



सत्यमेव जयते

GOVERNMENT OF GUJARAT

# ACCOUNTS AT A GLANCE

2011 - 2012

ACCOUNTANT GENERAL  
(ACCOUNTS & ENTITLEMENTS)

GUJARAT

## Preface

The Annual accounts of the State Government are prepared in accordance with the requirements of the Comptroller & Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 for being laid before the Legislature of the State. The Annual accounts consist of Finance Accounts and Appropriation Accounts.

Finance Accounts are summary statements of accounts under the Consolidated Fund, Contingency Fund and the Public Account. The Appropriation Accounts record the Grant-wise expenditure against provisions approved by the State Legislature and offer explanations for variations between the actual expenditure and the funds provided.

'Accounts at a Glance' provides a broad overview of Government activities, as reflected in the Finance Accounts and the Appropriation Accounts. The information is presented through brief explanations, statements and graphs. While it has been our endeavor to rely on the figures in the certified Finance Accounts and Appropriation Accounts, the certified Annual Accounts should be referred to for authentic figures.

We look forward to suggestions that would help us in improving the publication.



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Place : Rajkot

Date : 13/03/2013

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## CHAPTER - I

### AN OVERVIEW OF THE ACCOUNTS

#### 1.1 Introduction

The Annual Accounts of the Government of Gujarat namely Finance Accounts and Appropriation Accounts are prepared by the Accountant General (A&E) in accordance with the requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971.

#### 1.2 Structure of Accounts

##### *1.2.1 Government Accounts are kept in three parts*

Part-1	CONSOLIDATED FUND	Receipts and Expenditure on Revenue and Capital Accounts, Public Debt and Loans and Advances.
Part-2	CONTINGENCY FUND	Intended to meet unforeseen expenditure not provided for in the budget. Expenditure from this Fund is recouped subsequently from the Consolidated Fund.
Part-3	PUBLIC ACCOUNT	Comprises of Debt, Deposits, Advances Remittances and Suspense transactions. Debt and Deposit represent repayable liabilities of the Government. Advances are receivables of the Government. Remittance and Suspense transactions are adjusting entries that are to be cleared eventually by booking to the final heads of account.

#### 1.3 Finance Accounts and Appropriation Accounts

##### *1.3.1 Finance Accounts*

The Finance Accounts depict the receipts and disbursements of the Government for the year, together with the financial results disclosed by the revenue and capital accounts, public debt and public account balances recorded in the accounts. The Finance Account is prepared in two volumes, in a new format, to make them more comprehensive and informative. Volume I of the Finance Accounts contains the certificate of the Comptroller and Auditor General of India, summarized statements of overall receipts and disbursements and 'Notes to accounts' containing summary of significant accounting policies, quality of accounts and other items; Volume II contains other summarized statements (Part-I), detailed statements (Part-II) and appendices (Part-III).

Receipts and disbursements of the Government of Gujarat as depicted in the Finance Accounts 2011-12 are given below :



( ₹ in crore)

<b>Receipts</b> (Total : 74,161)	Revenue (Total : 62,959)	Tax Revenue	52,033
		Non Tax Revenue	5,276
		Grants-in-aid	5,650
	Capital (Total : 11,202)	Recovery of Loans and Advances	165
		Other Receipts	10
		Borrowings and other liabilities	11,027
<b>Disbursements</b> (Total : 74,161)	Revenue		59,744
	Capital		13,812
	Loans and Advances		605

- Borrowings and other liabilities : Net (Receipts – Disbursements) of Public Debt + Net of Contingency Fund + Net (Receipts – Disbursements) of Public Account + Net of Opening and Closing Cash Balance.
- The Union Government transfers substantial funds directly to State Implementing Agencies/ NGOs from implementation of various schemes and programmes. This year the Government of India directly released ₹ 4,393 crore (₹ 4,451 crore last year). Since these funds are not routed through the State Budget they are not reflected in the accounts of the State Government. These transfers are exhibited in Appendix VII of Volume II of the Finance Accounts.

### 1.3.2 Appropriation Accounts

The Appropriation Accounts supplement the Finance Accounts. They depict the expenditure of the State Government against amounts 'Charged' on the Consolidated Fund or 'Voted' by the State legislature. There are One Charged Appropriation and 107 Voted Grants.

The Appropriation Act, 2011-2012, had provided for gross expenditure of ₹ 85,743 including Supplementary Grant of ₹ 50,49 crore and reduction of expenditure (recoveries) of ₹ 1,251 crore. Against this, the actual gross expenditure was ₹ 80,223 crore and reduction of expenditure was ₹ 786 crore, resulting in net savings of ₹ 5,520 crore (6.44 %) and an over-estimation of ₹ 465 crore (37.17%) on reduction of expenditure.

During 2011-2012 ₹ 317 crore was transferred from the Consolidated fund to Personal Deposit (PD) Accounts under the Public Account, which are maintained by designated Administrators for specific purposes. Normally unspent balances under PD accounts are to be transferred back to the Government at the end of the financial year.

## 1.4 Sources and Application of Funds

### 1.4.1 Ways and Means Advances

The State Government, in order to maintain and sustain its liquidity position, takes Ways and Means Advances from the Reserve Bank of India and thereafter, draws upon overdraft, whenever there is shortfall in the agreed minimum cash balance in its account with the Reserve Bank of India. The State Government is required to maintain a minimum cash balance of ₹ 2.80 crore with Reserve Bank of India. **Government of Gujarat did not avail of Ways and Means Advances in the year 2011-2012.**

### 1.4.2 Fund flow statement

The State had a Revenue **Surplus** of ₹ 3,215 crore and a Fiscal Deficit of ₹ 11,027 crore representing 0.54% and 1.87% of the Gross State Domestic Product (G.S.D.P). The Fiscal Deficit constituted 14.87% of the total expenditure. This deficit was mainly met from Public Debt (₹ 12,260 crore), and net of opening and closing cash balance (₹ -305 crore). Around 37% of the revenue receipts (₹ 62,959 crore) of the State Government was spent on committed expenditure like salaries (₹ 6,216 crore), interest payments (₹ 10,934 crore) and pensions (₹ 6,145 crore).

#### Sources and Application of Funds

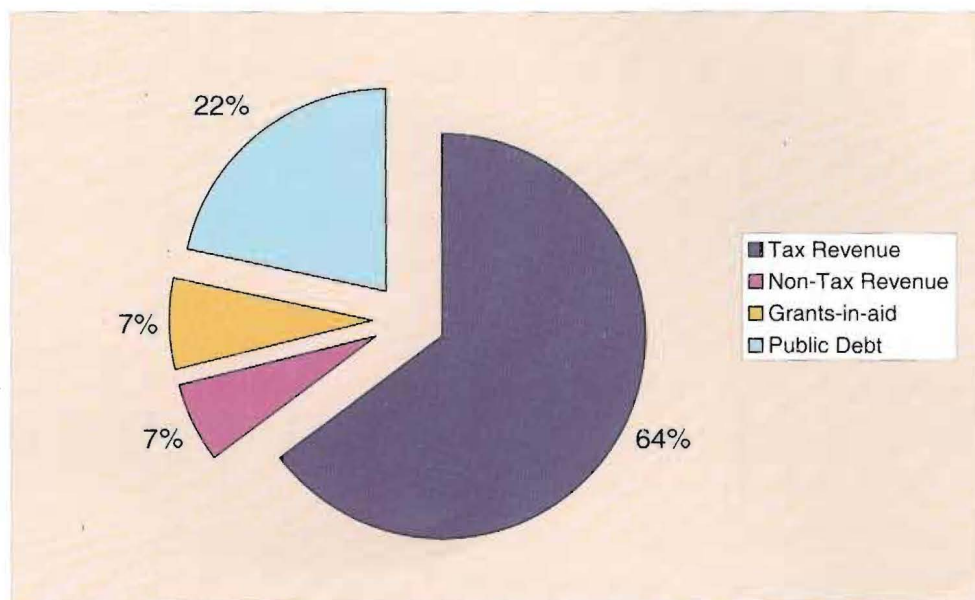
(₹ in crore)

