



**Report of the
Comptroller and Auditor General of India
on
State Finances
for the year ended 31 March 2015**



Government of Rajasthan

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PREFACE

1. This Report has been prepared for submission to the Governor of Rajasthan under Article 151 of the Constitution.
2. Chapters I and II of this Report contain audit observations on matters arising from examination of the Finance Accounts and Appropriation Accounts respectively, of the State Government for the year ended 31 March 2015. Information has also been obtained from the Government of Rajasthan, wherever necessary.
3. Chapter III on 'Financial Reporting' provides an overview and status of the State Government's compliance with various financial rules, procedures and directives relating to financial reporting during the current year.
4. The Reports containing the findings of performance audit and audit of transactions in various departments and observations arising out of audit of Statutory Corporations, Boards and Government Companies and the Report containing observations on Revenue Receipts are presented separately.

Executive Summary

Background

Based on the audited accounts of the Government of Rajasthan for the year ended March 2015, this report provides an analytical review of the finances of the State Government. The financial performance of the State has been assessed based on the Fiscal Responsibility and Budget Management Act, Budget Documents, Economic Review 2014-15, Thirteenth Finance Commission Report and other financial data obtained from various Government departments and organisations.

Report

This report is structured in three Chapters.

Chapter I is based on Finance Accounts and makes an assessment of Government of Rajasthan's fiscal position as on 31 March 2015. It provides an insight into trends in receipts, expenditure, borrowing pattern etc.

Chapter II is based on Appropriation Accounts and gives grant-by-grant description of appropriations and the manner in which the allocated resources were managed by the service delivery departments.

Chapter III is an inventory of Government of Rajasthan's compliance with various reporting requirements and financial rules.

The report also has an **Appendix 1.1** of additional data collected from several sources in support of the findings. **Appendix 4.1** at the end gives a glossary of selected terms related to the State economy, as used in this report.

Audit Findings and Recommendations

Finances of the State Government

For the second consecutive year, the State Government was unable to achieve its target of attaining zero revenue deficit framed under the Fiscal Responsibility and Budget Management (FRBM) Act. During the year 2014-15, the revenue deficit increased to ₹ 3,215 crore from ₹ 1,039 crore in 2013-14. The State Government failed to contain the fiscal deficit within the limit of 3 *per cent* of Gross State Domestic Product (GSDP), as laid down in FRBM Act and at the end of 2014-15, the fiscal deficit was ₹ 19,000 crore (3.31 *per cent* of GSDP). Further, the primary deficit (₹ 8,537 crore) also increased by ₹ 2,411 crore over the previous year.

With a view to generate a revenue surplus of ₹ 738 crore, the State Government in its BE had projected revenue expenditure of ₹ 1,05,387 crore and revenue receipts of ₹ 1,06,125 crore during 2014-15. It was observed that the actual expenditure was ₹ 94,542 crore (10.3 *per cent* less than estimates) and actual receipts were ₹ 91,327 crore (13.9 *per cent* less than estimates) during the year leading to revenue deficit. The outstanding debt showed a steady increase over the years, from ₹ 99,285 crore at the end of 2010-11 to

₹ 1,47,609 crore at the end of 2014-15 which as percentage of GSDP was 25.7 per cent in 2014-15 and was well within the target of 36.5 per cent fixed under the FRBM Act. However, annual incremental borrowings (₹ 17,699 crore) were higher than the ceilings fixed by the GoI (₹ 17,035 crore).

Revenue receipts of the State increased steadily from ₹ 45,928 crore in 2010-11 to ₹ 91,327 crore in 2014-15. The growth in revenue receipts during the year 2014-15 was 22.6 per cent (₹ 16,856 crore) as compared to 11.3 per cent in previous year. This was mainly on account of 124.2 per cent (₹ 10,863 crore) growth of Grant-in-aid from GoI in 2014-15 as compared to 21.9 per cent in the previous year because of transfer of significant funds under CSS to the Implementing Agencies through the Consolidated Fund of the State as per policy decision of GoI. The share of tax revenue to revenue receipts declined from 45.2 per cent in 2010-11 to 42.3 per cent in 2014-15.

While overall revenue expenditure of the State increased by 111 per cent from ₹ 44,873 crore in 2010-11 to ₹ 94,542 crore in 2014-15, its share in total expenditure declined from 89.1 to 84.9 per cent. However, during 2014-15, there was 25 per cent growth in revenue expenditure as compared to previous year's growth of 19 per cent, which indicative of deficiencies in control over expenditure. The Non Plan Revenue Expenditure (NPRE) also increased consistently over the period from ₹ 36,121 crore in 2010-11 to ₹ 67,098 crore in 2014-15 and stood at 71 per cent of revenue expenditure after recording growth of 15 per cent over the previous year. The expenditure on salaries, interest payments, pensions and subsidies increased by 78 per cent from ₹ 29,317 crore in 2010-11 to ₹ 52,216 crore in 2014-15. During the current year, it recorded growth of 18 per cent over the previous year.

The estimation of expenditure and receipts for containing fiscal parameters within the desirable limits should be more realistic and it should be endeavour of the State Government to contain the expenditure as envisaged within the budget estimates. Regular control over expenditure and management of receipts are required.

Various types of cess are levied by the Government for specific purposes and objectives. For the purpose of transparency, their proceeds are transferred to an earmarked fund. Irregularities were noticed in implementation and follow up action regarding certain cess imposed by the State Government for various objectives.

Upto the year 2014-15, a sum of ₹ 300.51 crore was collected under Environmental and Health cess which was levied in Budget Speech 2008-09. However, this was not transferred from Consolidated Fund to the Public Account till 2012-13 and only a sum of ₹ 51.58 crore was spent till end of 2014-15.

Rajasthan Building and Other Construction Workers Welfare Fund was established under 'Rajasthan Building and Other Construction Workers (Regulation of employment and conditions of service) Rules 2009' and a sum of ₹ 942.66 crore was collected by State Government. However, only a sum of ₹ 70 crore was spent during 2010-15. The transfer of the cess by the State Government to the Board was also beyond stipulated period during those years.

Levy of Water Conservation Cess was imposed through 'Rajasthan Finance Act 2009'. During the period 2009-15, a sum of ₹ 841.82 crore was realised towards cess by three electricity distribution companies. However, neither the fund was created nor expenditure incurred out of this.

Retention of receipts from various cesses in Consolidated Fund/Public Accounts for a long period is fraught with the consequence of understating the Revenue expenditure and Revenue Deficit.

State Government may ensure proper collection of cess and its timely transfer to the earmarked funds and utilise it for intended purposes.

A review of revenue deposited in Consolidated Fund through sale, regularisation and conversion of land and urban assessment fee by Jaipur Development Authority (JDA) alongwith annual accounts of JDA revealed that ₹ 230.17 crore during 2014-15 were short deposited in Consolidated Fund of the State under respective heads. This was in violation of orders (08 December 2010) of Government of Rajasthan (Revenue Department) and orders (31 May 2012 and 21 June 2012) of Urban Development & Housing (UDH) Department, according to which 20 per cent of revenue realised under sale proceeds of land, 40 per cent of revenue realised under regularisation and conversion charges and 60 per cent of revenue realised under urban assessment fee, were to be deposited in government account in relevant heads.

On the basis of recommendation of XIII-FC, State Government entrusted (February 2011) Technical Guidance and Supervision (TGS) to CAG over audit of Local Bodies.

In pursuance of TGS, we reviewed the status of preparation of accounts and their certification in all Local Bodies. It was seen that till March 2015, the accounts in Panchayati Raj Institutions (PRIs) were mainly being maintained in conventional formats as per Rajasthan Panchayati Raj Rules. The State Government failed to implement fully GoI's directions that w.e.f. April 2011, accounts be maintained as per simplified accounting formats 2009 by using model accounting system 'Panchayati Raj Institution Accounting Software' (PRIA Soft). The status of switching over of Accounting in Urban Local Bodies (ULBs) to accrual system was also not ascertainable and clear.

The TGS revealed that accounts of various Local Bodies including PRIs, ULBs, JDA, Rajasthan Housing Board (RHB) etc. by Director, Local Fund Audit Department had in general not been certified.

The accounting system in the Local Bodies needs to be strengthened. State Government may ensure timely preparation and submission of accounts and their certification.

In pursuance of recommendations of XIII-FC (2010-15), the GoI allocated Grant in Aid of ₹ 12,950 crore to GoR. However, there was actual release of ₹ 12,270.80 crore against which the State Government incurred an expenditure ₹ 12,352.66 crore. Test check of records of five Departments (Information Technology and Communication, Home, Medical and Health, Law and Legal Affairs, and Water Resources Departments) receiving significant Grant-in-Aid revealed irregularities in its release and utilization including non receipts/deprivation of grant of ₹ 539.32 crore.

The State Government should monitor release and utilisation of grant by GoI under Finance Commission more effectively to ensure that the grants are utilised in effective and timely manner for the intended purposes.

During 2014-15, Government invested ₹ 4,391.59 crore in Government Companies, Statutory Corporations and Cooperative Institutions etc. Out of this, a sum of ₹ 3,959.21 crore was invested in five loss making Statutory Corporations/Government Companies, including four Power Companies and Rajasthan State Road Transport Corporation. Though during the last five years, the State Government invested ₹ 18,376.02 crore, the average return by way of dividend on the investment in Government Companies and Statutory Corporations was less than 0.5 per cent. Whereas, the Government paid up to 7.7 per cent interest on an average on its borrowings during 2010-15.

It would be advisable for the State Government to ensure better value for money in investment, otherwise high cost borrowed funds will continue to be invested in projects with low financial returns.

Financial Management and Budgetary Control

During 2014-15, a sum of ₹ 1,19,784.79 crore was incurred against total grants and appropriations of ₹ 1,39,053.78 crore leaving savings of ₹ 19,268.99 crore. Supplementary provision of ₹ 1,168.36 crore, obtained in 14 cases, proved unnecessary.

Departments surrendered ₹ 19,109.93 crore on the last working day of the financial year leaving no scope for utilising these funds for other purposes. In four cases, ₹ 110 crore was surrendered in excess of actual savings. In one appropriation (Public Debt-repayment under charged expenditure), an amount of ₹ 15.29 crore was surrendered against excess expenditure of ₹ 3.15 crore. In 89 cases, lump sum provision of ₹ 7,197.35 crore was made, out of which ₹ 5,237.77 crore (72.8 per cent) remained unutilised.

Review of receipts and expenditure in certain grants revealed that (i) in Forest Department, the overall revenue expenditure increased by 17 per cent and 12 per cent during 2013-14 and 2014-15 over previous years, whereas the capital expenditure increased by 47 per cent and decreased by 20 per cent during 2013-14 and 2014-15 over previous years, (ii) in Education Department, the overall revenue expenditure increased by 18 per cent and 22 per cent during 2013-14 and 2014-15 over previous years, whereas the capital expenditure decreased by 63 per cent and 19 per cent during 2013-14 and 2014-15 respectively over previous years.

Controlling/Disbursing Officers may keep a close and constant watch over the progress of expenditure against the sanctioned allotment in order to ensure utilisation of allotted funds as per requirement. They may also specifically strengthen monthly expenditure control and monitoring mechanism.

Efforts should be made by all departments to submit realistic budget estimates keeping in view the trends of expenditure in order to avoid large scale savings/excesses, reappropriations and surrenders at the end of the year so that they can be effectively utilised in other areas/schemes.

Detailed Contingent Bills remained outstanding against 368 Abstract Contingent Bills amounting to ₹ 288.93 crore as on 30 June 2015.

A rigorous monitoring mechanism should be put in place to adjust the advances drawn against Abstract Contingent Bills within the stipulated period.

Out of total expenditure of ₹ 27,268.51 crore, a sum of ₹ 14,075.99 crore (exceeding ₹ 50 crore and more than 30 per cent of the total expenditure in each case) was incurred in last quarter of the financial year. Of this, ₹ 9,888.46 crore was spent in March 2015 alone, which led to rush of expenditure at the end of the year.

Departments may closely monitor progress of expenditure throughout the year so as to avoid the quality related pitfalls associated with rush of expenditure at the end of the year.

Financial Reporting

Non-submission of utilisation certificates of ₹ 22.20 crore indicated lack of proper monitoring by the Departments in utilisation of grants sanctioned for specific purposes. Instances of non-submission of utilisation certificates involving huge amount, were noticed in test check in Science and Technology Department (₹ 16.23 crore) and Family Welfare Department (₹ 5.20 crore).

Issues holding up submission of UCs should be identified to ensure their submission within the time stipulated.

There has been non-submission/delay in submission of accounts of autonomous bodies/authorities. In respect of 38 autonomous bodies/authorities, auditable under section 14 of CAG's (DPC) Act 1971, accounts were in arrears for the last one to eleven years.

In order to clear the arrears of accounts in a time-bound manner, the Controlling Departments may analyse the reasons for delay in finalisation of accounts of autonomous bodies/authorities, and take suitable remedial measures.

Out of 908 outstanding cases of misappropriation, theft and losses of Government money amounting to ₹ 56.81 crore, departmental and criminal investigation was awaited in 261 cases involving ₹ 22.22 crore. Further, orders for recovery/write off in 569 cases involving ₹ 29.42 crore were also awaited, which indicates lack of initiative on the part of the Government to fix accountability.

Departmental enquiries in all fraud and misappropriation cases should be expedited. The internal controls in all the organisations should be strengthened to prevent recurrence of such cases.

MAIN REPORT

Chapter I

Finances of the State Government

Profile of the State

Rajasthan is the largest State of India in terms of geographical area (342.24 thousand square kilometre) and eighth in terms of population. It is located in the north-western part of the country. The population of the State increased from 5.65 crore in 2001 to 6.85 crore in 2011, recording a decadal growth of 21.3 per cent (*Appendix 1.1*), as against the national average of 17.7 per cent. The percentage of population below the poverty line was 21.7 per cent which was less than the All India average of 29.5 per cent. The Gross State Domestic Product (GSDP) in 2014-15 at current prices was ₹ 5,74,549 crore (advance estimates). The literacy rate increased from 60.4 per cent (2001 census) to 66.1 per cent (2011 census), which was 6.9 percentage points below All India average of 73 per cent during the corresponding period. During 2014-15, per capita income of the State stood at ₹ 72,156¹. General data relating to the State are given in *Appendix 1.1*.

GSDP is the market value of all officially recognised final goods and services produced within the State in a given period of time. The growth of GSDP of the State is an important indicator of the State's economy, as it indicates the standard of living of the State's population. The trends in the annual growth rate of India's Gross Domestic Product (GDP) and that of the State's GSDP at current prices are indicated in **Table 1.1**:

Table 1.1: Annual growth rate of GDP and GSDP at current prices

Year	2010-11	2011-12	2012-13	2013-14	2014-15
India's GDP [#] (₹ in crore)	72,48,860	83,91,691	93,88,876	1,04,72,807	NA
Growth rate of GDP (percentage)	18.7	15.8	11.9	11.5	NA
State's GSDP* (₹ in crore)	3,38,348	4,14,179	4,70,178 ²	5,17,615 ³	5,74,549 ⁴
Growth rate of GSDP (percentage)	27.3	22.4	13.5	10.1	11.0

Sources: #Central Statistics Office and

* Directorate of Economics and Statistics, Government of Rajasthan

Rajasthan achieved a higher GSDP growth rate as compared to India's GDP growth rate during the period 2010-13 and thereafter growth in GSDP was lower than the All India's GDP. The growth rate of GSDP showed a decreasing trend during the period 2010-14, however, there was improvement in the rate of growth during 2014-15.

¹ Source: Economic Review, Government of Rajasthan

² Provisional estimates

³ Quick estimates

⁴ Advance Estimates

1.1 Introduction

This chapter provides a broad perspective of the finances of the Government of Rajasthan (GoR) during 2014-15 and analyses the changes observed in the major fiscal aggregates in relation to that of the previous year, keeping in view the overall trends during last five years. The annual accounts of the State Government consist of Finance Accounts and Appropriation Accounts. The new format of Finance Accounts, introduced from 2009-10 is divided into two volumes (Volume I contains the summarised financial statements and Volume II presents detailed financial statements) have been revised in 2015 as summarised in *Appendix 1.2 (Part A) and Appendix 1.2 (Part B)*.

1.2 Summary of Fiscal Operations in 2014-15

Table 1.2 below presents the summary of the State Government's fiscal operations during current year (2014-15) *vis-à-vis* previous year (2013-14), while *Appendix 1.4* provides an abstract of receipts and disbursements as well as overall fiscal position during the current year.

Table 1.2: Summary of Fiscal Operations in 2014-15

(₹ in crore)

	Receipts		Disbursements		
	2013-14	2014-15		2013-14	2014-15
Section-A: Revenue					
Tax Revenue	33,477.70	38672.94	General Services	23,339.22	27,868.15
Non-Tax Revenue	13,575.25	13,229.50	Social Services	31,486.09	37,753.39
Share of Union Taxes/ Duties	18,673.07	19816.97	Economic Services	20,435.59	28,920.34
Grants-in-aid from Government of India	8,744.36	19,607.50	Grants-in-aid and Contributions	248.69	0.09
Total Section-A Revenue Receipts	74,470.38	91,326.91	Total Section-A Revenue Expenditure	75,509.59	94,541.97
Section-B: Capital and others					
Miscellaneous Capital Receipts	10.27	14.57	Capital Outlay	13,664.66	16,102.69
Recoveries of Loans and Advances	315.53	1,004.44	Loans and Advances disbursed	811.21	700.78
Public Debt Receipts*	14,491.44	18,140.82	Repayment of Public Debt*	4,115.62	4,960.04
Contingency Fund	-	300.00	Contingency Fund	-	300.00
Public Account Receipts ⁵	1,07,978.58	1,26,382.20	Public Account Disbursements ⁵	1,05,605.40	1,22,060.62
Opening Cash Balance	12,886.72	10,446.44	Closing Cash Balance	10,446.44	8,949.28
Total Section-B Receipts	1,35,682.54	1,56,288.47	Total Section-B Disbursements	1,34,643.33	1,53,073.41
Grand Total (A + B)	2,10,152.92	2,47,615.38	Grand Total (A + B)	2,10,152.92	2,47,615.38

Source: Finance Accounts for the respective years

*Excluding net transaction under Ways and Means advances and overdraft

⁵ The figures of Public Account Receipts/Disbursements are shown on gross basis in **Table 1.2**, while in other tables/paragraphs, they are shown on net basis.

Salient features of fiscal operations in 2014-15 are given below:

- Revenue Receipts grew by ₹ 16,856.53 crore (22.6 per cent) over the previous year due to increase in Grants-in-aid from Government of India: ₹ 10,863.14 crore (124.2 per cent); Own Tax Revenue: ₹ 5,195.24 crore (15.5 per cent) and Share of Union Taxes/Duties: ₹ 1,143.90 crore (6.1 per cent) which was counterbalanced by decrease in Non-Tax Revenue: ₹ 345.75 crore (2.5 per cent). However, the Revenue Receipts were lower than the projections made in the Medium Term Fiscal Policy Statement (MTFPS) 2014-15 by ₹ 14,798 crore.
- Revenue Expenditure increased by ₹ 19,032.38 crore (25.2 per cent)⁶ mainly under Economic Services Sector by ₹ 8,484.75 crore (41.9 per cent); Social Services Sector by ₹ 6,267.30 crore (19.9 per cent) and General Services Sector by ₹ 4,528.93 crore (19.4 per cent). Revenue Expenditure was lower than the MTFPS projections for the year by ₹ 10,845 crore.
- Capital Outlay increased by ₹ 2,438.03 crore (17.8 per cent) under Social Services Sector by ₹ 1,286.81 crore (28.3 per cent); Economic Services Sector by ₹ 951.86 crore (10.8 per cent) and General Services Sector by ₹ 199.36 crore (59.6 per cent).
- Public Debt Receipts and Repayment of Public Debt (excluding Ways and Means advances and overdraft) increased by ₹ 3,649.38 crore (25.2 per cent) and ₹ 844.42 crore (20.5 per cent) respectively.
- Public Account Receipts and Disbursements increased by ₹ 18,403.62 crore (17 per cent) and ₹ 16,455.22 crore (15.6 per cent) respectively.
- Cash balance declined by ₹ 1,497.16 crore (14.3 per cent).

1.2.1 Review of the fiscal situation

With a view to ensure prudence in fiscal management and to maintain fiscal stability in the State, the Government of Rajasthan, in pursuance of recommendations of the Twelfth Finance Commission, enacted its "Fiscal Responsibility and Budgetary Management (FRBM) Act 2005", followed by FRBM Amendment Act 2011.

Major fiscal variables provided in the budget, based on recommendations of the Thirteenth Finance Commission (XIII FC) and targeted in the FRBM Act of the State, are depicted in **Table 1.3** below:

⁶ It includes decrease of ₹ 248.60 crore on account of Grants-in-aid and contribution.

Table 1.3: Major Fiscal Targets and Achievement

Fiscal variables	2014-15		
	Targets as prescribed in FRBM Act/XIII FC	Targets proposed in the Budget/ MTFPS	Achievement
Revenue Deficit (-) / Surplus (+) (₹ in crore)	0.00	(+) 738	(-) 3,215
Fiscal Deficit/GSDP (<i>per cent</i>)	3.0 or less	3.52	3.31
Ratio of total outstanding debt of the Government to GSDP (<i>per cent</i>)	36.5	25.78	25.69

A review of implementation of major provisions of the FRBM Act revealed following position:-

- Section 6 (a) of FRBM Act, 2011 provided that the Government achieve Zero Revenue deficit target from financial year 2011-12 and thereafter maintain it or attain revenue surplus. In this regard, the State Government maintained revenue surplus of ₹ 1,055 crore, ₹ 3,357 crore and ₹ 3,451 crore during the years 2010-11, 2011-12 and 2012-13 respectively, which was within the specified targets set in FRBM Act. However, during the year 2013-14, there was revenue deficit of ₹ 1,039 crore.

- With a view to generate a revenue surplus of ₹ 738 crore, the State Government projected budget estimates of ₹ 1,05,387 crore revenue expenditure and ₹ 1,06,125 crore of revenue receipts during 2014-15. It was observed that the actual expenditure was ₹ 94,542 crore (10.3 *per cent* less than estimates) and actual receipts were ₹ 91,327 crore (13.9 *per cent* less than estimates) during the year. This led to a gap of 3.6 *percentage* point deficit in receipt and expenditure. Analysis of receipts revealed that there was shortfall in actuals against estimates in case of tax revenue (4.9 *per cent*), non-tax revenue (11.4 *per cent*), central share (12.9 *per cent*) and grant in aid (29.4 *per cent*). Major areas where State Government was unable to mobilize its own revenue receipts, were mainly under Stamps and Registration Fees: ₹ 1,011 crore (24.1 *per cent*); Taxes on sales, Trade etc.: ₹ 1,455 crore (5.7 *per cent*) and Petroleum royalty: ₹ 1,725 crore (26.2 *per cent*).

Moreover Revenue Deficit was understated by ₹ 8.21 crore pertaining to employer's contribution, which was not transferred to Insurance and Pension Fund in respect of employees recruited after 1 January 2004.

- Section 6 (b) of the FRBM Act, envisaged achieving of fiscal deficit of 3 *per cent* of Gross State Domestic Product (GSDP) by financial year 2011-12 and thereafter to maintain the said ratio or reduce it.

Review of fiscal indicators given for 2014-15 in MTFPS 2013-14, revealed that the target of total outstanding debt and fiscal deficit was set as 25.40 and 2.68 *per cent* respectively which was revised in MTFPS 2014-15 as 25.73 and 2.86 *per cent*. These were further revised in MTFPS (modified) 2014-15 as 25.78 and 3.52 *per cent* of GSDP. While the achievement of the target for total

outstanding debt was 25.69 *per cent* of the GSDP, the fiscal deficit was 3.31 *per cent* of GSDP which was lower than the target fixed in MTFPS for 2014-15 (3.52 *per cent*) but higher than limit prescribed by Thirteenth Finance Commission (3 *per cent* of GSDP) and FRBM Act.

- Section 8 of FRBM Act, provided that the Public Expenditure Review Committee (PERC) shall consist of not more than five members with Professional expertise in the fields of Finance, Economics, Management, Planning, Administration, Account and Audit and Law.

The PERC constituted on 13 August 2014, consisted of experts in the field of economics (Dr. Indira Rajaraman and Shri Bibek Debroy), experts (Shri Vineet Mittal and Shri Anil Vaish) and Finance (Pr. Secretary). However there was no member as professional expertise from the field of Accounts and Audit and Law.

- After Gazette Notification (February 2006), meeting of the committee was held (May 2006) in which it was, *inter alia*, decided that the committee should meet at least once in three months. As per information furnished by the Finance Department (June 2015), meetings were held on 9 May 2013, 17 June 2013 and 23 April 2015 only, which showed that meetings were not held during the year 2014-15 and there was significant shortfalls in numbers of meetings held during previous years.

Despite curtailing its expenditure, State Government was unable to achieve zero revenue deficit as envisaged in the FRBM Act due to lesser collection of own tax receipts vis-à-vis targets. On the contrary, the revenue deficit increased from ₹ 1,039 crore (2013-14) to ₹ 3,215 crore (2014-15).

1.2.2 Budget Estimates and Actuals

The budget papers presented by the State Government provide projections or estimations of receipts and expenditure for a particular fiscal year. The importance of accuracy in the estimation of receipts and expenditure is widely accepted in the context of effective implementation of fiscal policies for overall economic management. Deviations from the Budget Estimates (BE) are indicative of non-attainment/non-optimisation of the desired fiscal objectives due to various reasons: some within the control of the government and some beyond the control of the government.

A comparison of BE with actuals for the year 2014-15 is given in **Table 1.4** below and in **Appendix 1.6**.

Table 1.4: Budget Estimates and Actuals for the year 2014-15

(₹ in crore)			
Fiscal parameters	Budget Estimates	Actuals	Difference
1	2	3	4 (3-2)
Tax Revenue	40,655	38,673	(-) 1,982
Non-Tax Revenue	14,939	13,229	(-) 1,710
State's share of Union Taxes and Duties	22,756	19,817	(-) 2,939
Grants-in-aid from GoI	27,775	19,608	(-) 8,167
Revenue Receipts	1,06,125	91,327	(-) 14,798
Revenue Expenditure	1,05,387	94,542	(-) 10,845
Interest Payments	10,470	10,463	(-) 7
Capital Expenditure	20,565	16,103	(-) 4,462
Revenue Deficit(-) /Surplus (+)	(+) 738	(-) 3,215	(-) 3,953
Fiscal Deficit (-)	(-) 20,186	(-) 19,000	(+) 1,186
Primary Deficit (-)	(-) 9,716	(-) 8,537	(+) 1,179

Source: Finance Accounts and Budget Documents

Analysis of important parameters is given below:

1.2.2.1 Revenue Receipts

Revenue Receipts were lower by ₹ 14,798 crore (14 per cent) over BE due to lesser collection in State's Tax Revenue (inclusive of State's share of Union Taxes and Duties) by ₹ 4,921 crore (8 per cent), Non-Tax Revenue by ₹ 1,710 crore (11 per cent) and Grants-in-aid from GoI by ₹ 8,167 crore (29 per cent). In most of the categories of Tax Revenue Receipts, except State Excise, Taxes on Goods and Passengers and Other Taxes and Duties on Commodities and Services were less than BE. Non-tax Revenue were also less than BE due to less receipt of royalty from petroleum ₹ 1,725 crore (26 per cent).

1.2.2.2 Revenue Expenditure

Revenue Expenditure was ₹ 10,845 crore less than BE, mainly due to decline in expenditure of ₹ 3,299 crore under 'General Education'; ₹ 1,852 crore under 'Rural Employment'; ₹ 1,194 crore under 'Power'; ₹ 960 crore under 'Family Welfare'; ₹ 909 crore under 'Other Rural development Programme' and ₹ 696 crore under 'Medical and Public Health'.

1.2.2.3 Deficits

Against the targeted Revenue Surplus of ₹ 738 crore, there was Revenue Deficit⁷ of ₹ 3,215 crore. This was mainly on account of lower revenue receipts as compared to the target set in BE. However, fiscal deficit⁸ and primary deficit⁹ were less by ₹ 1,186 crore and ₹ 1,179 crore respectively from BE.

1.2.2.4 Capital Expenditure

During 2014-15, the capital expenditure was ₹ 4,462 crore (22 per cent) less than BE, mainly due to decline in expenditure under Capital Outlay on Roads

⁷ Revenue Deficit = Revenue Expenditure - Revenue Receipts

⁸ Fiscal Deficit = Revenue Expenditure + Capital Expenditure + Net Loan and Advances - Revenue Receipts - Miscellaneous Capital Receipts.

⁹ Primary Deficit = Fiscal Deficit - Interest payments.

and Bridges: ₹ 969 crore; Urban Development: ₹ 678 crore; Medical and Public Health: ₹ 590 crore; Road Transport: ₹ 300 crore; Nutrition: ₹ 288 crore; Major Irrigation: ₹ 204 crore and Public Works: ₹ 201 crore.

1.2.3 Schemes contemplated with Central Assistance under the State Plan but no expenditure incurred under them for want of adequate funds.

Centrally Sponsored Schemes (CSS) were being implemented by the Government of India (GoI) with the aim to build rural and urban infrastructure for providing basic services with the objective of increasing inclusiveness and reducing poverty. The ultimate objective behind CSS is to achieve broad-based improvement in the living standards of people. The GOI approved 66 CSS in the nature of Umbrella Schemes, after restructuring of existed centrally sponsored schemes in Annual Plan 2014-15. Further, the preface of the budget of the State Government for 2014-15 also confirmed that the Union Government had restructured CSS into 66 Schemes and decision was taken for 2014-15 and released the central contribution through consolidated fund of State Government in the form of “Central Assistance to State Plan”. Out of 66 CSS Programmes/Schemes the Statement No. 15 of Annual Finance Account 2014-15 revealed financial position of 65 Schemes. The position of budget allocations and expenditure during 2014-15 under these 65 schemes is summarised in **Table 1.5**.

Table 1.5: Budget provision and actual expenditure in Centrally Sponsored Scheme

(₹ in crore)

No. of Programmes/ Scheme	Budget Estimate for State Plan	Central Assistance for State Plan	Amount released by GoI	Expenditure
65	27,403.37	20,799.11	13,654.49	19,340.70

It was observed that out of 65 schemes no expenditure was incurred against budget provision in four schemes (National River Conservation Project; *Pradhanmantri Aadarsh Gram Yojana*; National Handloom Development Programme and *Panchayat Yuva Krida aur Khel Abhiyan*).

Scrutiny of expenditure incurred under National River Conservation Project (started in 1985) revealed that no expenditure was incurred during 2014-15 despite budget provision of ₹ 28.58 crore kept in the State Plan. Department of Environment stated (October 2015) that nil expenditure during 2014-15 was due to non receipt of matching grant from Government of India. Reply was not tenable as the State Government should have pursued for financial mobilisation with a view to incur requisite expenditure under this ambitious programme.

1.2.4 Gender Budgeting

Gender Responsive Budgeting (GRB) is a means of ensuring that Public resources are allocated in an equitable way so that the most pressing needs of specific gender groups are satisfied. During the Budget speech of 2009-10, the Government of Rajasthan (GoR) announced preparation of GRB which would enable gender based budget analysis of each department. Accordingly, a High Level Committee was formed (August, 2009) under the chairmanship of the Chief Secretary and a Gender cell was formed in September, 2009 in the Department of Women and Child Development. One of the functions and objectives of GRB was consolidating budget scheme and facilitating integration of gender analysis in the Government Budget. Further, during August, 2010, Gender Desks in various Departments were also constituted with the intention of implementation of various GRB initiatives. Besides, GoR decided (August, 2011) to include Gender Budget Statement in the new Integrated Financial Management System (IFMS) for preparation of BE from the financial year 2012-13.

Gender budgeting in the State is regulated as per provisions contained in paragraph 13.27 of the State Budget Manual (SBM). To prepare the annual Gender Budget Statement, Budget Controlling officers of specified departments were required to provide information in the format given in the Budget Circular issued by the Finance Department. This format requires classifying plan schemes/Programmes targeted at women into four categories. The details of categories are given below:-

A	Schemes under which expenditure targeted at women is more than 70 percent
B	Schemes under which expenditure targeted at women lies between 30 percent-70 percent
C	Schemes under which expenditure targeted at women lies between 10 percent-30 percent
D	Schemes under which expenditure targeted at women is less than 10 percent

The details of category wise allocation during 2014-15, as per interim budget presented on 20 February 2014 in the State Legislature, was as shown below:

Category	Allocation (₹ in crore)
A	4,241.11
B	21,143.72
C	2,887.26
D	38.49
Total	28,310.58

In the modified budget 2014-15 (14 July 2014), annexure pertaining to information on GRB was missing. The Finance Department (FD) and Women and Child Development (WCD) Department informed that the requisite annexure was not printed and laid on the table of legislature. Though the matter was pursued with FD and WCD, the information was not made available and it could not be ascertained whether there was increase of proportionate finances for GRB in the modified budget in comparison to the interim budget. Nodal department (WCD) has also no information about expenditure incurred against each of the four categories.

Test check of expenditure in the BFC Gender Budgeting, Units of 'A' category involving budget of more than ₹ 10 crore, as appeared in annexure attached to interim budget 2014-15 presented in February 2014 revealed the following:

- ***Women and Child Development Department***

The "*Mission Gramaya Shakti*" (MGS) is an autonomous society registered under Rajasthan Society Registration Act, 1958 to strengthen women Self Help Groups, through clustering, capacity building and handholding of Self Help Groups and create channel of link with livelihood promoting programmes for overarching goals of women empowerment. Against the budget provision of ₹ 16.60 crore for this purpose, no expenditure was incurred, due to non-approval of work plan of '*Mission Gramya Shakti*' as intimated (September 2015) by the WCD.

- ***Primary Education Department***

Under Plan Scheme for upper primary schools for girls, a sum of ₹ 14.13 crore was estimated against which an expenditure of ₹ 0.12 crore only was incurred and ₹ 14.01 crore remained unutilised. The reason for non-utilisation of funds, as intimated (August 2015) by Department, was posts remaining vacant.

- ***Financial Inclusion Incentive Yojana (Bhamasah Financial Empowerment and Nari Samridhi Yojana)***

The *Bhamashah yojana* was launched by the State Government in 2008 for strengthening women, was closed in 2009 and restarted from 15 August 2014. It was observed that an amount of ₹ 25 crore was estimated for 2014-15 for incentive and honorarium to General, SC and ST families and for payment to service providers in the events of claims of '*Bhamashah Yojana 2008*'. Against this no expenditure was incurred. Planning (Institutional Finance) Department, intimated (August 2015) that the funds were surrendered as no decision could be taken about whether any payment of claims is due.

- ***Secondary Education Department***

Under a plan scheme of "Cycle distribution to girl students of class IX studying in Government schools of urban and rural areas", a sum of ₹ 60 crore was allotted during the year 2014-15, against which ₹ 20.44 crore was incurred and ₹ 39.56 crore remained unutilised. The department intimated (September 2015) that the amount could not be utilised due to delay in supply of cycles.

1.2.5 Major policy initiatives and the status of action taken on Budget Speech 2014-15

While presenting modified budget (July 2014) for the year 2014-15, the State Government announced several schemes/policies. The major policy initiatives and the status of action taken on them as intimated (July-September 2015) by the concerned departments are summarised in the following table:

Para No. of Budget speech	Name of Department	Brief announcements made in Budget speech	Status of action taken
77.	Medical Education	Establishment of (i) Tertiary Cancer Care Centre in Medical Colleges in Jhalawar and Bikaner Districts for research and treatment of cancer (₹ 45 crore) and (ii) State level Cancer Treatment and Research Centre in Medical College Hospital affiliated to Rajasthan University of Health Science, Jaipur (₹ 120 crore).	No funds were allotted during the year 2014-15.
78.	Medical Education	Under Phase-I, Super Specialty Wings will be established in hospitals attached with Bikaner, Udaipur and Kota Medical Colleges with an expenditure of ₹ 150 crore.	No funds were allotted during the year 2014-15.
79.	Medical and Health Department.	1,079 Sub Health Centre (SHCs) Buildings will be constructed, for which provision of ₹ 248.17 crore will be proposed.	₹ 151.91 crore approved in BE was reduced to ₹ 40 crore in RE, against which no expenditure was incurred, resultantly ₹ 99.41 crore was surrendered while ₹ 52.50 crore was re-appropriated.
87.	Education Department	Construction of 940 Government Primary Schools Buildings, 2,609 additional class rooms, 678 toilets for girls with water facility and 155 drinking water facilities with an expenditure of ₹ 303.32 crore under <i>Sarva Shiksha Abhiyaan</i> (SSA).	Expenditure of ₹ 184.95 crore was incurred as of 31.03.2015. Work was completed in respect of 256 Primary School Buildings; 1,490 additional classrooms; 634 toilets and 109 drinking water facilities. Land could not be made available/allotted for 112 primary schools.
120.	Tourism Department	(i) Special Development work of Sambhar area to provide basic tourist facilities, road construction, bird watching deck etc. with a cost of ₹ 37.65 crore.	Expenditure of ₹ 0.72 crore was incurred upto 31 March 2015 (against ₹ 37.65 crore).
		(ii) Development of Ranthambhore Sanctuary with a cost of ₹ 4.34 crore.	Expenditure of ₹ 0.51 crore was incurred upto 31 March 2015.
		(iii) Development of Jhalawar Fort and Gagron Fort with a cost of ₹ 4.92 crore each.	Expenditure of ₹ 0.48 crore and ₹ 0.28 crore only was incurred upto 31 March 2015 in respect of Jhalawar Fort and Gagron Fort respectively.
		(iv) Development of Deeg fort with a cost of ₹ 4.81 crore.	Expenditure of ₹ 0.26 crore only was incurred upto 31 March 2015.
		(v) Conservation, Development and Electrification of Muchkund in Dholpur with a cost of ₹ 4.61 crore.	The work could not be started as consultants were not appointed by executing agencies.

Thus, from the above it is seen that announcement regarding new initiations were taken without adequate preparatory work being done by the concerned department.

1.3 Resources of the State

- *Resources of the State as per the Annual Finance Accounts*

Receipts of the State Government can be divided into two categories namely Revenue Receipts¹⁰ and Capital Receipts¹¹. Besides, funds available in the Public Account after disbursement are also utilised by the Government to finance its deficit. Following flowchart depicts the components and sub-components of state's resources:

¹⁰ Revenue Receipts consist of Tax Revenues, Non-Tax Revenues, State's share of Union Taxes and Duties and Grants-in-aid from the GoI.

¹¹ Capital Receipts comprise proceeds from disinvestments, recoveries of loans and advances, debt Receipts (market loans, borrowings from financial institutions/commercial banks) and Loans and Advances from GoI.

