



Accounts at a Glance

2015-16



Government of Gujarat

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Preface

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

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

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

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



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Place: - Rajkot

Date : 19/01/2017

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CHAPTER - I

AN OVERVIEW OF THE ACCOUNTS

1.1 Introduction

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

1.2 Structure of Accounts

1.2.1 Government Accounts are kept in three parts

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

1.3 Finance Accounts and Appropriation Accounts

1.3.1 Finance Accounts

The Finance Accounts depict the receipts and disbursements of the Government for the year, together with the financial results disclosed by the revenue and capital accounts, public debt and public account balances recorded in the accounts. The Finance Account is prepared in two volumes.

Volume I of the Finance Accounts contains the certificate of the Comptroller and Auditor General of India, summarized statements of overall receipts and disbursements, cash balance position and 'Notes to accounts' containing summary of significant accounting policies, quality of accounts and Volume II contains detailed statements and appendices.

Receipts and disbursements of the Government of Gujarat as depicted in the Finance Accounts 2015-16 are given below:

(₹ in crore)

Receipts (Total: 1,20,623)	Revenue (Total : 97,483)	Tax Revenue	78,340
		(a) Own Tax Revenue	62,649
		(b) Share of net proceeds of Taxes	15,691
		Non Tax Revenue	10,194
		Grants-in-aid	8,949
	Capital (Total : 23,140)	Recovery of Loans and Advances	125
		Other Receipts	---
Borrowings and other liabilities (*)		23,015	
Disbursements (Total : 1,20,623)	Revenue		95,779
	Capital		24,169
	Loans and Advances		675

(*) *Borrowings and other liabilities: Net (Receipts – Disbursements) of Public Debt + Net of Contingency Fund + Net (Receipts – Disbursements) of Public Account + Net of Opening and Closing Cash Balance.*

The Union Government transfers substantial funds directly to State Implementing Agencies/NGOs for implementation of various schemes and programmes. This year the Government of India directly released ₹ 2,543 crore. Since these funds are not routed through the State Budget they are not reflected in the accounts of the State Government. These transfers are exhibited in Appendix VI of Volume II of the Finance Accounts.

1.3.2 Appropriation Accounts

The Appropriation Accounts supplement the Finance Accounts. They depict the expenditure of the State Government against amounts 'Charged' on the Consolidated Fund or 'Voted' by the State Legislature. There are 02 Charged Appropriations and 76 Voted Grants and 30 combined (Charged and Voted) provisions.

The Appropriation Acts, 2015-16 had provided for gross expenditure of ₹ 1,45,867 crore and reduction of expenditure (recoveries) of ₹ 1,597 crore. Against this, the actual gross expenditure was ₹ 1,28,476 crore and reduction of expenditure was ₹ 1,658 crore, resulting in net savings of ₹ 17,391 crore (12 *per cent*) and less-estimation of ₹ 61 crore (4 *per cent*) on reduction of expenditure.

1.4 Sources and Application of Funds:

1.4.1 Ways and Means Advances

The State Government, in order to maintain and sustain its liquidity position, takes Ways and Means Advances from the Reserve Bank of India and thereafter, draws upon overdraft, whenever there is shortfall in the agreed minimum cash balance in its account with the Reserve Bank of India. The State Government is required to maintain a minimum cash balance of ₹ 2.80 crore with the Reserve Bank of India. Government of Gujarat did not avail of Ways and Means Advances in the year 2015-16.

1.4.2 Fund flow statement

The State had a Revenue Surplus of ₹ 1,704 crore and a Fiscal Deficit of ₹ 23,015 crore representing 0.17 *per cent* and 2.34 *per cent* of the Gross State Domestic Product (G.S.D.P) respectively. The Fiscal Deficit constituted 19.08 *per cent* of the total expenditure. This deficit was mainly met from net of Public Debt (₹ 17,292 crore). Around 35 *per cent* of the revenue receipts (₹ 97,483 crore) of the State Government was spent on committed expenditure like salaries (₹ 7,605 crore), interest payments (₹ 16,300 crore) and pensions (₹ 9,963 crore).

Sources and Application of Funds

(₹ in crore)

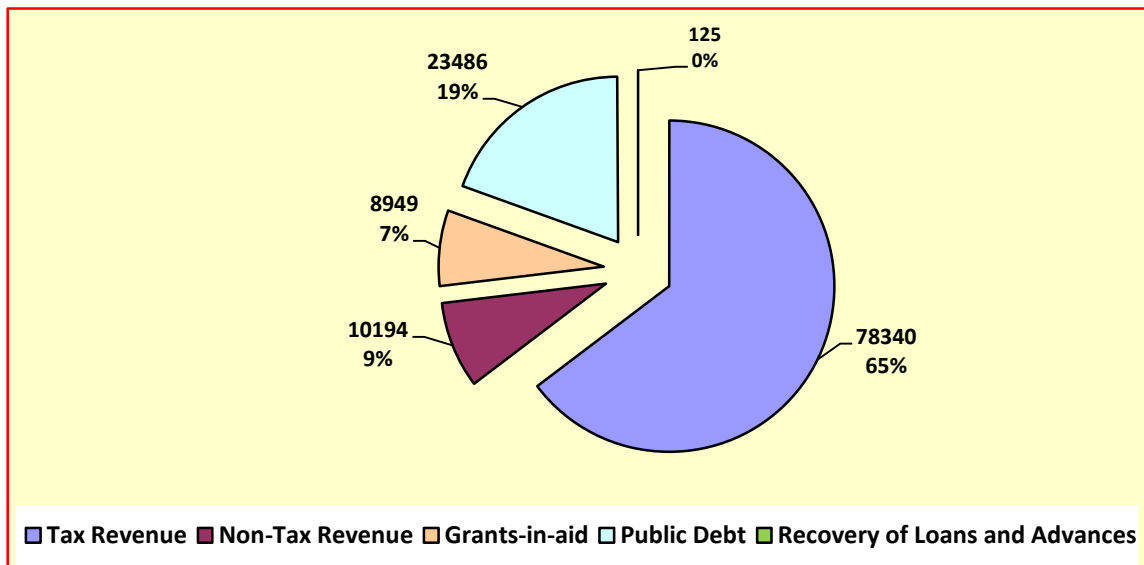
SOURCES	<i>PARTICULARS</i>	<i>AMOUNT</i>
		Opening Cash Balance as on 01.04.2015
	Revenue Receipts (including Misc Capital Receipts)	97,483
	Recovery of Loans and advances	125
	Public Debt	23,486
	Small Savings, Provident fund and others	2,255
	Reserves and Sinking Funds	2,032
	Deposits received	42,465
	Civil Advances repaid	249
	Suspense Account	2,00,041
	Remittances	17,685
	Contingency Fund	14
	TOTAL	3,85,450

(₹ in crore)

APPLICATION	Revenue Expenditure	95,779
	Capital Expenditure	24,169
	Loans given	675
	Repayment of Public debt	6,194
	Small Savings, Provident Fund and Others	1,777
	Reserves & Sinking fund	3,501
	Deposits repaid	39,989
	Civil Advances Paid	249
	Suspense Account	1,96,303
	Remittances	17,404
	Contingency Fund	4
	Closing Cash Balance as on 31.03.2016	(-) 594
	TOTAL	3,85,450

1.4.3 Where the Rupee came from?

(₹ in crore)



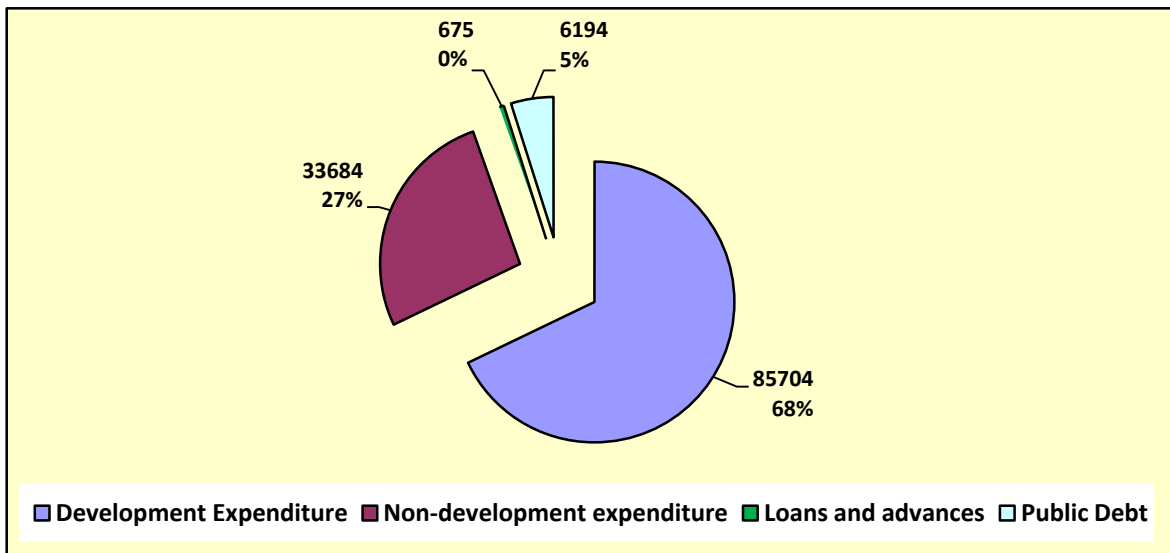
Note: Recovery of Loans and Advances is ₹ 125 crore which is 0.10 per cent.

