

**GOVERNMENT OF ASSAM**

**ACCOUNTS AT A GLANCE  
2010- 2011**

**PRINCIPAL ACCOUNTANT GENERAL  
(ACCOUNTS AND ENTITLEMENT)  
ASSAM**

## TABLE OF CONTENTS

<b>Chapter I</b>	<i>Overview</i>	<i>Page</i>
1.1	<i>Introduction</i>	1
1.2	<i>Structure of Accounts</i>	1
1.2.1	<i>Government Accounts are kept in three parts</i>	1
1.3	<i>Finance Accounts and Appropriation Accounts</i>	2
1.3.1	<i>Finance Accounts</i>	2
1.3.2	<i>Appropriation Accounts</i>	3
1.4	<i>Sources and Application of Funds</i>	3
1.4.1	<i>Ways and Means Advance</i>	3
1.4.2	<i>Fund flow statement (source and application of Funds)</i>	3-4
1.4.3	<i>Where the Rupee came from</i>	5
1.4.4	<i>Where the Rupee went</i>	5
1.5	<i>Highlights of Accounts</i>	6
1.6	<i>What do the Deficits and Surpluses indicate?</i>	7
1.6.1	<i>Trend of Revenue deficit / Surplus</i>	7
1.6.2	<i>Trend of Fiscal deficit</i>	8
1.6.3	<i>Proportion of borrowed funds spent on Capital expenditure</i>	8
<b>Chapter II</b>	<i>Receipts</i>	
2.1	<i>Introduction</i>	9
2.2	<i>Revenue Receipts (Revenue Receipt Components)</i>	9-10
2.3	<i>Trend of Receipts</i>	10-11
2.4	<i>Performance of State's own Tax Revenue Collection</i>	12
2.5	<i>Efficiency of Tax Collection</i>	12
2.6	<i>Trend in State's share of Union Taxes over the past five years</i>	13
2.7	<i>Grants-in-Aid</i>	13
2.8	<i>Public Debt</i>	14
<b>Chapter III</b>	<i>Expenditure</i>	
3.1	<i>Introduction</i>	15
3.2	<i>Revenue Expenditure</i>	15
3.2.1	<i>Sectoral distribution of Revenue Expenditure</i>	16
3.2.2	<i>Major components of Revenue Expenditure (2006-2011)</i>	16
3.3	<i>Capital Expenditure</i>	17
3.3.1	<i>Sectoral distribution of Capital Expenditure</i>	17
3.3.2	<i>Sectoral distribution of Capital expenditure over the past five years</i>	17
<b>Chapter IV</b>	<i>Plan and Non-Plan Expenditure</i>	
4.1	<i>Distribution of Expenditure (2010-11)</i>	18
4.2	<i>Plan Expenditure</i>	18
4.2.1	<i>Plan Expenditure under Capital Account</i>	19
4.3	<i>Non-Plan Expenditure</i>	19
4.4	<i>Committed Expenditure</i>	20

## TABLE OF CONTENTS

<b>Chapter V</b>	<i>Appropriation Accounts</i>	
5.1	<i>Summary of Appropriation Accounts</i>	21
5.2	<i>Trend of Saving/Excess during the past five years</i>	21
5.3	<i>Significant Savings</i>	22-23
<b>Chapter VI</b>	<i>Assets and Liabilities</i>	
6.1	<i>Assets</i>	24
6.2	<i>Debt and Liabilities</i>	24-25
6.3	<i>Guarantees</i>	25
<b>Chapter VII</b>	<i>Other Items</i>	
7.1	<i>Loans and Advances by the State Government</i>	26
7.2	<i>Financial Assistance to Local Bodies and Others</i>	26
7.3	<i>Cash Balance and Investment of Cash Balance</i>	26
7.4	<i>Reconciliation of Accounts</i>	27
7.5	<i>Submission of Accounts by Accounts Rendering Units</i>	27
7.6	<i>Abstract Contingency Bills/Detailed Contingent Bills.</i>	28
7.7	<i>Commitments on account of Incomplete Works</i>	28
7.8	<i>Rush of Expenditure</i>	28

## **Preface**

This is the 13<sup>th</sup> issue of our annual publication '**Accounts at a Glance**'.

The Annual Accounts of the State Government are prepared and examined under the directions of Comptroller and Auditor General of India (C&AG) in accordance with the requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 for being laid before the Legislature of the State. The Annual Accounts consists of (a) Finance Accounts (Vol. 1 & 2) and (b) 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 expenditures against provisions approved by State Legislature and offer explanations for variations between the actual expenditure and the funds provided. The Principal Accountant General (Accounts and Entitlement) prepares the State Finance Accounts and the Appropriation Accounts.

'**Accounts at a Glance**' provides a broad overview of Governmental activities, as reflected in the Finance Accounts and the Appropriation Accounts. The information is presented through brief explanations, statements and graphs.

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

**GUWAHATI**

Dated:

**(Mohinder Singh)**

**PRINCIPAL ACCOUNTANT GENERAL (A&E)  
ASSAM**

# CHAPTER 1

## OVERVIEW

### 1.1 Introduction

The monthly accounts of the State Government are compiled and consolidated from the accounts submitted by the District Treasuries, Public Works and Forest Divisions, etc. to the Principal Accountant General (Accounts and Entitlement). Besides, the Finance Accounts (Vol.1&2) and the Appropriation Accounts are prepared annually by the Principal Accountant General under the directions of the Comptroller and Auditor General of India 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 The Government accounts are kept in three parts:

Part I	Consolidated Fund
Part II	Contingency Fund
Part III	Public Account

**Part-I :** There are two main divisions under the Consolidated Fund:

The Revenue division (Revenue Account) deals with the proceeds of taxation and other receipts classed as revenue and the expenditure met therefrom, the net result of which represents the revenue surplus or deficit for the year.

In the Capital division, the section 'Receipt Heads (Capital Account)' deals with receipts of capital nature, which cannot be applied as a set off to capital expenditure. The section 'Expenditure Heads (Capital Account)' deals with expenditure met usually from borrowed funds with the object of increasing concrete assets of a material and permanent character. It also includes receipts of a capital nature intended to be applied as a set off to capital expenditure. The section 'Public Debt, Loans and Advances, etc.' comprises loans raised and their repayments by Government such as 'Internal Debt' and 'Loans and Advances' made (and their recoveries) by Government.

**Part-II :** In the Contingency Fund, the transactions connected with Contingency Fund established under Article 267 of the Constitution of India are recorded.

**Part-III :** In the Public Account, the transactions relating to 'Debt' (other than those included in Part-I), 'Deposits', 'Advances', 'Remittances' and 'Suspense' are recorded.

### 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. Finance Accounts have been issued in two volumes, in a new format, to make them more comprehensive and informative. Volume 1 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 2 contains other summarised statements (Part-I), detailed statements (Part-II) and appendices (Part-III).

Receipts and disbursements of the government of Assam as depicted in the Finance Accounts 2010-2011 are given below.

			(₹in crore)
Receipts (Total:25023.59)	<b>Revenue</b> (Total:23004.94)	Tax Revenue	13898.46
		Non Tax Revenue	2373.33
		Grants-in-Aid	6733.15
	<b>Capital</b> (Total:2018.65)	Recovery of Loans and Advances	28.09
		Borrowing and other liabilities*	1990.56
Disbursements (Total:25023.59)	Revenue		22951.82
	Capital		2000.89
	Loans and Advances		70.88

\* 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

The Union Government transfers substantial funds directly to State Implementing Agencies/NGOs for implementation of various schemes and programmes. This year, the Government of India directly released ₹ 2784.36 crore (₹ 2962.02 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 now exhibited in Appendix VII of Volume 2 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 'charged' on the Consolidated Fund or 'voted' by the State Legislature. There are 3 charged Appropriations and 78 voted Grants.

The Appropriation Act, 2010-2011 had provided for gross expenditure of ₹ 39901.38 crore including the Supplementary Grants totaling ₹ 3083.37 crore voted by State Legislature during the year. An amount of ₹ 6986.28 crore was projected as recoveries in reduction of expenditure. Disbursements aggregating ₹ 25947.39 crore were made against the aggregate budget provision of ₹ 39901.38 crore, resulting in savings of ₹ 13953.99 crore against Grants and Appropriation. Recoveries in reduction of expenditure amounted to ₹ 0.42 crore were recorded resulting in a decrease of ₹ 6985.86 crore vis-à-vis budget estimates of ₹ 6986.28 crore. The gross expenditure includes ₹ 225.48 crore drawn on Abstract Contingent (AC) Bills, which is outstanding at the end of the year for want of supporting Detailed Contingent (DC) Bills.

## *1.4 Sources and Application of Funds*

### *1.4.1 Ways and Means Advances*

The Reserve Bank of India (RBI) extends the facility of Ways and Means Advances (WMA) to enable State Governments to maintain their liquidity. Overdraft (OD) facilities are provided when there is a shortfall in the agreed minimum cash balance (₹ 1.08 crore) maintained with the RBI. During 2010-2011, the Government of Assam did not resort to OD and WMA facilities.

### *1.4.2 Fund flow statement*

The State had a Revenue Surplus of ₹ 53.12 crore and a Fiscal Deficit of ₹ 1990.56 crore representing 0.05 % and 1.91% of the Gross State Domestic Product (GSDP). The Fiscal Deficit constituted 7.95% of total expenditure. This deficit was met from Public Debt (₹ 1121.94 crore), increase in Public Account (₹1299.78 crore) and net of Opening and Closing Cash Balance {₹ (-)431.16 crore}. Around 64.09 % of the revenue receipts (₹23004.94 crore) of the State Government was spent on committed expenditure like salaries (₹10446.21 crore), interest payments (₹ 1912.12 crore) and pensions (₹ 2384.53 crore).