Components and sub-components of resources

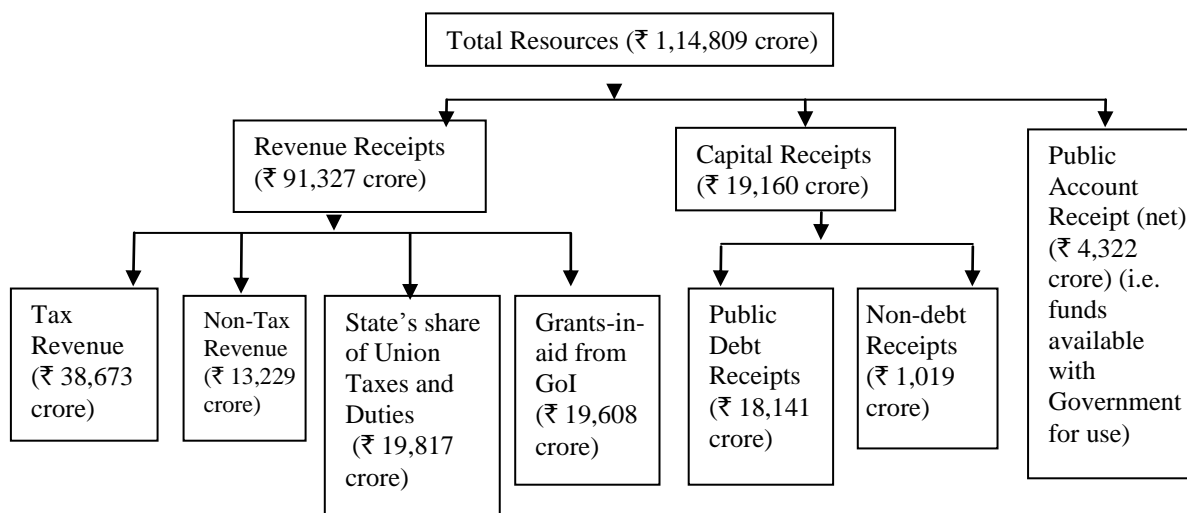
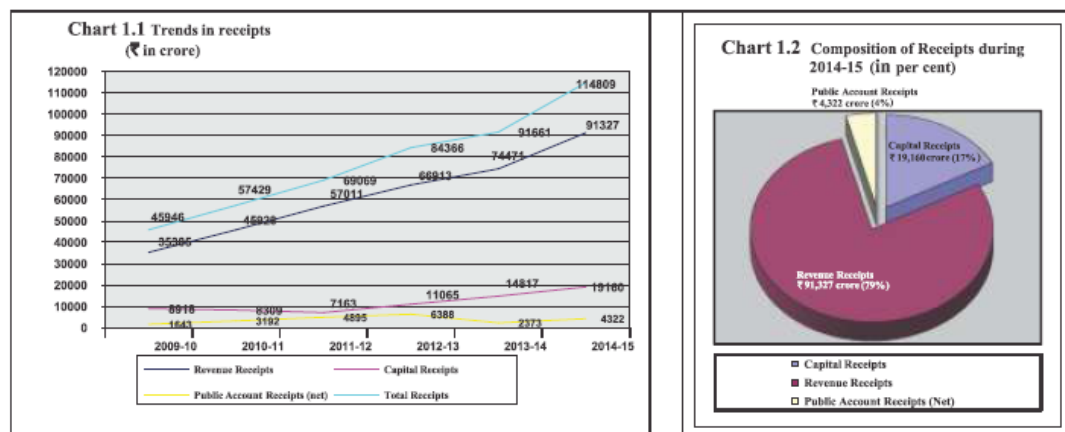


Chart 1.1 depicts the trends in various components of the receipts of the State during 2009-15 and **Chart 1.2** depicts the composition of resources of the State during the current year.



Source: Finance Accounts

During the year 2009-10 to 2014-15, total receipts (excluding Contingency Fund Receipts) increased from ₹ 45,946 crore in 2009-10 to ₹ 1,14,809 crore in 2014-15 recording annual growth rate of 20 per cent. In the current year these increased by ₹ 23,148 crore (25 per cent) over the previous year.

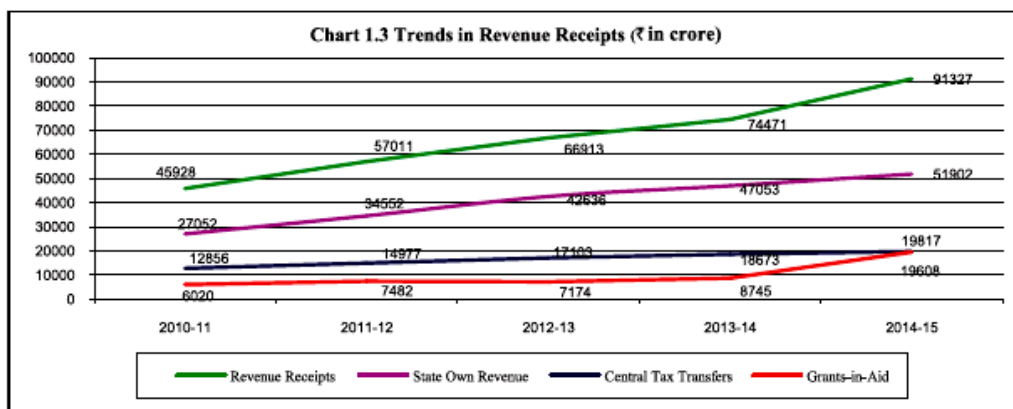
The share of revenue receipts in total receipts was 79 per cent during the year 2014-15. Further, details of Revenue Receipts are given in **Paragraph 1.4**.

Public Account Receipts which refer to receipts for which the Government acts as a banker/trustee for the public money accounted for 4 per cent of total receipts during 2014-15. Net receipts of Public Account (₹ 4,322 crore) were mainly under Small Savings, Provident Funds, etc. (₹ 2,982 crore).

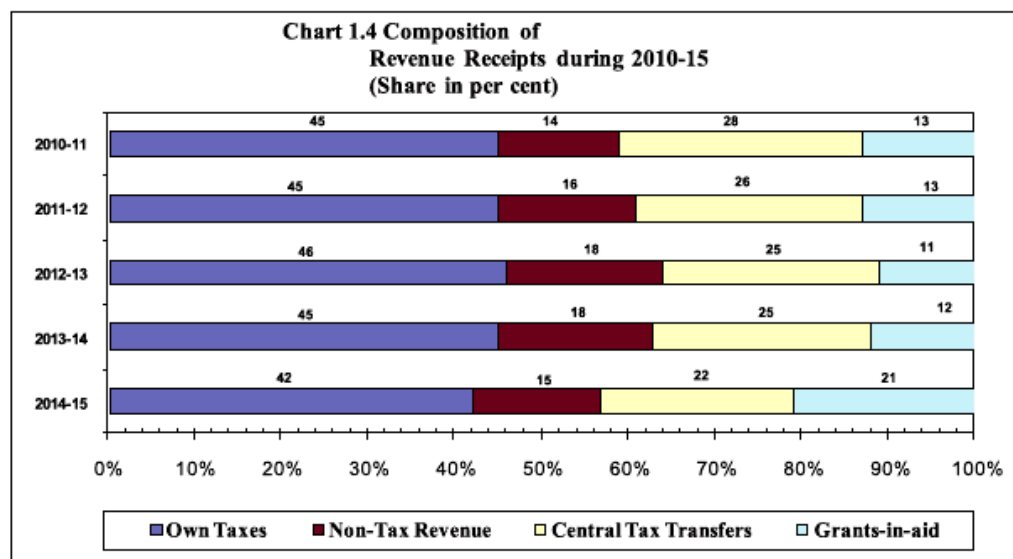
Capital Receipts increased from ₹ 8,918 crore in 2009-10 to ₹ 19,160 crore in 2014-15 with an annual growth rate of 17 per cent during the period and also accounted for 17 per cent of total receipts during the year 2014-15. Public Debt Receipts, which are the main constituent of Capital Receipts, increased by ₹ 3,650 crore from the previous year. Internal Debt and Loans and Advances from GoI are the two components of the Public Debt Receipts and constituted 96 per cent and 4 per cent respectively. There was a growth of 22 per cent and 207 per cent in Internal Debt and in Loans and Advances from GoI respectively over the previous year. This record growth of 207 per cent was mainly attributed to Loans for External Projects of ₹ 795 crore during 2014-15 which was ₹ 410 crore during the previous year.

1.4 Revenue Receipts

Statement 14 of the Finance Accounts, details the Revenue Receipts of the Government. Revenue Receipts consist of its Own Tax and Non-Tax Revenues, Central Tax transfers and Grants-in-aid from GoI. The trends and composition of Revenue Receipts over the period 2010-15 are presented in *Appendix 1.3* and also in **Chart 1.3** and **Chart 1.4** below:



Source: Finance Accounts



Source: Finance Accounts

Revenue Receipts increased at an annual rate of growth of 19 *per cent* from ₹ 45,928 crore in 2010-11 to ₹ 91,327 crore in 2014-15.

On an average, 61 *per cent* of the revenue came from State's own resources during the period 2010-15 and the balance came from GoI as State's share of Union Taxes and Duties and Grants-in-aid.

State's own resources consist of Tax Revenue and Non-Tax Revenue. The share of Tax Revenue in Revenue Receipts ranged between 42 and 46 *per cent*, whereas the share of Non-Tax Revenue ranged between 14 and 18 *per cent* during the period 2010-15. However, the share of Own Tax Revenue in Revenue Receipts decreased from 63 *per cent* in 2013-14 to 57 *per cent* in 2014-15.

The trends in Revenue Receipts relative to GSDP are shown in **Table 1.6**.

Table 1.6: Trends in Revenue Receipts relative to GSDP

	2010-11	2011-12	2012-13	2013-14	2014-15
Revenue Receipts (RR) (₹ in crore)	45,928	57,011	66,913	74,471	91,327
Rate of growth of RR (<i>per cent</i>)	29.8	24.1	17.4	11.3	22.6
Rate of growth of State's Own Tax (<i>per cent</i>)	26.5	22.3	20.2	9.8	15.5
RR/GSDP (<i>per cent</i>)	13.6	13.8	14.2	14.4	15.9
Buoyancy Ratios					
Revenue buoyancy w.r.t. GSDP	1.1	1.1	1.3	1.1	2.1
State's own Tax buoyancy w.r.t. GSDP	1.0	1.0	1.5	1.0	1.4
Revenue buoyancy w.r.t. State's Own Tax	1.1	1.1	0.9	1.2	1.5

Source: Finance Accounts

Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. As GSDP grows, the ability of the Government to mobilise its own Tax Revenue should also increase. Revenue buoyancy, which is directly proportionate to growth of Revenue Receipts and GSDP, widely fluctuated during the period due to fluctuations in the growth rate of Revenue Receipts. It increased to 2.1 in 2014-15 from 1.1 of the previous year, due to decision of GoI to transfer the funds to the State Implementing Agencies through the Consolidated Fund of the State.

1.4.1 State's own resources

As the State's share in Central Taxes and Grants-in-aid is determined on the basis of recommendations of the Finance Commission, the State's performance in mobilisation of resources was assessed in terms of its own resources comprising Tax and Non-Tax sources.

The State's actual Tax and Non-Tax Revenue *vis-a-vis* assessment made by XIII-FC and MTFPS are given in **Table 1.7** below:

Table 1.7: Tax and Non-Tax Revenue projection and Actuals for 2014-15

(₹ in crore)

	XIII-FC projections	Budget Estimates/ MTFPS	Actuals	Difference between Budget Estimates and Actuals	
				Amount	Per cent
Tax Revenue	32,460	40,655	38,673	(-) 1,982	4.9
Non-Tax Revenue	6,523	14,939	13,229	(-) 1,710	11.4

The Receipts under Tax Revenue and Non-Tax Revenue exceeded the normative assessment made by XIII-FC by 19 *per cent* (₹ 6,213 crore) and 103 *per cent* (₹ 6,706 crore) respectively. However, actual Receipts under Tax Revenue and Non-Tax Revenue were less than BE.

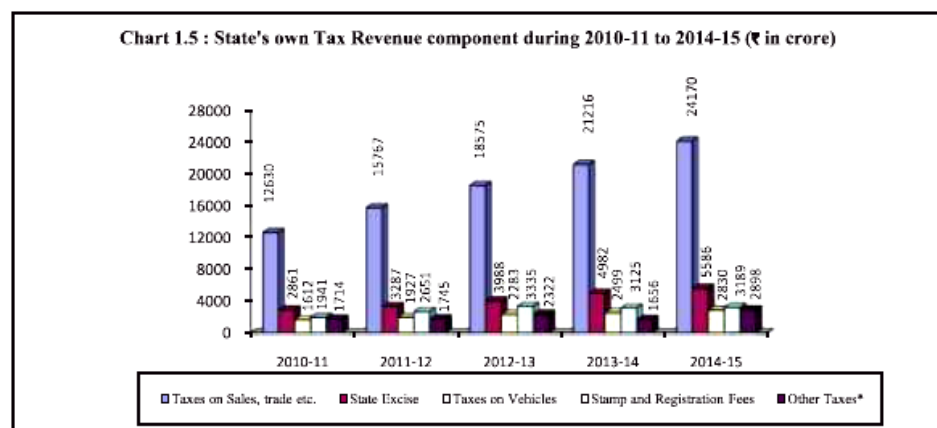
1.4.1.1 Tax Revenue

Taxes on Sales, Trade, etc. (63 *per cent*) were the main sources of the State's Tax Revenue, followed by State Excise (14 *per cent*), Stamps and Registration Fees (8 *per cent*) and Taxes on Vehicles (7 *per cent*). The component wise position of gross collection in respect of major taxes and duties is given in **Table 1.8** and **Chart 1.5** below:

Table 1.8: Components of State's Own Tax Revenue

Revenue Head	2010-11	2011-12	2012-13	2013-14	2014-15	Rate of increase/ decrease over previous year
Taxes on Sales, Trade etc.	12,630	15,767	18,575	21,216	24,170	13.9
State Excise	2,861	3,287	3,988	4,982	5,586	12.1
Taxes on Vehicles	1,612	1,927	2,283	2,499	2,830	13.2
Stamps and Registration Fees	1,941	2,651	3,335	3,125	3,189	2.0
Land Revenue	222	209	304	338	289	(-) 14.5
Taxes on Goods and Passengers	231	220	249	288	956	231.9
Other Taxes ¹²	1,261	1,316	1,769	1,030	1,653	60.5
Total	20,758	25,377	30,503	33,478	38,673	15.5

Source: Finance Accounts for the respective years



Source: Finance Accounts for the respective years

* Other Taxes include Land Revenue, Taxes on goods and passengers, Taxes on immovable property other than agricultural land, Taxes and duties on electricity and Taxes on agricultural income etc.

During 2014-15, the Receipts from Taxes on Sales, Trade, etc. contributed a major share of Tax Revenue (63 *per cent*), and recorded a 14 *per cent* increase over the previous year. Its growth rate was equal to the previous year's growth rate.

During 2014-15, State Excise increased by 12 *per cent* over the previous year. The growth rate of State Excise declined by 13 percentage points from the previous year 2013-14 (25 *per cent*) mainly due to decline in growth rate

¹² Other Taxes include taxes on immovable property other than agricultural land, taxes and duties on electricity and taxes on agricultural income.

of receipts under sale of foreign liquors and spirits and services and service fees.

Taxes on Goods and Passengers recorded growth of 232 *per cent* over the previous year by increasing to ₹ 956 crore during 2014-15 from ₹ 282 crore of previous year.

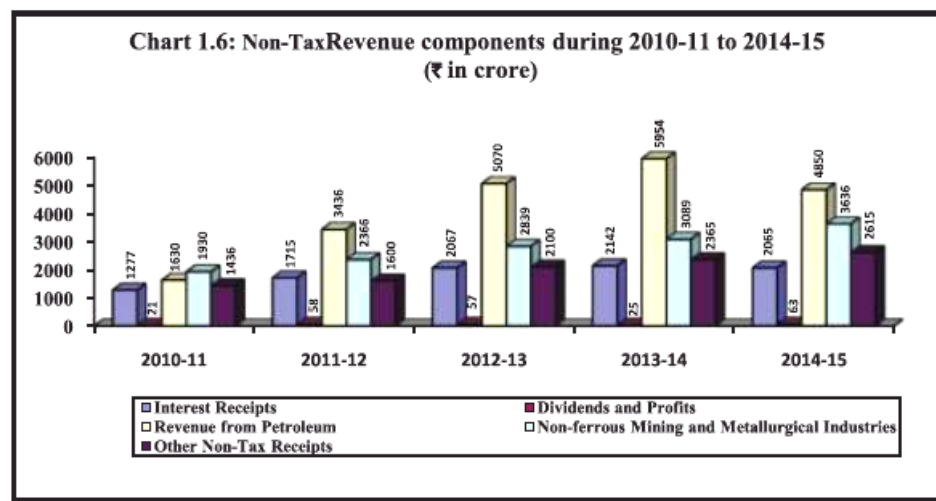
1.4.1.2 Non-Tax Revenue

The trends in major constituents of Non-Tax Revenue during the period 2010-15 are shown in **Table 1.9** and **Chart 1.6** below:

Table 1.9: Components of Non-Tax Revenue

Revenue Head	(₹ in crore)					Rate of increase/ decrease over the previous year
	2010-11	2011-12	2012-13	2013-14	2014-15	
Interest Receipts	1,277	1,715	2,067	2,142	2,065	(-) 3.6
Dividends and Profits	21	58	57	25	63	152.0
Revenue from Petroleum ¹³	1,630	3,436	5,070	5,954	4,850	(-) 18.5
Non-ferrous Mining and Metallurgical Industries	1,930	2,366	2,839	3,089	3,636	17.7
Other Non-Tax Receipts	1,436	1,600	2,100	2,365	2,615	10.5
Total	6,294	9,175	12,133	13,575	13,229	(-) 2.5

Source: Finance Accounts



Non-Tax Revenue (₹ 13,229 crore) which constituted 15 *per cent* of total Revenue Receipts in 2014-15 decreased by 2.5 *per cent* (₹ 346 crore) over the previous year. Petroleum Receipts decreased by ₹ 1,104 crore, due to receipt of less royalty on crude oil. There was marginal decline in Interest Receipts also.

Returns on investment increased from 0.1 *per cent* in 2013-14 to 0.2 *per cent* in 2014-15. Further details are given in **Paragraph 1.9.3**.

¹³ Revenue from crude oil produced in Barmer-Sanchor basin.

1.4.1.3 Cost recovery from Socio-Economic Services

The ratio of Non-Tax Revenue Receipts (NTRR) to Non-Plan Revenue Expenditure (NPRE) is considered as an indicator of cost recovery from Socio-Economic Services. The details of recovery of current cost as ratio of NTRR to NPRE in respect of Elementary Education, Medical and Public Health, Water Supply and Sanitation, Major, Medium and Minor Irrigation and Roads and Bridges during 2013-14 and 2014-15 are given in **Table 1.10**.

Table 1.10: Cost recovery from Socio-Economic Services

S. No.	Service	2013-14			2014-15		
		NTRR in respective services	NPRE in respective services	Cost Recovery (per cent)	NTRR in respective services	NPRE in respective services	Cost Recovery (per cent)
1	Elementary Education	27.68	6,458.39	0.43	19.30	7,121.83	0.27
2	Medical and Public Health	65.61	2,664.95	2.46	116.43	2,982.83	3.90
3	Water Supply and Sanitation	254.84	1,836.64	13.88	275.80	2,072.61	13.31
4	Major, Medium and Minor Irrigation	92.49	516.16 ¹⁴	17.92	81.41	501.87 ¹⁴	16.22
5	Roads and Bridges	4.15	934.27	0.44	7.12	975.79	0.73

Source: Finance Accounts

In Irrigation Sector, receipts declined by 12 per cent in 2014-15 from previous year, whereas actual cost recovered decreased by 1.70 percentage points from the previous year. Thus, as against the normative assessment of 42 per cent made by XIII-FC for irrigation, actual cost recovered as a percentage worked out to 16.22 per cent.

1.4.2 Grants-in-aid from GoI

Grants-in-aid from GoI increased from ₹ 6,020 crore in 2010-11 to ₹ 19,608 crore in 2014-15 as shown in **Table 1.11** below:

Table 1.11: Grants-in-aid from GoI

Particulars	₹ in crore				
	2010-11	2011-12	2012-13	2013-14	2014-15
Non-Plan Grants	1,716	2,901	2,675	3,551	4,527
Grants for State Plan Schemes	2,488	2,416	2,316	2,993	14,885
Grants for Central Plan Schemes	165	166	92	135	196
Grants for Centrally Sponsored Schemes	1,651	1,999	2,091	2,066	-
Total	6,020	7,482	7,174	8,745	19,608
Rate of increase over previous year	16.8	24.3	(-) 4.1	21.9	124.2
Total grants as a percentage of Revenue Receipts	13.1	13.1	10.7	11.7	21.5

Source: Finance Accounts

Grants-in-aid from GoI increased by 124 per cent during 2014-15 over previous year. This was mainly due to receipts of funds for State IAs through Consolidated Fund of the State under State Plan Schemes.

¹⁴ Excluding notional adjustment of interest expenditure 2013-14: ₹ 1,055.63 crore and 2014-15: ₹ 1,124.13 crore

1.4.3 Central Tax transfers

The XIII-FC recommended 32 per cent share of States in Central Taxes. The share of the State in the net proceeds of Central Tax and net proceeds of Service Tax were fixed at 5.85 per cent and 5.95 per cent, respectively.

During 2014-15, Central Tax Transfers increased by ₹ 1,144 crore over previous year and constituted 22 per cent of Revenue Receipts mainly under Taxes on Income other than Corporation Tax (₹ 807 crore).

1.4.4 Funds transferred by the Central Government to State Implementing Agencies outside the State Budget

The Central Government had been transferring a sizeable quantum of funds directly to the State Implementing Agencies (IAs)¹⁵ for the implementation of various schemes/programmes in the social and economic sector. As these funds were not routed through the State Budget/State Treasury System, the Annual Finance Accounts did not capture these funds and to that extent, the State's receipts and expenditure as well as other fiscal variables/parameters derived from them, were not representing the whole picture.

The Government of India decided that from the year 2014-15 plan assistance under all Centrally Sponsored Schemes (CSS) and block grants would be classified as Central Assistance to State Plan by transfer through the Consolidated Fund of the State in a phased manner from 2014-15 onwards.

During the year, central funds of ₹ 561.46 crore were transferred directly to the State IAs for implementation of programmes/schemes. Out of this GoI transferred ₹ 138 crore for M.P. Local Area Development, ₹ 113.30 crore for Renewable Energy, ₹ 82 crore for *Pradhan Mantri Swasthya Suraksha Yojana* and ₹ 26.66 crore for Man Power Development. Details of funds directly transferred to State IAs are presented in *Appendix 1.7*.

1.4.5 Optimisation of grants

Optimisation of XIII-FC grants

As per recommendations of Thirteenth Finance Commission (XIII-FC), Government of India (GoI) allocated grant-in-aid of ₹ 12,950 crore to GoR which was to be utilised during 2010-15. In pursuance of guidelines of GoI about XIII-FC and terms and conditions laid for release and utilization of Grant in Aid, State Government constituted (June 2010) a High Level Monitoring Committee (HLMC) headed by the Chief Secretary to ensure proper utilisation of grant-in-aid. GoI released ₹ 12,270.80 crore to State Government during 2010-15. Against this, State Government incurred an expenditure of ₹ 12,352.66 crore during XIII-FC period. Details are indicated in **Table 1.12** below:

¹⁵ State IAs include organisations/institutions including non-governmental organisations which are authorised by the State Government to receive funds from the GoI, for implementing specific programmes.

Table 1.12: Transfers recommended and actual release of Grants-in-aid

(₹ in crore)

S. No.	Transfers	Recommendation of the XIII-FC 2010-15	Actual Release during 2010-15	Short (-) / Excess release	Actual Expenditure during 2010-15	Unutilised amount/Excess expenditure (-)
1	2	3	4	(3-4)=5	6	(4-6)=7
(1)	Local Bodies					
	(i) Grants to PRIs	3,938.64	3,963.43	24.79	3,963.43	0.00
	(a) General Basic Grant	2,575.24	2,609.27	34.03	2,609.27	0.00
	(b) General Performance Grants to PRIs	1,363.40	1,354.16	(-) 9.24	1,354.16	0.00
	(ii) Grants to ULBs	1,194.26	1,266.28	72.02	1,266.28	0.00
	(a) General Basic Grant	780.86	791.17	10.31	791.17	0.00
	(b) General Performance Grants to ULBs	413.40	475.11	61.71	475.11	0.00
	(iii) Special Areas Grants	30.90	32.32	1.42	32.32	0.00
	(a) Special Areas Basic Grants	18.20	18.00	(-) 0.20	18.00	0.00
	(b) Special Areas Performance Grants	12.70	14.32	1.62	14.32	0.00
	Total (1)	5,163.80	5,262.03	98.23	5,262.03	0.00
(2)	Disaster Relief					
	(i) Disaster Relief Fund	2,489.30	2,489.27	(-) 0.03	2,489.27	0.00
	(ii) Capacity Building	30.00	18.00	(-) 12.00	16.05	1.95
	Total (2)	2,519.30	2,507.27	(-) 12.03	2,505.32	1.95
(3)	Improving Outcome Grants					
	(i) Improvement in Supply of Justice	268.51	121.94	(-) 146.57	87.87	34.07
	(ii) Incentive for Issuing UIDs	134.90	30.79	(-) 104.11	0.58	30.21
	(iii) District Innovation Fund	33.00	16.50	(-) 16.50	15.13	1.37
	(iv) Improvement of Statistical Systems of State and District Level	33.00	19.80	(-) 13.20	12.93	6.87
	(v) Employee and Pension Database	10.00	10.00	0.00	4.15	5.85
	Total (3)	479.41	199.03	(-) 280.38	120.66	78.37
(4)	Environment related grants					
	(i) Protection of Forests	88.32	88.32	0.00	86.71	1.61
	(ii) Water Sector Management	224.00	56.00	(-) 168.00	0.00	56.00
	Total (4)	312.32	144.32	(-) 168.00	86.71	57.61
(5)	Elementary Education	1,766.00	1,766.00	0.00	1,766.00	0.00
(6)	Roads and Bridges	1,509.00	1,509.00	0.00	1,508.99	0.01
(7)	State specific grants					
	(i) Drinking Water	500.00	339.37	(-) 160.63	474.27	(-) 134.90
	(ii) Irrigation	300.00	264.42	(-) 35.58	291.88	(-) 27.46
	(iii) Public Health Infrastructure Development	150.00	75.17	(-) 74.83	95.97	(-) 20.80
	(iv) Highways	150.00	150.00	0.00	145.49	4.51
	(v) Training of police, prison personnel and home guards	100.00	54.19	(-) 45.81	95.34	(-) 41.15
	Total (7)	1,200.00	883.15	(-) 316.85	1102.95	(-) 219.80
	Grand Total (1 to 7)	12,949.83	12,270.80	(-) 679.03	12,352.66	(-) 81.86

Source: XIII-FC Report

Audit test checked records of five Departments (Information Technology and Communication, Home, Medical and Health, Law and Legal Affairs, and

Water Resources Departments), which had major allotment of Grant in Aid. Deficiencies and irregularities revealed are summarized below:

- In Information Technology and Communication Department, against the grant of ₹ 134.90 crore for incentivising citizens at the rate of ₹ 100 per person below the poverty line (BPL) to register for Unique Identification (UID), first installment (₹ 13.49 crore) was released in July 2010, and second installment (₹ 17.30 crore) in March 2015. Thus during the award period 2010-15, grant of ₹ 30.79 crore only was received by State Government.

Audit observed that despite release of ₹ 13.49 crore in July 2010, Department transferred this grant to M/s RAJCOMP Information Services Limited in December 2014, for identification and enrollment of BPL citizens. Moreover, Department did not formulate any process for collection of information of BPL citizens due to which grant was not utilized till November 2014. Out of this grant (₹ 13.49 crore), RAJCOMP actually utilized only ₹ 57.52 lakh, though the State Government sent (13 March 2015) Utilization Certificate for full amount to secure further installment.

Thus, besides non-receipt of grant of ₹ 104.11 crore due to laxity on the part of State Government in identification of BPL citizens, second installment of the grant (₹ 17.30 crore) could also not be utilized, for which the State Government made specific request to GoI (June 2015) for utilising it in 2015-16.

- In Home Department, against the grant of ₹ 100 crore (Para 12.274) for strengthening training infrastructure for various departments such as Police, Home Guards, Jails and Civil Defence under State Specific Need, action plan of ₹ 102.00 crore was approved for Police Department (₹ 62 crore), Civil Defence and Home Guard Department (₹ 20 crore), Jail Department (₹ 15 crore) and State Forensic Laboratory (₹ 5 crore). Against this, the GoI released ₹ 54.19 crore during the award period 2010-15 (January 2012: ₹ 26.56 crore and February 2015: ₹ 27.63 crore). The Home Department incurred ₹ 95.34 crore¹⁶ during the period 2011-15. It was noticed that first consolidated Utilisation Certificate of ₹ 28.85 crore was submitted to GoI, as late as 30 May 2014.

Thus, besides non receipt of ₹ 45.81 crore, due to significant delay in utilisation of XIII-FC grant, excess expenditure of ₹ 41.15 crore was also incurred without receipt of further grants.

- In Law and Legal Department, against the Grant-in-aid of ₹ 268.51 crore for improving Justice Delivery in the State by increasing number of court working hours, supporting Lok Adalats, promoting Alternate Dispute Resolution (ADR) and enhancing capacity building in judicial system etc., GoI released grant of ₹ 121.94 crore (₹ 53.70 crore: 2010-11, ₹ 26.85 crore: 2011-12, ₹ 23.80 crore: 2013-14 and ₹ 17.59 crore: 2014-15). Against this,

¹⁶ 2011-12: ₹ 1.52 crore; 2012-13: ₹ 8.72 crore; 2013-14: ₹ 22.90 crore and 2014-15: ₹ 62.20 crore.

utilisation was ₹ 87.87 crore¹⁷ only up to end of financial year 2014-15. Continued and significant balances of unutilised grants at the end of each year of award period shows failure of the department in utilising the grant and non receipt of recommended grant of ₹ 146.57 crore (₹ 268.51 crore - ₹ 121.94 crore). The shortfall in utilisation of grant was mainly in components like operation of morning/evening courts (100 *per cent*), capacity building in judicial system (65.59 *per cent*) and maintenance of Heritage Court Buildings (70.58 *per cent*).

Department stated (May-June 2015) that morning/evening courts could not materialise due to policy matters, grants for capacity building could not be utilised due to non completion of Academy Bhawan leading to non-conducting of national seminar and non-purchase of law books, furniture, legal software etc., grant for heritage court building could not be utilized due to non-conferring of rights of DDO to PWD and slow progress by PWD etc. The reply was not acceptable as there was ample period of five years to utilise the grant. Issues of pursuance and monitoring should have been identified and remedial action should have been taken accordingly. The fact remains that there was non-utilisation and deprival of grant of ₹ 34.07 crore and ₹ 146.57 crore respectively.

- In Medical and Health Department, against the grant of ₹ 150 crore for strengthening of infrastructure in public hospitals including diagnostic equipments and generators, HLMC in its meeting (12 October 2011) approved the working plan of ₹ 150 crore¹⁸ for the period 2011-15. GoI released ₹ 75.17 crore (2011-12: ₹ 37.50 crore and 2013-14: ₹ 37.67 crore). DMHS incurred an expenditure of ₹ 95.97 crore¹⁹ upto 2014-15 and submitted (February 2015) UC of ₹ 74 crore. Thus, due to non utilization of the grants within time and as per approved plan, State Government was deprived of XIII-FC grant of ₹ 74.83 crore.

- In Water Resource Department, against the grant of ₹ 224 crore for Water Sector Management, to meet non salary maintenance of public Major and Medium irrigation and Minor irrigation schemes, GoI released ₹ 56 crore (₹ 28 crore: September 2011 and ₹ 28 crore: January 2012) for the year 2011-12 and no further installments were received by the State Government. Finance Department issued directions (01 April 2011) not to utilize budget provisions (₹ 56 crore) till further orders. However, no orders were issued by Finance Department and the grant received from GoI remained unutilized (March 2015).

Thus, due to laxity in taking timely action within the available period of about four years, led not only to non utilization of the grant of ₹ 56 crore released by GoI in 2011-12 but also deprived the State Government from further grant of ₹ 168 crore.

¹⁷ 2010-11: ₹ 8.82 crore; 2011-12: ₹ 8.95 crore; 2012-13: ₹ 16.84 crore; 2013-14: ₹ 22.92 crore and 2014-15: ₹ 30.34 crore.

¹⁸ 2011-12: ₹ 37.50 crore; 2012-13: ₹ 37.67 crore; 2013-14: ₹ 39.56 crore and 2014-15: ₹ 35.27 crore.

¹⁹ 2011-12: ₹ 7.28 crore; 2012-13: ₹ 17.94 crore; 2013-14: ₹ 39.30 crore and 2014-15: ₹ 31.45 crore.

During 2010-15, it revealed irregularities in non-receipts/deprivation of grants of ₹ 539.32 crore* in above departments.

The State Government should monitor release and utilisation of grant by GoI under FC more effectively to ensure that the grants are utilized in effective and timely manner for the intended purposes.

1.4.6 Revenue forgone

Scrutiny of information received from Departments revealed following position about the revenue foregone under various taxes during 2014-15:-

(i) Transport Department waived payment of motor vehicle tax, special road tax, surcharge and lump sum tax of ₹ 1.98 crore on (a) all passenger vehicles of other States coming and going for *Urs* in Ajmer (₹ one crore²⁰) and Ramdevra fare in Jaisalmer (₹ 0.93 crore²¹) and (b) Vehicles of St. Jude India Child Care Centres (₹ 0.01 crore²²), Iskon Food Relief Foundation (₹ 0.03 crore²³) and *Maa Madhuri Brij Varis Seva Sadan "Apna Ghar"* Bharatpur (₹ 0.01 crore²⁴).

(ii) Department of Stamps and Registration issued 43 notifications (July: 12; August: 04; September: 03; October: 03; November: 01; December: 01; January: 03; February: 01 and March: 15) regarding exemption of Stamp Duty on various deeds and documents executed during registration of sale of lands, gift, donations, allotment/sale of lands by local bodies, allotment of shares conversion of lands etc. With a view to ascertain the monetary value of revenue foregone the Department of Stamps and Registrations was asked to give details of the amount waived as a result of aforesaid notifications. However, the Department replied (October 2015) that it was not possible to give the consolidated information as their subordinate circle offices did not maintain the information in a classified manner.

(iii) Department of Mines and Geology waived ₹ 26.30 crore in 1519 cases under "Departmental Dues and Interest on Dues Amnesty scheme 2014" (January 2015) which covered cases of all the dues arising as a result of royalty, penalty etc. in connection with dead rent, royalty excess, mining from borrowed land pertaining to period prior to 31.03.2012.

(iv) Commercial Taxes Department waived ₹ 6.68 crore to 405 beneficiaries under Section 51 of Rajasthan Value Added Tax Act, 2003.

1.5 Capital Receipts

The trends in growth and composition of Capital Receipts during 2010-15 is shown in **Table 1.13** below:

* Information Technology and Communication Department (₹ 104.11 crore), Home Department (₹ 45.81 crore), Medical and Health Department (₹ 74.83 crore), Law and Legal Affairs Department (₹ 146.57 crore) and Water Resources Department (₹ 168 crore).

²⁰ Notification/ Order No. F.6 (96) Trans./ Tax/Exemp./10 dated 28.04.2014.

²¹ Notification/ Order No. F.6 (75) Trans./ Tax/Exemp./08 dated 20.08.2014.

²² Notification/ Order No. F.6 (64) Trans./ Tax/Exemp./05 dated 15.12.2014.

²³ Notification/ Order No. F.6 (123) Trans./ Tax/Exemp./05 dated 09.02.2015.

²⁴ Notification/ Order No. F.6 (62) Trans./ Tax/Exemp./10 dated 09.03.2015.

Table 1.13: Trends in growth and composition of Capital Receipts

(₹ in crore)

Sources of State's Receipts	2010-11	2011-12	2012-13	2013-14	2014-15
Capital Receipts (CR)	8,309	7,163	11,065	14,817	19,160
Miscellaneous Capital Receipts	13	16	8	10	15
Recoveries of Loans and Advances	319	1,229	1,102	316	1,004
Public Debt Receipts	7,977	5,918	9,955	14,491	18,141
Rate of growth of Debt Receipts (<i>per cent</i>)	- 9.3	- 25.8	68.2	45.6	25.2
Rate of growth of Non-Debt Receipts (<i>per cent</i>)	174.4	275.0	- 10.8	- 70.6	212.6
Rate of growth of GSDP (<i>per cent</i>)	27.3	22.4	13.5	10.1	11.0
Rate of growth of CR (<i>per cent</i>)	- 6.8	- 13.8	54.5	33.9	29.3

Source: Finance Accounts

1.5.1 Capital Receipts

Capital Receipts (debt and non-debt receipts) of the State increased at an annual growth rate of 23 *per cent* from 2010-11 to 2014-15. They increased by 29 *per cent* during 2014-15 over the previous year.

1.5.2 Recovery of Loans and Advances

Recovery of loans and advances increased by ₹ 688 crore during 2014-15 as compared to previous year, due to more recovery mainly from Ajmer *Vidyut Vitaran Nigam Limited*, Jodhpur *Vidyut Vitaran Nigam Limited* and Jaipur *Vidyut Vitaran Nigam Limited*.

1.5.3 Debt Receipts from internal sources/Public Debt Receipts

During 2014-15, the internal debt receipts i.e. market loans, borrowings from financial institutions, banks, etc. under Public Debt Receipts increased by 21.9 *per cent* (₹ 3,114 crore) over the previous year, of which market loan receipts increased by ₹ 3,500 crore (39.8 *per cent*) over the previous year.

1.5.4 Loans and Advances from GoI

During 2014-15, the receipt of loans and advances from GoI (₹ 795 crore on account of Loans for External Projects) increased by 207 *per cent* (₹ 536 crore) over the previous year, mainly under loans for State/Union Territory Plan Schemes.

1.6 Public Account Receipts

Receipts and disbursements in respect of certain transactions such as small savings, provident funds, reserve funds, deposits, suspense, remittances etc. which do not form part of the Consolidated Fund, are kept in the Public Account set up under Article 266(2) of the Constitution and are not subject to vote by the State legislature. Here, the Government acts as a banker and

utilises the balances remaining after disbursements. Details of Public Account Receipts are given in **Table 1.14**:

Table 1.14: Components of Public Account Receipts

(₹ in crore)					
Resources under various heads	2010-11	2011-12	2012-13	2013-14	2014-15
a. Small Savings, Provident Fund, etc.	5,130	5,630	7,171	6,311	7,082
b. Reserve Funds	873	1,638	1,568	2,233	1,724
c. Deposits and Advances	1,07,666	1,14,301	1,40,748	89,436	1,07,067
d. Suspense and Miscellaneous	11	27	43	91	22
e. Remittances	5,810	5,619	7,033	9,908	10,487 ²⁵
Total	1,19,490	1,27,215	1,56,563	1,07,979	1,26,382

Source: Finance Accounts

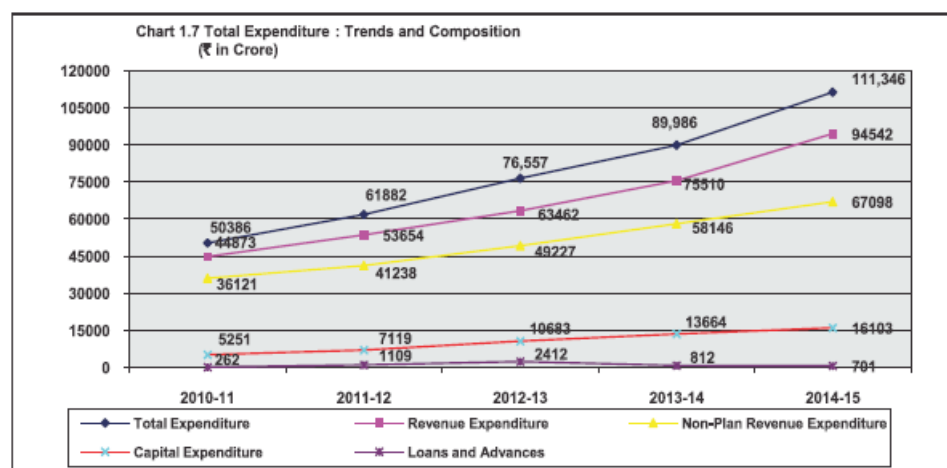
Public Debt Receipts increased by ₹ 18,403 crore (17 per cent) during 2014-15 over the previous year. The increase was mainly under Deposits and Advances by ₹ 17,631 crore.

1.7 Application of Resources

Analysis of the allocation of expenditure at the State Government level assumes significance as major expenditure responsibilities are entrusted with State Government. Within the framework of fiscal responsibility legislations, there are budgetary constraints in raising public expenditure financed by deficit or borrowings. It is, therefore, important to ensure that the ongoing fiscal correction and consolidation process at the State level, is not done at the cost of expenditure, especially the expenditure directed towards development of social sector.

1.7.1 Total Expenditure

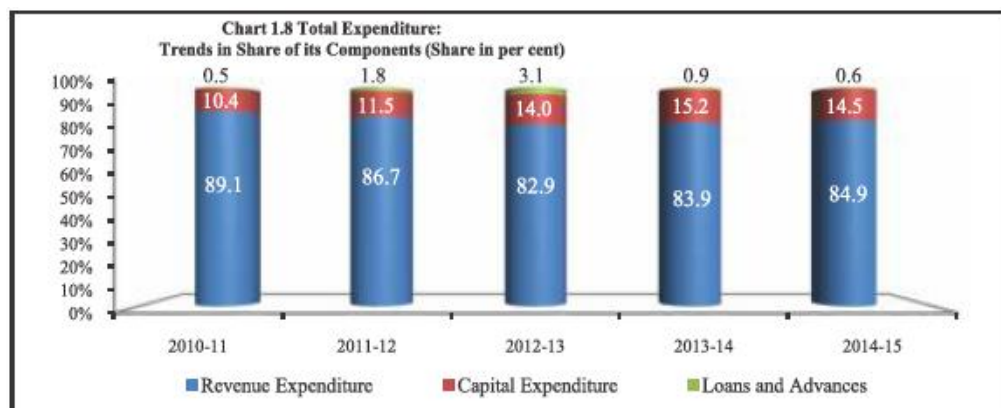
Chart 1.7 below, presents the trends in total expenditure over a period of five years (2010-15) and **Chart 1.8** depicts its composition in terms of 'economic classification'.