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

Where the Rupee went?

Expenditure for the year 2015-16 was spent on Development Expenditure (68 per cent), Non-Development Expenditure (27 per cent), Loans and Advances (0.53 per cent) and Repayment of Public Debt (5 per cent). Based on the purpose of expenditure it was classified into Social Services and Economic Services (Development expenditure) and General Services (Non-development expenditure).

(₹ in crore)



Note: The actual of Loans and Advances is 0.53 per cent.

1.5 Highlights of Accounts

	B.E. 2015-16	Actuals	Percentage of Actuals to B.E.	Percentage of Actuals to GSDP @
	(₹ in crore)			
1. Tax Revenue (Including Central Share)	81,416	78,340	96	8
2. Non-Tax Revenue	11,038	10,194	92	1
3. Grants-in-aid & Contributions	16,841	8,949	53	1
4. Revenue Receipt (1+2+3)	1,09,295	97,483	89	10
5. Recovery of Loans & Advances	195	125	64	0
6. Other Receipts	10	0	00	0
7. Borrowings & Other Liabilities (A)	24,852	23,015	93	2
8. Capital Receipts (5+6+7)	25,057	23,140	92	2
9. Total Receipts (4+8)	1,34,352	1,20,623	90	12
10. Non-Plan Expenditure (*)	70,769	63,687(#)	90	6
11. NPE on Revenue Account	70,685	63,555 (#)	90	6
12. NPE on Interest Payments out of 11	16,643	16,300	98	2
13. NPE on Capital Account	84	132 (#)	157	0
14. Plan Expenditure (*)	66,842	56,936(#)	85	6
15. PE on Revenue Account	37,513	32,224(#)	86	3
16. PE on Capital Account	29,329	24,712(#)	84	3
17. Total Expenditure (10+14)	1,37,611	1,20,623	88	12
18. Revenue Expenditure (11+15)	1,08,198	95,779	89	10
19. Capital Expenditure (13+16)(**)	29,413	24,844	84	3
20. Revenue Surplus(4-18)	1,097	1,704	155	0
21. Fiscal Deficit (4+5+6-17)	(-) 28,111	(-) 23,015	82	2

@ GSDP 2015-16 is ₹ 9,84,971 crore (Advance).

(*) Expenditure includes ₹ 56 crore under Non-Plan and ₹ 619 crore under Plan which pertains to Loans and Advances.

(**) Expenditure on Capital Account includes Capital Expenditure (₹ 24,169 crore) and Loans and Advances disbursed (₹ 675 crore).

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

(#) Includes Central Plan / Centrally Sponsored Scheme expenditure of Non-Plan. Please see Chapter IV.

1.6 What do the Deficits and Surpluses indicate?

Deficit	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 Finance Management.
Revenue Deficit\ Surplus	Refers to the gap between Revenue Receipt and Revenue Expenditure. Revenue Expenditure is required to maintain the existing establishment of Government and ideally, should be fully met from Revenue Receipts.
Fiscal Deficit\ Surplus	Refers to the gap between Total Receipt (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.
Primary Deficit\ Surplus	It indicates the gap in availability of funds for expenditure even without taking into consideration liabilities of past years viz. interest accrued. Primary surplus indicates that funds generated in the current year, were available to service past debts.

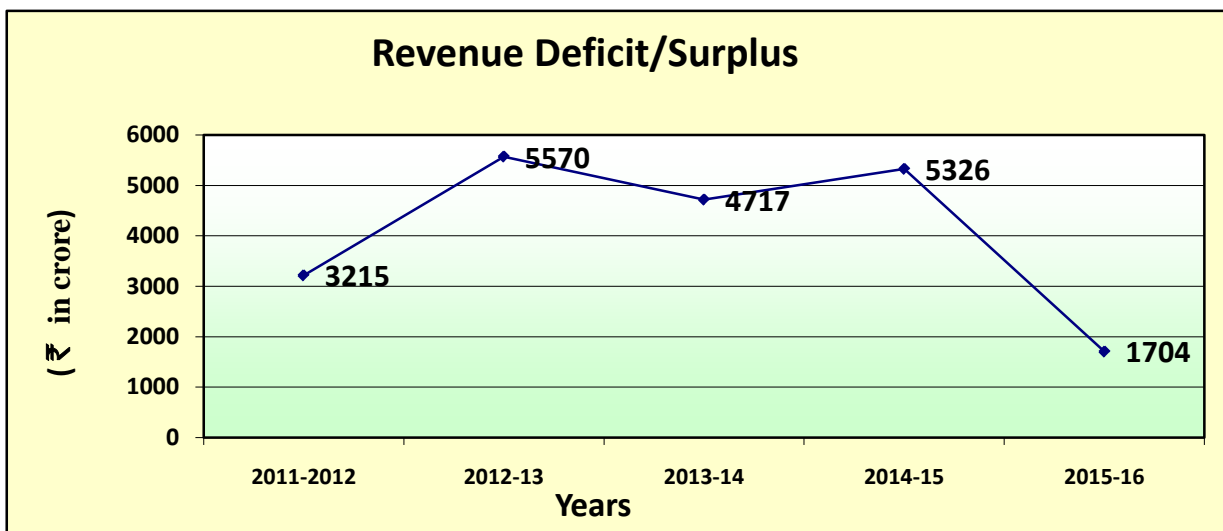
With a view to maintain a stable and sustainable fiscal environment consistent with equitable growth, the 13th Finance Commission has recommended a fiscal consolidation roadmap for each State. The Fiscal Consolidation roadmap for Gujarat requires the State to reduce the revenue deficit to zero by FY 2011-12, reduce fiscal deficit to not more than 3 per cent of the estimated GSDP of the year beginning F.Y 2011-12, to cap the total public debt of the State Government to 18.35 *per cent* of estimated GSDP by the end of FY 2015-16 and to cap the outstanding guarantees within the limit (₹ 20,000 crore) provided in the Gujarat State Guarantees Act, 1963.

The fiscal deficit increased from ₹ 18,319 crore in 2014-15 to ₹ 23,015 crore in 2015-16. Also the primary deficit increased from ₹ 3,373 crore in 2014-15 to ₹ 6,715 crore in 2015-16. Revenue surplus decreased from ₹ 5,326 crore in 2014-15 to ₹ 1,704 crore in 2015-16.

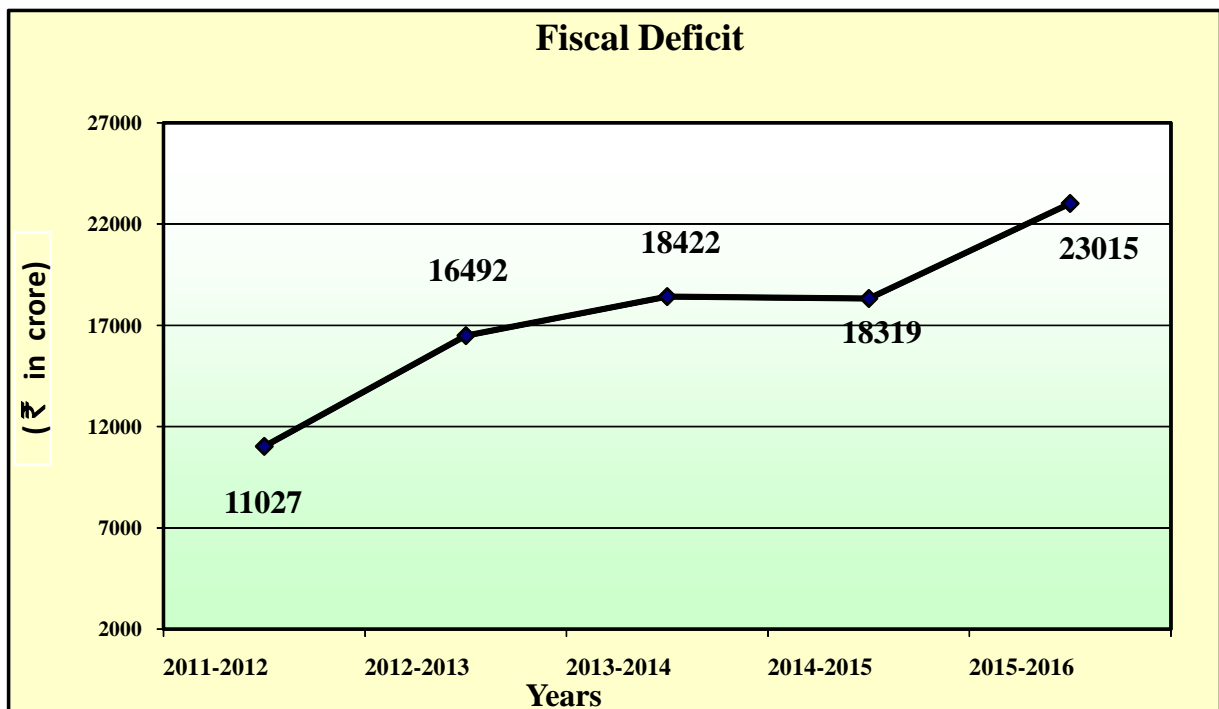
1.6.1 Trend of Revenue Deficit / Surplus