SOURCES	PARTICULARS	AMOUNT
	Opening Cash Balance as on 1.4.2011	127
	Revenue Receipts (including Misc. Capital Receipts)	62,969
	Recovery of Loans and advances	165
	Public Debt	17,535
	Small Savings, Provident fund and others	1,794
	Reserves and Sinking Funds	990
	Deposits received	25,629
	Civil Advances repaid	340
	Suspense Account	2,34,434
	Remittances	11,101
	Contingency Fund	1
	<b>TOTAL</b>	<b>3,55,085</b>

(₹ in crore)

APPLICATION	Revenue Expenditure	59,744
	Capital Expenditure	13,812
	Loans given	605
	Repayment of Public debt	5,275
	Small Savings, Provident Fund & Others	1,236
	Reserves & Sinking fund	310
	Deposits repaid	24,271
	Civil Advances Paid	340
	Suspense Account	2,38,441
	Remittances	11,148
	Contingency Fund	81
	Closing Cash Balance as on 31.3.2012	- 178
	<b>TOTAL</b>	<b>3,55,085</b>

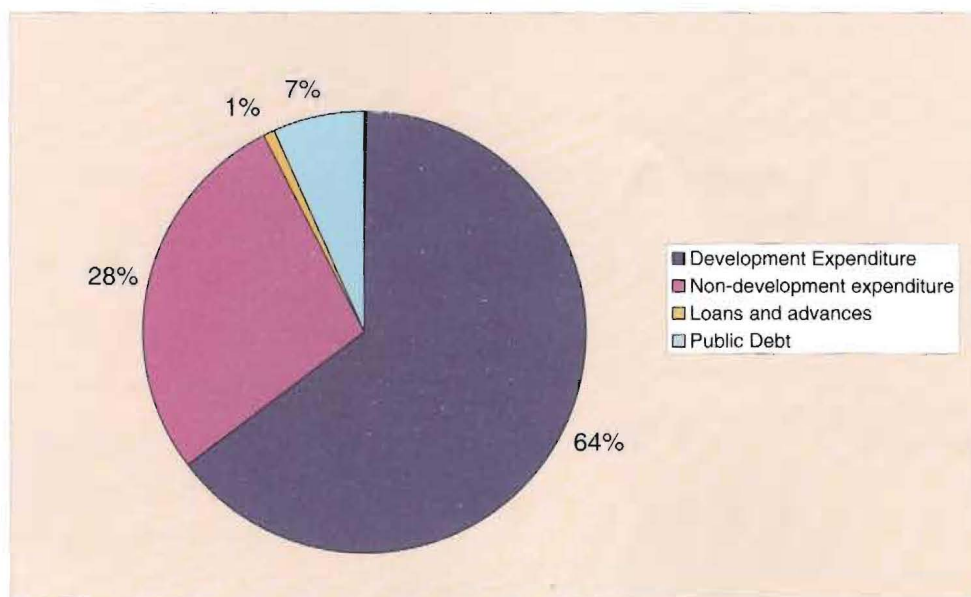
### 1.4.3 Where the Rupee came from ?



The main sources of funds to meet expenditure were tax revenue, public debt, non-tax revenue and Grant-in aid.

### 1.4.4 Where the Rupee went ?

Expenditure for the year 2011-2012 was spent on Development Expenditure (64%), Non-Development Expenditure (28%), Loans and Advances (1%) and Public Debt (7%). Based on the purpose of expenditure it was classified into Social Services and Economic Services (Development expenditure) and General Services (Non-development expenditure).





## 1.5 Highlights of Accounts

		B.E 2011-2012	Actuals	Percentage of Actuals to B.E	Percentage of Actuals to GSDP @
		(₹ in crore)			
1.	Tax Revenue	46,319	52,033	112	9
2.	Non-Tax Revenue	6,016	5,276	88	1
3.	Grants in aid & contributions	7,551	5,650	75	1
4.	Revenue Receipt (1+2+3)	59,886	62,959	105	11
5.	Recovery of loans & advances	268	165	62	-
6.	Other Receipts	-	10	-	-
7.	Borrowing & other liabilities (A)	18,315	11,027	60	2
8.	Capital Receipts (5+6+7)	18,583	11,202	60	2
9.	Total Receipts (4+8)	78,469	74,161	95	13
10.	Non-Plan Expenditure *	43,083	43,329	102	7
11.	NPE on Revenue Account	42,817	43,054	101	7
12.	NPE on Interest Payments out of 11	10,761	10,934	102	2
13.	NPE on Capital Account	266	205	77	-
14.	Plan Expenditure *	31,350	30,832	97	5
15.	PE on Revenue Account	16,625	16,690	100	3
16.	PE on Capital Account	14,725	14,212	97	2
17.	Total Expenditure (10+14)**	74,433	74,161	100	13
18.	Revenue Expenditure (11+15)	59,442	59,744	101	10
19.	Capital Expenditure (13+16)(*)	14,991	14,417	96	2
20.	Revenue Surplus(4-18)	444	3,215	724	1
21.	Fiscal Deficit (4+5+6-17)	-14,279	-11,027	77	2

@ GSDP 2011-2012 ₹ 5,91,175 crore (provisional).

\* Expenditure includes ₹ 70 crore under Non-Plan and ₹ 535 crore under Plan which pertains to Loans and Advances.

(\*) Expenditure on Capital Account includes Capital Expenditure (₹ 13,812 crore) and Loans and Advances disbursed (₹ 605 crore).

(A) Borrowing and other liabilities : Net (Receipts-Disbursements) of Public Debt + Net of Contingency fund + Net (Receipts – Disbursements) of Public Account + Net of Opening and Closing Cash Balance).

## 1.6 What do the Deficits and Surpluses indicate ?

Deficits in Government represent gaps between the revenue and expenditure. The kind of deficit, the ways of financing the deficit and application of funds are important indicators of the prudence of financial management in Government.

Conceptually, deficit can be seen in three different forms viz; Revenue deficit, Fiscal deficit and Primary deficit.

### A. Revenue Deficit : Revenue Expenditure minus Revenue Receipt

As per the traditional theory of financial management, revenue expenditure required to maintain the existing establishment of Government, should be met out of revenue receipts.

**B. Fiscal Deficit : Total Expenditure minus Total Receipts** (Revenue Receipts plus Capital Receipts excluding borrowings). It is a measure of total expenditure, which is financed by borrowings. Ideally the borrowings should be invested in capital projects.

**C. Primary Deficit : Fiscal deficit minus Interest payments**

It indicates the gap in availability of funds for expenditure even without taking into consideration liabilities of past years viz. interest accrued. Primary surplus indicates that funds generated in the current year, were available to service past debts.

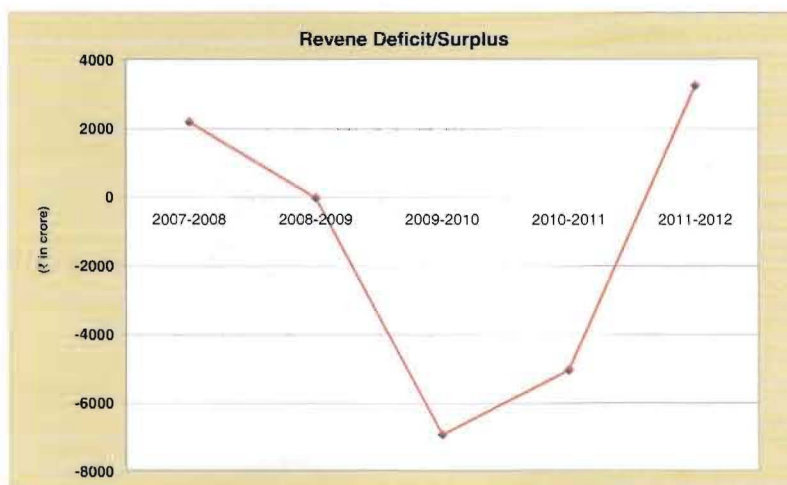
In the wake of global financial crisis, Government of India had relaxed the fiscal deficit (as a percentage of GSDP) target by 0.5% in FY 2010-2011 and by 1% in FY 2011-12 of GSDP respectively. To encourage the State Government to achieve these goals Government of India extended Debt Consolidation and Relief Facility (DCRF) to States, under which successful State Governments would receive relief on repayment of principal and/or interest. The Fiscal Consolidation roadmap for Gujarat requires the State to reduce the revenue deficit to zero by FY 2011-12, to cap the total public debt of the State Government to 27.1% by the end of FY 2014-15 of estimated GSDP for the FY beginning 1st April 2011 and ending on 31st March 2015 and to cap the outstanding guarantees within the limit provided in the Gujarat State Guarantees Act, 1963.

