

OVERVIEW**1.1. Introduction**

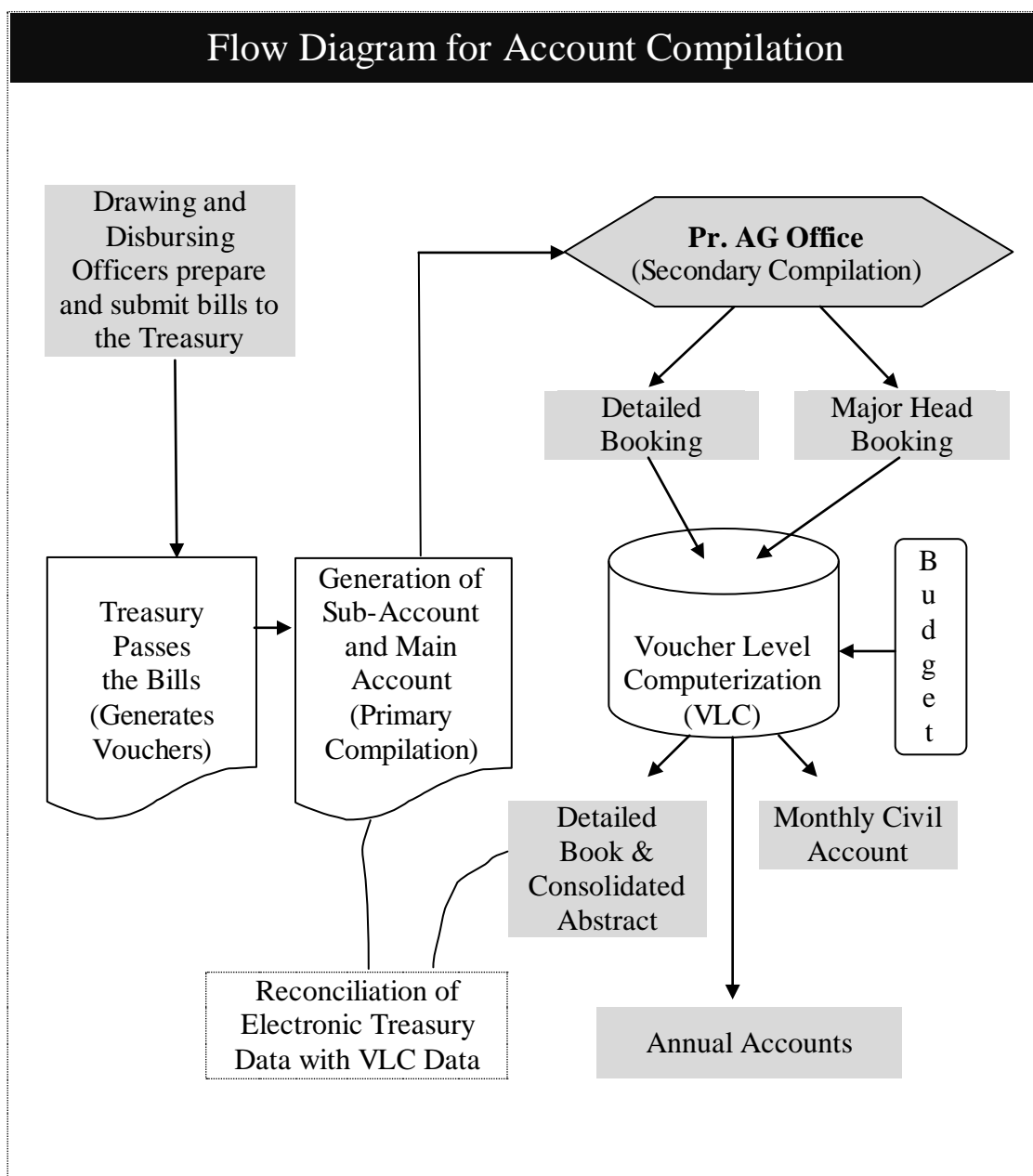
The Principal Accountant General (Accounts and Entitlements), Rajasthan compiles the accounts of receipts and expenditure of the Government of Rajasthan. This compilation is based on initial accounts rendered by 41 District Treasuries, 264 Public Works Divisions, 70 Forest Divisions, Inter State Transactions and advices of the Reserve Bank of India. Following such compilation, the Principal Accountant General (A & E) prepares the Finance and Appropriation Accounts annually, which are placed before the State Legislature after audit by the Principal Accountant General (General and Social Sector Audit) Rajasthan and certification by the Comptroller and Auditor General of India.

1.2. Structure of Accounts

1.2.1. Government Accounts are maintained in the following three parts:

Part I Consolidated Fund	Receipts and Expenditure on Revenue and Capital Account, Public Debt and Loans & Advances.
Part II 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 III Public Account	Comprises of Debts, Deposits, Advances, Remittances and Suspense transactions. Debts and Deposits represent repayable liabilities of the Government. Advances are receivables of the Government. Remittances and Suspense transactions are adjusting entries that are required to be cleared eventually by booking to final heads of account.

1.2.2. *Compilation of Accounts*



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 Accounts have been prepared in two volumes to make them more comprehensive and informative. Volume I of the Finance Accounts contains the certificate of the Comptroller and Auditor General of India, summarised statements of receipts & disbursements (revenue expenditure, capital expenditure, loans and advances and public debt), investments, guarantees, grant-in-aid and 'Notes to Accounts' containing summary of significant accounting policies, quality of accounts and other items; Volume II contains detailed statements (Part-I) and appendices (Part-II).

Receipts and disbursements of the Government of Rajasthan as depicted in the Finance Accounts 2014-15 are given below:-

(₹ in crore)

Receipts (Total: 1,11,346)	Revenue (Total: 91,327)	Tax Revenue	58,490
		Non-tax Revenue	13,229
		Grants-in-aid	19,608
	Capital (Total: 20,019)	Receipts	15
		Recovery of Loans and Advances	1,004
		Borrowings and other Liabilities*	19,000
Disbursements (Total: 1,11,346)	Revenue	94,542	
	Capital	16,103	
	Loans and Advances	701	

* Borrowing and other Liabilities: Net (Receipts-Disbursements) of Public Debt + Net of Contingency Fund + Net (Receipts-Disbursements) of Public Account + Net (Opening-Closing) of Cash Balance.

Till 31 March 2014, Government of India transferred substantial funds directly to State Implementing Agencies/ Non-Government Organisations (NGOs) for implementation of various schemes/ programmes. As per Public Financial Management System (PFMS) portal of the Controller General of Accounts (CGA), Government of India released ₹ 561 crore to the implementing agencies during 2014-15. Government of India's decision to release all assistance to CSSs/ ACA directly to the State Government and not to implementing agencies has reduced the direct transfers to implementing agencies by 93.45 per cent as compared to that in 2013-14. 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 4 *charged* Appropriations and 51 voted Grants.

The Appropriation Act, 2014-15, had provisions for gross expenditure of ₹ 1,34,781 crore and reduction of expenditure (recoveries) of ₹ 3,354 crore. Against this, the actual gross expenditure was ₹ 1,19,785 crore and reduction of expenditure was ₹ 3,179 crore, resulting in net saving of ₹ 14,996 crore and an under estimation by ₹ 175 crore (5 *per cent*) on reduction of expenditure. The gross expenditure includes ₹ 191 crore drawn on Abstract Contingent (AC) Bills, which is still outstanding at the end of the year for want of supporting Detailed Contingent (DC) Bills.

During 2014-15, ₹ 21,504 crore was transferred to/ deposit in Personal Deposit (PD) Accounts under the Public Account, which are maintained by designated administrators for specific purposes. The details of such transfers, if any, and outstanding balances in individual PD Accounts are available only with the treasuries, since they are responsible for maintaining such records.

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 (₹ 2.34 crore) maintained with the RBI. During 2014-15, the Government of Rajasthan did not resort to OD facilities and WMA.

1.4.2. Funds Flow Statement

The State had a revenue deficit of ₹ 3,215 crore and a fiscal deficit of ₹ 19,000 crore representing 0.56 *per cent* and 3.31 *per cent* respectively of the Gross State Domestic Product (GSDP)¹. The fiscal deficit constituted 17.06 *per cent* of total expenditure. This deficit was met from Public Debt (₹ 13,181 crore) and net increase in Public Account and cash balance (₹ 5,819 crore). Around 70 *per cent* of the revenue receipts (₹ 91,327 crore) of the State Government was spent on committed expenditure like salaries (₹ 23,020 crore), interest payments² (₹ 10,468 crore), pensions (₹ 9,629 crore), subsidies (₹ 8,626 crore), Grants-in-aid for salary (₹ 8,245 crore), Social security pension (₹ 3,709 crore) and wages (₹ 478 crore).

¹ Except where indicated otherwise, GSDP figures used in this publication are adopted from the Economic Survey of the Planning Department, Government of Rajasthan.

² It includes interest payment of ₹ 5 crore paid under heads other than 2049.

