



सत्यमेव जयते

# Accounts At A Glance for the year 2012-13



Government of Tripura

# **Accounts At A Glance**

**for the year 2012-13**

**Government of Tripura**

**PREFACE**

This is the fifteenth issue of our annual publication ‘**Accounts At A Glance**’.

The Annual Accounts of the State Government are prepared and examined under the direction of the 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 consist of (a) Finance Accounts and (b) Appropriation Accounts. The 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 the State Legislature and offer explanations for variations between the actual expenditure and the funds provided. The office of the Accountant General (Accounts and Entitlements) prepares the State Finance Accounts and the Appropriation Accounts.

The ‘**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. In case of any difference, the figures in Finance Accounts is final and will prevail.

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

*Navneet Gupta*  
**(NAVNEET GUPTA)**  
**Accountant General**

**Place: Agartala**

**Date : 15 January 2014**

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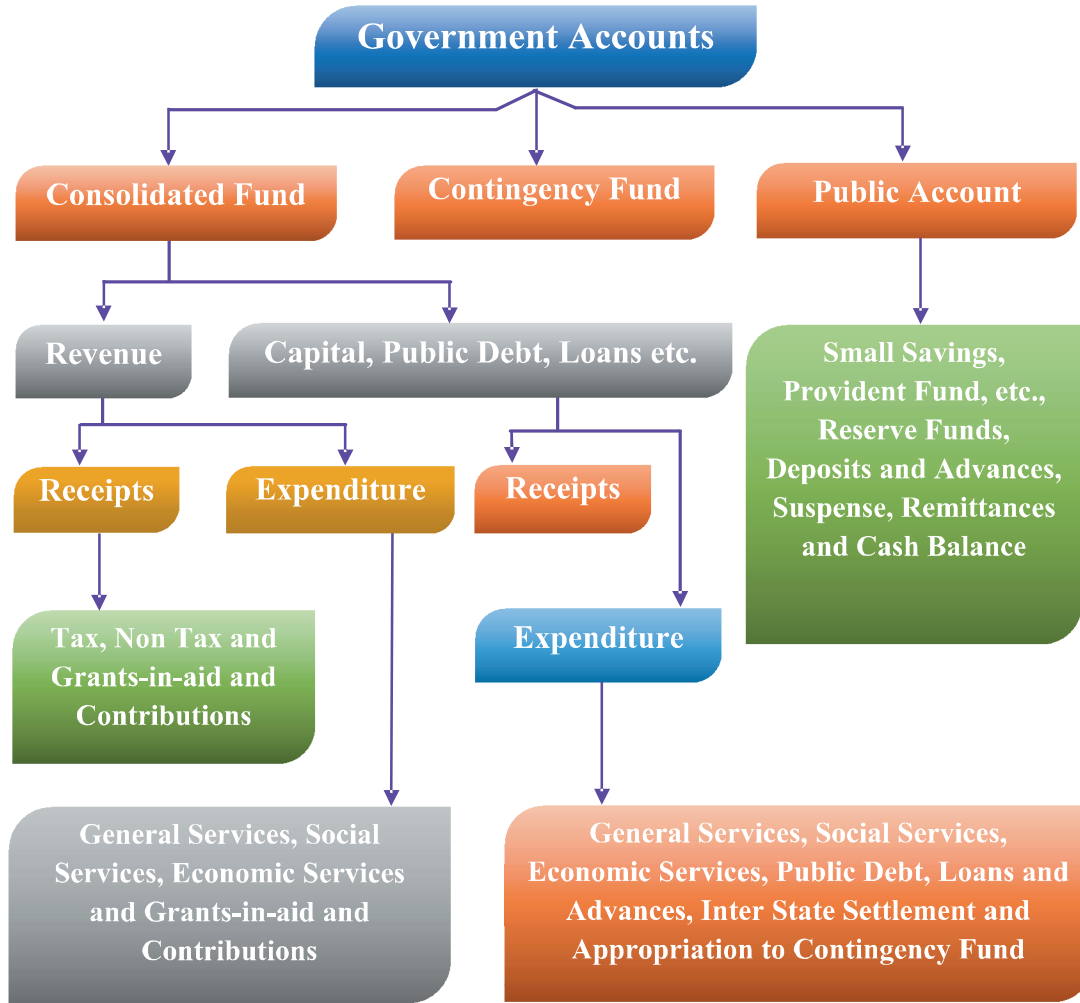
**CHAPTER - I****OVERVIEW****1.1 Introduction**

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

**1.2 Structure of Accounts****1.2.1 Government Accounts are kept in three parts:**

<p><b>Part I</b> <b>CONSOLIDATED FUND</b></p>	<p>Comprises all receipts of the Government including tax and non-tax revenues, loans raised and repayment of loans given (including interest thereon).</p> <p>All expenditure and disbursements of the Government, including release of loans and repayments of loans taken (and interest thereon), is met from this Fund.</p>
<p><b>Part II</b> <b>CONTINGENCY FUND</b></p>	<p>The Contingency Fund is in the nature of an imprest, intended to meet unforeseen expenditure, pending authorization by the Legislature. Such expenditure is recouped subsequently from the Consolidated Fund.</p> <p>The corpus of this fund for the Government of Tripura is ₹10 crore.</p>
<p><b>Part III</b> <b>PUBLIC ACCOUNT</b></p>	<p>All public moneys received, other than those credited to the Consolidated Fund, are accounted for under the Public Account. In respect of such receipts, Government acts as a banker or trustee.</p> <p>The Public Account comprises: repayables like Small Savings and Provident Funds; Reserve Funds; Deposits and Advances. Suspense and Miscellaneous transactions (adjusting entries pending booking to final heads of account); Remittances between accounting entities; and Cash Balance.</p>

**PICTORIAL REPRESENTATION OF STRUCTURE OF GOVERNMENT ACCOUNTS:**



## 1.3 Finance 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. Volume I of the Finance Accounts contains the certificate of the Comptroller and Auditor General of India, summarized statements of overall receipts and disbursements and 'Notes to accounts' containing summary of significant accounting policies, quality of accounts and other items; Volume II contains other summarized statements (Part-I), detailed statements (Part-II) and appendices (Part-III).

Receipts and disbursements of the Government of Tripura as depicted in the Finance Accounts 2012-13 are given below.

(₹ in Crore)

<b>Receipts</b>	<b>Revenue</b>	Tax Revenue	2,498
		Non Tax Revenue	178
		Grants-in-Aid	4,374
		<b>Total</b>	<b>7,050</b>
	<b>Capital</b>	Recovery of Loans and Advances	1
		Borrowings and other Liabilities*	(-336)
		<b>Total</b>	<b>(-335)</b>
<b>Total Receipts</b>		<b>6,715</b>	
<b>Disbursements</b>	Revenue	5,213	
	Capital	1,483	
	Loans and Advances	19	
	<b>Total Disbursements</b>	<b>6,715</b>	

\* 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 ₹1,618 crore (₹1,754 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 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. These comprise accounts of 2 Appropriations (charged), 11 Grants (both voted and charged) and 45 Grants (voted). The Appropriation Act, 2012-13 had provided for gross expenditure of ₹10,024 crore and reduction of expenditure (recoveries) of ₹240 crore. Against this, the actual gross expenditure was ₹7,197 crore and reduction of expenditure was ₹169 crore, resulting in net savings of ₹2,827 crore (28.20 per cent) and an over estimation of ₹71 crore (29.58 per cent) on reduction of expenditure. The gross expenditure includes ₹67 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.

No Personal Deposit (PD) Account is being operated by the State Government since 2009-10.

## 1.4 Source and Application of Funds

### 1.4.1 Ways and Means Advance

The Reserve Bank of India (RBI) extends the facility of Ways and Means Advances (WMA) and Over draft (OD) to enable State Governments to maintain their liquidity. WMA and OD facilities are provided when there is a shortfall in the agreed minimum cash balance (₹29.00 lakh) maintained with the RBI. The Government of Tripura did not avail WMA and OD facility during the year 2012-13.

### 1.4.2 Fund flow statement (Source and Application of Funds)

The State had a Revenue Surplus of ₹1,837 crore and a Fiscal Surplus of ₹336 crore representing 8.30 per cent and 1.52 per cent of the Gross State Domestic Product (GSDP). The Fiscal Surplus constituted 5.00 per cent of total expenditure. Around 51 per cent of the revenue receipts (₹7,050 crore) of the State Government was spent on committed expenditure like salaries (₹2,343 crore), interest payments (₹533 crore) and pensions (₹694 crore).