Source: Finance Accounts

²⁵ It included Cash Remittances between Treasuries and Currency Chests: ₹ 169.84 crore; Public Works Remittances: ₹ 9,992.59 crore and Forest Remittances: ₹ 325.21 crore.

Total expenditure of the State increased at an annual growth rate of 22 *per cent* during 2010-11 to 2014-15. During 2014-15, total expenditure increased by 24 *per cent* over the previous year.



Revenue Expenditure

Revenue Expenditure constitutes a major portion of total expenditure. It is incurred to maintain the current level of services and make payment for past obligation and, as such, does not result in any addition to the State's infrastructure and services' network.

Revenue Expenditure constituted 85 *per cent* of the total expenditure during 2014-15. It increased at an annual growth rate of 20 *per cent* from ₹ 44,873 crore in 2010-11 to ₹ 94,542 crore in 2014-15. During 2014-15, the revenue expenditure increased by 25 *per cent* (₹ 19,032 crore) over the previous year mainly under General Education (₹ 4,057 crore), Rural Employment (₹ 3,308 crore), Power (₹ 1,896 crore) and Pensions and Other Retirement Benefits (₹ 1,828 crore).

Capital Expenditure

Capital expenditure increased at an annual growth rate of 32 *per cent* from ₹ 5,251 crore in 2010-11 to ₹ 16,103 crore in 2014-15. During 2014-15, capital expenditure increased by 18 *per cent* (₹ 2,439 crore) over the previous year mainly under Capital Outlay on Water Supply and Sanitation (₹ 1,737 crore) and on Roads and Bridges (₹ 479 crore). The percentage share of capital expenditure over total expenditure increased from 10.4 *per cent* in 2010-11 to 14.5 *per cent* during 2014-15.

1.7.2 Balance from Current Revenue²⁶

Revenue Receipts (excluding plan assistance received from GoI) of ₹ 76,246 crore (₹ 91,327 crore - ₹ 14,885 crore - ₹ 196 crore) (**Appendix 1.4**) exceeded NPRE of ₹ 67,098 crore (**Chart 1.7**) by ₹ 9,148 crore, indicating that plan assistance was not utilised to meet NPRE, which is a positive indicator.

²⁶ Balance from Current Revenue means 'Revenue Receipts **minus** all Plan Grants and Non-Plan Revenue Expenditure excluding expenditure recorded under the Major Head 2048'.

1.7.3 Committed Expenditure

The committed expenditure of the State Government on revenue account mainly consists of interest payments, expenditure on salaries and wages, pensions and subsidies. **Table 1.15** below present the trends in the expenditure on these components during 2010-2015.

Table-1.15: Components of Committed Expenditure

(₹ in crore)					
Components of Committed Expenditure	2010-11	2011-12	2012-13	2013-14	2014-15
Salaries and Wages - Non-Plan Head	13,730	14,829	16,825	19,290	21,466
Salaries and Wages - Plan Head*	840	1,018	770	1,314	2,032
Total Salaries and Wages	14,570 (31.7)	15,847 (27.8)	17,595 (26.3)	20,604 (27.7)	23,498** (25.7)
Interest Payments	7,369 (16.0)	7,892 (13.8)	8,340 (12.5)	9,063 (12.2)	10,463 (11.5)
Expenditure on Pensions	5,151 (11.2)	5,920 (10.4)	6,858 (10.2)	7,801 (10.5)	9,629 (10.6)
Subsidies	2,227 (4.8)	3,200 (5.6)	5,464 (8.2)	6,940 (9.3)	8,626 (9.4)
Total Committed Expenditure	29,317 (63.8)	32,859 (57.6)	38,257 (57.2)	44,408 (59.6)	52,216 (57.2)
Other Components	15,556 (33.9)	20,795 (36.5)	25,205 (37.7)	31,102 (41.8)	42,326*** (46.3)
Total Revenue Expenditure	44,873	53,654	63,462	75,510	94,542
Revenue Receipts	45,928	57,011	66,913	74,471	91,327
Committed Expenditure as percentage of Revenue Expenditure	66.7	61.2	60.3	58.8	55.2
<p>Note: Figures in parentheses indicate percentage to Revenue Receipts. * Plan Head also includes the Salaries and Wages paid under Centrally Sponsored Schemes. ** Salaries: ₹ 23,020 crore and Wages ₹ 478 crore. *** Includes expenditure on financial assistance (Grants-in-aid): ₹ 20,084 crore; Grants-in-aid General (Salaries): ₹ 8,245 crore; Transfer to funds: ₹ 1,912 crore; and Maintenance: ₹ 469 crore.</p>					

Source: Finance Accounts

The State Government managed to reduce the share of committed expenditure in total Revenue Expenditure from 67 per cent in 2010-11 to 55 per cent in 2014-15.

1.7.3.1 Salaries and Wages

The expenditure on Salaries and Wages increased at an annual growth rate of 13 per cent from ₹ 14,570 crore in 2010-11 to ₹ 23,498 crore in 2014-15. During 2014-15, expenditure on Salaries and Wages increased by 14 per cent over previous year. This was 8 percentage points higher than that recommended (6 per cent) by XIII-FC²⁷. It was also higher than the assessment made by the State Government in MTFPS by ₹ 255 crore.

²⁷ XIII-FC Report Para No. 7.60.

1.7.3.2 Pension payments

- **General**

The expenditure on overall pension payments increased at an annual growth rate of 17 *per cent* from ₹ 5,151 crore in 2010-11 to ₹ 9,629 crore²⁸ in 2014-15. During 2014-15, expenditure on pension payments recorded a growth of 23 *per cent* over the previous year due to increase (4.4 *per cent*) in total number of pensioners by 15,440²⁹. A comparative analysis of actual pension payments, with the assessment/ projection made by XIII-FC and State Government in MTFPS, shows that actual pension payment (₹ 9,629 crore) exceeded the normative assessment made by XIII-FC by 82 *per cent* but was marginally lower than the assessment made by the State Government in MTFPS by 6.5 *per cent*. The expenditure on pension and other retirement benefits to State Government employees was 10.2 *per cent* of total revenue expenditure.

- **Contributory Pension Scheme**

The State Government has switched over to the New Pension Scheme with effect from January 2004. In terms of the Scheme, the employee contributes 10 *per cent* of basic pay and dearness allowances, which is matched by the State Government, and the entire amount is transferred to the Public Account under Head of Account '8342 Other Deposits-117 Defined Contribution Pension Scheme' pertaining to All India Services officers and sub head (03) under Head of Account '8011 Insurance and Pension Funds- 106 Other Insurance and Pension Funds' for other State Government employees and thereafter remitted to the designated fund manager through the National Securities Depository Limited (NSDL)/Trustee Bank. During the year 2014-15 the State Government received ₹ 364.33 crore towards employees' contributions but contributed ₹ 356.12 crore only as employer's share, resulting a shortfall of ₹ 8.21 crore in respect of both the categories of employees.

1.7.3.3 Interest payments

Interest payments increased at an annual growth rate by 9 *per cent* from ₹ 7,369 crore in 2010-11 to ₹ 10,463 crore in 2014-15 and by 15 *per cent* over the previous year (₹ 9,063 crore). Major components were interest on Internal Debt (₹ 7,146 crore), Interest on Small Savings, Provident Fund etc. (₹ 2,708 crore) and Interest on Loans and Advances from Central Government (₹ 474 crore).

Interest on Internal Debt which included market loans, increased by 20 *per cent* from ₹ 5,972 crore in 2013-14 to ₹ 7,146 crore in 2014-15, mainly on account of increase in market loans by ₹ 10,002 crore (19 *per cent*) and

²⁸ It includes a sum of ₹ 8,802.97 crore on account of expenditure on "pension and other retirement benefits" during the year to State Government employees recruited on or before 31 December 2003.

²⁹ Number of pensioners in 2013-14: 3,51,415 and in 2014-15: 3,66,855.

increase of other Internal Debts by ₹ 2,894 crore (10 *per cent*) over the previous year.

Interest on Small Savings, Provident Fund, etc. also increased by 10 *per cent* from ₹ 2,469 crore during 2013-14 to ₹ 2,708 crore in 2014-15 mainly on account of increase in State Provident Fund by ₹ 2,078 crore (10 *per cent*) and increase in Insurance and Pension Fund by ₹ 904 crore (10 *per cent*) over the previous year.

Interest payments made during the year 2014-15 were ₹ 10,463 crore which remained lower than the projections made in MTFPS (₹ 10,470 crore) and higher than the projections made in XIII-FC (₹ 10,280 crore).

The ratio of Interest Payments to Revenue Receipts determines the debt sustainability of the State. The ratio of Interest Payments to total Revenue Receipts of the State was 11.5 *per cent* during the year.

1.7.3.4 Subsidies

In any welfare state, it is not uncommon to provide subsidies/subventions to disadvantaged sections of the society. Subsidies are dispensed not only explicitly but also implicitly by providing subsidised public services to the people. Budgetary support to financial institutions, inadequate returns on investments and poor recovery of user charges from Social and Economic services provided by the Government fall in the category of implicit subsidies. The Explicit Subsidies present a partial picture as these are exclusive of the Implicit Subsidies.

Appendix II of Finance Accounts shows an explicit subsidy of ₹ 8,626 crore during the year which was ₹ 1,716 crore (25 *per cent*) more than previous year (₹ 6,910), mainly in the areas of power (₹ 8,330 crore), crop husbandry (₹ 130 crore) and domestic gas (₹ 125 crore).

Subsidy to Power Sector accounted for 96.6 *per cent* of the total subsidy. During 2014-15, subsidy was given to Power Sector mainly for not increasing of Vidyut rates (₹ 5,895.65 crore³⁰); Vidyut Tax (₹ 1,175 crore³¹); Interest on bonds (₹ 760.73 crore³²) and Financial Restructuring Programme (₹ 441 crore³³).

Power Sector subsidy increased by 29 *per cent* (₹ 1,870 crore) over previous year (₹ 6,460 crore) due to increase mainly under grant for not increasing of

³⁰ (i) Jodhpur Vidyut Vitaran Nigam Limited: ₹ 2,633.17 crore, (ii) Jaipur Vidyut Vitaran Nigam Limited: ₹ 1,660.36 crore and (iii) Ajmer Vidyut Vitaran Nigam Limited: ₹ 1,602.12 crore.

³¹ (i) Jaipur Vidyut Vitaran Nigam Limited: ₹ 500.55 crore, (ii) Ajmer Vidyut Vitaran Nigam Limited: ₹ 354.45 crore and (iii) Jodhpur Vidyut Vitaran Nigam Limited: ₹ 320 crore.

³² (i) Jaipur Vidyut Vitaran Nigam Limited: ₹ 284.65 crore, (ii) Jodhpur Vidyut Vitaran Nigam Limited: ₹ 247.34 crore and (iii) Ajmer Vidyut Vitaran Nigam Limited: ₹ 228.74 crore.

³³ (i) Jaipur Vidyut Vitaran Nigam Limited: ₹ 176.40 crore, (ii) Jodhpur Vidyut Vitaran Nigam Limited: ₹ 132.30 crore and (iii) Ajmer Vidyut Vitaran Nigam Limited: ₹ 132.30 crore.

rates by ₹ 634.22 crore³⁴; grant for electricity tax by ₹ 612.17 crore and grant for interest on bonds by ₹ 725.79 crore, which counterbalanced decrease in grants by ₹ 120 crore.

Domestic Gas Subsidy and Crop Husbandry Subsidy increased by 8 per cent and 148 per cent respectively from the previous year. However, Food Distribution Subsidy declined by 97 per cent from ₹ 268 crore in 2013-14 to ₹ 7 crore in 2014-15.

1.7.4 Financial assistance by the State Government to Local Bodies and Other Institutions

The quantum of assistance provided by way of grants and loans to local bodies and others during 2010-15, is as under:

Table 1.16: Financial Assistance to Local Bodies etc.

Financial Assistance to Institutions	2010-11	2011-12	2012-13	2013-14	2014-15	
					Allotment	Actual
(A) Local Bodies						
Municipal Corporations and Municipalities	1,130.04	1,339.94	2,255.06	2,324.16	2,450.69	2,450.65
Panchayati Raj Institutions	4,365.15	6,217.95	7,675.24	8,953.21	13,832.42	13,833.28
Total (A)	5,495.19	7,557.89	9,930.30	11,277.37	16,283.11	16,283.93
(B) Others						
Educational Institutions (Aided Schools, Aided Colleges, Universities, etc.)	1,506.21	2,013.12	2,302.98	2,236.99	1,128.22	1,128.22
Development Agencies	354.18	75.07	118.94	195.36	6.93	6.93
Hospitals and Other Charitable Institutions	117.03	72.50	84.27	124.72	169.72	169.47
Other Institutions	2,743.03	2,618.23	3,781.66	4,929.02	10,747.31	10,740.54 ³⁵
Total (B)	4,720.45	4,778.92	6,287.85	7,486.09	12,052.18	12,045.16
Total (A+B)	10,215.64	12,336.81	16,218.15	18,763.46	28,335.29	28,329.09
Revenue Expenditure	44,873	53,654	63,462	75,510	1,05,387	94,542
Assistance as percentage of Revenue Expenditure	23	23	26	25	27	30

Source: Finance Accounts and vouchers compiled by PAG (A&E)

Financial assistance to Local Bodies increased by ₹ 5,006.56 crore recording a growth of 44 per cent over the previous year and the financial assistance to other institutions increased by ₹ 4,559.07 crore, recording a growth of 61 per cent over the previous year. Further during the period 2010-15 the overall financial assistance to Local Bodies and Others constituted 23 to 30 per cent of their revenue expenditure.

During 2014-15, financial assistance was given mainly to *Sarva Shiksha Abhiyan* (₹ 4,120 crore); National Rural Employment Guarantee Scheme (₹ 3,230 crore); *Panchayat Samitis* for Primary Schools (₹ 3,132 crore); Grants to *Gram Panchayats* under State Finance Commission (₹ 1,763 crore); Grants to *Gram Panchayats* under XIII-FC (₹ 888 crore); Grants to

³⁴ (i) Ajmer Vidyut Vitaran Nigam Limited: ₹ 372.89 crore, (ii) Jodhpur Vidyut Vitaran Nigam Limited: ₹ 242.01 crore and (iii) Jaipur Vidyut Vitaran Nigam Limited: ₹ 19.32 crore.

³⁵ It included grants given for (i) Education: 4,284.45 crore; (ii) Relief on account of Natural Calamities 1,522.48 crore and (iii) crop Husbandry 1,022.86 crore.

Municipalities/Municipal Councils for Untied Funds (₹ 661 crore); Mid-Day Meal (₹ 566 crore) and Municipalities/Municipal Councils under State Finance Commission (₹ 481 crore).

1.7.5 Major issues relating to Local Bodies

The position of Major issues related to local bodies i.e. *Panchayati Raj* Institutions (PRIs) and Urban Local Bodies (ULBs) is summarised in the following paragraphs:

1.7.5.1 Panchayati Raj Institutions

(i) Introduction

There were 33 *Zila Parishads* (*Panchayat Cells*), 295 *Panchayat Samitis* and 9,894 *Gram Panchayats*, as on 31 March 2015, under administrative control of Secretary Panchayati Raj Department. District Rural Development Authorities, after cancellation of their registration, were also merged in PRIs at district level, as 33 *Zila Parishads* (Rural Development Cells) and placed under administrative control of Secretary, Rural Development Department. Both the Secretaries are under administrative control of Principal Secretary, *Rural Development and Panchayati Raj* Department (RD & PRD). The matters related to audit and accounts of *Zila Parishads* (*Panchayat Cells*), *Panchayat Samitis* and *Gram Panchayats* are governed by 'Rajasthan Panchayati Raj Act (RPRA) 1994' and 'Rajasthan Panchayati Raj Rules (RPRR) 1996' while audit and accounts of Zila Parishads (RD Cells) are governed by Accounting Procedure for District Rural Development Agencies/Societies issued by Ministry of Rural Development, Government of India in 1984 and as amended in 2001.

(ii) Devolution

In compliance to 73rd Constitutional Amendment Act, out of 29 functions to be devolved in terms of XI Schedule of the Constitution, initially 28 functions were transferred. Funds and functionaries were transferred in respect of 20 subjects only (**Appendix 1.11**). Subsequently, devolution of funds, functions and functionaries of 5 subjects relating to Public Health Engineering Department, Public Works Department and Food and Civil Supply Department were withdrawn temporarily in January 2004 by Department.

(iii) Audit, Accounts and Certification

Section 75 (4) of the RPR Act provides for audit of all accounts of PRIs by the Director, Local Fund Audit Department (DLFAD) under Rajasthan Local Fund Audit Act 1954 and also by CAG, whose audit reports shall be laid before the State Legislature. Besides this mandate, CAG is also empowered with the audit of PRIs under Section 14 of CAG's (DPCs) Act 1971. However, the audit of Zila Parishads (RDC) continues to be done by Chartered

Accountants (CAs) as per provisions contained in accounting procedure prescribed for DRDAs (as amended in 2001) by Government of India, Ministry of Rural Development according to which the accounts are audited and certified by CAs and CAG is the secondary auditor.

As regards certification of accounts of PRIs by the DLFAD, provisions exist in Rule 23 (h) and Rule 25 (XI) of Rajasthan Local Fund Audit, Rules, and Para 4 of the DLFAD Manual 1994.

Under Technical Guidance and Supervision (TG&S) over audit of Local Bodies, the DLFAD regularly obtains guidance from this office. This included Inspection Reports (IRs) of twelve PRIs (ZP: 3; PS:5 and GP: 4) during the period 2010-11 to 2013-14. The examination of these IRs and information given by the DLFAD revealed that no certification of accounts of these PRIs have been done.

Till 31 March 2015, the accounts were being maintained in conventional formats under RPR Rules framed under Rajasthan RPR Act. Meanwhile, simplified Accounting Formats 2009, issued by Ministry of *Panchayati Raj*, GoI, in consultation with the CAG of India, were adopted for mandatory implementation with effect from April 2011, along with model accounting system '*Panchayati Raj* Institution Accounting Software' (PRIA Soft) for data entry and maintenance of eight database formats. The Panchayati Raj Department informed (28 May 2015) that for the year 2014-15, year books of only 03 Zila Parishads, 19 Panchayat Samities and 663 Gram Panchayats have been closed using PRIA Soft.

Thus, the state of accounting in PRIs was not only primitive but was also without certification by the Statutory and Primary Auditor except in case of ZP (RDC) which continued to be audited and certified by the CAs under the provisions of GoI guidelines 2001 (made for DRDAs whose registration was cancelled in 2003 and their merger done in PRIs as ZP (RDC)). It is also noticeable that total financial assistance extended to PRIs during 2014-15 was ₹ 13,833.28 crore of which only the part pertaining to erstwhile DRDAs, was certified by CAs and remaining sum remained to be certified by the Auditor/ Examiner of the Local Fund Audit.

1.7.5.2 Major issues relating to Urban Local Bodies

As on 31 March 2015 there were 7 Municipal Corporations, 34 Municipal Councils and 147 Municipal Boards under administrative control of Principal Secretary, Local Self Government Department (LSGD). DLFAD is the primary auditor and the CAG conducts audit under Section 14 of the DPC Act, 1971.

Director of Local Bodies (DLB), instructed (1 April 2010) all the ULBs to maintain accounts on accrual basis. As per report of the Director, LSGD (10

June 2015) all the ULBs in the State are maintaining accounts on accrual basis. However, as per information furnished (25 May 2015) by the DLFAD accounts on accrual based system are being prepared only by 02 ULBs in Jodhpur division (Sojat and Bhinmal). Thus, the position of maintenance of accounts on accrual basis is not clear.

In compliance to the recommendations in Paragraph 10.160 (ii) of Thirteenth Finance Commission, Section 99A(2) of the Rajasthan Municipal Act, 2009 amended 2011 provided for TG&S over audit of LFAD of ULBs. Under TG&S arrangement the DLFAD regularly obtained guidance from this office. This included Inspection Reports of twelve ULBs (Municipal Corporation: 3; Municipal Council: 4 and Municipal Boards: 5) for the period 2007-14. The examination of these IRs and information furnished by DLFAD revealed that despite provisions contained in Rule 23 (h) of RLFA Rules, no certification of Annual Accounts was being done, due to incomplete maintenance of accounts. It is noticeable that total financial assistance rendered to ULBs during 2014-15 was ₹ 2,450.65 crore.

Article 243W inserted through the 74th Constitutional Amendment Act envisaged devolution of powers and responsibilities to Municipalities in respect of 18 subjects mentioned in XII Schedule of the Constitution. As per information given by DLB (June 2015), functions related to 16 subjects (*Appendix 1.12*) were already being performed by ULBs. As regards the remaining 2 functions, 'Water Supply' function is being carried out by 7³⁶ out of 188 ULBs whereas 'Urban Planning' function is yet to be devolved to ULBs as per notification dated 6 February 2013.

Irregularities in the Accounts of various Bodies and Authorities

(i) As per list in Volume II of the State Budget Manual, Principal Secretary, Urban Development and Housing Department (UDH), Rajasthan Jaipur is the Controlling Officer of Jaipur Development Authority (JDA). Receipts from sale, regularisation and conversion of land and urban assessment fee are deposited in three heads of UDH i.e. 0075-105-07-01, 0029-800-07-03 and 0075-800-03-01 respectively.

As per order (08 December 2010) of Government of Rajasthan (Revenue Department) and orders (31 May 2012 and 21 June 2012) of UDH Department, 20 per cent of revenue realised under sale proceeds of land, 40 per cent of revenue realised under regularisation and conversion charges and 60 per cent of revenue realised under urban assessment fee, were to be deposited in government account in relevant heads. The Statements of audited Annual Accounts of 2014-15 of JDA presented in Rajasthan Legislative Assembly, and as per information obtained from Principal Accountant

³⁶ Bundi, Chomu, Jaisalmer, Karauli, Nagaur, Nathdwara and Nokha.

General, (A&E), Rajasthan, Jaipur, the position of revenue realised and deposited with State Government during 2014-15 is as follows:

(₹ in crore)

Sale of plot /land			Regularisation and conversion charges			Urban assessment fee (Lease Money)		
Receipts	GoR's share (20 per cent)	Actual Amount deposited	Receipts	GoR's share (40 per cent)	Actual Amount deposited	Receipts	GoR's share (60 per cent)	Actual Amount deposited
1191.10	238.22	122	114.65	45.86	21.35	149.06	89.44	Nil

Thus, ₹ 230.17 crore (₹ 116.22 crore, ₹ 24.51 crore and ₹ 89.44 crore) was short deposited by JDA in respective heads, indicating non-compliance of government orders.

(ii) Following major irregularities were noticed during follow-up action taken by this office in pursuance of Technical Guidance and Supervision (TG&S) over audit of Director of Local Fund Audit Department (DLFAD) and Financial Attest Audit:

(a) Section 62 of the JDA Act 1982 prescribes the audit of JDA by the Examiner, Local Fund Audit in accordance with the provisions of the Rajasthan Local Fund Audit Act, 1954. As per Section 64 of JDA Act, State Government shall lay annual report including the statement of accounts (prepared and submitted by the JDA) on the table of House of the State Legislature. As per Rule 23 (h) of Rajasthan Local Fund Audit Rules, 1955 framed under Rajasthan Local Fund Audit Act, 1954, the certification as to correctness of the annual accounts is required to be incorporated in the Examiner's Report. This implies that the accounts of JDA were required to be certified by DLFAD.

During the audit of JDA by DLFAD for period 2009-13 (IR 2009-10 and 2010-13), neither certification of accounts was done nor the Audit Certificate was issued by DLFAD, in contravention of aforementioned Rules and Regulations and Codal provisions. 'Statements of audited Annual Accounts' of JDA from 2011-12 to 2014-15 laid before the Rajasthan Legislative Assembly through GoR, revealed that these Accounts were certified by Chartered Accountant (CA). No provision exists in JDA Act for certification by a CA. Further as per JDA Act, the accounts are to be certified by DLFAD, which was not being done.

Examination of audited accounts of JDA by CA, for the period 2011-15, laid before legislature, revealed a number of comments by CA. Some of which are given below:

- (i) non-following of applicable accounting standards,
- (ii) non-maintenance of fixed assets registers,
- (iii) non-conducting of physical verification,
- (iv) non-maintenance and reconciliation of various banks and deposit accounts,

- (v) non-ascertainment and reporting the quantity and value of the transactions related to land acquired for development works
- (vi) lack of internal control and internal checks on accounting of transactions/system of the authority and
- (vii) non-ascertainment and reporting of the amount recoverable, reconciliation of receipts, accounting of the payment to the GoR and Jaipur Nagar Nigam for conversion charges/sale proceeds of land treated as development payment being cash accounting etc.

In spite of above comments by the CA year after year, these shortcomings continue to prevail as of March 2015.

- (b) Similarly DLFAD, during audit of other Bodies and Authorities (Jodhpur Development Authority, Rajasthan Housing Board Urban Improvement Trust (UIT) Bikaner and Bhiwadi), commented³⁷ that due to various reasons like 'Annual Accounts doesn't reflect true and fair picture of the Authority', annual accounts were not certified, indicating that DLFAD was unable to certify the accounts.

In absence of certification of Annual Accounts of these bodies, the extent of reliability of figures in their Accounts appears questionable.

1.8 Quality of Expenditure

Availability of better social and physical infrastructure in the State reflects the quality of its expenditure. The improvement in the quality of expenditure basically involves three aspects *viz.*, adequacy (adequate provisions for public services), efficiency and its effectiveness (assessment of outlay-outcome relationships for selected services) of expenditure.

1.8.1 Adequacy of Public Expenditure

Expenditure responsibilities relating to the social sector and economic infrastructure assigned to the State Governments are largely state subjects. Enhancing human development levels requires the States to step up their expenditure on key social services like education and health etc. Low fiscal priority (ratio of expenditure under a category to aggregate expenditure) is attached to a particular Sector, if it is below the respective National average.

³⁷

S.No	Name of Body/Authorities	IR Period	Comments in DLFAD report
a	Jodhpur Development Authority	(2012-2013 to 2013-2014)	Annual Accounts doesn't reflect true & fair picture of the Authority.
b	Rajasthan Housing Board, Jaipur	(2012-2013)	Annual Accounts not certified.
c	Urban Improvement Trust (UIT), Bikaner	(2008-2013)	It was not possible to certify the Annual Accounts.
d	UIT, Bhiwadi	(2013-2014)	Annual Accounts not certified.

Table 1.17 below, analyses the fiscal priority of the State Government with regard to development expenditure, social expenditure and capital expenditure during 2014-15.

Table 1.17: Fiscal Priority of the State during 2011-12 and 2014-15

Fiscal Priority by the State	AE/GSDP	DE [#] /AE	SSE/ AE	ESE/ AE	CE/ AE	Education/ AE	Health/ AE
*General Category States' Average (Ratio) 2011-12	15.98	65.39	36.63	28.76	13.23	17.10	4.68
Rajasthan's Average (Ratio) 2011-12	14.94	69.00	38.75	30.25	11.50	18.90	5.45
General Category States' Average (Ratio) 2014-15	16.49**	69.12	36.50	32.61	14.01	16.23	5.04
Rajasthan's Average (Ratio) 2014-15	19.38	74.49	39.40	35.09	14.46	17.44	5.80
* General Category States exclude Puducherry							
** General Category States exclude Goa and Puducherry							
AE: Aggregate Expenditure DE: Development Expenditure SSE: Social Sector Expenditure ESE: Economic Sector Expenditure CE: Capital Expenditure							
# Development Expenditure includes Development Revenue Expenditure, Development Capital Expenditure and Loans and Advances disbursed.							

Source: (i) For GSDP of Rajasthan, the information was collected from the Directorate of Economics and Statistics, Government of Rajasthan and Finance Accounts (ii) For GSDP of General Category States, the information as available on CSO website as on 31 July 2015 except in case of Kerala, Gujrat where the figure was provided by the PAsG.

Table 1.17 indicates the following:

- The ratio of Aggregate Expenditure (AE) to GSDP in the State is higher (19.38 *per cent*) compared to General Category States (16.49 *per cent*) during 2014-15.
- Development Expenditure as a proportion of AE was higher than General Category States' (GCS) average.
- Social Sector Expenditure as a proportion of AE was higher than average of GCS.
- Economic Sector Expenditure as a proportion of AE was higher than average of GCS.
- Rajasthan has increased the priority accorded to Capital Expenditure during the period 2014-15 as compared to 2011-12. Further, the ratio of Capital Expenditure to AE has been higher than the average ratio of GCS in 2014-15.

1.8.2 Efficiency of Expenditure Use

In view of the importance of public expenditure on development heads from the point of view of social and economic development, it is important for the State Governments to take appropriate expenditure rationalisation measures

and lay emphasis on provision of core public goods and merit goods³⁸. Apart from improving the allocation towards development expenditure³⁹, the efficiency of expenditure use is also reflected by the ratio of capital expenditure to total expenditure (and/or GSDP) and proportion of revenue expenditure being spent on operation and maintenance of the existing Social and Economic services. The higher the ratio of these components to total expenditure (and/or GSDP), the better would be the quality of expenditure. **Table 1.18** presents the trends in development expenditure relative to the aggregate expenditure of the State during the current year *vis-à-vis* budgeted for the year as well as actuals in the previous years.

Table 1.18: Development Expenditure

(₹ in crore)

Components of Development Expenditure	2010-11	2011-12	2012-13	2013-14	2014-15	
					BE	Actual
a. Development Revenue Expenditure	28,115 (55.8)	34,672 (56.0)	42,701 (55.8)	51,921 (57.7)	78,418 (58.8)	66,674 (59.9)
b. Development Capital Expenditure	5,096 (10.1)	6,915 (11.2)	10,434 (13.6)	13,330 (14.8)	19,798 (15.7)	15,569 (14.0)
c. Development Loans and Advances	262 (0.5)	1,109 (1.8)	2,412 (3.2)	812 (0.9)	518 (0.4)	701 (0.6)
Development Expenditure (a to c)	33,473 (66.4)	42,696 (69.0)	55,547 (72.6)	66,063 (73.4)	98,734 (78.1)	82,944 (74.5)
Rate of Growth of Development Expenditure	9.0	27.6	30.1	18.9		25.6

Figures in parentheses indicate percentage to aggregate expenditure

Source: Finance Accounts and Budget Documents

Development expenditure comprises Revenue Expenditure, Capital Outlay and Loans and Advances on Socio-Economic Services. As a *per centage* of total expenditure, it increased from 66.4 *per cent* during 2010-11 to 74.5 *per cent* during 2014-15. On an average, 79.8 *per cent* of the development expenditure

³⁸ *Core public goods* are which all citizens enjoy in common in the sense that each individual's consumption of such goods leads to no subtraction from any other individual's consumption of that goods, e.g. enforcement of law and order, security and protection of our rights; pollution free air and other environmental goods and road infrastructure etc. *Merit goods* are commodities that the public sector provides free or at subsidised rates because an individual or society should have them on the basis of some concept of need, rather than ability and willingness to pay the government and therefore wishes to encourage their consumption. Examples of such goods include the provision of free or subsidised food for the poor to support nutrition, delivery of health services to improve quality of life and reduce morbidity, providing basic education to all, drinking water and sanitation etc.

³⁹ The analysis of expenditure data is disaggregated into development and non-development expenditure. All expenditure relating to Revenue Account, Capital Outlay and Loans and Advances is categorised into social services, economic services and general services. Broadly, expenditure on social and economic services constitutes development expenditure, while expenditure on general services is treated as non-development expenditure.

was on revenue account and the balance was on capital account including loans and advances during the period 2010-15.

Capital expenditure on Social Services increased from ₹ 4,551 crore in 2013-14 to ₹ 5,838 crore in 2014-15 with a growth rate of 28 *per cent* and its ratio with total capital expenditure also increased from 33 *per cent* in 2013-14 to 36 *per cent* in 2014-15. Capital expenditure on Economic Services increased from ₹ 8,779 crore in 2013-14 to ₹ 9,731 crore in 2014-15 with a growth rate of 11 *per cent*.

As compared to the previous year, capital outlay on the priority Sectors *viz.* Transport, Irrigation and Flood Control, Energy and Agriculture and Allied Activities was higher in 2014-15 by ₹ 409 crore, ₹ 194 crore, ₹ 291 crore and ₹ 165 crore respectively.

Table 1.19 below, gives details of Capital Expenditure and the components of Revenue Expenditure incurred on the maintenance of the selected Social and Economic services.

Table 1.19: Efficiency of Expenditure Use in Selected Social and Economic Services

(In per cent)

Sector	2013-14			2014-15		
	Ratio of Capital Expenditure to Total Expenditure	Revenue Expenditure Salaries and Wages	Operation and Maintenance	Ratio of Capital Expenditure to Total Expenditure	Revenue Expenditure Salaries and Wages	Operation and Maintenance
(A) Social Services						
General Education	0.42	59.96	Negligible	0.29	52.99	Negligible
Health and Family Welfare	7.09	66.70	0.16	7.50	58.50	0.15
Water Supply, Sanitation, Housing and Urban Development	46.95	25.74	1.94	51.94	26.45	1.75
Total (A)	12.63	43.35	0.32	15.65	41.01	0.25
(B) Economic Services						
Agriculture and Allied Activities	9.83	34.38	0.37	12.10	34.27	0.41
Irrigation and Flood Control	39.18	20.28	9.10	42.50	20.43	12.97
Power and Energy	35.38	0.01	0.00	31.76	Negligible	0.00
Transport	59.62	7.14	60.60	60.17	6.85	54.20
Total (B)	30.05	9.38	5.62	34.68	7.75	4.30
Total (A+B)*	20.43	29.98	2.40	23.60	26.57	2.01

Source: Finance Accounts

* (Expenditure on Social Services + Expenditure on Economic Services)/Total Expenditure* 100

Expenditure on Social Services

The share of expenditure on salary and wages in total revenue expenditure decreased from 43.35 *per cent* in 2013-14 to 41.01 *per cent* in 2014-15.

Expenditure on Economic Services

The share of salary and wages expenditure under economic services in total revenue expenditure decreased from 9.38 *per cent* in 2013-14 to 7.75 *per cent* in 2014-15.

Expenditure on Operation and Maintenance

It is important to ensure that adequate funds are allocated to operation and maintenance since assets have to be maintained. The share of operation and maintenance in revenue expenditure on social services and economic services was 2.01 *per cent* in 2014-15. During 2014-15, only 1.51 *per cent* of total revenue expenditure was allocated to operation and maintenance.

The share of operation and maintenance decreased in revenue expenditure on Social Services and Economic Services from 0.32 *per cent* and 5.62 *per cent* in 2013-14 to 0.25 *per cent* and 4.30 *per cent* in 2014-15 respectively. During 2014-15, as per Finance Accounts the State Government booked only ₹ 1,465.19 crore (Revenue: ₹ 1,423.62 crore, Capital: ₹ 41.57 crore) to maintain its public assets.

1.8.3 Plan and Non-Plan Expenditure

Finance Accounts provide further classification of expenditure into Plan and Non-Plan Expenditure. Plan Expenditure normally relates to incremental developmental expenditure on new projects or schemes and involves both Revenue and Capital Expenditure. Non-Plan Expenditure is normally utilised to maintain the level of services already achieved, **Table 1.20** below, presents the growth and composition of Plan and Non-Plan Expenditure over the last five years.

Table 1.20: Growth in Plan and Non-Plan Expenditure

(₹ in crore)

		2010-11	2011-12	2012-13	2013-14	2014-15
Plan	Revenue	8,752	12,416	14,235	17,364	27,444
	Capital	5,231	7,103	10,682	13,676	16,087
	Loan	189	1,051	2,242	664	646
	Total	14,172	20,570	27,159	31,704	44,177
	Percentage of plan to total expenditure	28	33	35	35	40
Non-Plan	Revenue	36,121	41,238	49,227	58,146	67,098
	Capital	20	16	1	(-) 12	16
	Loan	73	58	170	148	55
	Total	36,214	41,312	49,398	58,282	67,169
	Percentage of non-plan to total expenditure	72	67	65	65	60
Total Expenditure	50,386	61,882	76,557	89,986	1,11,346	

Source: Finance Accounts

The share of plan expenditure in the total expenditure exhibited an increasing trend during 2011-15, which indicated the productive quality of expenditure. During the period 2010-15, plan expenditure increased by 212 *per cent* from ₹ 14,172 crore in 2010-11 to ₹ 44,177 crore in 2014-15 and non-plan by 85 *per cent* from ₹ 36,214 crore to ₹ 67,169 crore during this period.

The Plan Revenue Expenditure (PRE) and Non-Plan Revenue Expenditure (NPRE) have shown consistent increase over the period 2010-15. PRE increased by 58.1 *per cent* over the previous year which was lower than the projected increase of 119.8 *per cent* in MTFPS for 2014-15. Similarly, NPRE increased by 15.4 *per cent* over previous year which was higher than the projections of 14.2 *per cent* made in MTFPS for 2014-15.

1.8.3.1 Plan Revenue Expenditure

Increase of PRE by ₹ 10,080 crore over the previous year was mainly under Major Heads Rural Employment (₹ 3,308 crore), General Education (₹ 3,027 crore), Other Rural Development Programme (₹ 1,562 crore) and Family Welfare (₹ 1,068 crore). During 2014-15, the ratio of PRE to Revenue Expenditure increased by 6 percentage point over the previous year (23 *per cent*).

1.8.3.2 Non-Plan Revenue Expenditure

Increase in NPRE by ₹ 8,952 crore during the current year was mainly due to Power (₹ 2,006 crore), Interest Payments (₹ 1,400 crore), Pensions and other Retirement Benefits (₹ 1,185 crore), General Education (₹ 1,030 crore), and Social Security and Welfare (₹ 915 crore). NPRE constituted 71 *per cent* of Revenue Expenditure and 60 *per cent* of total expenditure.

Actual NPRE and PRE *vis-à-vis* assessments made by XIII FC and by State Government in MTFPS are given below:

Table 1.21: NPRE and PRE *vis-à-vis* assessments made by XIII FC and MTFPS

	Assessments made by XIII FC	Assessments made by GoR in MTFPS	Actual expenditure
Non-Plan Revenue Expenditure	38,119	69,302	67,098
Plan Revenue Expenditure	Not Applicable	36,085	27,444

Source: Finance Accounts, Budget Documents and Report of XIII FC

Actual NPRE exceeded the normative assessment made by XIII-FC by ₹ 28,979 crore (76 *per cent*). It was, however lower than the assessment made by the State Government in MTFPS by ₹ 2,204 crore (3.2 *per cent*). The actual PRE was also lower than the projections made in MTFPS by ₹ 8,641 crore (23.9 *per cent*).

1.8.4 Major Flagship Programmes/Schemes.

Flagship programmes are being implemented with the aim to build rural and urban infrastructure for providing basic services with the objective of increasing inclusiveness and reducing poverty. The Government of India (GoI) has launched/ revamped and strengthened specific programmes to provide education, healthcare, nutrition, sanitation and social security. The ultimate objective behind the Flagship Programmes/Schemes is to achieve broad-based improvement in the living standards of people.

The GoI approved 17 Major Flagship Programmes in Annual Plan 2014-15. As per information contained in records relating to State Budget, Budget Link Document and Finance Accounts 2014-15, the financial position in respect of 17 Flagship Programme of Central Government in State Plan is summarised below:

Budget provision and actual expenditure in Flagship Programme/Scheme

(₹ in crore)

S. No.	Nature of Flagship Programme/Scheme	No. of Programmes/Scheme	Budget Estimate for State Plan	Central Assistance for State Plan	Amount released by GoI	Expenditure	Savings
1	2	3	4	5	6	7	8
1	Central	17	22,091.69	17,246.82	11,870.40	16,679.99	5,411.70

The major shortfall in expenditure (more than 30 *per cent*) against provisions in schemes was witnessed in 11 Flagship Programmes/Schemes as given in **Table 1.22**.