Sources and Application of Funds

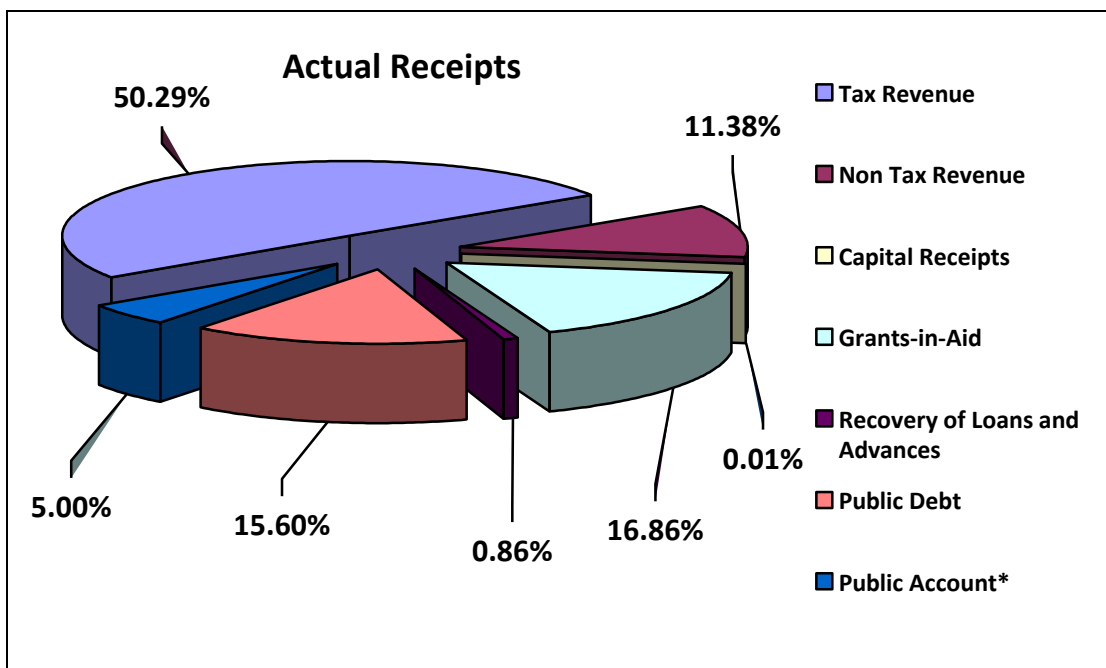
(₹ in crore)

	PARTICULARS	AMOUNT
	Opening Cash Balance as on 01.04.2014	6
	Revenue Receipts	91,327
	Capital Receipts	15
	Recovery of Loans and Advances	1,004
	Public Debt	18,141
SOURCES	Small Savings, Provident Fund and Others	7,082
	Reserves Funds	2,362
	Deposits Received	1,07,060
	Civil Advances Repaid	7
	Suspense Account*	1,27,099
	Remittances	10,487
	Contingency Fund	..
	TOTAL	3,64,590

	PARTICULARS	AMOUNT
	Revenue Expenditure	94,542
	Capital Expenditure	16,103
	Loans Given	701
	Repayment of Public Debt	4,960
	Small Savings, Provident Fund and Others	4,100
APPLICATION	Reserves Funds	2,237
	Deposits Spent	1,05,648
	Civil Advances Given	10
	Suspense Account*	1,25,770
	Remittances	10,488
	Closing Cash Balance as on 31.03.2015	31
	TOTAL	3,64,590

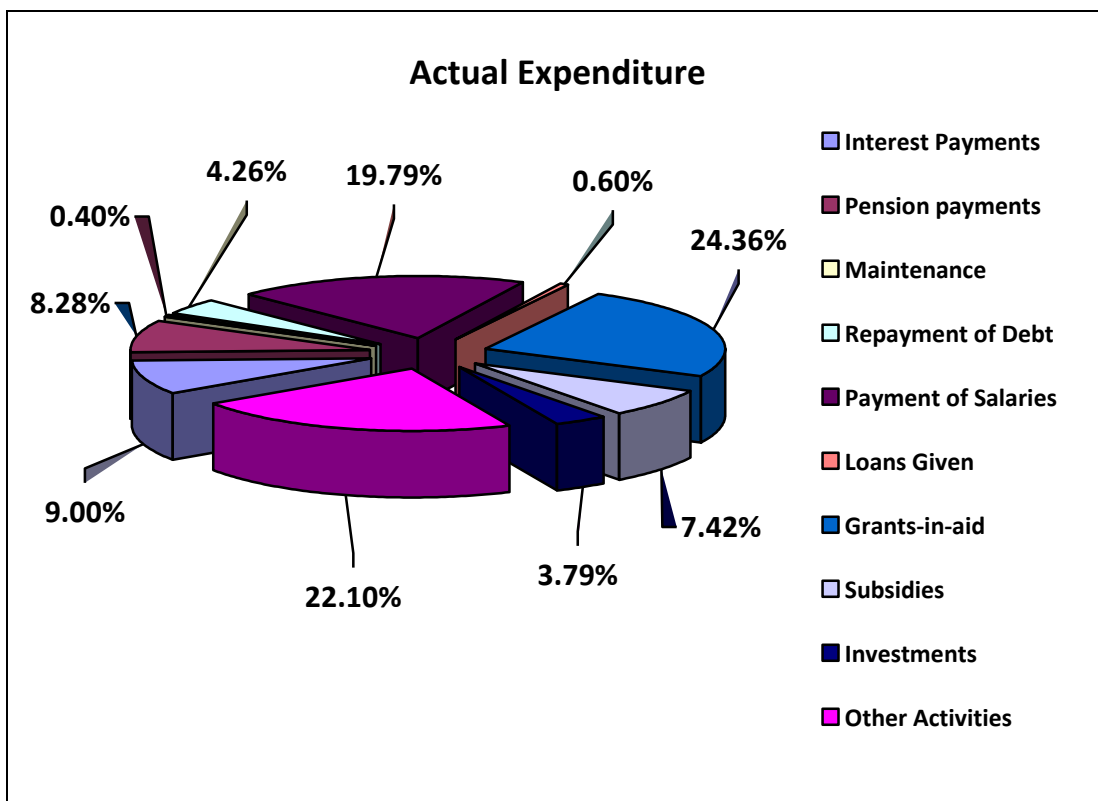
* The suspense account include ₹ 1,25,703 crore invested in treasury bills and disbursement of departmental balances and permanent cash imprest which is shown on the "Application" side, and (₹ 1,27,072 crore) worth of treasury bills sold through the RBI (a process known as "re-discounting") and receipts in departmental balance and permanent cash imprest which is shown on the "Sources" side. The net of such investment (₹ 1,369 crore) supplements the closing cash balance of the State Government.

1.4.3. Where the Rupee came from :



* Public account (including cash balance) component above is taken as net.

1.4.4. Where the Rupee went :



1.5. Highlights of Accounts

		Budget Estimates 2014-15	Actuals	Percentage of Actuals to B.E	Percentage of Actuals to GSDP [@]
		(₹ in crore)			
1.	Tax Revenue*	63,411	58,490	92.24	10.18
2.	Non-Tax Revenue	14,939	13,229	88.55	2.30
3.	Grants-in-aid and Contributions	27,775	19,608	70.60	3.42
4.	Revenue Receipts (1+2+3)	1,06,125	91,327	86.06	15.90
5.	Capital Receipts	8	15	187.50	..
6.	Recoveries of Loans and Advances	151	1,004	664.90	0.17
7.	Net Borrowings and Other Liabilities	20,186	19,000	94.12	3.31
8.	Capital Receipts (5+6+7)	20,345	20,019	98.40	3.48
9.	Total Receipts (4+8)	1,26,470	1,11,346	88.04	19.38
10.	Non-Plan Expenditure (NPE)	69,355	67,169	96.85	11.69
11.	NPE on Revenue Account	69,302	67,098	96.82	11.68
12.	NPE on Interest Payments out of 11	10,470	10,463	99.93	1.82
13.	NPE on Capital Account	53	71	133.96	0.01
14.	Plan Expenditure (PE)	57,115	44,177	77.35	7.69
15.	PE on Revenue Account	36,085	27,444	76.05	4.78
16.	PE on Capital Account	21,030	16,733	79.57	2.91
17.	Total Expenditure (10+14)	1,26,470	1,11,346	88.04	19.38
18.	Expenditure on Revenue Account (11+15)	1,05,387	94,542	89.71	16.46
19.	Expenditure on Capital Account** (13+16)	21,083	16,804	79.70	2.92
20.	Revenue Deficit (-)/ Surplus (+) *** (4-18)	(+) 738	(-) 3,215	..	0.56
21.	Fiscal Deficit*** [17-(4+5+6)] = 7	20,186	19,000	94.12	3.31

@ Broadly, sum of the products of all goods and services rendered by the State in monetary terms during a year before making any provision for Consumption of Fixed Capital (C.F.C.) is known as Gross State Domestic Product.

* Includes share of net proceeds assigned to State received from the Government of India.

** Expenditure on Capital Account includes capital expenditure (₹ 16,103 crore) and Loans and Advances disbursed (₹ 701 crore).