The fiscal deficit decreased from ₹ 15,074 crore in 2010-11 to ₹ 11,027 crore in 2011-12. Also the primary deficit decreased from ₹ 5,447 crore in 2010-11 to a deficit of ₹ 93 crore in 2011-12. Likewise revenue deficit decreased from ₹ 5,076 crore in 2010-11 to a surplus of ₹ 3,215 crore in 2011-12.

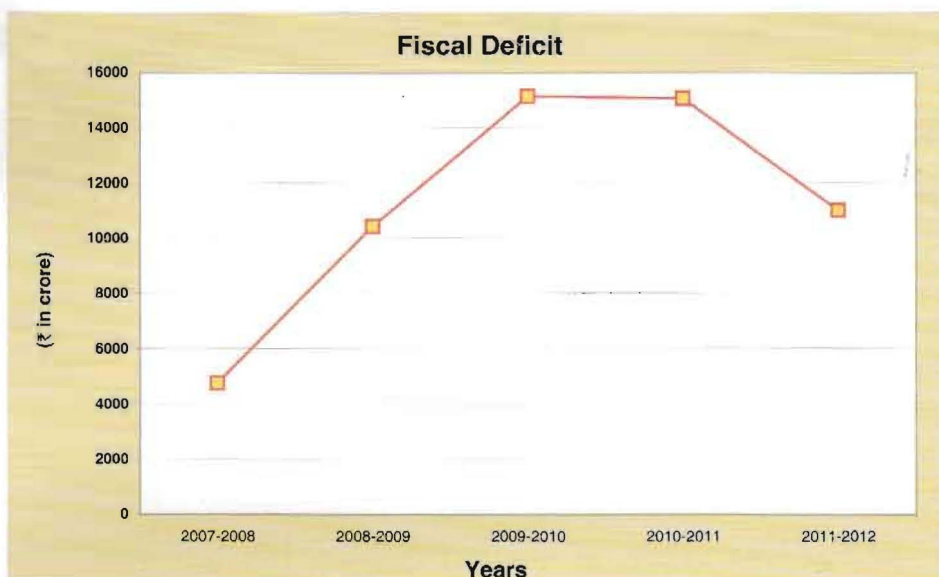
**1.6.1 Trend of Revenue Deficit/Surplus**

(₹ in crore)

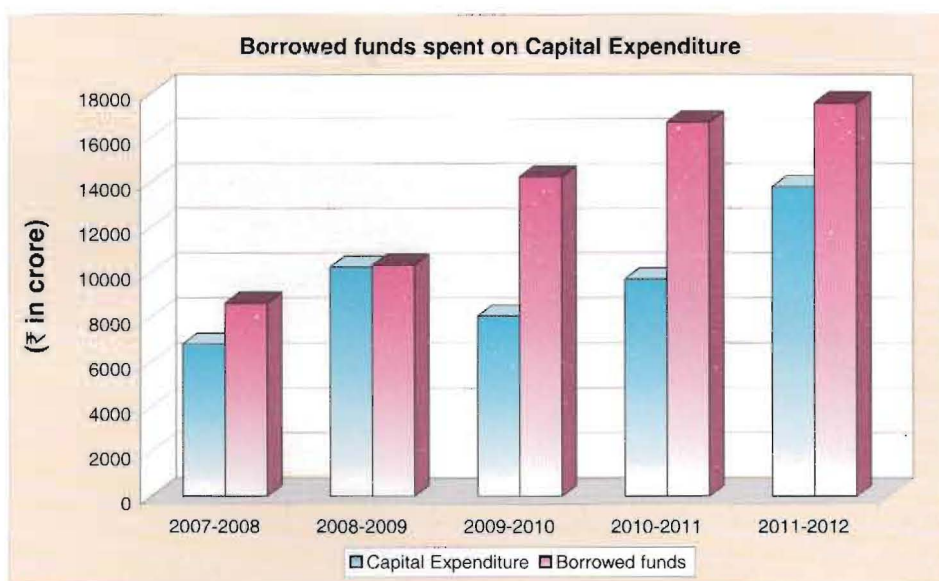
Year	Revenue Surplus/Deficit (+/-)	Fiscal Deficit	Primary Deficit
2007-2008	(+) 2,151	4,770	2,714
2008-2009	(-) 66	10,438	2,554
2009-2010	(-) 6,966	15,153	6,563
2010-2011	(-) 5,076	15,074	5,447
2011-2012	(+) 3,215	11,027	93



### 1.6.2 Trend of Fiscal Deficit



### 1.6.3 Proportion of borrowed funds spent on Capital Expenditure



It is desirable to fully utilise borrowed funds for the creation of capital assets, and to use revenue receipts for the repayment of principal and interest. The State Government, however, spent only 79% of the borrowings of the current year (₹ 17,535 crore) on capital expenditure (₹ 13,812 crore). It would therefore appear that 21% of the public debt (₹ 3,727 crore) was utilised on the following : to repay the principal and interest on public debt of previous years, to meet periodic shortfalls of revenues against expenditures in the current year, to maintain a positive cash balance at the end of the year and to invest in treasury bills.



## CHAPTER – II

### RECEIPTS

#### 2.1 Introduction

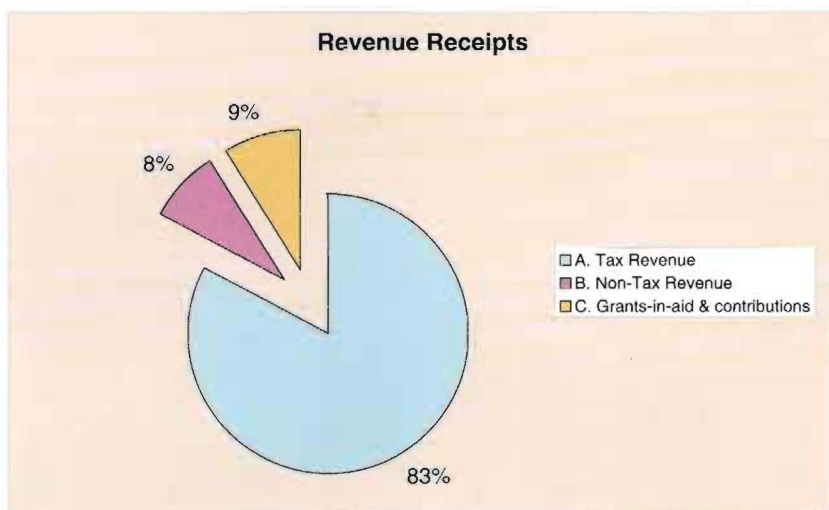
Total receipts for the current year were ₹ 74,161 crore. Based on its source receipts of Government are classified into Revenue receipts and Capital receipts.

#### 2.2 Revenue Receipt

**Tax Revenue :** Comprises taxes collected and retained by the State and State's share of Union taxes under Article 280(3) of the Constitution.

**Non-Tax Revenue :** Includes Interest receipts, dividends, profits etc.

**Grants-in-aid :** Essentially a form of Central Assistance to the State Government from the Union Government. Includes 'External Grant Assistance' and 'Aid, Material & Equipment' received from foreign Governments and channelized through the Union Government. In turn, the State Government also gives grants-in-aid to institutions like the Panchayat Raj institutions, autonomous bodies etc.