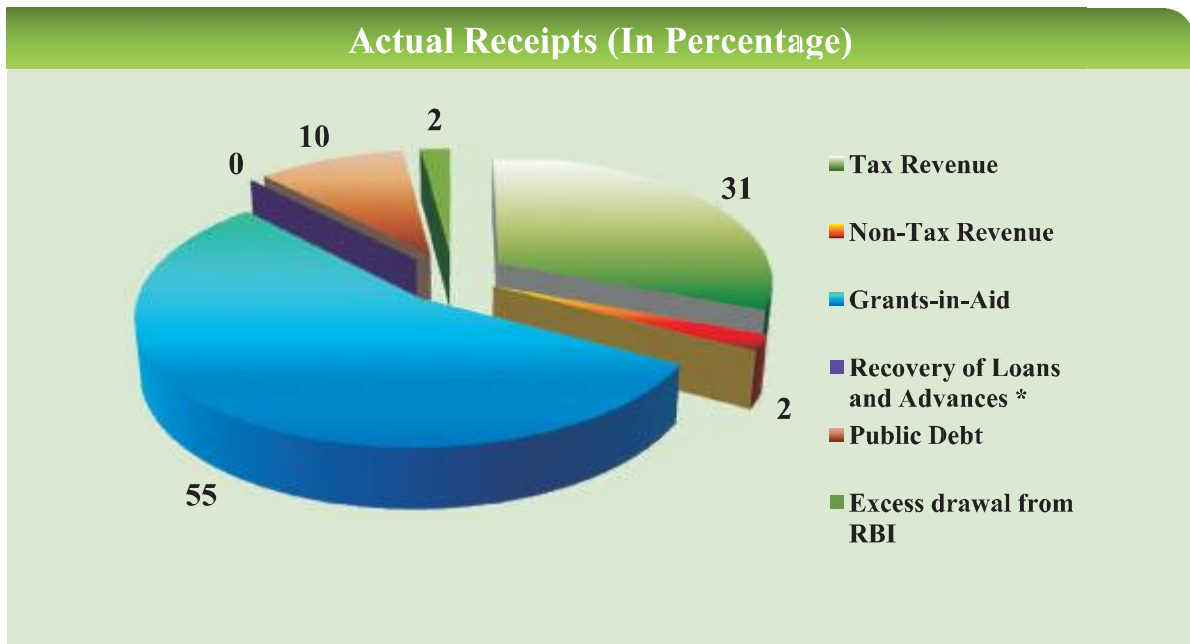
## Sources and Application of Funds

(₹ in Crore)

	PARTICULARS	AMOUNT
<b>SOURCES</b>	Opening Cash Balance as on 01-04-2012	(-7)
	Revenue Receipts	7,050
	Recovery of Loans & Advances	1
	Public Debt*	834
	Small Savings Provident Fund & Others*	710
	Reserves & Sinking Funds*	87
	Deposits Received*	126
	Civil Advances Repaid*	28
	Suspense Account*	33,911
	Remittances*	1,146
	Contingency Fund	---
	<b>TOTAL</b>	<b>43,886</b>
	<b>APPLICATION</b>	Revenue Expenditure
Capital Expenditure		1,483
Loans Given		19
Repayment of Public Debt*		312
Small Savings Provident Fund & Others*		471
Reserves & Sinking Funds*		86
Deposits Spent*		153
Civil Advances Given*		27
Suspense Account*		35,115
Remittances*		1,135
Closing Cash Balance as on 31-03-2013		(-128)
<b>TOTAL</b>		<b>43,886</b>

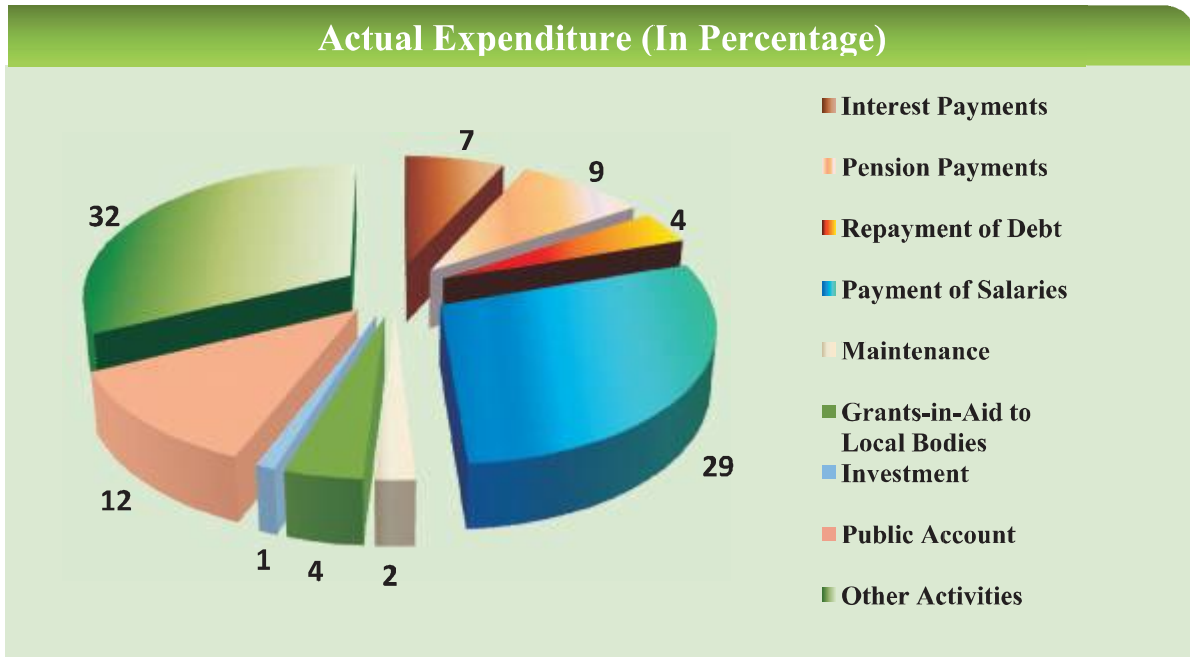
- Note: (i) Items indicated with \* are gross figures, and are eventually to be netted off, reducing the Total.  
(ii) The Suspense Accounts include ₹34,984 crore invested in treasury bills which is shown on the **Application** side and ₹33,783 crore worth of treasury bills sold through the RBI (a process known as re-discounting) which is shown on the **Sources** side.

### 1.4.3 Where the Rupee came from



\* Negligible amount of ₹1 crore, hence shown as 0 (zero) per cent.

### 1.4.4 Where the Rupee went



## 1.5 Highlights of Accounts

(₹ in Crore)

	B.E. 2012-13	Actuals	Percentage of actuals to B.E.	Percentage of actuals to GSDP(S)
1. Tax Revenue (@)	2,526	2,498	98.89	11.28
2. Non-Tax Revenue	179	178	99.44	0.80
3. Grants-in-aid & Contributions	4,819	4,374	90.76	19.76
4. Revenue Receipts (1+2+3)	7,524	7,050	93.70	31.84
5. Recovery of Loans and Advances	2	1	50.00	0.01
6. Borrowings & other Liabilities (A)	432	-336	---	-1.52
7. Capital Receipts (5+6)	434	-335	---	-1.51
8. Total Receipts (4+7)	7,958	6,715	84.38	30.33
9. Non-Plan Expenditure	4,378	4,026	91.95	18.19
10. NPE on Revenue Account	4,341	3,994	92.00	18.04
11. NPE on Interest Payments out of 10	520	533	102.50	2.41
12. NPE on Capital Account	37	32	86.49	0.14
13. Plan Expenditure (*)	3,580	2,689	75.11	12.15
14. PE on Revenue Account	1,435	1,219	84.94	5.51
15. PE on Capital Account	2,145	1,470	68.53	6.64
16. Total Expenditure (9+13)	7,958	6,715	84.38	30.33
17. Revenue Expenditure (10+14)	5,776	5,213	90.25	23.55
18. Capital Expenditure (12+15) (#)	2,182	1,502	68.83	6.78
19. Revenue Surplus (4-17)	1,748	1,837	105.09	8.30
20. Fiscal Surplus (4+5-16)	-432	336	---	1.52

(@) Includes State's share of Union Taxes of ₹1,493 crore.

