



सत्यमेव जयते

Finance Accounts

2013-14

Volume-I



GOVERNMENT OF GUJARAT

Finance Accounts

2013-14

Volume-I

GOVERNMENT OF GUJARAT

(i)
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CERTIFICATE OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

This compilation containing the Finance Accounts of the Government of Gujarat for the year ending 31 March 2014 presents the financial position along with accounts of the receipts and disbursements of the Government for the year. These accounts are presented in two volumes, Volume-I contains the consolidated position of the state of finances and Volume-II depicts the accounts in detail. The Appropriation Accounts of the Government for the year for Grants and Charged Appropriations are presented in a separate compilation.

The Finance Accounts have been prepared under my supervision in accordance with the requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 and have been compiled from the vouchers, challans and initial and subsidiary accounts rendered by the treasuries, offices and departments responsible for the keeping of such accounts functioning under the control of the Government of Gujarat and the statements received from the Reserve Bank of India. Statements Nos.7(3), 9, 14 and 16(2), explanatory notes to Statements Nos. 3, 9 and 16 and appendices Nos. V, VI(A), X and XII in this compilation have been prepared directly from the information received from the Government of Gujarat who is responsible for ensuring the correctness of such information. Appendix VII has been prepared from the details collected from the Central Plan Scheme Monitoring System portal of the Controller General of Accounts.

The treasuries, offices and/or departments functioning under the control of the Government of Gujarat are primarily responsible for preparation and correctness of the initial and subsidiary accounts as well as ensuring the regularity of transactions in accordance with the applicable laws, standards, rules and regulations relating to such accounts and transactions. I am responsible for preparation and submission of Annual Accounts to the State Legislature. My responsibility for the preparation of accounts is discharged through the office of the Accountant General (A&E). The Audit of these accounts is independently conducted through the office of the Accountant General (E & RSA) in accordance with the requirements of Articles 149 and 151 of the Constitution of India and the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 for expressing an opinion on these Accounts based on the results of such audit. These offices are independent organizations with distinct cadres, separate reporting lines and management structure.

(iii)

The audit was conducted in accordance with the Auditing Standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance that the accounts are free from material misstatement. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements.

On the basis of the information and explanations that my officers required and have obtained, and according to the best of my information, as a result of test audit of the accounts and on consideration of explanations given, I certify that, to the best of my knowledge and belief, the Finance Accounts read with the explanatory 'Notes to Accounts' give a true and fair view of the financial position and the receipts and disbursements of the Government of Gujarat for the year 2013-2014.

Points of interest arising from study of these accounts as well as test audit conducted during the year or earlier years are contained in my Reports on the Government of Gujarat being presented separately for the year ended 31 March 2014.

Date : 19 November 2014
Place: New Delhi



(SHASHI KANT SHARMA)
Comptroller and Auditor General of India

Guide to the Finance Accounts

A. Broad overview of the structure of Government accounts

1. The Finance Accounts of the State of Gujarat present the accounts of receipts and outgoings of the Government for the year, together with the financial results disclosed by the Revenue and Capital accounts, the accounts of the Public Debt and the liabilities and assets of the State Government as worked out from the balances recorded in the accounts.

2. The Accounts of the Government are kept in three parts:

Part I: The Consolidated Fund: This Fund comprises all revenues received by the State Government, all loans raised by the State Government (market loans, bonds, loans from the Central Government, loans from Financial Institutions, Special Securities issued to National Small Savings Fund, etc.), Ways and Means advances extended by the Reserve Bank of India and all moneys received by the State Government in repayment of loans. No moneys can be appropriated from this Fund except in accordance with law and for the purposes and in the manner provided by the Constitution of India. Certain categories of expenditure (e.g., salaries of Constitutional authorities, loan repayments etc.), constitute a charge on the Consolidated Fund of the State (Charged expenditure) and are not subject to vote by the Legislature. All other expenditure (Voted expenditure) is voted by the Legislature.

The Consolidated Fund comprises two sections: Revenue and Capital (including Public Debt, Loans & Advances). These are further categorised under 'Receipts' and 'Expenditure'. The Revenue Receipts section is divided into three sectors, viz., 'Tax Revenue', 'Non Tax Revenue' and 'Grants in Aid and Contributions'. These three sectors are further divided into sub-sectors like 'Taxes on Income and Expenditure', 'Fiscal Services', etc. The Capital Receipts section does not contain any sectors or sub-sectors. The Revenue Expenditure section is divided into four sectors, viz., 'General Services', 'Social Services', 'Economic Services' and 'Grants in Aid and Contributions'. These sectors in the Revenue Expenditure section are further divided into sub-sectors like, 'Organs of State', 'Education, Sports, Art and Culture' etc. The Capital Expenditure section is sub-divided into seven sectors, viz., 'General Services', 'Social Services', 'Economic Services', 'Public Debt', 'Loans and Advances', 'Inter-State Settlement' and 'Transfer to Contingency Fund'.

Part II: The Contingency Fund: This Fund is in the nature of an imprest which is established by the State Legislature by law, and is placed at the disposal of the Governor to enable advances to be made for meeting unforeseen expenditure pending authorisation of such expenditure by the State Legislature. The fund is recouped by debiting the expenditure to the concerned functional major head relating to the Consolidated Fund of the State. The Contingency Fund of the Government of Gujarat for 2013-14 is ₹ 200 Crore.

Part III: The Public Account: All other public moneys received by or on behalf of the Government, where the Government acts as a banker or trustee, are credited to the Public Account. The Public Account includes repayables like Small Savings and Provident Funds, Deposits (bearing interest and not bearing interest), Advances, Reserve Funds (bearing interest and not bearing interest), Remittances and Suspense heads (both of which are transitory heads, pending final booking). The net cash balance available with the Government is also included under the Public Account. The Public Account comprises six sectors, viz., 'Small Savings, Provident Funds etc.', 'Reserve Funds', 'Deposit and Advances', 'Suspense and Miscellaneous', 'Remittances', and 'Cash Balance'. These sectors are further sub-divided into sub-sectors. The Public Account is not subject to the vote of the Legislature.

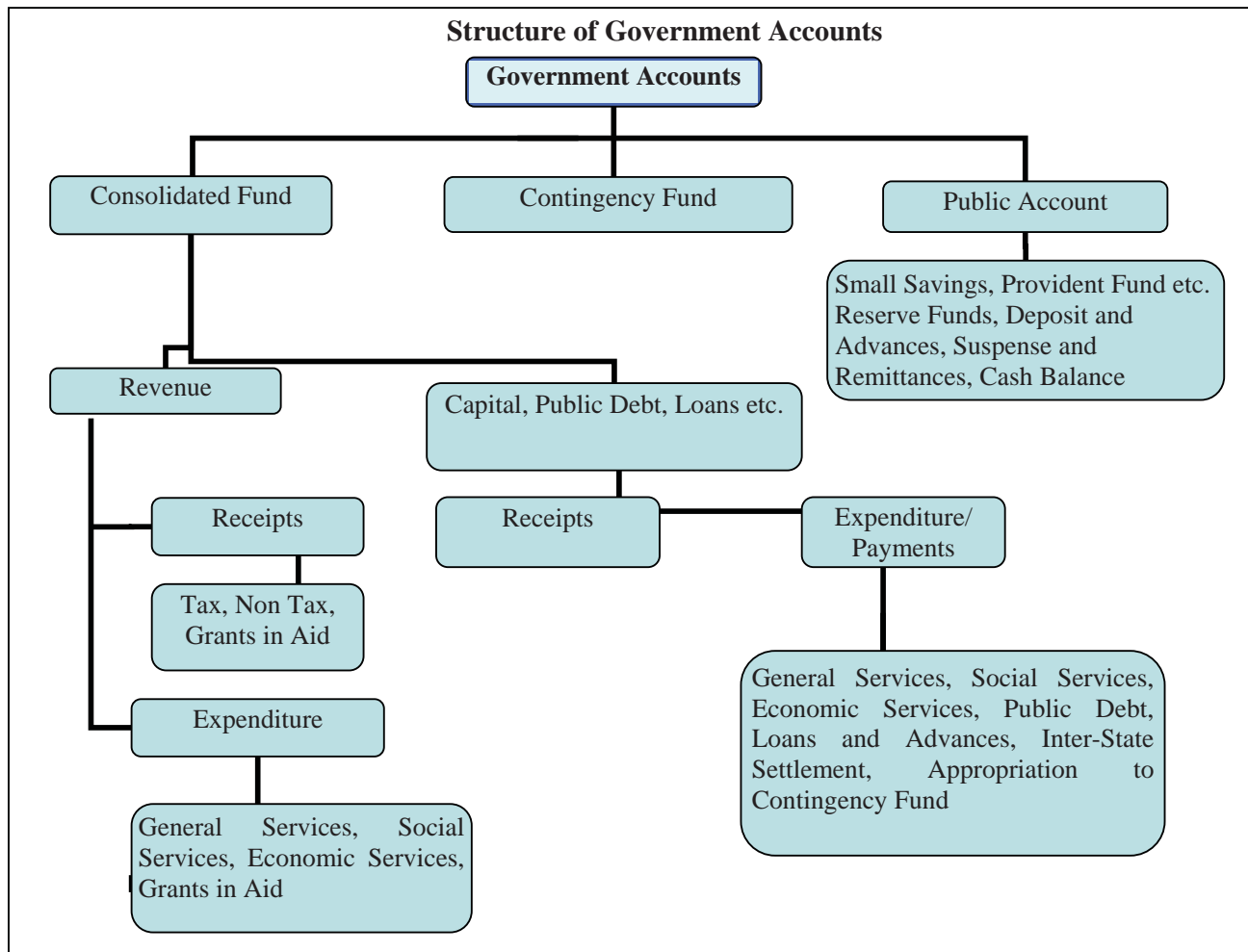
3. Government accounts are presented under a six tier classification, viz., Major Heads (four digits), Sub-Major Heads (two digits), Minor Heads (three digits), Sub-Heads (two digits), Detailed Heads (two digits), and Object Heads (two digits). Major Heads represent functions of Government, Sub-Major Heads represent sub-functions, Minor Heads represent programmes / activities, Sub-Heads represent schemes, Detailed Heads represent sub-schemes, and Object Heads represent purpose/ object of expenditure.

4. The main unit of classification in accounts is the Major Head which contains the following coding pattern (according to the List of Major and Minor Heads corrected upto March 2014)

0020 to 1606	Revenue Receipts
2011 to 3606	Revenue Expenditure
4000	Capital Receipts
4046 to 7810	Capital Expenditure (including Public Debt, Loans & Advances)
7999	Appropriation to the Contingency Fund
8000	Contingency Fund
8001 to 8999	Public Account

5. The Finance Accounts, generally (with some exceptions), depict transactions up to the Minor Head. The figures in the Finance Accounts are depicted at net level, i.e., after accounting for recoveries as reduction of expenditure. This treatment is different from the depiction in the Demands for Grants presented to the Legislature and in the Appropriation Accounts, where, expenditure is depicted at the gross level.

6. A pictorial representation of the structure of accounts is given below:



B. What the Finance Accounts contain

The Finance Accounts are presented in two volumes.

Volume-I contains the Certificate of the Comptroller and Auditor General of India, the Guide to the Finance Accounts, four statements which give summarised information on the financial position and transactions of the State Government for the current financial year, Notes to Accounts and an appendix to the Notes to accounts. Details of the **four** statements in **Volume-I** are given below:

1. **Statement of Financial Position:** This statement depicts the cumulative figures of assets and liabilities of the State Government, as they stand at the end of the year, and as compared to the position at the end of the previous year.
2. **Statement of Receipts and Disbursements:** This statement depicts all receipts and disbursements of the State Government during the year in all the three parts in which Government accounts are kept, viz., the Consolidated Fund, Contingency Fund and Public Account. In addition, it contains an annexure, showing alternative depiction of Cash Balances (including investments) of the Government. The Annexure also depicts the Ways and Means position of the Government in detail.
3. **Statement of Receipts (Consolidated Fund):** This statement comprises revenue and capital receipts (including disinvestments, borrowings and recoveries of loans and advances). This statement corresponds to detailed statements 11, 15 and 16 in Volume-II of the Finance Accounts.
4. **Statement of Expenditure (Consolidated Fund):** In departure from the general depiction of the Finance Accounts up to the Minor Head level, this statement gives details of expenditure by nature of activity (objects of expenditure) also. This statement corresponds to detailed statement 12, 13, 15 and 16 in Volume-II.