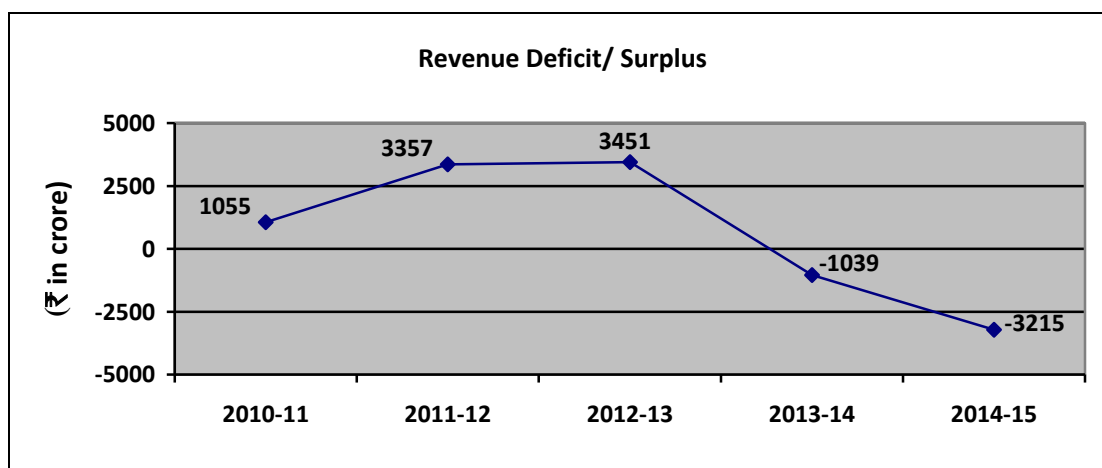
*** The Revenue Deficit is the excess of revenue expenditure over revenue receipt. The Fiscal Deficit may be defined as the excess of revenue and capital expenditure (including loans and advance disbursed) over the revenue receipts, recoveries of loans and advances and other receipts.

1.6. What do the Deficits and Surpluses indicate?

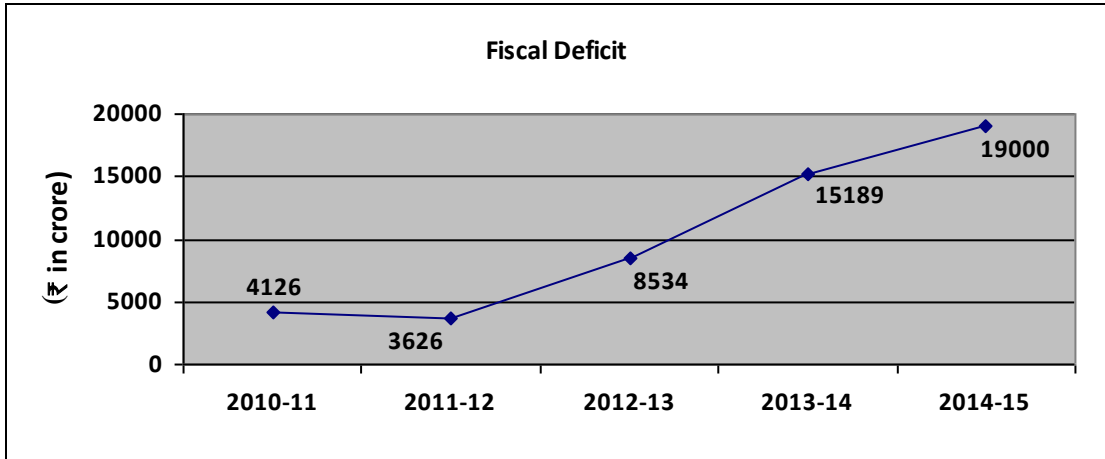
Deficit	Refers to the gap between Receipt and Expenditure. The kind of deficit, how the deficit is financed, and application of funds are important indicators of prudence of Financial Management.
Revenue Deficit/ Surplus	Refers to the gap between Revenue Receipt and Revenue Expenditure. Revenue Expenditure 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 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. Pursuant to the recommendations of XI Finance Commission the Government of Rajasthan enacted the FRBM Act, 2005 and notified the corresponding rules in 2006. In accordance with the recommendations of the XIII Finance Commission and with the amendment to the FRBM Act (2011), the State laid down the Fiscal targets to ensure - (i) elimination of revenue deficit by financial year 2011-12 and thereafter maintain once there at or attainment of revenue surplus, (ii) reduction of fiscal deficit to 3 per cent or less of GSDP by financial year 2011-12 and maintain once at that level thereafter and (iii) Outstanding debt reduction at the end of 2014-15 to 36.5 per cent of the estimated GSDP. The State Government had revenue surplus from 2010-11 to 2012-13 which turned into revenue deficit in 2013-14 and remained so in 2014-15. The fiscal deficit stood at 3.31 per cent and outstanding debt at 25.69 per cent of the estimated GSDP to the end of 2014-15.

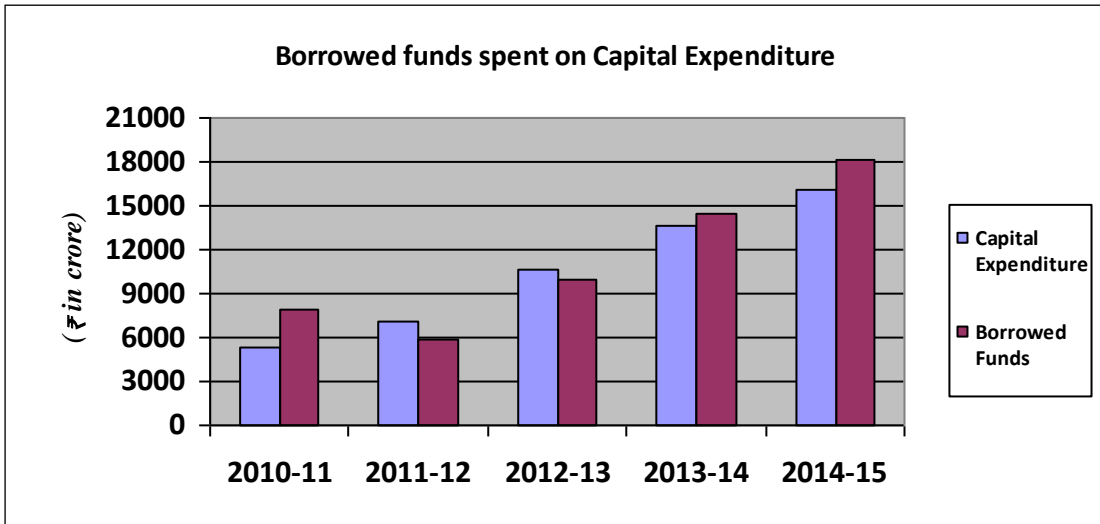
1.6.1. Trend of Revenue Deficit/ Surplus



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 thereon. The State Government, however, spent less expenditure on Capital account (₹ 16,103 crore) than the borrowings of current year (₹ 18,141 crore) and remaining borrowings (₹ 2,038 crore) were utilized to meet revenue deficit.

CHAPTER 2

RECEIPTS

2.1. Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total Receipts for 2014-15 were ₹ 1,11,346 crore.

2.2. Revenue Receipts

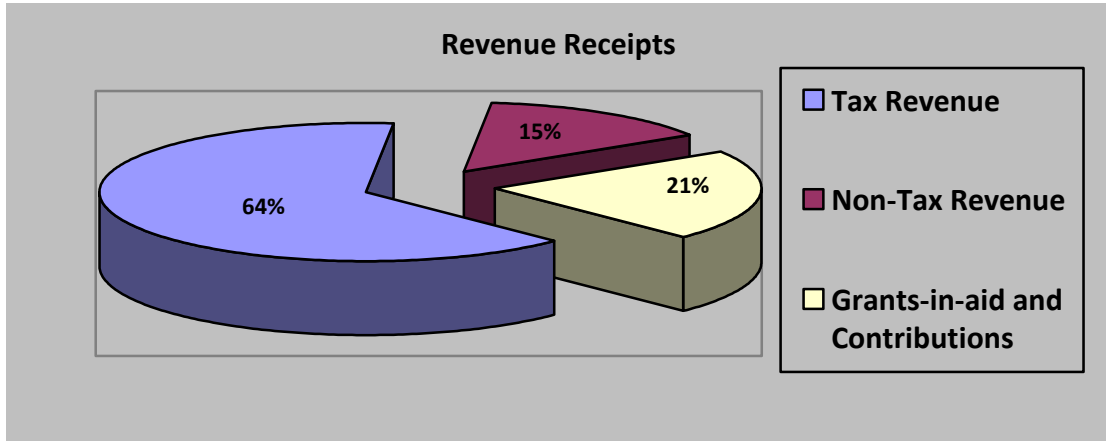
Tax Revenue	Comprises taxes collected and retained by the State and State's share of union taxes under Article 280(3) of the Constitution.
Non-Tax Revenue	Includes interest receipts, dividends, profits, royalties etc.
Grants-in-Aid	Essentially, a form of Central Assistance to the State Government from the Union Government includes 'External Grant Assistance' received from Foreign Governments and channelized through the Union Government. In turn, the State Government also give Grants-in-aid to institutions like Panchayati Raj Institutions, Autonomous Bodies etc.

2.2.1. Revenue Receipt Components (2014-15)

(₹ in crore)

Components	Actuals	Percentage to Revenue Receipt
A. Tax revenue *	58,490	64.04
Taxes on Income and Expenditure	11,863	12.99
Taxes on Property and Capital Transactions	3,501	3.83
Taxes on Commodities and Services	43,126	47.22
B. Non-Tax Revenue	13,229	14.49
Interest Receipts, Dividends and Profits	2,128	2.33
General Services	1,468	1.61
Social Services	808	0.89
Economic Services	8,825	9.66
C. Grants-in-aid and Contributions	19,608	21.47
Total- Revenue Receipts	91,327	100.00

* Includes share of net proceeds assigned to State received from the Government of India.