Table 1.22: Major shortfall in Flagship Programme/ Scheme

(₹ in crore)

S. No.	Name of Programme/ Scheme	Budget Provision	Total Expenditure	Shortfall in Expenditure	Shortfall <i>per cent</i>
1	Nirmal Bharat Abhiyan (NBA) (75:25)	298.33	186.17	112.16	38
2	National Health Mission (NHM)	2,774.00	1,823.05	950.95	34
3	Backward Region Grant Fund (BRGF) - District Component	335.83	215.05	120.78	36
4	Rajiv Gandhi Panchayat Sashastikaran Yojana (RGPSY)	72.00	15.22	56.78	79
5	Indira Awas Yojana (IAY)	859.55	567.05	292.50	34
6	Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)	4,800.00	3230.01	1,569.99	33
7	Pradhan Mantri Gram Sadak Yojana (PMGSY)	960.00	405.66	554.34	58
8	National Rural Livelihood Mission (NRLM)	238.49	20.51	217.98	91
9	Jawahar Lal Nehru National Urban Renewal Mission (JNNURM)	882.35	209.04	673.31	76
10	Integrated Child Development Service (ICDS)	1,392.61	908.62	483.99	35
11	Accelerated Irrigation Benefit Programme (AIBP)	527.44	295.83	231.61	44
	Total	13,140.60	7,876.21	5,264.39	

Non-utilisation of funds indicated lack of interest and monitoring by the concerned department in execution of major central schemes. Shortfall in utilization by more than 50 *per cent* was observed under four schemes, namely Rajiv Gandhi Panchayat Sashastikaran Yojana (79 *per cent*); Pradhan Mantri Gram Sadak Yojana (58 *per cent*); National Rural Livelihood Mission (91 *per cent*) and Jawahar Lal Nehru National Urban Renewal Mission (76 *per cent*). Planning Department (Monitoring) intimated (July and August 2015) that monitoring of flagship programme was not done as State Government did not declare any of the central/state programme/scheme as flagship programme during the year 2014-15.

1.9 Financial Analysis of Government Expenditure and Investment

In post-FRBM framework, the State is expected to keep its fiscal deficit at low levels and also meet its capital expenditure/investment (including loans and advances) requirements. In addition, in a transition to reduce dependence on market resources, the State Government needs to initiate measures to earn adequate returns on its investments and recover its cost of borrowed funds rather than bearing the same on its budget in the form of implicit subsidy and take requisite steps to infuse transparency in financial operations. This section presents an analysis of investments and other capital expenditure undertaken by the Government during the current year *vis-à-vis* previous years.

1.9.1 Financial results of Irrigation Projects

The financial results of 6 major and 11 medium irrigation projects (**Appendix 1.8**), completed with a capital outlay of ₹ 6,052.94 crore at the end of March 2015, revealed that revenue realised (₹ 47.60 crore) from these projects during 2014-15 was only 0.8 *per cent* of the capital expenditure. This was not even sufficient to cover the direct working expenses. After meeting working and maintenance expenditure (₹ 228.80 crore) and interest charges (₹ 572.52 crore), the projects suffered a net loss of ₹ 753.72 crore.

Indira Gandhi Nahar Project (IGNP) is the largest irrigation project under execution in Rajasthan and various stages of it have been completed over the years. At the end of March 2015, the capital expenditure on IGNP was ₹ 4,600.34 crore. During 2014-15, the revenue realised from IGNP was ₹ 16.99 crore comprising only 0.37 *per cent* of the capital expenditure. This revenue was negligible (2.93 *per cent*) even with reference to total working and maintenance expenditure incurred (₹ 132.15 crore) and the interest charges (₹ 446.95 crore). The project suffered a net loss of ₹ 562.11 crore.

Gang Canal is the second largest irrigation project in the State. At the end of March 2015, the capital expenditure on Gang Canal was ₹ 552.03 crore. During 2014-15, the revenue realised from Gang Canal was ₹ 4.29 crore, which was not sufficient to cover the working and maintenance expenditure (₹ 21.69 crore) and interest charges (₹ 52.69 crore). The project suffered a net loss of ₹ 70.09 crore.

The main reason for huge losses on these projects is low water charges prevailing since past 5 years without revision. The irrigation department stated that this was a policy decision of the State Government.

1.9.2 Incomplete projects

The department-wise information, pertaining to incomplete projects as on 31 March 2015, is as follows:

Table 1.23: Department-wise profile of incomplete projects

Department	Total no. of incomplete projects	Original sanctioned cost of all incomplete projects	Original estimated cost of 44 projects which were revised		Revised cost of 44 Incomplete projects	Cost Overrun of 44 projects which were revised	Cumulative actual expenditure of all incomplete projects as on 31.3.2015
			No.	Amount			
			Water Resources Department /Projects	50			
Public Works Department/ Project	76	1,525.68	9	118.87	200.81	81.94	906.75
Public Health Engineering Department	73	20,432.80	16	4,280.96	6,459.33	2,178.37	6,892.70
Total	199	26,183.26	44	5,377.85	10,815.25	5,437.40	11,166.95

Source: Finance Accounts

As per the information furnished by the State Government, there were 199 incomplete projects (more than ₹ 10 crore each) as on 31 March 2015, on which an amount of ₹ 11,167 crore was blocked. Of these, 45 projects (₹ 9,682.93 crore) were incomplete for the past 5 to 21 years out of which cost of 26 incomplete projects increased by 98 per cent i.e. from ₹ 4,308 crore (initial cost) to ₹ 8,545 crore. Thus, the total cost overrun was ₹ 5,437 crore, of which cost of *Narmada Jalore Project* alone increased by 431 per cent (₹ 2,013.96 crore) from ₹ 467.53 crore to ₹ 2,481.49 crore. The amount blocked (₹ 11,166.95 crore) in all the incomplete projects/works was 10 per cent of the cumulative capital outlay (₹ 1,08,971.29 crore) of the State.

No expenditure was incurred in 12 projects (total project cost more than ₹ 10 crore each) during 2014-15 as detailed in **Table 1.24**. The amount spent up to March 2014 and the cumulative expenditure up to March 2015 remained same ₹ 70.67 crore.

Table 1.24: No expenditure on incomplete projects during 2014-15

S. No.	Name of Project	Year of Commissioning	Original sanctioned cost		Cumulative actual exp. as on 31 March 2015
			Original sanctioned cost	Cumulative actual exp. as on 31 March 2015	
Projects of Water Resources Department					
1.	Ahmedi	2007-08	18.97		0.01
2.	Dohari Minor	2012-13	21.30		0.04
3.	Hadmatiya	2012-13	13.23		2.53
4.	BBSC RD 115 to 118.59 km (MIS-X)	2013-14	15.31		0.00
5.	BBSC RD 118.59 to 120.84 km (MIS-XI)	2013-14	14.22		0.00
Projects of Public Works Department					
6.	Construction of Government Girls' College and Hostel in Bayana	2011-12	10.64		0.02
7.	Construction of ROB on Dholpur SWM GGC Mathura Road (SH 1) at Km. 230	2007-08	10.00		21.57
8.	Ras Kamos Nagelav Jethana Mangliwas Road	NA	20.00		15.38
9.	H.L Bridge on Khari River at Ramthala Bajta Ghatiyali Naphakera Road	2009-10	12.01		8.64
10.	Construction of CD Work on Banas River on SH 37 A to Botunda Rajmahal Deoli (VR- 23)	2012-13	20.83		17.21
11.	ROB Sri Mahaveerji L.C. no. 195 WCR	2011-12	18.77		0.10
Projects of Public Health Engineering Department					
12.	Reorganisation of UWSS Hanumangarh Phase II	2013-14	16.29		5.17
Total			191.57		70.67

Source: Finance Accounts

It would be seen from above table that though five projects of Water Resources Department were commissioned in 2007-08, 2012-13 and 2013-14,

the expenditure incurred was negligible (₹ 2.58 crore) against the sanctioned cost of ₹ 83.03 crore.

Due to non-completion of projects within the stipulated time, while the expected benefits to the society were delayed, the cost also increased over the years due to time overrun.

1.9.3 Investment and returns

As on 31 March 2015, Government invested ₹ 27,909.59 crore in 43 Government Companies (₹ 26,423.44 crore), 7 Statutory Corporations (₹ 764.34 crore), 2 Rural Banks (₹ 73.69 crore), 25 Joint Stock Companies (₹ 140.65 crore) and Cooperative Banks and Societies (₹ 507.47 crore). The above investment included ₹ 19.37 crore in non-working Statutory Corporations and ₹ 10.83 crore in non-working Government Companies. The average return on this investment was 0.1 to 0.4 per cent during the last four years while the Government paid an average interest of 7.3 to 7.7 per cent on its borrowings (Table 1.25), so return on investment of the State is very low.

Continued use of borrowed funds for investments, which do not yield sufficient financial return, would lead to unsustainable financial position.

Table 1.25: Returns on Investment

Investment/Returns/Cost of Borrowings	2010-11	2011-12	2012-13	2013-14	2014-15
Investment at the end of the year (₹ in crore)	11,112.16	13,920.78	18,753.33	23,518.00	27,909.59
Returns (₹ in crore)	20.76	57.58	57.18	24.60	63.33
Returns (per cent)	0.2	0.4	0.3	0.1	0.2
Average rate ⁴⁰ of interest on Government borrowings (per cent)	7.7	7.7	7.4	7.3	7.5
Difference between interest rate and returns (per cent)	7.5	7.3	7.1	7.2	7.3

Source: Finance Accounts

Net investment of the State Government in Government Companies, Rural Banks and Cooperative Banks and Societies was ₹ 4,391.59 crore during 2014-15. Out of this, ₹ 3,959.21 crore⁴¹ was invested in loss making five Statutory Corporations/Government Companies mainly 4 power companies. Government had invested ₹ 24,093.30 crore (86 per cent of total investment) in 5 power companies as on 31 March 2015.

The investment of State Government included ₹ 26,412.60 crore in 40 working Government Companies, of which only seven companies declared dividend aggregating to ₹ 60.31 crore against an investment of ₹ 514.83 crore.

⁴⁰ See glossary at page 166 for method of calculation.

⁴¹ (i) Jaipur Vidyut Vitaran Nigam Limited: ₹ 1,041.10 crore; (ii) Ajmer Vidyut Vitaran Nigam Limited: ₹ 988.46 crore; (iii) Jodhpur Vidyut Vitaran Nigam Limited: ₹ 968.15 crore; (iv) Rajasthan Rajya Vidyut Utpadan Nigam Limited: ₹ 881.50 crore and (v) Rajasthan State Road Transport Corporation Jaipur: ₹ 80 crore.

The total investment in 2 Statutory Corporations, 18 Government Companies and 6 Joint Stock Companies, amounted to ₹ 25,012.63 crore and their accumulated losses amounted to ₹ 73,650.73 crore, out of which five power companies accumulated losses ₹ 71,899.49 crore⁴².

In view of the huge losses of some of the State-owned Public Sector Undertakings, Government may consider reviewing their working so as to reduce losses and make appropriate strategy for their strengthening and yielding returns. It is pertinent to note that despite major losses accounted for by the power companies the State Government continues to invest significantly in them at very low rate of return which otherwise should have been revived and strengthened by imbibing financial restructuring plan.

XIII-FC had recommended that the State Government should draw up a road map by March 2011 for closure of non-working companies. However, it is observed that no such road map was drawn by the Government in respect of six non-working Statutory Corporations/ Government Companies⁴³.

1.9.4 Departmental Commercial Undertakings

Activities of quasi-commercial nature are also performed by the departmental undertakings of certain Government departments. The department-wise position of the investment made by the Government up to the year for which *pro forma* accounts are finalised, net profit/loss as well as return on capital invested in these undertakings are given in **Appendices 1.9 and 3.4**. It is observed that an amount of ₹ 13,875.22 crore had been invested by the State Government in 10 undertakings at the end of financial year up to which their accounts were finalised. Of these, only 2 undertakings could earn net profit amounting to ₹ 22.38 crore during 2013-14 and remaining 8 undertakings incurred accumulated loss of ₹ 11,032.00 crore, continuously for more than five years.

1.9.5 Loans and Advances by State Government

In addition to investments in Cooperative Societies, Corporations and Companies, Government have also been providing loans and advances to many of these institutions/organisations. **Table 1.26** presents the outstanding loans and advances as on 31 March 2015 and Interest Receipts *vis-à-vis* interest payments during the last three years.

⁴² (i) Jaipur Vidyut Vitaran Nigam Limited: ₹ 23,096.51 crore; (ii) Ajmer Vidyut Vitaran Nigam Limited: ₹ 23,250.87 crore; (iii) Jodhpur Vidyut Vitaran Nigam Limited: ₹ 22,590.33 crore; (iv) Rajasthan Rajya Vidyut Prasaran Nigam Limited: ₹ 1,584.53 crore and (v) Rajasthan Rajya Vidyut Utpadan Nigam Limited: ₹ 1,377.25 crore.

⁴³ (i) Rajasthan Land Development Corporation, Jaipur: (₹ 19.36 crore), (ii) Rajasthan State Mandi Development Corporation, Jaipur: (₹ 0.65 lakh), Rajasthan Water Supply and Sewerage Corporation, Jaipur: (₹ 0.08 lakh), (iv) Rajasthan State Mineral Development Corporation Limited, Jaipur: (₹ 10.61 crore), (v) Rajasthan Rajya Van Vikas Nigam Limited, Jaipur: (₹ 16.75 lakh) and (vi) Rajasthan State Electricity Corporation, Jaipur: (₹ 5.00 lakh).

Table 1.26: Average interest received on loans advanced by Government

Quantum of Loans/Interest Receipts/ Cost of Borrowings	2012-13	2013-14	(₹ in crore)	
			BE	Actual
Opening Balance	3,198	4,508	4,958	5,004
Amount advanced during the year	2,412	812	518	701
Amount repaid during the year	1,102	316	151	1,004
Closing Balance	4,508	5,004	5,325	4,701
Net addition	1,310	496	367	(-) 303
Interest Receipts	150	143	-	129
Interest Receipts as <i>per cent</i> to outstanding Loans and Advances	3.9	3.0	-	2.7
Interest payments as <i>per cent</i> to outstanding fiscal liabilities of the State Government.	7.4	7.3	-	7.5
Difference between interest payments and interest Receipts (<i>per cent</i>)	(-) 3.5	(-) 4.3	-	(-) 4.8

Source: Finance Accounts

Thus, the State has been borrowing at a higher rate, while earning interest at much lower rate on its lending.

Out of total loans and advances of ₹ 4,701 crore, loans and advances of ₹ 2,560 crore (54 *per cent*) were given to Power Projects. The amount of loans and advances disbursed during the year decreased from ₹ 812 crore in 2013-14 to ₹ 701 crore in 2014-15. Of total amount of loans advanced during the year, ₹ 275 crore were transferred to Social Services and ₹ 426 crore to Economic Services.

During current year, major portion of loan was advanced to Jaipur Metro Rail Corporation Limited (₹ 216 crore), Jaipur City Transport Services Limited (₹ 51 crore) under Social Sector and to Jaipur *Vidyut Vitaran Nigam* Limited (₹ 94 crore), Construction of Godowns under Food Storage and Warehousing (₹ 90 crore), Jodhpur *Vidyut Vitaran Nigam* Limited (₹ 71 crore), Ajmer *Vidyut Vitaran Nigam* Limited (₹ 71 crore), *Tilam Sangh* (₹ 35 crore) and Rajasthan State Road Transport Corporation Limited (₹ 25 crore) under Economic Sector. Regarding repayment of loan, it was seen that more than ₹ 68 crore of loans were not repaid by some institutions (**Appendix 1.10**) for the last 12 years or more.

1.9.6 Adverse balances under DDR Heads

Adverse balances are negative balances appearing under those heads of accounts, where there should not be a negative balance. For example, against the accounting head of any loan or advance, a negative balance will indicate more repayments than the original amount advanced.

As of 31 March 2015, there were 72 cases in 14 Major Heads⁴⁴ amounting to ₹ 439.64 crore of adverse balances under Debt, Deposit and Remittances

⁴⁴ Loans to Government Servants (44 cases: ₹ 2.35 crore), Insurance and Pension Funds (2 cases: ₹ 417.92 crore), State Provident Funds (1 case: ₹ 0.01 crore), Deposits of Local Funds (2 cases: ₹ 0.56 crore), Loans and Advances from Central Government (7 cases: ₹ 12.24 crore), 4 Major Heads under Loans and Advances given by the State Government (4 cases: ₹ 0.05 crore), Other Deposits (1 case: ₹ 0.02 crore), Civil Deposits (1 case: ₹ 0.05 crore), Suspense Account (6 cases: ₹ 3.18 crore), Security Deposits Made by Government (1 case: ₹ 0.52 crore), and Cash Remittance and adjustments between officers rendering accounts to the same Accounts Officer (3 cases: ₹ 2.74 crore).

(DDR) heads. The adverse balances were mainly under Pension Funds of employees of Municipalities/Municipal councils (₹ 417.92 crore) under 'Insurance and Pension Fund', Disbursement of Rajasthan State *Utpadan Nigam* Limited (₹ 0.02 crore) and Disbursement of Rajasthan State *Vidyut Prasaran Nigam* Limited (₹ 0.56 crore) under 'Deposits of Local Fund', Remittance to Treasury (₹ 0.71 crore) and Adjustable heads by Division (₹ 2.03 crore) under 'Cash Remittance and adjustments between officers rendering accounts to the same Accounts Officers' and Loans to Government Servants (₹ 2.35 crore).

1.9.7 Resource availability of the State under Public Private Partnership Projects

Public Private Partnership (PPP) is an arrangement between government or statutory entity and private sector entity, to provide a framework that enables them to work together to meet the rising demand of the public for adequate infrastructure development activities. The PPP cell, established (July 2007) by Government of Rajasthan in Planning Department, is the nodal agency to coordinate efforts of the State Government for development of infrastructure sector involving PPPs, to function as the secretariat of Empowered Committee on Infrastructure Development (ECID) and to act as repository of all information relating to PPPs in the State. The Administrative Departments are required to submit their proposals to the PPP cell to seek in-principle approval of ECID.

As per information furnished (July 2015) by the PPP cell, 174 projects involving ₹ 15,460.39 crore, have been taken up during the period 1995-2015 under different sectors. Of these, 130 projects (₹ 9,789.39 crore) were completed and 44 projects (₹ 5,671.00 crore) were under progress as on 31 March 2015. Besides, 155 projects involving ₹ 35,484.85 crore relating to Roads, Urban Infrastructures, Power, Water, Social and Other Sectors have been planned for future. The resources of Participating Agencies for PPP was ₹ 812.01 crore as per proposed Plan Outlay of Modified Budget 2014-15.

Sector-wise details of PPP projects completed, ongoing and to be taken up in future are shown in Table below:

(₹ in crore)

S. No.	Sector	Completed		On going		Planned for future	
		No.	Cost	No.	Estimated Cost	No.	Estimated Cost
1.	Road	50	3,365.64	11	4,640.45	132	22,445.00
2.	Urban Infrastructure	17	349.22	6	351.76	16	10,575.85
3.	Power	3	5,473.32	2	415.81	3	712.00
4.	Water	1	46.00	-	-	2	1,700.00
5.	IT	1	54.01	-	-	-	-
6.	Social	47	372.50	20	191.19	1	10.00
7.	Other	11	128.70	5	71.79	1	42.00
	Total	130	9,789.39	44	5,671.00	155	35,484.85

Source: Planning Department, GoR

It is worthwhile to mention that the numbers of projects completed during the year in respect of Road (50), Urban Infrastructure (17), and Other sectors (11) are significantly less than the position of projects completed (57, 21, and 34 respectively) during the previous year 2013-14. Planning (PPP) Department clarified (14 August 2015) that certain roads under Road Sector are being constructed by Rajasthan State Road Development Construction Corporation Limited and as such no longer falling under the purview of PPP, certain projects under Urban Infrastructure Sector have been categorised as work in progress at the level of Administrative Department and exclusion of certain projects under Other sectors from completed projects after review at administrative level.

Scrutiny of budget documents of 2014-15 revealed that the State Government did not give details of figures and information regarding investment made in PPP projects in the previous year nor the revenue generated against resources of the State Government was ascertainable (both by the Private sector and Government). For the current year the documents also do not reveal distinctively and separately the estimated investment to be made by the Private and Government sector in connection with PPP projects involving the State Government.

1.9.8 Environment and Health, Water Conservation and Building and Other Construction Welfare Cess

- ***Irregularities in operation and maintenance of fund created for receipt of Environment and Health Cess***

Cesses are levied by the Government for being utilised for a specific purpose. For the purpose of transparency, the cess proceeds are transferred to an earmarked development/welfare fund.

In budget speech of 2008-09 (point No 196) it was proposed to levy an environment and health cess on Mineral Rights for the protection and improvement of environment and health and maintenance of ecological balance, specially in those areas of state where minerals are being mined. Accordingly, Provision was made in the Finance Act, 2008 (Act No. 11 of 2008) for levy of environment and health cess, to give effect to the financial proposals of the State Government for the year 2008-09 under Section 16. Section 17 of the Act provided that proceeds of the cess levied, be credited to the consolidated fund of the state. Further, as per Rule 13 (2) of Rajasthan Environment and Health Cess Rules 2008, the amount realized on account of cess was to be transferred from time to time to the Public Deposit Account of Rajasthan Environment and Health Care Fund, created by the State Government. Provision for the environment and health Cess was made under Receipt Head 0853-800-(02). Inspector General, Registration and Stamp, was entrusted with the collection and deposit of this cess up to 27 January 2015. Thereafter, the work was entrusted to Mines and Geology Department. A separate head "8229-200-07 Reforms in Environment Mining areas and Health Fund" was created in the State Budget 2011-12.

Position of the cess collected, transferred and expenditure made therefrom during last five years under the head 0853-800-(02)[01], as intimated by Directorate, Mines and Geology (August 2015) is summarised below:

(₹ in crore)					
Year of collection	Opening balance	Receipt	Total receipts	Expenditure	Closing balance
2010-11	100.85	61.85	162.70	-	162.70
2011-12	162.70	66.84	229.54	20.86	208.68
2012-13	208.68	47.30	255.98	9.95	246.03
2013-14	246.03	58.60	304.63	13.65	290.98
2014-15	290.98	65.92	356.90	7.12	349.78
Total		300.51		51.58	

The scrutiny of information/records revealed following irregularities:

- (i) The account head was created for the first time in the year 2011-12. Receipts collected on cess (₹ 24.71 crore), were transferred to public account in the year 2013-14. This leads to the conclusion that revenue receipts were not transferred from the consolidated fund to the public account till 2012-13 which was in contravention of the Rule 13 (2) of Rajasthan Environment and Health Cess Rules, 2008.
- (ii) As per Finance Accounts 2014-15, the closing balance in 'Reforms in Environment Mining Areas and Health Fund' in public account was ₹ 3.94 crore. This varies significantly with the closing balance of ₹ 349.78 crore shown by the department in the information provided to audit.
- (iii) As seen from the figures provided by the department, the expenditure incurred over the period 2010-15 comprised only 17 per cent of total funds allocated. Thus, though a cess was levied and collected for improvement in mining areas, no effort was made to undertake any activity for the same.

As informed by the Directorate of Mining, ₹ 16.69 crore and ₹ 35 crore were transferred to the Director, Public Health, Medical and Health Department during the years 2012-13 and 2014-15 respectively. However no expenditure was incurred on medical facilities in mining areas and the entire amount was surrendered.

- ***Delay in transfer of Rajasthan Building and Other Construction Workers Welfare Fund and less utilization of Fund.***

The Government of India (GoI) enacted The Building and Other Construction workers (Regulation of Employment and Conditions of Services) Act, 1996 (Act) which provides for constitution of the 'State Building and Other Construction Workers Welfare Board (Board)' for formulating and implementing various welfare schemes for construction workers. To augment the resources of the Board, the Central Government enacted the Building and Other Construction Workers Welfare Cess Act, 1996 (Cess Act) and Building and Other Construction Workers Welfare Cess Rules, 1998. Section 3 of the Cess Act provides for levy of cess at a rate not exceeding two per cent but not less than one per cent of total cost of construction of projects. This cess would be applicable on all establishments whether Central Government or State

Government Departments/organisations or Semi Government or private organisations.

To implement provisions of the Act, Government of Rajasthan framed 'The Rajasthan Building and Other Construction Workers (Regulation of employment and conditions of service) Rules 2009' (State Rules). As per Labour and Employment Department's circular dated 09 July 2010, the amount collected from cess shall be transferred to the Board within 30 days of its collection. Further, Rule 43 of the State Rules envisages that soon after coming in to force of these Rules, Board may constitute a Fund called "The Rajasthan Building and Other Construction Workers Welfare Fund" which will be credited with the grant or loan or advances, contribution of beneficiaries and all sums received by the Board from such other sources as may be decided by the Central or State Government.

In exercise of the Powers conferred under Section 57 and 58 of the Rules, the Board announced (2010-15) various schemes for welfare of Building and Other Construction Workers.⁴⁵

It was seen that the cess collected and expenditure incurred under the schemes was as given below:

(₹ in crore)

S. No.	Year	Cess collected	Fund received by the Board from Government	Expenditure incurred under the schemes	Percentage of expenditure
1	2010-11	85.52	0.50	0.04	8.00
2	2011-12	154.01	10.00	2.20	22.00
3	2012-13	173.83	229.03	11.71	5.11
4	2013-14	251.95	173.83	25.07	14.42
5	2014-15	277.35	251.94	31.05 (Approx.)	12.32
	Total	942.66	665.30	70.07	(Average) 10.53

It is observed that the cess collected was not transferred to the Board within the period prescribed in the Rules. The cess collected in 2010-11 and 2011-12 was transferred to Board in 2012-13 and thereafter the funds were transferred in subsequent year of collection. The Board intimated (July 2015) that cess amounting to ₹ 277.36 crore for the year 2014-15 was deposited with the government under revenue head 0230-800-(06) and after reconciliation with Accountant General, the proposal will be submitted to Finance Department for transferring the amount in the PD account of the Board.

It was seen that the Board utilised only ₹ 70 crore during a five year period (2010-15) on welfare schemes for workers. Department attributed (July 2015) reasons for less expenditure to lesser number of beneficiaries and to lack of awareness among beneficiaries in the initial years. An analysis of expenditure incurred during 2014-15 revealed that there was balance of ₹ 942.66 crore at the end of 2014-15 including sum of ₹ 277.35 crore during 2014-15. Against these funds, only a sum of ₹ 29.25 crore was incurred for schemes on (i) assistance due to accident (ii) assistance for marriage, (iii) education

⁴⁵ 1. Aid for death in case of General or accident/injury 2. Marriage assistance 3. Education assistance (scholarship) 4. Maternity Assistance 5. Medical reimbursement for serious illness 6. Cash prize to meritorious students 7. Cycle disbursement schemes and 8. National Health Insurance Schemes.

scholarship and (iv) cycle distribution. The numbers of beneficiaries out of applicants were also on lower side i.e. about 37 per cent, 15 per cent, 37 per cent and 48 per cent for schemes on (i) assistance due to accident (ii) assistance for marriage, (iii) education scholarship and (iv) cycle distribution respectively. This showed lack of awareness not only in initial years as admitted by the department but also in recent year.

It is also pertinent to note that as per Rule 43 of State Rules the board was required to constitute a fund by name “The Building and Other Construction Worker’s Welfare Funds”. It was observed that Fund was not being operated distinctly as Welfare Fund in the Public Account, but kept in PD Account not bearing interest under Deposit and Advances in the Public Account.

- ***Non-utilisation of Water Conservation Cess levied by the Government for Water Conservation in the State – ₹841.82 crore***

Cess is levied by government for a specific purpose, till the time the government gets enough money for that purpose. The proceeds, being meant and earmarked for the defined purposes, should be kept in a separate fund, with distinct accounting to ensure that it is incurred for the specific purposes without disturbing other financial resources.

Pursuant to the Budget Speech (Revised) 2009-10, provisions were made in ‘Rajasthan Finance Act, 2009’ for levy of Water Conservation Cess (Cess) on the energy consumed at the rate of ten paise per unit for the purpose of Water Conservation in the State. The cess was intended to provide financial resources for construction of water harvesting structures, both for collecting the run off as well as for ground water recharge and educating and sensitizing people to initiate and sustain the habit of conserving water in day to day life.

Accordingly, a provision was made in ‘Rajasthan Electricity (Duty) Act, 1962’, to collect cess with effect from 8 July 2009. Cess was to be deposited under Revenue Head-0043-800-04 under control of Commercial Tax Department.

It was revealed that cess of ₹ 841.82 crore⁴⁶ was realised during the period 2009-15 and of this, ₹ 777.47 crore⁴⁷ was deposited under revenue head by three electricity distribution companies (Ajmer, Jaipur and Jodhpur). It was noticed that collected cess was not deposited regularly in the relevant head by the distribution companies. Jaipur *Vidyut Vitran Nigam Limited*, Jaipur stated (July 2015) that as it was passing through financial crisis, therefore liabilities could not be met well in time.

Minutes of the Finance Department (24 May 2011) revealed that policy modalities for utilization of cess in various works were to be identified. However, the information regarding the guideline/regulation framed, fund established, its utilization etc. were not provided to audit by Finance Department (September 2015). It was seen that neither the fund was established nor any expenditure incurred. Further, there was no proper

⁴⁶ 2009-10: ₹ 59.62 crore, 2010-11: ₹ 129.38 crore, 2011-12: ₹ 140.90 crore, 2012-13: ₹ 153.73 crore, 2013-14: ₹ 170.89 crore and 2014-15: ₹ 187.30 crore.

⁴⁷ 2009-10: ₹ 39.73 crore, 2010-11: ₹ 116.89 crore, 2011-12: ₹ 62.89 crore, 2012-13: ₹ 229.68 crore, 2013-14: ₹ 157.95 crore; and 2014-15: ₹ 170.33 crore.

accounting of the Cess collected. No monitoring mechanism had been established for watching and ensuring timely deposit of the Cess collected and its utilization for the set objectives.

The mingling of the Cess with regular revenue receipts is fraught with the consequence of understating Revenue Expenditure and Revenue Deficit. During 2014-15, a sum of ₹ 187.30 crore was collected as cess and deposited as revenue in Consolidated Fund. Since the collected amount was not transferred to the Public Account, Revenue Expenditure for 2014-15 was understated by ₹ 187.30 crore.

Non-utilisation of the money collected as a result of Cess meant for water conservation in a State which is suffering from water crisis and depletion of ground water recharging, is indicative of poor management of available resources.

1.10 Assets and Liabilities

1.10.1 Growth and composition of Assets and Liabilities

In the existing Government accounting system, comprehensive accounting of fixed assets like land and buildings owned by the Government is not done. However, the Government accounts do capture the financial liabilities of the Government and the assets created out of the expenditure incurred. *Appendix 1.5* gives an abstract of such liabilities and the assets as on 31 March 2015, compared with the corresponding position on 31 March 2014. While the liabilities in this Appendix consist mainly of internal borrowings, loans and advances from GoI, receipts from public account and reserve funds, the assets comprise mainly the capital outlay and loans and advances given by the State Government and cash balances.

According to FRBM Act, 2005, the total liability means the explicit liabilities under Consolidated Fund of the State and the Public Account of the State including General Provident Fund.

The growth rate of components of assets and liabilities are summarised in the **Table 1.27**:

Table 1.27: Summarised position of Assets and Liabilities

(₹ in crore)

Liabilities					Assets				
		2013-14	2014-15	Percent increased			2013-14	2014-15	Percent increased
Consolidated Fund		87,329.76	1,00,510.54	15.09	Consolidated Fund		97,887.19	1,13,671.65	16.13
a	Internal Debt	80,580.93	93,476.44	16.00	a	Gross Capital Outlay	92,883.17	1,08,971.29	17.32
b	Loans and Advances from GoI	6,748.83	7,034.10	4.23	b	Loans and Advances	5,004.02	4,700.36	(-) 6.07
Contingency Fund		200.00	500.00	150.00					
Public Account		44,020.51	48,384.93	9.91	Public Account		25.61	68.45	167.28
a	Small Savings, Provident Funds, etc.	29,265.67	32,247.42	10.19	a	Advances	2.89	5.74	98.62

Liabilities					Assets			
	2013-14	2014-15	Percent increased		2013-14	2014-15	Percent increased	
b	Deposits	12,153.97	13,565.10	11.61	b	Remittance	-	-
c	Reserve Funds	2,598.67	2,570.63	(-) 1.08	c	Suspense and Miscellaneous	22.72	62.71
d	Remittances	2.20	1.78	(-) 19.09		Cash balance (including investment in Earmarked Fund)	10,446.44	8,949.28
						Total	1,08,359.24	1,22,689.38
						Deficit in Revenue Account	23,191.03	26,706.09
	Total	1,31,550.27	1,49,395.47	13.57	Total	1,31,550.27	1,49,395.47	13.57

Source: Finance Accounts

During 2014-15, the assets increased by 13 *per cent*, while the liabilities increased by 14 *per cent* over the previous year.

1.10.2 Fiscal Liabilities

The outstanding fiscal liabilities of the State increased from ₹ 99,285 crore in 2010-11 to ₹ 1,47,609 crore at the end of 2014-15, which showed an average annual growth of 11 *per cent*.

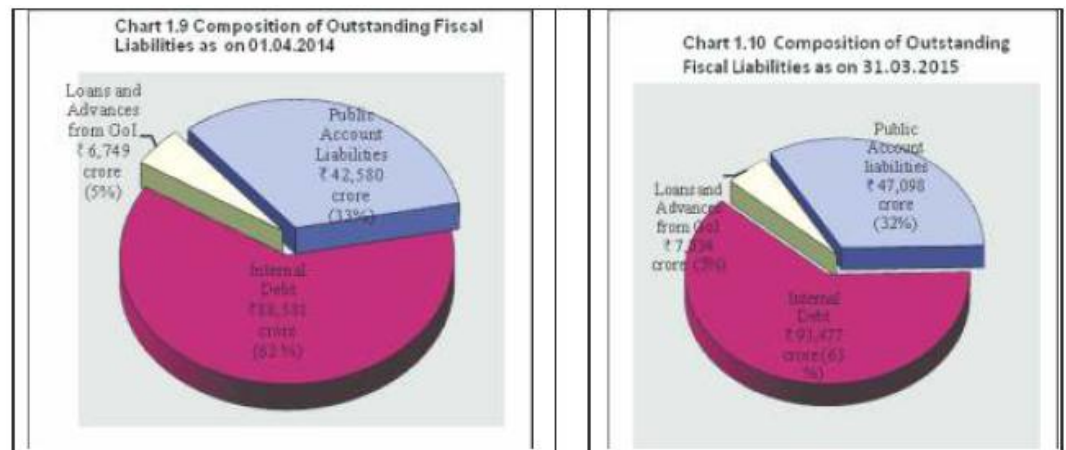
The trends in Fiscal Liabilities relative to GSDP are shown in **Table 1.28**.

Table 1.28: Fiscal Liabilities- Basic Parameters

	2010-11	2011-12	2012-13	2013-14	2014-15
Fiscal Liabilities	99,285	1,06,560	1,17,809	1,29,910	1,47,609
Rate of Growth	8.5	7.3	10.6	10.3	13.6
Fiscal Liabilities as a percentage of					
GSDP	29.3	25.7	25.1	25.1	25.7
Revenue Receipts	216.2	186.9	176.1	174.4	161.6
Own Resources	367.0	308.4	276.3	276.1	284.4

Source: Finance Accounts

The composition of fiscal liabilities during the current year *vis-à-vis* the previous year is presented in **Charts 1.9** and **1.10** below:



Source: Finance Accounts

During 2014-15, fiscal liabilities increased by 14 per cent (₹ 17,699 crore) over the previous year due to increase in Internal Debt by 16 per cent (₹ 12,896 crore), Public Account Liabilities by 11 per cent (₹ 4,518 crore) and Loans and Advances from GoI by 4 per cent (₹ 285 crore).

During 2014-15, fiscal liabilities (total outstanding debt) to GSDP ratio at 25.69 per cent was lower than the norm (36.5 per cent⁴⁸) recommended by XIII-FC and MTFPS projections (25.78 per cent) for the year. These liabilities stood at 1.62 times the revenue receipts and 2.95 times the State's own resources at the end of 2014-15.

During 2014-15, annual incremental borrowings⁴⁹ (₹ 17,699 crore) were higher than the ceilings fixed by the GoI (₹ 17,035 crore) as per recommendations of XIII-FC.

1.10.3 Cash balances and investment of cash balances

Table 1.29 depicts the cash balances and investments made by the State Government out of cash balances during the year.

Table 1.29: Cash balances and Investment of Cash balances

		(₹ in crore)	
	Increase/ Decrease (-)	Opening balance on 1 April 2014	Closing balance on 31 March 2015
(a) General Cash Balance			
Cash in Treasuries	-	0.05	0.05
Deposits with Reserve Bank	22.74	6.67	29.41
Remittances in transit - Local	2.17	(-) 0.37	1.80
Total	24.91	6.35	31.26
Investments held in Cash Balance investment account	(-) 1,368.98	8,997.56	7,628.58
Total (a)	(-) 1,344.07	9,003.91	7,659.84
(b) Other Cash Balances and Investments			
Cash with departmental officers viz, Public Works Department Officers, Forest Department Officers, District Collectors	(-) 0.07	1.07	1.00
Permanent advances for contingent expenditure with departmental officers	(-) 0.26	3.52	3.26
Investment of earmarked funds	(-) 15.76	1,437.94	1,285.18
Total (b)	(-) 153.09	1,442.53	1,289.44
Grand total (a)+ (b)	(-) 1,497.16	10,446.44	8,949.28

Source: Finance Accounts

The State Government's cash balances at the end of the current year amounted to ₹ 8,949 crore showing decrease of ₹ 1,497 crore (14 per cent) from the previous year. Surplus cash balance was mainly due to market borrowings of ₹ 12,300 crore raised during 2014-15.

⁴⁸ XIII-FC Report (Annexure 9.1).

⁴⁹ It included Open Market Borrowings, Negotiated Loans from financial institutions, National Small Savings Fund loans, Central Government loans including EAPs, any loans for State Plan Schemes and Centrally Sponsored Schemes, other liabilities arising out of Public Account transfers under Small Savings, Provident Funds, Reserve Funds, Deposits etc.

- *Investment of cash balances*

Para 7.123 of XIII-FC suggested that there should be a directed effort by States with large balances towards utilising their existing cash balances before resorting to fresh borrowings, as many States had cash balances exceeding the total expenditure for one month. While States require some float for smooth expenditure, accumulation of cash beyond a level, can be treated as inefficient management, as it would lead to avoidable interest burden. The Reserve Bank of India also reiterated the fact and advised the States to manage their cash balances more efficiently.

Year-wise position of cash balances⁵⁰, market loans raised and budgeted expenditure is given in **Table 1.30**.

Table 1.30: Position of cash balances, market loans and budgeted expenditure

	(₹ in crore)				
	2010-11	2011-12	2012-13	2013-14	2014-15
Cash balance as on 1 April	2,361.65	6,087.76	9,785.11	12,886.72	10,446.44
Cash balance as on 31 March	6,087.76	9,785.11	12,886.72	10,446.44	8,949.28
Investment of cash balance in GoI Treasury Bills/Securities	5,708.51	9,307.62	12,127.66	8,997.40	7,628.42
Market loan raised	6,180	4,500	8,041	8,800	12,300
Total budgeted expenditure	51,036	60,524	71,956	90,440	1,26,470
Average monthly budgeted expenditure	4,253	5,044	5,996	7,537	10,539

Source: Finance Accounts and Budget Documents

The surplus cash balances of the State Government are automatically invested in 14 day treasury bills with an average interest rate of 5 per cent per annum and partly in 91, 181 and 364 day auctioned treasury bills of RBI. Till the end of 2014-15, a sum of ₹ 7,628.42 crore was invested in GoI Treasury Bills/Securities, which earned an interest of ₹ 777.96 crore. Further, ₹ 1,285.18 crore was also invested in earmarked funds.

1.10.4 Transactions under Reserve Funds

According to Para 4.5 of State Budget Manual of Government of Rajasthan, Reserves and Reserve Funds are created for specific and well defined purposes in the accounts of the State Government (Public Account). These funds are fed by contributions or grants from the Consolidated Fund of State or from outside agencies. The funds are further divided into two parts (i) Reserve Funds bearing interest and (ii) Reserve Funds not bearing interest. The funds are created by sums transferred by debiting the concerned expenditure head of the Consolidated Fund of the State. Thereafter, the total expenditure incurred during the year is to be reimbursed from the concerned Reserve Fund.