(₹ in crore)

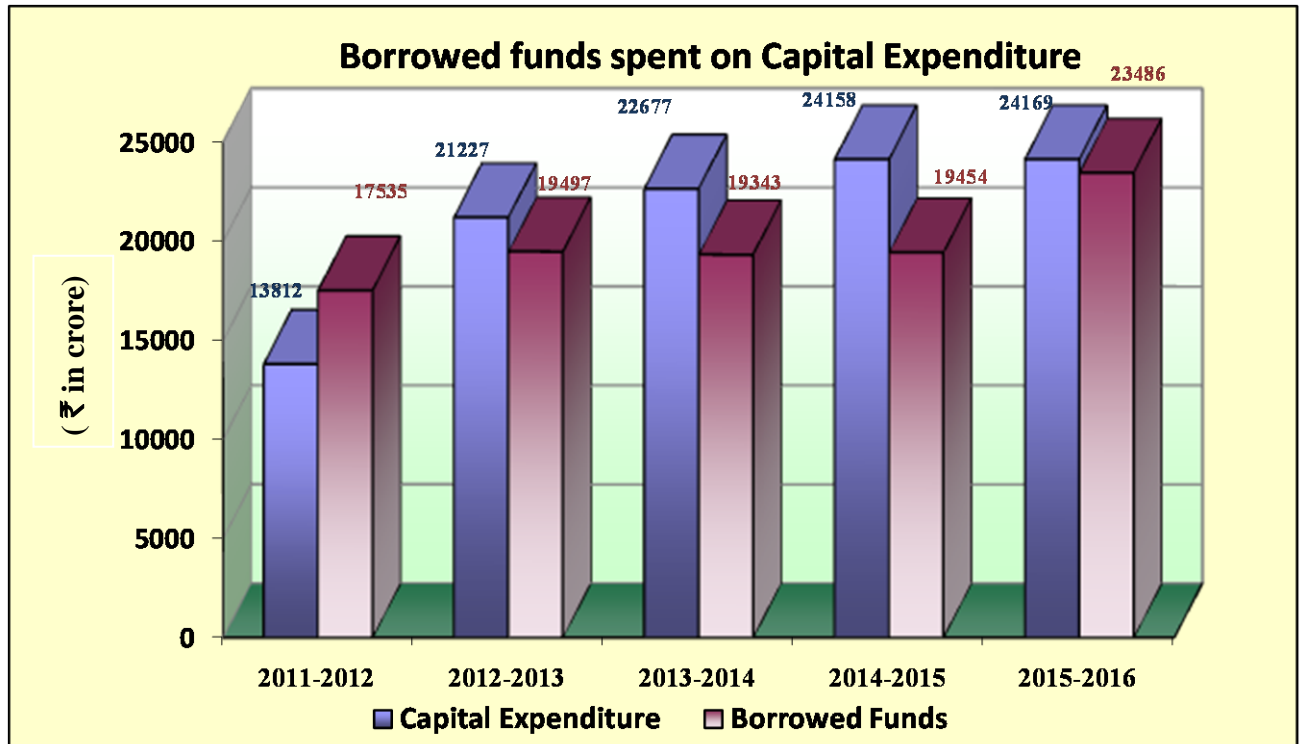
Year	Revenue Surplus(+) / Deficit(-)	Fiscal Deficit (-)	Primary Deficit (-)
2011-12	(+) 3,215	(-) 11,027	(-) 93
2012-13	(+) 5,570	(-) 16,492	(-) 4,331
2013-14	(+) 4,717	(-) 18,422	(-) 5,090
2014-15	(+) 5,326	(-) 18,319	(-) 3,373
2015-16	(+) 1,704	(-) 23,015	(-) 6,715



1.6.2 Trend of Fiscal Deficit



1.6.3 Proportion of borrowed funds spent on Capital Expenditure



It is desirable to fully utilise borrowed funds for the creation of capital assets, and to use revenue receipts for the repayment of principal and interest. The State Government, however, spent full amount of the borrowings of the current year (₹ 23,486 crore) on capital expenditure (₹ 24,844 crore) inclusive of disbursement of Loans and Advances (₹ 675 crore).

CHAPTER – II

RECEIPTS

2.1 Introduction

Based on its source, receipts of Government are classified into Revenue Receipts and Capital Receipts.

2.2 Revenue Receipt

Revenue Receipt consists of (A) Tax Revenue, (B) Non- Tax Revenue and (C) Grants-in-aid and Contributions.

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

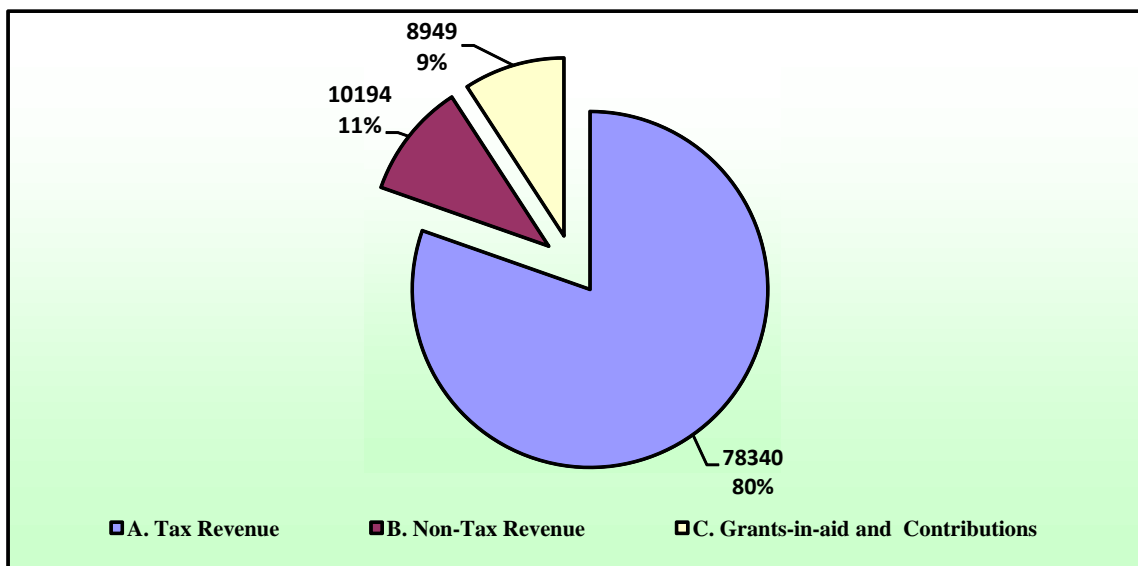
Non-Tax Revenue: Includes Interest receipts, dividends, profits etc.

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

Total Revenue Receipt for 2015-16 were ₹ 97,483 crore.

