill received		Outstanding AC bills	
		Number	Amount	Number	Amount	Number	Amount
1.	Up to 2010-11	34,266	3,106.65	34,258	3,103.53	8	3.12
2.	2011-12	1,471	197.72	1,471	197.72	0	0
3.	2012-13	1,834	253.84	1,833	252.80	1	1.04
4.	2013-14	3,130	616.42	3,129	614.62	1	1.80
5.	2014-15	3,264	619.89	3,260	615.72	4	4.17
6.	2015-16	1,279	408.95	1,278	407.70	1	1.25
7.	2016-17	1,182	644.35	1,172	482.84	10	161.51
8.	2017-18	813	476.10	704	219.80	109	256.30
Total		47,239	6,323.92	47,105	5,894.73	134	429.19

Major Head wise details of pending AC bills as well as amount outstanding for the period up to June 2018 is detailed in *Appendix 2.12*.

(i) Delay in Adjustment of AC bills through DC bills

Rule 8(2) of General Financial and Accounts Rule (GF&ARs), 2017 prescribed that funds shall be withdrawn only if required for immediate payment and the expenditure or payment is authorised by the competent authority.

In following 8 cases the DC bills for adjustment of funds were submitted with delay ranging from 2 months to 9 years after the prescribed period. This is inclusive of five cases involving refund of unspent amount of ₹ 61.37 lakh.

(₹ in lakh)

S. No.	Name of Office	Major Head	AC Bills No. & Date	Amount	DC bill No. and Date (Amount)	Amount deposited through Challan	Delay in Months
1.	Superintendent, PBM Hospital, Bikaner	2210	323/07.06.2017	6.85	1440/07.03.2018 (6.85)	-	6
2.	District Collector, Disaster Management and Relief Department, Barmer	2245	11/27.07.2017	2.00	02/24.04.2018 (2.00)	-	6
3.	District Collector, Disaster Management and Relief Department, Udaipur	2245	49/03.03.2017	2,776.62	41/24.08.2018 (2,720.56)	56.06	14
4.	CEO, Zila Parishad, Alwar	2515	711/02.03.2009	11.29	70/07.05.2018 (8.06)	3.23	110
5.	Additional District Collector, Revenue Board, Udaipur	2053	524/08.03.2017	5.00	22/25.04.2018 (3.87)	1.13	13
6.	Commanding Officer, 01 Rajasthan Armed SQ, NCC, Jaipur	2204	85/14.11.2017	2.22	1/04.05.2018 (1.85)	0.37	2
7.	District Collector, Jaipur	2052	293/10.8.2017	2.00	27/05.04.2018 (1.42)	0.58	4
8.	Registration and Stamp Department, Ajmer	2029	510/01.01.2014	125.24	598/27.3.2018 (125.24)	-	44
		2029	511/01.01.2014	41.75	599/27.3.2018 (41.75)	-	44
Total						61.37	

Non-submission of DC Bills within prescribed time breaches financial discipline and entails risk of misappropriation and fraud.

(ii) Irregularities in adjustment of AC bills

Test check of information furnished by eight departments in 10 cases revealed that AC bills were drawn but remained unadjusted despite lapse of period of six months to ten years, as detailed below:

(₹ in lakh)

S.No.	Name of Office	AC bill		Amount drawn	Reason given by Department of delay
		Major Head	No. and date		
1.	District Collector, Disaster Management and Relief Department (DMRD), Alwar	2245	813/19.03.2013	103.50	Non-recovery of embezzlement amount (₹ 25,99,830) so far.
2.	District Collector, DMRD, Bharatpur	2245	72/4.9.2008	19.01	Due to pending departmental checking.
3.	Directorate, Ayurved Department, Rajasthan, Ajmer	2210	436/14.03.2014	179.70	Provisional utilisation certificate has been submitted by Rajasthan Medical Services Corporation Limited. Vouchers of ₹ 177.33 lakh has been received by the

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S.No.	Name of Office	AC bill		Amount drawn	Reason given by Department of delay
		Major Head	No. and date		
					Department and vouchers of ₹ 2.36 lakh are still pending and remaining amount of ₹ 0.01 lakh has been returned by RMSC.
4.	Revenue Board, Ajmer	2029	183/05.03.2008	292.18	Bill and balance amount has been received and details of bills are awaited from National Informatics centre Services Inc. (NICSI), New Delhi.
5.	Director, State Forensic Laboratories (SFL), Rajasthan, Jaipur	2055	283/06.01.2015	57.00	Import process of equipment through State Trading Corporation of India, New Delhi is under process.
		2055	395/27.03.2015	180.50	
		2055	396/27.03.2015	9.60	
		2055	367/29.03.2017	25.00	
		2055	368/29.03.2017	239.00	
6.	Additional Director (Administration), Mining and Zeology, Udaipur	4853	12345/27.11.17	526.92	Due to non-submission of Utilisation certificate by RAJCOMP Info Service, Jaipur.
		4853	482/10.01.2018	2.01	
		4853	583/27.03.2018	50.00	
		2853	436/24.11.2017	0.68	
7.	Dy. Director, Cattle Breeding Farm, Kumher (Bharatpur)	2403	61/02.12.2017	1.00	DC bills are under submission in Treasury, Bharatpur for adjustment.
		2403	59/02.12.2017	2.50	
		2403	60/02.12.2017	1.50	
		2403	63/02.12.2017	5.00	
8.	District Education Officer, Kota	2202	33/30.5.1992	0.26	Recovery is pending from the pension of concerned official. Request is made for recovery to Director, pension, Jaipur
9.	Principal, S.P. Medical College, Bikaner	2210	1479/30.3.2016	5.61	Reasons for pendency have not been intimated by the Department.
		2210	1480/30.3.2016	124.89	
		2210	1263/22.3.2017	32.58	
		2210	1337/30.03.2017	24.58	
		2210	1317/29.03.2017	20.25	
		2210	1264/22.03.2017	18.27	
		2210	1289/27.03.2017	74.04	
		2210	1265/22.03.2017	1.77	
		4210	1782/24.03.2015	169.96	
4210	1266/22.03.2017	19.28			
10.	Additional District Collector, Udaipur	2245	36/22.11.2016	13,007.32	DC bills are under submission in Treasury, Udaipur for adjustment.

The reasons given by the departments are not tenable because non-submission of DC bills could have been avoided with proper planning and pursuance. Non-receipt of vouchers, non-submission of UCs and delay in purchase indicates lack of monitoring and systemic deficiencies in the Departments.

During checking of the AC bills whose DC bills were pending, it was found that significant amount were drawn against AC bills mostly in the month of March, especially in the last week of the March which indicates that the drawals were primarily for the purpose of exhausting the budget provisions and indicates inadequate Budgetary Control.

(iii) Secretary, Rajasthan Subordinate and Ministerial Services Selection Board, Jaipur drew an AC bill (299/06.10.2016) of ₹ 2.00 lakh for payment of honorarium to the examiners. The amount of ₹ 2.00 lakh were provided by the bank in the form ₹ 1000. However, amount of ₹ 2.00 lakh could not be utilised for the intended work. Meanwhile, GoI announced (08 November 2016) demonetisation of all ₹ 500 and ₹ 1000 banknotes. Despite, efforts made by

the Board for depositing the ₹ 1000 banknotes with the bank, the notes could not be deposited/changed. It was intimated by the RBI, Jaipur that (April-October 2017) after demonetisation the notes cannot be deposited. Directorate, Treasury and Account, Rajasthan, Jaipur intimated (July 2018) that the efforts and correspondences are being made by the department with RBI, Mumbai for changing the demonetised notes.

Delay in depositing the DC bills and unspent amount was in contravention of provisions contained in Rule 219 and Rule 220(1) of GF&ARs. This indicates lack of monitoring and systemic deficiencies in the Departments.

Chapter III Financial Reporting

This chapter provides an overview and status of compliance of various significant financial rules, procedures and directives with regard to financial reporting of the State Government and its various subordinate offices during the current year.

3.1 Delay in furnishing Utilisation Certificates

Rule 281 of General Financial and Account Rules (GF&ARs), 2012 prescribed that the grants shall be provided for specific purpose. Rule 282 & 286 envisages that Utilisation Certificates (UCs) of grants should be obtained by the departmental officers from the grantees and after verification be forwarded to the Accountant General (Accounts and Entitlement) within one year from the date of their sanction unless specified otherwise.

However, 62 UCs aggregating to ₹ 2.34 crore were outstanding in respect of grants provided during the period 2004-05 to 2016-17. The age-wise position of delay in submission of UCs is summarized in **Table 3.1**.

Table 3.1: Outstanding Utilization Certificates

(₹ in crore)

Range of delay in number of years	Utilization Certificates outstanding as on 30 June 2018	
	Number	Amount
0-1	6	0.72
1-3	12	0.13
3-5	24	1.07
5-7	16	0.29
7-9	3	0.01
9 and above	1	0.12
Total	62	2.34

Almost 92.31 *per cent* of the amount of outstanding UCs mainly pertained to Science and Technology Department (56 UCs: ₹ 1.51 crore) and Integrated Child Development Services (Nutrition) (1 UCs: ₹ 0.65 crore). The Department wise break up of outstanding UCs is summarized in the following table:

S. No.	Department/ Major Head	Year of Release of Grant	Total Grant Released		Utilization Certificate			
			No.	Amount (₹ in lakh)	Received		Outstanding	
					No.	Amount (₹ in lakh)	No.	Amount (₹ in lakh)
1	Social Welfare (2225)	2004-05	308	235.47	307	223.75	1	11.72
2	Social Welfare (2235)	2016-17	23	4,110.60	19	4,104.19	4	6.41
3	Nutrition (2236)	2016-17	1	65.55	0	0.00	1	65.55
4	Science & Technology (3425)	2009-10	55	84.65	52	83.55	3	1.10
		2010-11	35	176.76	27	166.02	8	10.74
		2011-12	38	752.67	30	734.79	8	17.88
		2012-13	43	1,038.54	30	967.84	13	70.70
		2013-14	35	146.67	24	110.31	11	36.36
		2014-15	56	57.66	52	56.89	4	0.77
		2015-16	35	84.71	27	71.84	8	12.87
		2016-17	7	37.83	6	37.52	1	0.31
	Total		636	6,791.11	574	6,556.70	62	234.41

In the absence of UC, it is not possible to ascertain whether the grant released was utilized for the specified purpose. Non-submission of UCs indicates that the Departmental Officers had failed to comply with rules to ensure accountability of the agencies that received Government grants.

The number and value of UCs pending decreased from 104 UCs valuing ₹ 9.32 crore during 2016-17 to 62 UCs valuing ₹ 2.34 crore during 2017-18.

Non-submission of UCs within the stipulated period indicates systemic deficiency in utilization of grants by the Departments and is fraught with the danger of financial mismanagement.

3.2 Status of submission of accounts of Autonomous Bodies

The audit of accounts of forty one ¹autonomous bodies in the State has been entrusted to the CAG. These autonomous bodies have been set up by the State Government in the field of legal aid, human rights, electricity regulation and development of *Khadi* and welfare of construction workers.

Accounts of all the forty one autonomous bodies/ authorities have been received upto 2016-17 except one viz. Rajasthan Building and other Construction Workers Welfare Board, Jaipur for which accounts for the year 2016-17 have not been received as of June 2018. Separate Audit Reports (SARs) in respect of Rajasthan Khadi and Village Industries Board, Rajasthan State Human Rights Commission and Rajasthan Electricity Regulatory Commission have been issued upto the year 2016-17, for 36 District Legal Services Authorities and Rajasthan State Legal Services Authority upto the year 2015-16 and in respect of Rajasthan Building and other Construction Workers Welfare Board, Jaipur, it has been issued upto the year 2014-15.

3.3 Delay in submission of *Proforma* Accounts of Departmentally managed commercial undertakings

The departmental undertakings of certain Government departments performing activities of quasi-commercial nature are required to prepare *proforma* accounts annually in the prescribed format, showing the working results of financial operations so that the Government can assess their functioning. The Heads of Departments in the Government are to ensure that the undertakings prepare such accounts and submit them to Accountant General for audit within six months of the closure of financial year. As of March 2018, seven out of 10 undertakings have prepared and submitted their accounts up to 2016-17. The department-wise position of the investment made by the Government up to the year for which *proforma* accounts are finalized and accumulated losses in these undertakings are given in **Appendix 3.1**. It is observed that an amount of ₹ 16,565.70 crore had been invested by the State Government in 10 undertakings at the end of financial year up to which their

¹ Rajasthan Khadi and Village Industries Board, Rajasthan State human Rights Commission, Rajasthan state Legal Services Authority, Rajasthan Building and other Construction Workers Welfare Board, Jaipur, Rajasthan Electricity Regulatory Commission and 36 District legal Services Authorities.

accounts were finalised. Of these, eight undertakings incurred accumulated losses of ₹ 12,211.94 crore continuously for more than five years.

The finalised accounts of departmentally managed commercial and quasi-commercial undertakings reflect their overall financial health and efficiency in conducting their business.

Recommendation: 12

Head of department should ensure timely preparation and submission of proforma account for taking remedial measures to improve efficiency and accountability of these undertakings.

3.4 Misappropriations, losses, defalcations etc.

Rule 20 of GF&AR (Part-I) provided that any loss of public money, departmental revenue or receipts, stamps, stores or other property held by or on behalf of Government caused by misappropriation, fraudulent drawal/payment or otherwise discovered in a treasury, any other office/department shall be reported immediately by the officer concerned to the next higher authority as well as to the Principal Accountant General.

State Government reported 872 cases of misappropriation/embezzlement (323) and theft/loss (549) of government money amounting to ₹ 67.73 crore under various departments up to 31 March 2018 on which final action was pending (June 2018). The department-wise break up of pending cases and age-wise analysis is given in *Appendix-3.2* and nature of these cases is given in *Appendix-3.3*. The age profile of the pending cases and the number of cases pending in each category of theft/loss and misappropriation as emerged from these appendices are summarised in the **Table 3.2**:

Table 3.2: Profile of misappropriation, losses, defalcations etc.

Age profile of the pending cases			Nature of the pending cases		
Range in years	Number of cases	Amount involved (₹ in crore)	Nature of the cases	Number of cases	Amount involved (₹ in crore)
0-5	236	27.30	Theft/loss of material	549	17.08
5-10	137	17.73	Misappropriation/ embezzlement	323	50.65
10-15	195	10.43	-	-	-
15-20	129	6.33	-	-	-
20-25	101	3.49	-	-	-
25 and above	74	2.45	-	-	-
Total	872	67.73	Total pending cases	872	67.73

Source: Information received from the Departments.

Reasons for pendency of the outstanding cases are classified in following table:

Table 3.3: Classification of reasons for delay of outstanding cases of misappropriations, losses, defalcations etc.

Reasons for Delay	Number of cases	Amount (₹ in crore)
Awaiting departmental and criminal investigation	320	32.00
Awaiting orders for recovery/write off	491	30.80
Pending in the courts of law	61	4.93
Total	872	67.73

Source: Information received from the Departments.

Recommendation: 13

Departmental inquiries in all misappropriation and embezzlement cases should be expedited and the internal controls in all these organizations should be strengthened to prevent recurrence of such cases.

3.5 Personal Deposit Accounts

Rule 260 (1) of GF&AR provides that no money shall be received for deposits in the government accounts unless they are such as by virtue of any statutory provisions or of any general or special orders of the Government and are required or authorized to be held in the custody of the Government.

During 2017-18, the amount of ₹ 30,295.29 crore was transferred to/deposited in Personal Deposit (PD) Account in the Major Head 8443-Civil Deposits-106- Personal Deposits, which comprised 18.05 per cent of total expenditure (₹ 1,67,799 crore). Out of this, a sum of ₹ 4,035.89 crore (13.32 per cent) was transferred to/deposited to PD Account only in March 2018. Transfers of significant amount during the month of March indicate inadequate budgetary control.

The position of the PD Accounts of the State Government as on 31 March 2018 was as under:

(₹ in crore)

Particulars	Number of PD Accounts (as on 01 April 2017)		Addition during the year		Closed during the year		Number of PD Accounts (as on 31 March 2018)	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Operative PD Accounts	1,513	5,182.88	166	30,296.08* (includes amount 450.72 of new PD account)	33	25,942.37 (includes amount 6.66 of closed PD account)	1,646	9,536.59
Inoperative PD Accounts (for more than five years)	15	13.57	20	1.98	15	13.57	20	1.98
Total	1,528	5,196.45	186	30,298.06	48	25,955.94	1,666	9,538.57

* Including sum of ₹ 0.79 crore transferred from inoperative PD Account.

During the year total amount of ₹ 30,295.29² crore was transferred to/deposited in PD Account. There was unspent balances of ₹ 9,538.57 crore (1,666 PD accounts) which included 14 PD accounts³ having balances of

² ₹ 30296.08 crore- ₹ 0.79 crore.

³ (a) Director, Mines and Geology Department, Udaipur (₹ 498.17 crore), (b) Ajmer Smart City Ltd., Ajmer (₹ 166.80 crore), (c) District Mineral Foundation Trust Fund, Bhilwara (₹ 303.02 crore), (d) Secretary, Rajasthan Rural Road Development Agency, Jaipur (City) (₹ 751.00 crore), (e) M.D. & F.A., Rajasthan State Bridge Road Development & Construction Corporation Ltd, Jaipur (Secretariat) (₹ 377.21 crore), (f) M.D. RajCOMP Info Services Ltd., Jaipur (Secretariat) (₹ 355.36 crore), (g) Rajasthan Secondary Education Council, Jaipur (Secretariat) (₹ 165.28 crore), (h) Rajasthan Urban Infrastructure Finance Development Corporation (RUIFDCO), Jaipur (Secretariat) (₹ 482.02 crore), (i) Rajasthan Medical Services Corporation, Ltd., Jaipur (Secretariat) (₹ 324.71 crore), (j) Rajasthan Mission and Skill and Livelihood, Jaipur (Secretariat) (₹ 103.63 crore), (k) Kota Smart City Ltd, Kota (₹ 168.40 crore), (l) District Mineral Foundation Trust, Rajsamand (₹ 298.98 crore), (m) Commissioner, Tribal Area Development, Udaipur (₹ 103.98 crore) and Rajasthan State Health Society, Jaipur (Secretariat) (₹ 467.92 crore).

₹ 100 crore and above, which constituted 47.9 per cent (₹ 4,566.48 crore) of total unspent balances in all PD accounts. Interestingly a sum of ₹ 1,629.02 crore (i.e. 17.1 per cent) out of total unspent balance of ₹ 9,538.57 crore is lying in just 35 PD accounts of Rajasthan District Mineral Foundation Trust (RDMFT).

Detailed analysis of two PD accounts viz. Rajasthan District Mineral Foundation Trust Fund and Rajcomp Info Services Limited, Jaipur are discussed in following paragraphs:

3.5.1 Rajasthan District Mineral Foundation Trust Fund

The State Government established (June 2016) District Mineral Foundation Trust (DMFT) as per rule 5 of Rajasthan District Mineral Foundation Trust (RDMFT) Rules 2016 in all the districts of the State with a Governing Council and Managing Committee. The objectives of the RDMFT were to work for the interest and benefit of persons and area affected by mining related operations in the district. RDMFT is to utilize RDMF Contribution in *Pradhan Mantri Khanij Kshetra Kalyan Yojana* and other welfare schemes of the State and Central Government to implement various developmental and welfare projects/ programs in mining affected areas.

Initially contribution towards trust fund was to be deposited by the lease holders at a prescribed rate with the concerned Mining Engineers (ME)/Assistant Mining Engineers (AME) office or directly in the Centralized current bank account. Thereafter, contribution was to be transferred to the non-interest bearing PD account.

Further, Finance (Ways and Means) Department directed (April 2017) for opening a non-interest bearing PD Account in all the districts in the name of DMFT. Thereafter, the contributions towards trust funds are being collected by the Department through non-interest bearing PD Accounts in all districts of the State. Non-interest bearing PD Accounts were later converted (June 2018) into interest bearing PD Accounts.