⁵⁰ It includes Cash in Treasuries, Deposits with Reserve Bank, Remittances in Transit-Local, cash with the departmental Officers, Permanent advance, Investment from Cash balances and Investment from Earmarked balances.

- ***Operative Reserve Funds***

As on 31 March 2015, there were 22 Reserve Funds in Public Accounts containing ₹ 2570.63 crore⁵¹, which included a sum of ₹ 362.17 crore in 3 interest bearing funds. During 2014-15, a sum of ₹ 1,735.23 crore was credited to the Reserve Funds of the state which mainly included State Disaster Response Fund (₹ 789.77 crore), State Roads and Bridges Fund (₹ 280 crore) and Guarantee Redemption Fund (₹ 663.37 crore).

State Government was required to pay interest of ₹ 6.72 crore (conservatively estimated at 7.5 per cent representing the average interest rate on Ways and Means Advances) on ₹ 89.58 crore lying in other interest bearing funds as on 31 March 2014. It was however, observed that the same was not paid.

- ***Inoperative Reserve Funds***

As per Finance Account 2014-15, five Reserve Funds (₹ 4.24 crore) were inactive for more than five years. Of these, one fund⁵² (₹ 0.20 crore) was interest bearing and four funds⁵³ (₹ 4.04 crore) were non-interest bearing.

1.10.4.1 State Disaster Response Fund

The State Disaster Response Fund (SDRF) was set up on 1 April 2010 replacing the existing Calamity Relief Fund. The size of the Fund for the years 2010-15 fixed by the XIII FC was ₹ 3,319 crore⁵⁴, 75 per cent of which was to be contributed by the GoI and 25 per cent by the State Government.

During 2014-15, the GoI and the State Government contributed their shares. As on 31 March 2015, the balance in SDRF was ₹ 288.02 crore (including interest paid by Government on un-invested amount during 2014-15: ₹ 31.10 crore) after setting off the expenditure (₹ 1,570.57 crore) for disaster relief operations.

1.10.4.2 Guarantee Redemption Fund

The State Government had set up a Guarantee Redemption Fund in 1999-2000. In terms of the guidelines of the Reserve Bank of India (RBI) which administers the Fund, the corpus of the Fund is to be gradually increased to the desirable level of 5 per cent of outstanding guarantees. The Guarantee Redemption Fund had a balance of ₹ 1,723.79 crore as on 31 March 2015, which was 1.8 per cent of outstanding guarantees (₹ 94,577.81 crore).

⁵¹ It included (i) State Disaster Response Fund: ₹ 288.02 crore; (ii) Guarantee Redemption Fund: ₹ 1,723.79 crore; (iii) Resource Development Fund: ₹ 180.89 crore; (iv) State Road and Bridges Fund: ₹ 221.29 crore and (v) Water Works under Depreciation Reserve Fund: ₹ 73.94 crore.

⁵² (i) Departmental Management Scheme of *Jhamar Kotra* Rock Phosphate: ₹ 20.45 lakh.

⁵³ (i) Farmers Reform Fund: ₹ 0.74 lakh, (ii) Fund for intensive egg and hen production and marketing centres with the assistance of World Food Programme: ₹ 0.95 lakh, (iii) State Road Development Fund: ₹ 4.02 crore and (iv) Government Security Redemption Fund: ₹ 0.18 lakh.

⁵⁴ 2010-11: ₹ 600.66 crore, 2011-12: ₹ 630.69 crore, 2012-13: ₹ 662.22 crore, 2013-14: ₹ 695.33 crore and 2014-15: ₹ 730.10 crore.

No amount was reimbursed from this Fund during the year. During 2014-15 State Government received ₹ 617.89 crore Guarantee Commission against the receivable amount of ₹ 618.82 crore. This amount was booked under Miscellaneous Receipts and an amount of ₹ 615.83 crore was transferred in Guarantee Redemption Fund.

1.10.4.3 Consolidated Sinking Fund

The XII FC had recommended that State Government should create a Consolidated Sinking Fund to be administered by the RBI for the amortisation of all loans. In terms of the guidelines of the RBI, States are required to contribute to the Consolidated Sinking Fund a minimum of 0.5 per cent of their outstanding liabilities as at the end of the previous year. The Government of Rajasthan had created a Consolidated Sinking Fund in 2006-07 and thereafter closed this Fund in 2007-08.

1.10.5 Contingent liabilities

- **Status of Guarantees**

Guarantees are liabilities contingent on the Consolidated Fund of the State in case of default by the borrower for whom the guarantee has been extended.

As per **Statement 9** of the Finance Accounts, the maximum amount for which guarantees were given by the State and outstanding guarantees for the last three years is as follows.

Table 1.31: Guarantees given by the Government of Rajasthan

	(₹ in crore)		
Guarantees	2012-13	2013-14	2014-15
Maximum amount guaranteed	1,13,340	1,40,526	1,61,918
Outstanding amount of guarantees	75,546	85,911	94,578
Maximum amount guaranteed to total Revenue Receipts (in per cent)	169.4	188.7	177.3

Source: Finance Accounts

During 2014-15 Government received guarantee commission of ₹ 617.89 crore against receivable of ₹ 618.82 crore. The outstanding guarantees were 104 per cent of the Revenue Receipts of the Government. No guarantee was invoked during 2014-15.

The outstanding guarantees increased by 10 per cent from ₹ 85,911 crore in 2013-14 to ₹ 94,578 crore in 2014-15. The outstanding guarantees mainly pertained to five Power Companies (₹ 86,979 crore), two Urban Development and Housing (₹ 3,243 crore), one Road and Transport (₹ 1,727 crore) and seven Co-operatives (₹ 1,442 crore). The guarantees of Power Companies were given for repayment of loans/overdraft, amount raised by issue of bonds/debentures and payment of interest at stipulated rates.

- **Off Budget borrowings**

The borrowings of a State are governed by Article 293 of the Constitution of India. In addition to the fiscal liabilities the State guarantee loans availed of by

various sectors of the State Government including Zila Parishads/Companies/Corporations. These sectors borrow funds from the market/financial institutions for implementation of various State Plan programmes, projected outside the State Budget. Although, State Government projects that fund for these programmes, would be met out of the resources mobilized by these Companies/Corporations/Zila Parishads outside the State budget. In reality the borrowings of many of these concerns are repaid by State Government and ultimately turn out to be the liabilities of the State Government termed, as 'off budget borrowings' though not permissible under Article 293(3). According to recommendation of XIII FC, the Government of India (GoI) fixed (February 2014) the net borrowing ceiling of ₹ 17,035 crore for the State for financial year 2014-15.

The Rural Development and Panchayati Raj Department (RDPRD), informed (July 2015) that till 2014-15, the State Government provided guarantees for payment of principal amount of loans of ₹ 3,948.66 crore obtained by Zila Parishads, from Housing Urban Development Corporation (HUDCO) for construction of dwelling units for EWS families in Rural areas under Chief Minister BPL Housing Scheme. It was revealed from the sanctions, that a sum of ₹ 491.45 crore (₹ 249.73 crore on account of principal and ₹ 241.72 crore as interest) was paid by the State Government against these guarantees during 2014-15 to Zila Parishads.

However, Statement No. 20 of Finance Accounts 2014-15 revealed that a sum of ₹ 251 crore (instead of ₹ 249.73 crore) was paid by Zila Parishads to HUDCO towards principal for these guarantees. RDPRD intimated (August 2015) that as per information furnished by HUDCO, the difference of ₹ 1.27 crore was due to adjustment of outstanding loans against various Zila Parishads. However, details of outstanding loan, delay in payment and imposition of penal interest, if any, etc. was awaited from the RDPRD.

During 2014-15, to the opening balances of ₹ 2520.44 crore, guarantees of ₹ 600.64 crore were added and guarantees of ₹ 251.00 crore were cleared, leaving a balance of ₹ 2870.08 crore at the end of 2014-15.

Thus, by resorting to off budget borrowing of ₹ 491.45 crore during 2014-15 towards principal and interest on behalf of Zila Parishads to HUDCO under Major Head 2515-196-25 "Other Rural Development Programme Assistance to Zila Parishads/District Level Panchayats- Rural BPL Awas" for meeting the plan expenditure, the State Government incurred contingent liability of ₹ 2,870.08 crore in the event of non-payment by the ultimate borrower.

Besides this, the GoR had also raised borrowings of ₹ 17,699 crore during 2014-15 which crossed the ceiling limit of ₹ 17,035 crore fixed by the GoI. After including off budget borrowings, the net borrowings comes to ₹ 18,049 crore during 2014-15, which were 6 *per cent* above the ceiling fixed by the GoI.

1.10.6 Analysis of Borrowings of Government

The Public Debt of the State Government increased by 45 *per cent* from ₹ 69,278 crore in 2010-11 to ₹ 1,00,511 crore in 2014-15. It increased by 15 *per cent* over the previous year. Details are given below in **Table 1.32**:

Table 1.32: Outstanding Borrowings during 2010-15

	2010-11	2011-12	2012-13	2013-14	2014-15
(₹ in crore)					
(a) Internal Debt					
Market Loans	35,448	38,551	44,209	51,384	61,386
Loans from National Bank for Agriculture and Rural Development	3,323	3,947	4,553	5,422	6,482
Special Securities issued to National Small Savings Fund of the Central Government	22,656	21,518	20,767	20,022	20,126
Loans from other Institutions	470	441	444	3,753	5,483
Total (a)	61,897	64,457	69,973	80,581	93,477
(b) Loans and Advances from the Central Government					
Non-Plan Loans	67	60	55	49	44
Loans for State/Union Territory Plan Schemes	7,163	7,052	6,789	6,690	6,980
Other Plan Loans	151	137	137	10	10
Total (b)	7,381	7,249	6,981	6,749	7,034
Total Borrowings (a + b)	69,278	71,706	76,954	87,330	1,00,511
Rate of Growth	7.2	3.5	7.3	13.5	15.1

Source: Finance Accounts

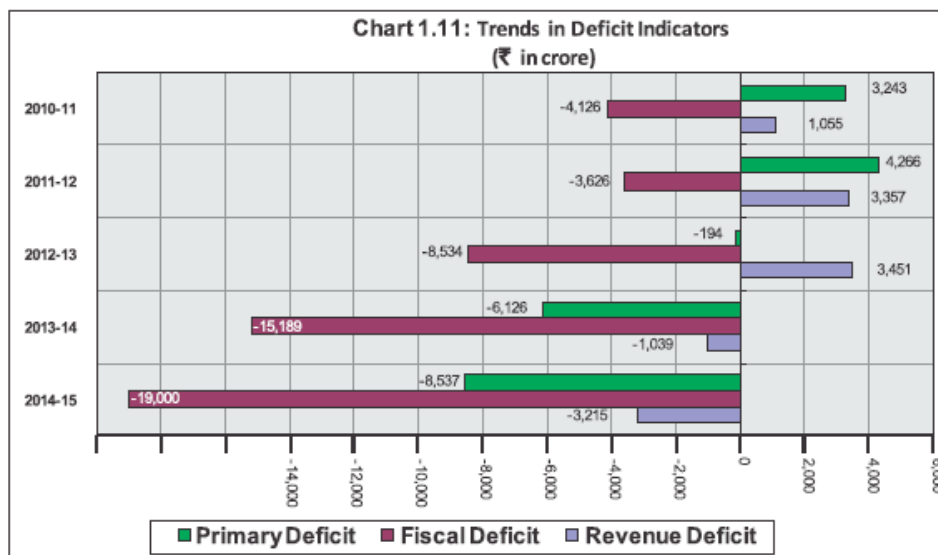
The outstanding borrowings and internal debt have shown a progressive increase over the period 2010-15, while loans and advances from the central government showed decreasing trend upto 2010-14 and thereafter increase by ₹ 285 crore during 2014-15 over the previous year. The share of market loans to total borrowing increased from 51 *per cent* in 2010-11 to 61 *per cent* in 2014-15. The market borrowings recorded increase of 19.5 *per cent* over previous year which was higher than average growth rate of 18.3 *per cent* during 2011-15.

1.11 Fiscal Imbalances

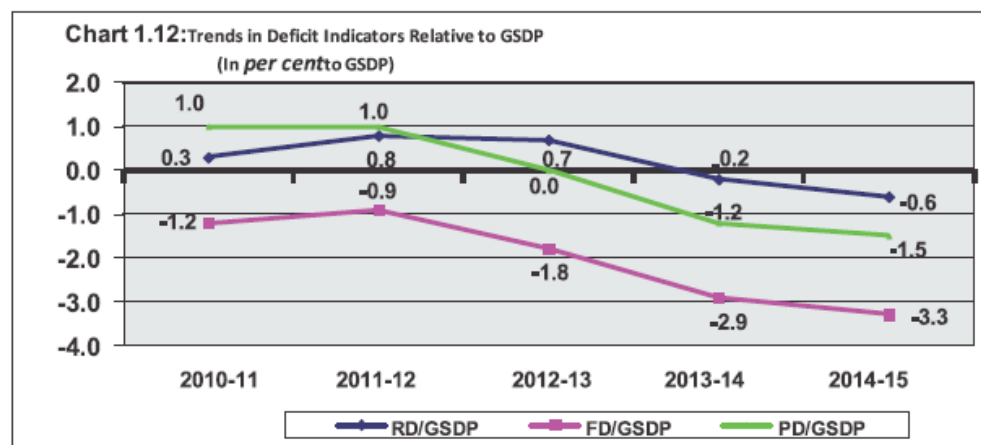
Three key fiscal parameters - Revenue Deficit, Fiscal Deficit and Primary Deficit - indicate the extent of overall fiscal imbalances in the Finances of the State Government during a specified period. The deficit in the Government accounts represents the gap between its receipts and expenditure. The nature of deficit is an indicator of the prudence of fiscal management of the Government. Further, the manner in which the deficit is financed and the resources are applied are important pointers to its fiscal health. This section presents trends, nature, magnitude and the manner of financing these deficits and also the assessment of actual level of revenue and fiscal deficits *vis-à-vis* targets set under FRBM Act/Rules for the financial year 2014-15.

1.11.1 Trends in Deficits

Charts 1.11 and 1.12 present the trends in deficit indicators over the period 2010-15.



Source : Finance Accounts



1.11.1.1 Revenue Surplus/Deficit

Revenue Surplus represents the difference between Revenue Receipts and Revenue Expenditures. Revenue Surplus helps to decrease the borrowings.

The State Government turned into a revenue deficit State in 2013-14. During 2014-15, revenue deficit (₹ 3,215 crore) increased by ₹ 2,176 crore over the previous year. During 2014-15, against the growth rate of 22.6 per cent of Revenue Receipts, the growth rate of Revenue Expenditure was 25.2 per cent. This issue is discussed in detail in **Paragraph 1.2.1**.

1.11.1.2 Fiscal Deficit

Fiscal deficit normally represents the net incremental liabilities of the Government or its additional borrowings. The shortfall could be met either by additional public debts (internal or external) or by the use of surplus funds from Public Account. Fiscal deficit trends along with the trends of the deficit relative to key components are indicated in **Table 1.33**:

Table: 1.33: Fiscal deficit and its parameters

Period	Non-debt Receipts	Total Expenditure	Fiscal Deficit	Fiscal Deficit as <i>per cent</i> of		
				GSDP	Non-debt Receipts	Total Expenditure
2010-11	46,260	50,386	4,126	1.22	8.9	8.2
2011-12	58,256	61,882	3,626	0.88	6.2	5.9
2012-13	68,023	76,557	8,534	1.82	12.6	11.2
2013-14	74,797	89,986	15,189	2.93	20.3	16.9
2014-15	92,346	1,11,346	19,000	3.31	20.6	17.1

Source: Finance Accounts

Fiscal deficit as a percentage of GSDP, non-debt receipts and total expenditure was least in 2011-12. During 2014-15, fiscal deficit increased mainly on account of increase in capital expenditure and Revenue deficit.

Fiscal deficit as a percentage of GSDP increased from 2.93 per cent (2013-14) to 3.31 per cent (2014-15) which was higher than the target of 3 per cent as prescribed under FRBM Act, 2005 as amended (March 2011 and September 2011). After containing fiscal deficit regularly within the limit for the years 2010-11 to 2013-14 as prescribed under FRBM Act, State Government has crossed the target of 3 per cent.

1.11.1.3 Primary Deficit

While fiscal deficit represents the need for additional resources in general, a part of such resources may be needed to finance interest payments. Interest payments represent the expenditure of past obligations and are independent of current allocative priorities. To look at the imbalances of the current nature, these payments need to be separated and deducted from the total imbalances.

The primary surplus was maintained till 2011-12. The primary surplus turned into a primary deficit in 2012-13 due to increase in capital expenditure. The primary deficit further increased from ₹ 6,126 crore in 2013-14 to ₹ 8,537 crore in 2014-15.

1.11.1.4 Non-plan Revenue Deficit

Non-Plan Revenue Deficit represents the difference between NPRE and State's own resources. During 2014-15, the Non-Plan Revenue Deficit of ₹ 15,196 crore (22.6 per cent of NPRE) exceeded the normative assessment of Non-Plan Revenue Surplus ₹ 864 crore (2.3 per cent of NPRE) made by XIII FC.

1.11.2 Components of Fiscal Deficit and its item-wise financing pattern

Table 1.34 presents item-wise net disbursement/outflow financing pattern of fiscal deficits of the State during 2009-10 to 2014-15 along with receipts and disbursements during the year 2014-15.

Table 1.34: Components of fiscal deficit and its item-wise financing pattern

		Net disbursements/outflows					2014-15		
		2009-10	2010-11	2011-12	2012-13	2013-14	Receipts	Disbursements	Net
(a) Decomposition of Fiscal Deficit									
1	Revenue Deficit/ Surplus (-)	4,747	(-) 1,055	(-) 3,357	(-) 3,451	1,039	91,327	94,542	3,215
2	Net Capital Expenditure	5,166	5,238	7,103	10,675	13,654	15	16,103	16,088
3	Net Loans and Advances	386	(-) 57	(-) 120	1,310	496	1,004	701	(-) 303
	Total (a)	10,299	4,126	3,626	8,534	15,189	92,346	1,11,346	19,000
(b) Financing Pattern of Fiscal Deficit									
1	Market Borrowings	6,112	4,837	3,103	5,658	7,175	12,300	2,298	10,002
2	Loans from GoI	(-) 142	(-) 94	(-) 131	(-) 268	(-) 232	795	509	286
3	Special Securities Issued to National Small Saving Funds	(-) 560	(-) 553	(-)1,138	(-) 751	(-) 745	1,347	1,243	104
4	Ways and Means	-	-	-	-	-	-	-	-
5	Loans from Financial Institutions	442	470	594	610	4,178	3,699	910	2,789
6	Small Savings, Provident Fund etc	2,145	2,841	2,767	2,164	2,521	7,082	4,100	2,982
7	Deposits and Advances	1,274	885	1,096	3,416	(-) 421	1,07,067	1,05,658	1,409
8	Suspense and Miscellaneous	(-) 14	(-) 49	12	(-) 3	12	22	62	(-) 40
9	Remittances	(-) 1	-	-	29	(-) 6	10,487	10,488	(-) 1
10	Reserve Funds	(-)1,761	(-) 485	1,020	781	267	1,724	1,752	(-) 28
	Total (b)	7,495	7,852	7,323	11,636	12,749	1,44,523	1,27,020	17,503
11	Increase (-)/ Decrease (+) in Cash Balance (a-b)	2,804	(-)3,726	(-)3,697	(-)3,102	2,440			1,497
12	Overall Deficit (b+11)	10,299	4,126	3,626	8,534	15,189			19,000

* Not applicable in case of summing of receipts and disbursements for 2014-15 being cumulative of (a+b) and not indicative of actual cash balances

Source : Finance Accounts

Fiscal deficit is the total borrowing requirement of the State and is the excess of Revenue and Capital Expenditure including loans and advances, over revenue and non-debt receipts. Decomposition of fiscal deficit reveals the extent of various borrowings resorted to by the State to meet its requirement of funds over and above Revenue and non-debt Receipts.

Market borrowings by the State Government continued to finance a major portion of fiscal deficit. Its share in financing fiscal deficit increased from 47 per cent in 2013-14 to 53 per cent in 2014-15. During 2014-15, the fiscal deficit of ₹ 19,000 crore was mainly met from Market Borrowings (₹ 10,002 crore), Loans from Financial Institutions (₹ 2,789 crore), Small Savings and

Provident Funds etc. (₹ 2,982 crore), Deposits and Advances (₹ 1,409 crore) and Cash Balance (₹ 1,497 crore). The Market Borrowings and the Small Savings, Provident Fund etc, increased by 19.5 *per cent* and 10.2 *per cent* respectively over the previous year; raising the interest burden in future.

1.11.3 Quality of deficit/surplus

The ratio of revenue deficit to fiscal deficit and the composition of primary deficit into primary revenue deficit and capital expenditure (including loans and advances) indicates the quality of deficit in the State's finances. The ratio of revenue deficit to fiscal deficit indicates the extent to which borrowed funds were used for current consumption. Persistent high ratio of revenue deficit to fiscal deficit also indicates that the asset base of the State was continuously shrinking and a part of borrowings (fiscal liabilities) did not have adequate assets backup.

The bifurcation of the primary deficit (**Table 1.35**) indicated the extent to which the deficit was on account of enhancement in capital expenditure which may be desirable to improve the productive capacity of the State's economy.

Table 1.35: Primary deficit/surplus- Bifurcation of factors

(₹ in crore)							
Year	Non-debt Receipts (NDR)	Primary Revenue Expenditure	Capital Expenditure	Loans and Advances	Primary Expenditure	NDR <i>vis-à-vis</i> Primary Revenue Expenditure	Primary deficit (-) / surplus (+)
1	2	3	4	5	6 (3+4+5)	7 (2-3)	8 (2-6)
2010-11	46,260	37,504	5,251	262	43,017	(+) 8,756	(+) 3,243
2011-12	58,256	45,762	7,119	1,109	53,990	(+) 12,494	(+) 4,266
2012-13	68,023	55,122	10,683	2,412	68,217	(+) 12,901	(-) 194
2013-14	74,797	66,447	13,664	812	80,923	(+) 8,350	(-) 6,126
2014-15	92,346	84,079	16,103	701	1,00,883	(+) 8,267	(-) 8,537

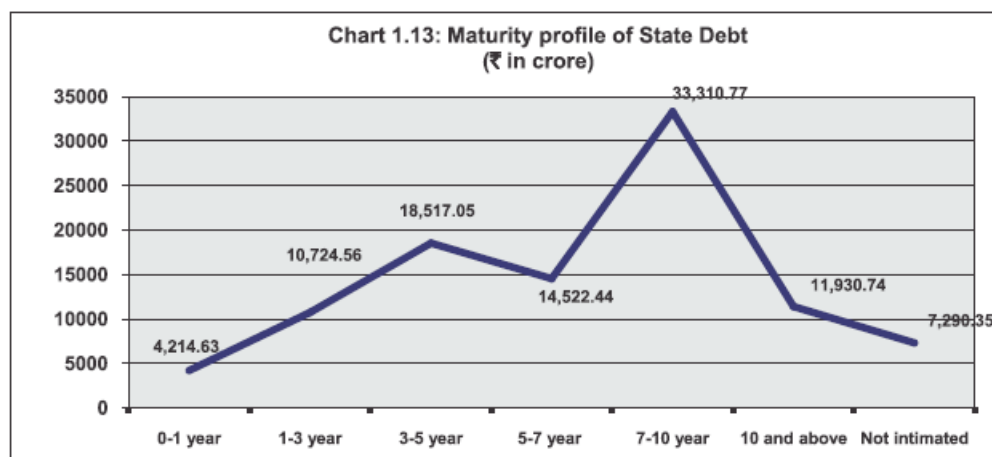
Source: Finance Accounts

The share of capital expenditure in primary expenditure which was 12 *per cent* in 2010-11, increased to 16 *per cent* in 2014-15. The non-debt receipts increased by ₹ 17,549 crore against an increase of ₹ 19,960 crore in primary expenditure during 2014-15 over the previous year. This resulted in increase of primary deficit by ₹ 2,411 crore. The Primary Revenue Expenditure and Capital Expenditure increased by ₹ 17,632 crore (26.5 *per cent*) and ₹ 2,439 crore (17.8 *per cent*) respectively over the previous year, while disbursement of Loans and Advances decreased by ₹ 111 crore (13.7 *per cent*) from the previous year. During 2014-15, the non-debt receipt was less than the primary expenditure resulting in a primary deficit.

1.12 Debt Management

(i) Debt Profile

The Maturity Profile of State Debt as on 31 March 2015 is as follows:



Source: Finance Accounts

As per data shown in **Chart 1.13**, the maturity profile in respect of ₹ 7,290.35 crore was not clearly defined. There would be a bunching of repayments in 1-3 years (₹ 10,724.56 crore), 3-5 years (₹ 18,517.05 crore) and 5-7 years (₹ 14,522.44 crore). In terms of maturity profile, around 33 *per cent* of the total public debt (₹ 33,310.77 crore) at the end of the year belonged to a maturity bracket of 7 to 10 years. A well thought out debt repayment strategy will have to be worked out by the Government to ensure that no additional borrowings which mature in these critical years, are made.

(ii) Debt sustainability

Debt sustainability is defined as the ability of the State to maintain a constant debt-GSDP ratio over a period of time and also indicates the ability to service its debt. Sustainability of debt therefore also refers to sufficiency of liquid assets to meet current or committed obligations and the capacity to keep balance between costs of additional borrowings with returns from such borrowings. It means that increase in fiscal deficit should match with the increase in capacity to service the debt. **Table 1.36** analyses the debt sustainability of the State according to these indicators for a period of five years beginning 2010-11.

Table 1.36: Debt Sustainability: Indicators and Trends

Indicators of Debt Sustainability	(₹ in crore)				
	2010-11	2011-12	2012-13	2013-14	2014-15
Outstanding debt ⁵⁵	69,278	71,706	76,954	87,330	1,00,511
Debt/GSDP (in <i>per cent</i>)	20.5	17.3	16.4	16.9	17.5
Debt/Revenue Receipt (in <i>per cent</i>)	150.8	125.8	115.0	117.3	110.1
Burden of Interest Payments (IP/RR <i>per cent</i>)	16	14	12	12	11
Sufficiency of Non-debt Receipts (Resource Gap)	6,173	500	(-) 4,908	(-) 6,655	(-) 3,811
Net Availability of Borrowed Funds	383	(-) 617	2,908	3,038	7,236

The outstanding debt of the State increased by 45 *per cent* from ₹ 69,278 crore in 2009-10 to ₹ 1,00,511 crore in 2014-15.

⁵⁵ It includes Internal Debt and Loans & Advances from GoI.

- ***Sufficiency of non-debt receipts***

For debt stability and its sustainability, the incremental non-debt receipts of the State should be adequate to cover the incremental interest liabilities and incremental primary expenditure. Debt sustainability could be significantly facilitated if the incremental non-debt receipts could meet the incremental interest burden and the incremental primary expenditure.

The persistent negative non-debt receipts (resource gap) gap was negative during 2012-15 indicating the non-sustainability of debt.

- ***Net availability of borrowed funds***

Net availability of borrowed funds is defined as the ratio of the debt redemption (Principal + Interest Payments) to total debt receipts and indicates the extent to which the debt receipts are used in debt redemption.

The net fund available from borrowing for current operations after providing for interest and repayment increased from ₹ 3,038 crore in 2013-14 to ₹ 7,236 crore in 2014-15.

- ***Interest burden***

The ratio of interest payments to revenue determines the debt sustainability of the State. During 2014-15, interest payments constituted 11 *per cent* of Revenue Receipts of the State.

1.13 Conclusions and Recommendations

For the second consecutive year, the State Government was unable to achieve its target of attaining zero revenue deficit framed under the FRBM Act. During the year 2014-15, the revenue deficit increased to ₹ 3,215 crore from ₹ 1,039 crore in 2013-14. The State Government failed to contain the fiscal deficit within the limit of 3 *per cent* of GSDP, as laid down in FRBM Act and at the end of 2014-15, the fiscal deficit was ₹ 19,000 crore (3.31 *per cent* of GSDP). Further, the primary deficit (₹ 8,537 crore) also increased by ₹ 2,411 crore over the previous year.

With a view to generate a revenue surplus of ₹ 738 crore, the State Government in its BE had projected revenue expenditure of ₹ 1,05,387 crore and revenue receipts of ₹ 1,06,125 crore during 2014-15. It was observed that the actual expenditure was ₹ 94,542 crore (10.3 *per cent* less than estimates) and actual receipts were ₹ 91,327 crore (13.9 *per cent* less than estimates) during the year leading to revenue deficit. The outstanding debt showed a steady increase over the years, from ₹ 99,285 crore at the end of 2010-11 to ₹ 1,47,609 crore at the end of 2014-15 which as percentage of GSDP was 25.7 *per cent* in 2014-15 and was well within the target of 36.5 *per cent* fixed under the FRBM Act. However, annual incremental borrowings (₹ 17,699 crore) were higher than the ceilings fixed by the GoI (₹ 17,035 crore).

Revenue receipts of the State increased steadily from ₹ 45,928 crore in 2010-11 to ₹ 91,327 crore in 2014-15. The growth in revenue receipts during the year 2014-15 was 22.6 per cent (₹ 16,856 crore) as compared to 11.3 per cent in previous year. This was mainly on account of 124.2 per cent (₹ 10,863 crore) growth of Grant-in-aid from GoI in 2014-15 as compared to 21.9 per cent in the previous year because of transfer of significant funds under CSS to the Implementing Agencies through the Consolidated Fund of the State as per policy decision of GoI. The share of tax revenue to revenue receipts declined from 45.2 per cent in 2010-11 to 42.3 per cent in 2014-15.

While overall revenue expenditure of the State increased by 111 per cent from ₹ 44,873 crore in 2010-11 to ₹ 94,542 crore in 2014-15, its share in total expenditure declined from 89.1 to 84.9 per cent. However, during 2014-15, there was 25 per cent growth in revenue expenditure as compared to previous year's growth of 19 per cent, which indicates deficiencies in control over expenditure. The Non Plan Revenue Expenditure (NPRE) also increased consistently over the period from ₹ 36,121 crore in 2010-11 to ₹ 67,098 crore in 2014-15 and stood at 71 per cent of revenue expenditure after recording growth of 15 per cent over the previous year. The expenditure on salaries, interest payments, pensions and subsidies increased by 78 per cent from ₹ 29,317 crore in 2010-11 to ₹ 52,216 crore in 2014-15. During the current year, it recorded growth of 18 per cent over the previous year.

The estimation of expenditure and receipts for containing fiscal parameters within the desirable limits should be more realistic and it should be endeavour of the State Government to contain the expenditure as envisaged within the budget estimates. Regular control over expenditure and management of receipts are required.

Various types of cess are levied by the Government for specific purposes and objectives. For the purpose of transparency, their proceeds are transferred to an earmarked fund. Irregularities were noticed in implementation and follow up action regarding certain cess imposed by the State Government for various objectives.

Upto the year 2014-15, a sum of ₹ 300.51 crore was collected under Environmental and Health cess which was levied in Budget Speech 2008-09. However, this was not transferred from Consolidated Fund to the Public Account till 2012-13 and only a sum of ₹ 51.58 crore was spent till end of 2014-15.

Rajasthan Building and Other Construction Workers Welfare Fund was established under 'Rajasthan Building and Other Construction Workers (Regulation of employment and conditions of service) Rules 2009' and a sum of ₹ 942.66 crore was collected by State Government. However, only a sum of ₹ 70 crore was spent during 2010-15. The transfer of the cess by the State Government to the Board was also beyond stipulated period during those years.

Levy of Water Conservation Cess was imposed through 'Rajasthan Finance Act 2009'. During the period 2009-15, a sum of ₹ 841.82 crore was realised

towards cess by three electricity distribution companies. However, neither the fund was created nor expenditure incurred out of this.

Retention of receipts from various cesses in Consolidated Fund/Public Accounts for a long period is fraught with the consequence of understating the Revenue expenditure and Revenue Deficit.

State Government may ensure proper collection of cess and its timely transfer to the earmarked funds and utilise it for intended purposes.

A review of revenue deposited in Consolidated Fund through sale, regularisation and conversion of land and urban assessment fee by JDA alongwith annual accounts of JDA revealed that ₹ 230.17 crore during 2014-15 were short deposited in Consolidated Fund of the State under respective heads. This was in violation of orders (08 December 2010) of Government of Rajasthan (Revenue Department) and orders (31 May 2012 and 21 June 2012) of UDH Department, according to which 20 per cent of revenue realised under sale proceeds of land, 40 per cent of revenue realised under regularisation and conversion charges and 60 per cent of revenue realised under urban assessment fee, were to be deposited in government account in relevant heads.

On the basis of recommendation of XIII-FC, State Government entrusted (February 2011) Technical Guidance and Supervision (TGS) to CAG over audit of Local Bodies.

In pursuance of TGS, we reviewed the status of preparation of accounts and their certification in all Local Bodies. It was seen that till March 2015, the accounts in PRIs were mainly being maintained in conventional formats as per RPR Rules. The State Government failed to ensure GoI's directions that w.e.f. April 2011, accounts be maintained as per simplified accounting formats 2009 by using model accounting system 'Panchayati Raj Institution Accounting Software' (PRIA Soft). The status of switching over of Accounting in ULBs to accrual system was also not ascertainable and clear.

The TGS revealed that accounts of various Local Bodies including PRIs, ULBs, JDA, RHB etc. by DLFAD had in general not been certified.

The accounting system in the Local Bodies needs to be strengthened. State Government may ensure timely preparation and submission of accounts and their certification.

In pursuance of recommendations of XIII-FC (2010-15), the GoI allocated Grant in Aid of ₹ 12,950 crore to GoR. However, there was actual release of ₹ 12,270.80 crore against which the State Government incurred an expenditure ₹ 12,352.66 crore. Test check of records of five Departments (Information Technology and Communication, Home, Medical and Health, Law and Legal Affairs, and Water Resources Departments) receiving significant Grant in Aid revealed irregularities in its release and utilization including non receipts/deprival of grant of ₹ 539.32 crore.

The State Government should monitor release and utilisation of grant by GoI under FC more effectively to ensure that the grants are utilised in effective and timely manner for the intended purposes.

During 2014-15, Government invested ₹ 4,391.59 crore in Government Companies, Statutory Corporations and Cooperative Institutions etc. Out of this, a sum of ₹ 3,959.21 crore was invested in five loss making Statutory Corporations/Government Companies, including four Power Companies and Rajasthan State Road Transport Corporation. Though during the last five years, the State Government invested ₹ 18,376.02 crore, the average return by way of dividend on the investment in Government Companies and Statutory Corporations was less than 0.5 per cent, whereas, the Government paid up to 7.7 per cent interest on an average on its borrowings during 2010-15.

It would be advisable for the State Government to ensure better value for money in investment, otherwise high cost borrowed funds will continue to be invested in projects with low financial returns.

Chapter II

Financial Management and Budgetary Control

2.1 Introduction

Appropriation Accounts are accounts of the expenditure, voted and charged, of the Government for each financial year, compared with the amounts of the voted grants and appropriations charged for different purposes as specified in the schedules appended to the Appropriation Acts. These Accounts list the original budget estimates, supplementary grants, surrenders and reappropriations distinctly and indicate actual capital and revenue expenditure on various specified services *vis-à-vis* those authorised by the Appropriation Act in respect of both charged and voted items of budget. Appropriation Accounts thus facilitate management of finances, in monitoring budgetary provisions and therefore, are complementary to Finance Accounts.

Audit of appropriations by the Comptroller and Auditor General of India seeks to ascertain whether expenditure, incurred under various grants, is within the authorisation given under the Appropriation Act and whether charged as required to be charged under the provisions of the Constitution. It also seeks to ascertain whether the expenditure so incurred is in conformity with the law, relevant rules, regulations and instructions.

As per the State Budget Manual (SBM), the Finance Department is responsible for the preparation of the annual budget by obtaining from the various departments, material on which to base its estimates. The departmental estimates of receipt and expenditure are prepared by Controlling Officers on the advice of their Heads of Departments and submitted to the Finance Department by the prescribed dates. The Finance Department then consolidates the estimates and prepares the Detailed Estimates and Grants. The estimates of expenditure should be as accurate as possible. An avoidable excess in an estimate is as much a financial irregularity as an excess in the actual expenditure. The budget procedure envisages that the sum provided in an estimate of expenditure on a particular item must be that sum which can be expended in the year and it should neither be more nor less.

2.2 Summary of Appropriation Accounts

The summarised position of actual expenditure during 2014-15 against 55 grants/appropriations is given in **Table 2.1** below:

Table 2.1: Actual Expenditure vis-à-vis original/supplementary provisions

(₹ in crore)

Nature of expenditure		Original grant/appropriation	Supplementary grant/appropriation	Total	Actual expenditure	Savings (-)/ Excess (+)	Amount Surrendered	Amount surrendered on 31 March 2015	Percentage of savings surrendered by 31 March 2015
Voted	I Revenue	97,347.57	2,792.30	1,00,139.87	86,513.60	(-) 13,626.27	13,596.84	13,596.84	99.8
	II Capital	21,378.83	1,094.72	22,473.55	16,739.97	(-) 5,733.58	5,271.75	5,271.75	91.9
	III Loans and Advances	517.94	18.54	536.48	700.78	(+) 164.30	150.75	150.75	-
Appropriation to Contingency Fund		-	300.00	300.00	300.00	-	-	-	-
Total Voted		1,19,244.34	4,205.56	1,23,449.90	1,04,254.35	(-) 19,195.55	19,019.34	19,019.34	-
Charged	IV Revenue	10,579.50	67.47	10,646.97	10,570.38	(-) 76.59	75.31	75.31	98.3
	V Capital	0.02	-	0.02	0.02	-	. ¹	. ¹	-
	VI Public Debt-Repayment	4,956.89	-	4,956.89	4,960.04	(+) 3.15	15.28	15.28	-
Total Charged		15,536.41	67.47	15,603.88	15,530.44	(-) 73.44	90.59	90.59	-
Grand Total		1,34,780.75	4,273.03	1,39,053.78	1,19,784.79²	(-) 19,268.99	19,109.93	19,109.93	99.2

Source: Appropriation Accounts

Table 2.1 indicates that supplementary provision aggregating to ₹ 4,273.03 crore obtained during 2014-15 proved unnecessary as the actual expenditure did not even come up to the level of original grant/appropriation. The overall saving (₹ 19,268.99 crore) was the result of savings of ₹ 19,272.14 crore in 49 grants and 44 appropriations under Revenue Section, 35 grants and 3 appropriations under Capital Section, offset by overall excess of ₹ 3.15 crore in one appropriation under Capital Section.

Since, there was overall revenue deficit (₹ 3,215 crore) and also fiscal deficit (₹ 19,000 crore), had the Government not achieved savings, their revenue deficit and fiscal deficit would have gone upto ₹ 16,918 crore and ₹ 38,272 crore respectively as detailed below:

(₹ in crore)

Particulars	Actuals	Deficit, if savings had not occurred
Revenue Deficit (-)/ Surplus (+)	(-) 3,215	(-) 16,918
Fiscal Deficit (-)	(-) 19,000	(-) 38,272

The Principal Accountant General (PAG), Accounts and Entitlement (A&E), Rajasthan forwarded (June and July 2015) Detailed Appropriation Accounts to the Controlling Officers, requesting them to explain the significant variations of savings/excesses. Out of 1,516 sub-heads, explanations for variation in

¹ Only ₹ 5,000

² The figures of actual expenditure include recoveries adjusted as reduction of expenditure (Revenue: ₹ 2,542.01 crore and Capital: ₹ 637.30 crore, Total: ₹ 3,179.30 crore).

respect of 811 sub-heads (saving: 652 and excess: 159) were awaited (November 2015).

2.3 Financial accountability and budget management

2.3.1 Excess over provisions relating to previous years (2010-14) requiring regularisation

Under Article 205 of the Constitution of India, it is mandatory for State Governments to get the excess over grant/appropriation, regularised by the State Legislature. Although no time limit for regularisation of expenditure has been prescribed, such regularisation is done after completion of the discussion of Appropriation Accounts by the Public Accounts Committee (PAC).