Volume-II of the Finance Accounts contains **three parts- six summary statements in Part I, nine detailed statement in Part II and eleven Appendices in Part III.**

Part I of Volume-II

5. **Statement of Progressive Capital Expenditure.** This statement corresponds to the detailed statement 13 in Part II.
6. **Statement of Borrowings and Other Liabilities:** Borrowings of the Government comprise market loans raised by it (Internal Debt) and Loans and Advances received from the Government of India. 'Other Liabilities' comprise 'Small Savings, Provident Funds etc.', 'Reserve Funds' and 'Deposits'. The statement also contains a note on service of debt, and corresponds to the detailed Statement 15 in Part II.
7. **Statement of Loans and Advances given by the Government:** This statement depicts all loans and advances given by the State Government to various categories of loanees like Statutory Corporations, Government Companies, Autonomous and Other Bodies/ Authorities and recipient individuals (including Government servants). This statement corresponds to the detailed statement 16 in Part II
8. **Statement of Grants in aid given by the Government:** This statement depicts all Grants in aid given by the State Government to various categories of grantees like Statutory Corporations, Government Companies, Autonomous and Other Bodies/ Authorities and individuals. Appendix IV provides details of the recipient institutions.
9. **Statement of Guarantees given by the Government:** This statement summarises the guarantees given by the State Government on repayment of principal and interest on loans raised by Statutory Corporations, Government Companies, Local Bodies and Other institutions.
10. **Statement of Voted and Charged Expenditure:** This statement assists in the agreement of the net figures appearing in the Finance Accounts with the gross figures appearing in the Appropriation Accounts.

Part II of Volume-II

- 11. Detailed Statement of Revenue and Capital Receipts by Minor Heads:** This statement corresponds to the summary statement 3 in Volume-I of the Finance Accounts.
- 12. Detailed Statement of Revenue Expenditure by Minor Heads:** This statement, which corresponds to the summary statement 4 in Volume-I, depicts the revenue expenditure of the State Government under Plan (State Plan, Centrally Sponsored Schemes and Central Plan Schemes) and Non Plan. Charged and Voted expenditure are exhibited distinctly.
- 13. Detailed Statement of Capital Expenditure by Minor Heads and Sub- Heads:** This statement, which corresponds to the summary statement 5 in Part-I of this volume, depicts the capital expenditure (during the year and cumulatively) of the State Government under Plan (State Plan, Centrally Sponsored Schemes and Central Plan Schemes) and Non Plan. Charged and Voted expenditure are exhibited distinctly. In addition to representing details of capital expenditure at Minor Head level, in respect of significant schemes, this statement depicts details at Sub Head levels also.
- 14. Detailed Statement of Investments of the Government:** This statement depicts investments of the State Government in the equity capital of Statutory Corporations, Government Companies, other Joint Stock Companies, Cooperative institutions and Local Bodies.
- 15. Detailed Statement of Borrowings and Other Liabilities:** This statement, which corresponds to the summary statement 6 in Part I of this volume, contains details of all loans raised by the State Government (market loans, bonds, loans from the Central Government, loans from Financial Institutions, Special Securities issued to National Small Savings Fund, etc.), and Ways and Means advances extended by the Reserve Bank of India. This statement presents the information on loans under three categories: (a) details of individual loans; (b) maturity profile, i.e., amounts payable in respect of each category of loans in different years; and (c) interest rate profile of outstanding loans.
- 16. Detailed Statement on Loans and Advances given by the Government:** This statement corresponds to the summary statement 7 in Part I of this volume.
- 17. Statement on Sources and Application of Funds for Expenditure other than on Revenue Account:** This statement is based on the principle that revenue expenditure is expected to be defrayed from revenue receipts, while capital expenditure of the year is met from revenue surplus, net credit balances in the public account, cash balance at the beginning of the year, and borrowings.
- 18. Detailed Statement on Contingency Fund and Other Public Account transactions:** This statement depicts at Minor Head level the details of unrecouped amounts under Contingency Fund, consolidated position of Public Accounts transactions during the year, and outstanding balances at the end of the year.
- 19. Detailed Statement on Earmarked Balances:** This statement depicts details of investments from the Reserve Funds and deposits (Public Account).

Part III of Volume-II

Part III contains eleven appendices on various items including salaries, subsidies, grants-in-aid, externally aided projects, scheme wise expenditure in respect of major Central schemes and State Plan schemes, etc. These details are present in the accounts at Sub Head level or below (i.e. below Minor Head levels) and so are not generally depicted in the Finance accounts. A detailed list of appendices appears at the 'Index' in Volume-I or II. The statements read with the appendices give a complete picture of the state of finances of the State Government.

C. Ready Reckoner

The section below links the summary statements appearing in Volume-I with the detailed statements and appendices in Volume-II. (Appendices which do not have a direct link with the Summary Statements are not shown below).

Parameter	Summary Statements (Volume-I/ Volume-II)	Detailed Statements (Volume-II)	Appendices
Revenue Receipts (including Grants received)	2, 3	11	-
Revenue Expenditure	2, 4	12	II (Salary), III (Subsidy)
Grants-in-aid given by the Government	2	8	IV
Capital receipts	2, 3	11	-
Capital expenditure	1, 2, 4	5, 13, 17	-
Loans and Advances given by the Government	1, 2, 7	16	-
Debt Position/Borrowings	1, 2, 6	15	-
Investments of the Government in Companies, Corporations etc	-	14	-
Cash	1, 2	-	VIII
Balances in Public Account and investments thereof	1, 2	18, 19	-
Guarantees	-	9	-
Schemes	-	-	V (Externally Aided Projects), VI, VII

D. Periodical adjustments and Book adjustments:

Certain transactions that appear in the accounts do not involve actual movement of cash at the time of booking. Some of these transactions take place at the level of the account rendering units (e.g. treasuries, divisions etc.) themselves. For instance, transactions involving adjustment of all deductions (GPF, recoveries of advances given etc.) from salaries are recorded by debiting functional major heads (pertaining to the concerned department) by book adjustment to revenue/loans/public account receipts. Similarly 'nil' bills where moneys transferred between the Consolidated Fund and Public Account represent non-cash transactions occurring at the level of the accounts rendering units.

In addition to the above, the Accountant General (A&E) carries out periodical adjustments and book adjustments of the following nature in the accounts of the State Government, details of which appear in Appendix I (Volume-I) and footnotes to the relevant statements.

Examples of periodical adjustments and book adjustments are given below:

(1) Creation of funds/ adjustment of contribution to Funds in Public Account by debit to Consolidated Fund e.g., State Disaster Response Fund, Central Road Fund, Sinking Fund, etc.

(2) Crediting of deposit heads of accounts in Public Account by debit to Consolidated Fund.

(3) Annual adjustment of interest on General Provident Fund (GPF) and State Government Group Insurance Scheme where interest on GPF is adjusted by debiting Major Head 2049-Interest payments and crediting Major Head 8009-General Provident Fund.

(4) Adjustment of Debt waiver under the scheme of Government of India based on the recommendations of the Central Finance Commissions. These adjustments (where Central loans are written off by crediting Major Head 0075-Misc. General Services by contra entry in the Major Head 6004-Loans and Advances from the Central Government) impact both Revenue Receipts and Public Debt heads.

STATEMENT NO-1: STATEMENT OF FINANCIAL POSITION

Assets	Reference (Sr.No)		As at 31 March 2014	As at 31 March 2013
	Notes to Accounts	Statement		
			<i>(₹ in crore)</i>	
Cash (@)			1,53,86.48	1,86,89.90
(i) Cash in Treasuries and Local Remittances	...	18	4.19	4.19
(ii) Departmental Balances	...	18	25.02	26.45
(iii) Permanent Imprest	...	18	0.27	0.27
(iv) Cash Balance Investments	...	18	1,19,23.20	1,33,57.65
(v) Deposits with Reserve Bank of India	...	18	-17,35.22	-2,86.17
(vi) Investments from Earmarked Funds[1]	...	19	51,69.02	55,87.51
Capital Expenditure	...		13,91,66.47	11,64,89.11 (*)
(i) Investments in shares of Companies, Corporations, etc.	...	14	5,50,14.55#	4,71,71.49
(ii) Other Capital Expenditure	...	13	8,41,51.92	6,93,17.62 (*)
Contingency Fund (unrecouped)	3(x)	18	0.11	-
Loans and Advances	...	16	70,48.16	65,85.63
Advances	...	18	0.77	0.77
Suspense and Miscellaneous Balances[3]				
Remittance Balance				
Cumulative excess of expenditure over receipts[4]	...		2,78,19.64	3,25,36.65 (*)
Total			18,94,21.63	17,43,02.06

[1] Investment out of earmarked fund in shares of company etc. are excluded under capital expenditure and included under "Investment from Earmarked Fund".

[2] The figures of Assets and Liabilities are cumulative figures. Please also see note 1.(ii) in the section "Notes to Accounts".

[3] In this statement the line item 'Suspense and Miscellaneous Balances' does not include 'Departmental balances, permanent imprest and 'Cash Balance Investment Account', which is included separately above, though the latter forms part of this sector elsewhere in these Accounts.

[4] The cumulative excess of expenditure over receipts is different from the fiscal/revenue deficit for the current year.

The difference of ₹ 4717.01 Crore (credit) between current year and previous year under the cumulative excess of expenditure over receipt comprises (i) Revenue Surplus of ₹ 4717.20 Crore (Credit) and (ii) net account adjustment under F- Suspense and Miscellaneous ₹ 0.19 Crore (Debit) as detailed in Appendix-VIII at Page 553.

(@) A statement of cash balance and investments of cash balances is given at Annexure to Statement No.2 at page 5.

(*) Differ from the last year figure due to rectification of error of non-accountal of ₹ 896.42 crore on account of miscellaneous capital receipt.

This does not include Bonus Shares of ₹ 43.88 Crore and therefore total investments shown in Statement No.14 differs to this extent.

STATEMENT NO-1: STATEMENT OF FINANCIAL POSITION-Concl'd.