2.2.2. Major contributors to Tax Revenue:-

(₹ in crore)

Components	Actuals	Percentage to GSDP
Taxes on Sales, Trade etc.	24,170	4.21
Corporation Tax	6,920	1.20
State Excise	5,586	0.97
Taxes on Income other than Corporation Tax	4,942	0.86
Stamps and Registration Fees	3,189	0.55
Customs	3,205	0.56
Service Tax	2,921	0.51
Taxes on Vehicles	2,830	0.49
Union Excise Duties	1,810	0.32
Taxes and Duties on Electricity	1,534	0.27
Taxes on Goods and Passengers	956	0.17

During the year Net Tax Revenue was less than Budget Estimates by ₹ 4,921 crore. The major variations are as under:-

(₹ in crore)

Where Actual Receipts was less than Budget Estimates		Where Actual Receipt was more than Budget Estimates	
Taxes on Sales, Trade etc.	1,455	Taxes on Goods and Passengers	611
Stamps and Registration Fees	1,011	State Excise	267
Service Tax	1,059		
Corporation Tax	663		
Taxes on Income other than Corporation Tax	460		
Union Excise Duties	455		
Customs	303		
Taxes and Duties on Electricity	163		
Taxes on Vehicles	120		
Land Revenue	112		

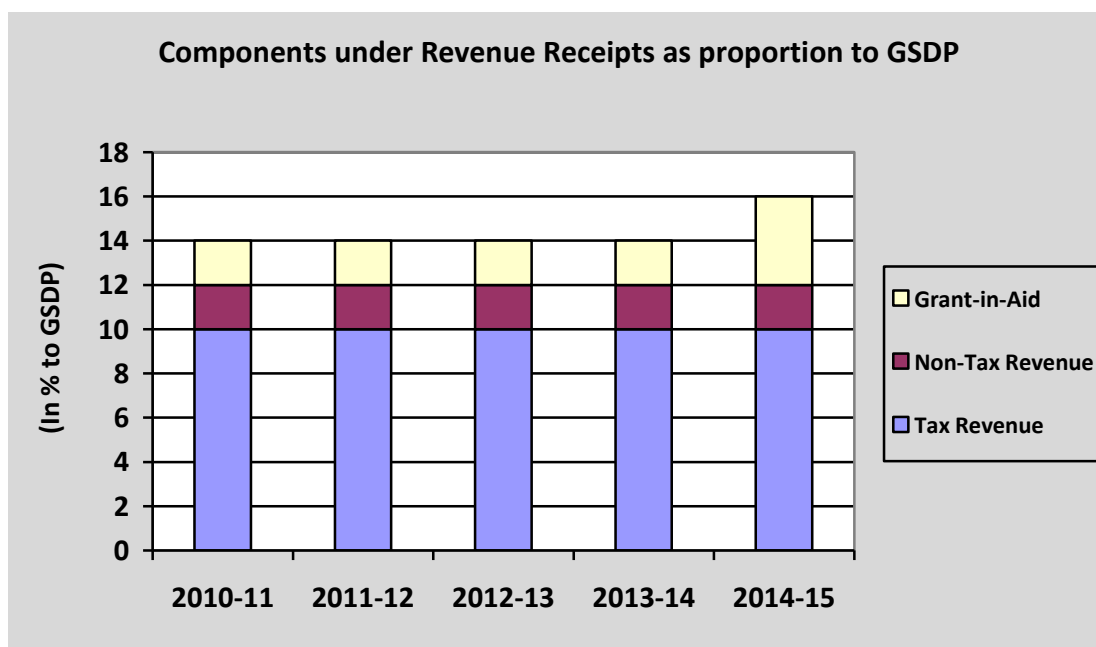
2.3. Trend of Receipts

(₹ in crore)

	2010-11	2011-12	2012-13	2013-14	2014-15
Tax Revenue	33,614 (10)	40,354 (10)	47,606 (10)	52,151 (10)	58,490 (10)
Non-Tax Revenue	6,294 (2)	9,175 (2)	12,133 (2)	13,575 (2)	13,229 (2)
Grants-in-aid	6,020 (2)	7,482 (2)	7,174 (2)	8,745 (2)	19,608 (4)
Total Revenue Receipt	45,928 (14)	57,011 (14)	66,913 (14)	74,471 (14)	91,327 (16)
GSDP	3,38,348	4,14,179	4,70,178	5,17,615	5,74,549

Note: Figures in parentheses represent *percentage* to GSDP.

During 2014-15 the GSDP increased by 11 *per cent* in comparison to previous year and growth in revenue collection was 23 *per cent*. The tax revenue increased by 12 *per cent* while there was a decrease of 3 *per cent* in non-tax revenue and increase in grants-in-aid was 124 *per cent* due to closure of direct funding.

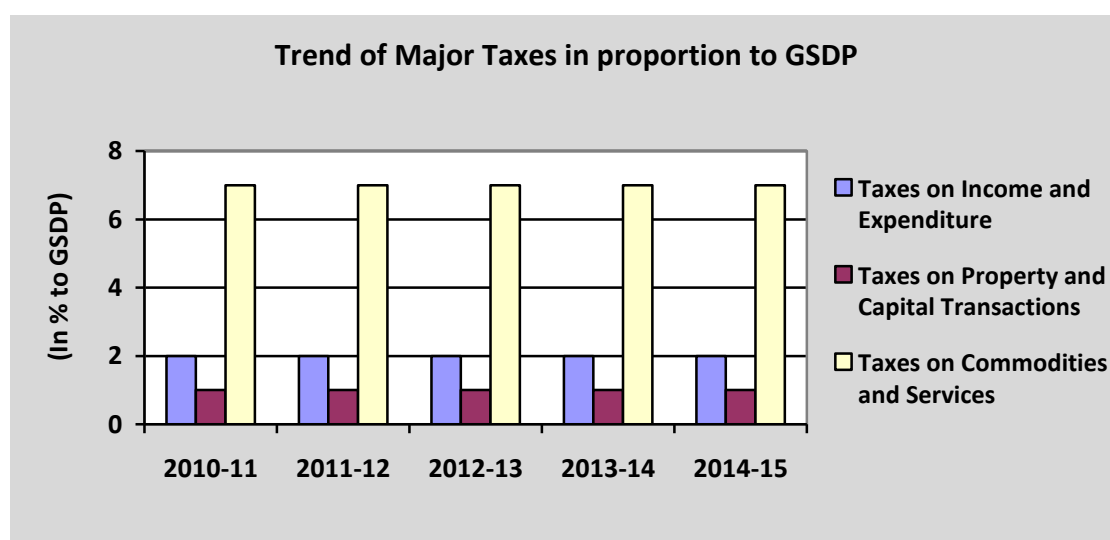


Sector-wise Tax Revenue

(₹ in crore)

	2010-11	2011-12	2012-13	2013-14	2014-15
Taxes on Income and Expenditure	7,680 (2)	8,890 (2)	9,822 (2)	10,415 (2)	11,863 (2)
Taxes on Property and Capital Transactions	2,464 (1)	3,061 (1)	3,800 (1)	3,494 (1)	3,501 (1)
Taxes on Commodities and Services	23,470 (7)	28,403 (7)	33,984 (7)	38,242 (7)	43,126 (7)
Total Tax Revenues	33,614 (10)	40,354 (10)	47,606 (10)	52,151 (10)	58,490 (10)
GSDP	3,38,348	4,14,179	4,70,178	5,17,615	5,74,549

Note: Figures in parentheses represent *percentage* to 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	
			₹	Percentage to GSDP
2010-11	33,614	12,856	20,758	6
2011-12	40,354	14,977	25,377	6
2012-13	47,606	17,103	30,503	6
2013-14	52,151	18,673	33,478	6
2014-15	58,490	19,817	38,673	7

2.5. Efficiency of Tax Collection

A. Taxes on Property and Capital Transactions

(₹ in crore)

	2010-11	2011-12	2012-13	2013-14	2014-15
Revenue Collection	2,464	3,061	3,800	3,494	3,501
Expenditure on Collection	411	461	526	545	619
Efficiency of Tax Collection (in per cent)	17	15	14	16	18

B. Taxes on Commodities and Services

(₹ in crore)

	2010-11	2011-12	2012-13	2013-14	2014-15
Revenue Collection	23,470	28,403	33,984	38,242	43,126
Expenditure on Collection	376	615	503	577	803
Efficiency of Tax Collection (in per cent)	2	2	1	2	2

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 should be improved.