## *Sources and Application of Funds*

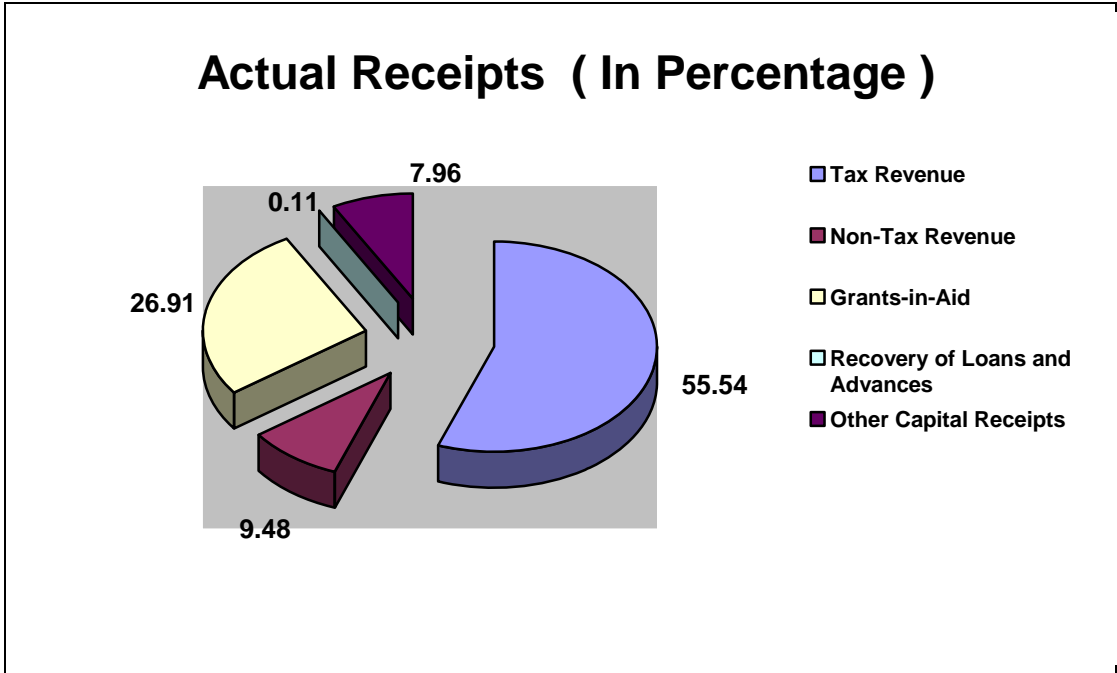
(₹ in crore)

<b>SOURCES</b>	<b>PARTICULARS</b>	<b>AMOUNT</b>
	Opening Cash Balances as on 1.4.2010	(-)1404.41
	Revenue Receipts	23004.94
	Recovery of Loans & Advances	28.09
	Public Debt	2045.32
	Small Savings, Provident Fund & Others	953.18
	Reserves & Sinking Funds	256.08
	Deposits Received	3438.26
	Civil Advances Repaid	2041.79
	Suspense Account	210678.84
	Remittances	3633.60
	<b>TOTAL</b>	<b>244675.69</b>

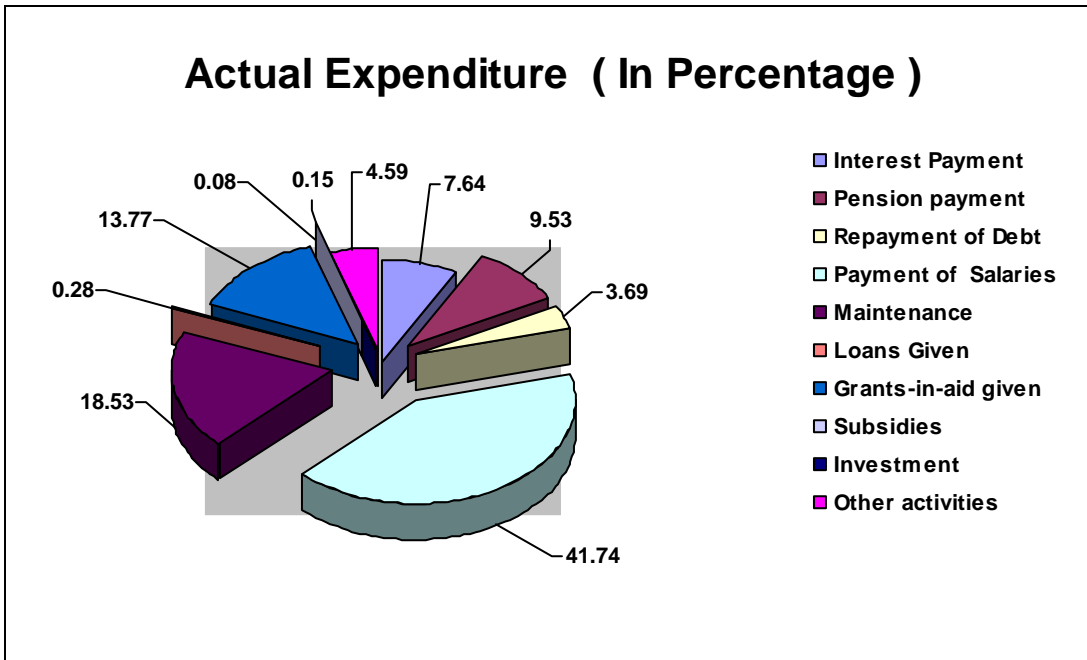
<b>APPLICATION</b>	Revenue Expenditure	22951.82
	Capital Expenditure	2000.89
	Loans Given	70.88
	Repayment of Public Debt	923.38
	Small Savings, Provident Fund & Others	412.77
	Reserves & Sinking Funds	409.20
	Deposits Spent	3839.49
	Civil Advances Given	2369.17
	Suspense Account	209065.71
	Remittances	3605.63
	Closing Cash Balance as on 31-3-2011	(-) 973.25
	<b>TOTAL</b>	<b>244675.69</b>



1.4.3 Where the Rupee came from



1.4.4 where the Rupee went



## 1.5 HIGHLIGHTS OF ACCOUNTS

( ₹ in Crore )

Particulars		B.E 2010- 2011	Actuals 2010-11	Percentage of Actuals to B.E	Percentage of Actuals to GSDP#
1.	Tax Revenue	12570.41	13898.46	110.56	13.34
2.	Non-Tax Revenue	2782.05	2373.33	85.31	2.28
3.	Grants-in-aid & Contributions	11056.47	6733.15	60.91	6.46
4.	Revenue Receipts (1+2+3)	26408.93	23004.94	87.11	22.07
5.	Recovery of Loans & Advances	38.87	28.09	72.27	0.03
6.	Borrowings and Other Liabilities	2336.62	1990.56	85.19	1.91
7.	Capital Receipts (5+6)	2375.49	2018.65	84.98	1.94
8.	Total Receipts(4+7)	28784.42	25023.59	86.93	24.01
9.	Non-Plan Expenditure(NPE)	17329.97	17966.88	103.68	17.24
10.	NPE on Revenue Account	17272.18	17895.86	103.61	17.17
11.	NPE on Interest Payments out of 10	2407.44	1912.12	79.43	1.83
12.	NPE on Capital Account	57.79	71.02	122.89	0.07
13.	Plan Expenditure (PE)	11454.45	7056.71	61.61	6.77
14.	PE on Revenue Account	8159.34	5055.96	61.97	4.85
15.	PE on Capital Account	3295.11	2000.75	60.72	1.92
16.	Total Expenditure (9+13)	28784.42	25023.59	86.93	24.01
17.	Expenditure on Revenue Account(10+14)	25431.52	22951.82	90.25	22.02
18.	Expenditure on Capital Account (12+15)*	3352.90	2071.77	61.79	1.99
19.	Revenue Surplus(17-4)	977.41	53.12	5.43	0.05
20.	Fiscal Deficit {16- (4+5)}	2336.62	1990.56	85.19	1.91

- Expenditure on Capital Account consists of Capital Expenditure (₹ 2000.89 crore) and Loans and Advances disbursed (₹ 70.88 crore).

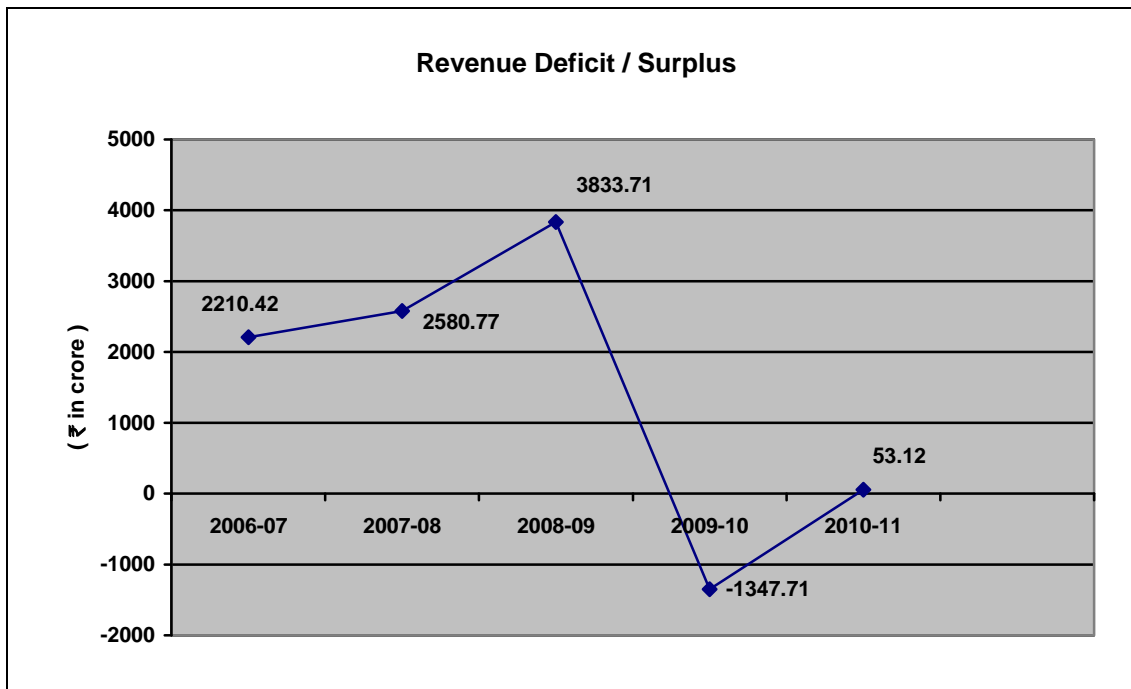
# GSDP ₹ 104218 Crore (Adv).