Liabilities	Reference (Sr.No)		As at 31 March 2014	As at 31 March 2013
	Notes to Accounts	Statement		
<i>(₹ in crore)</i>				
Borrowings (Public Debt)				
(i) Internal Debt	...	15	14,16,99.57	12,80,65.19
(ii) Loans and Advances from Central Government				
Non-Plan Loans	...	6,15	46.80	50.53
Loans for State Plan Schemes	...	6,15	77,57.09	82,48.61
Loans for Central Plan Schemes	...	6,15	-	-
Loans for Centrally Sponsored Plan Schemes	...	6,15	0.18	0.18
Other loans	...	6,15	2.52	2.53
Contingency Fund (Corpus)	3(x)	18	2,00.00	2,00.00
Liabilities on Public Account				
(i) Small Savings, Provident Funds, etc.	...	6,15,18	85,48.27	80,41.56
(ii) Deposits	...	18	2,11,81.45	1,89,39.41
(iii) Reserve Funds	...	17,18	89,90.38	89,06.81
(iv) Remittance Balances	...	17,18	4,89.10	3,08.43
(v) Suspense and Miscellaneous Balances	...	18	5,06.27	15,38.81
Cumulative excess of receipts over expenditure			-	-
Total			18,94,21.63	17,43,02.06

STATEMENT NO-2. STATEMENT OF RECEIPTS AND DISBURSEMENTS

	2013-14	2012-13		2013-14	2012-13
				(₹ in crore)	
Part-I Consolidated Fund					
Section-A: Revenue					
Revenue Receipts			Revenue Expenditure		
Tax revenue (raised by the State)	5,63,72.37	5,38,96.69	Salaries (1)	69,98.94	65,14.28
Non-tax revenue			Subsidies (1)	64,41.64	65,07.46
Interest receipts	12,67.18	13,25.84	Grants-in-aid (2)	3,46,97.83	317,36.77
Others	57,51.13	46,91.15	General services		
Total	70,18.31	60,16.99	Interest Payment and service of debt	1,33,32.01	1,21,60.65
Share of Union Taxes/Duties	97,01.93	88,69.05	Pension (*)	82,69.99	71,97.79
			Others	-	41.40
			Total General Services	2,16,02.00	1,93,99.84
Grants from Central Government	68,83.13	64,45.80	Social services	44,44.02	39,95.56
Total Revenue Receipt.	7,99,75.74	7,52,28.53	Economic services	20,65.25	13,42.30
Revenue Deficit	-	-	Compensation and assignment to Local Bodies and PRIs (**)	3,25.67	1,62.28
			Total Revenue Expenditure	7,52,58.54	6,96,58.49
			Revenue Surplus	47,17.20	55,70.04
Section-B-Capital					
Capital Receipts			Capital Expenditure		
Miscellaneous Capital Receipts	-	-	Salaries (1)	2,10.29	1,93.18
			Subsidies (1)	1,67.96	2,07.27
Total Capital Receipts	-	-	Grant- in- aid (1)	14,62.45	8,81.30
			General Services	8,16.49	6,96.77
			Social Services	55,08.75	52,25.73
			Economic Services	1,45,11.43	1,40,22.28
			Total Capital Expenditure	2,26,77.37	2,12,26.53
			Loans and Advances disbursed		
Recoveries of Loans and Advances	1,40.69	46.90	Subsidies	2.79	-
			Grant- in- aid	0.30	-
			General Services	-	-
			Social Services	19.68	21.07
Total Recoveries of Loans and Advances	1,40.69	46.90	Economic Services	5,28.41	8,04.50
Public debt receipts			Others	52.05	56.68
Internal Debt (market loans etc.)(3)	1,91,82.01	1,89,05.54	Total Loans and Advances disbursed	6,03.23	8,82.25
Loans from Government of India	1,61.03	5,91.65	Repayment of Public Debt		
Total- Public debt receipts	1,93,43.04	1,94,97.19	Internal Debt (market loans etc.) (3)	55,47.63	57,94.42
			Loans from Government of India	6,56.28	7,42.10
			Total- Repayment of Public debt	62,03.91	65,36.52

(*) Includes Grants-in-aid of ₹2535.67 crore.

(**) Includes Grants-in-aid of ₹ 300.55 crore.

[1] Salary, Subsidy and Grants in aid figures have been summed up across all sectors to present a consolidated figure. The expenditure in this statement under the sectors 'Social', 'General' and 'Economic' services does not include expenditure on salaries, subsidies and grants in aid (explained in footnote 2).

[2] Includes expenditure under Minor head codes-191,192,193,196,197 and 198 and (ii) detailed/Object head 031-Grant -in-aid.

[3] Small Savings collected from a State are given back to the State Government as loans against which they are required to issue special securities in favour of National Small Saving Fund. During the year 2013-14 an amount of ₹ 1912.06 crore were collected on this account. However, an amount of ₹ 2265.55 crore was discharged during the year. The total outstanding loan as on 31 March 2014 was ₹ 47840.91 crore.

STATEMENT NO-2. STATEMENT OF RECEIPTS AND DISBURSEMENTS-concl'd.

	2013-14	2012-13		2013-14	2012-13
				(₹ in crore)	
Total Receipts Consolidated Fund	9,94,59.47	9,47,72.62	Total Expenditure Consolidated Fund	10,47,43.05	9,83,03.79
Deficit in Consolidated Fund	52,83.58	35,31.17	Surplus in Consolidated Fund	-	-
Part II Contingency Fund					
Contingency Fund	-	80.50	Contingency Fund	0.11	-
Part III Public Account(4)					
Small savings	20,53.73	19,30.20	Small Savings	15,47.01	13,40.69
Reserves & Sinking Funds	11,52.30	7,68.42	Reserves & Sinking Funds	6,50.24	2,80.14
Deposits	3,40,16.71	3,10,45.02	Deposits	3,17,74.67	2,92,00.74
Advances	4,93.44	4,17.52	Advances	4,93.44	4,17.52
Suspense and Miscellaneous	18,99,35.03	29,68,65.41	Suspense and Miscellaneous(5)	18,95,31.89	29,63,71.72
Remittances	1,55,68.31	1,51,13.57	Remittances	1,53,87.64	1,51,82.75
Total Receipts Public Account	24,32,19.52	34,61,40.14	Total Disbursements Public Account	23,93,84.89	34,27,93.56
Deficit in Public Account			Surplus in Public Account	38,34.63	33,46.58
Opening Cash Balance	(-)281.97	(-)177.89	Closing Cash Balance(6)	(-)1731.03	(-)281.97
Increase in Cash Balance			Decrease in Cash balance	14,49.06	1,04.08

[4] For details please refer to Statement No.18 in volume-II

[5] 'Suspense and Miscellaneous' includes 'other accounts' such as Cash Balance Investment account (Major Head 8673)etc. The figures may appear huge on account of these other accounts. Details may please be seen in Statement 18.

[6] For other details of Cash Balances please refer to Annexure to this statement.

ANNEXURE TO STATEMENT NO 2
CASH BALANCES AND INVESTMENT OF CASH BALANCES

	As on 31 March 2014	As on 31 March 2013
<i>(₹ in Crore)</i>		
(a) General Cash Balances-		
1. Cash in Treasuries	-	-
2. Deposits with Reserve Bank	-17,35.22	-2,86.17
3. Remittances in Transit	4.19	4.19
Total	-17,31.03	-2,81.98
4. Investments held in the "Cash Balance Investment Account"	1,19,23.20	1,33,57.65
Total-(a)	1,01,92.17	1,30,75.67
(b) Other Cash Balances and Investments-		
1. Cash with the departmental officers	25.02	26.45
2. Permanent Advances for contingent expenditure with the departmental officers	0.27	0.27
3. Investment of earmarked funds and deposits	51,69.02	55,87.51
Total-(b)	51,94.31	56,14.23
Total-(a) and (b)	1,53,86.48	1,86,89.90

ANNEXURE TO STATEMENT NO 2-contd.
CASH BALANCES AND INVESTMENT OF CASH BALANCES.

Explanatory Notes

a) Cash and Cash Equivalents: Cash and cash equivalents consist of cash in treasuries and deposit with Reserve Bank of India and other Banks and Remittances in Transit, as stated below. The balance under the head 'Deposits with Reserve Bank depicts the combined balance of the Consolidated Fund, Contingency Fund and the Public Account at the end of the year. To arrive at the overall cash position, the cash balances with treasuries, departments and investments out of the cash balances/reserve funds etc are added to the balance in 'Deposits with RBI'.

Overall Cash Position of the Government	As on 31 March 2014	As on 31 March 2013
	(₹ in Crore)	
(i) Cash in Treasuries	-	-
(ii) Deposit with RBI [1]	-17,35.22 (A)	-2,86.17
(iii) Local Remittances	4.19	4.19
(iv) Investments held in "Cash Balance Investment Account"	1,19,23.20 (a)	1,33,57.65
(v) Departmental Cash Balances	25.02	26.45
(vi) Permanent Imprest	0.27	0.27
(vii) Investment out of Earmarked funds	51,69.02	55,87.51
TOTAL	1,53,86.48	1,86,89.90

(b) Daily Cash Balance: Under an agreement with the Reserve Bank of India, the State Government has to maintain a minimum cash balance of ₹ 2.80 crore with the Bank. If the balance falls below the agreed minimum on any day, the deficiency is made good by taking ordinary and special ways and means advances/overdrafts from time to time.

For arriving at the daily cash balance [2] for the purpose of grant of Ways and Means advances/Overdraft, the RBI evaluates the holdings of the 14 day treasury bills along with the transactions reported (at RBI counters, Inter-Government transactions and Treasury transactions reported by the agency banks) for the day. To the cash balance so arrived, the maturity of 14 day Treasury Bills if any, is added and excess balance, if any, after maintaining the minimum cash balance is reinvested in Treasury Bills. If the net cash balance arrived at results in less than the minimum cash balance or a credit balance and if there are no 14 day treasury bills maturing on that day, RBI rediscounts the holdings of the 14 day Treasury Bills and makes good the shortfall. If there is no holding of 14 day Treasury Bills on that day the State Government applies for Ways and Means Advances/Special Ways and Means Advances/ Over Draft.

[1] The balance under the head 'Deposits with Reserve Bank' is arrived at after taking into account the Inter-Government monetary settlements pertaining to transactions of the Financial Year 2013-14 advised to the RBI till 15 April-2014

[2] The cash balance ('Deposits with RBI') above is the closing cash balance of the year as on 31 March but worked out by 15 April and not simply the daily balance on 31 March.

(A) There was a difference of ₹ 182.84 Crore (Credit) between the figures reflected in the accounts ₹ 1735.22 Crore (Credit) and that intimated by the Reserve Bank of India ₹ 1552.38 Crore (Debit) regarding "Deposits with Reserve Bank" included in Cash Balance. Further , at the end of June 2014, the difference outstanding is reduced to ₹ 182.80 Crore. Difference is under reconciliation.

(a) For details please see Note (d) on page No.7.

ANNEXURE TO STATEMENT NO 2-concl.
CASH BALANCES AND INVESTMENT OF CASHBALANCES.

(c) . **Limit for the Ways and Means Advances** : The limit for ordinary ways and means advances to the State Government was ₹ 630 Crore with effect from 1-4-2009. The Bank has also agreed to give special ways and means advances against the pledge of Government Securities. The limit of special ways and means advances revised by the bank from time to time.

The Government Maintained the minimum Cash Balance with the Reserve Bank of India for all 365 days of the year 2013-14. No ways and means advances / special ways and means advances / over draft was taken by the Government during the Financial year 2013-14.

(d) The following is an analysis of investments held in Cash Balance Investment Account:-

	Opening Balance on 1 April 2013	Purchase during 2013-14	Sales during 2013-14	Closing balance on 31 March 2014
	(₹ in Crore)			
Short-term Investments- Government of India Treasury Bills	1,33,57.65	18,93,41.70	19,07,76.15	1,19,23.20
TOTAL	1,33,57.65	18,93,41.70	19,07,76.15	1,19,23.20

Interest realised on the above investments during the year 2013-2014 was ₹ 8,04.43 Crore.