#### Revenue Receipt Components (2011-2012)

(₹ in crore)

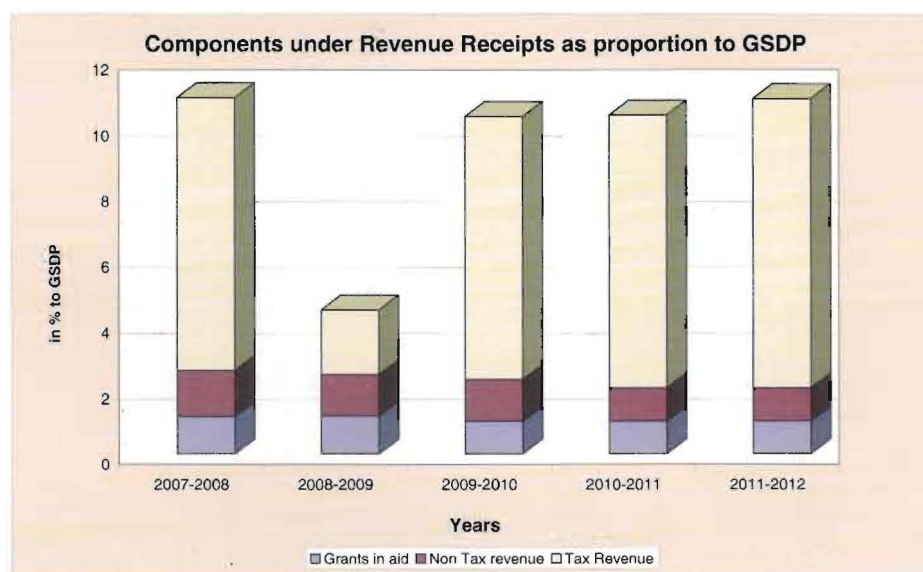
Components	Actuals
<b>A. Tax Revenue</b>	<b>52,033</b>
Taxes on Income & Expenditure	4,841
Taxes on Property & Capital Transactions	6,318
Taxes on Commodities & Services	40,874
<b>B. Non-Tax Revenue</b>	<b>5,276</b>
Interest Receipts, Dividends and Profits	761
General Services	360
Social Services	725
Economic Services	3,430
<b>C. Grants-in-aid &amp; Contributions</b>	<b>5,650</b>
<b>Total : Revenue Receipts</b>	<b>62,959</b>

## 2.3 Trend of Receipts

(₹ in crore)

	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012
Tax Revenues	27,312	29,283	32,631	43,018	52,033
Non-Tax Revenues	4,609	5,099	5,452	4,915	5,276
Grants-in-aid	3,769	4,294	3,589	4,431	5,650
Total Revenue Receipts	35,690	38,676	41,672	52,364	62,959
GSDP	3,29,285	3,67,912	4,27,555	5,13,173	5,91,175

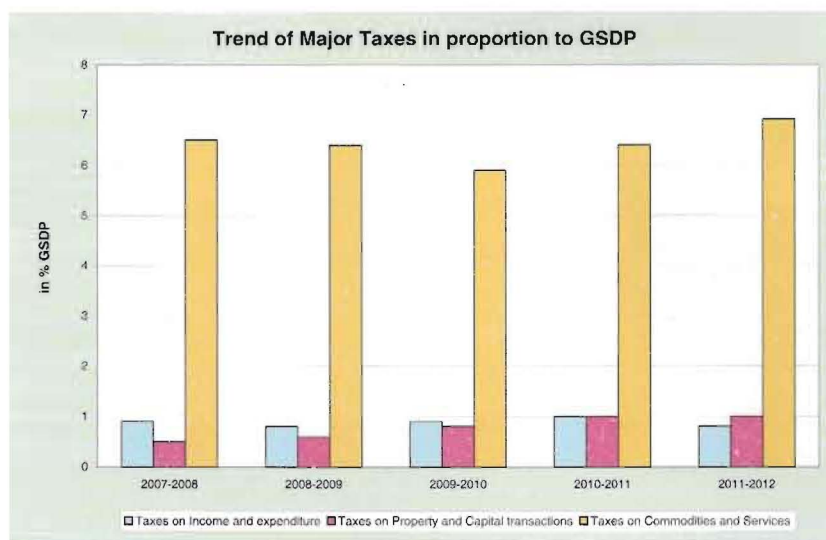
GSDP increased by 15% between 2010-2011 and 2011-2012, there was healthy appreciation growth in of 20% revenue collection. While tax revenues increased by 21%, non-tax revenues also increased by 7% significant collections under Labor and Employment ₹ 212 crore, Medical and Public Health ₹ 91 crore and Ports & Lights Houses ₹ 454 crore. The increase under non-tax revenues was in spite of less receipt under Police (₹ 149 crore in 2010-11 to ₹ 139 crore in 2011-2012), Stationery and Printing (₹ 23 crore in 2010-2011 to ₹ 19 crore in 2011-2012) and Contribution and recoveries towards pensions (₹ 47 crore in 2010-2011 to ₹ 15 crore in 2011-2012).



### Sector-wise Tax Revenue

(₹ in crore)

	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012
Taxes on Income and Expenditure	3,027	3,244	3,972	4,219	4,841
Taxes on Property and Capital Transactions	2,816	2,375	3,847	5,590	6,318
Taxes on Commodities and Services	21,469	23,665	24,812	33,209	40,874
<b>Total Tax Revenue</b>	<b>27,312</b>	<b>29,284</b>	<b>32,631</b>	<b>43,018</b>	<b>52,033</b>



## 2.4 Performance of State's own tax revenue collection

(₹ in crore)

Year	Tax Revenue	State share of Union Taxes	State's Own Tax Revenue	
			Rupees	Percentage to GSDP
2007-2008	27,312	5,425	21,887	6.64 %
2008-2009	29,284	5,726	23,558	6.40 %
2009-2010	32,631	5,891	26,740	6.22 %
2010-2011	43,018	6,679	36,339	7.06 %
2011-2012	52,033	7,780	44,253	7.49%

## 2.5 Efficiency of Tax collection

### A. Taxes on Property and Capital Transactions

(₹ in crore)

	2007-2008	2008-2009	2009-2010	2010-2011	2011-12
Revenue Collection	2,815	2,375	3,847	5,590	6,318
Expenditure on Collection	86	88	117	156	152
Efficiency of Tax collection	3%	4%	3%	3%	2%

### B. Taxes on Commodities and Services

(₹ in crore)

	2007-2008	2008-2009	2009-2010	2010-2011	2011-12
Revenue Collection	21,469	23,665	24,812	33,209	40,874
Expenditure on Collection	154	162	211	253	259
Efficiency of Tax collection	1%	1%	1%	1%	1%



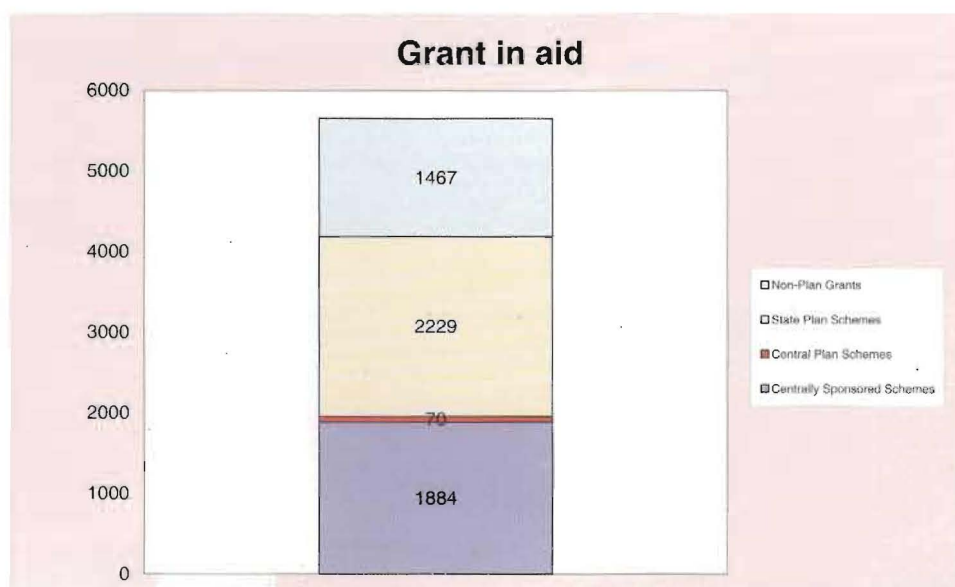
## 2.6 Trend in State's share of Union Taxes over the past five years