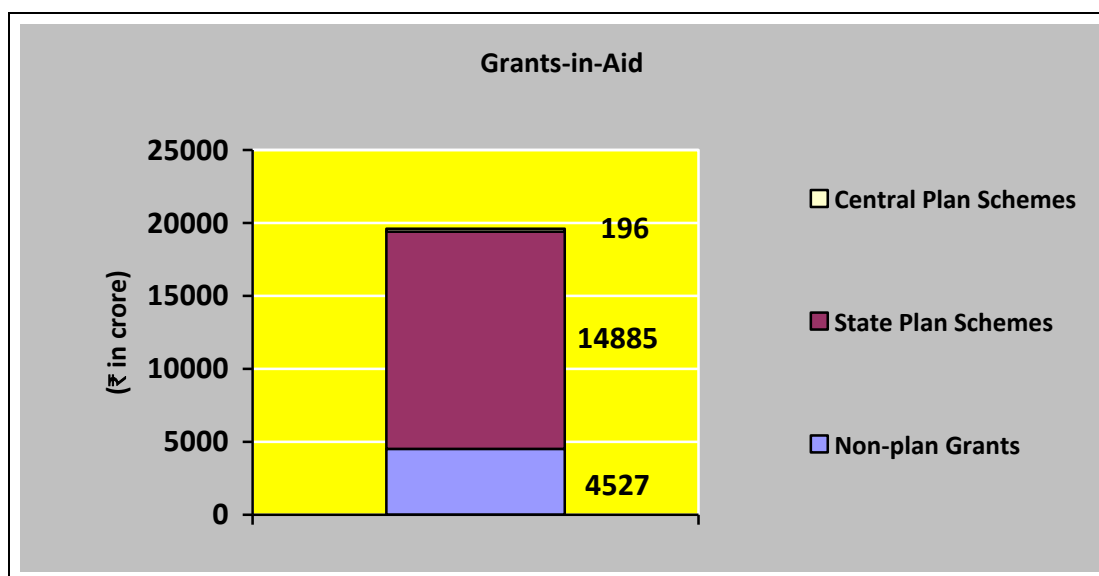
2.6. Trend in State's Share of Union Taxes during the past five years

(₹ in crore)

Major Head description	2010-11	2011-12	2012-13	2013-14	2014-15
Corporation Tax	5,025	5,895	6,144	6,280	6,920
Taxes on Income other than Corporation Tax	2,656	2,994	3,678	4,135	4,942
Taxes on Wealth	10	23	10	17	19
Customs	2,248	2,597	2,842	3,047	3,205
Union Excise Duties	1,635	1,680	1,931	2,152	1,810
Service Tax	1,282	1,788	2,498	3,042	2,921
Other Taxes and Duties on Commodities and Services	..	..	..	..	..
State Share of Union Taxes	12,856	14,977	17,103	18,673	19,817
Total Tax Revenue	33,614	40,354	47,606	52,151	58,490
Per cent of Union Taxes to Total Tax Revenue	38	37	36	36	34

2.7. Grants-in-aid

Grants-in-aid represent assistance from the Government of India and comprise, Grants for State Plan Schemes and Central Plan Schemes approved by the NITI Aayog and State Non-plan Grants recommended by the Finance Commission. Total receipts during 2014-15 under Grants-in-aid were ₹ 19,608 crore as shown below:



2.8. Public Debt

Trend of Public Debt (net) over the past 5 years

(₹ in crore)

Description	2010-11	2011-12	2012-13	2013-14	2014-15
Internal Debt	4,754	2,559	5,516	10,608	12,896
Central Loans	(-) 94	(-) 131	(-) 268	(-) 232	285
Total Public Debt	4,660	2,428	5,248	10,376	13,181

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

In 2014-15 Twenty three loans totaling ₹ 12,300 crore were raised at par at interest rates varying from 8.02 per cent to 9.63 per cent. Out of these loans, eighteen loans will redeem in 2024 and five will redeem in 2025.

CHAPTER 3

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 Non-plan and Plan.

General Services	Includes Justice, Interest Payments, Police, Jail, PWD, Pension etc.
Social Services	Includes Education, Health and Family Welfare, Water Supply, Welfare of SC, ST and OBC, Social Security, Nutrition and Relief on account of Natural Calamities etc.
Economic Services	Includes Agriculture, Rural Development, Irrigation, Co-operation, Energy, Industries, Transport, Science and Technology etc.

3.2. Revenue Expenditure

Revenue Expenditure of ₹ 94,542 crore for 2014-15 was less than the budget estimates by ₹ 10,845 crore due to decreased expenditure of ₹ 2,204 crore under Non-plan Expenditure and ₹ 8,641 crore under Plan Expenditure. The State Government had obtained supplementary grant of ₹ 2,860 crore in the month of March 2015 to meet expenditure on new services. However, actual expenditure was less than the original budget estimates.

The shortfall/ excess of budget estimates against revenue expenditure during past five years is given below:

(₹ in crore)

Description	2010-11	2011-12	2012-13	2013-14	2014-15
Budget Estimates	43,562	51,934	62,219	76,195	1,05,387
Actuals	44,873	53,654	63,462	75,510	94,542
Gap	(-) 1,311	(-) 1,720	(-) 1,243	685	10,845
Percentage of gap over BE	(-) 3	(-) 3	(-) 2	1	10

Around 68 per cent of the revenue expenditure was “committed” to Salaries (₹ 23,020 crore excluding ₹ 88 crore spent under capital sector), Interest payments (₹ 10,468 crore), Pensions (₹ 9,629 crore), Subsidies (₹ 8,626 crore), Grants-in-aid (Salary) (₹ 8,245 crore), Social Security Pension (₹ 3,709 crore) and Wages (₹ 478 crore).

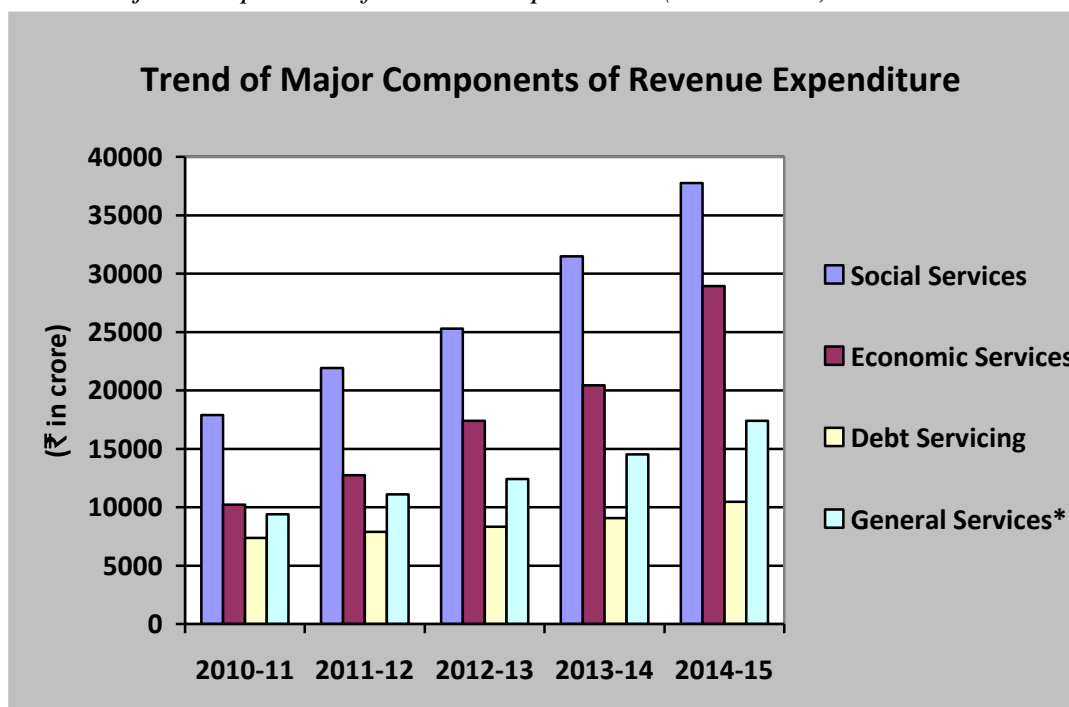
The position of committed and uncommitted revenue expenditure over the last five years is given below:

(₹ in crore)

Description	2010-11	2011-12	2012-13	2013-14	2014-15
Revenue expenditure	44,873	53,654	63,462	75,510	94,542
Committed revenue expenditure*	29,317	32,859	38,257	44,408	64,175
Uncommitted revenue expenditure	15,556	20,795	25,205	31,102	30,367

* During 2014-15 expenditure on “Grants-in-aid (salary)” and “Social Security Pension” included in Committed revenue expenditure, earlier these were included in Uncommitted revenue expenditure.

3.2.1. Major Components of Revenue Expenditure (2010–2015)



* General Services excludes MH 2049 (Interest Payment) and includes MH 3604 (Compensation and assignment to Local Bodies and Panchayati Raj Institutions).

The expenditure increased in all sectors during last five years.

3.2.2. Sectoral Distribution of Revenue Expenditure

Components	Amount (₹ in crore)	Percentage
A. Fiscal Services	1,424	2
Collection of Taxes on Property and Capital Transactions	619	1
Collection of Taxes on Commodities and Services	803	1
Other Fiscal Services	2	..
B. Organs of State	891	1
C. Interest Payments and Servicing of Debt	10,463	11
D. Administrative Services	4,843	5
E. Pensions and Miscellaneous General Services	10,247	11
F. Social Services	37,754	40
G. Economic Services	28,920	30
H. Grants-in-aid and Contributions	..	..
Total Expenditure (Revenue Account)	94,542	100

3.3. Capital Expenditure

Capital disbursements of ₹ 16,103 crore for 2014-15 at 3 per cent of GSDP was less than Budget Estimates by ₹ 4,462 crore.

3.3.1. Sectoral Distribution of Capital Expenditure

During 2014-15, the State Government has spent ₹ 1,191 crore on various irrigation projects (₹ 663 crore on major irrigation, ₹ 92 crore on medium irrigation and ₹ 436 crore on minor irrigation), ₹ 4,494 crore on various water supply schemes and ₹ 2,706 crore on construction of roads and bridges. The Government has also invested ₹ 4,392 crore (net) in various Company/ Corporations/ Co-operative Societies/ Banks etc. The major portion of Government investment was in various power companies (₹ 4,249 crore).