STATEMENT No. 3 STATEMENT OF RECEIPTS (CONSOLIDATED FUND)

Description	Actuals	
	2013-2014	2012-2013
	(₹ in crore)	
I-CONSOLIDATED FUND		
A. Tax Revenue		
Own Tax Revenue		
Land Revenue	17,27.41	22,07.85
Stamps and Registration Fees	47,49.35	44,26.93
Taxes on Immovable Property other than Agricultural		
Land	2,19.96	1,85.75 (*)
State Excise	1,09.82	84.91
Taxes on Sales, Trade etc.	4,09,76.06	3,94,64.67
Taxes on Vehicles	22,82.81	22,76.26
Taxes on Goods and Passengers	8,33.56	2,10.58
Others	54,73.40	50,39.75 (*)
Share of net proceeds of Taxes		
Corporation Tax	32,62.87	31,91.95
Taxes on Income other than Corporation Tax	21,48.50	19,10.96
Other Taxes on Income and Expenditure	...	-17.12
Taxes on Wealth	8.96	5.41
Customs	15,82.96	14,76.72
Union Excise Duties	11,18.01	10,03.54
Service Tax	15,80.63	12,97.58
Total A. Tax Revenue	6,60,74.30	6,27,65.74
B. Non Tax Revenue		
Other Fiscal Services	0.15	0.09 (*)
Interest Receipts	12,67.18	13,25.84
Miscellaneous General Services	90.62	-3,34.66
Non-ferrous Mining and Metallurgical Industries	15,78.34	18,47.16
Ports and Light Houses	6,36.84	5,77.68
Major Irrigation	5,29.15	4,08.34
Education, Sports, Art and Culture	4,24.60	2,60.96
Medium Irrigation	3,68.36	3,05.79
Labour and Employment	3,64.54	3,10.61
Dividends and Profits	2,77.44	54.31
Police	1,77.81	1,63.84
Housing	1,38.74	42.67
Medical and Public Health	1,11.88	1,26.34
Other Administrative Services	1,00.32	1,02.22
Animal Husbandry	95.00	9.86
Urban Development	88.24	96.44
Crop Husbandry	84.69	32.06
Roads and Bridges	79.62	83.28
Other General Economic Services	72.10	42.59
Other Social Services	67.05	28.69

(*) Differs from last years accounts due to clubbing in 'Others' in 2012-13.

STATEMENT No. 3 STATEMENT OF RECEIPTS (CONSOLIDATED FUND)-Contd.

Description	Actuals	
	2013-2014	2012-2013
(₹ in crore)		
I-CONSOLIDATED FUND		
B. Non Tax Revenue - conclud		
Forestry and Wild Life	60.04	54.39
Other Rural Development Programmes	59.09	33.78
Contributions and Recoveries towards Pension and		
Other Retirement benefits	58.54	41.75
Public Works	54.99	44.36
Food Storage and Warehousing	29.30	93.35
Other Special Areas Programmes	25.65	39.58
Co-operation	24.83	30.50
Stationery and Printing	23.63	18.80
Industries	21.00	15.21
Minor Irrigation	16.70	10.18
Other Agricultural Programmes	16.44	0.89 (*)
Fisheries	14.01	7.80
Village and Small Industries	11.82	7.34
Social Security and Welfare	10.13	7.60
Power	8.68	1,05.93
Family Welfare	8.60	5.04
Jails	8.42	9.06
Dairy Development	8.27	3.17
Information and Publicity	1.87	2.34
Water Supply and Sanitation	1.45	1.37
Non Conventional Sources of Energy	1.23	...
Public Service Commission	0.61	0.21
Civil Supplies	0.24	0.14 (*)
Tourism	0.09	...
Petroleum	0.01	0.01 (*)
Others	0.00	0.08 (*)
Total B. Non Tax Revenue	70,18.31	60,16.99
II-GRANTS FROM GOVERNMENT OF INDIA		
C. Grants		
Grants-in-aid from Central Government		
Non-Plan Grants-		
Grants under the proviso to Art.275(I) of the		
Constitution	7,89.13	4,57.66
Village and Small Industries	...	0.28
Other grants	12,90.08	7,72.37
Grants for State/Union Territory Plan Schemes-		
Block Grants	22,73.66	23,08.48
Grants under Proviso to Article 275 (I) of the		
Constitution	1,87.23	3,37.46

(*) Differs from last years accounts due to clubbing in 'Others' in 2012-13.

STATEMENT No. 3 STATEMENT OF RECEIPTS (CONSOLIDATED FUND)-Contd.

Description	Actuals	
	2013-2014	2012-2013
	(₹ in crore)	
II-GRANTS FROM GOVERNMENT OF INDIA		
Grants under Central Road Fund	1,00.70	1,53.69
Other Grants	42.87	6,67.10
Grants for Central Plan Schemes-	58.21	83.41
Grants for Centrally Sponsored Plan Schemes-	21,41.25	16,65.35
Grants for Special Plan Schemes	...	...
Total C. Grants	68,83.13	64,45.80
Total Revenue Receipts (A+B+C)	7,99,75.74	7,52,28.53
III-CAPITAL, PUBLIC DEBT AND OTHER RECEIPTS		
D. Capital Receipts		
Disinvestment proceeds	...	...
Others	...	...
Total D. Capital Receipts	...	...
E. Public Debt receipts		
Internal Debt of the State Government		
Market Loans	1,54,92.55	1,55,46.25
Loans from Financial Institutions	17,77.40	17,00.00
Special Securities issued to National Small Saving Fund for the Central Government	19,12.06	16,59.29
Loans and Advances from the Central Government		
Loans for State / Union Territory Plan Schemes	1,61.03	5,72.38
Loans for Central Plan Schemes	...	8.73
Loans for Centrally Sponsored Plan Schemes	...	10.54
Total E. Public Debt receipts	1,93,43.04	1,94,97.19
F. Loans and Advances by State Government (Recoveries) (1)		
	1,40.69	46.90
Total :	1,94,83.72	1,95,44.09
Total - Receipts in Consolidated Fund (A+B+C+D+E+F)	9,94,59.47	9,47,72.62

(1) Details are in Statement 7 and 16. in Volume II.

STATEMENT No. 3 STATEMENT OF RECEIPTS (CONSOLIDATED FUND)- Concl.

Taxation Changes.

The following major changes were made in the taxation during the year.

(A) Following items were fully exempted from Tax Category.

- (1) Micro Irrigation System Equipment.
- (2) Educational items for students studies.
- (3) Newar made of plastic.
- (4) Agarbatti Dust.

(B) Salary limit for exemption of Professional Tax was increased from ₹ 3000 p.m. to ₹ 6000 pm.

(C) Turnover limit in respect of Lump Sum Tax (VAT) for small dealers was increased from ₹ 50 lakh to ₹ 75 lakh.

(D) Taxes on Sales transaction of Carbon credit was reduced from 15 per cent to 5 per cent to encourage the use of carbon credit for environment protection.

(E) Taxes on following items were increased.

- (1) The rate of tax on Cigarette was increased from 25 per cent to 30 per cent
- (2) The rate of electricity duty on industrial units consuming self generated power was increased from 40 paise per unit to 55 paise per unit.

(F) Tax on sale of second hand (used) two wheelers and heavy duty Commercial vehicles was introduced @ 1 per cent (subject to maximum ₹ 500/-) and 1 per cent (subject to maximum ₹ 5000/-) respectively

**STATEMENT No. 4 STATEMENT OF EXPENDITURE
(CONSOLIDATED FUND)
A. EXPENDITURE BY FUNCTION**

Description	Revenue	Capital	Loans and Advances	Total (₹ in crore)
A General Services				
A.1 Organs of State				
Parliament/ State/ Union	23.89	...	...	23.89
Territory Legislatures				
President, Vice-President/ Governor, Administrator of Union Territories	5.04	...	...	5.04
Council of Ministers	2.82	...	...	2.82
Administration of Justice	5,71.03	...	...	5,71.03
Elections	1,17.13	...	...	1,17.13
Total - A.1	7,19.91	...	...	7,19.91
A.2 Fiscal Services				
Land Revenue	1,29.54	...	...	1,29.54
Stamps and Registration	79.61	...	...	79.61
State Excise	12.44	...	...	12.44
Taxes on Sales, Trade etc.	2,27.22	...	...	2,27.22
Taxes on Vehicles	94.98	...	...	94.98
Other Taxes and Duties on Commodities and Services	24.55	...	...	24.55
Other Fiscal Services	2.23	...	...	2.23
Interest Payment	1,33,32.02(*)	...	...	1,33,32.02
Total - A.2	1,39,02.59	...	...	1,39,02.59
A.3 Administrative Services				
Public Service Commission	12.03	...	...	12.03
Secretariat-General Services	1,74.62	...	...	1,74.62
District Administration	2,98.40	...	...	2,98.40
Treasury and Accounts Administration	1,10.99	...	...	1,10.99
Police	26,30.32	3,35.50	...	29,65.81
Jails	1,14.20	...	...	1,14.20
Stationery and Printing	62.95	6.63	...	69.58
Public Works	2,67.69	4,46.72	...	7,14.41
Other Administrative Services	2,39.37	...	...	2,39.37
Total - A.3	39,10.57	7,88.85	...	46,99.41
A.4 Pension and Miscellaneous General Services				
Pensions and Other Retirement Benefits	82,69.99	...	...	82,69.99
Miscellaneous General Services	17.31	27.65	...	44.96
Total - A.4	82,87.30	27.65	...	83,14.95
Total - A-General Services	2,68,20.37	8,16.50	...	2,76,36.86

* Interest Payment is not a part of Fiscal Services.

**STATEMENT No. 4 STATEMENT OF EXPENDITURE-contd.
(CONSOLIDATED FUND)**

A. EXPENDITURE BY FUNCTION

(₹ in crore)

Description	Revenue	Capital	Loans and Advances	Total
B Social Services				
B.1 Education, Sports, Art and Culture				
General Education	1,37,54.39	9,97.19	...	1,47,51.57
Technical Education	4,85.16	1,47.78	...	6,32.94
Sports and Youth Services	1,55.97	22.17	...	1,78.14
Art and Culture	91.44	13.16	...	1,04.60
Total - B.1	1,44,86.96	11,80.30	...	1,56,67.25
B.2 Health and Family Welfare				
Medical and Public Health	28,79.23	16,06.82	...	44,86.05
Family Welfare	5,76.56	20.88	...	5,97.44
Total - B.2	34,55.79	16,27.70	...	50,83.49
B.3 Water Supply, Sanitation, Housing and Urban Development				
Water Supply and Sanitation	1,90.53	14,20.75	...	16,11.28
Housing	21,07.51	2,34.39	...	23,41.90
Urban Development	58,08.97	12,86.25	...	70,95.22
Total - B.3	81,07.01	29,41.39	...	1,10,48.40
B.4 Information and Broadcasting				
Information and Publicity	1,38.87	1.97	...	1,40.84
Total - B.4	1,38.87	1.97	...	1,40.84
B.5 Welfare Of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities				
Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	20,90.27	2,40.77	19.68	23,50.72
Total - B.5	20,90.27	2,40.77	19.68	23,50.72
B.6 Labour and Labour Welfare				
Labour and Employment	4,93.91	...	...	4,93.91
Total - B.6	4,93.91	...	...	4,93.91
B.7 Social Welfare and Nutrition				
Social Security and Welfare	6,31.04	2.30	...	6,33.34
Nutrition	23,20.81	2,06.28	...	25,27.09
Relief on account of Natural Calamities	5,99.42	...	...	5,99.42
Total - B.7	35,51.27	2,08.58	...	37,59.85
B.8 Others				
Other Social Services	8.77	4,49.40	...	4,58.17
Secretariat-Social Services	48.93	...	...	48.93
Total - B.8	57.70	4,49.40	...	5,07.10
Total - B-Social Services	3,23,81.78	66,50.11	19.68	3,90,51.56