The total collection towards DMFT funds was ₹ 1,629.02 crore, which were lying in 35 PD accounts of DMFT in Rajasthan as on 31 March 2018. Out of this, an amount of ₹ 498.17 crore was lying in PD Accounts opened (August 2016) in treasury Udaipur. Following irregularities were observed in maintenance and utilization of the fund:

- RDMFT rules 13(4) & 13(5) provides that ME/AME are responsible for collection, reconciliation and cross verification of contribution to DMFT funds and shall deposit the same in trust account opened in interest bearing PD account.

It was however observed that an amount of ₹ 498.17 crore was pending for transfer to concerned DMFT fund as the reconciliation was not carried out.

- According to rule 13(2) of RDMFT rules, 2016 the payment towards trust fund shall be collected in advance along with royalty under a separate sub-head. However, no proposal was sent by the Finance Department to the Accountant General (A&E) for opening of a separate sub-head for accounting of payments to RDMFT fund.
- As per Rule 15(6) of RDMFT Rule 2016, each trust shall prepare and maintain a website for maintaining the transparency in operations. Information regarding status of ongoing works, implementation status/progress of all the projects/programs being undertaken by the trust should be displayed on the website including description of work, details of beneficiaries, estimated cost, name of implementing agencies, expected date of commencement and completion of work, financial and physical progress up to last quarter etc.

During test check of website of RDMFT, district-wise status of ongoing works was not found on the website. Also, the website does not show contributions from RDMFT, fund utilization, number of completed projects, name of implementing agency etc.

3.5.2 Rajcomp Info Services Limited, Jaipur

Rajcomp Info Services Limited (RISL), Jaipur is the State Designated Agency for implementation of projects under National e-Governance Plan (NeGP). Its primary areas of expertise include IT consultancy, e-Governance project conceptualization and implementation, capacity building in the IT area, provision of customized IT solutions spanning hardware as well as software projects, GIS development and multimedia development.

The amount related to Elementary Education, Planning (Bhamashah) and Food and Civil Supply Department was deposited in the PD Account of RISL for providing IT services. There were unspent balances of ₹ 178.23 crore, ₹ 170.94 crore and ₹ 355.36 crore lying in the PD account as on March 2016, March 2017 and March 2018 respectively.

The Manager (Finance), RISL intimated (May-July 2018) that no amount was released through PD Account due to non-raising of demand and non-release of payments for works under various projects.

Recommendation: 14

In view of high amount credited to these PD Accounts and lying unutilized for more than two to three years, the Finance Department should review these PD Accounts and ensure that amounts lying in these PD Accounts are utilized for intended purpose or the PD Accounts closed.

3.5.3 Inoperative PD Account

Rule 98 of Rajasthan Treasury Rules, 2012 also provided that in the month of April every year the Treasury Officer would review the PD Accounts in operation and prepare a list of accounts which have remained inoperative continuously for preceding five financial years for sending it to the Finance (Ways & Means) Department and recommend for their closure.

Further, Rule 264 (2) of GF&AR provides that payment will not be permitted by Treasury Officer from a Personal Deposit Account, which has not been operated continuously, for preceding five financial years and which has been closed with the sanction of Finance Department.

Review of position of PD accounts held by various departments of the State Government revealed that as of 31 March 2018, total 20 PD Accounts having balance amount of ₹ 1.98 crore remained inoperative for the last five years (2013-18). Out of these, four PD Accounts i.e. Rent House in New Delhi in Jaipur (Secretariat), Entrepreneurship and Management Development Institute, Jaipur (Secretariat), New Pension scheme, Jodhpur (City) and SDO, Land Equi Officer Jhadol, Udaipur (Rural) had significant balances of ₹ 0.24 crore, ₹ 0.79 crore, ₹ 0.51 crore and ₹ 0.19 crore respectively. Details of current status regarding these PD Accounts are mentioned in **Appendix 3.4**.

The Joint Director of Treasury and Accounts, Jaipur and Treasury Officer, Jaipur (Rural) intimated (May- June 2018) that Finance (Ways and Means) department has given acceptance to continue two PD accounts with the condition that if no transaction is made during a period of six months, the accounts will be deemed as closed. To avoid deemed closure departments deposited ₹ 100 by challan in these accounts without availability of fund. Non-closure of PD Accounts despite remaining inoperative for five years was contrary to the provisions of Rule 264 (2) of GF&AR and Rule 98 of Rajasthan Treasury Rules, 2012.

While examining the irregularities in the maintenance of PD Accounts, the Public Accounts Committee in its 97th Report (March 2016), 206th Report (October 2017) and 253rd Report (February 2018) had recommended for strict compliance of rules, so as to prevent its recurrence. In spite of the direction of the PAC, irregularities like unspent balances and non-closure of inoperative PD Accounts continue to persist.

3.5.4 Deposit of Local Funds

Section 64 of the Rajasthan Panchayati Raj Act, 1994 provides that Zila Parishad (ZP), Panchayat Samiti (PS) and Gram Panchayat (GP) maintain ZP fund, PS fund and GP fund respectively which include all money realised or realisable under the Act and all money otherwise received by the PRI, such as grants received from Central Finance Commission and State Government as part of the State Finance Commission award and its own revenue, which includes tax and non-tax receipt of a panchayat. Section 79 of Rajasthan Municipal Act 2009 envisages that the Municipal Fund is to be held by the Municipality. All money realised or realisable under this act and all money otherwise received by the Municipality are kept in the Municipal Fund under the Major Head 8448- Deposits of Local Funds-102-Municipal Funds.

Besides this, the Panchayati Raj Institutions (PRIs) hold PRI fund which is classified under the Major Head 8448-Deposits of Local Funds-109-Panchayat Bodies Funds. Further, Gram Panchayat would deposit all receipts in nearest post office or branch of any scheduled bank, Panchayat Samiti and Zila Parishad in the Personal Deposit accounts maintained in nearest Government Treasury/Sub-treasury. The position of Deposits of local funds in PRI's and Municipal fund as on 31 March 2018 is as under:

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(₹ in crore)

Year	Zila Parishad Fund (8448-109-03)				Panchayat Samiti Fund (8448-109-02)				Total Closing Balance end of the year	Municipal Fund (8448-102)			
	Opening Balance	Receipt	Expen- diture	Closing Balance	Opening Balance	Receipt	Expen- diture	Closing Balance		Opening Balance	Receipt	Expen- diture	Closing Balance
1	2	3	4	5	6	7	8	9	(5+9) 10	11	12	13	14
2012-13	1,104.83	2,356.16	2,044.31	1,416.68	470.20	884.48	704.67	650.01	2,066.69	337.78	1,545.16	1,284.08	598.86
2013-14	1,416.68	2,619.37	2,578.78	1,457.27	650.01	1,568.13	1,473.86	744.28	2,201.55	598.86	1,637.98	1,688.86	547.98
2014-15	1,457.27	2,732.06	2,753.13	1,436.20	744.28	1,289.63	1,140.81	893.10	2,329.30	547.98	1,841.45	1,772.50	616.93
2015-16	1,436.20	4,412.58	3,879.91	1,968.87	893.10	1,091.19	967.73	1,016.56	2,985.43	616.93	2,217.67	1,903.89	930.71
2016-17	1,968.87	3,044.50	3,330.05	1,683.32	1,016.56	1,546.68	1,283.19	1,280.05	2,963.37	930.71	2,647.54	2,160.13	1,418.12
2017-18	1,683.32	2,220.82	2,032.13	1,872.01	1,280.05	1,599.99	1,430.26	1,449.78	3,321.79	1,418.12	2,351.12	2,117.23	1,652.01

It was observed that during 2013-18, the balances in ZP fund, PS funds and Municipal Fund showed an increasing trend. The closing balance in these funds during 2017-18 were ₹ 1,872.01 crore, ₹ 1,449.78 crore and ₹ 1,652.01 crore respectively.

Further, the status of unutilised funds lying in the accounts of GPs could not be ascertained as these details were not compiled either at the Panchayat Samiti or at the Zila Parishad level.

3.6 Opaqueness in accounts

As the crucial component of a transparent system of accounting, the forms of accounts in which the receipts and expenditure of the Government are reported to the legislature, should constantly be reviewed and updated so that they truly reflect receipts and expenditure on all major activities of the Government in a transparent manner to meet the basic information needs of all the important stakeholders.

Minor Head '800-Other Expenditure' is intended to be operated when the appropriate Minor Head has not been provided in the accounts. Scrutiny of Finance Accounts 2017-18 of Government of Rajasthan disclosed that ₹ 10,927.16 crore, comprising 6.56 per cent of the total expenditure (Revenue and Capital) recorded under 53 Major Heads of Accounts (representing functions of the Government) were classified under the Minor Head '800-Other Expenditure'.

The major functions in respect of which the expenditure was not depicted distinctly in the Finance Accounts but were clubbed under the Minor Head '800-Other Expenditure' are summarized below:

(₹ in crore)

S. No.	Name of the Function	Amount
1.	National Rural Health Mission under Family Welfare	1,329.77
2.	Notional adjustment of interest on Capital account under Major Irrigation (All Irrigation Projects)	1,226.34
3.	Agriculture input grant except for small and marginal farmers under Relief on account of Natural Calamities	732.83
4.	Public Health Insurance Scheme under Medical and Public Health	513.86
5.	Agriculture input grant for small and marginal farmers for agriculture crops, horticulture crops and annual lease crops under Relief on account of Natural Calamities	411.37

S.No.	Name of the Function	Amount
6.	Investment Subsidy under Taxes on Sales, Trade etc.	369.77
7.	Funds released to Local Bodies etc. under Capital Outlay on Urban Development	284.42
8.	Rajasthan Transport Infrastructure Development Fund under Urban Development	254.00
9.	National Agriculture Development Project under Crop Husbandry	207.21
10.	Interest grant to good loanee/ borrowers of Co-operatives under Co-operation	206.15
11.	Notional adjustment of interest on Capital account under Medium Irrigation (All Irrigation Projects)	205.82
12.	Ajmer, Jaipur, Udaipur and Kota Smart City under Urban Development	205.00
13.	Reimbursement to Private Schools under RTE under General Education	163.88
14.	Funds released to Zila Parishad (Rural Development Cell) under Capital Account of Special Areas Programme	134.61

Though details of these expenditure are depicted at sub-head (scheme) level or below in the Detailed Demands for Grants and corresponding head-wise Appropriation Accounts forming part of the State Government accounts, the booking of large amounts under the Minor Head '800-Other Expenditure' affects the transparency in financial reporting.

Recommendation: 15

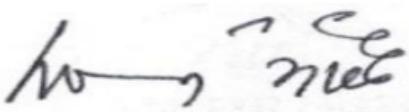
The Finance Department should in consultation with the Accountant General (A&E), conduct a comprehensive review of all items presently appearing under minor head '800-Other Expenditure' and ensure that in future all such receipt and expenditure are booked under the appropriate heads of account to avoid opaqueness in the accounts.

**JAIPUR,
The 01 May 2019**


**(R.G. VISWANATHAN)
Principal Accountant General
(General and Social Sector Audit), Rajasthan**

Countersigned

**NEW DELHI,
The 03 May 2019**


**(RAJIV MEHRISHI)
Comptroller and Auditor General of India**

APPENDICES

Appendix 1.1

(Refer Economic and Social indicators of the State; page 1)

Economic and Social indicators of the State

A. General Data

S. No.	Particulars	Figures	
1	Area	3,42,239 sqkm	
2	Population		
	a. As per 2001 Census	5.65 crore	
	b. As per 2011 Census	6.85 crore	
3	Density of Population 2001 (All India Density = 325 persons per sqkm)	165 persons per sqkm	
	Density of Population 2011 (All India Density = 382 persons per sqkm)	200 persons per sqkm	
4	Population Below Poverty Line* (BPL) (All India Average = 21.9 per cent)	14.7 per cent	
5	a. Total Literacy (2001) (All India Average = 65.4 per cent) [@]	60.4 per cent	
	b. Total Literacy (2011) (All India Average = 73.0 per cent) [@]	66.1 per cent	
6	Infant mortality**(2016) (per 1000 live births) (All India Average = 34 per 1000 live births)	41	
7	Life Expectancy at birth*** (2011-15) (All India Average = 68.3 years)	67.9 years	
8	Human Development Index (HDI)**** 2007-08 (All India = 0.467)	0.434	
9	Gross State Domestic Product (GSDP) 2017-18 at current price	₹ 8,40,263 crore	
10	Per capita GSDP Compound Annual Growth Rate (CAGR) 2008-09 to 2017-18	Rajasthan	13.7 per cent
		General Category States	13.1 per cent
11	GSDP CAGR (2008-09 to 2017-18) ^{&}	Rajasthan	15.4 per cent
		General Category States	14.5 per cent
12	Population Growth (2008-17) [#]	Rajasthan	14.3 per cent
		General Category States	11.6 per cent

B. Financial Data[§]

CAGR and Annual Growth w.r.t		CAGR		CAGR		Annual Growth	
		2008-09 to 2016-17		2012-13 to 2016-17		2016-17 to 2017-18	
		General Category States	Rajasthan	General Category States	Rajasthan	General Category States	Rajasthan
(In per cent)							
a.	Revenue Receipts	15.1	15.9	13.2	13.0	11.3	16.8
b.	Own Tax Revenue	14.9	14.6	10.3	9.8	12.2	14.0
c.	Non Tax Revenue	9.5	14.7	7.9	(-1.1)	5.9	35.5
d.	Total Expenditure	15.8	18.5	14.4	19.7	4.7	6.8
e.	Capital Expenditure	14.0	14.1	17.0	12.3	1.0	21.5
f.	Revenue Expenditure on Education	14.5	15.7	11.5	17.3	6.2	8.9
g.	Revenue Expenditure on Health	16.2	18.2	15.4	20.4	10.7	20.7
h.	Salary and Wages	13.4	12.5	9.1	14.3	8.9	25.3
i.	Pension	16.2	17.8	10.5	15.7	22.9	13.2

* Economic Survey 2017-18 (January 2018), Vol. II, page A 160-161.

** Economic Survey 2017-18 (January 2018), Vol. II, page A 151.

*** Economic Survey 2017-18 (January 2018), Vol. II, page A 151.

**** Economic Survey 2017-18 (January 2018), Vol. II, page A 161.

The HDI is a composite index, consisting of three indicators-consumption expenditure (as a proxy for income), education and health (Source: India Human Development Report 2011)

[§] Financial data are based on Finance Accounts of the State Government.

[@] Economic Survey 2017-18 (January 2018), Vol. II, page A 155.

[&] GSDP figures have been adopted from the Economic Reviews of the respective States.

[#] Population projection for India and State 2001-2026 (Revised December 2006) report of the Technical Group on population projection constituted by the National Commission on population Table-14 (projected total population by sex as on 1st October 2001-2026).

Appendix 1.2 Part- A

(Refer Paragraph 1.1; page 2)

Structure and Form of Government Accounts

Structure of Government Accounts:

The accounts of the State Government are kept in three parts: (i) Consolidated Fund, (ii) Contingency Fund and (iii) Public Account.

Part I: Consolidated Fund: All revenues received by the State Government, all loans raised by issue of treasury bills, internal and external loans and all moneys received by the Government in repayment of loans shall form one consolidated fund entitled 'The Consolidated Fund of State' established under Article 266 (1) of the Constitution of India.

Part II: Contingency Fund: Contingency Fund of the State established under Article 267 (2) of the Constitution is in the nature of an imprest placed at the disposal of the Governor to enable him to make advances to meet urgent unforeseen expenditure, pending authorisation by the Legislature. Approval of the Legislature for such expenditure and for withdrawal of an equivalent amount from the Consolidated Fund is subsequently obtained, whereupon the advances from the Contingency Fund are recouped to the Fund.

Part III: Public Account: Receipts and disbursements in respect of certain transactions such as small savings, provident funds, reserve funds, deposits, suspense, remittances etc. which do not form part of the Consolidated Fund, are kept in the Public Account set up under Article 266 (2) of the Constitution and are not subject to vote by the State Legislature.

Source: Government Accounting Rules, 1990

Appendix 1.2 Part- B

(Refer Paragraph 1.1; page 2)

Layout of Finance Accounts

The Finance Accounts have been divided into two volumes. Volume I represents the financial statements of the Government in a summarised form while Volume II represents detailed financial statements.

Statement No.	Layout
Volume I contains the Certificate of the Comptroller and Auditor General of India, 13 summary Statements as given below, Notes to Accounts including accounting policy:	
1	Statement of financial position: Cumulative figures of assets and liabilities of the Government, as they stand at the end of 2017-18.
2	Summary of all receipts and disbursements of the State during the year in the consolidated fund, contingency fund and public account of the State.
3	Summary of revenue and capital receipts and receipts from borrowings of the Government consisting of loans from Government of India (GoI) and market loans raised by the Government.
4	Summary of revenue and capital expenditure and repayment of loans raised by the State by functions and objects of expenditure.
5	Summarised statement of capital outlay showing progressive expenditure to the end of 2017-18 by function.
6	Summary of debt position of the State which includes borrowing from internal debt, GoI, other obligations and servicing of debt.
7	Summary of loans and advances given by the State Government during the year, repayments made, recoveries in arrears, etc.
8	Summary of Investment of State Government in the equity capital.
9	Summary of guarantees given by the Government for repayment of loans etc. raised by the Statutory Corporations, Local Bodies and other Institutions.
10	Statement of Grants-in-aid given by the State Government, organised by grantee institutions group wise.
11	Distribution between the charged and voted expenditure incurred during the year.
12	Summary account of sources and applications of funds for expenditure other than revenue account.
13	Summary of balances under Consolidated Fund, Contingency Fund and Public Account.
Volume II Part I: This part contains nine statements presenting details of transaction by minor heads corresponding to statements in Volume I:	
14	Detailed account of revenue and capital receipts by minor heads.
15	Accounts of revenue expenditure by minor heads under state fund and central assistance separately and a comparison with the figures for the previous year.
16	Accounts of capital expenditure by minor heads under state fund and central assistance separately and a comparison with the figures for the previous year. Cumulative capital expenditure up to the end of the year is also depicted.
17	Detailed account of borrowings by minor head, the maturity and repayment profile of all loans.
18	Detailed account of loans and advances given by the State Government, the amount of loan repaid during the year, the balance as on 31 March 2018.
19	Detailed account of investment of the State Government in Statutory Corporations, Government Companies, other Joint Stock Companies, Cooperative Banks and Societies etc up to the end of 2017-18.
20	Detailed entity wise Guarantees given by the State Government.
21	Detailed account of Contingency Fund and other Public Account transactions.
22	Details of investments of earmarked balances of reserve funds in Public Account.
Volume II Part II: Part II of Finance Accounts contains 12 Appendices giving the details on salaries, subsidies, grants-in-aid scheme-wise and institution-wise, details of externally aided projects, scheme-wise expenditure in respect of major Central Schemes and State Plan Schemes etc.	