## 1.6 What do the Deficits and Surpluses indicate?

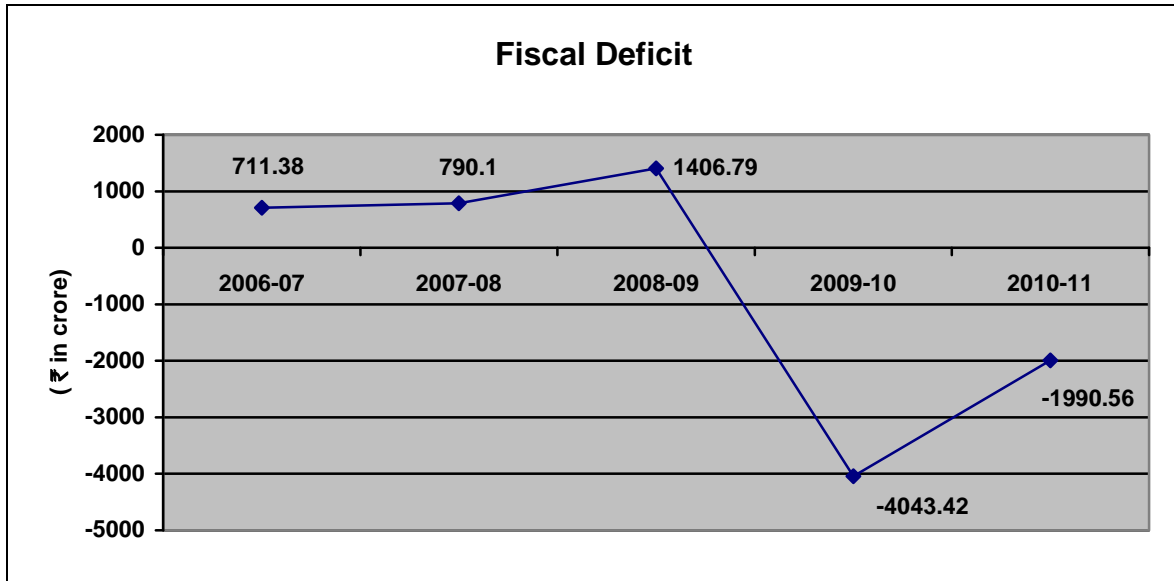
<b>Deficit</b>	Refers to the gap between Revenue and Expenditure. The kind of deficit, how the deficit is financed, and application of funds are important indicators of prudence in Financial Management.
<b>Revenue Surplus</b>	Refers to the gap between Revenue Receipts and Revenue Expenditure. Revenue Expenditure is required to maintain the existing establishment of Government and ideally, should be fully met from Revenue Receipts.
<b>Fiscal Deficit / Surplus</b>	Refers to the gap between Total Receipts (excluding borrowings) and Total Expenditure. This gap, therefore, indicates the extent to which expenditure is financed by borrowings. Ideally, the Borrowings should be invested in capital projects.

Deficit indicators, revenue augmentation and expenditure management are major yardsticks for judging the fiscal performance of the Government.

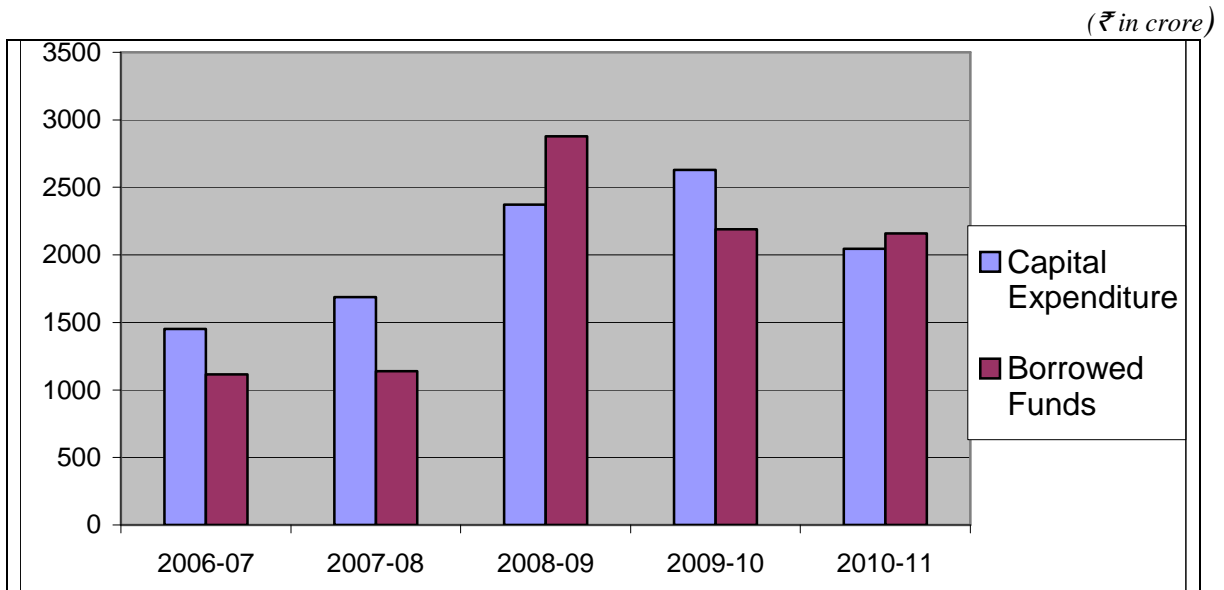
### 1.6.1. Trend of Revenue Deficit/Surplus



### 1.6.2. Trend of Fiscal Deficit



### 1.6.3. Proportion of borrowed funds spent on Capital expenditure.



It is desirable to fully utilize 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 97.83% of the borrowings of the current year (₹ 2045.32 crore) on capital expenditure (₹ 2000.89 crore). It would therefore appear that 2.17% of the public debt (₹ 44.43 crore) was utilized to repay the principal and interest on public debt of previous years, to meet periodic shortfalls of revenues against expenditure in the current year, to maintain a positive cash balance at the end of the year and to invest in treasury bills.

# CHAPTER II

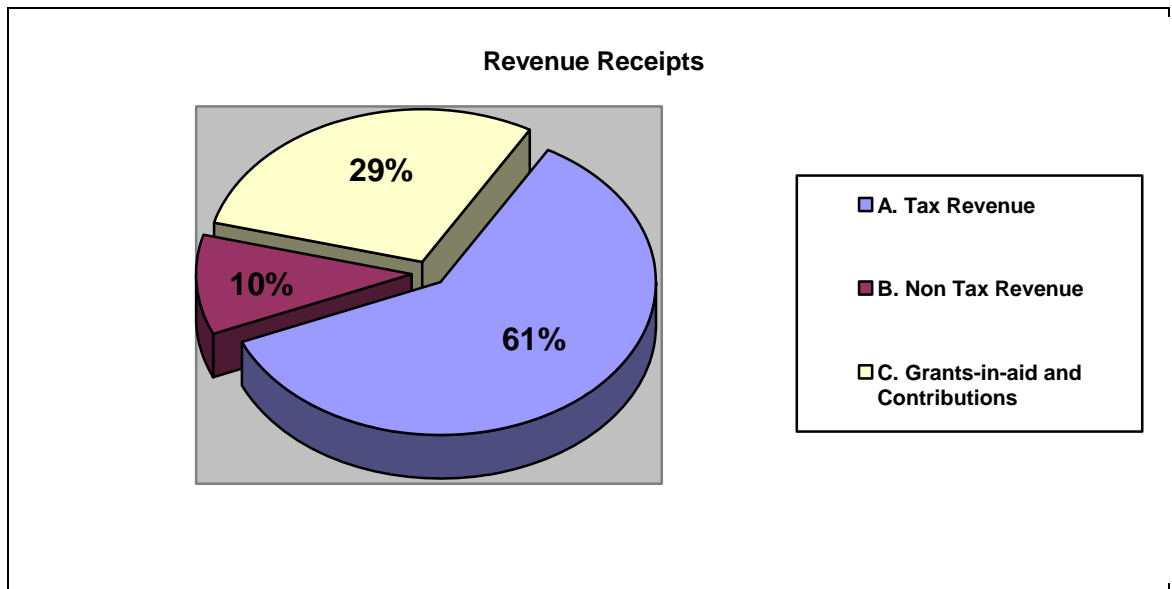
## RECEIPTS

### 2.1. Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total Receipts for 2010-11 were ₹ 25023.59 crore.

### 2.2 Revenue Receipts

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 and Equipment' received from foreign governments and channelised through the Union Government in turn, the State Governments also gives Grants-in-aid to institutions like Panchayati Raj Institutions, Autonomous Bodies etc.