STATEMENT No. 4 STATEMENT OF EXPENDITURE-contd.
(CONSOLIDATED FUND)
A. EXPENDITURE BY FUNCTION

Description	Revenue	Capital	Loans and Advances	Total
<i>(₹ in crore)</i>				
C Economic Services				
C.1 Agriculture and Allied Activities				
Crop Husbandry	18,30.89	15.62	...	18,46.51
Soil and Water Conservation	1,92.01	1,77.56	...	3,69.57
Animal Husbandry	3,29.11	10.69	...	3,39.80
Dairy Development	8.18	...	...	8.18
Fisheries	1,52.10	-0.01	...	1,52.09
Forestry and Wild Life	3,63.64	6,24.45	...	9,88.09
Food, Storage and Warehousing	1,14.93	10.09	...	1,25.02
Agricultural Research and Education	5,79.99	...	...	5,79.99
Co-operation	3,76.03	2.52	...	3,78.55
Other Agricultural Programmes	11.01	13.81	...	24.83
Total - C.1	39,57.89	8,54.73	...	48,12.63
C.2 Rural Development				
Special Programmes for Rural Development	1,75.01	...	...	1,75.01
Rural Employment	1,29.03	...	...	1,29.03
Other Rural Development Programmes	13,97.17	9,90.85	...	23,88.02
Total - C.2	17,01.21	9,90.85	...	26,92.06
C.3 Special Areas Programmes				
Other Special Areas Programmes	63.94	26.98	...	90.92
Total - C.3	63.94	26.98	...	90.92
C.4 Irrigation and Flood Control				
Major Irrigation	3,27.80	40,47.52	...	43,75.32
Medium Irrigation	1,98.40	14,48.88	...	16,47.28
Minor Irrigation	3,99.46	11,44.01	...	15,43.47
Command Area Development	17.09	...	...	17.09
Flood Control and Drainage	38.60	1,44.03	...	1,82.63
Total - C.4	9,81.35	67,84.44	...	77,65.79
C.5 Energy				
Power	37,75.07	19,25.84	9.51	57,10.42
New and Renewable Energy	23.20	...	...	23.20
Total - C.5	37,98.27	19,25.84	9.51	57,33.62
C.6 Industry and Minerals				
Village and Small Industries	4,59.73	3.84	0.02	4,63.58
Industries	2,93.44	25.00	...	3,18.44
Non-ferrous Mining and Metallurgical Industries	1,11.54	10.95	...	1,22.49
Petro-Chemical Industries	...	7,50.00	...	7,50.00
Engineering Industries	...	...	2,52.34	2,52.34
Consumer Industries	...	5.55	...	5.55

**STATEMENT No. 4 STATEMENT OF EXPENDITURE-contd.
(CONSOLIDATED FUND)**

A. EXPENDITURE BY FUNCTION

(₹ in crore)

Description	Revenue	Capital	Loans and Advances	Total
Other Outlays on Industries and Minerals	...	-0.01	19.63	19.62
Total - C.6	8,64.71	7,95.33	2,71.99	19,32.02
C.7 Transport				
Ports and Light Houses	65.00	1,05.71	...	1,70.71
Civil Aviation	...	65.35	...	65.35
Roads and Bridges	30,89.66	26,03.46	...	56,93.12
Road Transport	6,01.55	6,00.00	2,50.00	14,51.55
Total - C.7	37,56.21	33,74.52	2,50.00	73,80.73
C.8 Science and Technology				
Environment				
Other Scientific Research	1,03.23	8.08	...	1,11.31
Ecology and Environment	68.41	...	...	68.41
Total - C.8	1,71.64	8.08	...	1,79.72
C.9 General Economic Services				
Secretariat-Economic Services	1,00.17	...	...	1,00.17
Tourism	18.39	4,49.44	...	4,67.84
Census Surveys and Statistics	37.73	...	...	37.73
Civil Supplies	2,33.24	...	...	2,33.24
General Financial and Trading Institutions	...	0.08	...	0.08
Other General Economic Services	45.97	0.47	...	46.44
Total - C.9	4,35.50	4,49.99	...	8,85.50
Total - C-Economic Services	1,57,30.72	1,52,10.76	5,31.50	3,14,72.99
D Loans, Grants-in-aid and Contributions				
Compensation and Assignments to Local Bodies and Panchayati Raj Institutions	3,25.67	...	...	3,25.67
Total - D-Loans, Grants-in-aid and Contributions	3,25.67	...	...	3,25.67
E Loans To Government Servants, Etc.				
Loans to Government Servants, Miscellaneous Loans	...	...	9.49	9.49
	...	...	42.56	42.56
Total - E-Loans to Government Servants, Etc.	...	...	52.05	52.05
F Public Debt				
Internal Debt of the State	...	...	55,47.63	55,47.63
Government Loans and Advances from the Central Government	...	...	6,56.28	6,56.28

STATEMENT No. 4 STATEMENT OF EXPENDITURE-contd.
(CONSOLIDATED FUND)
A. EXPENDITURE BY FUNCTION

Description	Revenue	Capital	Loans and Advances	Total
	<i>(₹ in crore)</i>			
Total - F-Public Debt	...	...	62,03.91	62,03.91
Total Loans, Grants in Aid and Contributions and Public Debt.	3,25.67	...	62,55.96	65,81.63
Total Consolidated Fund Expenditure	7,52,58.54	2,26,77.37	68,07.14	10,47,43.05

**STATEMENT No. 4- STATEMENT OF EXPENDITURE -Concl'd.
(CONSOLIDATED FUND)
B. EXPENDITURE BY NATURE**

Object of Expenditure	(₹ in crore)								
	2013-14			2012-13			2011-12		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
Major Works	67.92	75,16.26	75,84.18	6.78	55,67.55	55,74.33	3.18	36,98.41	37,01.59
Grant-in-Aid	3,32,46.13	7,72.58	3,40,18.71	3,08,05.10	3,19.51	3,11,24.61	2,36,90.46	8,65.87	2,45,56.33
Minor Works	13,18.65	54,34.98	67,53.63	17,38.55	59,94.10	77,32.65	13,32.64	18,90.73	32,23.37
Interest	1,33,25.21	-	1,33,25.21	1,21,58.40	-	1,21,58.40	1,09,02.47	-	1,09,02.47
Other Charges	20,07.84	17,26.71	37,34.55	17,21.75	28,36.53	45,58.28	69,20.65	10,90.51	80,11.16
Pensionary Charges	57,39.26	0.01	57,39.27	58,69.06	-	58,69.06	52,73.43	-	52,73.43
Subsidy	64,41.64	1,70.75	66,12.39	65,07.46	2,09.30	67,16.76	3,32.15	1,28.14	4,60.29
Salaries	69,98.94	2,10.29	72,09.23	65,14.28	1,93.18	67,07.46	58,50.62	1,68.11	60,18.73
Contribution to Panchayat	4,02.20	1,91.40	5,93.60	35.89	1,28.12	1,64.01	-	-	-
Investment	1,00.00	36,49.48	37,49.48	-	30,41.76	30,41.76	2.28	12,75.63	12,77.91
Inter-Account Transfer	-3,35.61	-	-3,35.61	-30.73	-1,39.42	-1,70.15	3,83.32	-	3,83.32
Office Expenses	7,84.95	1,02.57	8,87.52	7,92.97	21.24	8,14.21	5,97.79	15.66	6,13.45
Scholarships/Stipend	10,45.28	1.23	10,46.51	8,75.63	0.05	8,75.68	5,77.22	0.01	5,77.23
Supplies and Materials	8,05.64	1.76	8,07.40	3,54.74	0.01	3,54.75	6,50.49	-	6,50.49
Cost of ration (Diet charges)	5,94.68	-	5,94.68	4,99.21	-	4,99.21	3,93.31	-	3,93.31
Machinery and Equipment	1,93.11	5,02.62	6,95.73	2,00.24	1,50.71	3,50.95	1,53.26	1,52.01	3,05.27
Wages	2,35.74	1.34	2,37.08	2,08.03	0.07	2,08.10	1,97.51	0.01	1,97.52
Overtime Allowance	2,07.74	-	2,07.74	1,99.30	-	1,99.30	1,62.91	-	1,62.91
Domestic Travel Expenses	1,31.75	3.61	1,35.36	94.68	2.53	97.21	90.67	2.72	93.39
Professional Services	1,74.48	1,18.05	2,92.53	1,37.93	14.07	1,52.00	95.51	9.17	1,04.68
Motor Vehicles	1,03.46	32.99	1,36.45	1,08.94	23.78	1,32.72	94.26	57.17	1,51.43
Other Administrative Expenses	24.86	0.01	24.87	4.65	-	4.65	17.17	0.16	17.33
Rents, Rates and Taxes	46.16	0.14	46.30	42.38	0.11	42.49	31.38	0.09	31.47
Publications	24.34	0.02	24.36	36.66	0.04	36.70	29.92	-	29.92
Advertisement Sales and Publicity Expenditure	74.00	0.11	74.11	44.84	0.06	44.90	57.73	-	57.73
Grant for creation of capital assets to Local Bodies	14,51.70	6,90.17	21,41.87	9,31.67	5,61.79	14,93.46	-	-	-
Repayment of Borrowings.	0.00	62,03.90	62,03.90	0.00	65,36.52	65,36.52	-	52,75.17	52,75.17
Repair to Miscellaneous	78.16	-	78.16	47.31	-	47.31	-	-	-
Other Capital Expenditure	-	16,46.74	16,46.74	-	22,01.88	22,01.88	-	-	-
Arms and Ammunition	53.44	56.61	1,10.05	53.39	56.81	1,10.20	5.56	1,22.69	1,28.25
Loan and Advances	0.86	6,29.58	6,30.44	-	8,82.25	8,82.25	-	5,93.07	5,93.07
Others (a)	2,53.00	2.83	2,55.83	83.07	51.38	1,34.45	18,98.57	43,46.90	62,45.47
Deduct Recoveries	-3,36.99	-1,82.23	-5,19.22	-3,83.69	-8.63	-3,92.32	-	-	-
TOTAL	7,52,58.54	2,94,84.51	10,47,43.05	6,96,58.49	2,86,45.30	9,83,03.79	5,97,44.46	1,96,92.23	7,94,36.69

(a) The object head where expenditure is less than ₹ 10 Crore clubbed together and shown under the heads "Others".

NOTES TO ACCOUNTS**1. Summary of significant accounting policies:**

(i) **Entity and Accounting Period:** These accounts present the transactions of the Government of Gujarat for the period 1 April 2013 to 31 March 2014, and have been compiled based on the initial accounts rendered by 26 District Treasuries, 160 Public Works Divisions (including 96 irrigation projects), 70 Forest Divisions and Advices of the Reserve Bank of India. Delays in monthly rendition of accounts were negligible, and no accounts have been excluded at the end of the year.

(ii) **Basis of Accounting:** With the exception of some book adjustments (Appendix I-A), the accounts represent the actual cash receipts and disbursements during the account period. Physical Assets and Financial Assets such as investments, etc., are shown at historical cost, i.e., the value at the year of acquisition/ purchase. Physical assets are not depreciated or amortized. The losses of physical assets at the end of their life are also not expensed or recognized.

The pension liability of the Government i.e., the liability towards payment of retirement benefits for the past and the present service of its employees is not included in the accounts. However, the retirement benefits disbursed during the accounts period have been reflected in the accounts in Statement 12.

(iii) **Currency in which Accounts are kept:** The accounts of the Government of Gujarat are maintained in Indian Rupees.

(iv) **Form of Accounts:** Under Article 150 of the Constitution, the accounts of the Union and of the States are kept in such form as prescribed by the President, on the advice of the Comptroller and Auditor General. The word "form" used in Article 150 has a comprehensive meaning so as to include the prescription not only of the broad form in which the accounts are to be kept but also the basis for selecting appropriate heads under which the transactions are to be classified.

(v) **Classification between Revenue and Capital:** Revenue expenditure is recurring in nature and is intended to be met from revenue receipts. Capital Expenditure is defined as expenditure incurred with the objective of increasing concrete assets of a material and permanent character or reducing permanent liabilities. In terms of the Indian Government Accounting Standards (IGAS) 2, expenditure on Grants-in-aid is to be classified as Revenue expenditure regardless of end utilization. Grants-in-aid for the purpose of creating assets shall not, except when specifically authorized by the President on the advice of the Comptroller and Auditor General of India, be debited to a Capital head of account.

2. Quality of accounts

(i) Incorrect booking of Revenue Expenditure under Capital Major heads:

During 2013-14, Government of Gujarat incorrectly budgeted and booked expenditure of ₹ 1,462.75 crore on account of Grants-in-aid and ₹ 170.75 crore on account of subsidies under the Capital section instead of the Revenue section, resulting in understatement of Revenue Expenditure of ₹ 1633.50 crore with consequent overstatement of Revenue Surplus. Details are given at Appendix I- B.