(₹ in crore)

Major Head Description	2007-2008	2008-2009	2009-2010	2010-2011	2011-12
Corporation Tax	1,722	1,878	2,424	2,611	3,063
Taxes on Income other than Corporation Tax	1,155	1,179	1,351	1,380	1,555
Taxes on Wealth	2	2	6	5	11
Customs	1,025	1,094	824	1,168	1,349
Union Excise Duties	979	954	664	849	873
Service Tax	542	619	622	666	929
Other Taxes and duties on Commodities and Services	-	-	-	-	-
<b>State share of Union taxes</b>	<b>5,425</b>	<b>5,726</b>	<b>5,891</b>	<b>6,679</b>	<b>7,780</b>
<b>Total Tax Revenue</b>	<b>27,312</b>	<b>29,284</b>	<b>32,631</b>	<b>43,018</b>	<b>52,033</b>
<b>% of Union Taxes to Total Tax revenue</b>	<b>20</b>	<b>19</b>	<b>18</b>	<b>16</b>	<b>15</b>

## 2.7 Grants in Aid

Grants in Aid represents assistance received from Government of India and comprises Grants for State Plan Schemes, Central Plan Schemes and Centrally Sponsored Schemes approved by the Planning Commission and State Non-Plan Grants recommended by the Finance Commission. Total receipts during 2011-2012 under Grants-in-aid were ₹ 5,650 crore as shown in the table :



## 2.8 Public Debt

Trend of Public Debt over the past 5 years.

(₹ in crore)

Description	2007-2008	2008-2009	2009-2010	2010-2011	2011-12
Internal Debt	68,651	76,685	88,162	1,01,490	1,14,954
Central Loans	10,658	10,325	9,848	9,384	8,452
<b>Total Public Debt</b>	<b>79,309</b>	<b>87,010</b>	<b>98,010</b>	<b>1,10,874</b>	<b>1,23,406</b>

Against the total internal debt of ₹ 17,347 crore of the State Government in 2011-2012 and the central loan component of ₹ 188 crore received during the period, capital expenditure was only ₹ 13,812 crore (79%) indicating that the rest of the public debt was used for non-developmental purposes.

## CHAPTER - III

### EXPENDITURE

#### 3.1 Introduction

Expenditure is classified as Revenue Expenditure and Capital Expenditure. Revenue expenditure is used to meet the day-to-day running of the organization. Capital expenditure is used to create permanent assets, or to enhance the utility of such assets, or to reduce permanent liabilities. Expenditure is further classified under Plan and Non-Plan.

<b>General Service</b>	Includes Justice, Police, Jail, PWD, Pension etc.
<b>Social Service</b>	Includes Education, Health & Family Welfare, Water Supply, Welfare of SC-ST etc
<b>Economic Services</b>	Includes, Agriculture, Rural Development, Irrigation, Cooperation, Energy, Industries, Transport etc.

#### 3.2 Revenue Expenditure

Revenue Expenditure of ₹ 59,744 crore for 2011-2012 exceeded budget estimates by ₹ 5,102 crore due to less disbursement under Plan Expenditure and Non-Plan Expenditure. The shortfall of expenditure against budget estimates under Revenue section during the past five years is given below :

(₹ in crore)

	2007-2008	2008-2009	2009-2010	2010-2011	2011-12
Budget Estimates	34,286	42,299	50,773	61,062	64,846
Actuals	33,539	38,741	48,638	57,440	59,744
Gap	747	3,558	2,135	3,622	5,102
% of gap over BE	2.18	8.41	4.20	5.93	7.87

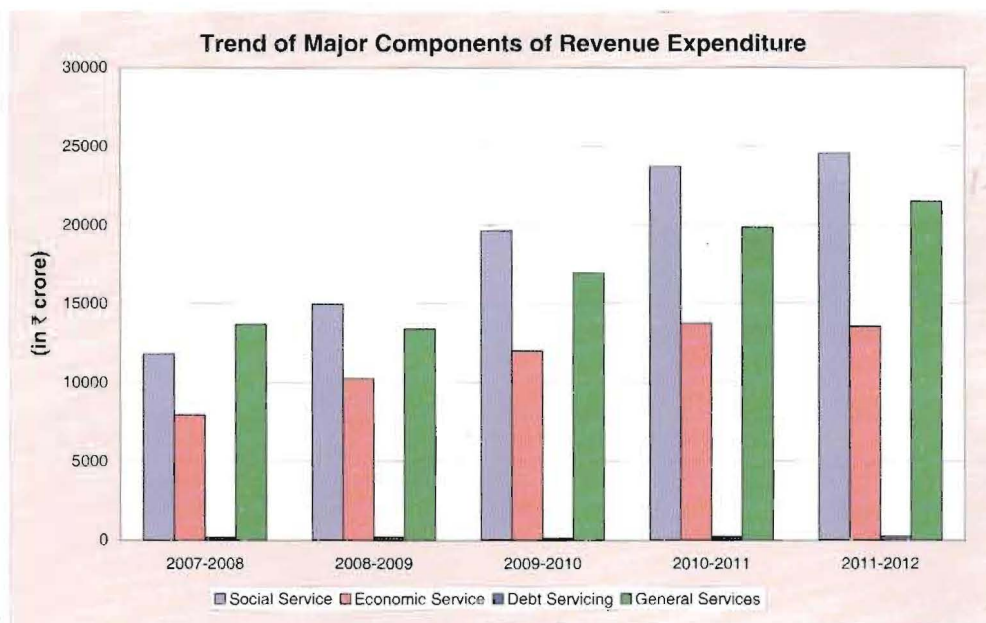
##### 3.2.1 Sectoral distribution of Revenue Expenditure (2011-12)

(₹ in crore)

Components	Amount	Percentage
A. Fiscal Services	414	1
(i) Collection of Taxes on Property and Capital transactions	152	-
(ii) Collection of Taxes on Commodities and Services	259	-
(iii) Other Fiscal Services	3	-
B. Organs of State	529	1
C. Interest Payments and Servicing of debt	11,234	19
D. Administrative Services	3,087	5
E. Pensions and Miscellaneous General Services	6,217	10
F. Social Services	24,546	41
G. Economic Service	13,518	23
H. Grants-in-aid and Contributions	200	-
<b>Total Expenditure (Revenue Account)</b>	<b>59,744</b>	<b>100</b>



### 3.2.2. Major components of Revenue Expenditure (2006-2011)



General Services excludes MH 2048 (Appropriation for reduction or avoidance of debt), MH 2049 (Interest payments) and includes MH 3604 (Compensation and assignment to Local Bodies and Panchayati Raj Institutions).

There has been a steady increase in expenditure on all services.

### 3.3 Capital Expenditure

Capital disbursements for 2011-12 at 2% of GSDP were less than Budget Estimates by ₹ 574 crore (less disbursement of ₹ 513 crore under Plan expenditure and ₹ 61 under Non-Plan Expenditure)

#### 3.3.1 Sectoral distribution of Capital Expenditure

During 2011-12 the Government spent ₹ 4,516 crore on various projects (₹ 3,233 on Major Irrigation of which ₹ 3,095 crore was spent on Narmada project, ₹ 648 on Medium Irrigation, and ₹ 635 crore on Minor Irrigation). Apart from above, the Government spent ₹ 628 crore on Medical and Public Health, ₹ 522 crore on Water Supply and Sanitation and ₹ 880 crore on Power Projects.