## Revenue Receipt Components ( 2010-11 )

(₹ in Crore)

Components	Actuals
<b>A. Tax Revenue*</b>	<b>13898.46</b>
Taxes on Income & Expenditure	5022.40
Taxes on Property & Capital Transactions	271.11
Taxes on Commodities & Services	8604.95
<b>B. Non-Tax Revenue</b>	<b>2373.33</b>
Interest Receipts, Dividends and Profits	430.86
General Services	91.16
Social Services	27.39
Economic Services	1823.92
<b>C. Grants-in-aid &amp; Contributions</b>	<b>6733.15</b>
<b>Total – Revenue Receipts</b>	<b>23004.94</b>

\* Includes Share of Income Tax etc. received from Union Government.

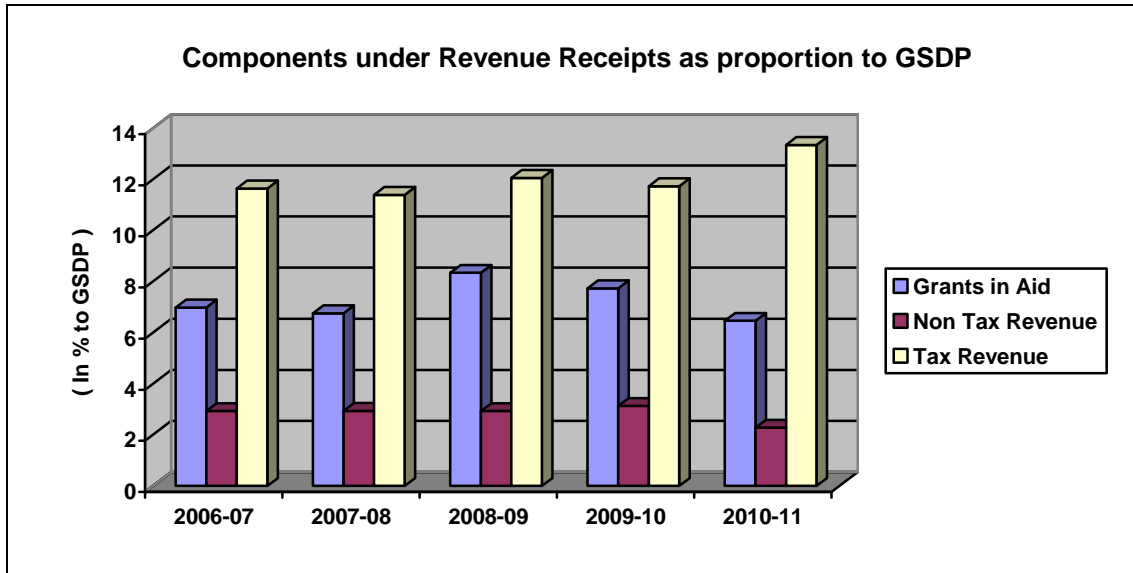
### 2.3 Trend of Receipts

(₹ in crore)

	2006-07	2007-08	2008-09	2009-10	2010-11
Tax Revenues	7382.31 (11.64)	8277.71 (11.39)	9340.11 (12.05)	10326.25 (11.73)	13898.46 (13.34)
Non-Tax Revenues	1859.27 (2.93)	2134.59 (2.94)	2271.90 (2.93)	2752.94 (3.13)	2373.33 (2.28)
Grants-in-Aid	4425.37 (6.98)	4912.63 (6.76)	6465.03 (8.34)	6805.30 (7.73)	6733.15 (6.46)
Total Revenue Receipts	13666.95 (21.55)	15324.93 (21.08)	18077.04 (23.32)	19884.49 (22.59)	23004.94 (22.07)
GSDP	63428.00	72700.47	77506.00	88023.00	104218.00

*Note : Figures in parentheses represent percentage to GSDP*

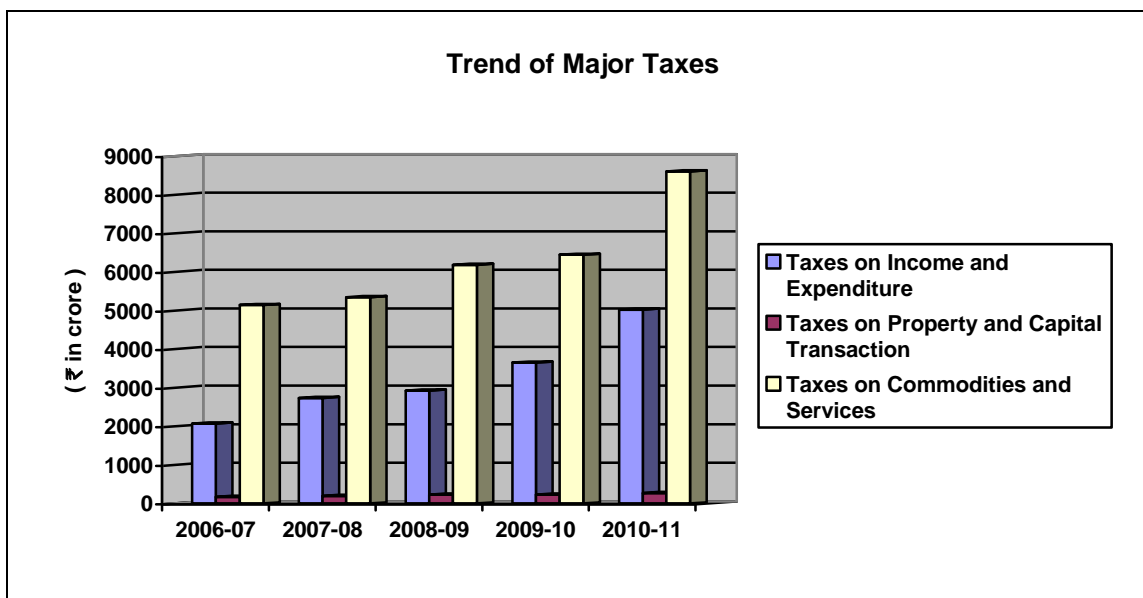
Though the GSDP increased by 18.40 % between 2009-10 and 2010-11, growth in revenue collection was only 15.69%. While tax revenues increased by 34.59%, non-tax revenues declined by 13.79% despite significant collection under 'Petroleum' (₹ 1625.93 crore) and 'Housing' (₹ 5.37 crore). The decline under non-tax revenues was mainly on account of non-receipt of debt waiver incentive in 2010-11 from Government of India. The State's own revenue under certain tax components, like taxes on Sales, trade etc. (₹ 4318.60 crore), 'State Excise' (₹ 323.12 crore) and taxes on vehicles (₹ 231.99 crore), showed a higher trend.



### Sector-wise Tax Revenue

(₹ in crore)

	2006-07	2007-08	2008-09	2009-10	2010-11
Taxes on Income and Expenditure	2066.55	2736.34	2926.53	3650.05	5022.40
Taxes on Property and Capital Transactions	173.00	191.40	226.14	230.34	271.11
Taxes on Commodities and Services	5142.76	5349.97	6187.44	6445.86	8604.95
<b>Total Tax Revenues</b>	<b>7382.31</b>	<b>8277.71</b>	<b>9340.11</b>	<b>10326.25</b>	<b>13898.46</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	
			Amount	Percentage to GSDP
(1)	(2)	(3)	(4)	(5)
2006-07	7382.31	3898.99	3483.32	5.49 %
2007-08	8277.71	4918.21	3359.50	4.62 %
2008-09	9340.11	5189.89	4150.22	5.35 %
2009-10	10326.25	5339.53	4986.72	5.67 %
2010-11	13898.46	7968.61	5929.85	5.69 %

## 2.5 Efficiency of Tax Collection

### A. Taxes on Property and Capital Transaction

(₹ in crore)

	2006-07	2007-08	2008-09	2009-10	2010-11
Revenue Collection	173.00	191.40	226.14	230.34	271.11
Expenditure on Collection	80.38	89.78	99.84	124.73	154.47
Efficiency of Tax Collection	46.46	46.91	44.15	54.15	56.98

### B. Taxes on Commodities and Services

(₹ in crore)

	2006-07	2007-08	2008-09	2009-10	2010-11
Revenue Collection	5142.76	5349.97	6187.44	6445.86	8604.95
Expenditure on Collection	54.24	43.95	61.89	71.98	114.47
Efficiency of Tax Collection	1.05	0.82	1.00	1.12	1.33

Taxes on commodities and services form a major chunk of tax revenue. Tax collection efficiency is excellent. However, the collection efficiency of taxes on property and capital transactions can be improved.