(ii) Booking under Minor Head 800 – ‘Other Receipts’ and ‘Other Expenditure’:

Minor Heads 800- Other Receipts/ Other Expenditure are to be operated either due to non-availability of the specific head of account or due to incorrect identification of receipts/ expenditure under the available heads of account at the budget stage. Routine operation of Minor Heads 800 is to be discouraged, since it renders the accounts opaque. During 2013-14, the State Government booked ₹ 12302.14 crore relating to 75 Revenue and Capital Major Heads, under Minor Head ‘800- Other Expenditure’ constituting 12.56 per cent of the total expenditure (₹ 97935.91 crore). Similarly the State Government booked ₹ 3372.11 crore, constituting 4.22 per cent of the total Revenue receipts (₹ 79975.75 crore) under Minor Head ‘800- Other Receipts’ in respect of 56 Major Heads on the receipt side. Details of significant booking (30 per cent or more) under Minor Head 800- Other Receipts and Other Expenditure are given in Appendix I- C and D respectively.

(iii) Reconciliation of Receipts and Expenditure:

In terms of the Gujarat Budget Manual, all Controlling Officers are required to reconcile the Receipts and Expenditure of the Government with the figures accounted for by the Accountant General (A&E). Such reconciliation has been completed in 2013-14 for Receipts of ₹ 99107.27 crore (99.86 per cent of total Receipts of ₹ 99246.00 crore) and for Expenditure of ₹ 105574.44 crore (99.89 per cent of total Expenditure of ₹ 105690.00 crore).

(iv) Difference in cash balances

As on 31 March 2014, there was a net difference of ₹ 182.84 crore (credit) between the Cash Balance as worked out by the Accountant General(A&E) and the figures reported by the Reserve Bank of India. At the end of June 2014, the difference outstanding stood reduced to ₹ 182.80 crore (credit). The difference has arisen due to incorrect reporting by the Agency Banks to the Reserve Bank of India.

(v) Abstract Contingent (AC) Bills:

As per Rule 211 of the Gujarat Treasury Rules, 2000, Drawing and Disbursing Officers/ Controlling Officers are authorized to draw sums of money by preparing AC bills by debiting Service Heads. They are required to submit Detailed Contingent (DC) bills containing supporting vouchers of final expenditure to the Accountant General (A&E) within three months from the date of drawal of the AC bills. To the extent of non-receipt of DC bills, the expenditure shown in the Finance Accounts cannot be vouched as correct or final. Prolonged non-submission of supporting DC bills renders the expenditure under AC bills opaque. As on 31 March 2014, 8708 DC bills amounting to ₹ 281.53 crore were not received by the Accountant General (A&E), as per details given below:

(₹ in crore)

Year	AC Bills Drawn		DC Bills rendered		Pending AC Bills	
	No. of bills	Amount	No. of bills	Amount	No. of bills	Amount
Up to 2011-12	1,51,125*	2985.51*	1,47,759	2923.63	3,366	61.88
2012-13	10,803	483.72	10,272	466.17	531	17.55
2013-14	11,020	499.70	6,209	297.60	4,811#	202.10#
TOTAL	1,72,948	3968.93	1,64,240	3687.40	8,708	281.53

*Differs from the last year's Finance Accounts due to rectification of error in previous years.

3955 bills amounting to ₹ 182.84 crore were not due for submission during 2013-14.

A large number of DC bills are pending from Education Department (3,708 AC bills worth ₹ 123.02 crore), Home Department (1,196 AC bills amounting to ₹ 78.80 crore) and Panchayat, Rural Housing and Rural Development Department (1,165 AC bills amounting to ₹ 17.53 crore).

Out of 11,020 AC bills for ₹ 499.70 crore drawn in 2013-14, 2,020 AC bills (18 per cent) amounting to ₹ 105.64 crore (21 per cent) were drawn in March 2014 alone, and of those 258 AC Bills amounting to ₹ 7.52 crore were drawn on the last day of the financial year. Significant expenditure against AC bills in March indicates that the drawal was primarily to exhaust the budget and reveals inadequate budgetary control.

(vi) Transfer of funds to Personal Deposit (PD) Accounts:

The purpose of PD accounts is to enable the Drawing Officers to incur expenditure pertaining to a scheme, for which funds are placed at their disposal, by transfer from the Consolidated Fund of the State. These PD accounts are required to be closed on the last working day of the following financial year and the unspent balances remitted back to Government accounts by minus debit of

the balance to the relevant service head, in the Consolidated Fund. The State Government has not followed this procedure. Status of PD accounts during 2013-14 is given below:

(₹ in crore)

Opening Balance		Addition during the year		Closed during the year		Closing Balance	
Number	Amount	Number	Amount	Number	Amount	Number	Amount
509	383.41	0	1147.56	14	1247.25	495	283.72

Out of 26 treasuries in the State, 19 treasuries informed the Accountant General(A&E) that all PD accounts were reconciled by the Administrators with the treasuries, the remaining 7 treasuries informed that reconciliation was done partially. Out of ₹ 1147.56 crore credited to PD accounts (including receipts from other sources) during 2013-14, ₹ 69.26 crore (6.04 per cent) was credited in March 2014 alone. Large scale transfers in March indicate that the transactions were primarily to exhaust the budget and revealed inadequate budgetary control.

(vii) Utilization Certificates (UCs) in respect of Grants-in-aid given by the Government: -

In terms of the Gujarat Financial Rules, 1971 and Finance Department notification dated 12 April 1985, Controlling Officers who draw Grants-in-aid bills are required to submit Utilization Certificates (UCs) to the Accountant General (A&E) within twelve months after the end of the financial year in which the grant is paid. At the end of 2013-14, 12603 UCs valued at ₹ 7420.40 crore were outstanding, primarily from the departments of (i) Social Justice & Empowerment, (ii) Narmada, Water Resources, Water Supply & Kalpsar and (iii) Urban Development and Urban Housing. Details are given below:

(₹ in crore)

Year	Number of UCs awaited	Amount
Upto 2011-2012	8645	1738.09
2012-2013	727	871.47
2013-2014*	3231	4810.84
Total	12603	7420.40

* UCs in respect of Grants-in-aid of 2013-14 become due only during 2014-15

The purpose for which grants-in-aid were utilised can be confirmed only on receipt of UCs which would safeguard against diversion of funds for other purposes. Further, to the extent of non-receipts of UCs, the expenditure shown in accounts cannot be treated as final and it cannot be confirmed that the amount has been expended for the purpose it was sanctioned.

3 Other Items

(i) Liabilities on Retirement Benefits

During the year, the expenditure on “Pension and other Retirement Benefits” to State Government employees who were recruited on or before 31 March 2005 was ₹ 8063.54 crore (10.71 per cent of the total revenue expenditure). State Government employees recruited on or after 1 April 2005 are covered under the New Pension Scheme which is a defined contributory pension scheme. In terms of the Scheme, the employee contributes 10 per cent of his basic pay and dearness allowances, which is matched by the State Government and the entire amount is transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/ Trustee Bank. The actual amount payable by employees and the matching Government contribution over the years has not been estimated, but during 2013-14, the credit of ₹ 425.76 crore under 8342-117-Defined Contribution Pension Scheme represents both government contribution (₹ 206.45 crore), matching employees’ contribution (₹ 206.45 crore) for 2013-14 and a portion of such contributions of earlier years (₹ 12.86 crore). During the year, the Government transferred ₹ 427.85 crore to NSDL/Trustee Bank, leaving a balance of ₹ 8.37 crore in the Fund as on 31 March 2014 which is to be transferred. The Public Account under Major Head 8342 is in the category of deposits bearing interest, where Government is required to pay interest on balances not transferred. Uncollected, unmatched and untransferred amounts, with accrued interest, represent outstanding liabilities under the scheme.

(ii) Guarantees given by the Government:

Guarantees are contingent liabilities on the Consolidated Fund of the State in case of default by the borrower for whom the guarantee was extended. The position of guarantees reported in Statement 9 is based on information received from various departments of State Government, and has been prepared as per the Indian Government Accounting Standards (IGAS) 1 notified by the Government of India.

As on 31 March 2014, the Government of Gujarat had extended maximum guarantees of ₹ 11,175.03 crore, which was within the ceiling of ₹ 20,000 crore prescribed under the Gujarat State Guarantees Act, 1963. No guarantee was invoked during the year. Against the outstanding guarantees of ₹ 6549.33 crore to end of 2013-14, Government collected ₹ 26.99 crore (0.4 per cent) toward Guarantee Fees in 2013-14 against the receivable (budget

estimates) amount of ₹ 40 crore leading to a shortfall of ₹ 13.01 crore, impacting the Revenue Surplus and Fiscal Deficit of the State Government.

(iii) Loans and Advances:

State Government departments maintain detailed accounts of Loans and Advances given to various beneficiaries including government servants. Statement No. 7 and 16 of the Finance Accounts on loans and advances given by the Government has been prepared as per the requirements of Indian Government Accounting Standards (IGAS) 3. Accordingly, the State Government is required to confirm the loan balances and inform the Accountant General (A&E) on recoveries in arrears and loans sanctioned as 'Loans in perpetuity'. Though the Government had provided information regarding recoveries in arrears, the information in respect of loans sanctioned as 'Loans in perpetuity' and confirmation regarding outstanding loan balances was not provided.

(iv) Investments :

The State Government invests in the equity and share capital of Statutory Corporations, Government Companies, Joint Stock Companies and Co-operative Institutions. As on 31 March 2014, Government investments (as per the accounts of the Accountant General) in 2102 entities was ₹ 47171.49 crore, of which, the investments during 2013-14 was ₹ 7844.22 crore in 22 entities. These figures, however, require reconciliation with the investee entities. Neither the State Government nor individual entities have reconciled and confirmed the investments shown in Statement No. 14 of the Finance Accounts.

(v) Interest on Reserve Funds:

The State Government is required to pay interest on the cash balances lying with them under the head "Reserve Funds bearing interest" and not invested. During the year, the State Government made a notional transfer of ₹ 276.95 crore to various Reserve Funds. Details of Book adjustment carried out by the Accountant General (A&E) on the contribution of the State Government to various Reserve Funds are indicated in Appendix-I-A. Detailed information on reserve funds and investment from earmarked funds is available in Statements 18 and 19 respectively.

There were 16 Reserve Funds earmarked for specific purposes during 2013-14, out of which 6 funds were inoperative (balance of ₹ 2.87 crore) and 10 operative funds (balance of ₹ 8987.51 crore). The total accumulated balance at the end of 31 March 2013 in these funds was ₹ 8906.81 crore, of which, balance outstanding under non-interest bearing reserve funds was ₹ 6531.86 crore. No amount was invested from the 4 interest bearing funds (₹ 2374.95 crore). Therefore,

the Government is required to pay interest of ₹ 178.12 crore, at the average rate of 7.5 per cent applicable on Ways and Means advances in 2013-14, which was not done. Consequently, the 'Revenue Surplus' was overstated and the Fiscal Deficit understated to this extent. The amount of interest outstanding against these interest bearing reserve funds over the years has, however, not been estimated, but this will impact the overall liability of the State Government.

(vi) Interest on Deposit Accounts:

Information on Deposit Accounts and the investment of deposits is available in Statements 18 and 19 respectively. The total accumulated balance at the end of 31 March 2014 in these Deposit Accounts was ₹ 21181.11 crore (Deposits bearing interest ₹ 9791.66 crore and Deposits not bearing interest ₹ 11389.45 crore). However, at the end of 31 March 2013, ₹ 9394.33 crore was lying under the head "Deposit Accounts bearing interest", on which the State Government was required to pay interest of ₹ 704.57 crore (estimated at the average rate of 7.5 per cent applicable on Ways and Means Advances in 2013-14). Since this was not done, the 'Revenue Surplus' was overstated and Fiscal Deficit understated to this extent. The amount of interest outstanding against these interest bearing deposit funds over the years has not been estimated, and will impact the overall liability of the State Government.