Source: Finance Accounts

Appendix 1.3

(Refer Paragraphs 1.2; page 3)

Abstract of Receipts and Disbursements in 2017-18

(₹ in crore)

Receipts	2016-17	2017-18	Disbursements	2016-17	2017-18		
					State Fund	Central Assistance	Total
I. Revenues Receipts	1,09,026.00	1,27,307.18	I. Revenue Expenditure	1,27,140.14	1,32,008.89	13,832.63	1,45,841.52
Tax Revenue	44,371.66	50,605.41	General Services	39,203.26	43,440.43	9.93	43,450.36
			Social Services	49,371.68	45,515.04	7,549.03	53,064.07
Non-tax Revenue	11,615.57	15,733.72	Education, Sports, Art and Culture	24,498.21	22,571.67	4,096.41	26,668.08
			Health and Family Welfare	7,737.83	7,872.34	1,469.78	9,342.12
State's share of Union Taxes and Duties	33,555.86	37,028.01	Water Supply, Sanitation, Housing and Urban Development	7,406.26	6,822.38	407.06	7,229.44
			Information and Broadcasting	63.78	69.21	-	69.21
Non-Plan grants	5,927.84	-	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	1,100.45	748.79	579.20	1,327.99
Grants for State Plan Schemes	13,461.63	-	Labour and Labour Welfare	494.75	539.95	8.76	548.71
			Social Welfare and Nutrition	8,003.03	6,811.99	987.82	7,799.81
			Others	67.37	78.71	-	78.71
Grants for Central and Centrally Sponsored Plan Schemes	93.44	(-0.12)	Economic Services	38,565.14	43,053.31	6,273.67	49,326.98
			Agriculture and Allied Activities	5,139.97	4,460.17	653.38	5,113.55
			Rural Development	11,139.81	10,162.27	4,852.67	15,014.94
Centrally Sponsored Schemes	-	16,103.48	Special Area Programmes	1.36	1.24	0.50	1.74
			Irrigation and Flood Control	1,941.81	2,050.44	6.63	2,057.07
Finance Commission Grants	-	4,262.40	Energy	16,852.35	23,455.73	-	23,455.73
			Industry and Minerals	445.23	348.25	-	348.25
Other transfer/Grants to State/Union Territories with Legislature	-	3,574.28	Transport	1,685.71	1,581.14	596.27	2,177.41
			Science, Technology and Environment	41.39	18.66	1.18	19.84
			General Economic Services	1,317.51	975.41	163.04	1,138.45
			Grants-in-aid and Contributions	0.06	0.11	-	0.11
Total	1,09,026.00	1,27,307.18	Total	1,27,140.14	1,32,008.89	13,832.63	1,45,841.52
II. Revenue deficit carried over to Section-B	18,114.14	18,534.34	II. Revenue Surplus Carried over to Section-B	-	-	-	-
Total	1,27,140.14	1,45,841.52	Total	1,27,140.14	1,32,008.89	13,832.63	1,45,841.52
III. Opening Cash balance including Permanent Advances and Cash Balance Investment	8,397.27	8,112.46	III. Opening Overdraft from Reserve Bank of India	-	-	-	-

(₹ in crore)

Receipts	2016-17	2017-18	Disbursements	2016-17	2017-18		
					State Fund	Central Assistance	Total
IV. Miscellaneous Capital Receipts	27.84	16.61	IV. Capital Outlay	16,979.72	17,569.87	3,053.41	20,623.28
			General Services	436.52	472.79	54.35	527.14
			Social Services	6,214.29	5,485.33	1,736.04	7,221.37
			Education, Sports, Art and Culture	119.07	313.88	200.74	514.62
			Health and Family Welfare	514.30	466.69	190.75	657.44
			Water Supply, Sanitation, Housing and Urban Development	5,078.59	4,380.56	1,145.84	5,526.40
			Information and Broadcasting	1.93	2.48	-	2.48
			Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	303.28	83.49	193.95	277.44
			Social Welfare and Nutrition	47.42	23.83	4.73	28.56
			Others	149.70	214.40	0.03	214.43
			Economic Services	10,328.91	11,611.75	1,263.02	12,874.77
			Agriculture and Allied Activities	462.09	281.28	109.73	391.01
			Rural Development	547.13	653.00	-	653.00
			Special Area Programmes	316.56	246.68	139.60	386.28
			Irrigation and Flood Control	1,959.45	2,084.16	104.22	2,188.38
			Energy	4,115.71	3,916.22	-	3,916.22
			Industry and Minerals	9.27	13.25	(-) 0.09	13.16
			Transport	2,420.87	3,631.41	907.91	4,539.32
			Science, Technology and Environment	3.65	3.04	-	3.04
			General Economic Services	494.18	782.71	1.65	784.36
			Total	16,979.72	17,569.87	3,053.41	20,623.28
V. Recoveries of Loans and Advances	1,713.53	15,133.41	V. Loans and Advances disbursed	12,965.45	-	-	1,334.02
From Power Projects	1,556.61	15,057.07	For Power Projects	12,480.50	-	-	341.57
From Government Servants	0.13	(-) 0.55	To Government Servants	-	-	-	¹
From Others	156.79	76.89	To Others	484.95	-	-	992.45
VI. Revenue surplus brought down	-	-	VI. Revenue deficit brought down	18,114.14	-	-	18,534.34
VII. Public Debt Receipts	43,888.85	28,556.57	VII. Repayment of Public Debt	5,014.57	-	-	11,673.66
External debt	-	-	External debt	-	-	-	-

¹ ₹ 0.24 lakh.

(₹ in crore)

Receipts	2016-17	2017-18	Disbursements	2016-17	2017-18		
					State Fund	Central Assistance	Total
Internal debt other than Ways and Means Advances and Overdraft	40,433.50	26,999.67	Internal debt other than Ways and Means Advances and Overdraft	4,440.66	-	-	11,040.39
Net transaction under Ways and Means Advances	-	-	Net transaction under Ways and Means Advances	-	-	-	-
Net transactions under Overdraft	-	-	Net transactions under Overdraft	-	-	-	-
Loans and Advances from Gol	3,455.35	1,556.90	Repayment of Loans and Advances to Gol	573.91	-	-	633.27
VIII. Appropriation to Contingency Fund	-	-	VIII. Appropriation to Contingency Fund	-	-	-	-
IX. Amount Transferred to Contingency Fund	-	-	IX. Expenditure from Contingency Fund	-	-	-	-
X. Public Account Receipts	1,56,044.35	1,56,811.26	X. Public Account Disbursements	1,48,885.50	-	-	1,47,088.02
Small Savings, Provident Funds etc.	8,620.13	9,345.61	Small Savings, Provident Funds etc.	5,240.13	-	-	6,144.84
Reserve Funds	3,067.86	3,465.86	Reserve Funds	2,408.28	-	-	2,629.45
Suspense and Miscellaneous	(-) 67.34	51.35	Suspense and Miscellaneous	51.99	-	-	78.64
Remittances	131.63	1,345.05	Remittances	134.50	-	-	1,334.86
Deposits and Advances	1,44,292.07	1,42,603.39	Deposits and Advances	1,41,050.60	-	-	1,36,900.23
XI. Closing Overdraft from Reserve Bank of India	-	-	XI. Cash Balance at end	8,112.46	-	-	9,376.99
			Cash in Treasuries and Local Remittances	0.12	-	-	(-) 6.46
			Deposits with Reserve Bank	(-) 2.28	-	-	11.09
			Departmental Cash Balance including Permanent Advances	4.06	-	-	3.93
			Cash Balance Investment	5,585.10	-	-	6,401.72
			Earmarked Investment Funds	2,525.46	-	-	2,966.71
Total	2,10,071.84	2,08,630.31	Total	2,10,071.84	-	-	2,08,630.31

Source: Finance Accounts

Appendix 1.4

(Refer Paragraph 1.4; page 14)

Time series data on the State Government Finances

(₹ in crore)

	2013-14	2014-15	2015-16	2016-17	2017-18
Part A. Receipts					
1. Revenue Receipts	74,471	91,327	1,00,285	1,09,026	1,27,307
(i) Tax Revenue	33,478(45)	38,673(42)	42,713(42)	44,372(41)	50,605(40)
Taxes on Agricultural Income	- ²				
State Goods and Service Tax	-	-	-	-	12,137(24)
Taxes on Sales, Trade, etc	21,216(63)	24,170 (63)	26,345(62)	28,558(64)	19,008(38)
State Excise	4,982(15)	5,586(14)	6,713(16)	7,054(16)	7,276(14)
Taxes on Vehicles	2,499(8)	2,830(7)	3,199(7)	3,623(8)	4,363(9)
Stamps and Registration Fees	3,125(9)	3,189(8)	3,234(7)	3,053(7)	3,675(7)
Land Revenue	338(1)	289(1)	272(1)	315(1)	364(1)
Taxes on Goods and Passengers	288(1)	956(3)	848(2)	803(2)	341(1)
Other Taxes	1,030(3)	1,653(4)	2,102(5)	966(2)	3,441(7)
(ii) Non Tax Revenue	13,575(18)	13,229(15)	10,928(11)	11,615(10)	15,734(12)
(iii) State's share of Union taxes and duties	18,673(25)	19,817(22)	27,916(28)	33,556(31)	37,028(29)
(iv) Grants- in-aid from Government of India	8,745(12)	19,608(21)	18,728(19)	19,483(18)	23,940(19)
2. Miscellaneous Capital Receipts	10	15	25	28	16
3. Recoveries of Loans and Advances	316	1,004	1,447	1,713	15,134
4. Total Revenue and Non debt Capital Receipts (1+2+3)	74,797	92,346	1,01,757	1,10,767	1,42,457
5. Public Debt Receipts	14,491	18,141	60,998	43,889	28,557
Internal Debt (excluding Ways and Means Advances and Overdrafts)	14,232(98)	17,346(96)	59,249(97)	40,434(92)	27,000(95)
Net transactions under Ways and Means Advances and Overdrafts	-	-	-	-	-
Loans and Advances from Government of India	259(2)	795(4)	1,749(3)	3,455(8)	1,557(5)
6. Total Receipts in the Consolidated Fund (4+5)	89,288	1,10,487	1,62,755	1,54,656	1,71,014
7. Contingency Fund Receipts	-	300	-	-	-
8. Public Account Receipts	1,07,978	1,26,382	1,46,910	1,56,045	1,56,811
9. Total Receipts of the State (6+7+8)	1,97,266	2,37,169	3,09,665	3,10,701	3,27,825
Part B. Expenditure/Disbursement					
10. Revenue Expenditure	75,510	94,542	1,06,239	1,27,140	1,45,842
General Services (including interest payments)	23,340(31)	27,868(30)	31,016(29)	39,203(31)	43,451(30)
Social Services	31,486(42)	37,754(40)	43,349(41)	49,372(39)	53,064(36)
Economic Services	20,435(27)	28,920(30)	31,874(30)	38,565(30)	49,327(34)
Grants-in-aid and contributions	249(-)	- ³	- ³	- ³	- ³
11. Capital Expenditure	13,664	16,103	21,986	16,980	20,623
General Services	334(3)	534(3)	441(2)	437(2)	527(3)
Social Services	4,551(33)	5,838(36)	5,996(27)	6,214(37)	7,221(35)
Economic Services	8,779(64)	9,731(61)	15,549(71)	10,329(61)	12,875(62)
12. Disbursement of Loans and Advances	812	701	36,602	12,965	1,334
13. Total Expenditure (10+11+12)	89,986	1,11,346	1,64,827	1,57,085	1,67,799
14. Repayments of Public Debt	4,115	4,960	4,959	5,015	11,674
Internal Debt (excluding Ways and Means Advances and Overdraft)	3,624(88)	4,451(90)	4,434(89)	4,441(89)	11,041(95)
Net transactions under Ways and Means Advances and Overdraft	-	-	-	-	-
Loans and Advances to Government of India	491(12)	509(10)	525(11)	574(11)	633(5)
15. Appropriation to Contingency Fund	-	300	-	-	-
16. Total disbursement out of Consolidated Fund (13+14+15)	94,101	1,16,606	1,69,786	1,62,100	1,79,473
17. Contingency Fund disbursements	-	-	-	-	-
18. Public Account disbursements	1,05,605	1,22,060	1,40,431	1,48,886	1,47,088
19. Total disbursement by the State (16+17+18)	1,99,706	2,38,666	3,10,217	3,10,986	3,26,561

² 2013-14: only ₹ 24, 2014-15: ₹ 0.01 lakh, 2015-16: ₹ 0.01 lakh, 2016-17: only ₹ 202 and 2017-18: ₹ 0.02 lakh.

³ 2014-15: ₹ 0.09 crore, 2015-16: ₹ 0.10 crore, 2016-17: ₹ 0.06 crore and 2017-18: ₹ 0.11 crore.

(₹ in crore)

	2013-14	2014-15	2015-16	2016-17	2017-18
Part C. Deficits					
20. Revenue Deficit(-)/Revenue Surplus (+) (1-10)	(-) 1,039	(-) 3,215	(-) 5,954	(-) 18,114	(-) 18,535
21. Fiscal Deficit (-)/Fiscal Surplus (+) (4-13)	(-) 15,189	(-) 19,000	(-) 63,070	(-) 46,318	(-) 25,342
22. Primary Deficit (21+23)	(-) 6,126	(-) 8,537	(-) 51,062	(-) 28,641	(-) 5,622
Part D. Other data					
23. Interest Payments (included in revenue expenditure)	9,063	10,463	12,008	17,677	19,720
24. Financial Assistance to local bodies etc.,	18,763	28,329	31,725	32,892	34,985
25. Ways and Means Advances/Overdraft availed (days)	-	-	-	-	-
Ways and Means Advances availed (days)	-	-	-	-	-
Overdraft availed (days)	-	-	-	-	-
26. Interest on Ways and Means Advances/Overdraft	-	-	-	-	-
27 Gross State Domestic Product (GSDP) [@]	5,51,031 [#]	6,15,695 [#]	6,83,758 [#]	7,59,235 [∇]	8,40,263 ^Σ
28 Outstanding Fiscal liabilities (year end)	1,29,910	1,47,609	2,09,386	2,55,002	2,81,182
29. Outstanding Guarantees (year end) (including interest)	85,911	94,578	53,620	51,159	61,761
30. Maximum amount guaranteed (year end)	1,40,526	1,61,918	1,61,236	1,18,161	1,12,057
31. Number of incomplete projects	219	199	169	197	247
32. Capital blocked in incomplete projects	8,393	11,167	13,072	17,668	20,176
Part E: Fiscal Health Indicators (In percentage)					
I Resource Mobilisation					
Own Tax revenue/GSDP	6.1	6.3	6.2	5.8	6.0
Own Non-Tax Revenue/GSDP	2.5	2.1	1.6	1.5	1.9
Central Transfers/GSDP	5.0	6.4	6.8	7.0	7.3
II Expenditure Management (In percentage)					
Total Expenditure/GSDP	16.3	18.1	24.1	20.7	20.0
Total Expenditure/Revenue Receipts	120.8	121.9	164.4	144.1	131.8
Revenue Expenditure/Total Expenditure	83.9	84.9	64.5	80.9	86.9
Revenue Expenditure on Social Services/Total Expenditure	35.0	33.9	26.3	31.4	31.6
Revenue Expenditure on Economic Services/Total Expenditure	22.7	26.0	19.3	24.6	29.4
Capital Expenditure/Total Expenditure	15.2	14.5	13.3	10.8	12.3
Capital Expenditure on Social and Economic Services/Total Expenditure.	14.8	14.0	13.1	10.5	12.0
III Management of Fiscal Imbalances					
Revenue Deficit (surplus +)/GSDP	(-) 0.2	(-) 0.5	(-) 0.9	(-) 2.4	(-) 2.2
Fiscal Deficit/GSDP	(-) 2.8	(-) 3.1	(-) 9.2	(-) 6.1	(-) 3.0
Primary Deficit (surplus +) /GSDP	(-) 1.1	(-) 1.4	(-) 7.5	(-) 3.8	(-) 0.7
Revenue Deficit/Fiscal Deficit	6.8	16.9	9.4	39.1	73.1
IV Management of Fiscal Liabilities					
Fiscal Liabilities/GSDP	23.6	24.0	30.6	33.6	33.5
Fiscal Liabilities/RR	174.4	161.6	208.8	233.9	220.9
Primary Deficit vis-à-vis quantum spread (₹ in crore)	(-) 1,060	(-) 3,081	(-) 44,567	(-) 21,522	(+) 3,048
Debt Redemption (Principal +Interest)/ Debt Receipts	97.3	94.6	75.0	86.1	96.5
V Other Fiscal Health Indicators					
Returns on Investment	0.1	0.2	0.3	0.2	0.1
Financial Assets/Liabilities	0.82	0.82	0.85	0.80	0.76

Source: Finance Accounts

Note: Figures in brackets represent percentages (rounded) to total of each sub-heading.

@ Source: Directorate of Economics and Statistics, Government of Rajasthan.

Revised Estimates II
 ∇ Revised Estimates I
 Σ Advance Estimates

Appendix 1.5

(Refer Paragraph 1.10.1; page 41)

Summarised financial position of Government of Rajasthan as on 31 March 2018

(₹ in crore)		
Liabilities	As on 31.03.2017	As on 31.03.2018
Internal Debt -	1,84,284.58	2,00,243.86
Market Loans bearing interest	89,517.63	1,10,444.68
Market Loans not bearing interest	0.13	0.10
Loans from Life Insurance Corporation of India	26.51	22.30
Special Securities issued to National Small Savings Fund of the Central Government	18,504.04	16,968.28
Loans from Other Institutions	76,236.27	72,808.50
Ways and Means Advances	-	-
Overdraft from Reserve Bank of India	-	-
Loans and Advances from Central Government -	11,139.37	12,063.00
Pre 1984-85 Loans	5.40	5.40
Non-Plan Loans	33.64	28.63
Loans for State Plan Schemes	11,095.76	10,489.18
Loans for Central Plan Schemes	0.29	0.29
Loans for Centrally Sponsored Plan Schemes	4.28	4.28
Other Loans for State/Union Territory with Legislature Schemes	-	1535.22
Contingency Fund	500.00	500.00
Small Savings, Provident Funds, etc.	38,894.45	42,095.22
Deposits	19,060.56	24,762.22
Reserve Funds	4,148.05	4,984.46
Remittance Balances	-	-
Total	2,58,027.01	2,84,648.76
Assets	As on 31.03.2017	As on 31.03.2018
Gross Capital Outlay on Fixed Assets -	1,47,884.09	1,68,490.76⁴
Investments in shares of Companies, Corporations, etc.	41,733.94	45,780.60
Other Capital Outlay	1,06,150.15	1,22,710.16
Loans and Advances -	51,107.20	37,307.81
Loans for Power Projects	48,272.34	33,556.84
Other Development Loans	2,836.37	3,751.92
Loans to Government servants and Miscellaneous loans	(-) 1.51	(-) 0.95 ⁵
Reserve Fund Investments	2,525.46	2,966.71
Advances	4.71	3.21
Remittance Balances	21.66	11.47
Suspense and Miscellaneous Balances	122.54	149.83
Cash -	5,587.00	6,410.28
Cash in Treasuries and Local Remittances	0.12	(-) 6.46
Deposits with Reserve Bank	(-) 2.28	11.09
Departmental Cash Balance	1.13	1.03
Permanent Advances	2.93	2.90
Cash Balance Investments	5,585.10	6,401.72
Deficit on Government Account -	50,774.35	69,308.69
(i) Revenue Deficit of the Current Year	18,114.14	18,534.34
(ii) Appropriation to the Contingency Fund	-	-
(iii) Accumulated Deficit at the beginning of the year	32,660.21	50,774.35
Less: Revenue Surplus of the current year	-	-
Less: Miscellaneous Deficit	-	-
Total	2,58,027.01	2,84,648.76

Explanatory Notes for Appendices 1.4 and 1.5

The abridged accounts in the foregoing statements have to be read with comments and explanations in the Finance Accounts. Government accounts being mainly on cash basis, the deficit on Government account, as shown in *Appendix 1.5*, indicates the position on cash basis, as opposed to accrual basis in commercial accounting. Consequently, items payable or receivable or items like depreciation or variation in stock figures, etc., do not figure in the accounts. Suspense and Miscellaneous balances include cheques issued but not paid, payments made on behalf of the State and other pending settlements, etc. There was a difference of ₹ 128.63 crore (Debit) between the figures reflected in the Accounts and that intimated by the Reserve Bank of India under "Deposits with Reserve Bank". Further, reconciliation and subsequent adjustment, a difference of ₹ 0.07 crore (Debit) remained to be reconciled as of August 2018.

⁴ Capital Receipts of current year has been shown as "Nil" due to *pro forma* reduction of ₹ 16.61 crore (Capital disinvestments) from Gross Capital Expenditure upto end of the year.

⁵ Minus balance is under investigation.