In 13 grants, excess expenditure amounting to ₹ 20.74 crore for the period 2010-14 was yet to be regularised (as on 10 August 2015). The year-wise details are summarised in **Table 2.2** below:

Table 2.2: Excess over provisions relating to previous years requiring regularisation

Year	Total number of Grants/Appropriations	Number and name of Grant/Appropriation	Grant/Appropriation	Amount of excess (₹ in crore)	Stage of consideration by PAC (As on 10 August 2015)
2010-11	4	20-Housing	Capital-voted	2.16	Para no. 2.3.5 of 13 th PAC Report of 14 th Vidhan Sabha received. Action Taken Note received from the Government and vetting remarks sent.
		27-Drinking Water Scheme	Revenue-voted	15.70	
		28-Special Programme for Rural Development	Revenue-voted	1.90	
		38-Minor Irrigation and Soil Conservation	Capital-voted	0.01	
	2	13-Excise	Revenue-charged	-. ³	
		15-Pensions and Other Retirement Benefits	Revenue-charged	0.03	
2011-12	1	48-Power	Capital-voted	0.01	Para 2.3.5 of 46 th PAC Report of 14 th Vidhan Sabha received. Action Taken Note received from the Government and vetting remarks sent.
	2	12-Other Taxes	Revenue-charged	0.11	
		36-Cooperation-	Revenue-charged	-. ⁴	
2012-13	2	11- Miscellaneous Social Services	Revenue-charged	0.01	Not examined by PAC
		20-Housing	Revenue-charged	-. ⁵	Not examined by PAC
2013-14	2	16-Police	Revenue-charged	-. ⁶	Not examined by PAC
		41-Community Development	Capital-voted	0.81	Not examined by PAC
Total	13			20.74	

Source: Appropriation Accounts

³ Only ₹ 54,783

⁴ Only ₹ 57

⁵ Only ₹ 2,100

⁶ Only ₹ 23,122

2.3.2 Excess over provisions during 2014-15 requiring regularisation

Table 2.3 contains the summary of excess under one appropriation amounting to ₹ 3.15 crore over and above, which was authorised from the Consolidated Fund of the State, during 2014-15 and requires regularisation under Article 205 of the Constitution.

Table 2.3: Excess over provisions requiring regularisation during 2014-15

(₹ in crore)				
S. No.	Number and name of Grant/Appropriation	Total appropriation	Expenditure	Excess
Capital Charged				
1.	Public Debt	4,956.89	4,960.04	3.15
Grand Total		4,956.89	4,960.04	3.15

Source: Appropriation Accounts

Reasons for excess expenditure over authorisation from the Consolidated Fund of the State are given in **Table 2.4**.

2.3.3 Expenditure without provision

As per the provisions contained in para 21.19.1(a) of SBM, expenditure should not be incurred on a scheme/service without provision of funds. However, scrutiny of Appropriation Accounts 2014-15 revealed that an expenditure of ₹ 18.44 crore was incurred in following sub-head even without any provision in original estimates/supplementary demand and without any re-appropriation orders to this effect as shown below:

Table 2.4: Cases of expenditure without provision under the head during 2014-15

Sl. No.	Name of Appropriation	Head of Accounts	Amount of expenditure without provision (₹ in crore)	Reasons
1.	Public Debt	6003-Internal Debt of the State Government 106-Compensation and other Bonds 02-Special Bond (Power Bonds) 18-8.50% Tax free Rajasthan State Special Bonds, 2015	18.44	Finance (Ways & Means) Department, GoR intimated (04 September 2015) that due date of payment of power bonds was 1 April 2015 but the RBI had debited the amount of ₹ 18.44 crore on 31 March 2015 resulting in booking of expenditure under the head without any budget provision.

Expenditure without provision of fund was irregular and unauthorised.

2.3.4 Excess Expenditure

In 10 heads of accounts there were cases of excess expenditure of more than ₹ one crore and also by more than 10 per cent of the total provisions in each head (**Appendix 2.1**). Besides, in one appropriation “Public Debt” there was an excess expenditure of ₹ 3.15 crore.

Inadequate provision of funds resulting in excess expenditure indicated deficient budgetary and expenditure controls.

2.3.5 *Rush of expenditure*

Maintaining uniform pace of expenditure is a crucial component of sound public financial management. Any rush of expenditure in the closing month of the financial year should be avoided.

During 2014-15, in respect of 79 sub-heads (*Appendix 2.2*), expenditure of ₹ 14,075.99 crore (exceeding ₹ 50 crore and more than 30 *per cent* of the total expenditure in each case) was incurred in the last quarter of the financial year, which was 51.6 *per cent* of total expenditure. Of this, ₹ 9,888.46 crore (70.3 *per cent*) was spent in March 2015 alone.

Major Heads, where expenditure exceeding ₹ 25 crore and more than 50 *per cent* of total expenditure, was incurred either during the last quarter or during the last month of the Financial Year, are shown below:

Table 2.5: Cases of Rush of expenditure towards the end of the Financial Year 2014-15

Sl. No.	Head of Account	Total expenditure during the year	(₹ in crore)			
			Expenditure during last quarter of the year		Expenditure during March 2015	
			Amount	% of total expenditure	Amount	% of total expenditure
1.	2075-Miscellaneous General Services	617.52	616.47	99.8	615.90	99.7
2.	2245-Relief on account of Natural Calamities	741.35	1,046.05	141.1	1,003.15	135.3
3.	2425-Cooperation	611.51	331.88	54.3	311.75	51.0
4.	3454-Census Surveys and Statistics	491.22	352.78	71.8	249.41	50.8
5.	3475-Other General Economic Services	70.64	54.74	77.5	54.12	76.6
6.	4210- Capital Outlay on Medical and Public Health	484.32	311.32	64.3	257.57	53.2
7.	4801-Capital Outlay on Power Projects	4,249.21	2,863.57	67.4	2,710.97	63.8
8.	4860-Capital Outlay on Consumer Industries	42.57	42.57	100	42.57	100
9.	5475-Capital Outlay on Other General Economic Services	167.07	139.48	83.5	118.45	70.9

Source: Information compiled by office of the PAG (A & E), Rajasthan

Incidentally, 12.75 *per cent* (₹ 2,742.78 crore) of the total amount (₹ 21,504.36 crore) was transferred/deposited in Personal Deposit (PD) Accounts during March 2015 alone as detailed in *paragraph 3.6*

Thus, substantial expenditure was incurred by the departments at the fag end of the year which is indicative of inadequate financial control over the expenditure.

2.3.6 Appropriation vis-à-vis Allocative Priorities

There were deviations from budget allocation with regard to the expenditure during the financial year, raising questions about the credibility of the budgeting process and budget monitoring.

Appropriation audit revealed that against the total savings of ₹ 19,268.99 crore during the year 2014-15, in 23 Grants savings exceeded ₹ 100 crore and above in each case, amounting to ₹ 17,885.40 crore (92.8 per cent) as indicated in Table 2.6 below.

Table 2.6: List of Grants with savings ₹ 100 crore and above

(₹ in crore)

S. No.	No. and Name of the Grant	Original	Supplementary	Total	Actual Expenditure	Savings (% of savings)	Reasons of savings as reported in Appropriation Accounts
(A) Revenue-Voted							
1	9-Forest	747.86	Negligible amount	747.86	630.62	117.24 (15.7)	Post remaining vacant, non-receipt of consent of villagers for displacement, non-receipt of second instalment of annual work plan from the GoI and less release of grants by the State Government. Detailed reasons for savings in several cases were not intimated by the State Government.
2	15-Pensions and other Retirement Benefits	9,037.00	858.11	9,895.11	9,628.97	266.14 (2.7)	Non-submission of complete cases of new revised pension of pre-2006 and pre-2013 pensioners by the departments and delay in payment of cases finalized by banks.
3	24-Education, Art and Culture	19,318.57	Negligible amount	19,318.57	16,570.32	2,748.25 (14.2)	Posts of third grade teachers not filled up, posts remaining vacant and less receipt of funds from GoI. Detailed reasons for savings in several cases were not intimated by the State Government.
4	26-Medical and Public Health and Sanitation	6,251.69	Negligible amount	6,251.69	5,081.45	1,170.24 (18.7)	Posts remaining vacant, less receipt of funds from GoI resultantly less release of State Share, less release of funds to Rajasthan Medical Services Corporation Limited under <i>Free Medicine Scheme</i> after receipt of funds from National Rural Health Mission (NRHM), non-release of sanction by the State Government for transfer the funds to PD Accounts of Rajasthan Health Science University and less purchase of machinery and equipments.
5	28-Special Programme for Rural Development	477.18	117.52	594.70	310.30	284.40 (47.8)	Short receipt of funds from GoI, non-receipt of second instalment of funds for Integrated Catchment Management Programme from GoI and non-receipt of funds for National Rural Livelihood Mission from GoI.
6	29-Urban Plan and Regional Development	2,863.76	Negligible amount	2,863.76	2,298.24	565.52 (19.7)	Short/non-receipt of funds from GoI, less release of grants to Municipalities/ Municipal Corporations under Thirteenth Finance Commission (XIII FC) and State Finance Commission. Detailed reasons for savings in several cases were not intimated by the State Government.
7	30-Tribal Area Development	6,352.64	Negligible amount	6,352.64	5,130.08	1,222.56 (19.2)	Short/non-receipt of funds from GoI, post remaining vacant, reduction in plan ceiling, less expenditure on pay and allowances. Detailed reasons for savings in several cases were not intimated by the State Government.

Financial Management and Budgetary Control

(₹ in crore)

S. No.	No. and Name of the Grant	Original	Supple-mentary	Total	Actual Expen-diture	Savings (% of savings)	Reasons of savings as reported in Appropriation Accounts
8	33-Social Security and Welfare	5,355.35	236.78	5,592.13	5,358.86	233.27 (4.2)	Short receipt of fund from GoI, posts remaining vacant, less expenditure on scholarship and stipends. Detailed reasons for savings in several cases were not intimated by the State Government.
9	34-Relief from Natural Calamities	2,166.52	272.40	2,438.92	2,311.91	127.01 (5.2)	Less expenditure on relief work i.e. drought, floods, cyclones etc.
10	35-Miscellaneous Community and Economic Services	847.72	-	847.72	398.20	449.52 (53.0)	Non-receipt of funds from GoI. Less expenditure on Bhamashah enrolment and preparation of Bhamashah card due to election code of conduct under 'Bhamashah Yojana, 2014'. Detailed reasons for savings in several cases were not intimated by the State Government.
11	37-Agriculture	1,956.80	Negligible amount	1,956.80	1,546.91	409.89 (20.9)	Posts remaining vacant, non-receipt of second instalment from GoI and less expenditure incurred on 'On Farm Water Management Scheme' as less interest shown by the farmers in the scheme due to reduction in limits of grants to general farmers. Detailed reasons for savings in several cases were not intimated by the State Government.
12	39-Animal Husbandry and Medical	632.06	-	632.06	511.35	120.71 (19.1)	Less expenditure on pay and allowances, less expenditure on drugs and medicines, reduction in plan ceiling, non-approval of rates of equipments for <i>Hingonia Gaushala</i> , policy decision for release of grants to <i>Gaushala</i> was not taken by the State Government and non-receipt of funds from GoI. Detailed reasons for savings in several cases were not intimated by the State Government.
13	41-Community Development	5,065.56	28.03	5,093.59	4,457.14	636.45 (12.5)	Reduction in provision upto 52 per cent by the Ministry of Panchayati Raj, GoI, non-receipt of sanction of second instalment from GoI, reduction in grants by Thirteenth Finance Commission under various schemes, less receipt of funds from GoI and non-payment of outstanding liabilities of 'Bhamashah Yojana, 2008'. Detailed reasons for savings in several cases were not intimated by the State Government.
14	46-Irrigation	1,814.74	Negligible amount	1,814.74	1,702.88	111.86 (6.2)	Less expenditure on pay and allowance due to posts remaining vacant. Detailed reasons for savings in several cases were not intimated by the State Government.
15	48-Power	10,384.96	Negligible amount	10384.96	9,114.40	1,270.56 (12.2)	Less payment of interest on power bonds, release of grants as per power supply in rural areas by <i>Jaipur Vidyut Vitaran Nigam Limited (JVVNL)</i> , release of grants to power distribution companies as per the recovery of power tax and less release of grants to JVVNL because of change in ratio of releasing grant for recoupment of revenue losses.
16	50-Rural Employment	3,611.45	-	3,611.45	2,389.85	1,221.60 (33.8)	Short receipt of funds from GoI under various schemes.

Financial Management and Budgetary Control

(₹ in crore)

S. No.	No. and Name of the Grant	Original	Supplementary	Total	Actual Expenditure	Savings (% of savings)	Reasons of savings as reported in Appropriation Accounts
17	51-Special Component Plan for Welfare of Scheduled Castes	6,164.27	Negligible amount	6,164.27	4,509.85	1,654.42 (26.8)	Post remaining vacant, short/non-receipt of fund from GoI, less expenditure on 'Bhamashah Yojana'. Detailed reasons for savings in several cases were not intimated by the State Government.
Sub Total (A)		83,048.13	1,512.84	84,560.97	71,951.33	12,609.64	
(B) Capital-Voted							
18	12-Other Taxes	374.78	-	374.78	74.78	300.00 (80.0)	Non-implementation of proceedings to transfer the assets after deciding to constitute Bus Terminal Development Authority instead of Rajasthan State Road Transport Corporation by the State Government and the proposed Authority was not formed during the year.
19	19-Public Works	1,397.65	Negligible amount	1,397.65	709.61	688.04 (49.2)	Non-completion of works due to excess work load on Public Works Department (PWD) and less execution of works. Detailed reasons for savings in several cases were not intimated by the State Government.
20	21-Roads and Bridges	3,281.25	-	3,281.25	2,399.82	881.43 (26.9)	Less execution of works and adjustment of percentage charges as per work outlay. Detailed reasons for savings in several cases were not intimated by the State Government.
21	26-Medical and Public Health and Sanitation	346.25	-	346.25	223.28	122.97 (35.5)	Slow progress of works, non-release of sanctions for construction of buildings of 1,079 primary health sub-centres, less amount received by NABARD against loans and non-receipt of fund from GoI.
22	27-Drinking Water Scheme	3,299.95	273.76	3,573.71	3,308.02	265.69 (7.4)	Slow progress of works due to late release of sanction for work, non-utilisation of funds by Water Resources Departments and delay in tendering process. Detailed reasons for savings in several cases were not intimated by the State Government.
23	29-Urban Plan and Regional Development	1280.91	-	1,280.91	707.49	573.42 (44.8)	Slow progress of construction works in sewerage sector due to termination of contracts, delay in land availability, delay in clearance of railway crossing and National Highway Authority of India, posts remaining vacant, reduction in plan ceiling and change in site of land. Detailed reasons for savings in several cases were not intimated by the State Government.
24	30-Tribal Area Development	2,306.93	425.55	2,732.48	2,116.63	615.85 (22.5)	Non-release of sanction for building construction of primary health sub-centres under NABARD scheme, non/less execution of works and non/less receipt of fund from GoI. Detailed reasons for savings in several cases were not intimated by the State Government.
25	33- Social Security and Welfare	301.82	Negligible amount	301.82	45.84	255.98 (84.8)	Delay in land allotment resulted in slow progress of construction works for residential schools by PWD. Detailed reasons for savings in several cases were not intimated by the State Government.
26	37-Agriculture	429.96	-	429.96	309.66	120.30 (28.0)	Detailed reasons for savings were not intimated by the State Government.
27	42-Industries	20.12	0.10	20.22	(-) 81.64	101.86 (503.8)	Detailed reasons for minus expenditure were not intimated by the State Government.

(₹ in crore)

S. No.	No. and Name of the Grant	Original	Supple-mentary	Total	Actual Expen-diture	Savings (% of savings)	Reasons of savings as reported in Appropriation Accounts
28	43-Minerals	103.56	-	103.56	(-) 4.65	108.21 (104.5)	Delay in decision by review committee created for study of MoU with HPCL for establishment of refinery in the state resulting in non-issuance of share capital to HPCL-Rajasthan Refinery Limited.
29	46-Irrigation	1,165.59	Negligible amount	1,165.59	953.91	211.68 (18.2)	Less execution of works, non/short receipt of funds and non-release of Administrative and financial sanction due to election code of conduct.
30	48-Power	3,600.00	Negligible amount	3,600.00	3,067.13	532.87 (14.8)	Reduction in plan ceiling resulted in less investment in power companies.
31	51-Special Component Plan for Welfare of Scheduled Castes	2,712.86	336.58	3,049.44	2,551.98	497.46 (16.3)	Short receipt of fund from GoI, non-release of sanction for construction of building of primary health sub-centres and less investment of share capital in various power distribution companies of Rajasthan due to reduction in plan ceiling. Detailed reasons for savings in several cases were not intimated by the State Government.
	Total (B)	20,621.63	1,035.99	21,657.62	16,381.86	5275.76	
	Grand Total (A+B)	1,03,669.76	2,548.83	1,06,218.59	88,333.19	17,885.40	

Source: Appropriation Accounts

The cases discussed above indicate that provisions contained in Chapter 13 of the SBM were not followed in preparation of budget estimates of expenditure by the Departments and Budget Controlling Officers of these grants, which resulted in savings of ₹ 17,885.40 crore.

Out of total savings of ₹ 19,268.99 crore, a sum of ₹ 12,609.64 crore (65.4 *per cent*) pertained to savings (₹ 100 crore and above) under 'Revenue-Voted Section', which indicates deficiencies in budget estimation of expenditure. Large savings occurred in areas of Education, Medical and Public Health, Rural Development, Tribal Area Development, Social Security and Welfare, Power and Special Component Plan for Welfare of Scheduled Castes. The main reasons of savings were attributed to posts remaining vacant. Keeping budgetary provision for vacant posts was in contravention of provisions contained in para 13.18.2 of the SBM. Other reasons reported were less/non-receipt of funds from GoI and reduction in Plan outlay and less payment of interest on power bonds.

A sum of ₹ 5,275.76 crore (27.4 *per cent*) pertained to savings (₹ 100 crore and above) under 'Capital Section'. Large savings occurred in areas of Public Works, Urban Plan and Regional Development, Road & Bridges, Tribal Area Sub-plan, Power and Special Component Plan for Welfare of Scheduled Castes. The main reasons of savings were attributed to non-receipt of funds from GoI, reduction in plan ceiling resulting in less investment in power companies, non-release of sanctions and less execution/slow progress of works, which indicated stalling in developmental works and non-creation of assets of the State Government during the year.

In 22 cases, savings ranged between 20.9 and 503.8 *per cent* and exceeded by ₹ 20 crore and more than 20 *per cent* of total provision in each case as detailed in *Appendix 2.3*.

2.3.7 Persistent savings

In 17 cases, there were persistent savings of more than ₹ one crore in each case and also by more than 10 *per cent* of the total grant during last three years as summarised in **Table 2.7** and details including major reasons for persistent savings are given in *Appendix 2.4*.

Table 2.7: List of Grants indicating persistent savings during 2012-15

S. No.	No. and Name of the Grant	Amount of savings (₹ in crore)		
		2012-13	2013-14	2014-15
Revenue-Voted				
1.	09-Forest	154.23	188.29	117.24
2.	11-Miscellaneous Social Services	20.10	13.60	42.47
3.	20-Housing	12.45	24.01	14.84
4.	28-Special Programmes for Rural Development	84.83	30.39	284.40
5.	35-Miscellaneous Community and Economic Services	35.25	22.44	449.52
6.	43-Minerals	82.11	25.29	94.51
7.	48-Power	1,000.00	2,177.50	1,270.56
8.	50-Rural Development	60.69	57.43	1,221.60
Capital-Voted				
9.	11-Miscellaneous Social Services	1.59	1.62	16.29
10.	19-Public Works	135.71	277.74	688.04
11.	23-Labour and Employment	1.38	2.87	2.88
12.	24-Education, Art and Culture	19.20	47.97	28.47
13.	26-Medical and Public Health and Sanitation	67.07	42.80	122.97
14.	29-Urban Plan and Regional Development	193.94	414.99	573.42
15.	30-Tribal Area Development	232.27	222.84	615.85
16.	33-Social Security and Welfare	85.77	11.21	255.98
17.	46-Irrigation	228.97	279.18	211.68

Source: Appropriation Accounts

Reasons for persistent savings were mainly due to posts remaining vacant. Keeping budgetary provision for vacant posts was in contravention of provisions of the SBM. Other reasons reported were less/non-receipt of funds from GoI, less execution/slow progress of works and reduction in Plan outlay.

The persistent savings over the years were indicative of over assessment of requirement of funds by the State Government in Appropriation Act without adequately scrutinising the same and properly monitoring the flow of expenditure. The budgetary controls in various Departments were not effective and trends of expenditure during previous years were not taken into account while allocating funds for the year. The Controlling Officers of these grants need to be directed by the Finance Department to take necessary steps to avoid persistent savings.

2.3.8 Unnecessary/excessive supplementary provision

Para 24.2 of SBM stipulates that if during the currency of a financial year, the amount provided for any purpose is found to be inadequate or a need arises for an expenditure on some object or service for which no provision has been made, a supplementary provision can be sanctioned by the Legislature. During 2014-15, supplementary provision, aggregating to ₹ 1,168.36 crore, obtained in 14 cases (₹ one crore or more in each case), proved unnecessary as the expenditure did not even come up to the level of the original provision (*Appendix 2.5*). Important cases where supplementary provisions of more than ₹ 100 crore in each case proved unnecessary are given below in **Table 2.8**:

Table 2.8: Cases where supplementary provisions (more than ₹ 100 crore) proved unnecessary during 2014-15

(₹ in crore)					
Sl. No.	Number and Name of the Grant	Original Provision	Supplementary Provision	Expenditure	Reasons for supplementary provisions
Revenue-Voted					
1	28-Special Programmes for Rural Development	477.18	117.52	310.30	In anticipation of funds received from the Government of India for Integrated Catchment Management Programme.
Capital-Voted					
2	30-Tribal Area Development	2,306.93	425.55	2,116.63	To meet expenditure on construction works of various schemes under Roads and Bridges, Water Supply, Minor Irrigation etc.
3	51-Special Organisational Schemes for Welfare of Scheduled Castes	2,712.86	336.58	2,551.98	For capital investment in various power distribution companies.

Source: Appropriation Accounts

In all the above cases, it was seen that provision for supplementary grants proved unnecessary as the actual expenditure was even less than the original budget estimates. This indicated deficiencies in estimation of requirement of funds for the remaining period of the financial year and failure to monitor the flow of expenditure by these departments, as prescribed in Chapter 21 of the SBM. Thus, unnecessary supplementary provision was made without assessing the actual requirements of funds under these sub-heads.

2.3.9 Excessive/unnecessary reappropriation of funds

Reappropriation is transfer of funds within a grant from one unit of appropriation where savings are anticipated, to another unit where additional funds are needed.

Injudicious reappropriation of funds proved excessive, unnecessary or insufficient, resulting in excess expenditure of ₹ 62.75 crore in 59 sub-heads and final savings of ₹ 270.97 crore in 262 sub-heads. The final

excesses/savings after reappropriation was more than ₹ one crore in 18 head of accounts (*Appendix 2.6*). There was insufficient reappropriation in 7 head of accounts, unnecessary reappropriation in 2 head of accounts and excessive reappropriation in 9 head of accounts. This indicated that the availability/requirement of funds, was not properly assessed before such reappropriation.

2.3.10 Unexplained reappropriations

Para 23.15.6 of SBM envisages that the reasons for anticipating excesses or savings should be clearly explained. Scrutiny of reappropriation orders issued (31 March 2015) by the Finance Department, revealed that out of 1,190 explanations, 324 cases were clearly explained in the reappropriation orders. Explanations in the remaining 866 cases were of general nature like 'actual requirement', 'based on latest assessment' and 'restriction of expenditure'. This goes against the principle of transparency stipulated in Section 4 of Fiscal Responsibility and Budget Management Act.

2.3.11 Anticipated savings not surrendered

As per para 23.16 of SBM, grants that cannot be properly utilised should be surrendered. During 2014-15, out of total savings of ₹ 19,268.99 crore, a sum of ₹ 19,109.93 crore (99.2 per cent) was surrendered on the last working day of the financial year. Of this, ₹ 18,815.03 crore in 49 cases (33 grants and one appropriation) where savings were of more than ₹ 20 crore in each case, were surrendered on the last working day (*Appendix 2.7*) while in 16 grants and one appropriation, where savings (₹ 10,289.06 crore) were ₹ one crore and above, an amount of ₹ 307.95 crore was not surrendered (*Appendix 2.8*).

This indicated lack of realistic financial planning and weak financial control. The Chief Controlling Officers and the Heads of the Departments ignored the budgetary controls laid down in the SBM and the Finance Department failed to exercise the overall financial control over the State budget, which resulted in deprivation of funds for other development purposes.

Departments did not furnish (November 2015) any reasons/explanations regarding surrender of savings on the last working day of financial year.

2.3.12 Lump sum provision

Para 13.16 of SBM stipulates that lump sum provision should not be, as a rule, made in estimates. In some cases, however, lump provision may become unavoidable. Barring cases where expenditure from lump allotments is regulated by standing sanctions, instructions or rules, detailed explanations justifying provision proposed shall be given in the budget note accompanying the lump sum estimates.

During 2014-15, in 89 cases (more than ₹ 15 crore and also more than 50 per cent of budget provision in 23 grants), a lump sum provision of

₹ 7,197.35 crore was made in the estimates. Out of this, a sum of ₹ 5,237.77 crore (72.8 per cent) remained unutilised at the close of the financial year, which was surrendered at the fag end of the year (**Appendix 2.9**) and the remaining amount of ₹ 1,959.58 crore was re-appropriated. Reasons for making lump sum budget provisions under these cases were not furnished (November 2015) by the Government.

2.3.13 Surrender in excess of actual savings

In three grants, against the savings of ₹ 1,677.38 crore, an amount of ₹ 1,787.38 crore was surrendered, which was in excess by ₹ 110 crore (**Appendix 2.10**) indicating that the departments failed to exercise necessary budgetary controls of watching the flow of expenditure through the monthly expenditure statements. Departments did not furnish any reasons/explanations regarding surrender in excess of actual savings (November 2015).

2.3.14 Injudicious surrender

In one appropriation, surrender of ₹ 15.29 crore proved injudicious as there was eventual excess of ₹ 3.15 crore under the appropriation at the close of the financial year.

2.4 Outcome of review of selected grants

A review of receipts and expenditure under Grant No. 9-Forest and Grant No. 24-Education, Art and Culture for the period 2012-15 revealed the following position:

Grant No. 9-Forest

Forest Department

A. Revenue Expenditure

The overall revenue expenditure showed increase of 17.2 per cent and 12.4 per cent over the previous years, as summarized below:

Table 2.9: Summarised position of actual expenditure vis-a-vis original provision during 2012-15

Head of Account	Year	Original Provision	Supplemen- tary Provision	Total	Actual expenditure	Savings	Percentage	
							Savings	Growth in expenditure
2406-Forestry and Wild Life	2012-13	632.89	-	632.89	478.66	154.23	24.4	-
	2013-14	749.21	-	749.21	560.92	188.29	25.1	17.2
	2014-15	747.86	-	747.86	630.62	117.24	15.7	12.4

Source: Appropriation Accounts.

The savings against total budget provision during 2012-15 exhibited persistent trend which was indicative of over assessment of requirement of funds under

various heads by the Department without adequately scrutinising the same and properly monitoring the flow of expenditure.

Test check of certain heads, revealed significant trend of variations in expenditure over previous years. Under head '2406-Forestry and Wild Life, 01-Forestry, 196-Assistance to Zila Parishad District Level Panchayats, 01-Subordinate & Trained Staff, 01- Establishment', the expenditure⁷ decreased by 62.5 per cent during 2013-14 and increased by 169.8 per cent during 2014-15 over previous years. The department intimated that increase/decrease in pay and allowances depend on submission of utilisation certificates by Panchayat Raj Institution after disbursement of pay and allowances to employees. The reply was not found tenable as it indicates systemic deficiencies in financial management of the department.

B. Capital Expenditure

Despite significant reduction (21.6 per cent) in budget estimates for capital expenditure in 2013-14 over the previous year, the actual expenditure on capital side during the year was significantly high (46.9 per cent). Despite significant increase (118 per cent) in budget estimates in 2014-15 over the previous year, the actual expenditure on capital side during the year was lower (20 per cent) against the provision as shown in **Table 2.10**.

Table 2.10: Summarised position of actual expenditure vis-a-vis original provision during 2012-15

(₹ in crore)

Head of Account	Year	Original Provision	Supplementary Provision	Total	Actual expenditure	Savings	Per centage	
							Savings	Growth in expenditure
4406-Capital outlay on Forestry and Wild Life	2012-13	130.65	11.54	142.19	114.75	27.44	19.3	-
	2013-14	102.48	82.40	184.88	168.58	16.30	8.8	46.9
	2014-15	223.41	-	223.41	134.92	88.49	39.6	(-) 20.0

Source: Appropriation Accounts.

Major areas in which significant low capital expenditure was witnessed in comparison to Budget Estimates in 2014-15, were Reforestation, Forest Conservation, regeneration of degraded forest etc., which shows low priority towards capital works, envisaged in original estimates.

Scrutiny revealed that unnecessary supplementary provision of ₹ 11.54 crore⁸ was made during 2012-13 as the actual expenditure was lower than the original allotment. During 2013-14 the supplementary provision of ₹ 82.40 crore⁹, made under various heads, was found excessive against budget provisions.

⁷ Expenditure during 2012-13: ₹ 17.76 crore; 2013-14: ₹ 6.66 crore and 2014-15: ₹ 17.97 crore.

⁸ Head 4406-02-110-(04)-16 Development of Keoladeo National Park.

⁹ (i) Head 4406-01-101-10-16 : ₹ 5.97 crore, (ii) Head 4406-01-102-14-16 : ₹ 56.10 crore, (iii) Head 4406-01-800-02-17 : ₹ 15.97 crore and (iv) Head 4406-02-110-04-16 : ₹ 4.36 crore.

C. Non-utilisation of entire provision

As envisaged in para 13.6 of SBM that the estimates of expenditure should be as accurate as possible, an avoidable excess in an estimate is as much a financial irregularity as an excess in actual expenditure. Test check of certain sub-heads revealed that the departments did not utilize the entire provision and surrendered it at the end of the year. The department intimated that the allotted funds of ₹ 1.09 crore could not be utilised under head '4406-01-102-08' due to non-release of funds by GoI. The reply was not tenable as this indicates lack of pursuance by department in getting the funds from GoI. As regards to surrendering of ₹ 2 crore under head '4406-02-110-08', no specific reason was intimated by the department (November 2015).

D. Receipts

The over all position of revenue receipts under '0406-Forestry and Wild Life' of the grant during 2012-15 is summarized in **Table 2.11**:

Table 2.11: Summarised position of receipts during 2012-15

(₹ in crore)					
Year	Budget Estimates	Revised Estimates	Actual Receipts	Excess(+)/ Shortfall (-)	Per cent variation to R.E.
2012-13	56.05	73.53	91.24	(+)17.71	24.1
2013-14	66.67	87.39	77.52	(-) 9.87	(-) 11.3
2014-15	87.44	80.20	89.31	(+) 9.11	11.4

Source: Budget and Finance Accounts.

Test check of certain heads revealed lower estimation in the subsequent years despite significant receipts in previous years as given in **Table 2.12**:

Table 2.12: Statement of Receipts during 2012-15

(₹ in crore)							
S.No.	Head of Account	Year	Budget Estimates	Revised Estimates	Actual Receipts	Excess(+)/ Shortfall (-)	Per cent Variation to Revised Estimates
1	0406-Forestry and Wild Life 01-Forestry 101-Sale of Timber and Other Forest Produce	2012-13	31.46	43.98	43.82	(-) 0.16	(-) 0.4
		2013-14	41.67	40.85	38.78	(-) 2.07	(-) 5.1
		2014-15	42.09	35.31	38.21	2.90	8.2
2	0406-Forestry and Wild Life 01-Forestry 800-Other Receipt	2012-13	14.80	14.81	31.85	17.04	115.0
		2013-14	10.11	31.19	24.20	(-) 6.99	(-) 22.4
		2014-15	29.82	28.56	33.40	4.84	16.9

Source: Budget and Finance Accounts.

Thus, there were significant variations in respect of actual receipts and Revised Estimates which indicated deficiency in estimation.

Grant No. 24- Education, Art and Culture

Education, Art and Culture Department

A. Revenue Expenditure

The original budget provision, expenditure and savings during 2012-13, 2013-14 and 2014-15 exhibited inconsistent trend. During 2013-14 and 2014-15, the original provisions were 16 per cent and 33.7 per cent higher

over the previous years but the expenditure showed increase of 18.45 per cent and 21.74 per cent respectively as summarized in **Table 2.13**.

Table 2.13: Summarised position of actual expenditure vis-a-vis original/supplementary provision during 2012-15

(₹ in crore)

Head of Account	Year	Original Provision	Supplementary Provision	Total	Actual expenditure	Savings	Percentage	
							Savings	Growth in expenditure
2070-Other Administrative Services 2202-General Education 2203-Technical Education 2204-Sports and Youth Services 2205-Art and Culture	2012-13	12,458.04	-	12,458.04	11,491.78	966.26	7.76	-
	2013-14	14,453.24	361.85	14,815.09	13,611.65	1,203.44	8.12	18.45
	2014-15	19,318.57	-	19,318.57	16,570.32	2,748.25	14.23	21.74

Source: Appropriation Accounts.

Scrutiny revealed that supplementary provision of ₹ 361.85 crore obtained during 2013-14 included provision of ₹ 246.90 crore, Grant to Panchyat Samiti for Primary School under the head '2202-01-197-10' and ₹ 114.95 crore, Grant for distribution of Laptop under Rajiv Gandhi Digital Vidhyarthi Yojana under the head '2202-01-800-17'. Moreover, provisions for both heads could have been met from the original allocation without demanding supplementary grant, as actual expenditure did not come up to the level of original provision in all three years. Further, during test check, growth of expenditure was found as abnormal as shown in **Table 2.14**.

Table 2.14: Trend of expenditure in certain heads under Grant No. 24 during 2012-15

(₹ in crore)

S. No.	Head of Account	Year	Total Provision	Expenditure	Growth of Expenditure (in ₹)	Percentage Growth	Reply of Department	Audit Comments
1	2202-General Education 03-University and Higher Education 103-Government College and Institutes 08-Law College (Non-plan)	2012-13	1.03	0.15	--	--	Increase due to new appointment of employees in colleges.	The expenditure was incurred under Non-plan heads pertained to payments of salary and allowances /arrears which could have been estimated during preparation on Budget Estimates.
		2013-14	0.09	0.55	0.40	266.7		
		2014-15	10.20	5.33	4.78	869.1		
2	2202-General Education 05-Language Development 103-Sanskrit Education 02-Sanskrit College (Non-plan)	2012-13	15.94	17.26	--	--	Increase in Pay and allowances due to implementing of UGC Pay Scales.	
		2013-14	20.16	23.68	6.42	37.2		
		2014-15	22.64	33.83	10.15	42.9		

Source: Appropriation Accounts and reply of the Department.

B. Capital Expenditure

Despite significant reduction in budget estimates for capital expenditure in 2013-14 and 2014-15 by 13.63 and 32.24 *per cent* over the previous year, the actual expenditure during 2013-14 and 2014-15 was also significantly low (39.5 and 47 *per cent* respectively) against the provision which shows low priority to capital works envisaged in original estimates, as shown in **Table 2.15**.

Table 2.15: Summarised position of actual expenditure vis-a-vis original/supplementary provision during 2012-15

Head of Account	Year	Original Provision	Supplementary Provision	Total	Actual expenditure	Savings	Percentage	
							Savings	Growth in expenditure
4202-Capital outlay on Education, Art and Culture 6202- Loans for Education, Sports, Art and Culture	2012-13	91.71	12.75	104.46	85.26	19.20	18.4	-
	2013-14	79.21	-	79.21	31.24	47.97	60.6	(-) 63.4
	2014-15	53.67	-	53.67	25.20	28.47	53.0	(-) 19.3

Source: Appropriation Accounts.

The supplementary provision made in 2012-13 was also found unnecessary as the actual expenditure was lower than the original allotment by 7.03 *per cent*.

C. Non-utilisation of entire provision

As envisaged in para 13.6 of SBM that the estimates of expenditure should be as accurate as possible, an avoidable excess in an estimate is as much a financial irregularity as an excess in actual expenditure. Test check of some of sub-heads for detailed analysis revealed that the department did not utilise the entire budget provision (more than ₹ one crore) and surrendered/reappropriated on the last day of financial year as given in **Appendix 2.11**.

D. Receipts

Over all position of revenue receipts under ‘Major Head-0202’ of the grant for the period 2012-15 is given in **Table 2.16**.

Table 2.16: Summarised position of receipts during 2012-15

Year	Budget Estimates	Revised Estimates	Actual Receipts	Excess(+)/ Shortfall (-)	Per cent variation to R.E.
2012-13	53.80	60.00	83.42	(+) 23.42	39.0
2013-14	62.00	85.44	95.94	(+) 10.50	12.3
2014-15	75.00	78.23	80.93	(+) 2.70	3.5

Source: Budget and Finance Accounts.

Test check of certain heads (**Table 2.17**) revealed lower estimation in the subsequent years despite significant actual receipts in previous years:

Table 2.17: Statement of Receipts during 2012-15

(₹ in crore)

S. No.	Head of Account	Year	Budget Estimates	Revised Estimates	Actual Receipts	Excess (+)/ Shortfall (-)	Percent Variation to Revised Estimates
1	0202-Education, Sports, Art and Culture 01-General Education 101-Elementary Education	2012-13	2.90	3.08	11.00	(+) 7.92	257.1
		2013-14	3.08	24.22	27.68	(+) 3.46	14.3
		2014-15	11.26	12.54	19.30	(+) 6.76	53.9
2	0202-Education, Sports, Art and Culture 01-General Education 102-Secondary Education	2012-13	10.45	13.68	15.95	(+) 2.27	16.6
		2013-14	13.82	14.58	16.46	(+) 1.88	12.9
		2014-15	14.45	15.57	19.37	(+) 3.80	24.4
3	0202-Education, Sports, Art and Culture 01-General Education 103-University and Higher Education	2012-13	4.29	3.51	7.18	(+) 3.67	104.6
		2013-14	3.10	4.68	5.49	(+) 0.81	17.3
		2014-15	5.45	5.70	8.04	(+) 2.34	41.1
4	0202-Education, Sports, Art and Culture 03-Sports and Youth Service 800-Other receipts	2012-13	0.08	0.04	1.04	(+) 1.00	2500.0
		2013-14	0.04	1.70	1.60	(-) 0.10	5.9
		2014-15	1.75	1.60	0.00	(-) 1.60	100.0

Source: Budget and Finance Accounts.

Thus, there were variation ranging between 5.9 per cent and more than 100 per cent in respect of Actual Receipts and Revised Estimates which indicated deficiency in estimation. Noticeably, against receipts estimated as ₹ 1.60 crore in 2014-15 for "0202-03-800" actual realization was nil.

2.5 Advances from Contingency Fund

According to Article 267 (2) of the Constitution of India, Government may take advance from Contingency Fund for the purpose of unforeseen expenditure pending authorization of such expenditure by the Legislature of the State by law. The advances and withdrawals from the Contingency Fund of the State are governed by provisions in Para 5.1 to 5.13 of Chapter 5 of the State Budget Manual (SBM). Para 5.6 of SBM provides that all preliminaries such as Administrative Approval, Technical Sanction, Selection of site etc should be completed before an advance is applied for. Further, as envisaged in Para 5.11 of the SBM, the advance from the Contingency Fund for meeting unforeseen expenditure, remains wholly or partly unutilized, a cancellation or modification of the sanction for the same should be obtained from Finance Department.

During 2014-15, one sanction of ₹ 5.60 crore was issued (October 2014) by State Government, granting advance from Contingency Fund under two Major heads¹⁰ to Minority Affairs Department, for implementation of Multi Sectoral Development Programme (MSDP) for public utility construction work like Health Sub-centre, Primary Health Centre (PHC), Anganbari Centre etc in minority dominated areas¹¹. The effective date of sanction was 15 February

¹⁰ Head "2225-04-102(01)[04] (₹ 10 lakh)" and "4225-04-102(01)[04] (₹ 550.40 lakh)".

¹¹ Alwar, Barmer, Bharatpur, Jaisalmer and Nagaur.