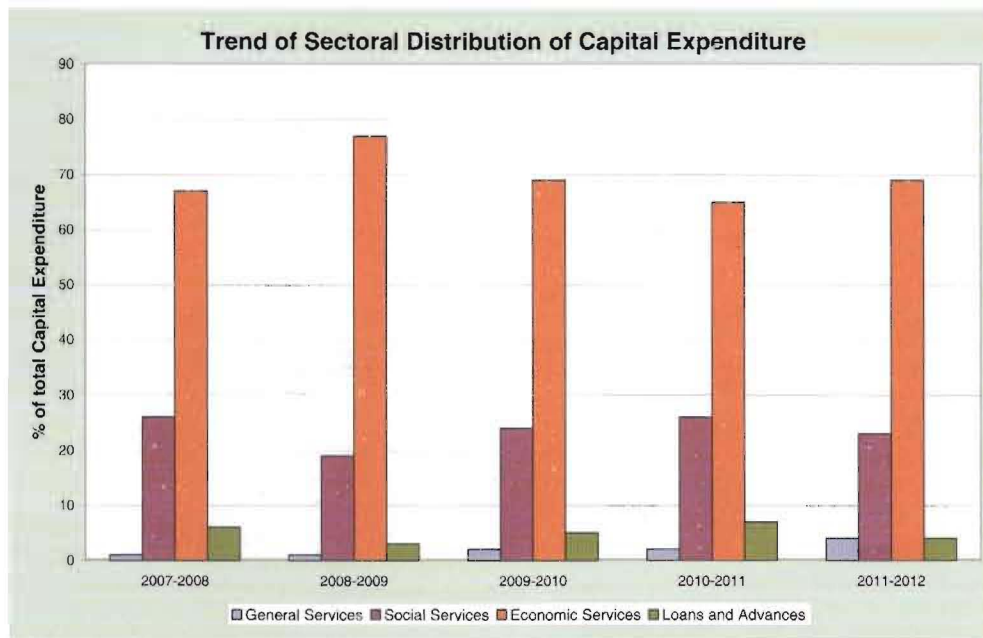
(₹ in crore)

Sl. No.	Sector	Amount	Percentage
1.	General Services-Police, Land Revenue etc.	556	4
2.	Social Services-Education, Health & Family Welfare, Water Supply, Welfare of SC/ST etc.	3,306	23
3.	Economic Services-Agriculture, Rural Development, Irrigation, Cooperation, Energy, Industries, Transport etc.	9,950	69
4.	Loans and Advances Disbursed.	605	4
<b>Total</b>		<b>14,417</b>	<b>100</b>

### 3.3.2 Sectoral distribution of capital expenditure over the past 5 years

(₹ in crore)

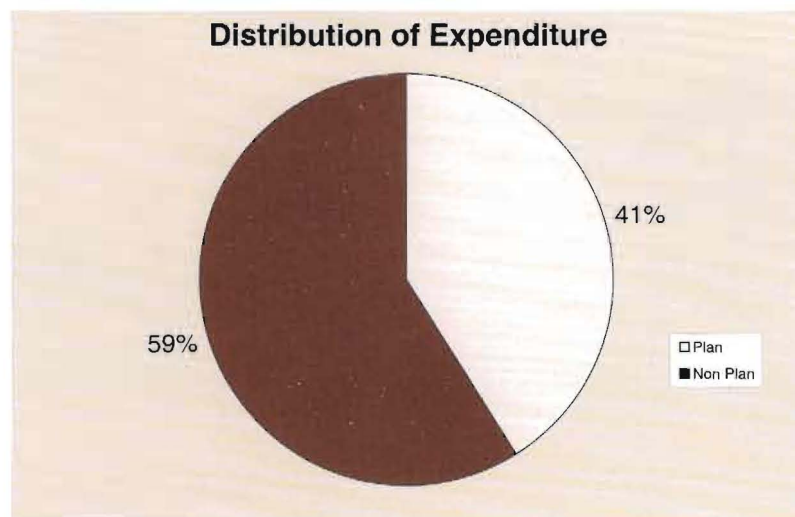
Sl. No.	Sector	2007-08	2008-09	2009-10	2010-11	2011-12
1.	General Services	55	80	189	243	556
2.	Social Services	1,927	2,017	2,038	2,682	3,306
3.	Economic Services	4,819	8,123	5,820	6,759	9,950
4.	Loans and Advances	429	354	427	688	605
<b>Total</b>		<b>7,230</b>	<b>10,574</b>	<b>8,474</b>	<b>10,372</b>	<b>14,417</b>



## CHAPTER - IV

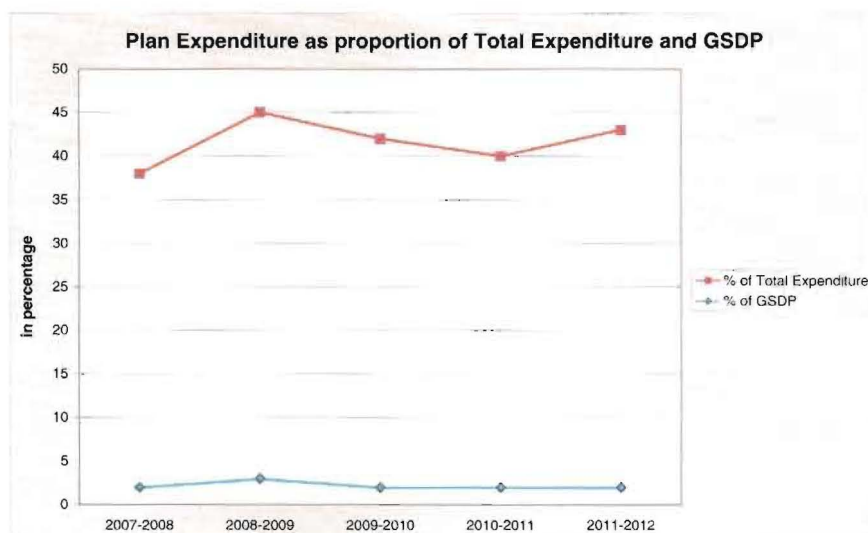
### PLAN & NON PLAN EXPENDITURE

#### 4.1 Distribution of expenditure (2011-2012)



#### 4.2 Plan expenditure

During 2011-2012 Plan expenditure representing 41% of total disbursements was ₹ 30,833 crore (₹ 20,888 crore under State Plan, ₹ 9,410 crore under Centrally Sponsored Schemes and ₹ 535 crore under Loans and Advances).



##### 4.2.1 Plan expenditure under Capital Account

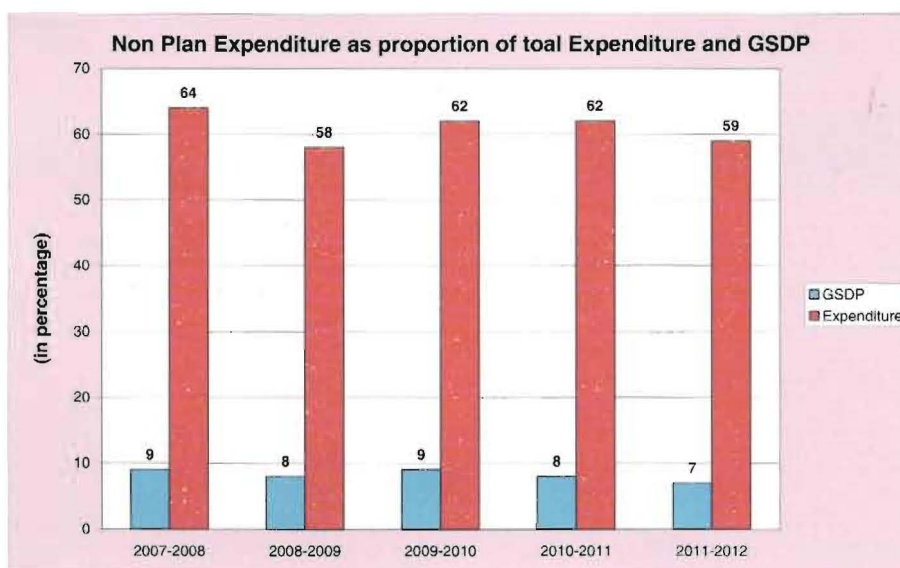
(₹ in crore)