Appendix 1.6

(Refer Paragraph 1.2.2; page 7)

Actuals vis-à-vis Budget Estimates and Revised Estimates 2017-18

(₹ in crore)

1	Budget estimates 2	Revised estimates 3	Actuals 4	Increase/ Decrease (-)		Increase/ Decrease (-) (In per cent)	
				BE to actual 5 (4-2)	RE to actual 6 (4-3)	BE to actual 7	RE to actual 8
(1) Revenue Receipts (a+b+c+d)	1,30,162	1,34,693	1,27,307	(-) 2,855	(-) 7,386	(-) 2.19	(-) 5.48
(a) Tax Revenue	54,569	51,817	50,605	(-) 3,964	(-) 1,212	(-) 7.26	(-) 2.34
State Goods and Services Tax	-	11,700	12,137	12,137	437	-	3.74
Taxes on Sales, Trade etc.	35,300	19,500	19,008	(-) 16,292	(-) 492	(-) 46.15	(-) 2.52
State Excise	8,300	7,800	7,276	(-) 1,024	(-) 524	(-) 12.34	(-) 6.72
Taxes on Immovable Property other than Agricultural land	10	10	1	(-) 9	(-) 9	(-) 90.00	(-) 90.00
Taxes on Vehicles	4,050	4,300	4,363	313	63	7.73	1.47
Stamps and Registration Fees	4,050	4,050	3,675	(-) 375	(-) 375	(-) 9.26	(-) 9.26
Taxes on Goods and Passengers	200	328	341	141	13	70.50	3.96
Land Revenue	374	567	364	(-) 10	(-) 203	(-) 2.67	(-) 35.80
Taxes and Duties on Electricity	2250	3,500	3,377	1,127	(-) 123	50.09	(-) 3.51
Other Taxes and Duties on Commodities and Services	35	62	63	28	1	80.00	1.61
(b) Non-Tax Revenue	14,493	16,659	15,734	1,241	(-) 925	8.56	(-) 5.55
Interest Receipts	1,855	4,924	4,859	3,004	(-) 65	161.94	(-) 1.32
Miscellaneous General Services	1,242	888	762	(-) 480	(-) 126	(-) 38.65	(-) 14.19
Water Supply and Sanitation	675	675	624	(-) 51	(-) 51	(-) 7.56	(-) 7.56
Petroleum	3,500	2,900	2,579	(-) 921	(-) 321	(-) 26.31	(-) 11.07
Non-ferrous Mining and Metallurgical Industries	5,200	4,900	4,522	(-) 678	(-) 378	(-) 13.04	(-) 7.71
Police	250	334	297	47	(-) 37	18.80	(-) 11.08
Labour and Employment	361	419	362	01	(-) 57	0.28	(-) 13.60
Medical and Public Health	118	152	131	13	(-) 21	11.02	(-) 13.82
Other Administrative Services	230	228	208	(-) 22	(-) 20	(-) 9.57	(-) 8.77
Forestry and Wildlife	127	174	182	55	8	43.31	4.60
Major Irrigation	106	77	268	162	191	152.83	248.05
Public Works	100	107	109	9	2	9.00	1.87
Education, Sports, Art and Culture	196	183	162	(-) 34	(-) 21	(-) 17.35	(-) 11.48
Dividend and Profit	67	67	67	0	0	0.00	0.00
Other General Economic Services	103	263	245	142	(-) 18	137.86	(-) 6.84
Other Non-Tax Revenue	363	368	357	(-) 6	(-) 11	(-) 1.65	(-) 2.99
(c) State's share of Union Taxes and Duties	37,229	37,029	37,028	(-) 201	(-) 1	(-) 0.54	0.00
(d) Grants-in-aid from GoI	23,871	29,188	23,940	69	(-) 5,248	0.29	(-) 17.98
(2) Miscellaneous Capital Receipts	24	30	16	(-) 8	(-) 14	(-) 33.33	(-) 46.67
(3) Recoveries of Loans and Advances	15,133	15,124	15,134	1	10	0.00	0.06
(4) Total Receipts (1+2+3)	1,45,319	1,49,847	1,42,457	(-) 2,862	(-) 7,390	(-) 1.97	(-) 4.93
(5) Revenue Expenditure (a+b+c+d)	1,43,690	1,54,859	1,45,842	2,152	(-) 9,017	1.50	(-) 5.82
(a) General Services	43,956	45,371	43,451	(-) 505	(-) 1,920	(-) 1.15	(-) 4.23
Administration of Justice	824	934	844	20	(-) 90	2.43	(-) 9.64
Elections	70	99	98	28	(-) 1	40.00	(-) 1.01
Land Revenue	670	731	653	(-) 17	(-) 78	(-) 2.54	(-) 10.67
State Excise	151	158	142	(-) 9	(-) 16	(-) 5.96	(-) 10.13
State Goods and Service Taxes	-	126	88	88	(-) 38	-	(-) 30.16
Taxes on Sales, Trade etc.	1,261	1,115	1,000	(-) 261	(-) 115	(-) 20.70	(-) 10.31
Interest Payments	19,627	19,786	19,720	93	(-) 66	0.47	(-) 0.33
Secretariat- General Services	202	204	191	(-) 11	(-) 13	(-) 5.45	(-) 6.37
District Administration	503	507	444	(-) 59	(-) 63	(-) 11.73	(-) 12.43
Treasury and Accounts Administration	271	279	252	(-) 19	(-) 27	(-) 7.01	(-) 9.68
Police	5,038	4,997	4,660	(-) 378	(-) 337	(-) 7.50	(-) 6.74
Jails	146	174	170	24	(-) 04	16.44	(-) 2.30

(₹ in crore)

	Budget estimates	Revised estimates	Actuals	Increase/ Decrease (-)		Increase/ Decrease (-)	
				(In per cent)		(In per cent)	
				BE to actual	RE to actual	BE to actual	RE to actual
1	2	3	4	5 (4-2)	6 (4-3)	7	8
Other Administrative Services	256	278	251	(-) 5	(-) 27	(-) 1.95	(-) 9.71
Pension and Other Retirement Benefits	14,170	14,960	13,925	(-) 245	(-) 1,035	(-) 1.73	(-) 6.92
Miscellaneous General Services	403	573	573	170	0	42.18	0.00
Stamps and Registration	66	78	72	6	(-) 06	9.09	(-) 7.69
Public Works	(-) 13	26	59	72	33	-	126.92
Others	311	346	307	(-) 4	(-) 39	(-) 1.29	(-) 11.27
(b) Social Services	52,710	56,406	53,064	354	(-) 3,342	0.67	(-) 5.92
General Education	26,386	27,579	26,289	(-) 97	(-) 1,290	(-) 0.37	(-) 4.68
Technical Education	174	190	169	(-) 5	(-) 21	(-) 2.87	(-) 11.05
Sports and Youth Services	121	117	108	(-) 13	(-) 09	(-) 10.74	(-) 7.69
Medical and Public Health	6,068	7,073	6,697	629	(-) 376	10.37	(-) 5.32
Family Welfare	2,352	2,816	2,645	293	(-) 171	12.46	(-) 6.07
Water Supply and Sanitation	3,040	3,220	3,007	(-) 33	(-) 213	(-) 1.09	(-) 6.61
Urban Development	4,715	5,033	4,167	(-) 548	(-) 866	(-) 11.62	(-) 17.21
Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	1,440	1,447	1,328	(-) 112	(-) 119	(-) 7.78	(-) 8.22
Labour and Employment	554	572	549	(-) 5	(-) 23	(-) 0.90	(-) 4.02
Social Security and Welfare	4,802	4,911	4,797	(-) 5	(-) 114	(-) .10	(-) 2.32
Nutrition	1,504	1,574	1,478	(-) 26	(-) 96	(-) 1.73	(-) 6.10
Relief on account of Natural Calamities	1,225	1,526	1,525	300	(-) 01	24.49	(-) 0.07
Others	329	348	305	(-) 24	(-) 43	(-) 7.29	(-) 12.36
(c) Economic Services	47,024	53,082	49,327	2,303	(-) 3,755	4.90	(-) 7.07
Crop Husbandry	3,085	2,853	2,567	(-) 518	(-) 286	(-) 16.79	(-) 10.02
Animal Husbandry	894	1,038	997	103	(-) 41	11.52	(-) 3.95
Forestry and Wildlife	764	805	717	(-) 47	(-) 88	(-) 6.15	(-) 10.93
Agricultural Research and Education	228	238	240	12	02	5.26	0.84
Co-operation	628	688	506	(-) 122	(-) 182	(-) 19.43	(-) 26.45
Special Programmes for Rural Development	1,059	1,182	922	(-) 137	(-) 260	(-) 12.94	(-) 22.00
Rural Employment	3,193	7,442	5,574	2,381	(-) 1,868	74.57	(-) 25.10
Other Rural Development Programmes	9,058	9,128	8,519	(-) 539	(-) 609	(-) 5.95	(-) 6.67
Major Irrigation	1,592	1,640	1,576	(-) 16	(-) 64	(-) 1.01	(-) 3.90
Medium Irrigation	322	325	319	(-) 3	(-) 06	(-) 0.93	(-) 1.85
Minor Irrigation	157	156	144	(-) 13	(-) 12	(-) 8.28	(-) 7.69
Power	21,933	23,449	23,443	1,510	(-) 06	6.88	(-) 0.03
New and Renewable Energy	16	16	12	(-) 4	(-) 04	(-) 25.00	(-) 25.00
Non-ferrous Mining and Metallurgical Industries	220	217	208	(-) 12	(-) 09	(-) 5.45	(-) 4.15
Roads and Bridges	1,871	1,799	1,593	(-) 278	(-) 206	(-) 14.86	(-) 11.45
Road Transport	302	584	584	282	0	93.38	0.00
Secretariat- Economic Services	335	233	233	(-) 102	0	(-) 30.45	0.00
Census Surveys and Statistics	431	439	410	(-) 21	(-) 29	(-) 4.87	(-) 6.61
Civil Supplies	471	369	319	(-) 152	(-) 50	(-) 32.27	(-) 13.55
Others	465	481	444	(-) 21	(-) 37	(-) 4.52	(-) 7.69
(d) Grants-in-aid and contributions	..6	..7	-	-	-	-	-
(6) Capital Expenditure	25,603	22,537	20,623	(-) 4,980	(-) 1,914	(-) 19.45	(-) 8.49
Capital Outlay on Police	194	193	160	(-) 34	(-) 33	(-) 17.53	(-) 17.10
Capital Outlay on Public Works	617	426	352	(-) 265	(-) 74	(-) 42.95	(-) 17.37
Capital Outlay on Education, Sports, Art and Culture	882	585	515	(-) 367	(-) 70	(-) 41.61	(-) 11.97
Capital Outlay on Medical and Public Health	1,331	912	658	(-) 673	(-) 254	(-) 50.56	(-) 27.85
Capital Outlay on Water Supply and	5,607	4,888	4,590	(-) 1,017	(-) 298	(-) 18.14	(-) 6.10

6 ₹ 19.29 lakh.

7 ₹ 19.67 lakh.

(₹ in crore)

1	Budget estimates 2	Revised estimates 3	Actuals 4	Increase/ Decrease (-)		Increase/ Decrease (-) (In per cent)	
				BE to actual 5 (4-2)	RE to actual 6 (4-3)	BE to actual 7	RE to actual 8
Sanitation							
Capital Outlay on Urban Development	1,280	1,209	916	(-) 364	(-) 293	(-) 28.44	(-) 24.23
Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	313	298	277	(-) 36	(-) 21	(-) 11.50	(-) 7.05
Capital Outlay on Nutrition	105	67	20	(-) 85	(-) 47	(-) 80.95	(-) 70.15
Capital Outlay on other Social Services	279	259	214	(-) 65	(-) 45	(-) 23.30	(-) 17.37
Capital Outlay on Crop Husbandry	280	222	182	(-) 98	(-) 40	(-) 35.00	(-) 18.02
Capital Outlay on Forestry and Wildlife	136	176	161	25	(-) 15	18.38	(-) 8.52
Capital Outlay on Other Rural Development Programmes	568	653	653	85	0	14.96	0.00
Capital Outlay on Other Special Areas Programmes	443	419	386	(-) 57	(-) 33	(-) 12.87	(-) 7.88
Capital Outlay on Major Irrigation	1,721	1,453	1,408	(-) 313	(-) 45	(-) 18.19	(-) 3.10
Capital Outlay on Medium Irrigation	205	155	174	(-) 31	19	(-) 15.12	12.26
Capital Outlay on Minor Irrigation	387	417	399	12	(-) 18	3.10	(-) 4.32
Capital Outlay on Command Area Development	181	162	133	(-) 48	(-) 29	(-) 26.52	(-) 17.90
Capital Outlay on Power Projects	4,119	4,119	3,850	(-) 269	(-) 269	(-) 6.53	(-) 6.53
Capital Outlay on Petroleum	1,120	200	66	(-) 1,054	(-) 134	(-) 94.11	(-) 67.00
Capital Outlay on Roads and Bridges	4,782	4,707	4,539	(-) 243	(-) 168	(-) 5.08	(-) 3.57
Capital Outlay on Road Transport	100	0	0	(-) 100	0	(-) 100.00	-
Capital Outlay on Other General Economic Services	554	771	753	199	(-) 18	35.92	(-) 2.33
Other Capital Outlays	399	246	217	(-) 182	(-) 29	(-) 45.61	(-) 11.79
(7) Disbursement of Loans and Advances	780	1,543	1,334	554	(-) 209	71.03	(-) 13.55
(8) Total Expenditure (5+6+7)	1,70,073	1,78,939	1,67,799	(-) 2,274	(-) 11,140	(-) 1.34	(-) 6.23
(9) Revenue Surplus (+)/Deficits (-) (1-5)	(-) 13,528	(-) 20,166	(-)18,535	(-) 5,007	1,631		
(10) Fiscal Deficits (-) (4-8)	(-) 24,754	(-) 29,092	(-) 25,342	(-) 588	3,750		
(11) Primary Surplus (+)/Deficits(-) (10+ Interest Payment)	(-) 5,127	(-) 9,306	(-) 5,622	(-) 495	3,684		

Source: Finance Accounts and Budget Documents.

Appendix 1.7

(Refer Paragraph 1.9.4; page 38)

Statement showing the details of loans not repaid by loanees

(₹ in lakh)

S. No.	Head	Name of loanees	Opening Balance as on 01.04.2003	Advance during 2003-18	Repaid during 2003-18	Closing Balance as on 31.03.2018
1	6215-01-192 (01)	Loans to Municipalities- Direct Loans	306.70	-	-	306.70
2	6215-01-192 (02)	Loans to Municipalities Guaranteed Loans from Life Insurance Corporation	3,459.99	-	-	3,459.99
3	6215-02-192	Loans to Municipalities/Municipal Councils	2.53	-	-	2.53
4	6216-80-800(01)	Industrial Housing Scheme	2.26	-	0.04	2.22
5	6235-02-800 (01)	Loans to Persons affected by Riots	6.34	-	0.53	5.81
6	6235-60-800 (02)[01]	Rehabilitation of <i>Jagirdars</i>	1.51	-	-	1.51
7	6235-60-800 (02)[03]	Loans to Repatriates from Burma	3.06	-	-	3.06
8	6235-60-800 (02)[04]	<i>Taccavi</i> Advance to Unemployed <i>Swarnkars</i>	49.79	-	-	49.79
9	6245-01-800 (04)	Loans to <i>Gau-sewa Sangh</i> for fodder etc. through the agency of Animal Husbandry Department	11.82	-	-	11.82
10	6250-60-800(05)	Loans to Forest Labour Cooperative Societies through the Chief Conservator of Forests	0.42	-	0.17	0.25
11	6401-103 (02)	Loans to Rajasthan State Agro Industries Corporation Limited	1,587.53	163.22	-	1,750.75
12	6401-103 (03)	Loans to Rajasthan State Seed Corporation	64.38	-	0.02	64.36
13	6403-102 (02)	Intensive Cattle Development Scheme	4.08	-	(-) 3.60	7.68
14	6403-103	Poultry Development	0.01	-	-	0.01
15	6403-104 (01)	Loans to Sheep Farmers	0.02	-	-	0.02
16	6404-190(01)	Loans to <i>Dugdh Utpadak Sahakari Sangh</i>	309.71	-	-	309.71
17	6404-190(02)	Employment Promotion Programme-Establishment of Dairy Unit	0.18	-	-	0.18
18	6405-800(01)	Loan to Fish Farmers Development Agency through the Director, Animal Husbandry Department	0.33	-	-	0.33
19	6408-02-800(04)	Loan for purchases of Transport Vehicles	0.62	-	(-) 0.13	0.75
20	6425-107(07)	Loan for establishment of Rajasthan State Cooperatives Strengthening Fund	161.18	-	-	161.18
21	6705-800(01)	Soil Conservation	9.47	-	-	9.47
22	6705-800(02)	Loan to Migrated under World Food Programme No. 2600	1.00	-	-	1.00
23	6860-01-800 (01)	Loan to Mewar Textile Limited	503.49	38.67	(-) 50.53	592.69
24	7075-01-800 (01)	Loan to contractors for Strategic Roads	0.82	-	-	0.82
25	7475-103(01)	Loan to Consumer Cooperative Stores	0.98	-	(-) 1.02	2.00
26	7475-103(05)	Loan to College and University Cooperative Stores	0.07	-	-	0.07
Grand Total			6,488.29	201.89	(-) 54.52	6,744.70

Source: Finance Accounts

Appendix 1.8

(Refer Paragraph 1.9.3; page 37)

Statement showing the details of investment but accounts not submitted

(₹ in lakh)

S. No.	Name of Concern	Year of last investment	Invested amount	Accounts awaited from	Remarks
Statutory Corporations					
1	Rajasthan State Mandi Development Corporation, Jaipur	1977-78	0.65	-	Since the Corporation was not formed, the amount was kept with Rajasthan State Agriculture Marketing Board.
2	Rajasthan Water Supply and Sewerage Corporation, Jaipur	Upto 1980-81	0.08	-	Out of total investment of ₹ 10.00 lakh, ₹ 9,92,200 were deposited in April, 1980 as the Government decided to wind up the Corporation.
Joint Stock Companies					
3	Jaipur Udyog Limited, Sawai Madhopur	1948-49	75.00	1985-86	
4	The Central Provinces Railway Company Limited, Mumbai	1910-11	0.08	2003-04	
5	Oriental Power Cables Limited, Kota	1962-63	3.66	30 June 1985	
6	Associated Iron and Steel Industries Limited, Ramganj Mandi (Kota)	1963-64	1.00	31 December 1985	
7	Jaipur Metal and Electricals Limited, Jaipur	1987-88	7.50	1996-97	
8	Metal Corporation of India Limited, Kolkata	1960-61	25.00	-	Accounts are awaited
9	Bundi Electric Supply Company Limited, Bundi	1936-37	0.12	-	The Company is under liquidation since 1965-66.
10	Jhalawar Transport Service Limited, Jhalawar	1946-47	0.10	-	The Company is under liquidation since November 1973.
11	Stoneware Pipe and Sanitary Fittings Manufacturing Company Limited, Jaipur	Information relates to pre-merger period of Jaipur State. Exact year of investment is stated to be not available in the Government records.	0.12	-	The Company is under liquidation since August 1961.
12	Shri Udaibhan Industries Limited, Dholpur	1947-48	1.30	-	The Company is under liquidation since January 1960.
13	Abu Road Electricity and Industries Company Limited, Abu Road	1945-46	1.25	-	The Company is under liquidation and taken over by erstwhile Rajasthan State Electricity Board during 1975-76.
14	Kota Transport Company Limited, Kota	1946-47	2.00	-	The Company is under liquidation.
15	Jaipur Spinning and Weaving Mills Limited, Jaipur	1943-44	17.46	-	The Company is under liquidation.
16	Futwah Islampur Light Railway Company Limited, Kolkata	1927-28	0.10	-	The Company is under liquidation.
17	The Chaparmukh Silighat Railway Company Limited, Kolkata	Upto 1990-91	0.06	-	The Company is under liquidation.
	Total		135.48		

Source: Finance Accounts

Appendix 1.9

(Refer Paragraph 1.9.3; page 37)

Statement showing the details of erosion of capital investment in Public Sector Undertakings