(vii) Reserve Funds:

There are 16 Reserve Funds earmarked for specific purposes, out of which 6 funds are inoperative. The total accumulated balance as at the end of 31 March 2014 in these funds was ₹ 8990.38 crore (₹ 8987.51 crore in 10 active funds and ₹ 2.87 crore in 6 inoperative funds). Out of the gross accumulated balance of ₹ 8990.38 crore at the end of 31 March 2014, the State Government invested ₹ 5168.68 crore (57 per cent). Detailed information in this regard is available in Statements 18 and 19 of the Finance Accounts. The position of three significant Reserve Funds is given below:-

a. Consolidated Sinking Fund (CSF)

The Consolidated Sinking Fund was created in 2003-04 for redemption of open market loans. Based on the recommendations of the Twelfth Finance Commission, the Reserve Bank of India issued guidelines enlarging the scope of the CSF and extending to include all liabilities (Internal Debt + Public Account liabilities) of the Government from the financial year 2007-08. Under

these revised guidelines, the State Government is required to make annual contributions to the Fund at 0.5 per cent of the outstanding liabilities at the end of the previous financial year. Against the requirement of ₹ 833.34 crore (0.5 per cent of outstanding balance of ₹ 1,66,667.31 crore as on 31 March 2013), the State Government did not contribute any amount during 2013-14 to the Fund. Consequently, the Revenue Surplus was overstated and Fiscal Deficit understated to the extent of ₹ 833.34 crore. The balance as at the end of 31 March 2014 in CSF was ₹ 4856.49 crore. In terms of guidelines, the amount is to be invested, which has not been done.

As per the recommendations of the Reserve Bank of India, the Fund balance should be a minimum of 3 per cent of State's liabilities (₹ 1,83,057.25 crore), which works out to ₹ 5491.71 crore. The CSF balance of the State Government falls short of stipulated minimum balance by ₹ 635.22 crore.

b. Guarantee Redemption Fund (GRF)

The Twelfth Finance Commission recommended setting up Guarantee Redemption Fund through earmarked guarantee fees to meet the contingent liabilities arising from the guarantees given by the Government. The Government of Gujarat has created a Guarantee Redemption Fund for guarantees extended by it on loans taken by various entities like State Public Sector Undertakings, State Co-operative Societies etc. In terms of the guidelines of the Reserve Bank of India which administers the Fund, the corpus of the Fund is to be gradually increased to the desirable level of 5 per cent of outstanding guarantees. As on 31 March 2014, the balance in the GRF was ₹ 1320.93 crore against the desirable level of ₹ 327.47 crore (5 per cent of outstanding guarantees of ₹ 6549.33 crore).

c. State Disaster Response Fund

The State commenced operation of the "State Disaster Response Fund" in 2011-12 as recommended by the Thirteenth Finance Commission. In terms of guidelines, the Central and State Governments are required to contribute to the Fund in the proportion of 75:25. Accordingly, the State Government transferred ₹ 581.27 crore (₹ 435.95 crore Central share and ₹ 145.32 crore State share) to the Fund in 2013-14. Contrary to guidelines, the State Government did not invest the closing balance of ₹ 2547.50 crore lying in the Fund as on 31 March 2014.

(viii) Balance under Suspense and Remittance Heads

The Finance Accounts reflect the net balances under Suspense and Remittance Heads. The outstanding balances under these heads are worked out by aggregating the outstanding debit and credit balances separately under various heads. Details are given below:

A-Major Head 8658-Suspense

(₹ in crore)

Name of Minor Head	2011-12		2012-13		2013-14	
	Dr	Cr	Dr	Cr	Dr	Cr
101-Pay and Accounts office Suspense	73.75	4.02	111.78	2.18	117.27	0.87
	Net Dr. 69.73		Net Dr. 109.60		Net Dr. 116.40	
102-Suspense Account (Civil)	25.54	-6.99	109.61	50.52	109.49	50.35
	Net Dr. 32.53		Net Dr. 59.09		Net Dr. 59.14	
110-Reserve Bank Suspense- Central Accounts Office	293.36	4.43	148.40	-95.82	152.85	-91.44
	Net Dr. 288.93		Net Dr. 244.22		Net Dr. 244.29	

B-Major Head-8782-Remittances

(₹ in crore)

	2011-12		2012-13		2013-14	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
102-Public Works Remittances	203.09	651.70	14511.38	14889.37	14614.90	15182.60
	Net Cr. 4,48.61		Net Cr. 377.99		Net Cr. 567.70	
103-Forest Remittances	559.51	573.49	603.69	616.33	688.89	694.50
	Net Cr. 13.98		Net Cr. 12.64		Net Cr.5.61	
108-Other remittances (Dang Remittance)	62.06	61.11	68.48	72.32	83.58	85.63
	Net Dr. 0.95		Net Cr. 3.84		Net Cr. 2.05	

(ix) Outstanding balances under the head 'Cheques and Bills'

As on 31 March 2014, cheques amounting to ₹ 1817.10 crore remained un-encashed, thereby overstating the expenditure depicted in the accounts.

During 2013-14, the total value of cheques lapsed amounted to ₹ 25.30 crore (₹ 0.61 crore on salaries, ₹ 0.34 crore on pension payments, ₹ 0.46 crore on refunds of revenue, ₹ 0.31 crore on Provident Fund disbursements and ₹ 0.20 crore on Insurance and Pension Funds and others ₹ 23.38 crore).

As the validity period of a cheque is 3 months from the date of issue, cheques issued in 2013-14 amounting to ₹ 10.41 crore lapsed by 30 June 2014, resulting in understatement of 'Revenue Surplus' and overstatement of 'Fiscal Deficit' for the year 2013-14 to this extent.

(x) Contingency Fund of the State Government

In terms of the provisions of Articles 267(2) of the Constitution of India, the Contingency Fund of the State has been constituted under the Gujarat Contingency Fund Act, 1960 for the

purposes of meeting unforeseen expenditure pending authorization of such expenditure by the Legislature of the State by Law under Article 205 or Article 206. The Contingency Fund of the Government of Gujarat has a corpus of ₹ 200 crore. During the year 2013-14, an amount of ₹ 26.35 crore was spent out of Contingency Fund for meeting unforeseen expenditure. Out of this amount, an amount of advance of ₹ 0.11 crore spent on labour and employment was not recouped under the Contingency Fund at the end of the year 2013-14. Consequently, the Revenue Surplus was overstated and the Fiscal Deficit understated to this extent.

(xi) Direct transfer of Central Scheme Funds to implementing Agencies in the State (Funds routed outside the State Budget) (unaudited figures):

The Union Government transfers funds directly to State Implementing Agencies/ Non-Government Organisations (NGOs) for implementation of various schemes /programmes. Since these funds are not routed through the State Budget/ State treasuries, they are not reflected in the accounts of the State Government. Though there is no assurance that complete details of such transfers are available, details of such fund transfer as captured from the Central Plan Schemes Monitoring System (CPSMS) portal of the Controller General of Accounts are given in Appendix-VII.

(xii) Rush of Expenditure at the fag end of the year

The State Government incurred expenditure of ₹ 14,209.56 crore (constituting 13.57 per cent of the total expenditure of the year 2013-14) in March 2014. Out of this, ₹ 2481.72 crore was incurred on the last working day of the year, of which ₹ 7.52 crore was drawn through Abstract Contingent (AC) bills, ₹ 1984.39 crore on Grants-in-aid, and ₹ 346.52 crore was transferred to Personal Deposit (PD) accounts through 'Nil Payment' bills. These drawals/transfers through AC bills, Grants-in-aid and PD accounts constituted 94 per cent of the total expenditure (₹ 2481.72 crore) on the last working day of March 2014, indicating that expenditure was made purely to exhaust the budget provisions and revealed inadequate budgetary control. The Gujarat Budget Manual also warns against rush of expenditure in March, since it results in spending of money hurriedly and leading to more chances of irregularities being committed.

(xiii) Disclosures under the Gujarat Fiscal Responsibility and Budgetary Management (FRBM) Act/ Rules

The State Government has enacted the Gujarat Fiscal Responsibility Act, 2005 and the Gujarat Fiscal Responsibility Rules, 2006. In terms of the Gujarat Fiscal Responsibility Rules, 2006, the State Government had presented, along with the budget for 2014-15, disclosures relating to the fiscal indicators for the year 2013-14.

The targets vis-a-vis achievements (based on Finance Accounts-2013-14) during the year 2013-14 are as under-

Sr. No	Targets for 2013-14	Achievements in 2013-14
1.	Revenue Surplus : To be maintained	Revenue Surplus: ₹ 4,717.20 Crore
2.	Fiscal Deficit : 3 per cent of GSDP	₹ 18,423 Crore (2.38 per cent of GSDP ₹ 7,73,990 Crore)
3.	Outstanding Liabilities-Public Debt : Not to exceed 28.80 per cent (as per 13 th Finance Commission recommendations) and not to exceed 27.10 per cent of GSDP by the end of 2015 (as per FRBM Act as amended in Act 8 of 2011)	19.32 per cent of GSDP ₹ 7,73,990 Crore
4.	Outstanding Government Guarantees : Below ₹ 16,000 Crore	₹ 6,549.33 crore

Note: (Statistics department of Gujarat)

(xiv) Committed Liabilities:

Since the State Government has not provided information on Committed Liabilities, the appendix on committed liabilities has not been incorporated. The accounts are therefore incomplete to this extent.

(xv) Write off of loans given by the Central Government to the Government of Gujarat-

In furtherance of the recommendations of the Thirteenth Finance Commission, Ministry of Finance, Government of India, in a series of orders, all dated 29 February 2012, wrote off loans advanced to the State Governments by various Ministries of Central Government (except those advanced by Ministry of Finance itself) as on 31 March 2010 towards Central Plan Scheme and Centrally Sponsored Scheme. The Ministry of Finance permitted the State Governments to adjust the excess repayments of principal and interest made from the effective date of the order (31 March 2010) and its implementation against future repayments to the Ministry of Finance. In pursuance of the above orders, Ministry of Finance wrote off, in 2012-13, the entire overpayment (₹ 95.14 crore) except an amount of ₹ 0.18 crore (principal) under Centrally Sponsored Schemes, which is under reconciliation.

(xvi)-Impact of incorrect/inadequate booking on Revenue Surplus and fiscal deficit:

Impact on Revenue Surplus as well as on fiscal deficit of the State Government consequent to the transactions like booking under incorrect heads, not providing interest etc. (details given in preceding paragraphs) is given below:

Para No.	Item	Impact on Revenue Surplus	Impact on Fiscal deficit
		Overstatement (+) Understatement(-) (₹ in Crore)	Overstatement (+) Understatement(-) (₹ in Crore)
2(i)	Incorrect booking of Revenue Expenditure under Capital Head	(+) 1633.50	----
3(ii)	Uncollected Guarantee	(-) 13.01	(+) 13.01
3(v)	Interest on Reserve Funds	(+) 178.12	(-) 178.12
3(vi)	Interest on Deposit Accounts	(+)704.57	(-)704.57
3(vii)(a)	Consolidated Sinking Fund	(+) 833.34	(-) 833.34
3(ix)	Lapsed Cheques	(-) 10.41	(+) 10.41
3(x)	Unrecouped expenditure out of Contingency fund	(+) 0.11	(-) 0.11
	Total impact-	(+) 3326.22	(-) 1692.72
	Revenue Surplus/Fiscal Deficit as per Finance Accounts-	4717.20	18422.71
	Revenue Surplus/Fiscal Deficit, in the event of above impact is considered-	1390.98	20115.43

APPENDIX I-A

(Referred to in Note 1(ii))