	2007-2008	2008-2009	2009-2010	2010-2011	2011-12
Total Capital Expenditure	7,230	10,574	8,474	10,372	14,417
Capital Expenditure (Plan)	7,051	10,369	8,183	10,140	14,142
% of Capital Expenditure (plan) to Total Capital Expenditure	98	98	97	98	98

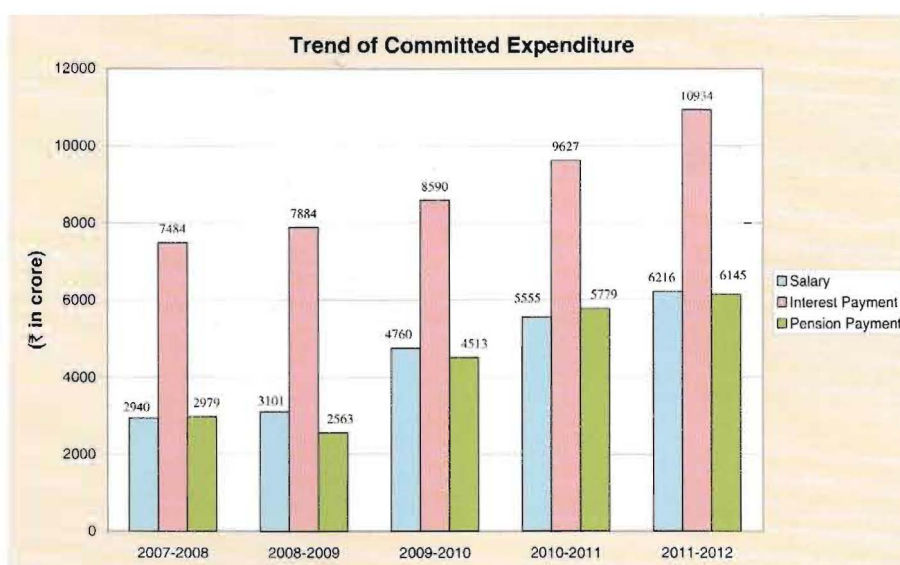


### 4.3 Non-Plan expenditure

During 2011-2012 Non-Plan expenditure representing 59% of total disbursements was ₹ 43,259 crore (₹ 43,054 crore under Revenue, ₹ 205 crore under Capital).



### 4.4 Committed expenditure



(₹ in crore)

Component	2007-2008	2008-2009	2009-2010	2010-2011	2011-12
Committed Expenditure	13,403	13,948	17,863	20,961	23,294
Revenue Expenditure	33,539	38,741	48,638	57,440	59,744
% of committed Expenditure to Revenue Receipts	38	36	43	40	37
% of committed Expenditure to Revenue Expenditure	40	36	37	36	39

**CHAPTER- V****APPROPRIATION ACCOUNTS****5.1 Summary of Appropriation Accounts for 2011-2012**

(₹ in crore)

Sl. No.	Nature of expenditure	Original grant	Supplementary grant	Total	Actual Expenditure	Saving (-) Excess (+)
1.	Revenue Voted Charged	4,98,54.89 1,08,65.04	39,25.72 2,01.06	5,37,80.61 1,10,66.10	4,93,08.96 1,10,37.26	(-) 44,71.66 (-) 28.84
2.	Capital Voted Charged	1,44,50.67 0.01	8,85.01 7.29	1,53,35.68 7.30	1,39,90.62 5.46	(-) 13,45.06 (-) 01.84
3.	Public Debt Charged	48,04.07	-	48,04.07	52,75.19	4,71.12
4.	Loans & Advs Voted Charged	7,19.41 0.01	30.03 -	7,49.44 0.01	6,05.34 -	(-) 1,44.10 (-) 0.01
	<b>Total</b>	<b>8,06,94.10</b>	<b>50,49.11</b>	<b>8,57,43.21</b>	<b>8,02,22.83</b>	<b>(-) 55,20.38</b>

**5.2 Trend of Savings/Excess during the past five years**

(₹ in crore)

Year	Savings (-)/Excess (+)				Total
	Revenue	Capital	Public Debt	Loans and Advances	
2007-2008	(-) 310	(-) 916	(-) 1,627	(-) 54	(-) 2,907
2008-2009	(-) 3,033	(-) 636	(-) 555	(-) 41	(-) 4,265
2009-2010	(-) 1,542	(-) 420	(-) 01	(-) 36	(-) 1,999
2010-2011	(-) 3,204	(-) 1,219	(-) 20	(-) 70	(-) 4,513
2011-2012	(-) 4,500	(-) 13,47	(+) 471	(-) 144	(-) 5,520

**5.3 Significant Savings**

Substantial savings under a grant indicates either non-implementation or slow implementation of certain schemes/programmes.

Some grants with persistent and significant savings are given below :

(₹ in crore)

Sr.No.	Grant	Nomenclature	2007-2008	2008-2009	2009-2010	2010-2011	2011-12
1	19	Other Expenditure Pertaining to Finance Department	38.17%	89.58%	71.20%	59.88%	81.23%
2	84	Non-Residential Buildings	42.76%	57.89%	45.69%	26.48%	32.51%

During 2011-2012, Supplementary grants totaling ₹ 5,049.10 crore (6.29% of total expenditure) proved to be unnecessary in some cases, where there were significant savings at the end of the year even against original allocations. A few instances are given below :

(₹ in crore)

Gr. No.	Nomenclature	Section	Original	Supplementary	Actual Expenditure
04	Animal Husbandry and Dairy Development	Revenue	266.47	2.30	252.87
05	Co-operation	Revenue	158.66	1.34	157.86
19	Other Expenditure pertaining to Finance Department	Capital	56.61	2.09	53.42
19	Other Expenditure pertaining to Finance Department	Revenue	2,886.64	0.0001	461.83
34	Economic Advice and Statistics	Revenue	111.09	27.50	69.80
39	Medical and Public Health	Revenue	1,991.91	78.94	1,989.50
49	Industries	Capital	213.64	16.62	120.21
57	Labour and Employment	Revenue	355.40	19.64	326.97
60	Administration of Justice	Revenue	596.53	19.78	444.95
71	Rural Housing and Rural Development	Revenue	796.57	8.20	688.69
84	Non Residential Buildings	Capital	1,014.49	0.0003	512.79
84	Non Residential Buildings	Revenue	491.77	42.65	532.55
85	Residential Buildings	Revenue	139.16	26.11	136.81
95	Scheduled Castes Sub-Plan	Revenue	1,468.89	35.74	1,453.91



## CHAPTER – VI

### ASSETS AND LIABILITIES

#### 6.1 Assets

The existing form of accounts do not easily depict valuation of Government assets like land, buildings etc except in the year of acquisition/purchase. Similarly while the accounts present the impact of liabilities to future generations except to the limited extent shown by the rate of interest and period of existing loans.

Total investment as share capital in Statutory Corporations, Govt. Companies, Rural Banks, Joint Stock Companies, Co-operatives and Public Sector Undertakings (PSUs) stood at ₹ 39,179 crore at the end of 2011-2012. However dividends received during the year were 129 crore (i.e 0.33%) on investment. During 2011-2012 investments increased by ₹ 4,683 crore while dividend income increased by ₹ 15 crore .

Cash balances with RBI stood at ₹ 127 crore on 31<sup>st</sup> March 2011 and increased to ₹ (-) 178 crore at the end of March 2012.

#### 6.2 Debt and Liabilities

Article 293 of the Constitution of India empowers the State Government to borrow on the security of the Consolidated fund of the State within such limits if any as may be from time to time fixed by the State Legislature.