(₹ in crore)						
S. No.	Name of the PSU	Period of accounts	Total Paid up Capital	Accumulated Profit/ Loss (-)	Erosion of Capital Investment in PSUs	Government Investment (as per Finance Account 2017-18)
1	Rajasthan State Seeds Corporation Limited	2017-18	7.59	117.92	-	6.33
2	Rajasthan Rajya Vidyut Vitran Vitta Nigam Limited	2017-18	-	- 0.01	-	-
3	Rajasthan Small Industries corporation Limited	2017-18	6.96	- 24.51	- 17.55	6.64
4	Rajasthan State Handloom Development Corporation Limited	2016-17	46.06	- 50.11	- 4.05	45.51
5	Rajasthan State Power Finance and Financial Services Corporation Limited	2017-18	90.00	15.50	-	90.00
6	Rajasthan Police Housing and Construction Corporation Limited	2016-17	0.50	- 0.30	-	1.00
7	Rajasthan State Industrial Development and Investment Corporation Limited	2017-18	210.19	1,516.60	-	193.69
8	Rajasthan State Road Development and Construction Corporation Limited	2016-17	100.00	93.34	-	100.00
9	Rajasthan Urban Drinking Water Sewerage and Infrastructure Corporation Limited	2016-17	48.67	21.09	-	33.51
10	Barmer Lignite Mining Company Limited (Subsidiary Joint Company of Rajasthan State Mines and Minerals Limited)	2016-17	20.00	- 26.33	- 6.33	-
11	Rajasthan State Beverages Corporation Limited	2017-18	2.00	37.72	-	2.00
12	Rajasthan State Ganganagar Sugar Mills Limited	2017-18	180.39	117.19	-	181.09
13	Rajasthan State Gas Limited (Subsidiary of Rajasthan State Petroleum Corporation Ltd.)	2017-18	129.87	- 9.69	-	-
14	Rajasthan State Mines and Minerals Limited (Government Company since December 1974)	2016-17	77.55	1,962.76	-	77.56
15	Rajasthan State Petroleum Corporation Limited (Subsidiary of Rajasthan State Mines and Minerals Limited)	2016-17	11.10	- 0.82	-	-
16	Ajmer Vidyut Vitran Nigam Limited	2017-18	8,933.43	- 29,485.37	- 20,551.94	8,933.43
17	Banswara Thermal Power Company Limited (Subsidiary of Rajasthan Rajya Vidyut Prasaran Nigam Limited)	2017-18	0.05	- 9.35	- 9.30	-
18	Barmer Thermal Power Company Limited (Subsidiary of Rajasthan Rajya Vidyut Prasaran Nigam Limited)	2017-18	0.05	- 15.31	- 15.26	-

S. No.	Name of the PSU	Period of accounts	Total Paid up Capital	Accumulated Profit/ Loss (-)	Erosion of Capital Investment in PSUs	Government Investment (as per Finance Account 2017-18)
19	Chhabra Power Limited (Subsidiary of Rajasthan Rajya Vidyut Utpadan Nigam Limited)	2017-18	0.05	- 0.04	-	-
20	Dholpur Gas Power Limited (Subsidiary of Rajasthan Rajya Vidyut Utpadan Nigam Limited)	2017-18	0.05	- 0.04	-	-
21	Giral Lignite Power Limited (Subsidiary of Rajasthan Rajya Vidyut Utpadan Nigam Limited)	2017-18	370.05	- 940.64	- 570.59	-
22	Jaipur Vidyut Vitran Nigam Limited	2017-18	9,625.12	- 31,966.59	- 22,341.47	9,625.12
23	Jodhpur Vidyut Vitran Nigam Limited	2017-18	8,892.03	- 31,008.53	- 22,116.50	8,892.03
24	Keshoraipatan Gas Thermal Power Company Limited (Subsidiary of Rajasthan Rajya Vidyut Prasaran Nigam Limited)	2017-18	0.05	- 2.05	- 2.00	-
25	Rajasthan Rajya Vidyut Prasaran Nigam Limited	2017-18	4,270.73	- 1,246.06	-	4,270.73
26	Rajasthan Rajya Vidyut Utpadan Nigam Limited	2017-18	9,721.45	- 4,431.59	-	9,721.45
27	Rajasthan Renewable Energy Corporation Limited	2017-18	12.94	156.63	-	12.94
28	Rajasthan Solar Park Development Company Limited (Subsidiary of Rajasthan Renewable Energy Corporation Limited)	2017-18	0.05	19.22	-	-
29	Rajasthan Urja Vikas Nigam Limited	2017-18	50.00	0.00	-	50.00
30	Jaipur Metro Rail Corporation Limited	2016-17	1,694.04	- 180.25	-	1,494.04
31	Rajcomp Info Service Limited	2017-18	5.00	50.08	-	5.00
32	Rajasthan Ex-Servicemen Corporation Limited	2017-18	5.00	9.75	-	5.00
33	Rajasthan Medical Service Corporation Limited	2016-17	5.00	14.22	-	5.00
34	Rajasthan Skill and Livelihoods Development Corporation	2017-18	0.05	- 13.05	- 13.00	0.05
35	Rajasthan State Food and Civil Supplies Corporation Limited	2015-16	50.00	32.88	-	50.00
36	Rajasthan State Hotels Corporation Limited	2014-15	2.16	- 8.51	- 6.35	2.16
37	Rajasthan Tourism Development Corporation Limited	2015-16	21.95	- 145.05	- 123.10	21.95
38	Rajasthan Financial Corporation	2017-18	160.73	- 116.86	-	128.31
39	Rajasthan State Road Transport Corporation	2016-17	638.96	- 4,639.27	- 4,000.31	612.13
40	Rajasthan State Warehousing Corporation	2017-18	7.85	175.30	-	3.93
41	Rajasthan State Agro Industries Corporation Limited	2013-14	6.01	- 53.21	- 47.20	4.13
42	Rajasthan Civil Aviation Corporation Limited	2016-17	4.49	6.32	-	4.49
43	Rajasthan Jal Vikas Nigam Limited	2016-17	1.27	- 2.09	- 0.82	1.27
	Total		45,409.44	- 1,00,029.11	- 69,825.77	44,580.49

Appendix 1.10

(Refer Paragraphs 1.7.2.4 and 1.9.5; pages 29 and 39)

Statement showing operating results of DISCOMs of Government of Rajasthan during last 10 years

(₹ in crore)										
Particulars	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Total subsidy given by Government	1,435	1,493	2,001	3,200	5,464	6,940	8,626	10,461	17,208	23,674
Subsidy given to Power Sector by Government	1,383	1,452	1,946	2,800	4,861	6,460	8,330	10,186	16,842	23,391
Power sector subsidy to total subsidy (in per cent)	96.4	97.3	97.3	87.5	89.0	93.1	96.6	97.4	97.9	98.8
Revenue subsidy/ subvention receipts of Discom	1,092.7	1,110.4	1,200.7	1,759.9	2,246.7	621.8	1,647.7	1,784.1	1,263.6	1,433.5
Net loss (-)/Profit	(-)6,773.7	(-)10,763.5	(-)10,606.3	(-)12,443.7	(-)12,351.2	(-)15,645.0	(-)12,473.6	(-)11,240.8	(-)1,981.1	2,172.7
Cumulative Loss	15,643.4	26,406.9	37,013.2	49,456.9	61,808.1	77,453.2	89,926.7	10,1167.5	94,633.2	92,460.5
Distribution Loss (in per cent)	26.59	26.11	22.30	19.60	19.23	24.05	27.22	27.67	23.29	20.25
T&D Loss (in per cent)	31.54	30.96	26.78	24.27	23.78	27.45	31.42	31.44	26.32	24.86

Appendix 2.1

(Refer Paragraph 2.3.1; page 56)

Statement of various grants/appropriations where excess expenditure was more than ₹ 1 crore each and also by more than 10 per cent of the total provision

S. No.	Grant No.	Name of the Grant	Head of Account	Total provision	Expenditure	Excess	₹ in crore)		Remarks
							Percentage of Excess expenditure		
Revenue-Voted									
1.	7	Elections	2015-102-01-01 Establishment Charges-Committed	20.34	27.89	7.55	37.1		Savings
2.	12	Other taxes	2030-02- 102- 01- 01 Commission on Sale to Agents Committed	17.60	20.04	2.44	13.9		Savings
3.	21	Roads and Bridges	3054-02- 337- 01- 01 Maintenance and Restoration - committed	152.92	182.62	29.70	19.4		Savings
4.	46	Irrigation	2701-69- 800- 01 Other expenditure - Committed	15.72	17.32	1.60	10.2		Savings
5.			2700- 03- 001- 01- 01-Irrigation General Construction Works - Committed	-	74.45	74.45	-		
6.			2700- 05- 001-01- 01 Indira Gandhi Nahar Feeder - Committed	1.13	5.21	4.08	361.1		
7.			2702- 01- 800- 01-02 Proportionate expenditure transferred from head 2701-80- General - Committed	4.48	10.64	6.16	137.5		
Capital-Voted									
8.	19	Public Works	4059- 80- 001-01-91 Percentage charges for Establishment expenditure (2059)	13.18	15.62	2.44	18.5		Savings
9.	21	Roads and Bridges	5054- 80- 001-01- 91 Percentage charges for Establishment expenditure (2059)	145.29	163.17	17.88	12.3		Savings
10.			5054- 80-001-01- 93 Percentage charges for Roads and Bridges (3054)	54.49	60.52	6.03	11.1		
11.	30	Tribal Area Development	5054- 80- 001-02- 91 Percentage charges for Establishment Expenditure (2059)	23.71	30.84	7.13	30.1		Savings
12.			5054- 80- 001-02-93 Percentage charges for Roads and Bridges (3054)	8.89	11.56	2.67	30.0		
13.			5054- 80- 800-02- 92 Percentage charges for Tools and Plants (2059)	5.93	7.71	1.78	30.0		
14.	46	Irrigation	4700-28-001-04 Construction works	8.14	9.61	1.47	18.1		Savings
15.			4701- 62- 001-02 Proportionate expenditure transferred from Major head 2701 -Establishment	2.31	5.04	2.73	118.2		
16.			4702-101-03- 02 Proportionate expenditure transferred from Major Head 2701	1.35	2.90	1.55	114.8		
17.			4701-69-001-02 Proportionate expenditure transferred from Major head 2701	4.10	7.53	3.43	83.7		
18.			4702-101- 02- 04-Proportionate expenditure transferred from Major Head - 2701- Establishment	5.96	10.31	4.35	73.0		
19.			4702-101-07-02 Proportionate expenditure transferred from Major Head 2701	2.62	5.43	2.81	107.3		
20.			4702-101-09- 02 Proportionate expenditure transferred from Major Head 2701	4.21	8.69	4.48	106.4		
21.			51	Special Component Plan for Welfare of Scheduled Castes	4702- 789- 04-02 Proportionate expenditure transferred from Major Head 2701	1.81	3.95	2.14	
22.	5054- 80- 001-03- 91 Percentage charges for Establishment Expenses(2059)	34.47			42.80	8.33	24.2		
23.	5054-80- 001-03- 93 Percentage charges for Roads and Bridges (3054)	12.93			16.02	3.09	23.9		
24.	5054- 80- 800- 03- 92 Percentage charges for Tools and Plants (2059)	8.62			10.67	2.05	23.8		

Source: Appropriation Accounts

Appendix 2.2

(Refer Paragraph 2.3.2; page 56)

Rush of expenditure (where expenditure during last quarter was more than ₹ 100 crore in each case and also by more than 30 per cent of the total expenditure)

S. No.	Number and name of Grant/ Appropriation	Head of account	Expenditure incurred during January-March 2018	Expenditure incurred in March 2018	Total expenditure	Per cent of total expenditure incurred during	
						January-March 2018	March 2018
1.	10-Miscellaneous General Services	2075-797-01 Transfer to Head 8235-117 Guarantee Redemption fund-Committed	569.93	569.93	569.93	100	100
2.	14- Sales Tax	2040-797-01 Water Conservation Cess Fund-Committed	289.56	289.56	289.56	100	100
3.		2040-800-02 Rajasthan Investment Promotion Policy	189.48	180.91	418.80	45.2	43.2
4.	15- Pensions and Other Retirement Benefits	2071-01-117-01 Government contribution in Defined contribution Pension Scheme-Committed	365.93	171.62	1,083.29	33.8	15.8
5.	19- Public Works	4210-03-105-11 Construction Works	102.00	12.00	258.75	39.4	4.6
6.	21-Roads and Bridges	3054-04-800-02 Rural Roads	178.61	111.82	308.72	57.9	36.2
7.		3054-80-797-02 Transfer to State Road Development Fund	425.00	425.00	425.00	100	100
8.		5054-03-337-05 Roads financed by Central Road Fund	202.34	50.49	548.04	36.9	9.2
9.		5054-03-337-07 Roads financed by State Road Development Fund	119.52	105.86	161.80	73.9	65.4
10.		5054-03-337-11 Rajasthan Highway Development Project-I(A.D.B.)	237.74	115.03	297.26	80.0	38.7
11.		5054-04-800-11 Roads of R.I.D.F. financed by NABARD	196.35	58.68	531.11	37.0	11.0
12.		24-Education, Art and Culture	2202-01-112-01 Mid day Meals	198.64	41.41	449.03	44.2
13.	2202-01-197-01 Upper Elementary Schools (Boys)		229.07	90.98	760.87	30.1	12.0
14.	2202-02-109-01 Boys schools		886.79	340.82	2889.29	30.7	11.8
15.	2202-02-109-02 Girls schools		122.81	47.97	395.25	31.1	12.1
16.	26-Medical and Public Health and Sanitation	2210-01-110-03 Other Hospitals and Dispensaries	212.65	88.95	691.29	30.8	12.9
17.		2210-03-104-02 Community Health Centres	132.52	56.91	426.95	31.0	13.3
18.		2210-04-101-02 Hospital and Dispensaries	134.19	58.50	439.12	30.6	13.3
19.		2210-05-105-01 Medical Education in Colleges	162.88	64.53	525.45	31.0	12.3
20.		2210-06-190-01 Assistance to Public Sector and other Undertakings	231.92	162.00	380.50	61.0	42.6
21.		2210-06-800-04 Public Health Insurance Scheme	154.66	154.66	513.86	30.1	30.1
22.		2211-800-02 National Rural Health Mission (NRHM)	559.63	419.51	1329.68	42.1	31.5
23.	27- Drinking Water Scheme	2215-01-101-12 Other Urban Water Supply Schemes-Committed	174.29	82.25	560.82	31.1	14.7
24.		2215-01-102-01 Other Rural Water Supply Schemes-Committed	432.88	175.21	1386.68	31.2	12.6
25.		4215-01-101-01 General Urban Water Supply Schemes	236.67	137.01	683.31	34.6	20.1
26.		4215-01-102-01 Accelerated Rural Water Supply Scheme	103.17	40.89	255.48	40.4	16.0
27.		4215-01-102-45 Nagaur Lift Canal Project Phase - II (EAP)	111.79	87.27	324.86	34.4	26.9
28.	28-Special Programme for Rural	2501-05-196-07 Pradhan Mantri Krishi Sinchai Yojana (PMKSY) Watershed Component	165.03	162.92	215.03	76.7	75.8

S. No.	Number and name of Grant/ Appropriation	Head of account	Expenditure incurred during January-March 2018	Expenditure incurred in March 2018	Total expenditure	Per cent of total expenditure incurred during	
						January-March 2018	March 2018
						(₹ in crore)	
29.	Development	2501-05-196-08 Expenditure from Water Conservation Cess Fund	150.92	150.92	150.92	100	100
30.	29-Urban Plan and Regional Development	2217-05-800-01 Smart city	205.00	205.00	205.00	100	100
31.		2217-80-192-14 Grants under the recommendations of State Finance Commission	221.51	78.81	398.12	55.6	19.8
32.		2217-80-192-33 Public Light	106.41	106.28	174.29	61.1	61.0
33.		4217-60-190-04 Smart City Yojana	130.20	130.20	130.20	100	100
34.	30-Tribal Area Development	2202-01-111-03 Sub-plan for Tribal Area (Education Guarantee Scheme)	207.76	99.65	667.96	31.1	14.9
35.		2202-02-796-02 Government Secondary Schools	185.06	70.33	609.48	30.4	11.5
36.		2211-796-02 National Rural Health Mission (NRHM)	152.54	99.79	291.34	52.4	34.3
37.		2225-02-796-06 Through the Director, Social Justice and Empowerment Department	106.62	54.51	241.53	44.1	22.6
38.		2515-196-40 Swachh Bharat Mission (Rural)	119.77	83.83	185.08	64.7	45.3
39.		2515-198-03 Grants for Gram Panchayats under the recommendations of State Finance Commission	143.42	143.42	280.52	51.1	51.1
40.		2801-80-796-01 Assistance to Distribution Corporation under UDAY Yojana	1,680.00	1,680.00	1,680.00	100	100
41.		4215-01-796-01 Rural Water Supply Schemes	196.88	104.70	485.30	40.6	21.6
42.		4801-80-796-07 Investment in Jaipur Vidyut Vitaran Nigam Limited under UDAY Yojana	145.73	145.73	145.73	100	100
43.		4801-80-796-08 Investment in Jodhpur Vidyut Vitaran Nigam Limited under UDAY Yojana	134.75	134.75	134.75	100	100
44.	4801-80-796-09 Investment in Ajmer Vidyut Vitaran Nigam Limited under UDAY Yojana	139.52	139.52	139.52	100	100	
45.	33-Social Security and Welfare	2236-02-101-01 Through the Integrated Child Development Services Department	181.95	97.26	374.34	48.6	26.0
46.		2236-02-197-01 Through the Integrated Child Development Services Department	181.23	89.64	581.64	31.2	15.4
47.	34-Relief from Natural Calamities	2245-01-800-01 Expenditure on relief works	860.49	476.07	1,155.27	74.5	41.2
48.		2245-05-101-01 Transfer to State Disaster Response Fund	608.00	608.00	1,517.65	40.1	40.1
49.	35- Miscellaneous Community and Economic Services	5475-800-08 Information Technology and Communication Department	151.51	57.39	324.59	46.7	17.7
50.		5475-800-16 Bhamashah Yojana, 2014	160.03	119.46	160.03	100	74.6
51.	37-Agriculture	2401-110-02 Crop Insurance through the agency of Agriculture Department (50% State Share 50%: Central Share)	337.01	95.35	562.54	59.9	16.9
52.		2401-196-06 District Level Agriculture Schemes	169.31	124.77	299.84	56.5	41.6
53.		2401-800-27 Rashtriya Krishi Vikas Yojana (S.C.A)	124.35	73.01	207.21	60.0	35.2
54.	39-Animal Husbandry and Medical	2403-797-01 Rajasthan Cow Protection and Promotion Funds	173.68	125.92	173.68	100	72.5
55.	41-Community Development	2515-196-39 Swachh Bharat Mission (Rural)	728.73	520.87	1,098.88	66.3	47.4

S. No.	Number and name of Grant/ Appropriation	Head of account	Expenditure incurred during January-March 2018	Expenditure incurred in March 2018	Total expenditure	Per cent of total expenditure incurred during	
						January-March 2018	March 2018
						(₹ in crore)	
56.		2515-197-05 Grants for Panchayat Samitis under the recommendations of State Finance Commission (12% of total provision)	200.49	199.30	379.62	52.8	52.5
57.		2515-198-03 Grants for Gram Panchayats under the recommendations of State Finance Commission	727.85	727.85	1,423.60	51.1	51.1
58.		2515-198-29 General Performance Grant for Gram Panchayats under the recommendations of XIV Finance Commission	302.55	302.55	302.55	100	100
59.	46-Irrigation	4700-24-001-03 Accelerated Irrigation Benefit Programme	124.57	60.42	134.62	92.5	44.9
60.	48-Power	2801-80-190-34 Grant for electricity Tax	1,342.53	1,342.53	2,613.14	51.4	51.4
61.		2801-80-190-36 Grant for non-increasing of Power Tarrif	3,283.14	1,691.04	8,759.14	37.5	19.3
62.		2801-80-190-41 Assistance to Distribution Corporation under UDAY Yojana	8,160.00	8,160.00	8,160.00	100	100
63.		4801-80-190-10 Investment in Jaipur Vidyut Vitran Nigam Limited under UDAY Yojana	707.82	707.82	707.82	100	100
64.		4801-80-190-11 Investment in Jodhpur Vidyut Vitran Nigam Limited under UDAY Yojana	654.51	654.51	654.51	100	100
65.		4801-80-190-12 Investment in Ajmer Vidyut Vitran Nigam Limited under UDAY Yojana	677.67	677.67	677.67	100	100
66.		51-Special Component Plan for Welfare of Scheduled Castes	2202-02-789-01 Special Component Plan (for Scheduled Castes)	103.42	40.84	344.42	30.0
67.	2211-789-02 National Rural Health Mission (NRHM)		200.04	132.99	384.32	52.1	34.6
68.	2225-01-789-01 Scholarship and Stipend for Scheduled Castes		120.41	70.64	287.41	41.9	24.6
69.	2515-196-41 Swachh Bharat Mission (Rural)		145.77	76.13	293.64	49.6	25.9
70.	2515-198-03 Grants for Gram Panchayats under the recommendations of State Finance Commission		191.25	191.25	374.08	51.1	51.1
71.	2801-80-789-01 Assistance to Distribution Corporation under UDAY Yojana		2,160.00	2,160.00	2,160.00	100	100
72.	4215-01-789-01 Water Supply in Scheduled Castes Areas		211.20	114.07	618.45	34.1	18.4
73.	4801-80-789-07 Investment in Jaipur Vidyut Vitran Nigam Limited under UDAY Yojana		187.36	187.36	187.36	100	100
74.	4801-80-789-08 Investment in Jodhpur Vidyut Vitran Nigam Limited under UDAY Yojana		173.25	173.25	173.25	100	100
75.	4801-80-789-09 Investment in Ajmer Vidyut Vitran Nigam Limited under UDAY Yojana		179.38	179.38	179.38	100	100
76.		5054-04-789-05 Rural Roads	118.52	58.17	299.03	39.6	19.5
	Total		34,800.16	28,025.64	58,609.15	59.4	47.8

Source: Information compiled by office of the Accountant General (A&E), Rajasthan, Jaipur.