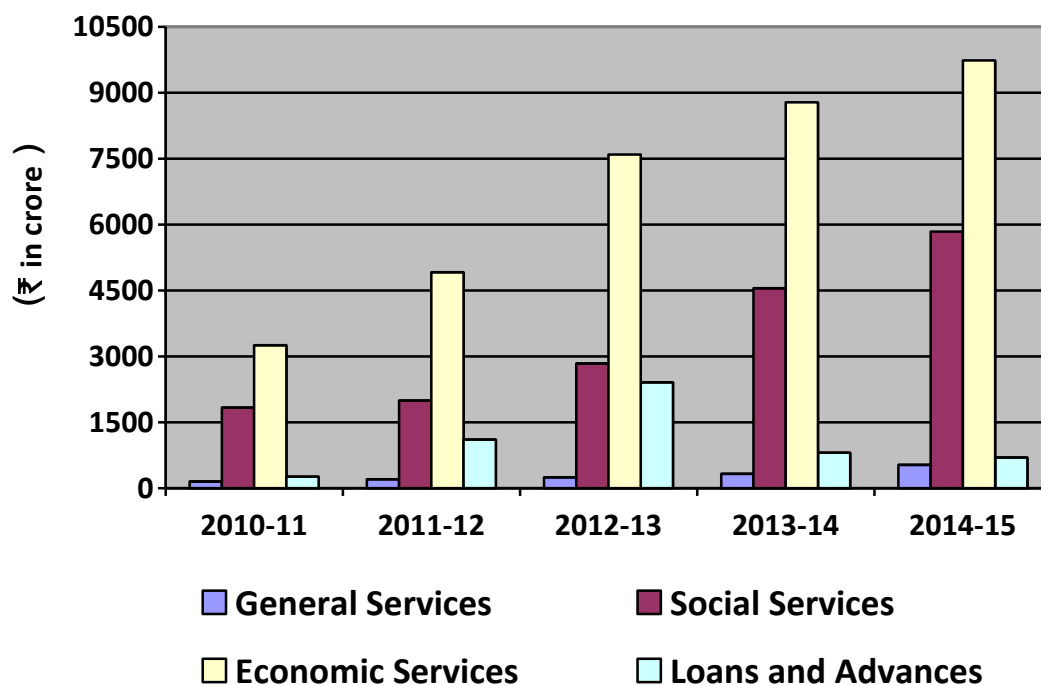
3.3.2. Sectoral Distribution of Capital Expenditure over the past five years

(₹ in crore)

Description	2010-11	2011-12	2012-13	2013-14	2014-15
General Services	155 (3)	204 (3)	249 (2)	334 (2)	534 (3)
Social Services	1,836 (33)	1,997 (24)	2,840 (22)	4,551 (31)	5,838 (35)
Economic Services	3,260 (59)	4,918 (60)	7,594 (58)	8,779 (61)	9,731 (58)
Loans and Advances	262 (5)	1,109 (13)	2,412 (18)	812 (6)	701 (4)
Total	5,513	8,228	13,095	14,476	16,804

Note: Figures in parentheses represent *percentage* to total capital expenditure.

Trend of Major Components of Capital Expenditure

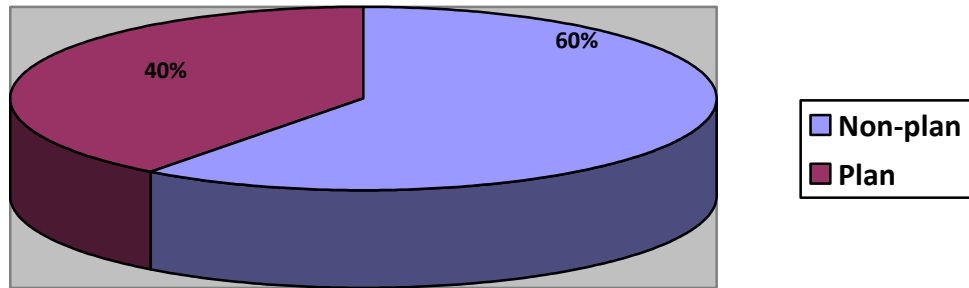


CHAPTER 4

PLAN & NON PLAN EXPENDITURE

4.1. Distribution of expenditure

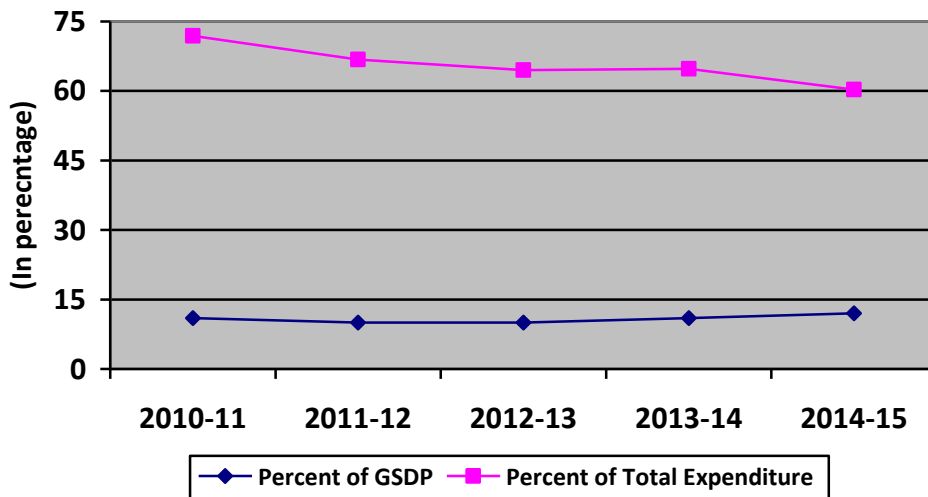
Distribution of Expenditure



4.2. Non-plan Expenditure

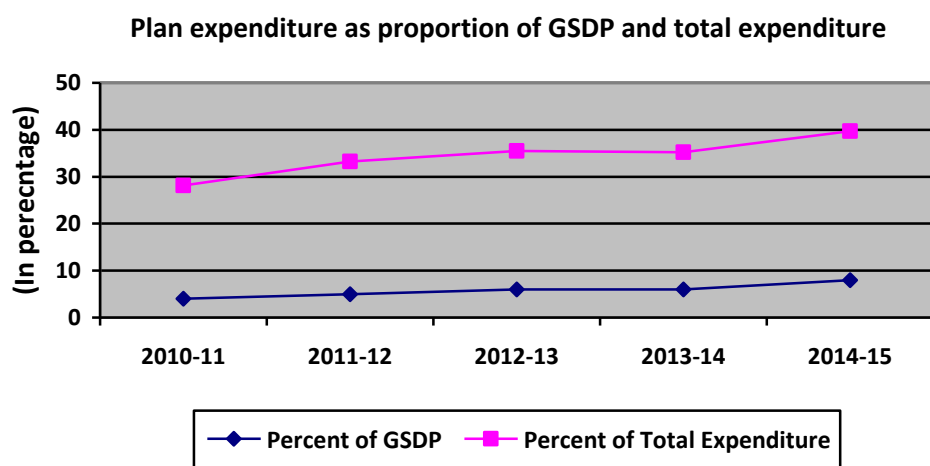
Non-plan expenditure during 2014-15, representing 60 per cent of total disbursements, was ₹ 67,169 crore (₹ 67,098 crore under Revenue, ₹ 16 crore under Capital and ₹ 55 crore under Loans and Advances).

Non-plan expenditure as proportion of GSDP and total expenditure



4.3. Plan Expenditure

During 2014-15, Plan expenditure, representing 40 per cent of total disbursements, was ₹ 44,177 crore (₹ 27,444 crore under Revenue, ₹ 16,087 crore under Capital and ₹ 646 crore under Loans and Advances).



4.3.1. Plan expenditure under Capital Account

(₹ in crore)

Description	2010-11	2011-12	2012-13	2013-14	2014-15
Total Capital Expenditure	5,513	8,228	13,095	14,476	16,804
Capital Expenditure (Plan)	5,420	8,154	12,924	14,340	16,733
Percentage of Capital Expenditure (Plan) to Total Capital Expenditure	98	99	99	99	99