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

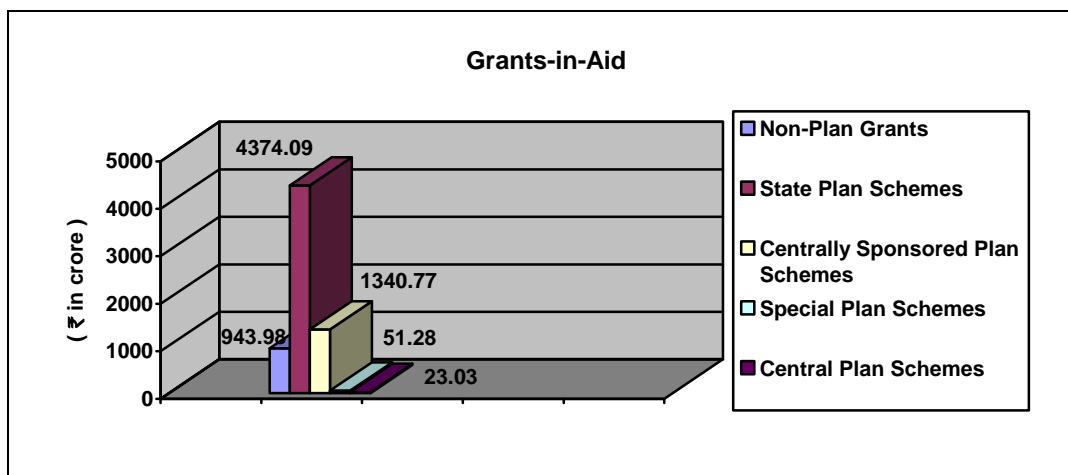
(₹ in crore)

Major Head description	2006-07	2007-08	2008-09	2009-10	2010-11
Corporation Tax	1216.91	1560.93	1702.01	2197.48	3114.68
Taxes on Income other than Corporation Tax	738.97	1047.67	1068.71	1224.08	1645.93
Other Taxes on Income and Expenditure *	(-) 0.20	(-) 0.08	(-) 0.11	...	...
Taxes on Wealth	1.53	1.73	1.61	4.97	6.39
Customs	760.49	929.65	992.08	747.32	1393.42
Union Excise Duties	807.53	887.47	865.10	601.97	1013.67
Service Tax	374.00	491.03	560.60	563.71	794.53
Other Taxes and Duties on Commodities and Services*	(-) 0.24	(-) 0.19	(-) 0.11	...	(-) 0.01
<b>State Share of Union Taxes</b>	<b>3898.99</b>	<b>4918.21</b>	<b>5189.89</b>	<b>5339.53</b>	<b>7968.61</b>
<b>Total Tax Revenue</b>	<b>7382.31</b>	<b>8277.71</b>	<b>9340.11</b>	<b>10326.25</b>	<b>13898.46</b>
<b>% of Union Taxes to Total Tax Revenue</b>	<b>52.82</b>	<b>59.42</b>	<b>55.57</b>	<b>51.71</b>	<b>57.33</b>

\* Minus figures are due to recoveries made by the Government of India.

## 2.7 Grants in Aid

Grants in Aid represent assistance from the Government of India, and comprise Grants, for State Plan Schemes, Central Plan Schemes, Centrally Sponsored Schemes and Special Plan Schemes approved by the Planning Commission and State Non-Plan Grants recommended by the Finance Commission. Total receipts during 2010-2011 under Grants- in Aid were ₹ 6733.15 crore as shown below:



The share of non-plan grants in total grants-in-aid declined from 23.41 % during 2009-2010 to 14.02 % in 2010-2011, while, the share of grants for plan schemes increased from 76.59% in 2009-2010 to 85.98% in 2010-2011.

## 2.8 Public Debt

Trend of Public Debt over past years.

(₹ in crore)

Description	2006-07	2007-08	2008-09	2009-10	2010-11
<b>Internal Debt</b>	720.69	630.01	2165.59	1475.90	1229.63
<b>Central Loans</b>	(-) 99.71	(-) 66.86	(-) 68.88	(-) 293.18	(-)107.69
<b>Total Public Debt</b>	620.98	563.15	2096.71	1182.72	1121.94

Note: Negative figures indicate that repayment is in excess of receipts.

In 2010-2011, one loan totaling ₹ 800.00 crore at interest rates 8.48% redeemable in the years 2020-2021 was raised at par.

Against the total internal debt of ₹ 2029.70 crore of the State Government in 2010-2011 plus the central loan component of ₹ 15.62 crore received during this period, capital expenditure was only ₹ 2000.89 crore (97.83%), 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.

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

#### 3.2 Revenue Expenditure

Revenue Expenditure was 22.02 percent of GSDP. It was less than Budget Estimates by ₹ 2479.70 crore. Non Plan Expenditure was more than Budget Estimates by ₹ 623.68 crore and Plan Expenditure was less than Budget Estimates by ₹ 3103.38 crore.

The shortfall of expenditure against budget estimates under Revenue section during the past five years is given below:

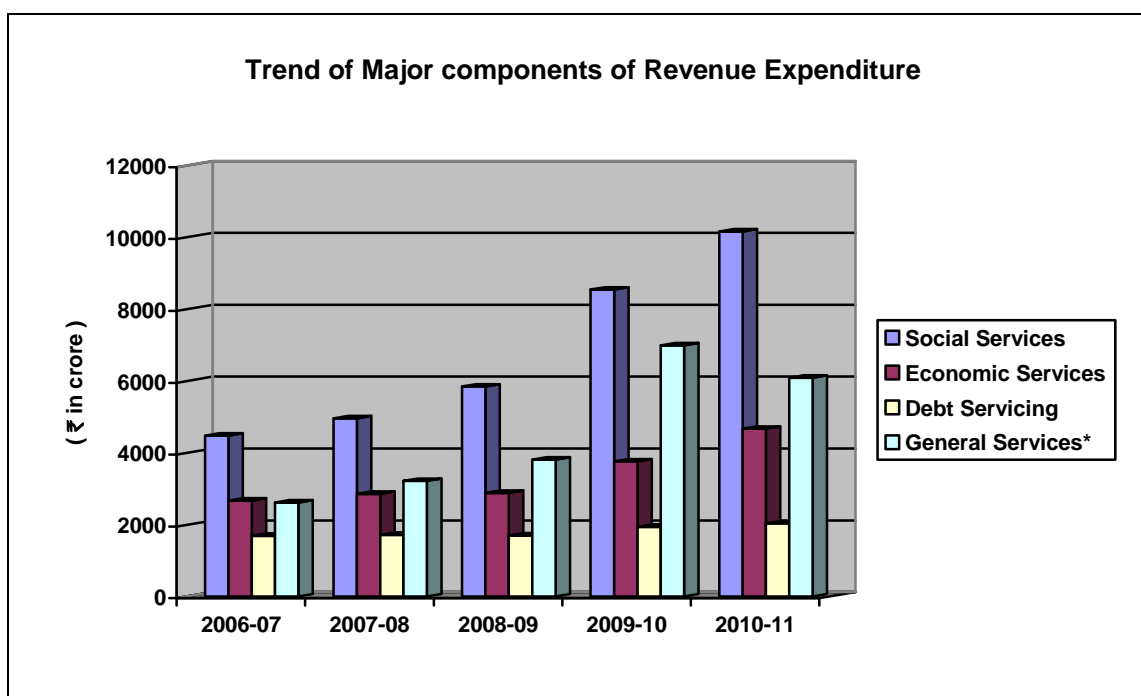
	(₹ in crore)				
	2006-07	2007-08	2008-09	2009-10	2010-11
<b>Budget Estimates</b>	16096.23	16768.14	20039.32	24150.64	25431.52
<b>Actuals</b>	11456.53	12744.16	14243.33	21232.20	22951.82
<b>Gap</b>	4639.70	4023.98	5795.99	2918.44	2479.70
<b>% of gap over BE</b>	28.82	24.00	28.92	12.08	9.75

### 3.2.1 Sectoral distribution of Revenue Expenditure.(2010-11)

(₹ in crore)

Components	Amount	Percentage
A. Fiscal Services	270.33	1.18
i) Collection of Taxes on Property and Capital transactions	154.47	0.67
ii) Collection of Taxes on Commodities and Services	114.47	0.50
iii) Other Fiscal Services	1.39	0.01
B. Organs of State	318.78	1.39
C. Interest Payments and Servicing of Debt	2032.12	8.85
D. Administrative Services	2693.20	11.74
E. Pensions and Miscellaneous General Services	2451.98	10.68
F. Social Services	10158.98	44.26
G. Economic Services	4668.86	20.34
H. Grants-in-aid and Contributions	357.57	1.56
<b>TOTAL EXPENDITURE (REVENUE ACCOUNT)</b>	<b>22951.82</b>	<b>100.00</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).

### 3.3 Capital Expenditure

Capital disbursements for 2010-2011 at 1.99% of GSDP were less than Budget Estimates by ₹ 1281.13 (less disbursement of ₹ 1294.36 crore under Plan Expenditure and ₹ 13.23 crore excess under Non-Plan Expenditure).