Appendix 2.3

(Refer Paragraph 2.3.3; page 57)

Statement of various grants/appropriations where savings were more than ₹ 100 crore of the total provision

(₹ in crore)

S. No.	No. and Name of the Grant	Original	Supplementary	Total	Actual expenditure	Savings (% of savings)	Reasons of savings as reported in Appropriation Accounts
(A) Revenue-Voted							
1	14-Sales Tax	1,112.36	68.51	1,180.87	1,000.40	180.47 (15.3)	No policy decision on Rajasthan Investment Policy-2010 after implementation of Goods and Service Tax (GST).
2	15- Pensions and Other Retirement Benefits	14,162.71	787.71	14,950.42	13,919.97	1,030.45 (6.9)	(i) Less expenditure was due to death of pensioners (ii) Conversion of their pension into family pension which effected correct classification of pension of employees of Zila Parishad and Panchayat Samitis by treasuries (iii) Non-availability of information in regard to actual salary of all the concerned officers/employees of State in the Pension Department for actual payment of commuted value of pensions/ actual gratuity and non-payment of gratuity as per the recommendations of 7 th pay commission because of non-fixation of pay of the retired officer/employees in new pay scale.
3	16- Police	5,111.32	-	5,111.32	4,727.61	383.71 (7.5)	(i) Less expenditure on pay and allowances due to non-fixation of pay of some officers and employees in new pay scale (ii) Posts of home guards deployed against the regular vacant post, remaining vacant.
4	21- Roads and Bridges	2,017.89	-	2,017.89	1,700.22	317.67 (15.7)	(i) Due to less transfer of amount to Central Road fund which was received from the GoI (ii) less transfer of cess on sale of petrol and diesel to SRDF.
5	24- Education, Art and Culture	22,778.94	696.60	23,475.54	22,665.12	810.42 (3.5)	(i) Non-payment of arrears of 7 th Pay Commission (ii) problems in implementation of new system relating to release of pay and allowance to teachers in which the payment is being made through Principal/Principal cum Panchayat Elementary Education Officer of Secondary/Upper Secondary School situated at Gram Panchayats from January 2018.
6	26- Medical and Public Health and Sanitation	7,044.26	1,103.61	8,147.87	7,657.62	490.25 (6.0)	(i) Non-receipt of funds from GoI under central assistance (ii) Less expenditure from State Fund because of rebate in Bhamashah Swasthya Bima Yojana from GST (iii) Post remaining vacant.
7	27- Drinking Water Scheme	3,401.13	148.60	3,549.73	3,299.12	250.61 (7.1)	(i) Post remaining vacant (ii) Non-submission of bills by contractors and less expenditure on liveries due to retirement of employees.
8	28- Special Programmes for Rural Development	879.13	55.80	934.93	770.68	164.25 (17.6)	Less receipt of funds from GoI with consequent less release of state's share
9	29- Urban Plan and Regional Development	4,437.26	547.63	4,984.89	3,881.28	1,103.61 (22.1)	(i) Less/non-receipt of fund from GoI (ii) less release of grant to Municipalities/ Municipal Councils (iii) non-approval of scheme by GoI. Detailed reasons for saving in other cases were not intimated by the Department.
10	30- Tribal Area Development	8,856.97	1,843.36	10,700.33	9,363.32	1,337.01 (12.5)	(i) Non-payment of arrears to teachers (ii) non/less receipt of funds from GoI (iii) post remaining vacant (iv) less receipt of travelling allowances claims (v) non-receipt of sanctions of schemes from GoI (vi) non-receipt of second instalment from the GoI under Pradhan Mantri Awas Yojana- Rural and consequent less release of State share.

(₹ in crore)

S. No.	No. and Name of the Grant	Original	Supple-mentary	Total	Actual expen-diture	Savings (% of savings)	Reasons of savings as reported in Appropriation Accounts
11	32- Civil Supplies	336.66	-	336.66	221.40	115.26 (34.2)	(i) Less expenditure on transportation, collection and distribution of food grains for families other than Antyodaya families under National Food Security Scheme (ii) less receipt of funds from GoI (iii) less expenditure on computerisation.
12	33- Social Security and Welfare	4,968.16	171.71	5,139.87	4,902.68	237.19 (4.6)	(i) Less receipt of applications for scholarships (ii) non-implementation of Mission Gramya Shakti Yojana (iii) less number of cases forwarded during the years for assistance through Chief Minister Relief Fund to persons/families affected from Road and Train Accident, Natural Accidents/Calamity etc., (iv) deposits of undistributed pension amount by treasuries. Detailed reasons for saving in other cases were not intimated by the Department.
13	36- Co-operative	463.14	62.46	525.60	413.65	111.95 (21.3)	(i) Post remaining vacant (ii) adjustment of unspent grants of previous year. Detailed reasons for saving in other cases were not intimated by the Department.
14	37- Agriculture	2,471.37	-	2,471.37	2,212.86	258.51 (10.5)	(i) Delay in tender process for purchase of Solar energy pump set because of court stay (ii) fund for construction of 790 CHCO not being financed by the banks (iii) expenditure on publicity activities in Kota and Udaipur was incurred through other head of account instead of Rashtriya Krishi Vikas Yojana (iv) non-submission of bills by TV channel (v) non-organising the workshops at State Institute of Agriculture Management, Durgapura, Jaipur (vi) less expenditure incurred by the Agriculture, Animal Husbandry and Horticulture Departments due to delay in procurement (vii) no progress in construction of Gramin Hat Bajar and Rural Technical Centre (viii) delay in tender process due to finalization of revision in Cluster Agricultural Competitiveness Plan till December 2017 presented by the Water Shed Development and Soil Conservation Department (ix) delay in tender process of procurement by the Water Resources Department (x) removal of Technical Institutions from execution of activities of the Ground Water Department as they did not work as per contract and non-completion of installation of Piezometer by the department.
15	41- Community Development	7,466.61	76.83	7,543.44	6,975.43	568.01 (7.5)	Less/non receipt of funds from GoI. Detailed reasons for saving in other cases were not intimated by the Department.
16	50- Rural Employment	1,740.30	1,739.49	3,479.79	2,693.51	786.28 (22.6)	(i) Less receipt of funds from GoI (ii) non-receipt of second installment from GoI under Pradhan Mantri Awas Yojana-Rural.
17	51-Special Component Plan for Welfare of Scheduled Castes	9,004.40	1,379.49	10,383.89	9,517.25	866.64 (8.3)	(i) Due to problems in implementation of new system relating to release of pay and allowances to teachers (ii) non-payment of arrears to teachers recruited in 2012, non-payment of arrears of 7 th Pay Commission (iii) less/non-receipt of fund from GoI (iv) post remaining vacant, less release of grants for creation of capital assets (v) non-receipt of UCs from ZP for the funds released earlier which resulted in non-release of grants for development of Sambal villages (vi) less receipt of loan from Financial institution. Detailed reasons for saving in other cases were not intimated by the Department.
Total (A)		96,252.61	8,681.80	10,4934.41	95,922.12	9,012.29	
(B) Capital-Voted							
18	19- Public Works	1,509.83	-	1,509.83	884.68	625.15 (41.4)	Slow/less execution of work and charging of percentage charges as per actual work outlay. Detailed reasons for saving in other cases were not intimated by the Department.
19	21- Roads and Bridges	4,164.70	-	4,164.70	3,977.81	186.89 (4.5)	Reason for saving not intimated by the department.

(₹ in crore)

S. No.	No. and Name of the Grant	Original	Supple-mentary	Total	Actual expen-diture	Savings (% of savings)	Reasons of savings as reported in Appropriation Accounts
20	24- Education, Art and Culture	493.27	-	493.27	349.24	144.03 (29.2)	(i) Less receipt of funds from GoI for construction work under Sarva Shiksha Abhiyan (ii) reduction in ceiling for construction in Modal School.
21	26- Medical and Public Health and Sanitation	294.86	-	294.86	170.94	123.92 (42.0)	(i) Non-availability of land in some places (ii) ownership dispute on land and encroachment (iii) court stay order (iv) delay in tender process.
22	27- Drinking Water Scheme	3,901.51	-	3,901.51	3,218.49	683.02 (17.5)	(i) Non/less execution of works (ii) less receipt of fund from GoI (iii) slow progress of work.
23	29- Urban Plan and Regional Development	1,371.38	130.20	1,501.58	950.74	550.84 (36.7)	(i) Slow progress of roads restoration works resulted in stoppage of laying of sewerage pipeline work in Pali, Tonk, Sri Ganganagar, Jhunjhunu and Bhilwara (ii) non-finalisation of work plan, survey, designs, drawings, mobilization etc. in time (iii) posts remaining vacant (iv) less release of loan to Jaipur Metro Rail Corporation Limited (v) less receipt of fund from GoI. Detailed reasons for saving in other cases were not intimated by the Department.
24	30- Tribal Area Development	3,645.45	-	3,645.45	3,017.19	628.26 (17.2)	(i) Less receipt of fund from GoI for construction work under Sarva Shiksha Abhiyan (ii) non-execution on New construction work by PWD during 2017-18 (iii) non/less execution of construction work (iv) less/non-receipt of sanction from GoI.
25	43- Minerals	461.55	-	461.55	83.32	378.23 (81.9)	Less execution of construction works by PWD. Detailed reasons for saving in other cases were not intimated by the Department.
26	46- Irrigation	1,616.99	-	1,616.99	1,381.46	235.53 (14.6)	(i) Less execution of construction works (ii) slow progress of work. Detailed reasons for saving in other cases were not intimated by the Department.
27	48- Power	2,863.56	61.25	2,924.81	2,698.73	226.08 (7.7)	(i) Reduction in investment ceiling which resulted in less investment in power company (ii) less receipt of loan from K.F.W and Asian Development Bank.
28	51- Special Component Plan for Welfare of Scheduled Castes	5,537.10	-	5,537.10	3,872.12	1,664.98 (30.1)	(i) Less receipt of fund from GoI (ii) less execution of works (iii) non-availability of land in some places (iv) ownership dispute on land (v) encroachment and court stay order, slow progress of works (vi) less capital expenditure incurred by Nigams which resulted in less investment in share capital by the State Government. Detailed reasons for saving in other cases were not intimated by the Department.
Total (B)		25,860.20	191.45	26,051.65	20,604.72	5,446.93	
Grand Total (A+B)		1,22,112.81	8,873.25	1,30,986.06	1,16,526.84	14,459.22	

Source: Appropriation Accounts

Appendix 2.4

(Refer Paragraph 2.3.4; page 58)

Statement of various grants where persistent savings were more than ₹ 100 crore in each case out of the total provision during 2015-18

(₹ in crore)						
S. No.	No. and Name of Grant	Year	Total Provision	Actual expenditure	Savings	% of savings
Revenue-Voted						
1.	28-Special Programmes for Rural Development	2015-16	635.43	391.19	244.24	38.4
		2016-17	949.64	741.41	208.23	21.9
		2017-18	934.93	770.68	164.25	17.6
2.	29-Urban Plan and Regional Development	2015-16	3,414.63	2,872.96	541.67	15.9
		2016-17	4,833.04	4,206.51	626.53	13.0
		2017-18	4,984.89	3,881.28	1103.61	22.1
3.	30-Tribal Area Development	2015-16	6,715.05	5,507.54	1,207.51	18.0
		2016-17	9,113.00	7,378.93	1,734.07	19.0
		2017-18	10,700.33	9,363.32	1,337.01	12.5
4.	50-Rural Development	2015-16	3,207.04	2,468.03	739.01	23.0
		2016-17	2,506.38	1,499.85	1,006.53	40.2
		2017-18	3,479.80	2,693.51	786.29	22.6
Capital Voted						
5.	19- Public Works	2015-16	1,142.22	823.09	319.13	27.9
		2016-17	1,617.69	719.52	898.17	55.5
		2017-18	1,509.83	884.68	625.15	41.4
6.	26-Medical and Public Health and Sanitation	2015-16	339.00	136.71	202.29	59.7
		2016-17	352.96	172.50	180.46	51.1
		2017-18	294.86	170.94	123.92	42.0
7.	27-Drinking Water Scheme	2015-16	3,594.78	3,113.31	481.47	13.4
		2016-17	3,876.33	2,980.11	896.22	23.1
		2017-18	3,901.51	3,218.49	683.02	17.5
8.	29-Urban Plan and Regional Development	2015-16	959.30	636.71	322.59	33.6
		2016-17	1,742.68	959.45	783.23	44.9
		2017-18	1,501.58	950.74	550.84	36.7
9.	46-Irrigation	2015-16	1,162.00	867.72	294.28	25.3
		2016-17	1,503.68	1,264.09	239.59	15.9
		2017-18	1,616.99	1,381.46	235.53	14.6

Source: Appropriation Accounts

Appendix 2.5

(Refer Paragraph 2.3.4.1; page 65)

Cases in which the entire provision remained unutilized

(₹ in crore)

S. No.	Head of Account	Year			
		2014-15 Total Provision (O+S)	2015-16 Total Provision (O+S)	2016-17 Total Provision (O+S)	2017-18 Total Provision (O+S)
Grant No. 30 Tribal Area Development					
1.	2202-01-796-13-01 Operational charges of schools for Boys-committed	-	-	-	2.61
2.	2211-796-07-03 National Urban Health Mission (NUHM)	-	-	-	22.91
3.	2217-05-190-02-05 Ajmer City Transport Services Limited (for Scheduled Tribes)	-	-	1.40	1.35
4.	2217-80-191-30-03 Sewerage Treatment Plant	-	-	-	2.03
5.	2217-80-192-22-03 Development Works	-	-	-	10.10
6.	2225-02-196-16-01 Bicycle Distribution Scheme for Hostellers	-	-	-	1.50
7.	2225-02-796-03-08 Horticulture Development Project	-	-	1.00	1.00
8.	2225-02-796-03-18 Grants for Kaushal Vikas Pariyojana	-	-	3.00	3.60
9.	2225-02-796-02-52 Grant for Fisheries Development Project (S.C.A.)	0.10	-	1.10	0.15
10.	2225-02-796-02-56 Assistance for drip/sprinkler set, P.V.C pipeline , electrification of wells and distribution of electric/diesel pump set	-	-	4.41	4.41
11.	2225-02-796-03-08 Horticulture Development Project	-	-	1.00	1.00
12.	2225-02-796-04-02 Grants for Horticulture Development Project and Equipment (S.C.A)	-	-	1.00	1.00
13.	2225-02-796-04-09 Grants for Self-employment (S.C.A)	-	0.75	0.75	1.00
14.	2225-02-796-04-10 Grants for Kaushal Vikas Pariyajona	-	-	2.00	2.50
15.	2225-02-796-05-01 Grants for Agriculture development (S.C.A)	-	-	0.40	0.50
16.	2225-02-796-05-06 Grants for drip/sprinkler set, P.V.C. pipeline, electrification of wells and distribution of electric/diesel pump set.	-	-	0.32	0.25
17.	2235-02-796-13-07 Mission Gramya Shakti	2.50	2.50	2.50	2.50
18.	3425-01-796-05 Sursek/SetCom Network	0.05	1.33	3.75	3.19
19.	3425-01-796-06 Bio- technology	0.03	0.01	-	0.01

S. No.	Head of Account	Year			
		2014-15	2015-16	2016-17	2017-18
		Total Provision (O+S)	Total Provision (O+S)	Total Provision (O+S)	Total Provision (O+S)
20.	3454-02-796-02-25 E-district	-	0.81	0.96	0.07
21.	3456-796-01-06 Computerisation of Public Distribution System	-	-	-	3.18
22.	4202-01-796-11-90 Construction Works	-	-	-	1.17
23.	4202-01-796-14-01 Model-Schools – Construction Works	-	-	-	4.75
24.	4215-01-796-02-46 Chambal-Dholpur-Bharatpur Project Phase-1 (Urban)	-	-	-	3.87
25.	4220-60-796-01-90 Construction Works	-	-	-	1.82
26.	4225-02-796-11-04 Renovation and Construction of Residential Schools other than of Eklavya Model Residential Schools	6.00	-	5.00	2.00
27.	4225-02-796-11-07 Construction of Community Buildings	-	2.50	2.50	2.50
28.	4225-02-796-11-10 Construction of Roads and Bridges	-	0.86	10.00	11.00
29.	4225-02-796-11-13 Repairs and maintenance of Eklavya Model Residential Schools, Hostels and Residential Schools	-	-	-	5.00
30.	4225-02-796-11-16 Construction and repairs of boundary wall	1.50	-	5.00	1.00
31.	4225-02-796-17-01 Revival of closed water uplifting irrigated schemes and construction of water uplifting irrigated schemes	-	0.50	-	0.25
32.	4225-02-796-16-04 To connect Bastis with service centres	-	-	-	2.00
33.	4225-02-796-17-03 To connect Tribal Bastis with service centres	-	-	2.50	2.00
34.	4225-02-796-20-21 Renewal and construction of public school building	-	-	-	9.00
35.	4225-02-796-21-02 Construction and renovation of hostels	-	-	-	1.60
36.	4225-02-796-27-01 Construction boys hostel building	2.41	-	6.30	2.00 (CSS)
37.	5475-796-01-01 Swan Vertical (State Share)	-	-	-	1.66
38.	5475-796-01-26 E-District	-	-	3.78	0.15
39.	5475-796-01-31 Sampark Kendra operation	-	-	3.33	9.24
	Total	12.59	9.26	62.00	125.87

Appendix 2.6

(Refer Paragraph 2.3.5; page 65)

Cases where supplementary provision (₹ 1 crore or more in each case) proved unnecessary

(₹ in crore)