Revenue Receipt

(₹ in crore)



Revenue Receipt Components (2015-16)

(₹ in crore)

Components	Actuals
A. Tax Revenue	78,340
Taxes on Income and Expenditure	8,593
Taxes on Property and Capital Transactions	8,421
Taxes on Commodities and Services	61,326
B. Non-Tax Revenue	10,194
Interest Receipts, Dividends and Profits	939
General Services	2,011
Social Services	1,287
Economic Services	5,957
C. Grants-in-aid and Contributions	8,949
Total : Revenue Receipts	97,483

2.3 Trend of Receipts

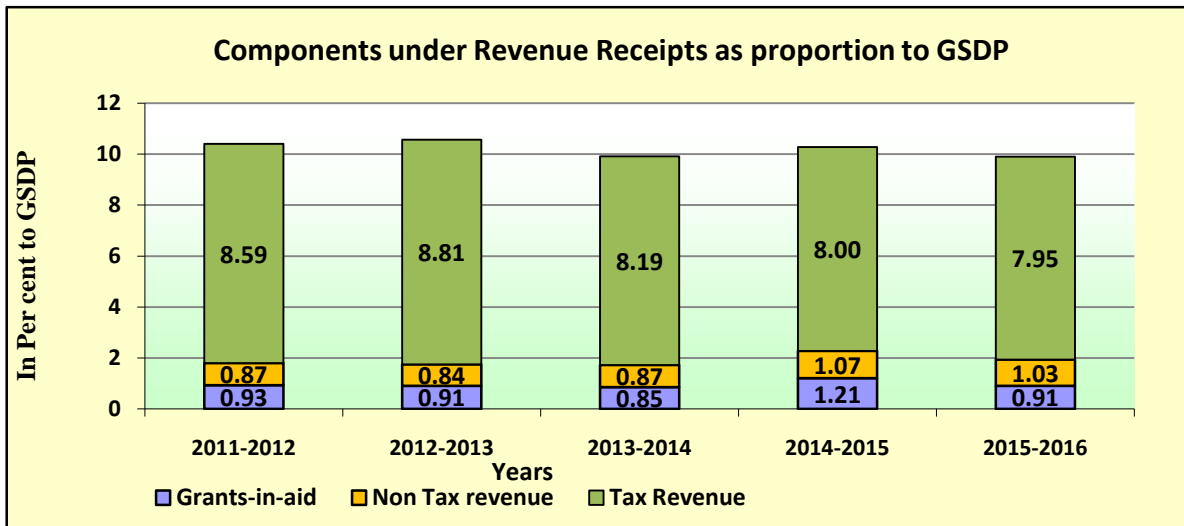
(₹ in crore)

	2011-12	2012-13	2013-14	2014-15	2015-16
Tax Revenues	52,033	62,766	66,075	71,636	78,340
Non-Tax Revenues	5,276	6,017	7,018	9,543	10,194
Grants-in-aid and Contributions	5,650	6,446	6,883	10,799	8,949
Total Revenue Receipts	62,959	75,229	79,976	91,978	97,483
GSDP	6,05,456 (P)	7,12,123 (P)	8,06,745 (P)	8,95,202 (Q)	9,84,971 (A)

Estimates: (P)= Provisional, (Q)= Quick and (A)= Advance.

(Source: Directorate of Economics and Statistics Gandhinagar.

Total Revenue Receipts grew by 6 per cent in 2015-16 over the previous year. While Tax Revenues increased by 9 per cent, Non-Tax Revenues also increased by 7 per cent. The Grants-in-aid from Government of India decreased by 17 per cent from ₹ 10,799 crore in 2014-15 to ₹ 8,949 crore in 2015-16.

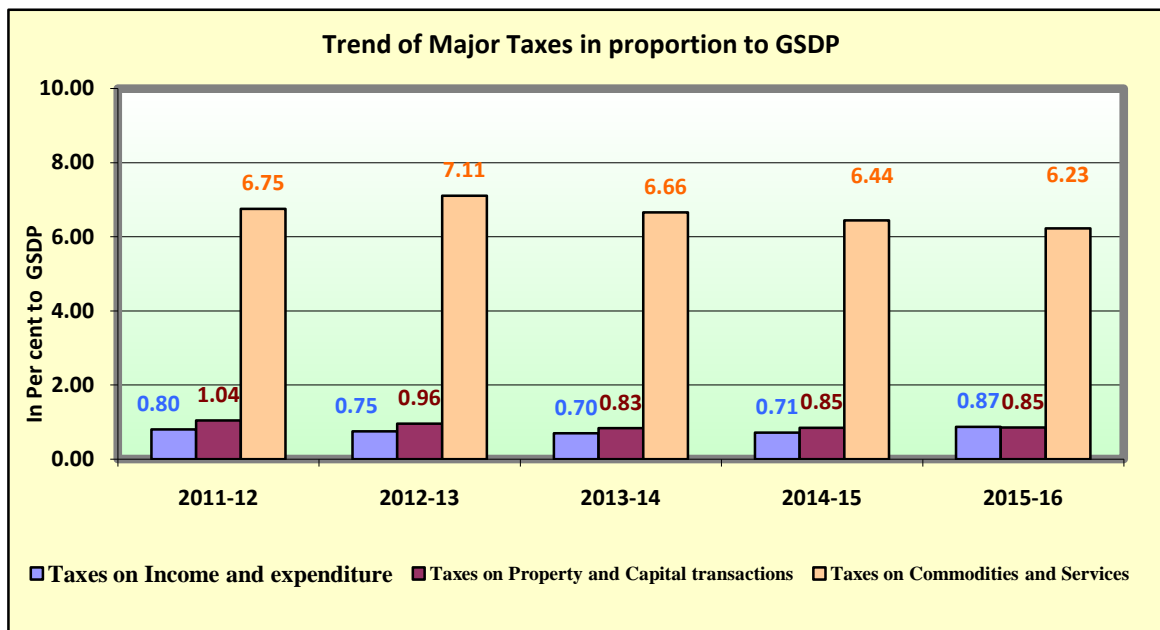


* Percentage for years from 2011-12 to 2014-15 changed due to revision in GSDP.

Sector-wise Tax Revenue

(₹ in crore)

	2011-12	2012-13	2013-14	2014-15	2015-16
Taxes on Income and Expenditure	4,841	5,311	5,634	6,394	8,593
Taxes on property and Capital Transactions	6,318	6,826	6,706	7,566	8,421
Taxes on Commodities and Services	40,874	50,629	53,735	57,676	61,326
Total Tax Revenue	52,033	62,766	66,075	71,636	78,340



* Percentage for years from 2011-12 to 2014-15 changed due to revision in GSDP.

2.4 Performance of State's own tax revenue collection

(₹ in crore)

Year	Tax Revenue	State share of Union Taxes	State's Own Tax Revenue	
			Rupees	Percentage to GSDP *
2011-12	52,033	7,780	44,253	7.31
2012-13	62,766	8,869	53,897	7.57
2013-14	66,075	9,702	56,373	6.99
2014-15	71,636	10,296	61,340	6.85
2015-16	78,340	15,690	62,650	6.36

* Percentage for years from 2011-12 to 2014-15 changed due to revision in GSDP.

2.5 Efficiency of Tax collection**A. Taxes on Property and Capital Transactions**

(₹ in crore)

	2011-12	2012-13	2013-14	2014-15	2015-16
Revenue Collection	6,318	6,826	6,706	7,566	8,421
Expenditure on Collection	152	177	209	220	224
Efficiency of Tax collection (in per cent)	2	3	3	3	3

B. Taxes on Commodities and Services

(₹ in crore)

	2011-12	2012-13	2013-14	2014-15	2015-16
Revenue Collection	40,874	50,629	53,735	57,676	61,326
Expenditure on Collection	259	281	359	378	388
Efficiency of Tax collection (in per cent)	1	1	1	1	1

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

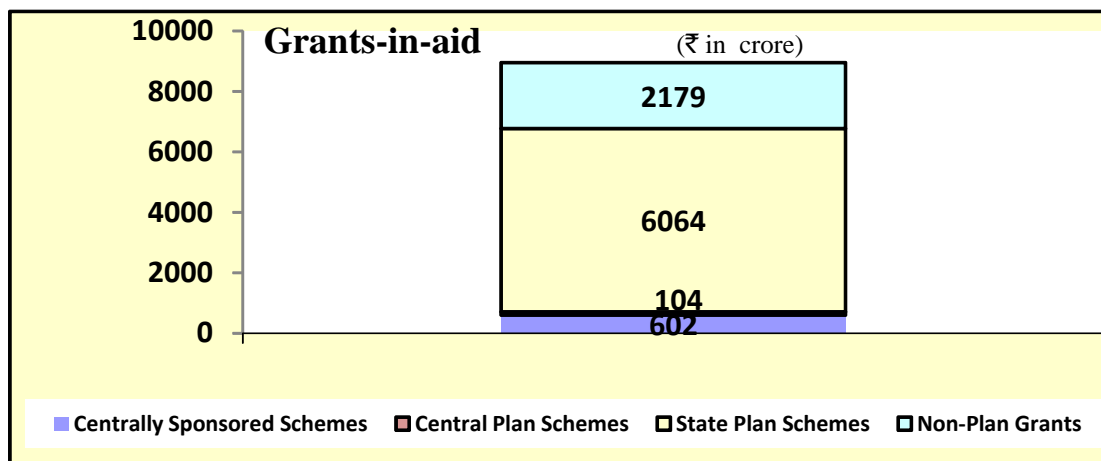
(₹ in crore)

Major Head Description	2011-12	2012-13	2013-14	2014-15	2015-16
Corporation Tax	3,063	3,192	3,263	3,595	4,929
Taxes on Income other than Corporation Tax	1,556	1,911	2,148	2,568	3,424
Taxes on Wealth	11	5	9	10	1
Customs	1,349	1,477	1,583	1,665	2,506
Union Excise Duties	873	1,003	1,118	940	2,087
Service Tax	929	1,298	1,581	1,518	2,732
Other Taxes on Income and Expenditure	(-) 1(*)	(-) 17(*)	-	-	-
State share of Union taxes	7,780	8,869	9,702	10,296	15,690
Total Tax Revenue	52,033	62,766	66,075	71,636	78,340
Per cent of Union Taxes to Total Tax revenue	15	14	15	14	20

(*) Minus amount is due to adjustment of excess share assigned in previous years.