(S) GSDP figure (quick estimate) of ₹22,139 crore at current market prices adopted from Directorate of Statistics, Government of Tripura.

(A) 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.

(\*) Expenditure includes ₹19 crore pertaining to Loans and Advances.

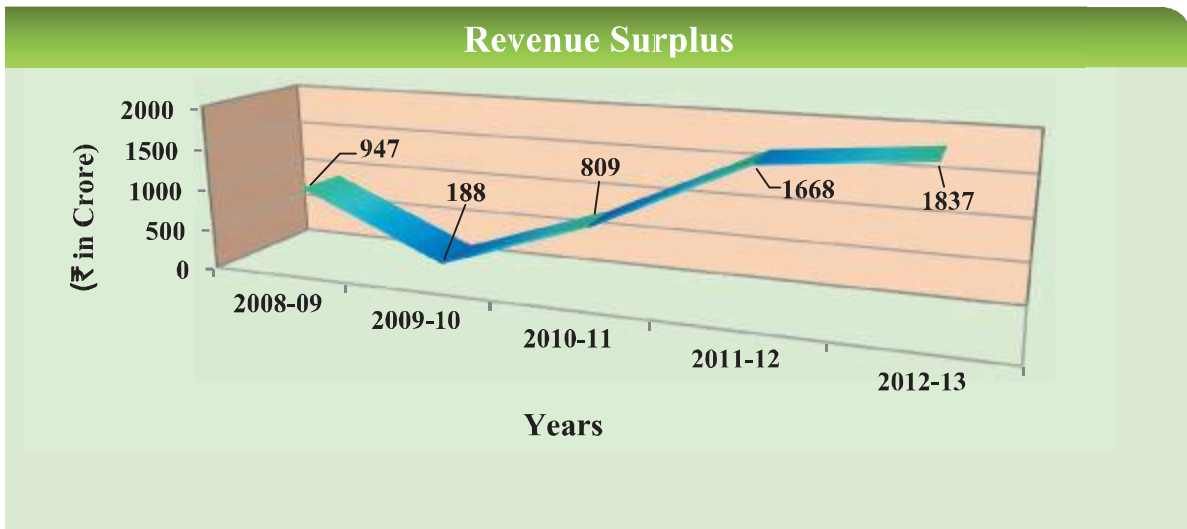
(#) Expenditure on Capital Account includes Capital Expenditure (₹1,483 crore) and Loans and Advances disbursed (₹19 crore)

## 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 Deficit/ 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.

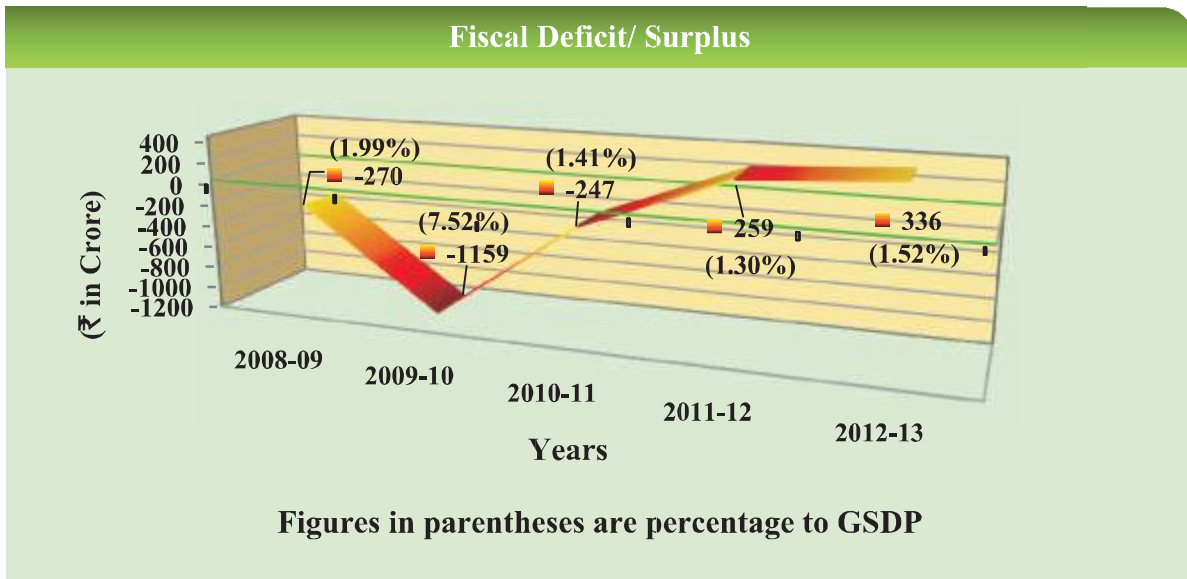
The 13<sup>th</sup> Finance Commission recommended to eliminate Revenue Deficit and limiting Fiscal Deficit to 3 per cent of Gross State Domestic Product (GSDP). The Government of Tripura enacted the Tripura Fiscal Responsibility and Budget Management (FRBM) Act, 2005. The Government is maintaining Revenue Surplus since 2003-04. During the year 2012-13, the Fiscal Surplus of the State is 1.52 per cent of GSDP.

### 1.6.1 Trend of Revenue Deficit/ Surplus

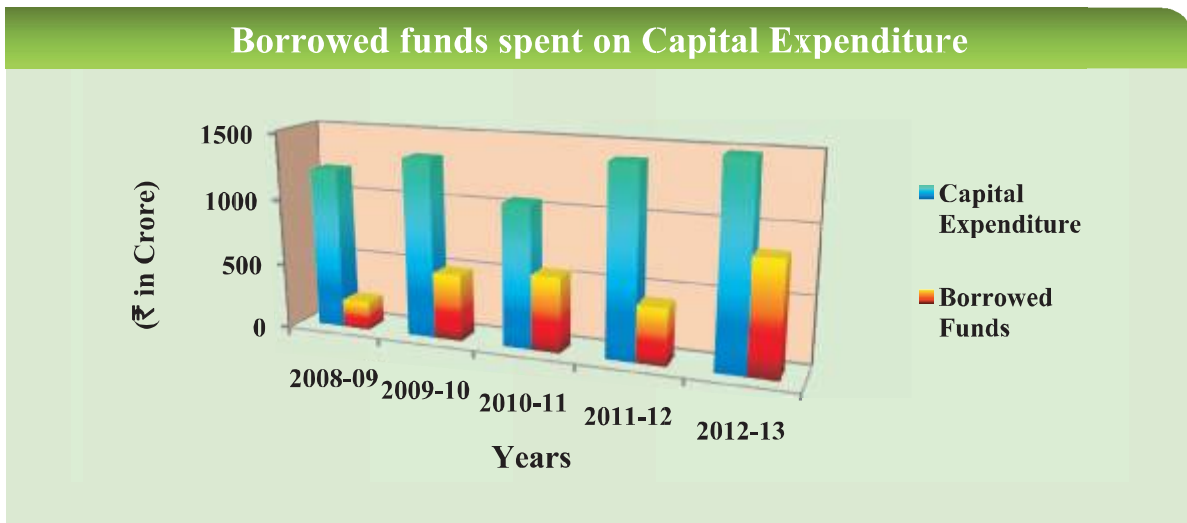


Revenue Surplus of ₹1,837 crore during 2012-13 is overstated by ₹329 crore due to misclassification of expenditure.

## 1.6.2 Trend of Fiscal Deficit



## 1.6.3 Proportion of borrowed funds spent on Capital Expenditure



Even though, the State Government has a fiscal surplus of ₹336 crore, it has borrowed funds amounting to ₹834 crore from open market (₹645 crore), Financial Institutions (₹144 crore) National Small Savings Fund (₹42 crore) and Government of India (₹3 crore) during the year. The expenditure on creation of Capital assets during 2012-13 is ₹1,483 crore .