4.3.2. Plan expenditure under Loans and Advances

Significant disbursement of Loans and Advances are as under:-

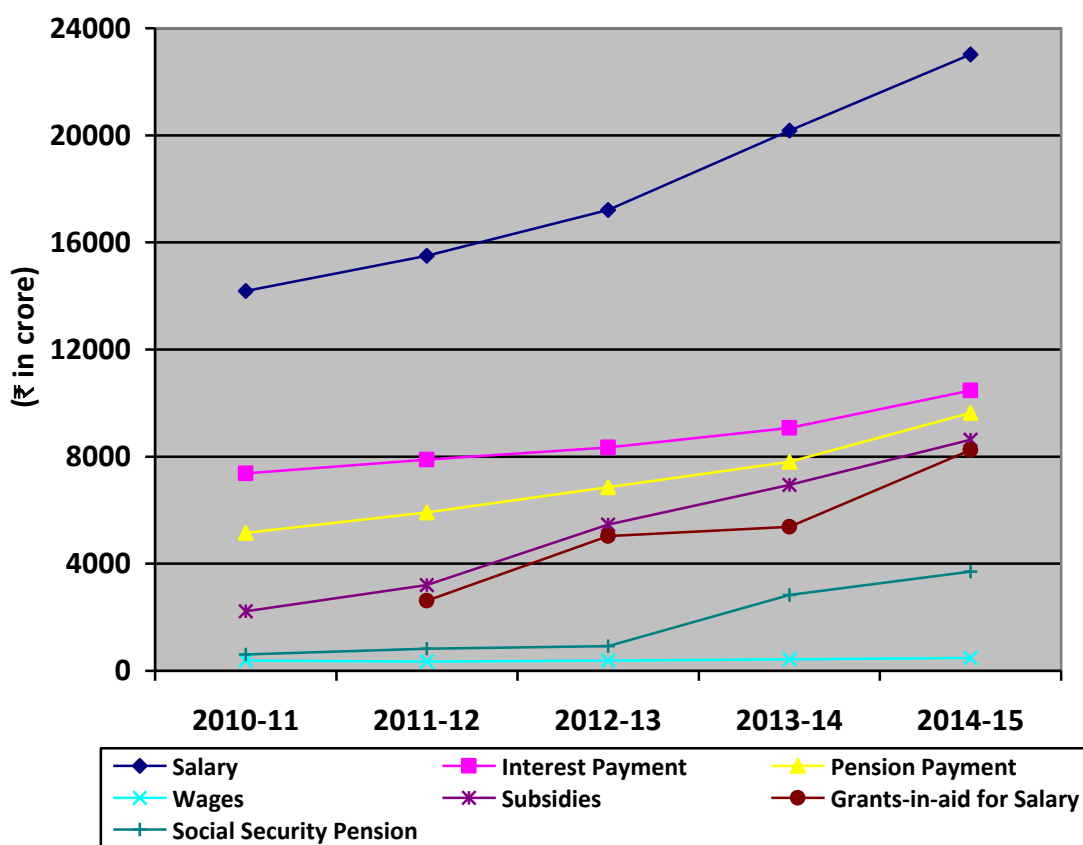
Major Heads	Amount (₹ in crore)	Purpose
6217. Loans for Urban Development	267	Jaipur Metro Rail Corporation Limited, Jaipur City Transport Services Limited
6408. Loans for Food Storage and Warehousing	90	Loans for construction of godowns
6425. Loans for Co-operation	15	Loans to Rajasthan State Co-operative Bank Limited, Credit Co-operatives for debentures of special schemes of ARC and other Co-operatives for Macro Co-operative Development Project
6801. Loans for Power Projects	241	Loans to various Power Companies
7055. Loans for Road Transport	25	Loans to Rajasthan State Road Transport Corporation Limited

4.4. Committed Expenditure

(₹ in crore)

Component	2010-11	2011-12	2012-13	2013-14	2014-15
Committed Expenditure	29,317	32,859	38,257	44,408	64,175
Revenue Expenditure	44,873	53,654	63,462	75,510	94,542
Committed expenditure to Revenue Receipts (In Per cent)	64	58	57	60	70
Committed expenditure to Revenue Expenditure (In Per cent)	65	61	60	59	68

Trend of Committed Expenditure



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

APPROPRIATION ACCOUNTS

5.1. Summary of Appropriation Accounts

(₹ in crore)

Nature of expenditure	Original grant	Supplementary grant	Total	Actual expenditure	Saving (-) Excess (+)	Surrender
Revenue						
Voted	97,348	2,792	1,00,140	86,514	(-) 13,626	13,597
Charged	10,579	68	10,647	10,570	(-) 77	76
Capital						
Voted	21,379	1,095	22,474	16,740	(-) 5,734	5,271
Charged	..*	..	..*	..\$	..#	..@
Public Debt						
Charged	4,957	..	4,957	4,960	(+) 3	15
Loans and Advances						
Voted	518	18	536	701	(+) 165	151
Appropriation to Contingency Fund						
Voted	..	300	300	300	..	..
Total	1,34,781	4,273	1,39,054	1,19,785	19,269	19,110

* Only ₹ 1.38 lakh

\$ Only ₹ 1.33 lakh

Only ₹ (-) 0.05 lakh

@ Only ₹ 0.05 lakh

5.2. Trends of Savings/ Excesses during the past five years

(₹ in crore)

Year	Saving (-)/ Excess (+)				Total
	Revenue	Capital	Public Debt	Loans and Advances	
2010-11	(-) 2,455	(-) 3,091	..	(+) 147	(-) 5,399
2011-12	(-) 3,525	(-) 3,343	..	(+) 331	(-) 6,537
2012-13	(-) 5,293	(-) 2,143	(-) 12	(+) 611	(-) 6,837
2013-14	(-) 6,787	(-) 2,903	(-) 17	(-) 27	(-) 9,734
2014-15	(-) 13,703	(-) 5,734	(+) 3	(+) 165	(-) 19,269

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)

Grant	Nomenclature	2010-11	2011-12	2012-13	2013-14	2014-15
	Interest Payments (Revenue)	58	121	155	178	62
003	Secretariat (Revenue)	42	357	173	45	23
008	Revenue (Revenue)	171	137	97	72	61
009	Forest (Revenue)	66	135	154	188	117
009	Forest (Capital)	49	20	27	16	88
012	Other Taxes (Revenue)	22	11	13	46	82
015	Pensions and Other Retirement Benefits (Revenue)	188	224	168	127	266
016	Police (Revenue)	70	66	40	85	87
019	Public Works (Capital)	22	109	136	278	688
021	Roads and Bridges (Revenue)	43	10	140	26	93
021	Roads and Bridges (Capital)	40	159	133	7	881
022	Area Development (Capital)	23	52	21	102	90
024	Education, Art and Culture (Revenue)	257	514	966	1,203	2,748
026	Medical & Public Health and Sanitation (Revenue)	362	193	170	317	1,170
026	Medical & Public Health and Sanitation (Capital)	1	26	67	43	123
027	Drinking Water Scheme (Capital)	705	593	178	200	266
029	Urban Plan and Regional Development (Revenue)	178	103	139	211	566
029	Urban Plan and Regional Development (Capital)	269	355	194	415	573

Persistent Savings - (Concl.d.)

(₹ in crore)

Grant	Nomenclature	2010-11	2011-12	2012-13	2013-14	2014-15
030	Tribal Area Development (Revenue)	44	194	277	306	1,223
030	Tribal Area Development (Capital)	20	395	232	223	616
032	Civil Supplies (Revenue)	22	3	20	122	16
033	Social Security and Welfare (Revenue)	163	91	174	200	233
033	Social Security and Welfare (Capital)	8	22	86	11	256
034	Relief from Natural Calamities (Revenue)	360	544	408	87	127
035	Miscellaneous Community and Economic Services (Revenue)	96	28	35	22	450
037	Agriculture (Revenue)	38	89	117	88	410
037	Agriculture (Capital)	36	34	4	17	120
039	Animal Husbandry and Medical (Revenue)	5	8	20	26	121
041	Community Development (Revenue)	7	27	113	199	636
043	Minerals (Revenue)	4	58	82	25	95
046	Irrigation (Revenue)	47	55	57	96	112
046	Irrigation (Capital)	182	171	229	279	212
050	Rural Employment (Revenue)	27	76	61	57	1,222
051	Special Component Plan for Welfare of Scheduled Castes (Revenue)	17	203	196	262	1,654
051	Special Component Plan for Welfare of Scheduled Castes (Capital)	11	402	124	275	497

During 2014-15, supplementary grants totaling ₹ 4,273 crore (4 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. A few instances are given below:

(₹ in crore)

Grant	Nomenclature	Section	Original	Supple- mentary	Actual Expenditure
	Interest Payments	Revenue	10,470	55	10,463
	Public Service Commission	Revenue	24	5	20
005	Administrative Services	Revenue	135	7	128
006	Administration of Justice	Revenue	567	9	539
007	Elections	Revenue	356	2	337
008	Revenue	Revenue	634	6	579
012	Other Taxes	Revenue	443	73	434
019	Public Works	Revenue	411	8	373
020	Housing	Revenue	69	8	62
028	Special Programmes for Rural Development	Revenue	477	118	310
030	Tribal Area Development	Capital	2,307	426	2,117
041	Community Development	Revenue	5,066	28	4,457
043	Minerals	Revenue	109	88	102
051	Special Component Plan for Welfare of Scheduled Castes	Capital	2,713	337	2,552

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 generations except to the limited extent shown by the rate of interest and period of existing loans.

Total investments as share capital in non-financial public sector undertakings (PSU's) stood at ₹ 27,910 crore at the end of 2014-15. However, dividends received during the year was ₹ 63 crore (0.23 per cent) on investment. During 2014-15 investments increased by ₹ 4,392 crore (net) and income from dividend increased by ₹ 38 crore. The major investment was made in Power Companies (₹ 4,249 crore).

Cash Balance with RBI stood at ₹ 6 crore on 31st March 2014 and increased to ₹ 31 crore at the end of March, 2015.