#### 3.3.1 Sectoral distribution of Capital Expenditure

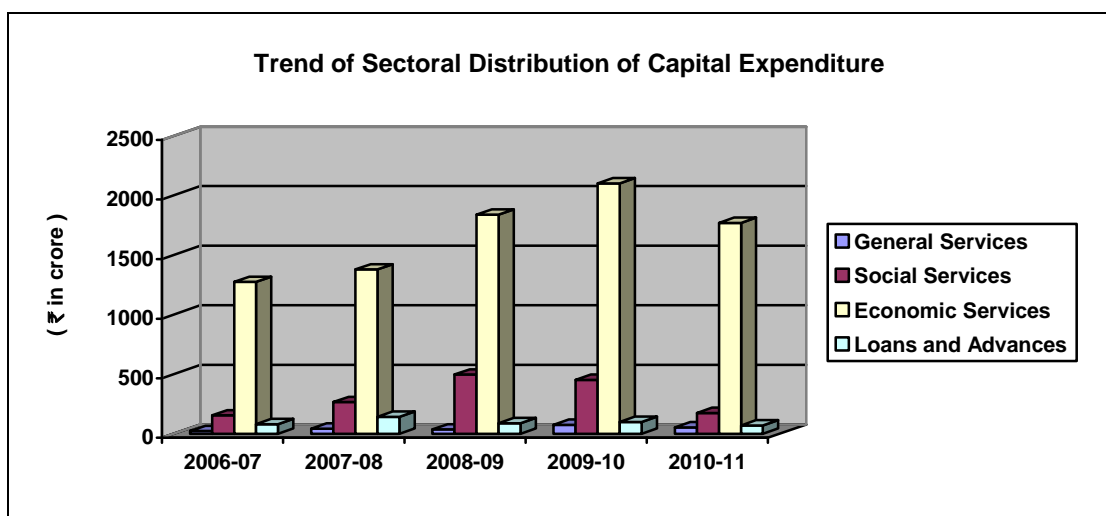
(₹ in crore)

Sl. No	Sector	Amount	Percentage
1	<b>General Services-</b> Police, Land Revenue etc	53.58	2.59
2	<b>Social Services-</b> Education, Health& Family Welfare, Water Supply, Welfare of SC/ST etc.	176.02	8.49
3	<b>Economic Services-</b> Agriculture, Rural Development, Irrigation, Cooperation, Energy, Industries, Transport etc.	1771.29	85.50
4	Loans and Advances Disbursed	70.88	3.42
<b>Total</b>		<b>2071.77</b>	<b>100</b>

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

(₹ in crore)

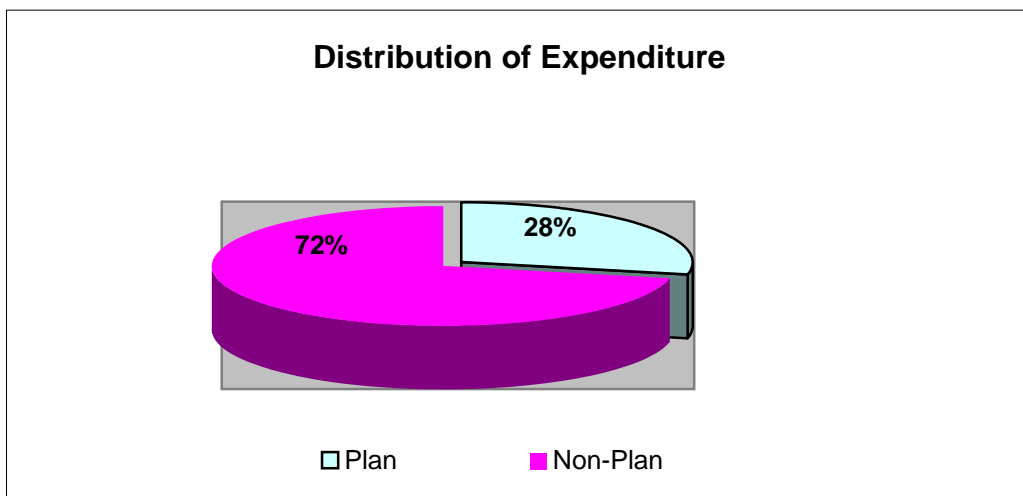
Sl. No	Sector	2006-07	2007-08	2008-09	2009-10	2010-11
1.	General Services	23.17	43.28	36.47	74.82	53.58
2.	Social Services	155.13	265.61	497.01	452.23	176.02
3.	Economic Services	1274.68	1379.22	1839.54	2102.30	1771.29
4.	Loans and Advances	80.63	142.89	88.74	99.23	70.88
Total		1533.61	1831.00	2461.76	2728.58	2071.77



# CHAPTER IV

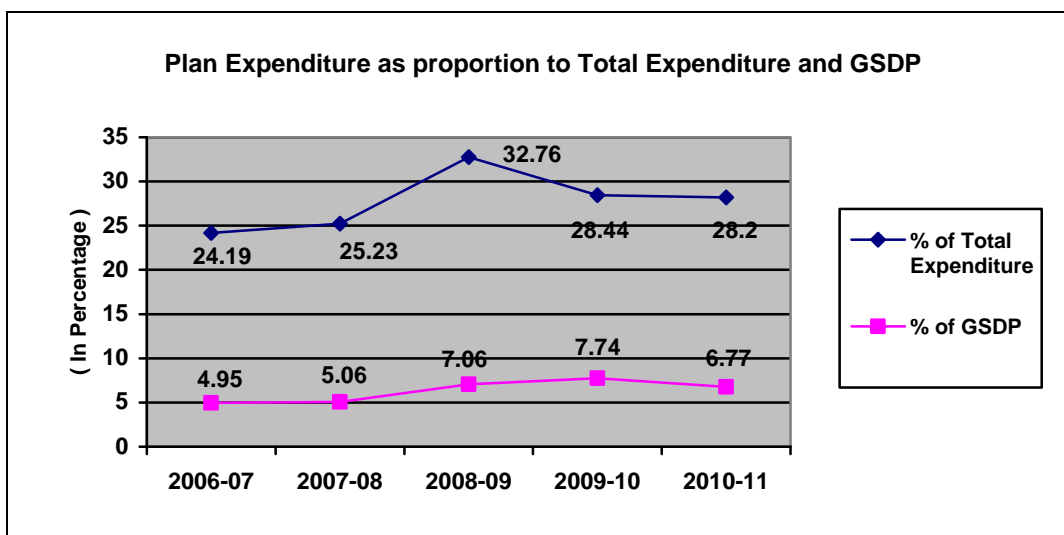
## PLAN & NON PLAN EXPENDITURE

### 4.1 Distribution of Expenditure (2010-2011)



### 4.2 Plan Expenditure

During 2010-2011, Plan Expenditure, representing 28 percent to total disbursement, was ₹ 7056.71 crore (₹ 5440.30 crore under State Plan, ₹ 1545.63 crore under Centrally Sponsored Plan Schemes and ₹ 70.78 crore under Loans and Advances.)



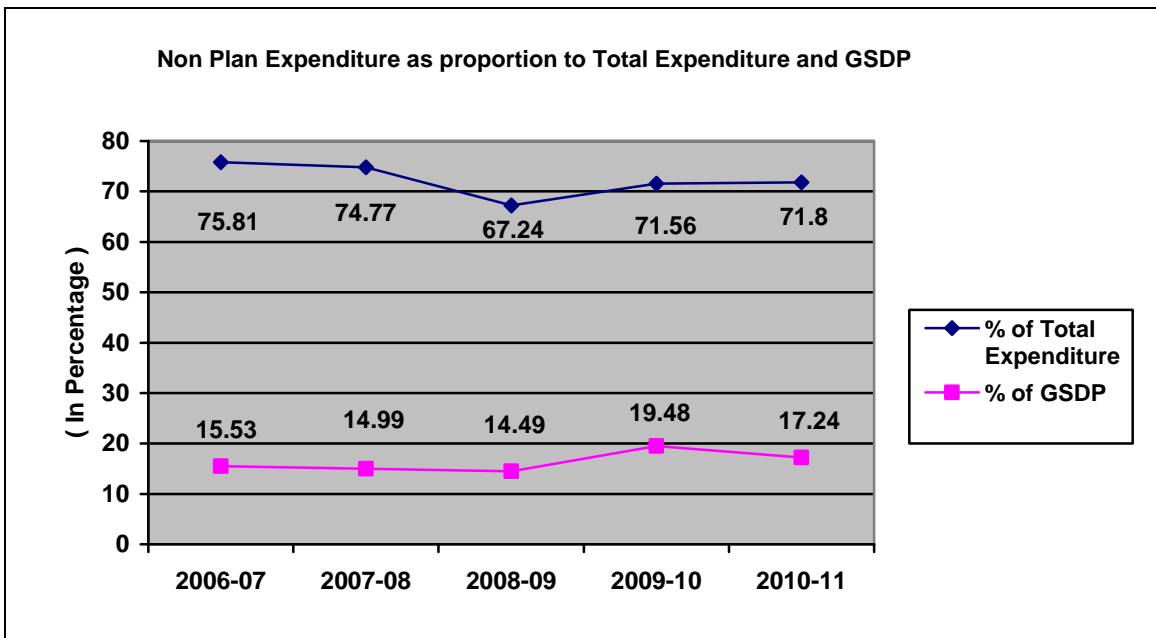
#### 4.2.1 Plan expenditure under Capital Account

(₹ in crore)