2015. Scrutiny of the records revealed that out of ₹ 10 lakh allotted for office expenditure, training and computerisation work etc., only ₹ 0.35 lakh was utilised upto effective date. Further, out of remaining ₹ 5.50 crore allotted for major construction works, only ₹ 2.49 crore was utilised upto effective date of sanction. However, the sanction for unutilised amount was neither modified nor cancelled by the Finance Department as required under SBM. The amount drawn from contingency fund was unwarranted as fund remained unutilised to the extent of ₹ 3.11 crore. This is also against the spirit of principles inherent in provisions of Contingency Fund, according to which such cases should be those in which incurring of expenditure cannot be postponed till Supplementary Grant is obtained.

2.6 Irregularities in submission of Detailed Contingent Bills against Abstract Contingent Bills

Rule 8(2) of General Financial and Accounts Rules (GF&AR), updated up to 31 December, 2010, prescribes that funds shall be withdrawn only if required for immediate payment and the expenditure or payment authorized under any rule or by general or special order of a competent authority. Rule 219 of GF&AR regulates preparation of drawl of Abstract Contingent (AC) bills and submission of Detailed Contingent (DC) bills to controlling officers/PAG (A&E). Further, the certificate prescribed under Rule 220(1) provides for submission of DC bills within a period of three months (except in case of purchase of machinery/equipments and other article from abroad by opening of letter of credit, the DC Bill may be rendered to the competent authority within six months of the drawal of AC Bill).

Against 43,965 AC bills amounting to ₹ 4,794.52 crore drawn (31 March, 2015), 43,597 DC bills amounting to ₹ 4,505.59 crore were received by the PAG (A&E), and 368 AC bills amounting to ₹ 288.93 crore remained outstanding as on 30 June 2015. Year wise details of outstanding AC bills are given in **Table 2.18**.

Table 2.18: Pendency in submission of Detailed Contingent bills against Abstract Contingent bills

Year	AC bills drawn		DC bills received		Unadjusted AC bills	
	Items	Amount	Items	Amount	Items	Amount
Up to 2008-09	28,137	1,978.00	28,109	1,973.31	28	4.69
2009-10	3,669	708.79	3,669	708.79	-	-
2010-11	2,460	419.86	2,453	418.34	7	1.52
2011-12	1,471	197.72	1,451	193.40	20	4.32
2012-13	1,834	253.84	1,814	246.12	20	7.72
2013-14	3,130	616.42	3,080	537.12	50	79.30
2014-15	3,264	619.89	3,021	428.51	243	191.38
Total	43,965	4,794.52	43,597	4,505.59	368	288.93

Source: Information compiled by office of the PAG (A & E), Rajasthan

Some of the unadjusted AC bills pertained to Relief Department (81: ₹ 237.22 crore), Rural Development and Panchayati Raj Department (57: ₹ 3.72 crore), Land Revenue (16: ₹ 8.37 crore) Medical and Health

Department (55: ₹ 19.37 crore) and Police Department (27: ₹ 5.12 crore). The Major Head wise pendency of DC bills for the period up to June 2015 is detailed in *Appendix 2.12*.

- **Unadjusted AC bills**

In following cases the AC Bills were drawn but remained unadjusted despite lapse of two to three years period:

S. No.	Name of Office	AC Bill		(₹ in lakh)
		Major Head	No. and Date	Amount Drawn
1.	SMS, Medical College, Jaipur	4210	2031/30.03.2013	86.00
		4210	2567/31.03.2014	185.00
2.	SP, Medical College, Bikaner	2210	1330/31.03.2012	55.04
		2210	1395/18.03.2013	54.82
		4210	1467/28.03.2013	2.65
		4210	1494/30.03.2013	8.94
3.	District Collector, Alwar	2245	813/19.03.2013	103.50

Source: Information compiled by office of the PAG (A & E), Rajasthan and from concerned Department.

The department attributed reasons to non-receipt of equipment, non-submission of UCs and SoEs by M/s Rajcom Info Services Limited. In one case, District Collector, Alwar intimated (August 2015) that DC bill against AC Bill (813/19.03.2013) of ₹ 1.03 crore, could not be submitted due to embezzlement at Tehsil, Laxmangarh.

This indicates lack of monitoring and systemic deficiencies in the Department.

- **Adjustment of AC Bills through DC Bills beyond prescribed period**

In following cases (**Table 2.19**) there was delay of 2 to 14 months after the prescribed period, in depositing the unspent amount:

Table 2.19: Delay in adjustment of Abstract Contingent Bills

S. No.	Name of Office	Major Head	AC Bill No. & Date	Amount (₹ in lakh)	DC Bills No. and Date	Delay in Months	
1.	District Collector, Alwar	2245	812/19.03.2013	182.00	5/05.08.2014	14	
		2245	827/23.03.2013	353.28	4/06.06.2014	12	
2.	District Collector, Ajmer	2245	1/15.5.2013	261.18	6/15.05.2014	9	
			5/21.5.2013	776.55		9	
			6/24.05.2013	587.78		9	
			9/31.05.2013	432.73		9	
			13/17.07.2013	2.06		7	
			23/3.10.2013	1,030.36		4	
			26/26.12.2013	1.01		2	
			2/15.5.2013	292.08		7/15.05.2014	9
			4/21.5.2013	30.16			9
			8/31.05.2013	307.14			9
24/03.10.2013	320.24	4					
	25/30.10.2013	0.72	4				
	27/16.12.2013	0.02	2				

Source: Information compiled by Office of the PAG (A & E), Rajasthan and from concerned Department.

Delay in depositing the unspent amount was violation of provisions contained in Rule 219 and 220(1) of GF & AR.

2.7 Conclusions and Recommendations

During 2014-15, a sum of ₹ 1,19,784.79 crore was incurred against total grants and appropriations of ₹ 1,39,053.78 crore leaving savings of ₹ 19,268.99 crore. Supplementary provision of ₹ 1,168.36 crore, obtained in 14 cases, proved unnecessary.

Departments surrendered ₹ 19,109.93 crore on the last working day of the financial year leaving no scope for utilising these funds for other purposes. In four cases, ₹ 110 crore was surrendered in excess of actual savings. In one appropriation (Public Debt-repayment under charged expenditure), an amount of ₹ 15.29 crore was surrendered against excess expenditure of ₹ 3.15 crore. In 89 cases, lump sum provision of ₹ 7,197.35 crore was made, out of which ₹ 5,237.77 crore (72.8 per cent) remained unutilised.

Review of receipts and expenditure in certain grants revealed that (i) in Forest Department, the overall revenue expenditure increased by 17 per cent and 12 per cent during 2013-14 and 2014-15 over previous years, whereas the capital expenditure increased by 47 per cent and decreased by 20 per cent during 2013-14 and 2014-15 over previous years, (ii) in Education Department, the overall revenue expenditure increased by 18 per cent and 22 per cent during 2013-14 and 2014-15 over previous years, whereas the capital expenditure decreased by 63 per cent and 19 per cent during 2013-14 and 2014-15 respectively over previous years.

Controlling/Disbursing Officers may keep a close and constant watch over the progress of expenditure against the sanctioned allotment in order to ensure utilisation of allotted funds as per requirement. They may also specifically strengthen monthly expenditure control and monitoring mechanism.

Efforts should be made by all departments to submit realistic budget estimates keeping in view the trends of expenditure in order to avoid large scale savings/excesses, reappropriations and surrenders at the end of the year so that they can be effectively utilised in other areas/schemes.

Detailed Contingent Bills remained outstanding against 368 Abstract Contingent Bills amounting to ₹ 288.93 crore as on 30 June 2015.

A rigorous monitoring mechanism should be put in place to adjust the advances drawn against Abstract Contingent Bills within the stipulated period.

Out of total expenditure of ₹ 27,268.51 crore, a sum of ₹ 14,075.99 crore (exceeding ₹ 50 crore and more than 30 *per cent* of the total expenditure in each case) was incurred in last quarter of the financial year. Of this, ₹ 9,888.46 crore was spent in March 2015 alone, which led to rush of expenditure at the end of the year.

Departments may closely monitor progress of expenditure throughout the year so as to avoid the quality related pitfalls associated with rush of expenditure at the end of the year.

Chapter III Financial Reporting

A sound internal financial reporting with relevant and reliable information significantly contributes to efficient and effective governance. The reports on compliance and controls, if operational, accurate and effective, assist the State Government to meet its basic stewardship responsibilities, including strategic planning and decision making. It contributes to accurate, fair and transparent depictions of the financial and operational health of the State Government and its various instrumentalities like local bodies, autonomous bodies etc.

This chapter provides an overview and status of compliance of various broad significant financial rules, procedures and directives in so far as financial reporting is concerned by the State Government and its various subordinate offices during the current year.

3.1 Delay in furnishing Utilisation Certificates

General Financial and Accounts Rules (GF&AR), envisages that for the grants provided for specific purpose, Utilization certificates (UCs) should be obtained by the departmental officers from the grantees and after verification these should be forwarded to the Principal Accountant General (Accounts and Entitlement) within 12 months from the date of their sanction unless specified otherwise. However, 135 UCs aggregating to ₹ 22.20 crore were outstanding in respect of grants paid during the period 1997-98 to 2013-14. The Department wise break up of outstanding UCs is given in **Appendix 3.1**. The age-wise position of delay in submission of UCs is summarised in **Table 3.1**:

Table 3.1: Outstanding Utilisation Certificates

Range of Delay in number of years	Utilisation Certificates outstanding as on 30 June 2015	
	Number	Amount
0-1	48	1.65
1-3	49	14.57
3-5	31	2.65
5-7	02	3.21
7 and above	05	0.12
Total	135	22.20

Source: Finance Accounts and vouchers compiled by PAG (A & E), Rajasthan.

Almost 97 per cent of the outstanding amount of UCs mainly pertained to Science and Technology Department (102 UCs: ₹ 16.23 crore) and Family Welfare Department (3 UCs: ₹ 5.20 crore). It was observed that (i) UCs awaited from Science and Technology Department included 6 UCs of ₹ 9.51 crore which were outstanding from 2012-13 due to belated supply of Reverse

Osmosis Plants equipments resulting in delay of installation and (ii) the UCs of ₹ 5.20 crore were awaited from the Panchayati Raj Department for which the funds were sanctioned during 2007-10 on account of Family Welfare Incentive award.

Non-submission of UCs within the stipulated period indicates systemic deficiency in utilisation of grants by the Departments and is fraught with financial mismanagement.

3.2 Non-submission/delay in submission of accounts

In order to identify the institutions which attract audit under Section 14 of the CAG's (DPC) Act, 1971, the Government/Heads of the Department are required to furnish to Audit every year the detailed information about the financial assistance given to various institutions, the purpose for which the assistance is granted and the total expenditure of the institutions. Further, Regulation 84 of the Regulation on Audit and Accounts, 2007 provides that Governments and Heads of the Departments which sanction grants and/or loans to bodies or authorities shall furnish to the Audit Office by the end of July every year, a statement of such bodies and authorities to which grants and/ or loans aggregating ₹ 10 lakh or more were paid during the preceding year indicating (a) the amount of assistance (b) the purpose for which the assistance was sanctioned and (c) the total expenditure of the body or authority.

Out of 198 accounts received during the year 2013-14, accounts of 87 bodies/authorities attracted audit by CAG of India. Of these, accounts of 41 bodies/ authorities were audited up to June 2015. The details of the pendency in receipt of accounts in respect of the bodies and authorities who received grants during preceding year from various Government Departments are given in *Appendix 3.2* and their age-wise pendency is as follows:

Table 3.2 Age-wise arrears of Annual Accounts due from Bodies/ Authorities

Delays in number of years	Number of Bodies/ Authorities	Grants received during preceding year (₹ in crore)	Expenditure incurred during preceding year (₹ in crore)
0-1 year	15	74.48	76.13
1-3 years	19	107.19	204.62
3-5 years	02	2.21	4.24
More than 5 years	02	NA	NA
Total	38	183.88	284.99

It would be seen that delay in submission of accounts by 21 bodies/authorities ranged between one and five years. It was also seen that no department had furnished the purposes for which the assistance was sanctioned. Consequently,

audit could not provide assurance to the Legislature/Government, the manner in which the sanctioned grant was utilised, specifically on the issues of diversion or misutilisation.

85 annual accounts in respect of 38 autonomous bodies/authorities, out of total 111 due up to 2013-14, had not been received as of June 2015.

3.3 Delay in submission of Accounts/Audit Reports of Autonomous Bodies

Four¹ autonomous bodies have been set up by the State Government in the field of legal aid, human rights, development of *Khadi* and welfare of construction workers. These bodies are audited by the CAG of India. The audit of accounts of Rajasthan *Khadi* and Village Industries Board in the State has been entrusted to the CAG under section 20(1) of the CAG's (DPC) Act, 1971, while the audit of other three bodies have been entrusted to the CAG as per provision in their respective Acts.

The status of entrustment of audit, rendering of accounts to Audit, issuance of Separate Audit Report and its placement in the legislature is indicated in **Appendix 3.3**. It would be seen that there was delay in submission of accounts in all the four bodies ranging from 2 to 14 months for the accounts 2013-14 and 2014-15.

3.4 Departmentally managed commercial undertakings

The departmental undertakings of certain Government departments performing activities of quasi-commercial nature are required to prepare *pro forma* accounts in the prescribed format annually showing the working results of financial operations so that the Government can assess their working. The finalised accounts of departmentally managed commercial and quasi-commercial undertakings reflect their overall financial health and efficiency in conducting their business. In the absence of timely finalisation of accounts, corrective measures, if any required, for ensuring accountability and improving efficiency cannot be taken in time.

The Heads of Department in the Government are to ensure that the undertakings prepare such accounts and submit the same to Accountant General for audit within a specified time frame. As of March 2015, out of 10 only 8 such undertakings have prepared and submitted their accounts up to 2013-14. The department-wise position of preparation of *pro forma* accounts and investment made by the Government is given in **Appendix 3.4**.

¹ Rajasthan *Khadi* and Village Industries Board, Rajasthan State Human Rights Commission; Rajasthan State Legal Services Authority and Rajasthan Building and other Construction Workers Welfare Board, Jaipur.

3.5 Misappropriations, losses, defalcations etc.

Rule 20 of GF&AR (Part-I) provides that any loss of public money, departmental revenue or receipts, stamps, stores or other property held by or on behalf of Government caused by misappropriation, fraudulent drawal/payment or otherwise discovered in a treasury, any other office/department shall be reported immediately by the officer concerned to the next higher authority as well as to the PAG.

State Government reported 908 cases under various departments, of misappropriation (335) and theft/loss (573) of government money amounting to ₹ 56.81 crore up to 31 March 2015, on which final action was pending (June 2015). The department-wise break up of pending cases and age-wise analysis is given in *Appendix 3.5* and nature of these cases is given in *Appendix 3.6*. The age profile of pending cases and the number of cases pending in each category of theft/loss and misappropriation as emerged from these appendices are summarised in the **Table 3.3**:

Table 3.3: Profile of misappropriation, losses, defalcations etc.

Age profile of the pending cases			Nature of the pending cases		
Range in years	Number of cases	Amount involved (₹ in lakh)	Nature of the cases	Number of cases	Amount involved (₹ in lakh)
0-5	216	2632.03	Theft/loss of material	573	1240.14
5-10	224	1167.03	Misappropriation/ embezzlement	335	4440.48
10-15	209	995.35			
15-20	133	533.78			
20-25	69	230.69	-	-	-
25 and above	57	121.74	-	-	-
Total	908	5680.62	Total pending cases	908	5680.62

Source: Information received from the Departments

Reasons for pendency of outstanding cases are classified in following table:

Table 3.4: Classification of reasons for delay of outstanding cases of misappropriations, losses, defalcations etc.

Reasons for Delay	Number of cases	Amount (₹ in lakh)
Awaiting departmental and criminal investigation	261	2221.68
Awaiting orders for recovery/write off	569	2942.24
Pending in the courts of law	78	516.70
Total	908	5680.62

Source: Information received from the Departments

3.6 Personal Deposit Accounts

Rule 260(1) of General Financial and Accounts Rules (GF & AR) provides that no money shall be received for deposit in the government accounts unless they are such as by virtue of any statutory provisions or of any general or special orders of the government are required or authorized to be held in the custody of the government.

During 2014-15, an amount of ₹ 21,504.36 crore was transferred to/deposited in Personal Deposit (PD) Accounts, comprising 19.4 *per cent* of total expenditure of ₹ 1,10,645 crore. Of this, ₹ 2,742.78 crore was transferred to/deposited in March 2015 alone and ₹ 1,340.88 crore (₹ 1,162.89 crore on Revenue and ₹ 177.99 crore on Capital) was transferred in last three working days of March 2015. Transfer of significant amount during last days of March indicate inadequate budgetary control.

The position of the PD Accounts of State Government, as on 31 March 2015 was as under:

(₹ in crore)

Particulars	Receipt	Disbursement	Number of Accounts	Amount
Operative PD Accounts	21,504.36	21,527.41	1,459	2,838.65
Inoperative PD Accounts*	12	0.20
Total	21,504.36	21,527.41	1,471	2,838.85

*Inoperative for more than five years

There was unspent balance of ₹ 2,838.85 crore in 1,471 PD accounts during 2014-15 which included three² PD Accounts having balances more than ₹ 100 crore and above, constituting ₹ 1,007.40 crore 35.49 *per cent* of total unspent balances in all PD Accounts. Review of position of PD Accounts held by various departments of State Government revealed the following major deficiencies/irregularities:

(1) Inoperative PD Accounts

Rule 98 of Rajasthan Treasury Rules, 2012 envisages that every year in the month of April, the Treasury Officer shall review the PD Accounts in operation at the treasury and sub-treasuries under its control and prepare a list of accounts which have remained inoperative continuously for preceding five financial years for sending to the Finance (Ways & Means) Department, along

² (a) Rajasthan Urban Infrastructure Financial Development Corporation, Jaipur (Secretariat) (₹ 560.90 crore), (b) Managing Director, Rajasthan Computer Info Services Limited, Jaipur (Secretariat) (₹ 306.31 crore), (c) Rajasthan Medical Services Corporation Limited, Jaipur (Secretariat) (₹ 140.19 crore).

with necessary particulars and showing the balance standing at the credit of accounts, for conveying permission to close such accounts.

As of 31 March 2015, 12 PD Accounts totaling ₹ 20.14 lakh (*Appendix 3.7*) were inoperative for the last five years (2010-15), out of which 3 PD Accounts of Rafalls University, Neemrana, Alwar; Superintendent Engineer, Urban Infrastructure Development Project, Bikaner and Higher Education Academy for Research and Training, Jaipur, Secretariat had balances of ₹ 5 lakh, ₹ 5 lakh and ₹ 3.17 lakh respectively. Treasury Officer, Alwar and Bikaner intimated that the proposals have been forwarded to Finance (Ways and Means) Department for closure of inoperative accounts.

(2) Drawl of money from PD Accounts despite negative balances

According to Rule 264(1)(iii) GF & ARs payment shall on no account be allowed to exceed the balance at credit on the deposit account.

During 2014-15, minus balances of ₹ 9.49 crore were found in six PD Accounts as shown below:

(₹ in crore)					
S. No.	Name of DDO	Treasury	PD Account No.	Amount (minus balances)	Number of DDO/PD Account
1.	New Pension Scheme (NPS)	Baran	479	0.43	01
2.	District Ayurved Officer	Baran	480	0.01	01
3.	New Pension Scheme (NPS)	Churu	479	1.87	01
4.	T.O., LIC of India	Jaipur (City)	3494	6.49	01
5.	Repayment of HBA for HDFC	Jaipur (City)	3637	0.66	01
6.	Repayment of HBA for SBBJ	Jaipur (City)	3638	0.03	01
Total				9.49	06

This indicates systematic deficiencies in operation and maintenance of PD Accounts which is fraught with the risk of financial misappropriation and mismanagement.

Reply of the State Government is awaited (September 2015).

3.7 Booking under Minor Head “800-Other Expenditure”

One crucial component of a transparent system of accounting is that the forms of account in which the receipts and expenditure of the Government are reported to the legislature, are constantly reviewed and updated so that they truly reflect receipts and expenditure on all major activities of the Government in a transparent manner to meet the basic information needs of all the important stakeholders.

Minor Head '800-Other Expenditure' is intended to be operated when the appropriate Minor Head has not been provided in the accounts. Scrutiny of Finance Accounts 2014-15 of Government of Rajasthan disclosed that ₹ 7,500.85 crore, constituting 6.78 *per cent* of the Total Expenditure (Revenue and Capital) recorded under 57 Major Heads of Accounts (representing functions of the Government) were classified under the Minor Head '800-Other Expenditure'.

The major schemes in respect of which expenditure was not depicted distinctly in the Finance Accounts but were rolled up under the Minor Head '800-Other Expenditure' are summarised below:

S. No.	Name of scheme	(₹ in crore)
		Amount
1.	Major irrigation projects under IGNP	440.31
2.	National Agriculture Development Project	445.05
3.	Capital Outlay on District and Other Roads	1,672.21
4.	Investment subsidy under Taxes on Sales, Trade etc	174.64
5.	Interest Grant to good debtors of Cooperatives under Cooperation	260.04
6.	Capital Outlay on Urban Development	133.98
7.	District and Other Roads	669.87
8.	Agriculture input grant for Small and marginal farmers for agriculture crops, horticulture crops and annual lease crops	387.53
9.	Agriculture input grant except for small and marginal farmers	218.33
10.	Expenditure on Panchayat Election	123.29
11.	National Rural Health Mission	774.71
12.	Major irrigation project under Nabada Projects	210.81
13.	Capital Outlay on Crop Husbandry	207.51

Though, details of these expenditure are depicted at sub-head (scheme) level or below in the Detailed Demands for Grants and corresponding head-wise Appropriation Accounts forming part of the State Government accounts, yet large amounts booked under the Minor Head '800-Other Expenditure' affect transparency in financial reporting.

3.8 Book Adjustments

In general, the Accounts of State represents the actual cash receipts and disbursements during the accounting period. However, during 2014-15, book adjustments involving ₹ 8,169.29 crore in 60 items³ were effected by transfer from Consolidated Fund to Public Account and *vice versa*. The book adjustments mainly pertained to Interest on balance of State Provident Fund, Interest on Capital Expenditure on Irrigation Projects, Expenditure on drought and flood etc. met from State Disaster Response Fund, Transfer of Central and State share to State Disaster Response Fund, Interest on balance of Life Insurance Fund, Guarantee Fees transfer to Guarantee Redemption Fund.

³ Details of the items are given in the Finance Accounts (Volume-I) Government of Rajasthan-2014-15.

3.9 Reconciliation of Receipt and Expenditure

As per Rule 11(3) of GF&AR, all controlling officers are required to reconcile the receipt and expenditure figures of the State Government with the figures accounted for by the PAG (A & E).

During 2014-15, hundred per cent reconciliation of (i) total expenditure of ₹1,16,605.48 crore (net) by their 406 controlling officers (ii) total receipts of ₹91,341.48 crore (including Miscellaneous Capital Receipts) by their 156 controlling officers, has been done.

3.10 Outstanding balances under Suspense Accounts

According to List of Major and Minor Heads of Account of Union and States, certain intermediary/adjusting heads of accounts known as “Suspense” heads are operated in Government accounts to reflect transaction of receipts and payments which cannot be booked to a final head of account, due to lack of information as to their nature or for other reasons. These heads of accounts are finally cleared by *minus* debit or *minus* credit when the amounts under them are booked to their respective final heads of accounts. If these amounts remain uncleared, the balances under the suspense heads would accumulate and would not reflect Government’s receipts and expenditure accurately.

The ledger of suspense balances is to be maintained by Pay and Accounts Office (PAOs) sub/detailed head-wise, as may be necessary.

The aggregate net balance under the Major Heads “8658-Suspense Accounts” in the Finance Accounts of the Government of Rajasthan was ₹ 11.26 crore (Debit) as on 31 March 2015 which was reduced by ₹ 21.53 crore from ₹ 10.27 crore (Credit) in 2012-13. The reduction was mainly under PAO-Suspense (₹ 35.77 crore) which was counterbalanced by increase in net credit balances under Tax Deducted at Source (TDS) Suspense (₹ 13.51 crore) in 2014-15 in comparison to 2012-13.

The Finance Accounts reflect the net balances under Suspense accounts and, therefore, the real magnitude of balances outstanding under these heads does not get reported in the annual accounts of the Government presented to the State Legislature. The position of suspense balances under “8658-Suspense Accounts” for the last three years is given in **Appendix 3.8**.

3.10.1 Pay and Accounts Office- Suspense

This minor head is operated for the settlement of inter-departmental and inter-governmental transactions arising in the books of PAOs under the Union Government, PAOs of the Union Territories and the Accountants General. In

March 2015, the outstanding debit balance under this head was ₹ 47 crore and the credit balance was ₹ 1.37 crore. The details of outstanding balances mainly with "PAO Suspense" are summarised below:

(₹ in crore)

S. No.	Name of Department	Amount	
		Debit	Credit
1.	PAO Central Pension Accounting Officer Ministry of Finance, New Delhi	27.31	-
2.	PAO (National Highways) Ministry of Road, Transport and Highways, Jaipur	18.99	0.16
3.	PAO (ERIS and Banking) Department of Economic Affairs, Ministry of Finance, New Delhi	0.47	-
4.	PAO Electoral Office Ministry of Law and Justice, New Delhi	-	1.06
5.	PAO (Legal Affairs) Ministry of Law and Justice and Supreme Court of India, New Delhi	0.20	0.14

Source: Finance Accounts

The above table indicates that the payments made (Debit) or received (Credit) by these departments/ministries on behalf of other PAOs were yet to be recovered/paid by them as on 31 March 2015. The debit and credit balance under "PAO suspense" and their continuous accumulation indicated significant control deficiencies.

3.10.2 Suspense Account (Civil)

This transitory minor head is operated for accounting of transactions, which for want of certain information/documents like vouchers, challans etc., cannot be taken to the final head of expenditure or receipt.

The outstanding balance under this minor head as on 31 March 2015 was ₹ 2.26 crore (Debit) and ₹ 0.19 crore (Credit), indicating the net receipt and expenditure of ₹ 2.07 crore. The details of outstanding balances mainly with "PAO Suspense" are summarised below:

(₹ in crore)

Sl. No.	Name of Department	Amount	
		Debit	Credit
1.	Controller of Defence Accounts (Pension), Allahabad	1.02	0.01
2.	Controller of Defence Accounts (Southern Command), Pune	0.34	-
3.	House Building Advance Suspense under Director, Postal Accounts, Kolkata	0.70	(-) 0.02
4.	Unclassified suspense	0.20	0.21

Source: Finance Accounts

The above table indicates that the payments made (Debit) or received (Credit), required to be handled individually for settlement, had not been booked to their final heads of accounts. Further, as per Finance Accounts the balances of ₹ 1.36 crore (Debit) and ₹ 0.01 crore (credit) were outstanding with Defence

Accounts since 1977-78 and balance of ₹ 0.70 crore (Debit) and (-) ₹ 0.02 crore (Credit) was outstanding for House Building Advance Suspense with Postal Accounts, Kolkata since 1969-70. These old balances have already been reported through State Finances Reports as well as the Finance Accounts for past few years. However, action for rectification is still pending.

3.10.3 Material Purchase Settlement Suspense Account

The cost of stores received either by purchase or through inter-divisional transfers, shall be accounted for initially under this suspense head in all cases where the payment had not been made in the same month of receipt of stores. This head should be cleared by a contra entry (*minus* credit) on making payment to the supplier/Division supplying stores. Unclaimed balances for more than three complete accounting years under this minor head should be cleared by credit to revenue.

The outstanding balance was (-) ₹ 3.13 crore (Credit) as on 31 March 2015 under this minor head for want of adjustment of Store Purchase. The uncleared credit balance indicates lack of significant controls in the Government.

3.11 Conclusions and Recommendations

Non-submission of utilisation certificates of ₹ 22.20 crore indicated lack of proper monitoring by the Departments in utilisation of grants sanctioned for specific purposes. Instances of non-submission of utilisation certificates involving huge amount, were noticed in test check in Science and Technology Department (₹ 16.23 crore) and Family Welfare Department (₹ 5.20 crore).

Issues holding up submission of UCs should be identified to ensure their submission within the time stipulated.

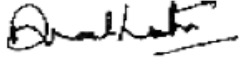
There has been non-submission/delay in submission of accounts of autonomous bodies/authorities. In respect of 38 autonomous bodies/authorities, auditable under section 14 of CAG's (DPC) Act 1971, accounts were in arrears for the last one to eleven years.

In order to clear the arrears of accounts in a time-bound manner, the Controlling Departments may analyse the reasons for delay in finalisation of accounts of autonomous bodies/authorities and take suitable remedial measures.

Out of 908 outstanding cases of misappropriation, theft and losses of Government money amounting to ₹ 56.81 crore, departmental and criminal investigation was awaited in 261 cases involving ₹ 22.22 crore. Further, orders for recovery/write off in 569 cases involving ₹ 29.42 crore were also awaited, which indicates lack of initiative on the part of the Government to fix accountability.

Departmental enquiries in all fraud and misappropriation cases should be expedited. The internal controls in all the organisations should be strengthened to prevent recurrence of such cases.

JAIPUR,
The


(DIVYA MALHOTRA)
Principal Accountant General
(General and Social Sector Audit), Rajasthan

Countersigned

NEW DELHI,
The


(SHASHI KANT SHARMA)
Comptroller and Auditor General of India

APPENDICES

Appendix 1.1 State Profile (Refer Profile of Rajasthan; page 1)

A. General Data

S. No.	Particulars	Figures	
1	Area	3,42,239 sqkm	
2	Population		
	a. As per 2001 Census	5.65 crore	
	b. As per 2011 Census	6.85 crore	
3	Density of Population 2001 (All India Density = 325 persons per sqkm)	165 persons per sqkm	
	Density of Population 2011 (All India Density = 382 persons per sqkm)	200 persons per sqkm	
4	*Population Below Poverty Line (BPL) (All India Average = 29.5 per cent)	21.7 per cent	
5	a. Total Literacy (2001) (All India Average = 65.4 per cent) [®]	60.4 per cent	
	b. Total Literacy (2011) (All India Average = 73.0 per cent) [®]	66.1 per cent	
6	Infant mortality * (per 1000 live births) (All India Average = 40 per 1000 live births)	47	
7	Life Expectancy at birth** (All India Average = 67.5 years)	67.5 years	
8	Gini Coefficient***		
	a. Rural (All India = 0.29)	0.23	
	b. Urban (All India = 0.38)	0.38	
9	Gross State Domestic Product (GSDP) 2014-15 at current price	₹ 5,74,549 crore	
10	Per capita GSDP Compound Annual Growth Rate (CAGR) 2005-06 to 2014-15	Rajasthan	14.89 per cent
		General Category States	13.86 per cent
11	GSDP CAGR (2005-06 to 2014-15)	Rajasthan	16.78 per cent
		General Category States	15.44 per cent
12	Population Growth# (2005-06 to 2014-15)	Rajasthan	15.79 per cent
		General Category States	12.76 per cent

B. Financial Data^{\$}

Particulars	CAGR		Annual Growth	
	2005-06 to 2013-14		2013-14 to 2014-15	
	General Category States	Rajasthan	General Category States	Rajasthan
	(In per cent)			
a. of Revenue Receipts	15.76	17.26	16.10	22.63
b. of Own Tax Revenue	15.32	16.48	10.51	15.52
c. of Non Tax Revenue	13.53	22.16	10.07	(-) 2.55
d. of Total Expenditure	15.23	16.66	19.32	23.74
e. of Capital Expenditure	14.61	15.57	21.87	17.85
f. of Revenue Expenditure on Education	17.10	16.05	14.55	26.49
g. of Revenue Expenditure on Health	16.20	18.48	28.73	35.32
h. of Salary and Wages	15.23	14.67	11.75	14.05
i. of Pension	18.70	21.42	12.43	23.43

* Report of the Expert Group (Rangarajan) to Review the Methodology for Measurement of Poverty, Planning Commission (June 2014), Page 66.

** Life Expectancy of birth (Economic Survey 2014-15, Table 9.1, Page A 129).

***Gini-coefficient (latest figures available for 2009-10 has been adopted)

http://planningcommission.nic.in/data/datatable/data_2312/DatabookDec2014%20106.pdf.

Gini-coefficient is a measure of inequality of income among the population. Value rate is from zero to one, closer to zero inequality is less; closer to one inequality is higher.

Population Projections for India and States 2001-2026 (Revised December 2006) Report of the Technical Group on population Projections constituted by the National Commission on Population Table -14.

^{\$} Financial data are based on Finance Accounts of the State Government.

[®] CensusInfo India 2011Final Population Totals.

Appendix 1.2 Part-A Structure and Form of Government Accounts (Refer Paragraph 1.1; page 2)

Structure of Government Accounts:

The accounts of the State Government are kept in three parts: (i) Consolidated Fund, (ii) Contingency Fund and (iii) Public Account.

Part I: Consolidated Fund: All revenues received by the State Government, all loans raised by issue of treasury bills, internal and external loans and all moneys received by the Government in repayment of loans shall form one consolidated fund entitled 'The Consolidated Fund of State' established under Article 266 (1) of the Constitution of India.

Part II: Contingency Fund: Contingency Fund of the State established under Article 267 (2) of the Constitution is in the nature of an imprest placed at the disposal of the Governor to enable him to make advances to meet urgent unforeseen expenditure, pending authorisation by the Legislature. Approval of the Legislature for such expenditure and for withdrawal of an equivalent amount from the Consolidated Fund is subsequently obtained, whereupon the advances from the Contingency Fund are recouped to the Fund.

Part III: Public Account: Receipts and disbursements in respect of certain transactions such as small savings, provident funds, reserve funds, deposits, suspense, remittances etc. which do not form part of the Consolidated Fund, are kept in the Public Account set up under Article 266 (2) of the Constitution and are not subject to vote by the State Legislature.

Source: Government Accounting Rules, 1990

Appendix 1.2 Part-B Layout of Finance Accounts (Refer Paragraph 1.1; page 2)

The Finance Accounts have been divided into two volumes. Volume I represents the financial statements of the Government in a summarised form while Volume II represents detailed financial statements.

Statement No.	Layout
Volume I contains the Certificate of the Comptroller and Auditor General of India, 13 summary Statements as given below, Notes to Accounts including accounting policy:	
1	Statement of financial position: Cumulative figures of assets and liabilities of the Government, as they stand at the end of 2014-15.
2	Summary of all receipts and disbursements of the State during the year in the consolidated fund, contingency fund and public account of the State.
3	Summary of revenue and capital receipts and receipts from borrowings of the Government consisting of loans from Government of India (GoI) and market loans raised by the Government.
4	Summary of revenue and capital expenditure and repayment of loans raised by the State by functions and objects of expenditure.
5	Summarised statement of capital outlay showing progressive expenditure to the end of 2014-15 by function.
6	Summary of debt position of the State which includes borrowing from internal debt, GoI, other obligations and servicing of debt.
7	Summary of loans and advances given by the State Government during the year, repayments made, recoveries in arrears etc.
8	Summary of Investment of State Government in the equity capital.
9	Summary of guarantees given by the Government for repayment of loans etc. raised by the Statutory Corporations, Local Bodies and other Institutions.
10	Statement of Grants-in-aid given by the State Government, organised by grantee institutions group wise
11	Distribution between the charged and voted expenditure incurred during the year.
12	Summary account of sources and applications of funds for expenditure other than revenue account.
13	Summary of balances under Consolidated Fund, Contingency Fund and Public Account.
Volume II Part I: This part contains nine statements presenting details of transaction by minor heads corresponding to statements in Volume I:	
14	Detailed account of revenue and capital receipts by minor heads.
15	Accounts of revenue expenditure by minor heads under non-plan and plan separately and a comparison with the figures for the previous year.
16	Accounts of capital expenditure by minor heads under non-plan and plan separately and a comparison with the figures for the previous year. Cumulative capital expenditure up to the end of the year is also depicted
17	Detailed account of borrowings by minor head, the maturity and repayment profile of all loans.
18	Detailed account of loans and advances given by the State Government, the amount of loan repaid during the year, the balance as on 31 March 2015.
19	Detailed account of investment of the State Government in Statutory Corporations, Government Companies, other Joint Stock Companies, Cooperative Banks and Societies etc up to the end of 2014-15.
20	Detailed entity wise Guarantees given by the State Government.
21	Detailed account of Contingency Fund and other Public Account transactions.
22	Details of investments of earmarked balances of reserve funds in Public Account.
Volume II Part II: Part II of Finance Accounts contains 12 Appendices giving the details on salaries, subsidies, grants-in-aid scheme-wise and institution-wise, details of externally aided projects, scheme-wise expenditure in respect of major Central Schemes and State Plan Schemes etc.	

Source: Finance Accounts

Appendix 1.3 Time series data on the State Government Finances (Refer Paragraph 1.4; page 12)

(₹ in crore)

	2010-11	2011-12	2012-13	2013-14	2014-15
Part A. Receipts					
I. Revenue Receipts	45,928	57,011	66,913	74,471	91,327
(i) Tax Revenue	20,758(45)	25,377(45)	30,503(46)	33,478(45)	38,673(42)
Taxes on Agricultural Income	- ¹	- ¹	- ¹	- ¹	- ¹
Taxes on Sales, Trade, etc	12,630(61)	15,767(62)	18,575(61)	21,216(63)	24,170 (63)
State Excise	2,861(14)	3,287(13)	3,988(13)	4,982(15)	5,586(14)
Taxes on Vehicles	1,612(8)	1,927(8)	2,283(7)	2,499(8)	2,830(7)
Stamps and Registration Fees	1,941(9)	2,651(10)	3,335(11)	3,125(9)	3,189(8)
Land Revenue	222(1)	209(1)	304(1)	338(1)	289(1)
Taxes on Goods and Passengers	231(1)	220(1)	249(1)	288(1)	956(3)
Other Taxes	1,261(6)	1,316(5)	1,769(6)	1,030(3)	1,653(4)
(ii) Non Tax Revenue	6,294(14)	9,175(16)	12,133(18)	13,575(18)	13,229(15)
(iii) State's share of Union taxes and duties	12,856(28)	14,977(26)	17,103(25)	18,673(25)	19,817(22)
(iv) Grants- in-aid from Government of India	6,020(13)	7,482(13)	7,174(11)	8,745(12)	19,608(21)
2. Miscellaneous Capital Receipts	13	16	8	10	15
3. Recoveries of Loans and Advances	319	1,229	1,102	316	1,004
4. Total Revenue and Non debt Capital Receipts (1+2+3)	46,260	58,256	68,023	74,797	92,346
5. Public Debt Receipts	7,977	5,918	9,955	14,491	18,141
Internal Debt (excluding Ways and Means Advances and Overdrafts)	7,617(95)	5,581(94)	9,755(98)	14,232(98)	17,346(96)
Net transactions under Ways and Means Advances and Overdrafts	-	-	-	-	-
Loans and Advances from Government of India	360(5)	337(6)	200 (2)	259(2)	795(4)
6. Total Receipts in the Consolidated Fund (4+5)	54,237	64,174	77,978	89,288	1,10,487
7. Contingency Fund Receipts	-	-	-	-	300
8. Public Account Receipts	1,19,490	1,27,215	1,56,563	1,07,978	1,26,382
9. Total Receipts of the State (6+7+8)	1,73,727	1,91,389	2,34,541	1,97,266	2,37,169
Part B. Expenditure/Disbursement					
10. Revenue Expenditure	44,873	53,654	63,462	75,510	94,542
Plan	8,752(20)	12,416(23)	14,235(22)	17,364(23)	27,444(29)
Non-Plan	36,121(80)	41,238(77)	49,227(78)	58,146(77)	67,098(71)
General Services (including interest payments)	16,737(37)	18,709(35)	20,496(32)	23,340(31)	27,868(30)
Social Services	17,895(40)	21,928(41)	25,293(40)	31,486(42)	37,754(40)
Economic Services	10,220(23)	12,744(24)	17,408(27)	20,435(27)	28,920(30)
Grants-in-aid and contributions	21(-)	273(-)	265(1)	249(-)	- ²
11. Capital Expenditure	5,251	7,119	10,683	13,664	16,103
Plan	5,231(99)	7,103(99)	10,682(100)	13,676(100)	16,087(100)
Non-Plan	20(1)	16(1)	1	(-) 12	16(-)
General Services	155(3)	204(3)	249(2)	334(3)	534(3)
Social Services	1,836(35)	1,997(28)	2,840(27)	4,551(33)	5,838(36)
Economic Services	3,260(62)	4,918(69)	7,594(71)	8,779(64)	9,731(61)
12. Disbursement of Loans and Advances	262	1,109	2,412	812	701
13. Total Expenditure (10+11+12)	50,386	61,882	76,557	89,986	1,11,346
14. Repayments of Public Debt	3,317	3,490	4,707	4,115	4,960
Internal Debt (excluding Ways and Means Advances and Overdraft)	2,863(86)	3,022(87)	4,239(90)	3,624(88)	4,451(90)
Net transactions under Ways and Means Advances and Overdraft	-	-	-	-	-
Loans and Advances to Government of India	454(14)	468(13)	468(10)	491(12)	509(10)
15. Appropriation to Contingency Fund	-	-	-	-	300
16. Total disbursement out of Consolidated Fund (13+14+15)	53,703	65,372	81,264	94,101	1,16,606
17. Contingency Fund disbursements	-	-	-	-	-
18. Public Account disbursements	1,16,298	1,22,320	1,50,175	1,05,605	1,22,060
19. Total disbursement by the State (16+17+18)	1,70,001	1,87,692	2,31,439	1,99,706	2,38,666

¹ 2010-11 : ₹ 0.01 lakh, 2011-12 : ₹ 0.01 lakh, 2012-13 : ₹ 0.01 lakh, 2013-14: only ₹ 24 and 2014-15: ₹ 0.01 lakh

² Only ₹ 0.09 crore.