## CHAPTER - II

## RECEIPTS

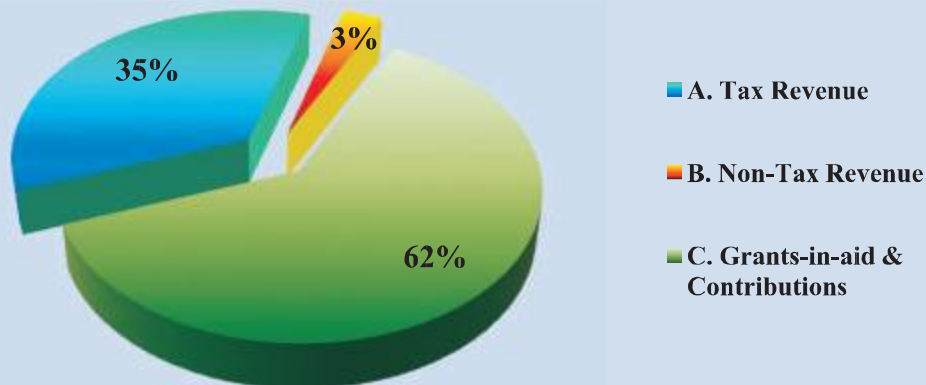
## 2.1 Introduction

The total Revenue Receipts of the Government during the year 2012-13 was ₹7,050 crore. In addition, there was a net Public Debt of ₹522 crore, ₹122 crore being net opening and closing cash balance and ₹1 crore being recovery of loans and advances. The total receipt (₹7,050 + ₹522 + ₹122 + ₹1) crore was offset by ₹980 crore due to deficit in public account.

## 2.2 Revenue Receipts (Revenue Receipts Components)

<b>Tax Revenue</b>	Comprises taxes collected and retained by the State and State's share of Union taxes under Article 280(3) of the Constitution.
<b>Non-Tax Revenue</b>	Includes interest receipts, dividends, profits etc.
<b>Grants-in-Aid</b>	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 Governments also give Grants-in-aid to institutions like Panchayati Raj Institutions, Autonomous bodies etc.

## Revenue Receipts



## Revenue Receipts Components (2012-13)

(₹ in Crore)

Components	Actuals
<b>A. Tax Revenue</b>	<b>2,498</b>
Taxes on Income & Expenditure	890
Taxes on Property & Capital Transactions	64
Taxes on Commodities & Services	1,544
<b>B. Non-Tax Revenue</b>	<b>178</b>
Interest Receipts, Dividends and Profits	69
General Services	44
Social Services	12
Economic Services	53
<b>C. Grants-in-Aid &amp; Contributions</b>	<b>4,374</b>
<b>Total-Revenue Receipts</b>	<b>7,050</b>

## 2.3 Trend of Receipts

(₹ in Crore)

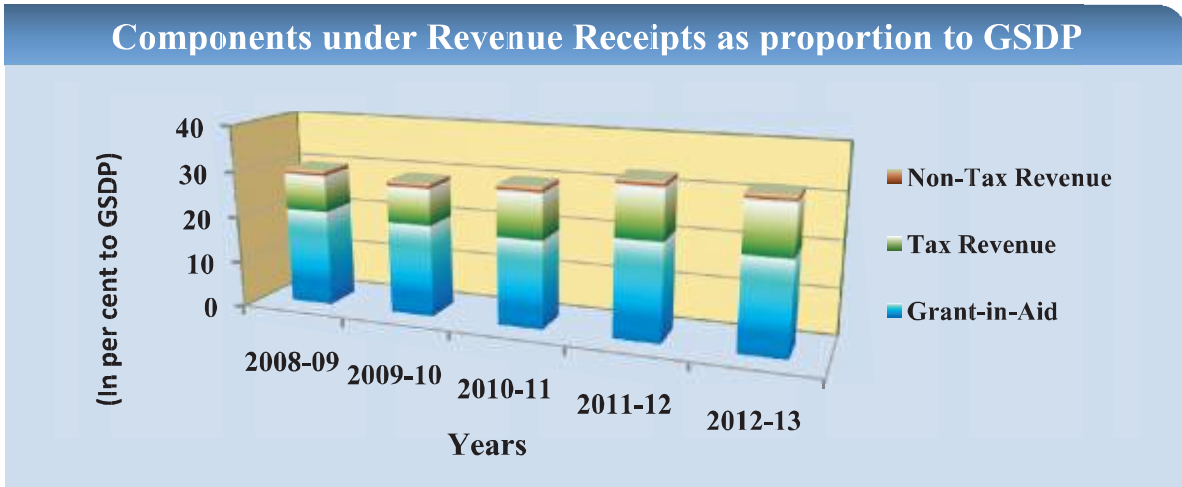
	2008-09	2009-10	2010-11	2011-12	2012-13
<b>Tax Revenue</b>	1,129 (8)	1,233 (8)	1,745 (10)	2,166 (11)	2,498 (11)
<b>Non-Tax Revenue</b>	149 (1)	125 (1)	132 (1)	214 (1)	178 (1)
<b>Grants-in-Aid</b>	2,799 (21)	3,043 (20)	3,292 (19)	4,097 (21)	4,374 (20)
<b>Total Revenue Receipts</b>	4,077 (30)	4,401 (29)	5,169 (30)	6,477 (33)	7,050 (32)
<b>GSDP*</b>	13,573	15,403	17,545	19,910	22,139

Note: Figures in parentheses represent percentage to GSDP.

\* Based on information furnished by the Government of Tripura. Since the previous Reports used projected GSDP, some of the aggregates ratios and conclusions in this Accounts-at-a-Glance may not agree with those in the previous Accounts-at-a-Glance.



Though the GSDP increased by 11 per cent between 2011-12 and 2012-13, growth in revenue collection was 9 per cent. Tax Revenue increased by 15 per cent and Non-Tax Revenue decreased by 17 per cent in 2012-13 over the last year (2011-12). The State's own revenue under certain tax components, like Land Revenue (₹26 crore), State Excise (₹114 crore) and Sales Tax (₹763 crore) showed a higher trend.

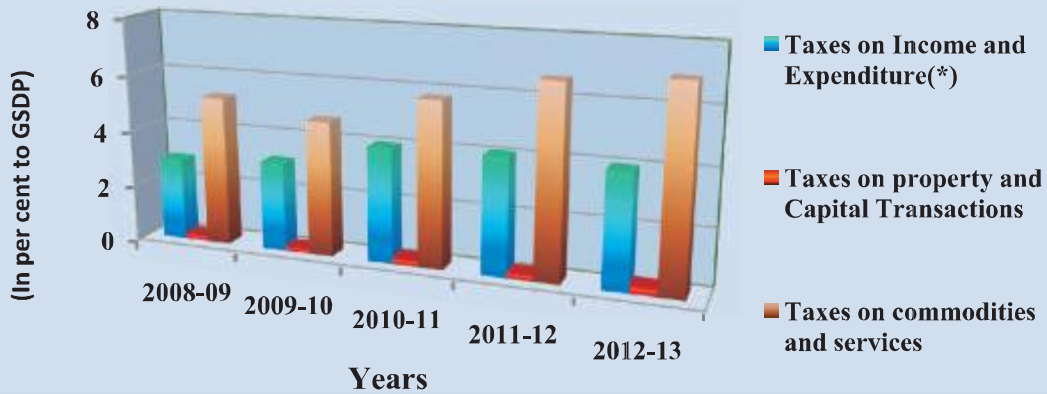


### Sector-wise Tax Revenue

(₹ in Crore)

	2008-09	2009-10	2010-11	2011-12	2012-13
<b>Taxes on Income and Expenditure</b>	393	482	700	807	890
<b>Taxes on Property and Capital Transactions</b>	23	24	40	42	64
<b>Taxes on Commodities and Services</b>	713	727	1,005	1,317	1,544
<b>Total Tax Revenues</b>	1,129	1,233	1,745	2,166	2,498

## Trend of Major Taxes in proportion to GSDP



(\*) Primarily net proceeds of Central share to the State.

## 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 of GSDP
(1)	(2)	(3)	(4)	(5)
2008-09	1,129	687	442	3.3 per cent
2009-10	1,233	706	527	3.4 per cent
2010-11	1,745	1,122	623	3.6 per cent
2011-12	2,166	1,308	858	4.3 per cent
2012-13	2,498	1,493	1,005	4.5 per cent

## 2.5 Efficiency of Tax Collection

The gross collection in respect of five major heads of revenue receipt, the expenditure incurred on their collection and the percentage of such expenditure to the gross collection during past 5 (five) years are given in the following table.