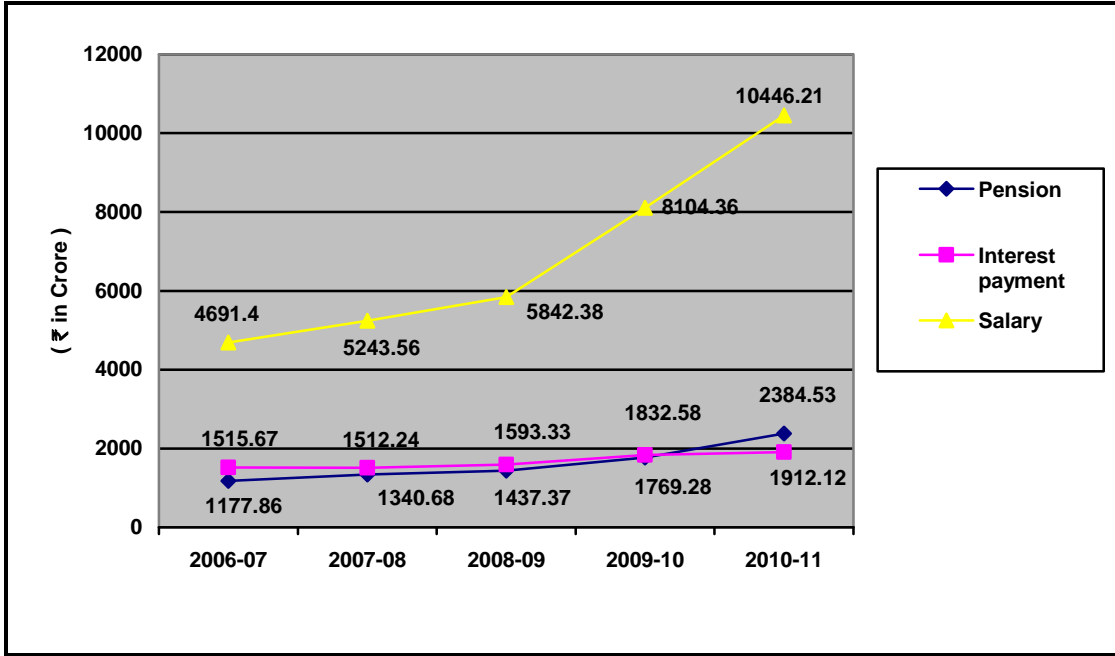
	2006-07	2007-08	2008-09	2009-10	2010-11
Total Capital Expenditure	1533.61	1831.00	2461.75	2728.58	2071.77
Capital Expenditure (Plan)	1479.96	1610.63	2361.24	2645.97	2000.75
% of Capital Expenditure (Plan) to Total Capital Expenditure	96.50	87.96	95.92	96.97	96.57

#### 4.3. Non-Plan Expenditure

Non- plan Expenditure during 2010-2011 representing 72 percent of total disbursement, was ₹ 17966.88 crore, (₹ 17895.86 crore under Revenue and ₹ 71.02 crore under Capital).



#### 4.4 Committed Expenditure



(₹ in crore)

Component	2006-07	2007-2008	2008-09	2009-10	2010-11
Committed Expenditure	7384.93	8096.48	8873.08	11706.22	14742.86
Revenue Expenditure	11456.53	12744.16	14243.33	21232.20	22951.82
% of Committed Expenditure to Revenue Receipts	54	53	49	59	64
% of Committed Expenditure to Revenue Expenditure	64	63	62	55	64

The steep upward trend on committed expenditure leaves the government with lesser flexibility for developmental spending.



## CHAPTER V

### APPROPRIATION ACCOUNTS

#### 5.1 Summary of Appropriation Accounts for 2010-11

(₹ in crore)

Sl. No.	Nature of Expenditure	Original Grant	Supplementary Grant	Re-appropriation	Total	Actual Expenditure	Savings(-)/ Excesses(+)
1.	<b>Revenue Voted Charged</b>	29784.68	1880.84	255.47	31665.52	20873.93	(-) 10791.59
		2592.32	7.95	5.36	2600.27	2078.31	(-) 521.96
2.	<b>Capital Voted Charged</b>	3306.92	1173.36	2.51	4480.28	2000.89	(-) 2479.39
		...	...	...	...	...	...
3.	<b>Public Debt Charged</b>	1047.30	...	12.44	1047.30	923.38	(-) 123.92
4.	<b>Loans and Advances Voted Charged</b>	86.79	21.22	...	108.01	70.88	(-) 37.13
		...	...	...	...	...	...
	<b>Total</b>	<b>36818.01</b>	<b>3083.37</b>	<b>275.78</b>	<b>39901.38</b>	<b>25947.39</b>	<b>(-) 13953.99</b>

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

(₹ in crore)

Year	Saving (-) / Excess (+)				Total
	Revenue	Capital	Public Debt	Loans & Advances	
2006-07	(-) 5474.15	(-) 1553.83	(-) 1215.39	(-) 135.89	(-) 8379.26
2007-08	(-) 6011.38	(-) 1622.25	(-) 734.40	(-) 47.69	(-) 8415.72
2008-09	(-) 7588.56	(-) 1922.53	(-) 129.46	(-) 76.82	(-) 9717.37
2009-10	(-) 9637.77	(-) 2960.61	(-) 27.15	(-) 19.00	(-) 12644.53
2010-11	(-)11313.55	(-) 2479.39	(-) 123.92	(-) 37.13	(-) 13953.99

### 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 )

Year	Grant No. Major Head	Total Allocation	Percentage of Savings (-) / Excess (+) to Total Grant
	25- Miscellaneous General Services (Revenue) 2070- Other Administrative Services 2075- Miscellaneous General Services 2235- Social Security and Welfare		
2006-2007	DO	6.37	(-) 95.13
2007-2008	DO	6.37	(-) 94.98
2008-2009	DO	504.48	(-) 99.89
2009-2010	DO	3886.42	(-) 63.64
2010-2011	DO	161.89	(-) 58.98
	29- Medical and Public Health(Revenue) 2210- Medical and Public Health. 2211- Family Welfare. 2215- Water Supply and Sanitation		
2006-2007	DO	1029.05	(-) 44.23
2007-2008	DO	1257.16	(-) 50.85
2008-2009	DO	1455.83	(-) 40.04
2009-2010	DO	1797.14	(-) 21.06
2010-2011	DO	1879.55	(-) 28.83
	39-Social Security, Welfare and Nutrition (Revenue) 2235-Social Security and Welfare (S.W) 2236-Nutrition		
2006-2007	DO	487.64	(-) 62.48
2007-2008	DO	794.86	(-) 68.07
2008-2009	DO	1015.40	(-) 63.22
2009-2010	DO	1553.13	(-) 57.41
2010-2011	DO	1241.16	(-) 37.57
	17-Administrative and Functional Building (Capital) 4058- C.O. on Stationery and Printing 4059- C.O. on Public Works 4202- C.O. on Medical and Public Health 4211- C.O. on Family Welfare 4225- C.O. on Welfare of SC/ST/OBC 4250- C.O. on Other Social Services		
2006-2007	DO	58.48	(-) 54.46
2007-2008	DO	71.65	(-) 57.60
2008-2009	DO	67.60	(-) 52.14
2009-2010	DO	86.14	(-) 24.04
2010-2011	DO	109.65	(-) 52.21
	63- Water Resources (Capital) 4711- C.O. on Flood Control		
2006-2007	DO	150.47	(-) 18.23
2007-2008	DO	205.50	(-) 56.61
2008-2009	DO	488.09	(-) 62.68
2009-2010	DO	1105.55	(-) 74.92
2010-2011	DO	669.09	(-) 65.57

During 2010-11, Supplementary grants totaling ₹ 3083.37 crore (11.88 % 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)

Grant	Nomenclature	Section	Original	Supplementary	Actual Expenditure
3	Administration of Justice	Revenue	185.25	21.51	145.00
6	Land revenue and Land Ceiling	Revenue	337.07	30.93	124.49
9	Transport Services	Revenue	157.24	11.96	125.64
11	Secretariat and Attached Offices	Revenue	1651.19	83.35	620.39
14	Police	Revenue	2198.97	42.62	1592.58
17	Administrative and Functional Building	Capital	65.18	44.47	52.40
23	Pension and Other Retirement Benefits	Revenue	2518.36	22.00	2381.65
26	Education (Higher Education)	Revenue	904.73	95.45	891.52
27	Art and Culture	Revenue	96.62	19.45	69.75
29	Medical and Public Health	Revenue	1744.96	136.79	1337.79
36	Labour and Employment	Revenue	230.15	18.62	94.78
42	Social Services	Revenue	737.79	41.65	74.62
44	North Eastern Council Scheme	Capital	1175.67	10.94	199.38
57	Rural Development	Revenue	622.23	74.57	560.49
58	Industries	Capital	105.24	17.15	30.45
64	Roads and Bridges	Revenue	720.79	163.48	620.11
		Capital	702.96	85.45	410.31
71	Education (Elementary, Secondary etc.)	Revenue	5922.07	60.90	4695.82
73	Urban Development (GDD)	Revenue	549.03	28.94	182.19

## **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 arising in the current year, they do not depict the overall impact of the liabilities to future generation except to the limited extent shown by the rate of interest and period of existing loans.

Total investments as share capital in Statutory Corporations, Government Companies, Joint Stock Companies, Rural Banks etc. stood at ₹ 2165.82 crore at the end of 2010-2011. However, dividends received during the year were ₹ 14.98 crore (i.e. 0.69%) on investment. During 2010-2011, investments in PSUs increased by ₹ 20.40 crore while corresponding decrease in dividend income had been ₹ 0.06 crore.

#### **6.2. Debt and Liabilities**

Outstanding Public Debt at the end of 2010-2011 was ₹ 20142.36 crore, comprising internal debt of ₹ 17903.67 crore and loans and advances of ₹ 2238.69 crore from Central Government. In addition Other Liabilities accounted under Public Account was ₹ 9550.37 crore.

The State also acts as a banker and trustee in respect of deposits like Small Savings Collections, Provident Funds and Deposits. There was an overall increase of ₹ 139.19 crore in respect of such liabilities of State Government during 2010-2011.

Interest payments on debt and Other Liabilities totaling ₹ 1912.12 crore constituted 8.33 percent of Revenue Expenditure of ₹ 22951.82 crore. Interest payments on public debts were ₹ 1564.46 crore (Internal debt ₹ 1420.08 crore and Loans and Advances from Central Governments ₹ 144.38 crore) and ₹ 347.66 crore on Other Liabilities. Expenditure on Account of Interest Payment increased by ₹ 79.54 crore during 2010-2011 over the previous year.

Internal debt (Market Loan) of ₹ 800.00 crore raised during 2010-2011 was mainly used for discharge of debt obligations of ₹ 923.38 crore.