S. No.	Number and name of the Grant	Original Provision	Actual Expenditure	Savings out of Original Provision	Supplementary Provision
Revenue-Voted					
1.	4-District Administration	503.00	443.58	59.42	4.20
2.	5-Administrative Services	208.08	200.86	7.22	14.64
3.	6-Administration of Justice	723.75	704.58	19.17	56.40
4.	8-Revenue	699.48	679.54	19.94	61.09
5.	9-Forest	715.57	669.35	46.22	40.23
6.	13-Excise	151.12	141.82	9.30	6.57
7.	14-Sales Tax	1,112.36	1,000.40	111.96	68.51
8.	15-Pensions and Other Retirement Benefits	14,162.71	13,919.97	242.74	787.71
9.	18-Public Relation	73.30	68.88	4.42	1.06
10.	20-Housing	57.60	55.94	1.66	3.48
11.	23-Labour and Employment	558.20	554.68	3.52	20.66
12.	24-Education, Art and Culture	22,778.94	22,665.12	113.82	696.60
13.	25-Treasury and Account Administration	270.70	252.26	18.44	8.84
14.	27- Drinking Water Scheme	3,401.13	3,299.12	102.01	148.60
15.	28-Special Programme for Rural Development	879.13	770.68	108.45	55.80
16.	29- Urban Plan and Regional Development	4,437.26	3,881.28	555.98	547.63
17.	33-Social Security and Welfare	4,968.16	4,902.68	65.48	171.71
18.	35-Miscellaneous Community and Economic Services	320.07	305.58	14.49	9.46
19.	36-Co-operative	463.14	413.65	49.49	62.46
20.	41-Community Development	7,466.62	6,975.43	491.19	76.83
21.	43-Minerals	258.73	255.94	2.79	17.33
22.	46-Irrigation	2,117.46	2,080.33	37.13	58.04
Revenue-Charged					
23.	Public Service Commission	37.39	36.47	0.92	10.09
24.	15-Pensions and Other Retirement Benefits	7.00	5.30	1.70	3.00
Capital-Voted					
25.	11-Miscellaneous Social Services	16.25	9.15	7.10	8.95
26.	29- Urban Plan and Regional Development	1,371.38	950.74	420.64	130.20
27.	33-Social Security and Welfare	208.08	188.24	19.84	29.55
28.	48-Power	2,863.56	2,698.73	164.83	61.25
Total		70,830.17	68,130.30	2,699.87	3,160.89

Source: Appropriation Accounts

Appendix 2.7

(Refer Paragraph 2.3.6; page 66)

Excessive/Unnecessary/Insufficient reappropriation of funds (where reappropriation and final excess/savings were more than ₹ 1 crore)

(₹ in crore)					
S. No.	Grant No.	Description	Head of Account	Re appropriation	Final Excess (+) /Saving (-)
Insufficient reappropriation of funds					
1.	4	District Administration	2053-093-03-01 Establishment expenditure - Committed	(-) 5.62	(-) 2.43
2.	12	Other Taxes	2030-02-102-01-01 Commission on Sale to Agents - Committed	(+) 3.92	(+) 2.44
3.	16	Police	2055-104-01 Sepoy Unit-Committed	(-) 47.50	(-) 1.80
4.			2055-109-11-01 General Police Execution- Committed	(-) 255.74	(-) 1.59
5.	21	Roads and Bridges	5054-04-800-02-01 Rural Roads	(-) 206.59	(-) 1.07
6.			5054-03-337-07-90 Construction Works	(-) 68.88	(-) 1.09
7.	27	Drinking Water Scheme	4215-01-101-01-85 Water Supply Schemes aided from National Capital Region Planning Board (NCRPB)	(-) 36.72	(-) 11.01
8.	30	Tribal Area Development	4215-01-796-02-44 Water Supply Schemes aided from National Capital Region Planning Board (NCRPB)	(-) 16.70	(-) 1.86
9.	33	Social Security Welfare	2235-60-196-01-05 Indira Gandhi National Old Age Pension	(-) 8.56	(-) 1.09
10.	46	Irrigation	4700-32-001-01-01 Construction Works	(-) 214.30	(-) 1.62
11.			4702-101-02-02 Construction Works	(-) 3.37	(-) 8.65
12.			4700-28-001-04 Construction works	(+) 7.52	(+) 1.47
13.			4701-69-001-02 Proportionate expenditure transferred from Major head 2701	(+) 1.55	(+) 3.43
14.			4702-101-02-04 Proportionate expenditure transferred from Major Head - 2701- Establishment	(+) 1.19	(+) 4.35
15.			4711-01-103-03-03 Other Districts	(+) 22.53	(+) 5.23
16.	51	Special Component Plan for Welfare of Scheduled Castes	4701-69-789-01 Construction works	(+) 5.78	(+) 1.19
17.			4711-01-789-02-01 Through the Chief Engineer, Water Resources Dept., Rajasthan, Jaipur	(+) 5.40	(+) 1.21
Unnecessary re-appropriation of funds					
18.	21	Roads and Bridges	5054-02-337-03 Through the Border Road Development Board	(+) 3.04	(-) 16.70
19.	46	Irrigation	2700-24-800-01 Other expenditure – Committed	(-) 3.52	(+) 8.88

(₹ in crore)					
S. No.	Grant No.	Description	Head of Account	Re appropriation	Final Excess (+) /Saving (-)
20			4700-32-001-02 Proportionate expenditure transferred from Major Head 2701 (establishment)	(+) 13.20	(-) 51.14
21.	51	Special Component Plan for Welfare of Scheduled Castes	4702-789-04-02 Proportionate expenditure transferred from Major Head - 2701	(-) 1.92	(+) 2.14
22.			5054-04-789-12-01 Rural Link Roads	(+) 58.63	(-) 69.17
Excessive re-appropriation of funds					
23.	27	Drinking Water Scheme	4215-01-102-45 Nagaur Lift Canal Project Phase - II (EAP)	(-) 66.09	(+) 6.24
24.	29	Urban Plan and Regional Development	4217-60-050-06-01 Programme Loan	(-) 71.00	(+) 1.32
25			4217-60-050-03 Rajasthan Urban Sector Development Investment Programme (RUSDIP) R.U.I.D.P. Second stage (EAP) Construction work	(+) 49.75	(-) 14.48
26.	46	Irrigation	4700-34-001-01-01 Construction Works	(-) 111.49	(+) 2.42
27.			4700-04-001-07-01 Extension, Renovation and Modernisation	(+) 34.97	(-) 2.21
28.			4701-69-001-01 Direction and Administration	(+) 23.00	(-) 1.97
29.	51	Special Component Plan for Welfare of Scheduled Castes	4702-789-02-01 Minor Irrigation Projects	(-) 2.91	(+) 2.36
Total					(-) 187.88 (+) 42.68

Source: Appropriation Accounts

Appendix 2.8

(Refer Paragraph 2.3.8; page 67)

Details of saving of ₹ one crore and above not surrendered

(₹ in crore)

S. No.	Number and Name of Grant	Saving	Surrender	Saving which remained to be surrendered
Revenue Voted				
1.	4-District Administration	63.63	55.75	7.88
2.	15- Pension and Other Retirement Benefits	1,030.45	902.84	127.61
3.	16-Police	383.71	381.54	2.17
4.	24-Education, Art and Culture	810.42	808.23	2.19
5.	26-Medical and Public Health and Sanitation	490.25	489.25	1.00
6.	27-Drinking Water Scheme	250.61	246.91	3.70
7.	30-Tribal Area Development	1,337.01	1,333.33	3.68
8.	33-Social Security and Welfare	237.19	216.56	20.63
9.	34-Relief from Natural Calamities	34.08	26.68	7.40
10.	51-Special Component Plan for Welfare of Scheduled Castes	866.64	862.14	4.50
Capital- Voted				
11.	24-Education, Art and Culture	144.03	141.84	2.19
12.	27-Drinking Water Scheme	683.02	675.45	7.57
13.	29-Urban Plan and Regional Development	550.84	531.81	19.03
14.	46-Irrigation	235.53	205.42	30.11
15.	51-Special Component Plan for Welfare of Scheduled Castes	1,664.98	1,601.84	63.14
Total		8,782.39	8,479.59	302.80

Source: Appropriation Accounts

Appendix 2.9

(Refer Paragraph 2.3.9; page 67)

Details of Lump sum provisions (where surrender was more than ₹ 15 crore in each case and also in excess of 50 per cent of total budget provision)

(₹ in crore)						
S. No.	Grant No.	Description	Head of Account	Total Provision	Amount Surrendered	Percentage Surrendered
1.	5	Administrative Services	4070-800-01-01 Helicopter/Aeroplane related expenditure	70.00	70.00	100.0
2.	6	Administration of Justice	2014-105-01 District and Additional District Judges Courts	50.07	34.55	69.0
3.	11	Miscellaneous Social Services	3435-03-102-02 Common Effluent Treatment Plant	30.00	30.00	100.0
4.	12	Other Taxes	3055-190-02 Grant to Rajasthan State Road Transport Corporation for Viability Gap Fund	20.00	20.00	100.0
5.			5055-190-07 Share Capital to RSRTC against assets transferred to Rajasthan State Bus Terminal Service Corporation under Reform Linked Plan	100.00	93.50	93.5
6.	14	Sales Tax	2040-800-02-02 Interest Grant	70.00	68.23	97.5
7.	19	Public Works	4059-80-051-01-01 Through the Chief Engineer, Public Works Department	119.82	78.57	65.6
8.			4059-80-051-22 General Building (Commercial Taxes Department)	54.08	34.28	63.4
9.			4202-01-203-01-90 Construction Works	64.60	44.61	69.1
10.			4210-03-105-01-90 Construction Works	34.82	18.00	51.7
11.			4210-03-105-11-90 Construction Works	561.50	302.75	53.9
12.			4059-80-001-01-91 Percentage charges for Establishment expenditure (2059)	32.16	18.97	59.0
13.			21	Roads and Bridges	5054-03-337-07-91 Percentage charges for Establishment expenses (2059)	18.07
14.	5054-04-800-21-01 Rural Link Roads	52.69			31.79	60.3
15.	22	Area Development	4575-02-800-02-01 Shyama Prasad Mukharji Rurban Mission (National Rurban Mission)	92.66	65.09	70.2
16.	23	Labour and Employment	4250-203-04-01 Plants and Equipment	42.14	26.34	62.5
17.	24	Education, Art and Culture	2202-01-197-03-02 Operational Charges of Schools for boys-Committed	200.48	145.32	72.5
18.			2202-02-107-11 Pre-matric scholarships to boys and girls of minority class	45.21	45.21	100.0
19.			2202-02-109-08-01 Girls Hostel-General Expenditure	30.03	19.40	64.6
20.			4202-01-202-14-01 Model School - Construction Work	25.59	25.59	100.0
21.			26	Medical and Public Health and Sanitation	2210-05-105-05-02 Tertiary Cancer Care Centre	22.50
22.	2211-800-03-03 National Urban Health Mission (NUHM)	51.44			51.44	100.0
23.	4210-02-800-02-02 Construction of Primary Health Sub-Centres	70.27			41.56	59.1
24.	27	Drinking Water Scheme	4215-01-101-01-70 Computerisation/ Skada System/ e-governance etc.	20.50	20.20	98.5
25.			4215-01-101-01-87 Chambal- Dholpur- Bharatpur Project Phase-I, Part-II (Urban)	15.68	15.68	100.0
26.	27	Drinking Water Scheme	4215-01-102-19 Chambal Baler Sawai Madhopur Water Supply	28.33	17.58	62.1

(₹ in crore)						
S. No.	Grant No.	Description	Head of Account	Total Provision	Amount Surrendered	Percentage Surrendered
27.			Scheme			
			4215-01-102-50 Barmer Lift Canal Water Supply Project Phase-II	37.64	35.02	93.0
28.			4215-01-102-54 Fatehpur Laxmangarh Drinking Water Project	66.42	36.65	55.2
29.			4215-01-101-01-31 Chambal-Baler-Sawai Madhopur Water Supply Scheme	24.05	18.56	77.2
30.			4215-01-102-61 Barmer Lift Canal Water Supply Project Phase-II, Part-B (Cluster Scheme of 68 Villages)	26.86	19.27	71.7
31.	29	Urban Plan and Regional Development	2217-05-800-01-02 Jaipur Smart City	160.00	160.00	100.0
32.			2217-05-800-01-03 Udaipur Smart City	160.00	160.00	100.0
33.			2217-80-191-35-02 General Performance Grant under XIV Finance Commission Committed	57.23	57.23	100.0
34.			2217-80-191-39-01 Housing for All (Urban)	68.00	62.72	92.2
35.			2217-80-192-14-04 Incentive Grants for execution under the recommendations of State Finance Commission	22.31	15.42	69.1
36.			2217-80-192-22-01 Development Works	51.45	51.45	100.0
37.			2217-80-192-37-02 General Performance Grant under XIV Finance Commission - Committed	143.07	143.07	100.0
38.			4217-04-800-04 Rajeev Awas Yojana for Slum Free India	48.06	43.62	90.8
39.			6217-60-190-03-01 Asian Development Bank Loans	280.00	166.30	59.4
40.	30	Tribal Area Development	2202-01-197-08-02 Operational Charges of Schools for Boys - Committed	130.24	96.96	74.4
41.			2202-02-107-06-02 Pre-matric Scholarships	68.00	43.21	63.5
42.			2211-796-07-03 National Urban Health Mission (NUHM)	22.91	22.91	100.0
43.			2217-80-192-41-03 Housing for All -Tribal Area Sub-plan	21.00	20.60	98.1
44.			2401-796-63 Rajasthan Agriculture Competitiveness Project	32.03	19.86	62.0
45.			2401-796-76-04 Through the Watershed and Soil Conservation Department	27.02	16.45	60.9
46.			2501-05-196-07-02 Functional related	72.70	65.88	90.6
47.			4059-80-796-05 Judicial Building (Tribal Area Sub-plan)	20.09	15.34	76.4
48.			4210-03-796-01-02 Medical College and Associated Groups of Hospitals, Udaipur	24.17	21.90	90.6
49.			4210-03-796-01-05 Medical College and Associated Groups of Hospitals, Jodhpur	32.01	16.00	50.0
50.	33	Social Security and Welfare	2236-02-101-01-13 Conditionally Maternity Benefit Scheme	25.00	19.06	76.2
51.	42	Industries	4885-60-800-25-01 Higher Education - Receipt Center	50.00	42.00	84.0
52.	43	Minerals	4802-02-190-04-01 Refinery	270.00	233.70	86.6
53.			4853-01-004-07-01 Through the Public Works Department, Road Construction in mining areas	160.00	121.31	75.8
54.	46	Irrigation	2700-03-001-01-01 Irrigation General Construction Works - Committed	76.31	76.31	100.0
55.			4700-02-001-05-05 Regeneration / Up-gradation Modernisation	34.21	19.88	58.1

(₹ in crore)						
S. No.	Grant No.	Description	Head of Account	Total Provision	Amount Surrendered	Percentage Surrendered
56.			4701-63-001-01-01 Construction Works (Pay and Allowance of Work Charged employees)	38.48	24.15	62.8
57.			4702-101-06-01 Regeneration / Up-gradation/Modernisation	20.66	16.72	80.9
58.	47	Tourism	5452-80-800-01 Development of Tourist places	38.54	21.66	56.2
59.	48	Power	6801-190-02-02 Green Energy Corridor Project for financing of Rajasthan Intra-State Transmission System(K.F.W.)	114.05	61.93	54.3
60.	51	Special Component Plan for Welfare of Scheduled Castes	2211-789-03-03 National Urban Health Mission (NUHM)	16.13	16.13	100.0
61.			2217-80-192-41-02 Housing for All - Sub-plan for Scheduled Castes	27.00	25.27	93.6
62.			2225-01-196-12 Grants for Development of Sambal Villages	50.00	50.00	100.0
63.			2401-789-01-28 Rajasthan Agricultural Competitiveness Project	57.10	44.93	78.7
64.			2401-789-02-05 For conversion from flow irrigation to drip irrigation (Pradhan Mantri Agriculture Irrigation Scheme - Micro Irrigation)	25.02	20.05	80.0
65.			2401-789-03-01 Through the Agriculture Department	41.18	29.34	71.2
66.			2401-789-09-01 Through the Agriculture Department	23.40	16.79	71.8
67.			2401-789-09-04 Through the Water Shed Development and Soil Conservation Department	35.44	23.92	67.5
68.			2425-789-06 Interest Grant to good Loanees of Co-operative Societies	63.49	38.60	60.8
69.			4059-80-789-04 General Building (Land Revenue)	21.06	15.72	74.6
70.			4202-01-789-07-01 Sarva Shiksha Abhiyan - Construction Works	64.00	55.71	87.0
71.			4210-02-789-01-90 Construction Works	57.50	48.72	84.7
72.			4215-01-789-01-28 Fatehpur-Laxmangarh Drinking Water Project	24.62	15.37	62.4
73.			4215-01-789-01-44 Jawai Cluster Project- II	21.83	16.61	76.1
74.			4215-01-789-02-44 Water Supply Schemes aided from National Capital Region Planning Board (NCRPB)	50.52	38.08	75.4
75.			4575-02-789-01-04 Shyama Prasad Mukherji Rurban Mission (National Rurban Mission)	24.11	16.94	70.3
76.			4802-02-190-04-02 Refinery (SCSP)	840.00	820.00	97.6
77.			4853-01-789-02-01 Through the Public Works Department, Road Construction in mining areas	50.00	42.52	85.0
78.			5054-03-789-03 Strengthening, Modernisation, Renovation and widening of Small District Roads	21.04	18.26	86.8
79.			5054-04-789-14 Expansion and Construction of Air Strips	20.31	20.14	99.2
80.	6801-789-04-02 Green Energy Corridor Project for financing of Rajasthan Intra-state Transmission System (KFW)	61.10	33.17	54.3		
Total				5,940.00	4,707.59	79.3

Source: Appropriation Accounts

Appendix 2.10

(Refer Paragraph 2.3.10; page 67)

Details of surrender in excess of actual savings/excess (₹ one crore and above in each case)

(₹ in crore)

S. No.	Number and Name of Grant	Saving (-)/ Excess (+)	Amount surrendered	Excess surrendered
Revenue- Charged				
1.	Interest Payment	66.32	69.96	3.64
Revenue- Voted				
2.	7-Elections	1.59	8.93	7.34
3.	12-Other Tax	69.52	71.99	2.47
4.	21-Roads and Bridges	317.67	347.26	29.59
5.	46- Irrigation	95.17	149.41	54.24
Capital- Voted				
6.	19-Public Works	625.15	630.51	5.36
7.	21-Roads and Bridges	186.89	190.36	3.47
8.	30-Tribal Area Development	628.27	636.93	8.66
	Total	1,990.58	2,105.35	114.77

Source: Appropriation Accounts

Appendix 2.11

(Refer Paragraph 2.3.11; page 67)

Details of schemes in which entire provision of ₹ 10 crore or more remained unutilized

(₹ in crore)

S. No.	Number and Name of the Grant	Head of Account	Total Provision (O+S)	Expenditure	Amount of Savings	% of savings
1.	CH2- Interest Payments	2049-01-101-05-99 New Loans	557.70	-	557.70	100
2.	005- Administrative Services	4070-800-01-01 Helicopter/Aeroplane related expenditure	70.00	-	70.00	100
3.	8-Revenue	2029-103-09-01 Global Information Laboratories System	11.70	-	11.70	100
4.	011-Miscellaneous Social Services	3435-03-102-02 Common Effluent Treatment Plants	30.00	-	30.00	100
5.	012-Other taxes	3055-190-02 Grant to Rajasthan State Road Transport Corporation for Viability Gap fund	20.00	-	20.00	100
6.		5055-190-07 Share Capital to RSRTC against assets transferred to Rajasthan State Bus Terminal Service Corporation under Reform Linked Plan	100.00	-	100.00	100
7.	024-Education, Art and Culture	2202-02-107-11 Pre-matric scholarships to boys and girls of minority class	45.21	-	45.21	100
8.		4202-01-202-14-01 Model School-Constitution Work	25.59	-	25.59	100
9.	026-Medical and Public Health and Sanitation	2211-800-03-03 National Urban Health Mission (NUHM)	51.44	-	51.44	100
10.	027- Drinking Water Scheme	4215-01-101-01-87 Chambal Dholpur Bharatpur Project Phase-I, Part-II (Urban)	15.68	-	15.68	100
11.	029-Urban Plan and Regional Development	2217-80-192-37-02 General Performance Grant Under XIV Finance Commission- Committed	143.07	-	143.07	100
12.		2217-80-797-02 Rajasthan Urban Development Fund- Committed	274.29	-	274.29	100
13.		2217-05-800-01-02 Jaipur Smart City	160.00	-	160.00	100
14.		2217-05-800-01-03 Udaipur Smart City	160.00	-	160.00	100
15.		2217-80-191-30-01 Sewerage Treatment Plant	10.30	-	10.30	100
16.	029-Urban Plan	2217-80-191-35-02	57.23	-	57.23	100