(₹ in Crore)

Sl. No.	Head of Revenue	Year	Gross Collection	Expenditure on Collection	Percentage of expenditure to Gross Collection
1	Taxes on Professions	2008-09	26	0.14	0.54
		2009-10	29	0.16	0.55
		2010-11	29	0.15	0.52
		2011-12	30	0.19	0.63
		2012-13	32	0.14	0.44
2	Stamps and Registration Fees	2008-09	17	2	11.76
		2009-10	18	2	11.11
		2010-11	24	1	4.17
		2011-12	31	2	6.45
		2012-13	37	2	5.41
3	State Excise	2008-09	48	1	2.08
		2009-10	61	2	3.28
		2010-11	86	1	1.16
		2011-12	95	1	1.05
		2012-13	114	1	0.88
4	Sales Tax/ VAT	2008-09	315	4	1.27
		2009-10	375	5	1.33
		2010-11	445	6	1.35
		2011-12	666	8	1.20
		2012-13	763	9	1.18
5	Taxes on vehicles	2008-09	30	1	3.33
		2009-10	37	2	5.41
		2010-11	22	2	9.09
		2011-12	25	1	4.00
		2012-13	31	1	3.23

As compared to the previous year, percentage of expenditure on collection of taxes decreased in all heads of revenue during 2012-13.

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

(₹ in Crore)

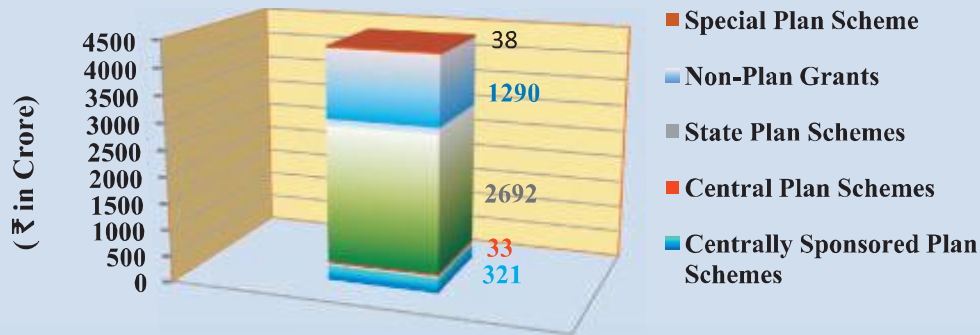
Major Head description	2008-09	2009-10	2010-11	2011-12	2012-13
Corporation Tax	225	291	439	515	536
Taxes on income other than Corporation Tax	142	162	232	261	321
Taxes on Wealth	---	1	1	2	1
Customs	131	99	196	227	248
Union Excise Duties	115	79	142	147	169
Service Tax	74	74	112	156	218
Other Taxes and Duties on Commodities and Services	1	1	1	1	1
<b>State Share of Union Taxes</b>	<b>687</b>	<b>706</b>	<b>1,122</b>	<b>1,308</b>	<b>1,493</b>
<b>Total Tax Revenue</b>	<b>1,129</b>	<b>1,233</b>	<b>1,745</b>	<b>2,166</b>	<b>2,498</b>
<b>Per cent of Union Taxes to Total Tax Revenue</b>	<b>61</b>	<b>57</b>	<b>64</b>	<b>60</b>	<b>60</b>

Share of net proceeds of all shareable Union Taxes has increased during 2012-13 except Taxes on Wealth. The amount of net proceeds of share is ₹1,493 crore for 2012-13 which is an increase of 14 per cent over the last year. Significant increase has been noticed under Service Tax to the extent of 40 per cent. In 2011-12, the amount of net proceeds of share had increased by 17 per cent over the last year (2010-11).

## 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 and Centrally Sponsored Schemes approved by the Planning Commission and State Non-plan Grants recommended by the Finance Commission. Total receipts during 2012-13 under Grants-in-Aid were ₹4,374 crore as follows:

## Grants-in-Aid



The share of grants for Plan Scheme in total grants-in-aid increased from 70 per cent in 2011-12 to 71 per cent in 2012-13, while the share of grants for Non-Plan grants declined from 30 per cent in 2011-12 to 29 per cent in 2012-13. As against a budget estimate of ₹4,819 crore, the State Government has actually received ₹4,374 crore of Grants-in-Aid (91 per cent of Budget Estimate).

## 2.8 Public Debt

### Trend of Public Debt over the past five years

(₹ in Crore)

Description	2008-09	2009-10	2010-11	2011-12	2012-13
<b>Internal Debt</b>	74	325	379	239	550
<b>Central Loans</b>	(-)26	(-)26	(-)29	(-)39	(-)28
<b>Total Public Debt</b>	48	299	350	200	522

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

In 2012-13, five loans at par totaling ₹645 crore at interest rates varying from 8.55 per cent to 8.94 per cent and redeemable in the year 2022 and 2023 were raised from the open market. In addition, the State Government raised ₹144 crore from financial institutions and ₹42 crore from the National Small Savings Fund (NSSF). Thus the internal debt totalled ₹831 crore. The State Government also made repayment of ₹281 crore which resulted in net increase of ₹550 crore in internal debt during 2012-13.

During the year 2012-13, loans from the Central Government was ₹3 crore and repayment to Central Government was ₹31 crore resulting in net repayment of ₹28 crore.

## 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. Expenditure incurred on plan activities is known as Plan Expenditure and recurring expenditure incurred for the purpose of interest payments, subsidies, wage and salary payments to government employees, payment of pension, etc. is known as Non-Plan Expenditure. The expenditure is also classified sector wise into following categories:

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

## 3.2 Revenue Expenditure

Revenue Expenditure of ₹5,213 crore for 2012-13 fell short of budget estimates by ₹563 crore of which ₹216 crore is under Plan Expenditure and ₹347 crore is under Non-Plan Expenditure. The shortfall of revenue expenditure against budget estimates during the past five years is given below:

(₹ in Crore)

	2008-09	2009-10	2010-11	2011-12	2012-13
<b>Budget Estimates</b>	3,455	4,478	4,602	5,026	5,776
<b>Actuals</b>	3,129	4,214	4,360	4,809	5,213
<b>Gap</b>	326	264	242	217	563
<b>per cent of gap over BE</b>	9	6	5	4	10

During the year, ₹3,994 crore (77 per cent) of revenue expenditure was incurred under Non-Plan. Of that, committed expenditure on Salaries was ₹2,303 crore, Pensions ₹694 crore and Interest ₹533 crore that constituted 68 per cent of total revenue expenditure.

### 3.2.1 Sectoral distribution of Revenue Expenditure

(₹ in Crore)

Components		Amount	Percentage
A.	Fiscal Services	35	1
(i)	Collection of Taxes on Income and Expenditure	---	--
(ii)	Collection of Taxes on Property and Capital transactions	21	--
(iii)	Collection of Taxes on Commodities and Services	12	--
(iv)	Other Fiscal Services	2	--
B.	Organs of State	64	1
C.	Interest Payments and Servicing of debt	608	12
D.	Administrative Services	766	15
E.	Pensions and Miscellaneous General Services	694	13
F.	Social Services	2,055	39
G.	Economic Services	882	17
H.	Grants-in-aid and Contributions	109	2
<b>Total Expenditure (Revenue Account)</b>		<b>5,213</b>	<b>100</b>

### 3.2.2 Sectoral Distribution of Revenue Expenditure over the past five years (2008-2013)

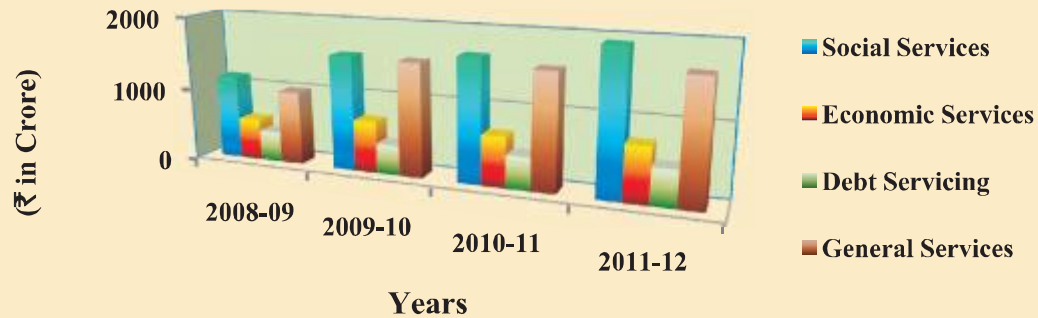
(₹ in Crore)

Sl. No.	Sector	2008-09	2009-10	2010-11	2011-12	2012-13
1	General Services*	1,002	1,543	1,566	1,643	1,668
2	Social Services	1,148	1,561	1,667	1,929	2,055
3	Economic Services	565	702	679	744	882
4	Debt Servicing	414	408	447	493	608#
<b>Total</b>		<b>3,129</b>	<b>4,214</b>	<b>4,359</b>	<b>4,809</b>	<b>5,213</b>

\* 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).