2.7 *Grants-in-aid*

Grants-in-aid represents assistance received from Government of India and comprises Grants for State Plan Schemes, Central Plan Schemes and Centrally Sponsored Schemes approved by the Planning Commission and State Non-Plan Grants recommended by the Finance Commission. Total receipts during 2015-16 under Grants-in-aid were ₹ 8,949 crore as shown in the table:



2.8 Public Debt

Trend of outstanding Public Debt over the past five years:

(₹ in crore)

Description	2011-12	2012-13	2013-14	2014-15	2015-16
Internal Debt	1,14,954	1,28,065	1,41,700	1,55,981	1,73,681
Central Loans	8,452	8,302	7,806	7,470	7,062
Total Public Debt	1,23,406	1,36,367	1,49,506	1,63,451	1,80,743

Against the total internal debt of ₹ 23,234 crore received by the State Government in 2015-16 and the central loan of ₹ 252 crore received during the period, capital expenditure was ₹ 24,169 crore. This indicates that the total public debt (₹ 23,486 crore) raised during the year was fully used for 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, Public Works, Pension, etc.
Social Services	Includes Education, Health & Family Welfare, Water Supply, Welfare of Scheduled Castes & Scheduled Tribes etc.
Economic Services	Includes Agriculture, Rural Development, Irrigation, Co-operation, Energy, Industries, Transport, etc.

3.2 Revenue Expenditure

Revenue Expenditure of ₹ 95,779 crore for 2015-16 fell short of budget estimates by ₹ 12,419 crore. The shortfall of expenditure against Total budget estimates under Revenue Section during the past five years is given below:

(₹ in crore)

	2011-12	2012-13	2013-14	2014-15	2015-16
Total Budget Estimates	64,846	76,315	83,914	1,01,896	1,08,198(*)
Actual	59,744	69,659	75,259	86,652	95,779
Gap	5,102	6,656	8,655	15,244	12,419
Per cent of gap over BE	7.87	8.72	10.31	14.96	11.48

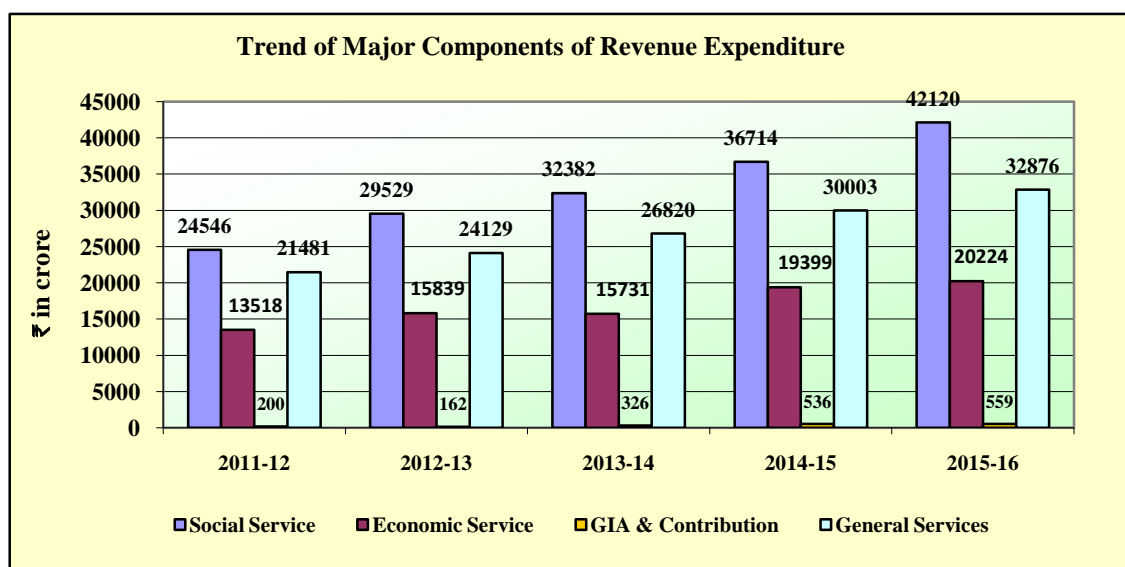
* Includes net Original Budget Estimate ₹ 1,01,987 crore and Supplementary Budget Estimate ₹ 6,211 crore.

3.2.1 Sectoral distribution of Net Revenue Expenditure (2015-16)

(₹ in crore)

Components	Amount	Percentage
A .Fiscal Services	614	1
(i) Collection of Taxes on Property and Capital transactions	224	-
(ii) Collection of Taxes on Commodities and Services	388	1
(iii)Other Fiscal Services	2	-
B. Organs of State	797	1
C. Interest Payments and Servicing of debt	16,800	17
D. Administrative Services	4,665	5
E. Pensions and Miscellaneous General Services	10,000	10
F. Social Services	42,120	44
G. Economic Service	20,224	21
H. Grants-in-aid and Contributions	559	1
Total Expenditure (Revenue Account)	95,779	100

3.2.2. Major components of Revenue Expenditure (2011-2016)



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

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

3.3 Capital Expenditure

Capital disbursements for 2015-16 were 3 per cent of GSDP. It was less than Budget Estimates by ₹ 4,569 crore (less disbursement of ₹ 4,617 crore under Plan expenditure and more disbursement of ₹ 48 crore under Non-Plan Expenditure).

3.3.1 Sectoral distribution of Capital Expenditure

During 2015-16 the Government spent ₹ 8,039 crore on various projects (₹ 3,922 crore on Major Irrigation of which ₹ 3,488 crore was spent on Narmada Project, ₹ 3,302 crore on Medium Irrigation and ₹ 815 crore on Minor Irrigation). Apart from above, the Government spent ₹ 1,880 crore on Medical and Public Health, ₹ 1,819 crore on Water Supply and Sanitation and ₹ 3,297 crore on Power Projects.

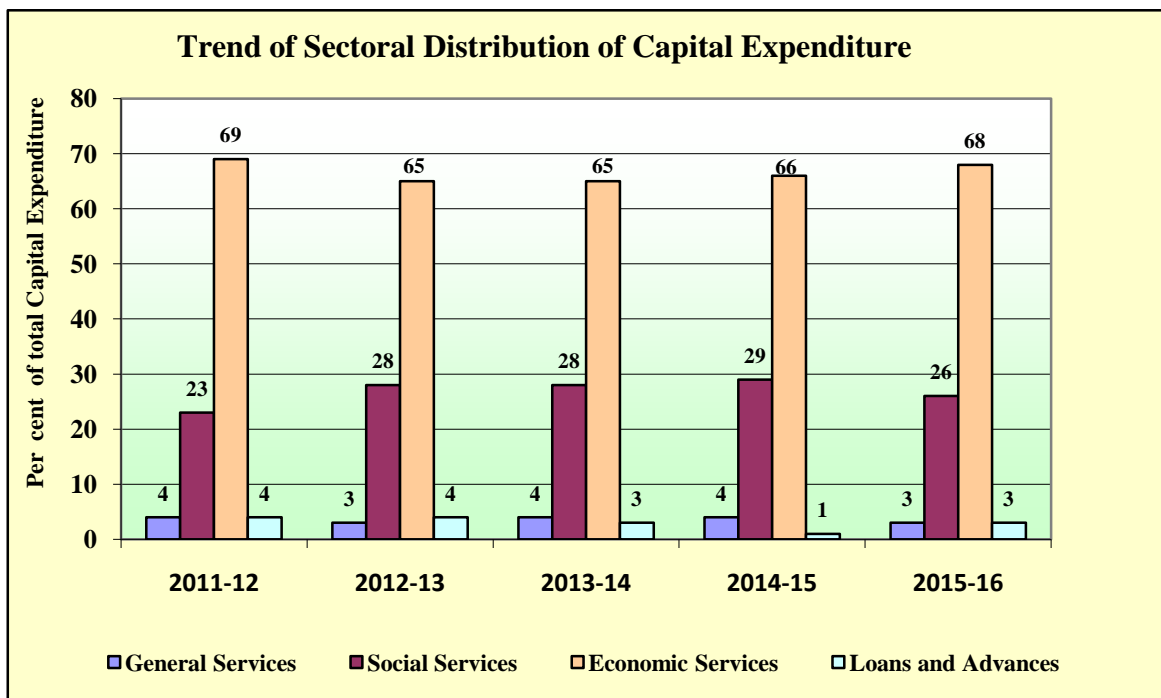
(₹ in crore)