6.2. Debt and Liabilities

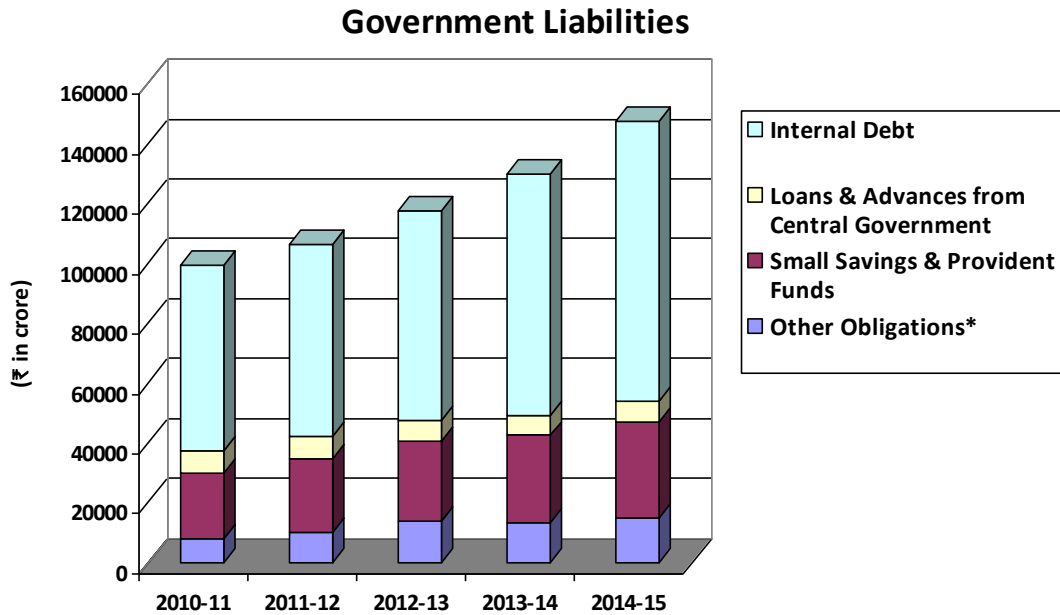
Article 293 of the Constitution of India empowers the State Government to borrow on the security of the Consolidated Fund of the State within such limits, if any, as may be fixed from time to time by the State Legislature.

Details of Public Debt and total liabilities of the State Government are as under (Figures are progressive balances to end of the year) :

(₹ in crore)

Year	Public Debt	Percentage to GSDP	Public Account*	Percentage to GSDP	Total Liabilities	Percentage to GSDP
2010-11	69,278	20	30,007	9	99,285	29
2011-12	71,706	17	34,854	9	1,06,560	26
2012-13	76,954	16	40,855	9	1,17,809	25
2013-14	87,330	17	42,580	8	1,29,910	25
2014-15	1,00,511	18	47,098	8	1,47,609	26

* Excludes Advances, Suspense & Miscellaneous and Remittance balances.



* Other Obligations includes Reserve Funds and Deposits.

6.3. Guarantees

In addition to directly raising loans, State Governments also guarantee loans raised by Government companies and corporations from the market and financial institutions for implementation of various plan schemes and programmes. These guarantees are projected outside the State budget. The position of guarantees by the State Government for repayment of loans (payment of principal 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	Maximum Amount Guaranteed (Principal only)	Principal outstanding at the end of year
2010-11	88,112	50,691
2011-12	97,566	60,711
2012-13	1,13,340	75,546
2013-14	1,40,526	85,911
2014-15	1,61,918	94,578

Note: Details are available at Statement No. 20 of Finance Accounts and these are based on information received from the State Government, and where available, from the respective institutions.

Guarantee fees are calculated at 0.01 per cent to 1 per cent per annum. During 2014-15, the State Government transferred ₹ 616 crore to the Guarantee Redemption Fund and out of total balance of ₹ 1,724 crore, ₹ 1,105 crore was invested.

OTHER ITEMS

7.1. Loans and Advances by the State Government

Total loans and advances made by the State Government at the end of 2014-15 was ₹ 4,701 crore. During 2014-15 ₹ 1,004 crore has been received towards repayment of loans and advances, out of which ₹ 988 crore relates to repayments from Rajasthan Awas Vikas and Infrastructure Limited (₹ 74 crore), Jaipur Development Authority (₹ 34 crore), Rajasthan Agriculture Marketing Board (₹ 24 crore), Rajasthan State Civil Supply Corporation Limited (₹ 10 crore), various co-operatives (₹ 60 crore) and power companies (₹ 786 crore). Effective steps to recover the outstanding loans would help the Government's fiscal position.

7.2. Cash Balance and investment of Cash Balance

(₹ in crore)

Component	As on 1st April 2014	As on 31st March 2015	Net increase(+)/ decrease(-)
Cash Balances	6	31	(+) 25
Investments from cash balance (GoI Treasury Bills)	8,998	7,629	(-) 1,369
Other cash balances	5	4	(-) 1
(a) Departmental Balances	1	1	..
(b) Permanent Cash imprest	4	3	(-) 1
Investment from earmarked fund balances	1,438	1,285	(-) 153
(a) Guarantee Redemption Fund	637	1,105	(+) 468
(b) Other Funds	801	180	(-) 621
Interest realized*	934	826	(-) 108

*It includes interest on investments out of Guarantee Redemption Fund.

State Government had a positive closing cash balance at the end of 2014-15.

7.3. Financial assistance to local bodies and others

During the past five years, Grants-in-aid to local bodies etc., increased from ₹ 10,216 crore in 2010-11 to ₹ 28,329 crore in 2014-15. Grants to Zila Parishads, Panchayat Samitis and Municipalities (₹ 16,284 crore) represented 57 per cent of total grants given during the year.

Details of Grants in aid released in last 5 years are as under:-

(₹ in crore)

Year	Zila Parishads	Municipalities and Municipal Corporations	Gram Panchayats and Panchayat Samitis	Others	Total
2010-11	621	1,130	3,744	4,721	10,216
2011-12	1,116	1,340	5,102	4,779	12,337
2012-13	1,280	2,255	6,395	6,288	16,218
2013-14	2,118	2,324	6,835	7,486	18,763
2014-15	5,787	2,451	8,046	12,045	28,329

7.4. Reconciliation of accounts

Accuracy and reliability of accounts depend, among other things, on timely reconciliation of figures available with the departments and the figures appearing in the accounts compiled by the Principal Accountant General (A&E). This exercise is to be conducted by respective Heads of Departments/ Controlling officers. During 2014-15, all 406 Controlling Officers have reconciled the total expenditure of ₹ 1,16,606 crore (net). Similarly, all 156 Controlling Officers have reconciled the total Government receipts of ₹ 91,342 crore for the year 2014-15.

7.5. 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 2015 ranged between 51 per cent and 100 per cent 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 2014-15 in the above mentioned Heads was as below :

Head of Account	Description	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	Total	During March	Percentage of 3/2015 w.r.t. total expenditure of 2014-15
		(₹ in crore)						
2075	Miscellaneous General Services.	0.26	0.61	0.18	616.47	617.52	615.90	99.74
2425	Co-operation	15.88	17.09	246.66	331.88	611.51	311.75	50.98
3454	Census Surveys and Statistics	12.68	27.72	98.03	352.78	491.22	249.41	50.77
3475	Other General Economic Services	0.92	0.89	14.09	54.74	70.64	54.12	76.61
3604	Compensation and Assignments to Local Bodies and Panchayati Raj Institutions	0.01	0.01	0.00	0.07	0.09	0.08	88.89
4058	Capital Outlay on Stationery and Printing	0.00	0.00	0.00	1.29	1.29	1.29	100.00
4210	Capital Outlay on Medical and Public health	26.17	45.97	100.86	311.32	484.32	257.57	53.18
4235	Capital Outlay on Social Security and Welfare	3.17	4.65	4.77	21.25	33.84	19.06	56.32
4801	Capital Outlay on Power Projects	515.00	790.97	79.67	2863.57	4249.21	2710.97	63.80
4853	Capital Outlay on Non-Ferrous Mining and Metallurgical Industries	0.40	0.12	0.48	7.17	8.17	7.13	87.27
4860	Capital Outlay on Consumer Industries	0.00	0.00	0.00	42.57	42.57	42.57	100.00
5425	Capital Outlay on Other Scientific and Environmental Research	0.00	0.00	0.00	0.11	0.11	0.11	100.00
5475	Capital Outlay on Other General Economic Services	(-) 0.46	3.09	24.96	139.48	167.07	118.45	70.90
6225	Loans for Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	0.00	0.00	1.00	1.50	2.50	1.50	60.00
7055	Loans for Road Transport	0.00	0.00	0.00	25.00	25.00	25.00	100.00

7.6. Submission of accounts by Treasuries

The rendition of initial accounts by the Treasuries is satisfactory. However, submission of accounts by Public Works and Forest Departments should improve.

7.7. Abstract Contingent (AC) Bills and Detailed Contingent (DC) Bills

When money is required in advance or the Drawing and Disbursing Officers (DDO's) are not able to calculate the exact amounts required, they are permitted to draw money without supporting documents through AC Bills. Such AC Bills are required to be settled within a maximum of 90 days through submission of DC Bills. To the end of 31st March 2015, 368 DC Bills amounting to ₹ 289 crore was outstanding. It includes 125 DC Bills involving ₹ 98 crore pending over a year.

7.8. Commitments on account of Incomplete Capital Works

A total expenditure of ₹ 11,166.95 crore was incurred upto the year 2014-15 by the State Government on various incomplete projects costing more than rupees ten crore each which here taken up by the Water Resources, Public Works and Public Health & Engineering Departments.