# Includes ₹75 crore invested in Sinking Fund.

## Trend of Sectoral Distribution of Revenue Expenditure



During the year 2012-13 the expenditure on General Services has increased only by 1.52 per cent as compared to 2011-12. This is mainly due to less outgo on pension as compared to previous year due to enhancement of retirement age of Government Employees from 58 to 60.

### 3.3 Capital Expenditure

Capital disbursements of ₹1,502 crore for 2012-13 were less than Budget Estimates by ₹680 crore (less disbursement of ₹675 crore under Plan Expenditure and ₹5 crore under Non-plan Expenditure). The Capital disbursements were 7 per cent of GSDP.

#### 3.3.1 Sectoral distribution of Capital Expenditure

During 2012-13, the Government spent ₹926 crore on various Major Works. The Government also invested ₹116 crore in various Corporations/ Companies/ Societies etc. An amount of ₹337 crore was incurred towards Grants-in-aid which was wrongly classified under Capital heads of expenditure.

(₹ in Crore)

Sl. No.	Sector	Amount	Percentage
1	<b>General Services</b> - Police, Land Revenue etc.	188	13
2	<b>Social Services</b> – Education, Health & Family Welfare, Water Supply, Welfare of SC/ST etc.	605	40
3	<b>Economic Services</b> – Agriculture, Rural Development, Irrigation, Cooperation, Energy, Industries, Transport etc.	690	46
4	Loans and Advances Disbursed	19	1
<b>Total</b>		<b>1,502</b>	<b>100</b>

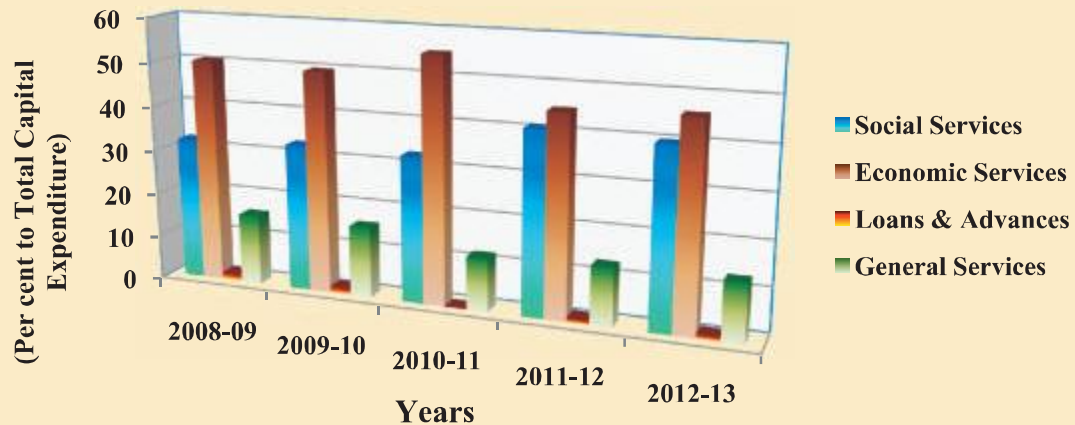


### 3.3.2 Sectoral distribution of Capital Expenditure over the past 5 years

(₹ in Crore)

Sl. No.	Sector	2008-09	2009-10	2010-11	2011-12	2012-13
1	General Services	193	214	126	177	188
2	Social Services	393	446	348	580	605
3	Economic Services	616	672	584	640	690
4	Loans and Advances	18	18	1	14	19
<b>Total</b>		<b>1,220</b>	<b>1,350</b>	<b>1,059</b>	<b>1,411</b>	<b>1,502</b>

#### Trend of Sectoral Distribution of Capital Expenditure

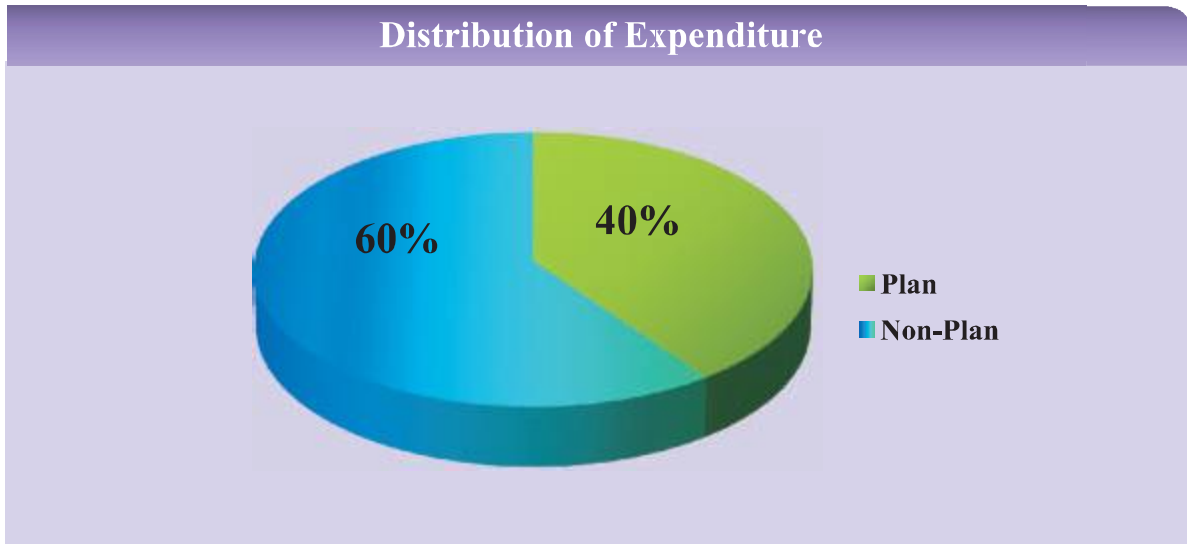


During the year 2012-13, the Capital Expenditure of the Government had increased by 6 per cent over the last year whereas it was increased by 33 per cent in 2011-12.

## CHAPTER - IV

## PLAN &amp; NON-PLAN EXPENDITURE

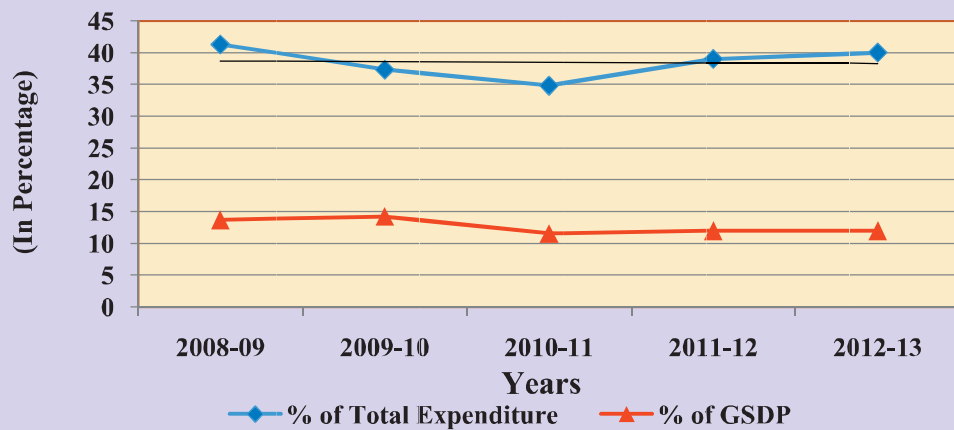
## 4.1 Distribution of Expenditure



## 4.2 Plan Expenditure

During 2012-13, Plan Expenditure representing 40 per cent of total disbursements, was ₹2,689 crore (₹2,209 crore under State Plan, ₹461 crore under Centrally Sponsored Plan Schemes and ₹19 crore under Loans and Advances).