Details of the Public Debt and Total Liabilities of the State Government are as under :

(₹ in crore)

Year	Internal Debt	Loans & Advances from Central Government	Total Public Debt	Small Savings, Provident Funds, etc.	Other Obligations	Total liabilities*	GSDP #	Percentage of total liability to GSDP
2006-2007	12402.53	2775.31	15177.84	3614.78	1060.61	19853.23	63428.00 AA	31.30
2007-2008	13032.55	2708.44	15740.99	3932.74	1363.55	21037.28	72700.47 Adv	28.94
2008-2009	15198.13	2639.57	17837.70	4322.97	2080.77	24241.44	77506.00 Adv	31.28
2009-2010	16674.04	2346.38	19020.42	4812.51	4631.79	28464.72	88023.00 Adv	32.34
2010-2011	17903.67	2238.69	20142.36	5352.93	4197.44	29692.73	104218.00 Adv	28.49

\* Public Debt, Small Saving, Provident Funds, Non-interest bearing obligations such as deposits of Local Funds, other earmarked Funds.

# GSDP- AA: Quick, Adv: Advance

### 6.3 GUARANTEES

The position of guarantees given by the State Government for the payment of capital, loans and interest thereon raised by Statutory Corporations, Government Companies/ Corporations, Co-operative Societies, etc is given below:-

(₹ in crore)

At the end of the year	Amount Guaranteed (Principal only)	Amount outstanding	
		Principal	Interest
2006-2007	1562.86	863.49	40.92
2007-2008	1188.72	897.63	53.68
2008-2009	1092.34	735.42	60.45
2009-2010	592.71	245.96	52.56
2010-2011	651.73	186.26	60.79

## **CHAPTER VII**

### **OTHER ITEMS**

#### **7.1 LOANS AND ADVANCES BY THE STATE GOVERNMENT**

Total Loans and Advances made by the State Government at the end of 2010-2011 was ₹ 2986.91 crore. Total loans and advances to Government Corporations/Companies, Non-Government Institutes, Local bodies etc., at the end of 2010-2011 stood at ₹ 2372.38 crore. In respect of loans, detailed accounts of which are maintained by the State Government, recovery of principal amount aggregating to ₹ 23.08 crore and interest on loan amounting to ₹ 6.82 crore was in arrears at the end of 31<sup>st</sup> March 2011.

#### **7.2 FINANCIAL ASSISTANCE TO LOCAL BODIES AND OTHERS**

Assistance to local bodies etc. during 2010-2011 was ₹ 2193.19 crore. It increased from ₹ 914.24 crore in 2006-2007 to ₹ 2193.19 crore in 2010-2011 indicating 139.89 percent increase in the last five years. During 2010-2011 the major portion of assistance ₹ 2129.48 crore (97.09 %) of the total grant of ₹ 2193.19 crore was consumed by the Educational Institutions.

#### **7.3 CASH BALANCE AND INVESTMENT OF CASH BALANCE**

The closing cash balance according to the Reserve Bank of India was ₹ 919.79 crore (Debit) against the general cash balance of ₹ 973.25 crore (Credit) reflected in State Government accounts. Thus, there is a difference of ₹ 53.46 crore (Credit) between the two figures. Out of this difference, items relating to ₹ 53.31 crore (net credit) have been identified and settled in the accounts for 2011-12. The remaining difference of ₹ 0.15 crore (net credit) is under reconciliation with Reserve Bank of India.

Investments held in the \* Cash Balance Investment Account as on 31<sup>st</sup> March 2011 were ₹ 6747.83 crore.

Other cash balances and investment comprising cash with departmental officers (₹ 6.84 crore), Permanent advances with departmental officers (₹ 0.45 crore) and investment of earmarked funds (₹ 1169.93 crore) as on 31<sup>st</sup> March 2011 were ₹ 1177.22 crore.

\* Includes short term investment in Government of India Treasury bills and long term investment in securities of Government of India.

## 7.4 RECONCILIATION OF ACCOUNTS

Accuracy and reliability of accounts depend, among other things, on timely reconciliation of the figures available with the departments and the figures appearing in the accounts compiled by the Principal Accountant General (Accounts and Entitlement). This exercise is to be conducted by respective Heads of Departments. The reconciliation of accounts of many departments is in arrears. In 2010-11, only 20.79 % (₹ 5394.76 crore) of the total expenditure of ₹ 25946.97 crore of the State Government was reconciled. Similarly, out of total receipts of ₹ 23004.94 crore, only 0.04 % (₹ 11.02 crore) was reconciled.

The following Controlling Officers did not attend to the reconciliation work at all:

Sl. No	Controlling Officer	Sl. No	Controlling Officer
1.	Secy., Personnel (A) Deptt.	15.	Secy., Municipal Administration Deptt.
2.	Secy., Finance Deptt.	16.	Secy., Co-operation Deptt.
3.	Secy., Personnel Deptt.	17.	Secy., Minority Development Deptt.
4.	Secy., Judicial Deptt.	18.	Secy., Finance (Control) Deptt.
5.	Secy., Personnel (B) Deptt	19.	Secy., Irrigation Deptt.
6.	Secy. Hill Areas Deptt.	20.	Secy., Planning and Development Deptt.
7.	Secy. Home (A) Deptt.	21.	Secy., Political (B) Deptt.
8.	Secy. Political Deptt.	22.	Secy., Power (electrical), Mines & Minerals Deptt.
9.	Secy., Pension & Public Grievance Deptt.	23.	Secy., Tourism Deptt.
10.	Secy., Education Deptt.	24.	Secy., Municipal Administration (Panchayati) Deptt.
11.	Secy., Education (CTM) Deptt	25.	Secy., Finance (A&F) Deptt.
12.	Secy., Health & Family Welfare (A) Deptt.	26.	Secy., Information and Technology Deptt.
13.	Secy., Health & Family Welfare (B) Deptt.	27.	Secy., Planning & Public Relation Deptt.
14.	Secy., Health & Family Welfare Deptt.		

## 7.5 Submission of accounts by Accounts Rendering Units:

Accounts Rendering Units (ARUs) of the Government of Assam could not submit the initial accounts for 2010-11 to Principal Accountant General's (A&E) Office by the prescribed due date. The position of average delay in submission of accounts is given below:

Average delay in rendition of Treasury Accounts to P.A,G (A&E) Office	Average delay in rendition of Public Works Accounts to P.A,G (A&E) Office	Average delay in rendition of Forest Accounts to P.A,G (A&E) Office
13 days	29 days	39 days

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

When money is required in advance or the Drawing and Disbursing Officers (DDOs) are not able to calculate the exact amount required, they are permitted to draw money without supporting documents through AC bills. Such AC bills are required to be settled not later than 25<sup>th</sup> of the month following that to which they relate (Rule 21 of Assam Contingency Manual 1989) through submission of DC bills. The fact that to the end of 31<sup>st</sup> March 2011, 5,180 DC bills amounting to ₹ 1536.24 crore was outstanding, indicates that these instructions have not been followed.

## 7.7 Commitments on account of Incomplete Works

A total expenditure of ₹ 561.82 crore was incurred up to the year 2010-2011 by the State Government on various incomplete projects costing more than ten crore which have been taken up by the Public Works Department, Public Health & Engineering Department and Irrigation Department. However, the projects / works under PWD (Roads), PWD (Buildings), Public Health & Engineering Department and Irrigation Department involves cost of ₹ 496.84 crore, ₹ 92.33 crore, ₹ 10.09 crore and ₹ 76.62 crore respectively which are still pending for payments.

## 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 selected Heads of Account during March 2011 ranged between 52.78% and 100% of the total 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 2010-11 in the above mentioned Heads was as below :

Head of Ac/s	Description	1 <sup>st</sup> Qtr	2 <sup>nd</sup> Qtr	3 <sup>rd</sup> Qtr	4 <sup>th</sup> Qtr	Total	During March	% of 3/2011 w.r.t Total Expenditure of 2010-11
(₹ in Crore)								
2015	Elections	4.58	2.93	17.13	1,16.91	1,41.54	1,02.74	72.59
2205	Art and Culture	3.64	4.50	7.42	62.29	77.84	53.42	68.62
2217	Urban Development	3.02	33.82	71.44	1,71.70	2,79.99	1,50.28	53.67
2575	Other Special Areas Programmes	0.57	6.13	15.78	97.98	1,20.46	79.95	66.37
3452	Tourism	1.22	1.50	1.50	16.62	20.84	15.52	74.47
3456	Civil Supplies	0.06	0.13	0.09	0.43	0.72	0.38	52.78
4047	Capital outlay on Other Fiscal Services	0.00	0.00	0.00	4.00	4.00	4.00	100.00
4059	Capital outlay on Public Works	2.61	5.99	7.43	33.55	49.58	27.49	55.45
4210	Capital Outlay on Medical & Public Health	0.00	0.38	0.71	4.33	5.42	3.84	70.85
4216	Capital Outlay on Housing	0.11	1.30	0.74	6.63	8.77	5.55	63.28
4217	Capital outlay on Urban Development	0.00	1.24	3.81	20.82	25.87	18.91	73.10
4801	Capital Outlay on Power Projects	0.00	13.62	0.00	1,60.07	1,73.68	1,11.52	64.21
4851	Capital Outlay on Village and Small Industries	0.00	0.75	0.18	1.15	2.08	1.15	55.29
4859	Capital Outlay on Telecommunication and Electronics Industries	0.00	0.00	2.84	17.84	20.67	17.84	86.31
5452	Capital Outlay on Tourism	0.11	0.00	0.92	15.52	16.55	13.72	82.89