Details of the Public Debt and total liabilities of the State Government are as under :

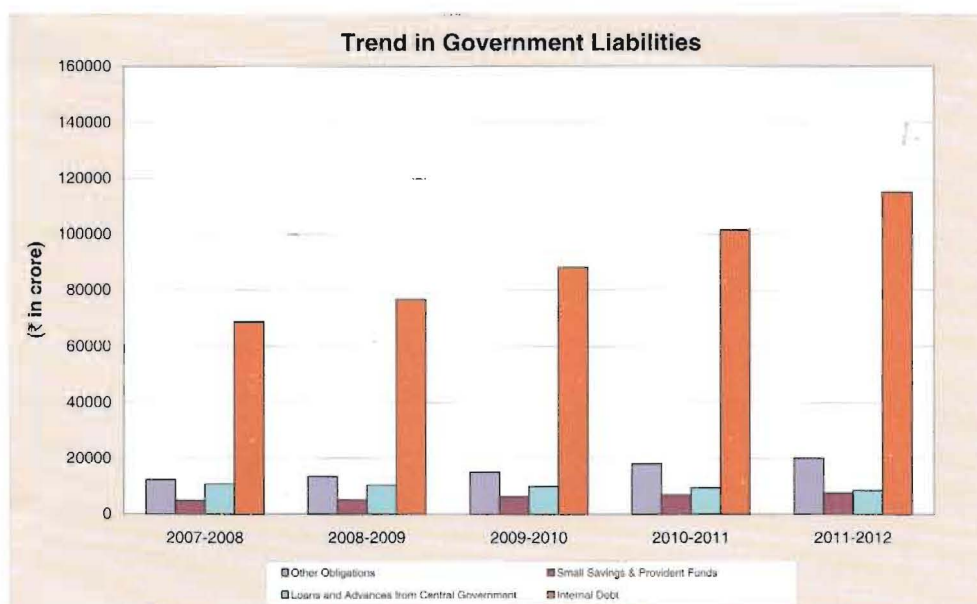
(₹ in crore)

Year	Public Debt	% of GSDP	Public Account (*)	% to GSDP	Total liabilities	% to GSDP
2007-2008	79,309	24	14,142	4	96,452	28
2008-2009	87,010	24	18,642	5	1,05,652	29
2009-2010	98,010	23	21,107	5	1,19,117	28
2010-2011	1,10,874	22	24,782	5	1,35,656	26
2011-2012	1,23,406	21	27,377	5	1,50,785	26

*Note : figures are progressive balances to end of the year.*

*(\*) Excludes suspense and remittance balances.*

There is a net increase of ₹ 15,129 crore (11 %) in Public Debt and other liabilities as compared to 2010-2011.



### 6.3 Guarantees

The position of guarantees by the State Government for the payment of loans and capital and payment of interest thereon raised by Statutory Corporations, Government Companies, Corporations Cooperative Societies etc is given below.

(₹ in crore)

At the end of the year	Maximum amount Guaranteed (Principal only)	Amount outstanding as on 31 <sup>st</sup> March 2011 (Principal only)
2007-2008	11,843	11,308
2008-2009	10,562	10,027
2009-2010	10,202	9,667
2010-2011	10,382	8,661
2011-2012	10,387	7,449

**CHAPTER – VII****OTHER ITEMS****7.1 Loans and Advances by the State Government**

Total loans and Advances made by the State Government outstanding at the end of 2011-2012 was ₹ 5,750 crore. During the year 2011-2012 the State Government had paid loans and advances amounting to ₹ 605 crore and recovered outstanding loans amounting to ₹ 165 crore. 13 statements were received out of 30 statements from the Controlling Officers maintaining detailed accounts. Accordingly recovery of principal amount aggregating to ₹ 0.65 crore and interest on loan amounting to ₹ 0.50 crore were in arrears at the end of 31st March 2012. In respect of loans advanced to Government Corporations/companies, non-Government institutes, local bodies etc recovery of principal amount of ₹ 636 crore and interest amount of ₹ 118 crore are in arrears as on 31st March 2012.

**7.2 Financial Assistance to local bodies and others**

Assistance given to local bodies during 2011-2012 was ₹ 27,942 crore. It increased from ₹ 8,582 crore in 2006-2007 to ₹ 27,942 crore in 2011-2012 which was a 300% increase in the last 6 years. During 2011-2012 a major portion of the total grant was consumed by Municipalities and other Panchayat Raj Institutions.

**7.3 Cash Balance and Investment of Cash Balance**

(₹ in crore)

Component	As on 1 <sup>st</sup> April 2011	As on 31 <sup>st</sup> March 2012	Net Increase (+)/ decrease (-)
Cash Balances	127	-178	-305
Investments from cash balances (GOI Treasury bills)	9,246	13,197	3,951
Investments from earmarked balances	5,588	5,588	-
(i) Sinking Fund	4,526	4,526	-
(ii) Guarantee Redemption Fund	811	861	50
(iii) Other funds	201	251	50
Interest realised	311	433	122



#### 7.4 Reconciliation of Accounts

Timely Reconciliation of Accounts ( figures of Accountant General with that of Government) ensures accuracy and reliability of accounts. Such reconciliation has been completed for ₹ 76,155 crore (100%) in respect of receipt against total receipt of Government amount to ₹ 76,155 crore and for a value of ₹ 80,031 crore (99.86%) of expenditure against total expenditure of Government amounting to ₹ 80,144 crore.

#### 7.5 Submission of accounts by Treasuries

During 2011-12 delay in rendition of accounts by treasuries ranged between one to six days. These accounts were incorporated in the same month of account without any exclusions.

#### 7.6 Abstract Contingent (AC) Bills and Detailed Contingent (DC) Bills

The Controlling and disbursing Officers are authorized to draw sums of money by presenting Abstract Contingency Bill by debiting Service Heads , and they are required to present Detailed Contingency (vouchers in support of final expenditure) to the Accountant General (A&E) within three months from the date of drawl of the Abstract contingency Bills as per Rule 211 of Gujarat Treasury Rules, 2000. At the end of 31<sup>st</sup> March 2012 Abstract Contingency Bills worth ₹ 294 crore were outstanding .

#### 7.7 Commitments of accounts of incomplete works

A total expenditure of ₹ 1,596.27 crore was incurred upto 31<sup>st</sup> March 2012 by the State Government on various incomplete projects costing ₹ 10 crore or more taken up by the Road and Building Department and the Narmada Water Resources, Water Supply and Kalpsar Department .

#### 7.8 Rush of expenditure

The financial rules stipulate that rush of expenditure particularly in the closing month of the financial year shall be regarded as a breach of financial regularity and should be avoided. However the expenditure incurred under certain heads of account during March 2012 ranged between 50.10% and 100% of the expenditure during the year indicating a tendency to utilize the budget at the close of the financial year . The flow of expenditure during the four quarters of 2011-2012 in the above mentioned heads was as given in the table:

Head of Account	Description	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter	Total	During March	Percentage of 3/2012 w.r to total expenditure of 2011-2012
		₹ in crore						
4856	Petrochemical Industries				600.00	600.00	600.00	100.00
5465	Investment in Trading Institution				53.00	53.00	53.00	100.00
6801	Loans for power project				85.00	85.00	85.00	100.00
4211	Capital outlay on family welfare		0.00	3.95	39.12	43.07	38.46	89.29
2075	Misc General Service	3.05	0.62	2.89	66.00	72.56	61.39	84.61
2245	Relief on Natural Calamities	1.51	7.80	29.21	142.02	180.54	132.80	73.56
4852	Capital outlay on Iron and Steel Industries		23.24	11.62	76.62	111.48	76.62	68.73
4515	Capital outlay of rural development programme		59.93	142.92	719.26	922.11	620.87	67.33
3604	Compensation to Local bodies	22.13	21.91	19.48	136.06	199.58	112.09	56.16
3452	Tourism	1.32	11.90	25.06	46.04	84.32	44.72	53.04
4210	Capital outlay on Medical and public health	15.00	148.38	54.41	404.18	621.97	311.63	50.10







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