## Plan Expenditure as proportion of total expenditure and GSDP



### 4.2.1 Plan Expenditure under Capital Account

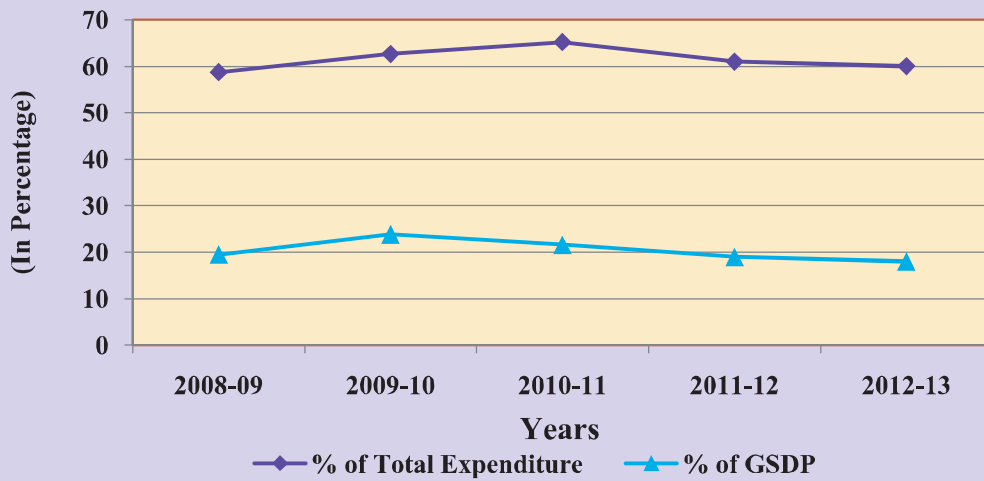
(₹ in Crore)

	2008-09	2009-10	2010-11	2011-12	2012-13
<b>Total Capital Expenditure</b>	1,220	1,350	1,059	1,411	1,502
<b>Capital Expenditure (Plan)</b>	1,141	1,280	1,007	1,335	1,470
<b>Per cent of Capital Expenditure (Plan) to Total Capital Expenditure</b>	94	95	95	95	98

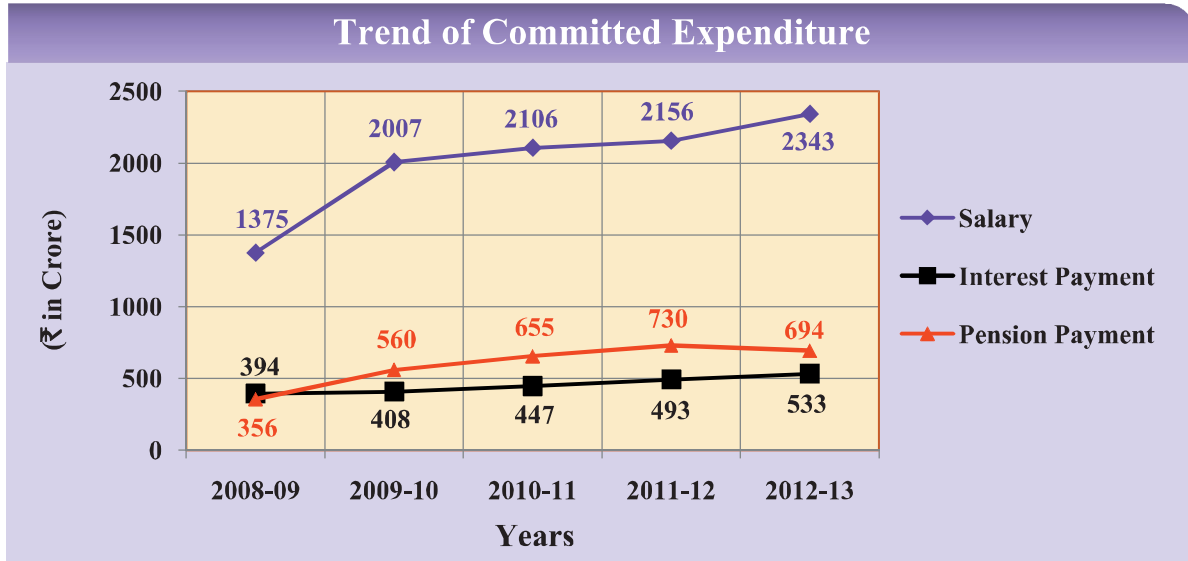
### 4.3 Non-Plan Expenditure

Non-Plan Expenditure during 2012-13, representing 60 per cent of total disbursements, was ₹4,026 crore, (₹3,994 crore under Revenue and ₹32 crore under Capital).

#### Non-Plan Expenditure as proportion of total expenditure and GSDP



## 4.4 Committed Expenditure



Component	2008-09	2009-10	2010-11	2011-12	2012-13
<b>Committed Expenditure</b>	2,125	2,976	3,208	3,379	3,570
<b>Revenue Expenditure</b>	3,129	4,214	4,360	4,809	5,213
<b>Per cent of Committed Expenditure to Revenue Expenditure</b>	68	71	74	70	68
<b>Revenue Receipt</b>	4,077	4,401	5,169	6,477	7,050
<b>Per cent of Committed Expenditure to Revenue Receipts</b>	52	68	62	52	51

Committed expenditure as percentage of revenue receipts and revenue expenditure since 2009-10 is showing a decreasing trend.

## CHAPTER - V

## APPROPRIATION ACCOUNTS

## 5.1 Summary of Appropriation Accounts

(₹ in Crore)

Sl. No.	Nature of Expenditure	Original Grant	Supplementary Grant	Reappropriation	Total	Actual Expenditure	Savings(-) Excesses(+)
1	<b>Revenue</b>						
	<b>Voted</b>	5,492	500	...	5,992	4,807	(-)1,185
	<b>Charged</b>	584	5	...	589	545	(-)44
2	<b>Capital</b>						
	<b>Voted</b>	1,901	1,112	...	3,013	1,513	(-)1,500
	<b>Charged</b>	...	...	...	...	...	...
3	<b>Public Debt</b>						
	<b>Charged</b>	376	...	...	376	313	(-)63
4	<b>Loans and Advances</b>						
	<b>Voted</b>	7	47	...	54	19	(-)35
<b>Total</b>		<b>8,360</b>	<b>1,664</b>	<b>...</b>	<b>10,024</b>	<b>7,197</b>	<b>(-)2,827</b>

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

(₹ in Crore)

Year	Savings(-)/ Excess(+)				Total
	Revenue	Capital	Public Debt	Loan & Advances	
<b>2008-09</b>	(-)604	(-)717	(-)5	(-)4	(-)1,330
<b>2009-10</b>	(-)495	(-)1,026	(-)5	(-)7	(-)1,533
<b>2010-11</b>	(-)621	(-)1,114	...	(-)24	(-)1,759
<b>2011-12</b>	(-)607	(-)1,025	(-)180	(-)23	(-)1,835
<b>2012-13</b>	(-)1,229	(-)1,500	(-)63	(-)35	(-)2,827

### 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:

Grant	Nomenclature	2008-09	2009-10	2010-11	2011-12	2012-13
5	Law Department	27 per cent	8 per cent	22 per cent	43 per cent	41 per cent
6	Revenue Department	18 per cent	15 per cent	20 per cent	6 per cent	32 per cent
13	Public Works (R&B) Department	13 per cent	4 per cent	12 per cent	16 per cent	11 per cent
15	Public Works (WR) Department	35 per cent	18 per cent	49 per cent	50 per cent	44 per cent
19	Tribal Welfare Department	29 per cent	32 per cent	36 per cent	27 per cent	35 per cent
20	Welfare of Scheduled Castes and other Backward Classes Department	36 per cent	43 per cent	47 per cent	36 per cent	46 per cent
27	Agriculture Department	37 per cent	35 per cent	34 per cent	59 per cent	52 per cent
34	Planning and Co-ordination Department	91 per cent	95 per cent	97 per cent	93 per cent	96 per cent

During 2012-13, supplementary grants totaling ₹1,664 crore (23 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
10	Home (Police) Department	Capital Voted	42	16	32
15	Public Works (Water Resource) Department	Revenue Voted	99	14	72
		Capital Voted	69	9	35
19	Tribal Welfare Department	Revenue Voted	609	51	483
20	Welfare of Scheduled Castes and other Backward Classes Department	Revenue Voted	316	19	171
27	Agriculture Department	Capital Voted	110	12	39
31	Rural Development Department	Revenue Voted	93	7	48
39	Education (Higher) Department	Revenue Voted	82	8	74
41	Education (Social) Department	Revenue Voted	216	37	200
52	Family Welfare and Preventive Medicine	Revenue Voted	95	89	81
		Capital Voted	18	10	13

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

Total investments as share capital in PSU, Co-operative Societies and Local Bodies etc. stood at ₹1,105 crore at the end of 2012-13. However, dividends received during the year were ₹67 crore on investment. During 2012-13, investments increased by ₹116 crore.