Statement of Periodical/Other Adjustments

Sr. No	Book Adjustment	Head of Account		Amount (₹ in Crore)	Purpose of the transaction
		From	To		
1.	Adjustment relating to Roads and Buildings Department.	3451-00-090-01 Secretariat Economic Services (Deduct-Debit)	2059-80-001-01 Direction (Debit)	0.09	Amount transferred on account of the Divisible expenditure of Roads & Buildings Department
2.	State Disaster Response Fund Contribution	2245-05-101-01 / 02 Contribution of Central/ State Government for State Disaster Response Fund (Debit)	8121-00-122-00 General and other Reserve Funds (Credit)	435.95 145.32	Contribution to State Disaster Response Fund (Central share) (State share)
3.	Interest on Provident Fund	2049-60-101-01 Interest on Deposit of District Panchayat Employees (Debit)	8336-00-800-11 Civil Deposits (Credit)	170.00	Adjustment of Annual Interest on Provident Fund of employees of District Panchayat, University, Urban Area Development Authority, Municipality, Municipal School Board, Non-Government Colleges and Non-Government Secondary Schools
4.	Interest on Provident Fund	2049-03-104-04 Interest Payments on PF Deposit of employees of Urban Area Development Authority (Debit)	8336-00-800-29 Civil Deposits (Credit)	0.72	Adjustment of Annual Interest on Provident Funds of employees of Urban Area Development Authority, Gandhidham Area Development Authority and Rural Housing Board
5.	Interest on Insurance Fund	2049-03-108-01 Interest Payments	8011-00-107-12 Insurance and Pension Fund	4.07 128.25	Adjustment of interest of Saving and Insurance fund deposit

		(Debit)	(Credit)		under Group Insurance Scheme, 1981
6.	Interest on Contributory Provident Fund	2049-03-104-04 Interest Payments (Debit)	8009-01-102-11 General Provident Fund (Credit)	0.09	Adjustment of Interest on Contributory Provident Fund Deposits
7.	Interest on General Provident Fund	2049-03-104-01 Interest Payments (Debit)	8009-01-101-11 General Provident Fund (Credit)	503.42	Adjustment of Interest on General Provident Fund of Other than Class IV Employees of State Government
8.	Interest on General Provident Fund	2049-03-104-03 Interest Payments (Debit)	8009-01-104-11 General Provident Fund (Credit)	3.72	Adjustment of Interest of All India Services Employees Provident Fund.
9.	Adjustment of Grant-in-Aids from Central Road Fund	3054-80-797-11 Roads and Bridges(Debit)	8449-00-103-00 Subventions from Central Road fund (Credit)	100.70	Annual Adjustment relating to Central Road Fund-Contribution
10.	Transfer of Expenditure on Pro-rata basis	2059-01-052-98 Public Works (Deduct-Debit)	2216-80-001-05 Housing (Debit)	6.08	Transfer of Establishment and Tools & Plants charges on pro-rata basis
11.	Transfer of Expenditure on Pro-rata basis	2059-80-001-98 Public Works. (Deduct-Debit)	3054-80-001-05 Roads and Bridges (Debit)	11.09	Transfer of Establishment and Tools & Plants charges on pro-rata basis
12.	Adjustment of General and Other Reserve Fund - State Equalization Fund	3604-00-200-02 Compensation and Assignments to Local Bodies and Panchayati Raj Institutions (Debit)	8235-00-200-11 General and Other Reserve Fund- State Equalization Fund. (Credit)	0.26	Adjustment has been carried out to compensate the loss in collection of land revenue to Local Bodies and Panchayati Raj as per provision of Gujarat Panchayati Act, 1993

13.	Adjustment of Pensionary charges	2700-Major Irrigation, 2701-Medium Irrigation, 2702-Minor Irrigation, 2711-Flood Control and Drainage, 4700-Capital Outlay on Major Irrigation, 4701-Capital Outlay on Medium Irrigation, 4702-Capital Outlay on Minor Irrigation, 4711-Capital Outlay on flood Control Projects (Debit)	0071-01-800-01 Contributions and recoveries towards Pension and Other Retirement Benefits (Credit)	32.95	Pensionary charges of Government servants working in Irrigation schemes are worked out at 6.40% of the expenditure made on such staff and equal receipts are taken under M.H.0071
14.	Adjustment of Depreciation of Reserve Fund for Government Presses	2058-00-797-01 Stationery and Printing (Debit)	8226-00-102 - 11 Depreciation/ Renewal Reserve Funds (Credit)	1.37	Contribution to Depreciation/ Renewal Reserve Funds to meet out revised cost of the renewals and replacement of Plants and Machinery in future
15.	Adjustment of Development and Welfare Fund	8229-00-101-11 (Debit)	2202-80-902-01 (Deduct-Debit)	30.00	Expenditure met from Education Cess Fund
16.	Amount met from State Equalization Fund	8235-00-200-11 General and other Reserve Funds (Debit)	3604-00-797-01 Compensation and Assignment to Local Bodies and Panchayati Raj Institution (Deduct- Debit)	0.82	Expenditure met from State Equalization Fund.
17.	Interest on General Provident Fund	2049-03-104-02 Interest Payments	8009-01-101-12 General Provident Fund	34.94	Adjustment of Interest on Provident Fund of class IV Employees of

		03-Interest on Small Savings and Provident Fund etc. (Debit)	(Credit)		State Government
18.	Interest on General Provident Fund	2049-03-104-06 Interest Payments 03-Interest on Small Savings and Provident Fund etc. (Debit)	8009-60-103-12 General Provident Fund (Credit)	11.40	Adjustment of Work charged Employees and Rojanddar employees Provident Fund
19.	Transfer of expenditure to State Disaster Response Fund	8121-00-122-00 State Disaster Response Fund (Debit)	2245-06-901-01 General and other Reserve Fund (Deduct-Debit)	408.70	Expenditure met from State Disaster Response Fund
20.	Contribution to Reserve Fund.	2202-01-797-01 General Education (Debit)	8229-00-101-11 Development and Welfare Funds (Education Purposes) (Credit)	30.00	Contribution to Education Cess Fund
21.	Interest on General Provident Fund	2049-03-104-05 Interest Payments (Debit)	8009-01-101-13 General Provident Fund (Credit)	0.38	Adjustment of Interest on General Provident Fund of Divisional Accountants
22.	Interest on General Provident Fund	2049-03-104-07 Interest Payments (Debit)	8009-60-103-14 General Provident Fund (Credit)	19.84	Adjustment of Interest on General Provident Fund of Daily Wages Employees

APPENDIX I-B**(Referred to in Note2(i))****Grants –in –aid and Subsidy classified under Capital Heads**

During 2013-14, the following cases of ‘Grants-in-aid’ and ‘Subsidies’ released by the government have been classified/booked under Capital Expenditure Heads.

(₹ in Crore)

Sr. No.	Classification- Major Head	Grants-in-aid	Subsidy
1.	4202- Capital Outlay on Education, Sports, Arts and Culture	422.81	----
2.	4210- Capital Outlay on Medical and Public Health	44.05	----
3.	4217- Capital Outlay on Urban development	466.00	----
4.	4225- Capital Outlay on Welfare of Scheduled Caste, Scheduled Tribes, Other Backward Classes and Minorities	4.81	81.14
5.	4236- Capital Outlay on Nutrition	122.56	----
6.	4401- Capital Outlay on Crop Husbandry	5.00	----
7.	4402-Capital Outlay on Soil and Water Conservation	9.36	----
8.	4435- Capital Outlay on Other Agriculture Programmes	0.02	13.79
9.	4515- Capital Outlay on Other Rural Development Programmes	94.90	----
10	4801- Capital Outlay on Power Projects	210.21	45.00
11	4851- Capital Outlay on Village and Small Industries	0.79	3.03
12	4852- Capital Outlay on Iron and Steel Industries	----	25.00
13	5452-Capital Outlay on Tourism	81.94	----
14	6225- Loans for Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	0.30	2.79
Total		1462.75	170.75

APPENDIX I-C

(Referred to in Note 2(ii))

Statement of Major Head-wise Receipts booked under MH 800-Other Receipt

Major Head		Receipt under Major Head	Receipt under Minor Head 800-Other Receipts	Percentage of total receipts under the Major Head
1		2	3	4
(₹ in crore)				
0575	Other Special Areas Programmes	25.65	25.65	100.00
0408	Food Storages and Warehousing	29.30	29.30	100.00
0801	Power	8.68	8.68	100.00
0810	Non Conventional Sources of Energy	1.23	1.23	100.00
0047	Other Fiscal Services	0.15	0.15	100.00
0211	Family Welfare	8.60	8.60	100.00
1456	Civil Supplies	0.24	0.24	100.00
0802	Petroleum	0.01	0.01	100.00
1452	Tourism	0.09	0.09	100.00
0701	Medium Irrigation	368.36	362.20	98.33
0401	Crop Husbandry	84.69	82.92	97.91
0515	Other Rural Development Programmes	59.09	57.19	96.78
0851	Village and Small Industries	11.82	11.18	94.59
0702	Minor Irrigation	16.70	15.46	92.57
0235	Social Security and Welfare	10.13	9.04	89.24
0059	Public Works	54.99	48.94	89.00
0071	Contribution and Recoveries towards Pension and Other Retirement Benefits	58.54	50.85	86.86
0405	Fisheries	14.01	11.74	83.80
0035	Taxes on Immovable Property Other than Agricultural Land	219.96	174.03	79.12
1475	Other General Economic Services	72.10	50.34	69.82
0217	Urban Development	88.24	61.27	69.44
0070	Other Administrative Services	100.32	64.75	64.54
0058	Stationery and Printing	23.63	14.51	61.40
0404	Dairy Development	8.27	4.35	52.60
0250	Other Social Services	67.05	29.77	44.40
0700	Major Irrigation	529.15	232.55	43.95
0406	Forestry and Wild Life	60.03	24.79	41.30
0425	Co-operation	24.83	8.36	33.67
0216	Housing	138.73	46.47	33.50
0055	Police	177.81	54.92	30.89

APPENDIX I-D

(Referred to in Note 2(ii))

Statement of Major Head-wise expenditure booked under MH 800-Other Expenditure

Major Head		Expenditure under Major Head	Expenditure under Minor Head 800- Other Expenditure	Percentage of total expenditure under the Major Head
1		2	3	4
(₹ in crore)				
5475	Capital Outlay on Other General Economic Services	0.47	0.47	100.00
4075	Capital Outlay on Miscellaneous General Services	27.65	27.65	100.00
4852	Capital Outlay on Iron and Steel Industries	25.00	25.00	100.00
4236	Capital Outlay on Nutrition	206.28	206.28	100.00
3051	Ports and Light Houses	65.00	65.00	100.00
4401	Capital Outlay on Crop Husbandry	15.62	15.62	100.00
2075	Miscellaneous General Services	17.31	16.84	97.28
5051	Capital Outlay on Ports and Light Houses	105.71	98.00	92.71
4701	Capital Outlay on Medium Irrigation	1448.88	1311.78	90.54
2810	New and Renewable Energy	23.20	20.87	89.96
2852	Industries	293.44	262.83	89.57
4211	Capital Outlay on Family Welfare	20.88	17.30	82.85
3475	Other General Economic Services	45.97	37.87	82.38
3452	Tourism	18.40	14.56	79.13
4851	Capital Outlay on Village and Small Industries	3.84	3.00	78.13
4055	Capital Outlay on Police	335.49	237.33	70.74
2245	Relief on Account of Natural Calamities	599.42	370.24	61.77
2801	Power	3775.07	2301.34	60.96
2405	Fisheries	152.10	91.50	60.16
2853	Non-ferrous Mining and Metallurgical Industries	111.54	64.00	57.38
3454	Census Surveys and Statistics	37.73	20.69	54.84
2236	Nutrition	2320.81	1162.56	50.09
3054	Roads and Bridges	3089.66	1409.30	45.61
2515	Other Rural Development Programmes	1397.17	620.76	44.43
4702	Capital Outlay on Minor Irrigation	1144.01	462.85	40.46
2205	Art and Culture	91.44	34.94	38.21
2701	Medium Irrigation	198.40	70.52	35.54
2215	Water Supply and Sanitation	190.53	66.81	35.07
4215	Capital Outlay on Water Supply and Sanitation	1420.75	456.20	32.11

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