S. No.	Number and Name of the Grant	Head of Account	Total Provision (O+S)	Expenditure	Amount of Savings	% of savings
17.	and Regional Development	General Performance Grant under XIV Finance Commission Committed				
		2217-80-192-22-01 Development Works	51.45	-	51.45	100
18.	030- Tribal Area Development	2211-796-07-03 National Urban Health Mission (NUHM)	22.91	-	22.91	100
19.		2217-80-192-22-03 Development Works	10.10	-	10.10	100
20.		4225-02-796-11-10 Construction of Roads and Bridges	11.00	-	11.00	100
21.	033- Social Security and Welfare	2235-02-103-20-01 Through the Women Empowerment Department	10.60	-	10.60	100
22.	43-Minerals	2853-02-797-02 Accounting head 8229-200-09 Environmental Managing Fund in Mining area-committed	10.00	-	10.00	100
23.	051-Special Component Plan for Welfare of Scheduled Castes	2211-789-03-03 National Urban Health Mission (NUHM)	16.13	-	16.13	100
24.		2217-80-192-22-02 Development Works	13.37	-	13.37	100
25.		2225-01-196-12 Grants for Development of Sambal villages	50.00	-	50.00	100
		Total	1,927.77		1,927.77	100

Source: Appropriation Accounts

Appendix 2.12

(Refer Paragraph 2.5; page 74)

Position of Outstanding Abstract Contingent Bills up to 2017-18				
				(₹ in lakh)
S.No.	Major Head	Year	No. of AC Bills	Amount
1.	2015	2017-18	8	85.38
	Total		8	85.38
2.	2029	2007-08	1	292.18
	Total		1	292.18
3.	2051	2016-17	1	2.00
	Total		1	2.00
4.	2052	2017-18	1	2.25
	Total		1	2.25
5.	2055	2014-15	3	247.10
	2055	2016-17	3	305.00
	2055	2017-18	5	325.53
	Total		11	877.63
6.	2059	2017-18	2	0.51
	Total		2	0.51
7.	2070	2017-18	2	18.16
	Total		2	18.16
8.	2202	1989-90	1	0.30
		1990-91	1	0.30
		1992-93	1	0.26
		1996-97	1	0.09
		2017-18	1	1.03
	Total		5	1.98
9.	2204	2017-18	14	23.37
	Total		14	23.37
10.	2210	2013-14	1	179.70
		2015-16	1	124.89
		2016-17	3	40.29
		2017-18	4	11.50
	Total		9	356.38
11.	2235	2017-18	2	16.57
	Total		2	16.57
12.	2236	2017-18	1	0.12
	Total		1	0.12
13.	2245	2008-09	1	19.01
		2012-13	1	103.50
		2016-17	2	15,783.94
		2017-18	16	21,445.13
	Total		20	37,351.58
14.	2403	2017-18	8	17.77
	Total		8	17.77
15.	2515	2017-18	17	18.66
	Total		17	18.66
16.	2851	2017-18	2	8.50
	Total		2	8.50
17.	2853	2017-18	1	0.67
	Total		1	0.67
18.	3425	2017-18	7	4.17
	Total		7	4.17
19.	3452	2017-18	3	6.00
	Total		3	6.00

S.No.	Major Head	Year	No. of AC Bills	Amount
20.	4202	1990-91	1	0.30
		1992-93	1	0.24
Total			2	0.54
21.	4210	2014-15	1	169.95
		2016-17	1	19.27
		2017-18	12	3,066.12
Total			14	3,255.34
22.	4853	2017-18	3	578.93
			3	578.93
Grand Total			134	42,918.69

Source: Information compiled by office of the Accountant General (A&E), Rajasthan, Jaipur.

Appendix 3.1

(Refer Paragraph 3.3; page 80)

Statement of finalisation of accounts and the government investment in departmentally managed commercial and quasi-commercial undertakings

(₹ in lakh)

S. No.	Name of Undertaking	Accounts finalised up to	Investment ⁸ as per the last accounts finalised	Total accumulated losses
1	Jail Manufacture, Ajmer	2016-17	2.56	2.32
2	Jail Manufacture, Alwar	2016-17	0.75	0.78
3	Jail Manufacture, Bikaner	2016-17	1.63	1.52
4	Jail Manufacture, Jaipur	2014-15	1.52	2.98
5	Jail Manufacture, Jodhpur	2016-17	2.52	2.20
6	Jail Manufacture, Kota	2016-17	0.39	0.70
7	Jail Manufacture, Udaipur	2016-17	2.42	1.92
8	Departmental Trading of Forest Coupes	2015-16	Nil ⁹	
9	Tendu Patta Scheme	2016-17	Nil ⁹	
10	Rajasthan Water Supply and Sewerage Management Board, Jaipur	2015-16	16,553.91	12,199.52
	Total		16,565.70	12,211.94

Source: Information received from the Departments**Appendix 3.2**

(Refer Paragraph 3.4, page 81)

⁸ Investment represents balance of fixed and current capital of the Government undertakings on the last day of the financial year up to which accounts were finalised.

⁹ Capital Investment of the Government is Nil as the remittance from the undertaking was more than the amount invested by the Government.

Department/age-wise break-up of the pending cases of misappropriation, theft/losses, etc. (cases where final action was pending at the end of June 2018)

(No. of cases)

S. No.	Name of the Department	Upto 5 years	5 to 10 years	10 to 15 years	15 to 20 years	20 to 25 years	25 years and above	Total number of cases
1.	Revenue	12	15	18	12	3	1	61
2.	Education	66	51	30	22	18	13	200
3.	Medical	17	20	12	07	8	5	69
4.	Public Works	1	2	3	1	16	6	29
5.	Water Resources	0	0	1	1	1	0	3
6.	Ground Water	6	1	8	2	1	0	18
7.	Command Area Development, Indira Gandhi Nahar Project	0	0	2	0	1	0	3
8.	Indira Gandhi Nahar Project	0	3	5	2	0	1	11
9.	Forest	2	1	0	2	0	1	6
10.	Public Health Engineering Department	28	23	65	58	40	32	246
11.	Justice	01	03	03	02	01	03	13
12.	Police	11	02	06	01	01	04	25
13.	Disaster Management, Relief and Civil Defence	01	00	11	00	01	00	13
14.	Women & Child Development	02	02	02	01	01	01	09
15.	Local Self Government	00	00	08	00	00	00	08
16.	Rural Development and Panchayati Raj	65	05	12	12	06	05	105
17.	Others	24	09	09	06	03	02	53
	Total	236	137	195	129	101	74	872

Source: Information received from the Departments

Appendix 3.3

(Refer Paragraph 3.4; page 81)

Department/category-wise details in respect of loss to Government due to theft, misappropriation/loss of Government material

(₹ in lakh)

S. No	Name of Department	Theft/loss cases		Misappropriation/Embezzlement		Total	
		Number of cases	Amount	Number of cases	Amount	Number of cases	Amount
1.	Revenue	29	184.03	32	872.91	61	1,056.94
2.	Education	121	146.48	79	1,296.66	200	1,443.14
3.	Medical	21	51.01	48	470.40	69	521.41
4.	Public Works	06	26.46	23	482.46	29	508.92
5.	Water Resources	01	0.05	02	33.95	03	34.00
6.	Ground Water	16	33.52	02	3.40	18	36.92
7.	Command Area Development, Indira Gandhi Nahar Project	03	6.64	0	0.00	03	6.64
8.	Indira Gandhi Nahar Project	06	12.55	05	69.73	11	82.28
9.	Forest	04	26.99	02	77.32	06	104.31
10.	Public Health Engineering Department	229	243.67	17	82.34	246	326.01
11.	Justice	04	1.68	09	15.42	13	17.10
12.	Police	17	53.84	08	33.38	25	87.22
13.	Disaster Management, Relief and Civil Defence	02	9.35	11	241.71	13	251.06
14.	Women & Child Development	03	4.80	06	8.14	09	12.94
15.	Local Self Government	01	1.95	07	40.76	08	42.71
16.	Rural Development and Panchayati Raj	57	784.46	48	814.85	105	1,599.31
17.	Others	29	120.92	24	521.63	53	642.55
	Total	549	1,708.40	323	5,065.06	872	6,773.46

Source: Information received from the Departments.

Appendix 3.4

(Refer Paragraph 3.5.3; page 85)

Statement showing the details of non-operation of Personal Deposit Accounts during 2013-18

(₹ in lakh)

S. No	Name of the Drawing and Disbursing Officer	Balance during 2013-18	Reason given by Drawing and Disbursing Officer
1	Programme Director, Regional Self Help Group Training and Reference Centre, Ajmer	4.78	Proposals have been forwarded to concerned society for closure/ adjustment of PD Account.
2	Judicial Employee Society, Ajmer	0.02	
3	Lords University, Alwar	1.00	Not intimated by the Department.
4	Superintendent, ITI, Phagi, Jaipur (Rural)	0.27	Finance (Ways and Means) department had given acceptance (3 October 2017) to continue the PD accounts on the condition that if during a period of six month no transaction is made, the accounts will be deemed as closed. Institute had deposited (4 May 2018) ₹100 in the account by challan.
5	Rest House in New Delhi, Jaipur (Sectt.)	23.69	Not intimated by the Department.
6	Entrepreneurship and Management, Development Institute, Jaipur (Sectt.)	79.09	Finance (Ways and Means) department had given acceptance (3 October 2017) to continue the PD accounts on the condition that if during a period of six month no transaction is made, the accounts will be deemed as closed. Institute had deposited (8 May 2018) ₹100 in the account by challan.
7	Director & OSD Irrigation Raj. Water Rest Project, Jaipur (Sectt.)	3.55	Not intimated by the Department.
8	Rajasthan Civil Aviation Corporation Limited, Jaipur (Sectt.)	12.27	Not intimated by the Department.
9	Krishi Upaj Mandi Samiti, Jalore	0.02	Not intimated by the Department.
10	Krishi Upaj Mandi Samiti, Bhinmal, Jalore	0.50	Not intimated by the Department.
11	New Pension Scheme, Jodhpur (City)	50.64	Not intimated by the Department.
12	ITI Pipar City, Jodhpur (Rural)	1.22	Not intimated by the Department.
13	Motor Conveyance Advance, Jodhpur (Rural)	0.01	Not intimated by the Department.
14	Motor Conveyance Loan, Jodhpur (Rural)	0.01	Not intimated by the Department.
15	Dy. Director, Agriculture (Ext.), Nagaur	1.84	PD account has been closed.
16	Motor Conveyance Advance, Sirohi	—*	Not intimated by the Department.
17	Motor Conveyance Loan, Sirohi	0.01	Not intimated by the Department.
18	Motor Conveyance Loan, Udaipur (City)	0.01	PD account has been closed.
19	District Sport Council, Udaipur (City)	0.13	PD account has been closed.
20	SDO, Land Acquisition Officer, Jhadol, Udaipur (Rural)	19.41	Not intimated by the Department.
	Total	198.47	

* Only ₹ 460

Appendix 4.1

Glossary of Terms

Terms	Basis of calculation
Buoyancy of a parameter	Rate of Growth of the parameter/GSDP Growth Rate
Buoyancy of a parameter (X) with respect to another parameter (Y)	Rate of Growth of parameter (X)/ Rate of Growth of parameter (Y)
Rate of Growth	$[(\text{Current year Amount} / \text{Previous year Amount}) - 1] * 100$
Development Expenditure	Social Services + Economic Services
Average interest paid by the State	Interest payment / $[(\text{Amount of previous year's Fiscal Liabilities} + \text{Current year's Fiscal Liabilities}) / 2] * 100$
Average interest received on investment of cash balances	Interest realised on investment of cash balances / $[(\text{Opening balance} + \text{Closing balance of cash balances investment account}) / 2] * 100$
Interest spread	GSDP Growth Rate – Average Interest Rate
Quantum spread	Debt stock * Interest spread
Interest received as <i>per cent</i> to Loans Outstanding	Interest Received $[(\text{Opening balance} + \text{Closing balance of Loans and Advances}) / 2] * 100$
Revenue Deficit	Revenue Receipt – Revenue Expenditure
Fiscal Deficit	Revenue Expenditure + Capital Expenditure + Net Loans and Advances – Revenue Receipts – Miscellaneous Capital Receipts
Primary Deficit	Fiscal Deficit – Interest payments
Terms	Description
Appropriation Accounts	Appropriation Accounts present the total amount of funds (Original and Supplementary) authorised by the Legislative Assembly in the budget grants under each voted grant and charged appropriation <i>vis-à-vis</i> the actual expenditure incurred against each and the unspent provisions or excess under each grant or appropriation. Any expenditure in excess of the grants requires regularisation by the Legislature.
Autonomous Bodies	Autonomous Bodies (usually Registered Societies or Statutory Corporations) are set up whenever it is felt that certain functions need to be discharged outside the governmental set up with some amount of independence and flexibility without day-to-day interference of the Governmental machinery.
Committed Expenditure	The committed expenditure of the State Government on revenue account mainly consists of interest payments, expenditure on salaries and wages, pensions and subsidies on which the present executive has limited control.
State Implementing Agency	State Implementing Agency includes any Organisation/Institution including Non-Governmental Organisation which is authorised by the State Government to receive the funds from the Government of India for implementing specific programmes in the State, e.g. State Implementation Society for <i>Sarva Shiksha Abhiyan</i> and State Health Mission for National Rural Health Mission, etc.
Contingency Fund	Legislative Assembly has by law established a Contingency Fund in the nature of an imprest into which is paid from time to time such sums as may be determined by such law, and the said fund is placed at the disposal of the Governor to enable advances to be made by him out of it for the purpose of meeting unforeseen expenditure pending authorisation of such expenditure by Legislative Assembly by law under Article 115 or Article 116 of the Constitution.
Consolidated Fund of the State	The fund constituted under Article 266 (1) of the Constitution of India into which all receipts, revenues and loans flow. All expenditure from the Consolidated Fund of the State is by appropriation: voted or charged. It consists of two main divisions namely Revenue Account (Revenue Receipts and Revenue Expenditure) and Capital Account (Public Debt and Loans, etc.).
Contingent Liability	Contingent liabilities may or may not be incurred by an entity depending on the outcome of a future event such as a court case.
Guarantee Redemption Fund	Guarantees are liabilities contingent on the Consolidated Fund of the State in case of default by the borrower for whom the guarantee has been extended. As per the terms of the Guarantee Redemption Fund, the State Government is required to contribute an amount equal to at least 1/5 th of the outstanding invoked guarantees plus an amount likely to be invoked as a result of the incremental guarantees during the year.
Internal Debt	Internal Debt comprises regular loans from the public in India, also termed 'Debt raised in India'. It is confined to loans credited to the Consolidated Fund.

Terms	Basis of calculation
Primary Revenue Expenditure	Primary revenue expenditure means revenue expenditure excluding interest payments.
Reappropriation	Means the transfer of funds from one Primary unit of appropriation to another such unit.
Surrenders of unspent provision	Departments of the State Government are to surrender to the Finance Ministry, before the close of the financial year, all the anticipated unspent provisions noticed in the grants or appropriations controlled by them. The Finance Ministry is to communicate the acceptance of such surrenders, as are accepted by them to the Audit Officer and/or the Accounts Officer, as the case may be, before the close of the financial year.
Supplementary Grants	If the amount authorised by any law made in accordance with the provisions of Article 114 of the Constitution to be expended for a particular service for the current financial year is found to be insufficient for the purpose of that year or when a need has arisen during the current financial year for the supplementary or additional expenditure upon some 'new service' not contemplated in the original budget for that year, Government is to obtain supplementary grants or appropriations in accordance with the provision of Article 115 (1) of the Constitution.
Suspense and Miscellaneous	Items of receipts and payments which cannot at once be taken to a final head of receipt or charge owing to lack of information as to their nature or for any other reasons, may be held temporarily under the Major Head "8658-Suspense Account" in the Sector "L. Suspense and Miscellaneous" of the Accounts, (Footnotes under the major head in the list of major/minor heads of account may be referred to for further guidance). A service receipt of which full particulars are not given must not be taken to the head "Suspense Account" but should be credited to the minor head "Other Receipts" under the revenue major head to which it appears to belong pending eventual transfer to the credit of the correct head on receipt of detailed particulars.
Public Accounts Committee	A Committee constituted by the Legislative Assembly for the examination of the reports of the Comptroller and Auditor General of India relating to the Appropriation Accounts of the State, the annual financial accounts of the State or such other accounts or financial matters as are laid before it or which the Committee deems necessary to scrutinise.
Core public goods and Merit goods	<p><i>Core public goods</i> are those which all citizens enjoy in common and each individual's consumption of such goods leads to no subtraction from any other individual's consumption of those goods, e.g. enforcement of law and order, security and protection of Citizen's rights; pollution free air, and road infrastructure, etc.</p> <p><i>Merit goods</i> are commodities that the public sector provides free or at subsidised rates because an individual or society should have them on the basis of need, rather than ability and willingness to pay the government. Examples of such goods include the provision of free or subsidised food for the poor to support nutrition, delivery of health services to improve quality of life and reduce morbidity, providing basic education to all, drinking water and sanitation etc.</p>
Development Expenditure	The analysis of expenditure data is disaggregated into development and non-development expenditure. All expenditure relating to Revenue Account, Capital Outlay and Loans and Advances is categorised into social services, economic services and general services. Broadly, expenditure on social and economic services constitutes development expenditure, while expenditure on general services is treated as non-development expenditure.

Appendix 4.2

List of Acronyms

Terms	Full Terms
AC Bills	Abstract Contingent Bills
AE	Aggregate Expenditure
BE	Budget Estimates
CE	Capital Expenditure
CSS	Centrally Sponsored Schemes
DC Bills	Detailed Contingent Bills
DMFT	District Mineral Foundation Trust
EWS	Economically Weaker Section
FRBM	Fiscal Responsibility and Budgetary Management
XIV-FC	Fourteenth Finance Commission
GCS	General Category States
GF&AR	General Financial and Account Rules
GRB	Gender Responsive Budgeting
GDP	Gross Domestic Product
GSDP	Gross State Domestic Product
GST	Goods and Services Tax
HLC	High Level Committee
HLMC	High Level Monitoring Committee
HUDCO	Housing Urban Development Corporation
IFMS	Integrated Financial Management System
LSGD	Local Self Government Department
MTFPS	Medium Term Fiscal Policy Statement
MGS	Mission Gramya Shakti
NIC	National Informatic Centre
NSDL	National Securities Depository Limited
NPS	New Contributory Pension Scheme
PFRDA	Pension Fund Regularity and Development Authority
PD Account	Personal Deposit Account
PMMVY	Pradhan Mantri Matritva Vandana Yojana
PAC	Public Accounts Committee
PPP	Public Private Partnership
PWD	Public Work Department
RRLP	Rajasthan Rural Livelihood Project
RDPRD	Rural Development and Panchayati Raj Department
RR	Revenue Receipts
RE	Revenue Expenditure
RE	Revised Estimates
SGST	State Goods and Service Tax
SBM	State Budget Manual
SIPF	State Insurance and Provident Fund
SDRF	State Disaster Response Fund
SCADA	Supervisory Control and Data Acquisition
TAD	Tribal Area Development
UCs	Utilisation Certificates
UDAY	Ujwal Discom Assurance Yojana
WCD	Women and Child Development
ZP	Zila Parishads

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