Cash Balance with RBI stood at (-) ₹6 crore on 31 March 2012 and decreased to (-) ₹127 crore at the end of March 2013.

## 6.2 Debt and Liabilities

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

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

(₹ in Crore)

Year	Public Debt	Per cent to GSDP (\$)	Public Account (*)	Per cent to GSDP	Total Liabilities	Per cent to GSDP
2008-09	3,116	23	1,941	14	5,057	37
2009-10	3,415	22	2,353	15	5,768	37
2010-11	3,765	22	2,688	15	6,453	37
2011-12	3,966	20	2,898	15	6,864	34
2012-13	4,487	20	3,186	15	7,673	35

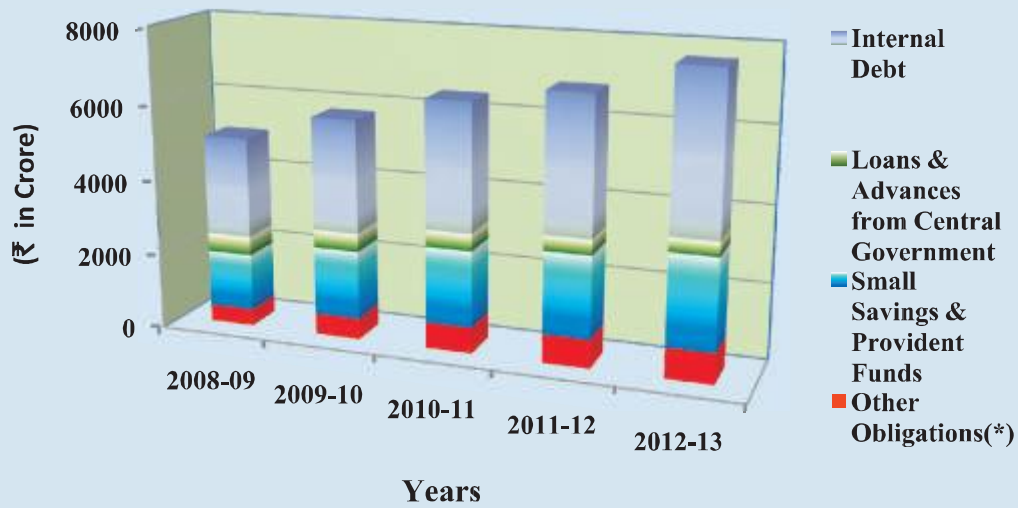
(\*) Excludes suspense and remittance balances.

(\$) Percentage of GSDP differs from last report due to adoption of latest GSDP of the respective years.

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

There is a net increase of ₹809 crore (12 per cent) in Public Debt and Other liabilities during 2012-13.

### Trends in Government Liabilities



(\*) Non-interest bearing obligations such as deposits of Local Funds, other earmarked funds, etc.

### 6.3 Guarantees

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

(₹ in Crore)

At the end of the year	Maximum Amount Guaranteed	Amount Outstanding
2008-09	77	29
2009-10	77	29
2010-11	83	36
2011-12	136	116
2012-13	237	193



## CHAPTER - VII

## OTHER ISSUES

## 7.1 Adverse Balances under Internal Debt

In addition to directly raising loans from the market, State Government also raises loans from financial institutions for implementation of various plan schemes and programmes. On occasion, the State Government does not treat loans raised from these institutions as receipts under internal debt. Where these loan receipts are classified as receipts of the concerned departments, there is scope for incorrectly depicting an increased revenue surplus and reduced debt liability as well as adverse balance under internal debt.

The repayment of these institutional loans appears in Government account under internal debt, resulting in irreconcilable adverse balance. As on 31 March 2013, there is no adverse balance under internal debt.

## 7.2 Loans and Advances by the State Government

Total Loans and Advances made by the State Government at the end of 2012-13 amounted to ₹112 crore. During the year, the principal amount of ₹1 crore was recovered. The information regarding arrears in interest at the end of 31 March 2013 was not received from the State Government.

## 7.3 Financial Assistance to Local Bodies and Others

During the past five years, Grants-in-Aid to local bodies etc. increased from ₹197 crore in 2008-09 to ₹330 crore in 2012-13, showing 68 per cent increase. Grants to Panchayati Raj Institutions comprises Zilla Parishads (₹9 crore), Panchayati Samities (₹13 crore) and Gram Panchayats (₹23 crore). Grants to Urban Local Bodies (₹241 crore) represented 73 per cent of total grants given during the year.

Details of Grants-in-Aid for the past 5 years are as under:

(₹ in Crore)

Year	Panchayati Raj Institution	Urban Local Bodies	Autonomous Bodies	Total
2008-09	60	59	78	197
2009-10	28	78	117	223
2010-11	30	99	131	260
2011-12	45	133	40	218
2012-13	45	241	44	330

## 7.4 Cash Balance and Investment of Cash Balance

(₹ in Crore)

Component	As on 01 April 2012	As on 31 March 2013	Net increase (+) decrease(-)
Cash Balances	(-)7	(-)128	(-)121
Investments from cash balance (GOI Treasury Bills)	1,104	2,306	1,202
Investment from earmarked fund balances	404	479	75
(a) Sinking Fund	404	479	75
(b) Guarantee Redemption Fund	...	...	...
(c) Other Funds	...	...	...
Interest realised	49	67	18

## 7.5 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 Accountant General (Accounts and Entitlements). This exercise is to be conducted by respective Heads of Departments.

During 2012-13, all the 58 Controlling Officers fully carried out reconciliation with the figures (Receipt and Expenditure) booked in the Accountant General (A&E) office.

## 7.6 Submission of Accounts by Treasuries

5 Treasuries, 49 PW Divisions and 21 Forest Divisions are rendering accounts to the Accountant General (A&E). In 2012-13, the maximum delays in rendition of accounts by the Treasuries, P.W. Divisions and Forest Divisions were 47 days, 56 days and 31 days respectively.

## 7.7 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 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. The fact that to the end of 31 March

2013, DC bills for 17433 Nos. of AC bills amounting to ₹151 crore was outstanding indicates that these instructions have not been followed.

### **7.8 Commitments on account of Incomplete Works**

A total expenditure of ₹520 crore was incurred upto the year 2012-13 by the State Government on various incomplete projects costing ₹5 crore and above which have been taken up by the Public Works (R & B) Department, Water Resources Department and Public Works (Drinking Water and Sanitation) Department.

### **7.9 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 2013 ranged between 50.68 per cent and 100.00 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 2012-13 in the above mentioned Heads was as follows:

Head of Account	Description	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter	Total *	During March	Percentage of 3/2013 w.r.t. total expenditure of 2012-13
		(₹ in Crore)						
2236	Nutrition	2.26	9.03	12.12	38.32	61.73	32.53	52.70
2435	Other Agricultural Programmes	...	...	...	0.10	0.10	0.10	100.00
4055	Capital Outlay on Police	0.12	0.35	1.79	18.07	20.33	16.14	79.39
4202	Capital Outlay on Education, Sports, Art and Culture	4.68	7.41	26.71	100.79	139.59	78.86	56.49
4235	Capital Outlay on Social Security and Welfare	...	0.22	6.28	7.53	14.03	7.11	50.68
4250	Capital Outlay on Other Social Services	0.01	0.06	0.20	0.73	1.00	0.64	64.00
4402	Capital Outlay on Soil and Water Conservation	...	...	1.16	2.84	4.00	2.19	54.75
4403	Capital Outlay on Animal Husbandry	...	1.71	1.43	5.83	8.97	5.03	56.08
4408	Capital Outlay on Food Storage and Warehousing	0.08	0.02	0.22	3.40	3.72	3.40	91.40
4435	Capital Outlay on Other Agricultural Programmes	0.50	...	1.01	5.47	6.98	5.47	78.37
4701	Capital Outlay on Medium Irrigation	...	0.25	2.31	7.28	9.84	5.39	54.78
4711	Capital Outlay on Flood Control Projects	0.39	5.98	3.30	11.49	21.16	10.88	51.42
5452	Capital Outlay on Tourism	...	...	0.84	1.26	2.10	1.23	58.57

\* Differs with the Finance Accounts due to reduction in expenditure and adjustment in Supplementary Accounts.