Sl. No.	Sector	Amount	Per cent
1	General Services - Police, Land Revenue etc.	808	3
2	Social Services - Education, Health & Family Welfare, Water Supply, Welfare of SC/ST etc.	6,417	26
3	Economic Services - Agriculture, Rural Development, Irrigation, Cooperation, Energy, Industries , Transport etc.	16,944	68
4	Loans and Advances Disbursed	675	3
Total		24,844	100

3.3.2 Sectoral distribution of capital expenditure over the past five years

(₹ in crore)

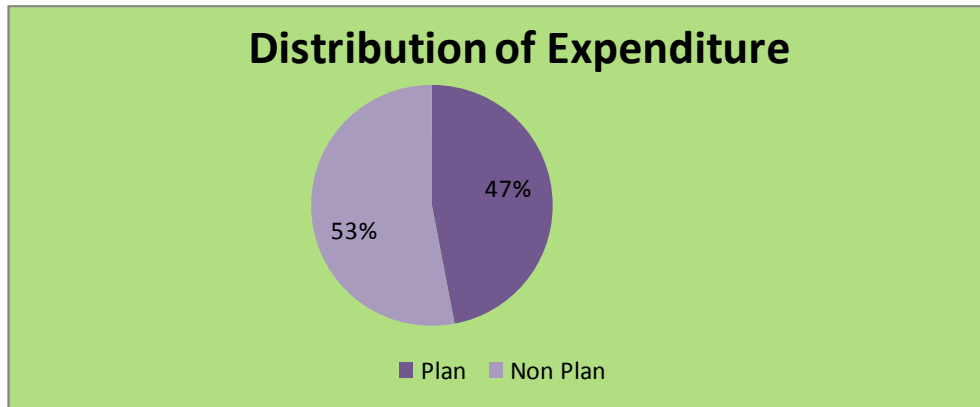
Sr.No.	Sector	2011-12	2012-13	2013-14	2014-15	2015-16
1.	General Services	556	714	816	888	808
2.	Social Services	3,306	6,083	6,650	7,185	6,417
3.	Economic Services	9,950	14,430	15,211	16,084	16,944
4.	Loans and Advances	605	882	603	350	675
Total		14,417	22,109	23,280	24,507	24,844



CHAPTER - IV

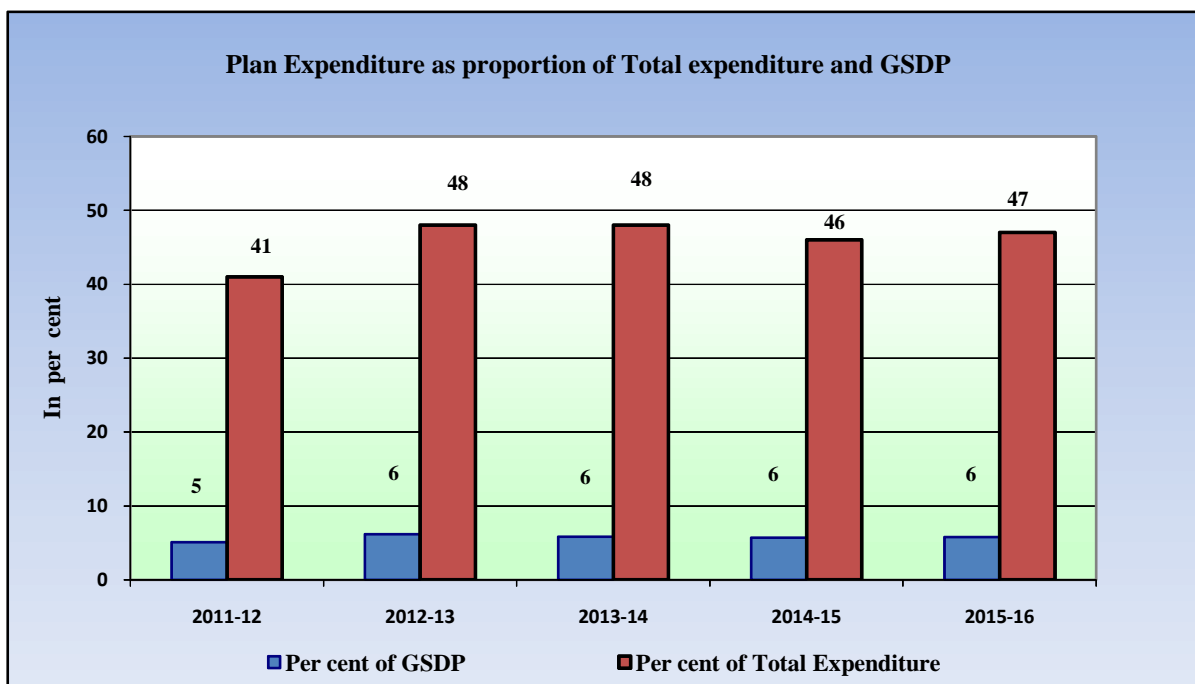
PLAN & NON PLAN EXPENDITURE

4.1 Distribution of expenditure (2015-16)



4.2 Plan expenditure

During 2015-16 Plan expenditure representing 47 per cent of total disbursements was ₹ 56,936 crore (₹ 43,094 crore under State Plan, ₹ 13,223 crore under Centrally Sponsored Schemes and ₹ 619 crore under Loans and Advances).



* Percentage for the year 2012-13 changed due to revision in GSDP.

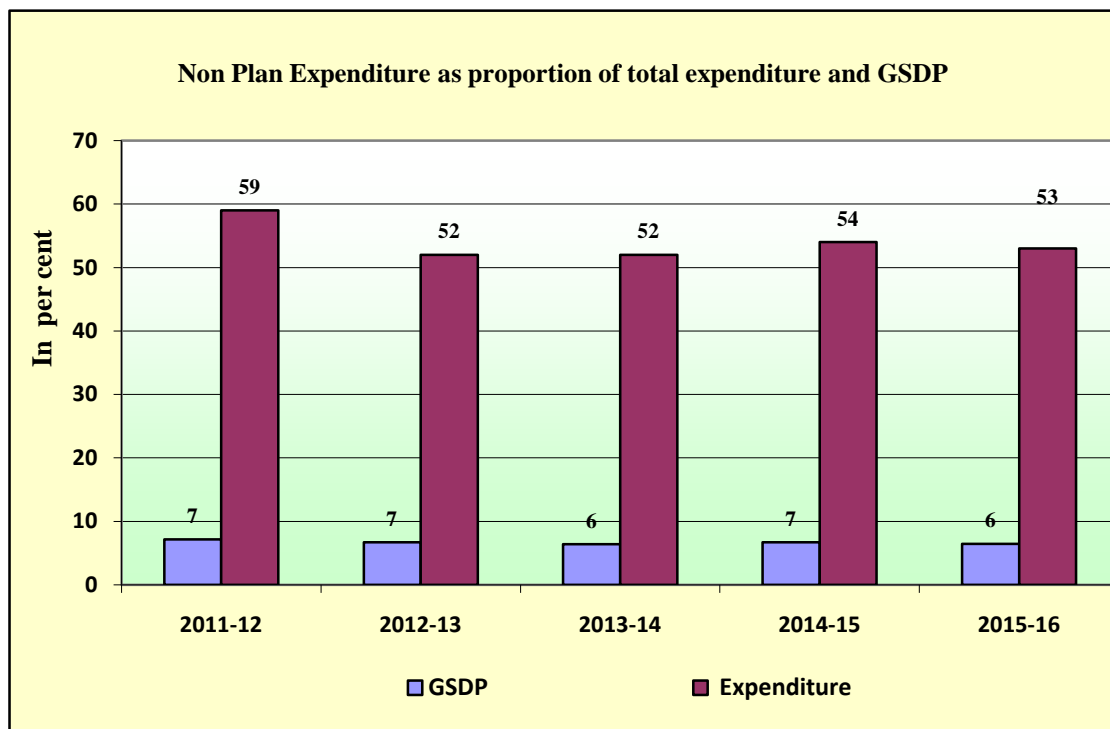
4.2.1 Plan expenditure under Capital Account

(₹ in crore)

	2011-12	2012-13	2013-14	2014-15	2015-16
Total Capital Expenditure	14,417	22,109	23,280	24,507	24,844
Capital Expenditure (Plan)	14,142	21,447	23,061	24,375	24,712
Per Cent of Capital Expenditure (plan) to Total Expenditure	98	97	99	99	99

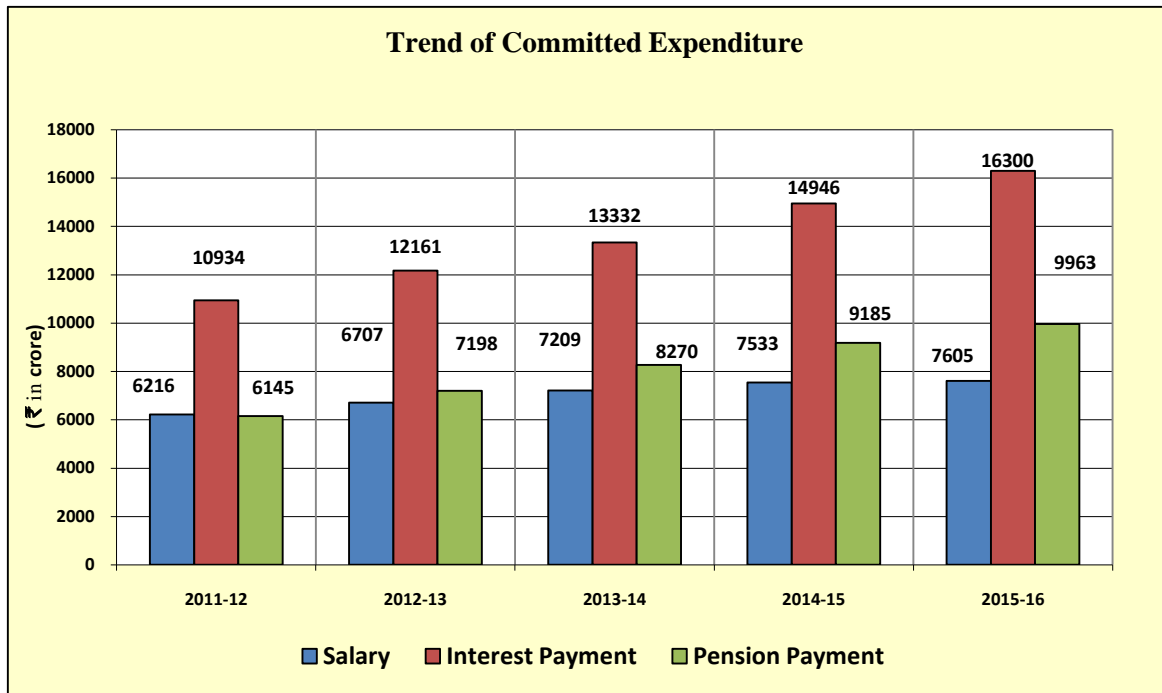
4.3 Non-Plan expenditure

During 2015-16 Non-Plan expenditure representing 53 per cent of total disbursements was ₹ 63,687 crore (₹ 63,555 crore under Revenue and ₹ 132 crore under Capital).



* Percentage for the year 2013-14 changed due to revision in GSDP.

4.4 Committed expenditure



(₹ in crore)

Component	2011-12	2012-13	2013-14	2014-15	2015-16
Committed Expenditure	23,294	26,066	28,811	31,664	33,868
Revenue Expenditure	59,744	69,659	75,259	86,652	95,779
Per cent of committed Expenditure to Revenue Receipts	37	35	36	34	35
Per cent of Committed Expenditure to Revenue Expenditure	39	37	38	37	35

CHAPTER - V

APPROPRIATION ACCOUNTS

5.1 Summary of Appropriation Accounts for 2015-16

(₹ in crore)

	Nature of Expenditure	Original Grant/ Appropriation	Supplementary Grant/ Appropriation	Total	Actual Expenditure	Saving (-) Excess (+)
Voted	I- Revenue	86,745.20	5,874.19	92,619.39	80,704.69	(-) 11,914.70
	II- Capital	29,257.38	410.00	29,667.38	24,379.66	(-) 5,287.72
	III- Loans and Advances	664.26	66.54	730.80	675.19	(-) 55.61
Total Voted		1,16,666.84	6,350.73	1,23,017.57	1,05,759.54	(-) 17,258.03
Charged	IV- Revenue	16,485.12	336.87	16,821.99	16,442.79	(-) 379.20
	V- Capital	59.88	39.99	99.87	79.10	(-) 20.77
	VI- Public Debt- Repayment	5,927.49	-	5,927.49	6,194.26	266.77
	VII- Loans and Advances	0.01	-	0.01	-	(-) 0.01
Total Charged		22,472.50	376.86	22,849.36	22,716.15	(-) 133.21
Grand Total		1,39,139.34	6,727.59	1,45,866.93	1,28,475.69	(-) 17,391.24

5.2 Trend of Savings / Excess during the past five years

(₹ in crore)

Year	Savings (-)/Excess (+)				Total
	Revenue	Capital	Public Debt	Loans and Advances	
2011-12	(-) 4,500	(-) 1,347	(+) 471	(-) 144	(-) 5,520
2012-13	(-) 7,048	(-) 989	(-) 1	(-) 251	(-) 8,289
2013-14	(-) 8,942	(-) 3,469	(-) 14	(-) 318	(-) 12,743
2014-15	(-) 15,336	(-) 5,882	(-) 3	(-) 393	(-) 21,614
2015-16	(-) 1,22,94	(-) 5,308	(+) 267	(-) 56	(-) 17,391

5.3 Significant Savings

Substantial Savings under a grant indicate either non-implementation or slow implementation of certain schemes / programmes. This also indicates weak budgetary control. Some grants with persistent and significant savings are given below:

(Per cent)

Sr. No.	Grant No.	Nomenclature	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
1	19	Other Expenditure pertaining to Finance Department	81.23	98.58	98.75	98.52	86.33
2	76	Revenue Department	27.09	38.56	41.61	43.48	35.41
3	77	Tax Collection Charges (Revenue Department)	50.19	43.48	39.69	45.33	30.76
4	78	District Administration	29.35	20.38	35.27	22.95	19.40
5	84	Non-Residential Buildings	32.51	17.61	30.84	33.76	29.01
6	85	Residential Buildings	33.26	38.23	46.90	22.03	25.49

During 2015-16, Supplementary Grants totaling ₹ 6,727.59 crore (5.24 per cent 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. Few instances are given below:

(₹ in crore)

Gr. No.	Nomenclature	Section	Original	Supplementary	Actual Expenditure
6	Fisheries	Revenue	158.40	13.03	154.05
9	Education	Revenue	19,359.81	1,704.32	20,620.97
13	Power Projects	Revenue	4,747.62	1,174.94	4,438.83
13	Power Projects	Capital	2,338.39	100.19	2,421.84
22	Civil Supplies	Revenue	363.25	14.03	375.80
31	Elections	Revenue	81.89	24.80	97.36
34	Economic Advice and Statistics	Revenue	42.60	38.54	76.93
35	Other expenditure pertaining to General Administration Department	Capital	963.63	25.78	987.21

Gr. No.	Nomenclature	Section	Original	Supplementary	Actual Expenditure
39	Medical and Public Health	Revenue	3,770.58	139.79	3,754.39
40	Family Welfare	Revenue	693.88	36.28	723.12
43	Police	Revenue	3,364.55	13.92	3,162.26
46	Other expenditure pertaining to Home Department	Capital	591.55	6.34	484.21
66	Irrigation and Soil Conservation	Capital	3,793.68	320.89	4,076.26
67	Water Supply	Capital	1,653.30	23.02	1,312.43
68	Other expenditure pertaining to Narmada, Water Resources, Water Supply and Kalpsar Department	Revenue	95.00	60.00	147.68
70	Community Development	Revenue	1,769.12	329.18	1,939.13
71	Rural Housing and Rural Development	Revenue	2,087.75	215.99	2,048.04
73	Other expenditure pertaining to Panchayats, Rural Housing and Rural Development Department	Revenue	633.38	151.22	816.13
75	Other expenditure pertaining to Ports and Transport Department	Revenue	82.39	69.59	81.94
79	Relief On account of Natural calamities	Revenue	1,331.42	984.03	2,119.64
84	Non-Residential Buildings	Revenue	636.31	1.49	612.86
86	Roads and Bridges	Revenue	3,426.97	203.53	3,099.24
88	Other expenditure pertaining to Roads and Buildings Department	Revenue	32.17	10.00	39.45
92	Social security and welfare	Revenue	1,197.23	156.71	1,190.64
92	Social security and welfare	Capital	42.09	1.92	43.83
93	Welfare of Scheduled Tribes	Revenue	282.63	10.42	292.21
95	Scheduled Castes Sub-Plan	Revenue	2,799.92	56.83	2,489.00
96	Tribal Area Sub-Plan	Revenue	5,956.65	128.14	5,316.64
101	Urban Housing	Revenue	1,074.86	36.40	693.66
102	Urban Development	Revenue	7,310.76	561.04	7,459.32

CHAPTER – VI

ASSETS AND LIABILITIES

6.1 Assets

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

Total investment as share capital in Statutory Corporations, Govt. Companies, Rural Banks, Joint Stock Companies, Co-operatives and Public Sector Undertakings (PSUs) stood at ₹ 70,730 crore at the end of 2015-16. However, return on investment received during the year were ₹ 96 crore (i.e. 0.14 per cent) on investment. During 2015-16 investments increased by ₹ 7,801 crore while dividend income increased by ₹ 6 crore.

General cash balances stood at ₹ (-) 385 crore on 31 March 2015 and decrease to ₹ (-) 594 crore at the end of March 2016.

6.2 Debt and Liabilities

Details of the Public Debt, Public Account and Total liabilities of the State Government are as under:

(₹ in crore)

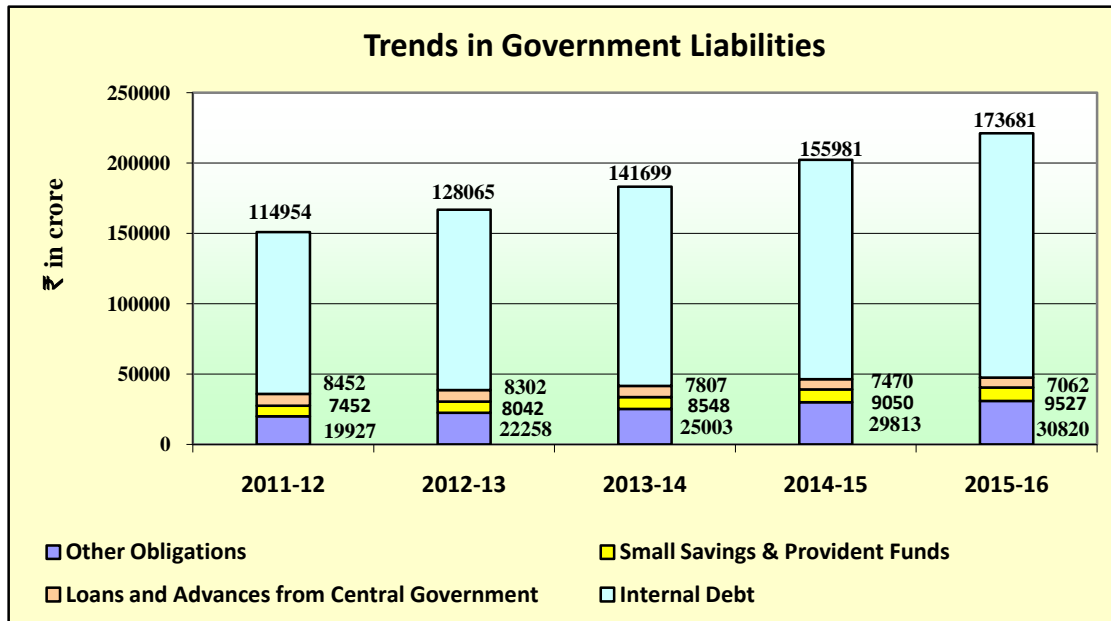
Year	Public Debt	Per cent of GSDP	Public Account (*)	Per cent to GSDP	Total Liabilities	Per cent to GSDP
2011-12	1,23,407	20	27,378	5	1,50,785	25
2012-13	1,36,367	19	30,300	4	1,66,667	23
2013-14	1,49,506	19	33,551	4	1,83,057	23
2014-15	1,63,451	18	38,862	4	2,02,313	23
2015-16	1,80,743	18	40,347	4	2,21,090	22

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

(*) Excludes Suspense and Remittance balances

@ Percentage for years from 2011-12 to 2014-15 changed due to revision in GSDP.

There is a net increase of ₹ 17,292 crore (11 per cent) in Public Debt and Other Liabilities as compared to 2014-15.



6.3 Guarantees

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

(₹ in crore)

At the end of the year	Maximum amount Guaranteed (Principal only)	Amount outstanding as on 31 March 2016 (Principal only)
2011-12	10,387	7,449
2012-13	10,525	6,195
2013-14	11,175	6,549
2014-15	11,235	5,984
2015-16	11,333	5,236

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

Total Loans and Advances given by the State Government outstanding at the end of 2015-16 was ₹ 7,326 crore. During the year 2015-16, the State Government had paid loans and advances amounting to ₹ 675 crore and recovered outstanding loans amounting to ₹ 125 crore.

7.2 Financial Assistance to local bodies and others

Assistance given to local bodies during 2015-16 was ₹ 44,048 crore. It increased from ₹ 20,353 crore in 2008-09 to ₹ 44,048 crore in 2015-16 which was a 116 per cent increase in the last 7 years. During 2015-16, a major portion of the total grant was consumed by Zilla Parishads.

7.3 Cash Balance and Investment of Cash Balance**(₹ in crore)**

Component	As on 1 April 2015	As on 31 March 2016	Net Increase (+)/ Decrease (-)
Cash Balances	(-) 385	(-) 594	(-) 209
Investments from Cash Balances (GOI Treasury bills)	12,402	8,946	(-) 3,456
Investments from earmarked balances:	9,034	10,208	(+) 1,174
(i) Sinking Fund	8,136	9,845	(+) 1,709
(ii) Other Funds	898	363	(-) 535
Interest realised on investment of cash balances	637	585	(-) 52

7.4 Reconciliation of Accounts

Timely Reconciliation of Accounts (figures of Accountant General with that of Government) ensures accuracy and reliability of accounts. Such reconciliation has been completed for ₹ 1,20,166 crore (99.23 per cent) in respect of receipts and for a value of ₹ 1,26,780 crore (99.97 per cent) of expenditure.

7.5 Abstract Contingent (AC) Bills and Detailed Contingent (DC) Bills

The Controlling and Disbursing Officers are authorized to draw sums of money by presenting Abstract Contingent Bill by debiting Service Heads. They are required to present Detailed Contingent Bills (vouchers in support of final expenditure) to the Accountant General (A&E) within three months from the date of drawal of the Abstract Contingent Bills as per Rule 211 of Gujarat Treasury Rules, 2000. At the end of 31 March 2016, 5,722 Abstract Contingent Bills amounting to ₹ 430 crore were outstanding.

7.6 Utilization Certificate in respect of Grants-in-aid given by the Government

In terms of the Gujarat Financial Rules, 1971 and Finance Department's Notification dated 12 April 1985, Controlling Officers who drew Grants-in-aid bills are required to submit Utilization Certificate (UCs) to the Accountant General (A&E) within twelve months after the end of financial year in which the grant is paid. At the end of 2015-16, 7,164 UCs valued at ₹ 5,385 crore were outstanding.

7.7 Commitments of accounts of incomplete works

A total expenditure of ₹ 4,912 crore was incurred up to 31 March 2016 by the State Government on various incomplete projects costing ₹ 10 crore or more taken up by the Roads and Buildings Department and the Narmada, Water Resources, Water Supply and Kalpsar Department.

7.8 Rush of expenditure

The financial rules stipulate that rush of expenditure particularly in the closing month of the financial year shall be regarded as a breach of financial regularity and should be avoided. However, the expenditure incurred under certain heads of account during March 2016 ranged between 50 per cent and 100 per cent of the expenditure during the year indicating a tendency to utilize the budget at the close of the financial year. The flow of expenditure during the four quarters of 2015-16 in the above mentioned heads was as given in the table:-

Major Head of Account	Description	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	Total	During March.	Percentage of March 2016 with reference to total expenditure of 2015-16
		(₹ in crore)						
2048	Appropriation for reduction or avoidance of Debt-	0	0	0	500	500	500	100
4856	Capital Outlay on Petrochemical Industries	0	0	0	100	100	100	100
4860	Capital Outlay on Consumer Industries	0	0	0	9	9	9	100
5475	Capital Outlay on other General Economic Services	0	0	0	1	1	1	100
4853	Capital Outlay on Non-Ferrous Mining and Metallurgical Industries	0	0	0	5	5	5	100
4236	Capital Outlay on Nutrition	0	0	0	65	65	64	98
4575	Capital Outlay on other Special Areas Programmes	0	0	1	23	24	23	96
5055	Capital Outlay on Road Transport	0	0	60	299	359	299	83
4401	Capital Outlay on Crop Husbandry	0	0	1	26	27	21	78
4217	Capital Outlay on Urban Development	21	37	16	220	294	203	69
5051	Capital Outlay on Ports and Light Houses	0	3	5	27	35	22	63
4055	Capital Outlay on Police	1	57	29	181	268	148	55
4075	Capital Outlay on Miscellaneous General Services	0	1	1	2	4	2	50

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