(₹ in crore)

	2010-11	2011-12	2012-13	2013-14	2014-15
Part C. Deficits					
20. Revenue Deficit(-)/Revenue Surplus (+) (1-10)	(+) 1,055	(+) 3,357	(+) 3,451	(-) 1,039	(-) 3,215
21. Fiscal Deficit (-)/Fiscal Surplus (+) (4-13)	(-) 4,126	(-) 3,626	(-) 8,534	(-) 15,189	(-) 19,000
22. Primary Deficit (21+23)	(+) 3,243	(+) 4,266	(-) 194	(-) 6,126	(-) 8,537
Part D. Other data					
23. Interest Payments (included in revenue expenditure)	7,369	7,892	8,340	9,063	10,463
24. Financial Assistance to local bodies etc.,	10,216	12,337	16,218	18,763	28,329
25. Ways and Means Advances/Overdraft availed (days)	-	-	-	-	-
Ways and Means Advances availed (days)	-	-	-	-	-
Overdraft availed (days)	-	-	-	-	-
26. Interest on Ways and Means Advances/ Overdraft	-	-	-	-	-
27 Gross State Domestic Product (GSDP) [⊗]	3,38,348	4,14,179	4,70,178*	5,17,615 [⊗]	5,74,549 [∇]
28 Outstanding Fiscal liabilities (year end)	99,285	1,06,560	1,17,809	1,29,910	1,47,609
29. Outstanding guarantees (year end) (including interest)	50,692	60,711	75,546	85,911	94,578
30. Maximum amount guaranteed (year end)	88,112	97,566	1,13,340	1,40,526	1,61,918
31. Number of incomplete projects	152	160	166	219	199
32. Capital blocked in incomplete projects	7,142	7,993	8,659	8,393	11,167
Part E: Fiscal Health Indicators (In percentage)					
I Resource Mobilisation					
Own Tax revenue/GSDP	6.1	6.1	6.5	6.5	6.7
Own Non-Tax Revenue/GSDP	1.9	2.2	2.6	2.6	2.3
Central Transfers/GSDP	5.6	5.4	5.2	5.3	6.9
II Expenditure Management (In percentage)					
Total Expenditure/GSDP	14.9	14.9	16.3	17.4	19.4
Total Expenditure/Revenue Receipts	109.7	108.5	114.4	120.8	121.9
Revenue Expenditure/Total Expenditure	89.1	86.7	82.9	83.9	84.9
Revenue Expenditure on Social Services/Total Expenditure	35.5	35.4	33.0	35.0	33.9
Revenue Expenditure on Economic Services/Total Expenditure	20.3	20.6	22.7	22.7	26.0
Capital Expenditure/Total Expenditure	10.4	11.5	14.0	15.2	14.5
Capital Expenditure on Social and Economic Services/Total Expenditure.	10.1	11.2	13.6	14.8	14.0
III Management of Fiscal Imbalances					
Revenue Deficit (surplus +)/GSDP	(+) 0.3	(+) 0.8	(+) 0.7	(-) 0.2	(-) 0.6
Fiscal Deficit/GSDP	(-) 1.2	(-) 0.9	(-) 1.8	(-) 2.9	(-) 3.3
Primary Deficit (surplus +) /GSDP	(+) 1.0	(+) 1.0	0.0	(-) 1.2	(-) 1.5
Revenue Deficit/Fiscal Deficit	-	-	-	6.8	16.9
IV Management of Fiscal Liabilities					
Fiscal Liabilities/GSDP	29.3	25.7	25.1	25.1	25.7
Fiscal Liabilities/RR	216.2	186.9	176.1	174.4	161.6
Primary Deficit vis-à-vis quantum spread (₹ in crore)	21,183	18,861	6,306	(-) 2,827	(-) 3,990
Debt Redemption (Principal +Interest)/ Debt Receipts	99.7	100.5	98.2	97.3	94.6
V Other Fiscal Health Indicators					
Returns on Investment	0.2	0.4	0.3	0.1	0.2
Balance from Current Revenue (₹ in crore)	5,503	11,192	13,187	11,131	9,148
Financial Assets/Liabilities	0.71	0.76	0.81	0.82	0.82

Source: Finance Accounts

Note: Figures in brackets represent percentages (rounded) to total of each sub-heading

⊗ Source: Directorate of Economics and Statistics, Government of Rajasthan

* Provisional estimates

⊗ Quick estimates

∇ Advance estimates

Appendix 1.4 Abstract of Receipts and Disbursements in 2014-15 (Refer Paragraph 1.2; page 2)

(₹ in crore)

Receipts	2013-14	2014-15	Disbursements	2013-14	2014-15		
					Non-Plan	Plan	Total
I. Revenues Receipts			I. Revenue Expenditure	75,509.59	67,098.09	27,443.88	94,541.97
Tax Revenue	33,477.70	38672.94	General Services	23,339.22	27,347.48	520.67	27,868.15
			Social Services	31,486.09	24,788.42	12,964.97	37,753.39
Non-tax Revenue	13,575.25	13,229.50	Education, Sports, Art and Culture	15,307.66	13,110.82	6,252.11	19,362.93
			Health and Family Welfare	4,414.40	3,005.64	2,967.76	5,973.40
State's share of Union Taxes and Duties	18,673.07	19,816.97	Water Supply, Sanitation, Housing and Urban Development	4,320.03	3,696.08	982.95	4,679.03
			Information and Broadcasting	158.68	49.58	0.35	49.93
Non-Plan grants	3,550.42	4,527.04	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	1,055.84	139.54	825.70	965.24
Grants for State Plan Schemes	2,993.21	14,885.16	Labour and Labour Welfare	310.83	376.50	75.04	451.54
			Social Welfare and Nutrition	5,833.00	4,376.59	1849.31	6,225.90
			Others	85.65	33.67	11.75	45.42
Grants for Central and Centrally Sponsored Plan Schemes	2,200.73	195.30	Economic Services	20,435.59	14,962.10	13,958.24	28,920.34
			Agriculture and Allied Activities	3,522.41	1,472.38	2,516.39	3,988.77
			Rural Development	4,990.42	1,772.50	8,632.13	10,404.63
			Special Areas Programmes	0.95	-	0.51	0.51
			Irrigation and Flood Control	1,672.20	1,631.17	88.13	1,719.30
			Energy	7,219.94	8,674.78	443.26	9,118.04
			Industry and Minerals	271.77	154.63	87.21	241.84
			Transport	1,610.27	1,149.04	695.34	1,844.38
			Science, Technology and Environment	19.02	5.72	40.06	45.78
			General Economic Services	1,128.61	101.88	1,455.21	1,557.09
			Grants-in-aid and Contributions	248.69	0.09	-	0.09
Total	74,470.38	91,326.91	Total	75,509.59	67,098.09	27,443.88	94,541.97
II. Revenue deficit carried over to Section-B	1,039.21	3,215.06	II. Revenue Surplus Carried over to Section-B	-	-	-	-
Total	75,509.59	94,541.97	Total	75,509.59	67,098.09	27,443.88	94,541.97

(₹ in crore)

Receipts	2013-14	2014-15	Disbursements	2013-14	2014-15		
					Non-Plan	Plan	Total
III. Opening Cash balance including Permanent Advances and Cash Balance Investment	12,886.72	10,446.44	III. Opening Overdraft from Reserve Bank of India	-	-	-	-
IV. Miscellaneous Capital Receipts	10.27	14.57	IV. Capital Outlay	13,664.66	15.32	16,087.37	16,102.69
			General Services	334.37	5.19	528.54	533.73
			Social Services	4,551.32	9.72	5,828.41	5,838.13
			Education, Sports, Art and Culture	63.36	-	56.41	56.41
			Health and Family Welfare	337.23	-	484.32	484.32
			Water Supply, Sanitation, Housing and Urban Development	3,824.12	9.72	5,011.12	5,020.84
			Information and Broadcasting	2.82	-	2.85	2.85
			Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	225.62	-	194.03	194.03
			Social Welfare and Nutrition	67.02	-	24.58	24.58
			Others	31.15	-	55.10	55.10
			Economic Services	8,778.97	0.41	9,730.42	9,730.83
			Agriculture and Allied Activities	384.24	0.40	548.65	549.05
			Rural Development	497.40	-	455.84	455.84
			Special Areas Programmes	297.10	-	262.08	262.08
			Irrigation and Flood Control	1,076.51	-	1,270.60	1,270.60
			Energy	3,953.01	-	4,244.21	4,244.21
			Industry and Minerals	122.83	-	(-) 30.82	(-) 30.82 ³
			Transport	2,377.08	-	2,786.33	2,786.33
			Science, Technology and Environment	1.24	-	0.11	0.11
			General Economic Services	69.56	0.01	193.42	193.43
			Total	13,664.66	15.32	16,087.37	16,102.69

³ Minus figure is due to refund from Rajasthan State Refinery Limited, Jaipur.

(₹ in crore)

Receipts	2013-14	2014-15	Disbursements	2013-14	2014-15		
					Non-Plan	Plan	Total
V. Recoveries of Loans and Advances	315.53	1,004.44	V. Loans and Advances disbursed	811.21	55.25	645.53	700.78
From Power Projects	56.61	786.01	For Power Projects	-	-	241.40	241.40
From Government Servants	0.20	0.08	To Government Servants	-	-	-	-
From Others	258.72	218.35	To Others	811.21	55.25	404.13	459.38
VI. Revenue surplus brought down	-		VI. Revenue deficit brought down	1,039.21	-	-	3,215.06
VII. Public Debt Receipts	14,491.44	18,140.82	VII. Repayment of Public Debt	4,115.62	-	-	4,960.04
External debt	-	-	External debt	-	-	-	-
Internal debt other than Ways and Means Advances and Overdraft	14,232.71	17,346.47	Internal debt other than Ways and Means Advances and Overdraft	3,624.72	-	-	4,450.96
Net transaction under Ways and Means Advances	-	-	Net transaction under Ways and Means Advances	-	-	-	-
Net transactions under Overdraft	-	-	Net transactions under Overdraft	-	-	-	-
Loans and Advances from GoI	258.73	794.35	Repayment of Loans and Advances to GoI	490.90	-	-	509.08
VIII. Appropriation to Contingency Fund	-	300.00	VIII. Appropriation to Contingency Fund	-	-	-	300.00
IX. Amount Transferred to Contingency Fund	-	-	IX. Expenditure from Contingency Fund	-	-	-	-
X. Public Account Receipts	1,07,978.58	1,26,382.20	X. Public Account Disbursements	1,05,605.40	-	-	1,22,060.62
Small Savings, Provident Funds etc.	6,311.49	7,081.84	Small Savings, Provident Funds etc.	3,790.25	-	-	4,100.09
Reserve Funds	2,232.99	1,724.13	Reserve Funds	1,965.52	-	-	1,752.17
Suspense and Miscellaneous	90.70	21.79	Suspense and Miscellaneous	78.60	-	-	61.78
Remittances	9,907.40	10,487.63	Remittances	9,913.73	-	-	10,488.05
Deposits and Advances	89,436.00	1,07,066.81	Deposits and Advances	89,857.30	-	-	1,05,658.53

(₹ in crore)

Receipts	2013-14	2014-15	Disbursements	2013-14	2014-15		
					Non-Plan	Plan	Total
XI. Closing Overdraft from Reserve Bank of India	-	-	XI. Cash Balance at end	10,446.44	-	-	8,949.28
			Cash in Treasuries and Local Remittances	(-) 0.32	-	-	1.85
			Deposits with Reserve Bank	6.67	-	-	29.41
			Departmental Cash Balance including Permanent Advances	4.59	-	-	4.26
			Cash Balance Investment	8,997.56	-	-	7,628.58
			Earmarked Investment Funds	1,437.94	-	-	1,285.18
Total	1,35,682.54	1,56,288.47	Total	1,35,682.54			1,56,288.47

Source: Finance Accounts

Appendix 1.5 Summarised financial position of Government of Rajasthan as on 31 March 2015 (Refer Paragraph 1.10.1; page 50)

(₹ in crore)

Liabilities	As on 31.03.2014	As on 31.03.2015
Internal Debt -	80,580.93	93,476.44
Market Loans bearing interest	51,383.98	61,386.11
Market Loans not bearing interest	0.19	0.19
Loans from Life Insurance Corporation of India	41.03	35.77
Special Securities issued to National Small Savings Fund of the Central Government	20,021.97	20,125.74
Loans from Other Institutions	9,133.76	11,928.63
Ways and Means Advances	-	-
Overdraft from Reserve Bank of India	-	-
Loans and Advances from Central Government -	6,748.83	7,034.10
Pre 1984-85 Loans	5.40	5.40
Non-Plan Loans	49.25	43.89
Loans for State Plan Schemes	6,689.61	6,980.24
Loans for Central Plan Schemes	0.29	0.29
Loans for Centrally Sponsored Plan Schemes	4.28	4.28
Contingency Fund	200.00	500.00
Small Savings, Provident Funds, etc.	29,265.67	32,247.42
Deposits	12,153.97	13,565.10
Reserve Funds	2,598.67	2,570.63
Remittance Balances	2.20	1.78
Total	1,31,550.27	1,49,395.47
Assets	As on 31.03.2014	As on 31.03.2015
Gross Capital Outlay on Fixed Assets -	92,883.17	1,08,971.29⁴
Investments in shares of Companies, Corporations, etc.	23,518.00	27,909.59
Other Capital Outlay	69,365.17	81,061.70
Loans and Advances -	5,004.02	4,700.36
Loans for Power Projects	3,104.54	2,559.93
Other Development Loans	1,900.76	2,141.79
Loans to Government servants and Miscellaneous loans	(-) 1.28	(-) 1.36 ⁵
Reserve Fund Investments	1,437.94	1,285.18
Advances	2.89	5.74
Remittance Balances	-	-
Suspense and Miscellaneous Balances	22.72	62.71
Cash -	9,008.50	7,664.10
Cash in Treasuries and Local Remittances	(-) 0.32	1.85
Deposits with Reserve Bank	6.67	29.41
Departmental Cash Balance	1.07	1.00
Permanent Advances	3.52	3.26
Cash Balance Investments	8,997.56	7,628.58
Deficit on Government Account -	23,191.03	26,706.09
(i) Revenue Deficit of the Current Year	1,039.21	23,191.03
(ii) Appropriation to the Contingency Fund	-	300.00
(iii) Accumulated Deficit at the beginning of the year	22,151.82	3215.06
Less: Revenue Surplus of the current year	-	-
Less: Miscellaneous Deficit	-	-
Total	1,31,550.27	1,49,395.47

Explanatory Notes for Appendices 1.4 and 1.5

The abridged accounts in the foregoing statements have to be read with comments and explanations in the Finance Accounts. Government accounts being mainly on cash basis, the deficit on Government account, as shown in *Appendix 1.5*, indicates the position on cash basis, as opposed to accrual basis in commercial accounting. Consequently, items payable or receivable or items like depreciation or variation in stock figures, etc., do not figure in the accounts. Suspense and Miscellaneous balances include cheques issued but not paid, payments made on behalf of the State and other pending settlements, etc. There was a difference of ₹ 1.79 crore (Debit) between the figures reflected in the Accounts and that intimated by the Reserve Bank of India under "Deposits with Reserve Bank". Further, after reconciliation and subsequent adjustment, a difference of ₹ 0.27 crore (Debit) remained to be reconciled as of August 2015.

⁴ Capital Receipts of current year has been shown as "Nil" due to *pro forma* reduction of ₹ 14.57 crore (Capital disinvestments) from Gross Capital Expenditure upto end of the year.

⁵ Minus balance is under investigation.

Appendix 1.6 Actuals vis-à-vis Budget Estimates 2014-15 (Refer Paragraph 1.2.2; page 5)

(₹ in crore)

1	Budget estimates	Actuals	Increase/Decrease (-)	Increase/Decrease (-) (In per cent)
2	3	4 (3-2)	5	
(1) Revenue Receipts (a+b+c+d)	1,06,125	91,327	(-) 14,798	(-) 13.94
(a) Tax Revenue	40,655	38,673	(-) 1,982	(-) 4.88
Taxes on Sales, Trade etc.	25,625	24,170	(-) 1,455	(-) 5.68
State Excise	5,319	5,586	267	5.02
Taxes on Immovable Property other than Agricultural land	50	5	(-) 45	(-) 90.00
Taxes on Vehicles	2,950	2,830	(-) 120	(-) 4.07
Stamps and Registration Fees	4,200	3,189	(-) 1,011	(-) 24.07
Taxes on Goods and Passengers	345	956	611	177.10
Land Revenue	401	289	(-) 112	(-) 27.93
Taxes and Duties on Electricity	1,697	1,534	(-) 163	(-) 9.61
Other Taxes and Duties on Commodities and Services	68	114	46	67.65
(b) Non-Tax Revenue	14,939	13,229	(-) 1,710	(-) 11.45
Interest Receipts	2,047	2,065	18	0.88
Miscellaneous General Services	892	964	72	8.07
Water Supply and Sanitation	312	276	(-) 36	(-) 11.54
Petroleum	6,575	4,850	(-) 1,725	(-) 26.23
Non-ferrous Mining and Metallurgical Industries	3,860	3,636	(-) 224	(-) 5.80
Police	220	240	20	9.09
Labour and Employment	212	290	78	36.79
Medical and Public Health	71	117	46	64.79
Other Administrative Services	139	133	(-) 6	(-) 4.32
Forestry and Wildlife	88	89	1	1.14
Major Irrigation	100	55	(-) 45	(-) 45.00
Public Works	75	72	(-) 3	(-) 4.00
Education, Sports, Art and Culture	75	81	6	8.00
Dividend and Profit	40	63	23	57.50
Other General Economic Services	37	78	41	110.81
Other Non-Tax Revenue	196	220	24	12.25
(c) State's share of Union Taxes and Duties	22,756	19,817	(-) 2,939	(-) 12.92
(d) Grants-in-aid from GoI	27,775	19,608	(-) 8,167	(-) 29.40
(2) Miscellaneous Capital Receipts	8	15	7	87.50
(3) Recoveries of Loans and Advances	151	1,004	853	564.90
(4) Total Receipts (1+2+3)	1,06,284	92,346	(-) 13,938	(-) 13.11
(5) Revenue Expenditure (a+b+c+d)	1,05,387	94,542	(-) 10,845	(-) 10.29
(a) General Services	26,888	27,868	980	3.64
Administration of Justice	643	617	(-) 26	(-) 4.04
Elections	210	209	(-) 1	(-) 0.48
Land Revenue	611	557	(-) 54	(-) 8.84
State Excise	123	110	(-) 13	(-) 10.57
Taxes on Sales, Trade etc.	487	594	107	21.97
Interest Payments	10,470	10,463	(-) 7	(-) 0.07
Secretariat- General Services	162	150	(-) 12	(-) 7.41
District Administration	384	348	(-) 36	(-) 9.38
Treasury and Accounts Administration	195	187	(-) 8	(-) 4.10
Police	3,472	3,682	210	6.05
Jails	124	142	18	14.52
Other Administrative Services	195	205	10	5.13
Pension and Other Retirement Benefits	9,038	9,629	591	6.54
Miscellaneous General Services	427	617	190	44.50
Others	347	358	11	3.17

(₹ in crore)				
	Budget estimates	Actuals	Increase/Decrease (-)	Increase/Decrease (-) (In per cent)
1	2	3	4 (3-2)	5
(b) Social Services	43,617	37,754	(-) 5,863	(-) 13.44
General Education	22,376	19,077	(-) 3,299	(-) 14.74
Technical Education	154	141	(-) 13	(-) 8.44
Sports and Youth Services	112	77	(-) 35	(-) 31.25
Medical and Public Health	4,650	3,954	(-) 696	(-) 14.97
Family Welfare	2,979	2,019	(-) 960	(-) 32.23
Water Supply and Sanitation	2,028	2,071	43	2.12
Urban Development	3,243	2,546	(-) 697	(-) 21.49
Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	1,164	965	(-) 199	(-) 17.10
Labour and Employment	386	452	66	17.10
Social Security and Welfare	3,815	4,064	249	6.53
Nutrition	1,680	1,420	(-) 260	(-) 15.48
Relief on account of Natural Calamities	744	741	(-) 3	(-) 0.40
Others	286	227	(-) 61	(-) 21.32
(c) Economic Services	34,801	28,920	(-) 5,881	(-) 16.90
Crop Husbandry	2,397	1,833	(-) 564	(-) 23.53
Animal Husbandry	743	576	(-) 167	(-) 22.48
Forestry and Wildlife	827	711	(-) 116	(-) 14.03
Agricultural Research and Education	176	162	(-) 14	(-) 7.95
Co-operation	420	612	192	45.71
Special Programmes for Rural Development	703	421	(-) 282	(-) 40.11
Rural Employment	5,710	3,858	(-) 1,852	(-) 32.43
Other Rural Development Programmes	7,035	6,126	(-) 909	(-) 12.92
Major Irrigation	1,299	1,268	(-) 31	(-) 2.39
Medium Irrigation	276	256	(-) 20	(-) 7.25
Minor Irrigation	210	177	(-) 33	(-) 15.71
Power	10,308	9,114	(-) 1,194	(-) 11.58
New and Renewable Energy	128	3	(-) 125	(-) 97.66
Non-ferrous Mining and Metallurgical Industries	112	97	(-) 15	(-) 13.39
Roads and Bridges	1,611	1,548	(-) 63	(-) 3.91
Road Transport	307	296	(-) 11	(-) 3.58
Secretariat- Economic Services	155	138	(-) 17	(-) 10.97
Census Surveys and Statistics	1,069	491	(-) 578	(-) 57.07
Civil Supplies	797	833	36	4.52
Others	518	400	(-) 118	(-) 22.78
(d) Grants-in-aid and contributions	81	-⁶	(-) 81	(-) 100.00
(6) Capital Expenditure	20,565	16,103	(-) 4,462	(-) 21.70
Capital Outlay on Police	132	104	(-) 28	(-) 21.21
Capital Outlay on Public Works	632	431	(-) 201	(-) 31.80
Capital Outlay on Education, Sports, Art and Culture	144	56	(-) 88	(-) 61.11
Capital Outlay on Medical and Public Health	1,074	484	(-) 590	(-) 54.93
Capital Outlay on Water Supply and Sanitation	4,643	4,494	(-) 149	(-) 3.21
Capital Outlay on Urban Development	1,198	520	(-) 678	(-) 56.59
Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	379	194	(-) 185	(-) 48.81
Capital Outlay on Nutrition	279	(-) 9	(-) 288	(-) 103.23
Capital Outlay on other Social Services	104	34	(-) 70	(-) 67.31
Capital Outlay on Crop Husbandry	395	299	(-) 96	(-) 24.30
Capital Outlay on Forestry and Wildlife	331	217	(-) 114	(-) 34.34
Capital Outlay on Other Rural Development Programmes	457	456	(-) 1	(-) 0.22
Capital Outlay on Other Special Areas Programmes	312	262	(-) 50	(-) 16.03
Capital Outlay on Major Irrigation	867	663	(-) 204	(-) 23.53

⁶ Only ₹ 0.09 crore

(₹ in crore)

	Budget estimates	Actuals	Increase/Decrease (-)	Increase/Decrease (-) (In per cent)
1	2	3	4 (3-2)	5
Capital Outlay on Medium Irrigation	106	92	(-) 14	(-) 13.21
Capital Outlay on Minor Irrigation	457	436	(-) 21	(-) 4.60
Capital Outlay on Command Area Development	135	78	(-) 57	(-) 42.22
Capital Outlay on Power Projects	4,418	4,249	(-) 169	(-) 3.83
Capital Outlay on Petroleum	102	(-) 5	(-) 107	(-) 104.90
Capital Outlay on Roads and Bridges	3,675	2,706	(-) 969	(-) 26.37
Capital Outlay on Road Transport	380	80	(-) 300	(-) 78.95
Capital Outlay on Other General Economic Services	76	167	91	119.74
Other Capital Outlays	269	95	(-) 174	(-) 64.68
(7) Disbursement of Loans and Advances	518	701	183	35.33
(8) Total Expenditure (5+6+7)	1,26,470	1,11,346	(-) 15,124	(-) 11.96
(9) Revenue Surplus (+)/Deficits (-) (1-5)	738	(-) 3,215		
(10) Fiscal Deficits (-) (4-8)	(-) 20,186	(-) 19,000		
(11) Primary Surplus (+)/Deficits(-)(10+ Interest Payment)	(-) 9,716	(-) 8,537		

Source: Finance Accounts and Budget Documents.

Appendix 1.7 Statement of Funds transferred by Government of India directly to State Implementing Agencies (Refer Paragraph 1.4.4; page 17)

(₹ in crore)

Programme/ Scheme (Indicate Central: State Share)	Implementing Agency/ Department in the State	2013-14	2014-15
Agriculture Technology Management Agency Project (90:10)	State Institute of Agriculture Management Durgapura, Jaipur	30.02	-
National Mission on Micro Irrigation Scheme (80:20)	Rajasthan Horticulture Development Society	80.00	-
National Horticulture Mission (85:15)	Rajasthan Horticulture Development Society	62.55	0.45
National Food Security Mission (100 per cent)	State Institute of Agriculture Management Durgapura, Jaipur	126.35	0.21
National Bamboos Mission (100 per cent)	Rajasthan Horticulture Development Society	1.23	
National Mission on Medicinal Plants (100 per cent)	Rajasthan State Medicinal Plants Board	7.07	3.33
Studies in Agricultural Economic Policy and Development	Maharana Pratap University of Agriculture and Technology, Udaipur	4.75	-
Development and Strengthening of Infrastructure Facilities for Production and Distribution of quality seeds	NA	14.57	-
Dairy Development Project	NA	5.26	-
Integrated Scheme on Agricultural Census and Statistics	NA	-	3.93
Integrated Scheme on Agriculture Marketing	NA	-	5.19
National Mission on Agriculture Extension and Technology CS	NA	-	7.82
Swarn Jayanti Gram Swarojgar Yojana (75:25)	Zila Parishad (Rural Development Cell)	85.82	-
Indira Awas Yojana (IAY) (75:25)	Zila Parishad (Rural Development Cell)	468.87	-
District Rural Development Agency (DRDA) Administration (75:25)	Zila Parishad (Rural Development Cell)	22.37	-
Mahatma Gandhi National Rural Employment Guarantee Scheme (90:10)	Zila Parishad (Rural Development Cell)	2,059.43	-
National Rural Livelihood Mission CS	N.A.	-	4.21
Members of Parliament Local Area Development Scheme (MPLAD) (100 per cent)	Zila Parishad (Rural Development Cell)	167.50	138.00
Integrated Watershed Management Programme (90:10)	Zila Parishad (Rural Development Cell) and State level Nodal Agency, Jaipur	4.71	-
Pradhan Mantri Gram Sarak Yojana (PMGSY) (100 per cent)	Rajasthan Rural Road Development Agency, Jaipur	427.06	-
National Rural Drinking Water Programme	State Water and Sanitation Mission, Jaipur	1,248.13	-
Rajiv Gandhi Panchayat Sashaktikaran Abhiyan	Indira Gandhi Panchayati Raj and Gramin Vikas Sansthan	17.46	-
Sarva Shiksha Abhiyan (65:35)	Director, Sarva Shiksha Abhiyan	2,424.89	-
Adult Education and Skill Development	NA	45.60	2.40
Rashtriya Madhyamik Siksha Abhiyan (75:25)	Rajasthan Council of Secondary Education	267.14	-
Model School	Rajasthan Council of Secondary Education	10.26	-

(₹ in crore)

Programme/ Scheme (Indicate Central: State Share)	Implementing Agency/ Department in the State	2013-14	2014-15
Technical Education Quality Improvement Programme	NA	3.00	4.61
Creation of Centres for training and Research in Frontier Areas of Science and Technology, Social Science and Humanities	N.A.	-	1.50
National Rural Health Mission (85:15)	Project Director NRHM	630.56	-
National AIDS Control Programme	Rajasthan State AIDS Control Society	21.68	-
Strengthening of Institutions for Medical, Education, Training and Research	NA	4.18	-
Health Educational Institutions (Ayurveda) (100 per cent)	National Institute of Ayurveda	29.00	17.80
<i>Pradhan Mantri Swasthya Suraksha Yojana</i>	NA	52.75	82.00
Oversight Committee, Department of Health and Family Welfare	NA	8.00	-
Development of Infrastructure for Promotion of Health Research	NA	2.50	-
International Cultural Relations	NA	-	2.92
Museum	Archaeology and Museum	1.13	1.50
Promotion and Dissemination of Art and Culture	West Zone Cultural Centre, Udaipur	5.82	17.65
Police Modernisation Scheme	RSRDCC	58.06	-
Construction of Boys' and Girls' Hostels for SC and OBC Students	NA	-	2.26
Assistance to disabled persons for purchase/fitting	NA	8.41	4.48
Deen Dayal Rehabilitation Centre	NA	1.52	1.02
Assistance to Voluntary Organisation for providing Social Defence Services	NA	1.47	0.84
Comprehensive Scheme for Combating Trafficking	NA	0.60	1.25
Grants-in-aid to NGOs for SCs, OBCs and Research and Training	NA	1.27	2.24
National Afforestation Programme	State Forest Development Agency	2.81	-
Environment Information Education and Awareness	NA	2.60	2.32
Disha Programme for Women in Science	NA	1.21	2.26
Policy Research Cell	NA	1.11	-
Research and Development Department of Biotechnology	NA	1.60	4.35
Research and Development Support SERC	NA	1.34	11.80
State Science and Technology Programme	NA	1.70	0.72
Technology Development Programme	NA	2.01	3.14
Man Power Development	NA	0.14	26.66
Science and Technology Programme for Socio Economic Development	NA	0.89	2.35
Micro Electronics and Nanotech Development	NA	0.30	1.08
Technology Development Council	NA	0.20	2.27
Integrated Wool Improvement and Development Programme	NA	14.50	18.50
Scheme for Integrated Textile Park (SITP)	NA	8.61	-
Technology Upgradation Fund Scheme (TUFS)	NA	1.17	1.45
Quality of Technology Support Institution and Programme	NA	10.89	8.59

(₹ in crore)

Programme/ Scheme (Indicate Central: State Share)	Implementing Agency/ Department in the State	2013-14	2014-15
Handicrafts Infrastructure and Technical Development Scheme	NA	1.16	3.20
Marketing Support and Services and Export Promotion Scheme	NA	1.37	0.52
Wool and Woolen Social Security Scheme	NA	1.00	1.00
Infrastructure Development and Capacity Building	NA	1.77	1.38
Human Resource Development	NA	-	1.89
Assistance to IHMS, FCIS etc.	NA	3.69	0.70
Capacity Building for Service Provider	NA	2.42	2.17
Renewable Energy	Rajasthan Renewal Energy Corporation Limited	26.66	113.30
Modernisation of Food Processing Industries	NA	5.69	11.71
National Child Labour Project	Child Labour Project Institute	4.81	2.68
Social Security for Unorganised Workers	NA	10.72	-
Scheme for Quality Assurance, Codex Standards, Research and Development and Other Promotional Activities	NA	1.58	0.39
Strengthening of Education among ST Girls in Low Literacy District	NA	1.10	0.96
Urban Sports Infrastructure Scheme	NA	1.80	-
Critical Assistance for who Pre Qualification for Pharma	NA	-	6.84
Electronic Governance	NA	28.81	-
Capacity Building and Technical Assistant	NA	0.45	1.26
Scheme for Infrastructure Development FPI	NA	-	2.03
Skill Development Initiative	NA	0.86	1.41
Rajiv Gandhi Khel Abhiyan	NA	-	2.68
Schemes less than one crore		15.66	16.24
Total		8,571.62	561.46

NA: Not Available

Source: Finance Accounts, CGA Portal website.

Appendix: 1.8 Financial Results of Major and Medium Irrigation Works during 2014-15 (Refer Paragraph 1.9.1; page 40)

(₹ in lakh)

S. No.	Name of Projects	Capital outlay up to 31 March 2015	Revenue Received	Working and Maintenance Expenditure	Net Loss after Working and Maintenance Expenditure	Interest on Direct Capital Outlay	Net Loss after meeting interest
1	2	3	4	5	5-4=6	7	6+7=8
Major Irrigation Projects							
1	Bhakra Nangal Project (Irrigation Branch Portion)	3,955.63	831.29	3,588.90	2,757.61	372.30	3,129.91
2	Chambal Project (Irrigation Branch Portion)	54,223.75	1,661.84	2,257.33	595.49	3,876.40	4,471.89
3	Indira Gandhi Nahar Project	4,60,033.64	1,698.51	13,214.46	11,515.95	44,695.09	56,211.04
4	Gurgaon Canal	4,657.62	9.87	178.31	168.44	429.06	597.50
5	Jakham Project	12,711.44	18.05	277.73	259.68	1,201.31	1,460.99
6	Gang Canal	55,203.48	429.26	2,168.82	1,739.56	5,269.01	7,008.57
Medium Irrigation Projects							
7	Jawai River Project Sei Diversion Scheme	709.57	77.79	111.71	33.92	69.74	103.66
8	Meja Project	4,512.72	3.78	206.52	202.74	440.18	642.92
9	Parbati Project (Dholpur)	7,000.52	2.85	316.59	313.74	670.52	984.26
10	Gudha Project	163.49	21.52	85.72	64.20	16.33	80.53
11	Morel Project	235.83	0.29	87.56	87.27	23.55	110.82
12	Alnia Project	195.97	3.20	147.60	144.40	19.51	163.91
13	West Banas Project	67.03	0.10	14.46	14.36	6.70	21.06
14	Vallabh Nagar Project	86.37	-	26.30	26.30	8.64	34.94
15	Badagaon Pal Project	76.02	0.74	81.31	80.57	7.60	88.17
16	Orai Irrigation Project	63.42	0.17	37.39	37.22	6.34	43.56
17	Wagon Diversion Scheme	1,397.26	0.82	79.14	78.32	139.66	217.98
	Total	6,05,293.76	4,760.08	22,879.85	18,119.77	57,251.94	75,371.71

Source: Finance Accounts

Appendix 1.9 Summarised Financial Statement of Departmentally Managed Commercial/Quasi-Commercial Undertakings (Refer Paragraph 1.9.4; page 43)

(₹ in lakh)

Name of the Undertaking	Period of accounts	Mean Government Capital	Block assets at depreciated cost	Depreciation provided during the year	Turnover	Net profit (+)/ loss (-)	Interest on Capital	Total return (7+8)	Percentage return on capital ⁷
1	2	3	4	5	6	7	8	9	10
Jail Manufacture, Ajmer	2013-14	3.07	1.24	0.14	9.75	(-) 3.86	1.92	(-) 1.94	(-) 9.12
Jail Manufacture, Alwar	2012-13	0.16	0.10	-	2.37	(-) 5.12	-	(-) 5.12	(+) 16.14
Jail Manufacture, Bikaner	2013-14	8.88	4.25	-	6.24	(-) 7.78	0.62	(-) 7.16	(-) 104.81
Jail Manufacture, Jaipur	2013-14	7.56	4.24	0.45	46.58	(-) 16.55	-	(-) 16.55	(-) 10.00
Jail Manufacture, Jodhpur	2013-14	8.86	2.52	0.20	9.51	(-) 12.37	2.75	(-) 9.62	(-) 31.50
Jail Manufacture, Kota	2012-13	1.49	1.37	0.05	0.05	(-) 1.74	-	(-) 1.74	-
Jail Manufacture, Udaipur	2013-14	9.97	2.37	0.25	13.54	(-) 14.91	4.85	(-) 10.06	(-) 18.66
Departmental Trading of Forest Coupes	2013-14	183.06	248.87	-	2,696.24	(+) 1,540.09	-	1,540.09	-
Patta Tendu Scheme	2013-14	5,508.41	6.37	0.26	966.87	(+) 698.34	-	(+) 698.34	-
Rajasthan Water Supply and Sewerage Management Board, Jaipur	2013-14	13,86,595.95	2,79,981.00	10,306.61	20,548.23	(-) 1,15,406.71	20,467.14	(-)94,939.57	(-)38.08
Total		13,92,327.41	2,80,252.33	10,307.96	24,299.38	(-) 1,13,230.61	20,477.28	(-) 92,753.33	

⁷ The capital has been considered on which the interest on capital has been worked out.

**Appendix 1.10 Statement showing the details of loans not repaid by the Institutions/Organisations
(Refer Paragraph 1.9.5; page 44)**

(₹ in lakh)

S. No.	Head	Name of Institutions/Organisations	Opening Balance as on 01.04.2003	Advance during 2003-15	Repaid during 2003-15	Closing Balance as on 31.03.2015
1	6215-01-192 (01)	Loans to Municipalities-Direct Loans	306.70	-	-	306.70
2	6215-01-192 (02)	Loans to Municipalities Guaranteed Loans from Life Insurance Corporation	3,459.99	-	-	3,459.99
3	6215-02-192	Loans to Municipalities/Municipal Councils	2.53	-	-	2.53
4	6216-80-800(01)	Industrial Housing Scheme	2.26	-	-	2.26
5	6235-02-800 (01)	Loans to Persons affected by Riots	6.34	-	-	6.34
6	6235-60-800 (02)[01]	Rehabilitation of Jagirdars	1.51	-	-	1.51
7	6235-60-800 (02)[03]	Loans to Repatriates from Burma	3.06	-	-	3.06
8	6235-60-800 (02)[04]	Taccavi Advance to Unemployed Swarnkars	49.79	-	-	49.79
9	6245-01-800 (04)	Loans to Gosewa Sangh for fodder etc. through the agency of Animal Husbandry Department	11.82	-	-	11.82
10	6250-60-800(02)	Loans to Rajasthan Medical Graduates Self Employment Promotion Society	0.17	-	-	0.17
11	6250-60-800(05)	Loans to Forest Labour Cooperative Societies through the Chief Conservator of Forests	0.42	-	-	0.42
12	6401-103 (02)	Loans to Rajasthan State Agro Industries Corporation Limited	1,587.53	143.22	-	1,730.75
13	6401-103 (03)	Loans to Rajasthan State Seed Corporation	64.38	-	0.02	64.36
14	6403-102 (02)	Intensive Cattle Development Scheme	4.08	-	(-) 3.60	7.68
15	6403-103	Poultry Development	0.01	-	-	0.01
16	6403-104 (01)	Loans to Sheep Farmers	0.02	-	-	0.02
17	6404-190(01)	Loans to Dugdh Utpadak Sahakari Sangh	309.71	-	-	309.71

(₹ in lakh)

S. No.	Head	Name of Institutions/Organisations	Opening Balance as on 01.04.2003	Advance during 2003-15	Repaid during 2003-15	Closing Balance as on 31.03.2015
18	6404-190(02)	Employment Promotion Programme- Establishment of Dairy Unit	0.18	-	-	0.18
19	6405-800(01)	Loan to Fish Farmers Development Agency through the Director, Animal Husbandry Department	0.33	-	-	0.33
20	6408-02-800(04)	Loan for purchases of Transport Vehicles	0.62	-	(-) 0.13	0.75
21	6425-107 (06)	Loan for payment of interest loan for establishment of Rajasthan State Co-operative Renewal Fund	315.00	75.00	-	390.00
22	6425-107(07)	Loan for establishment of Rajasthan State Cooperative Enforcement Fund	161.18	-	-	161.18
23	6705-800(01)	Soil Conservation	9.47	-	-	9.47
24	6705-800(02)	Loan to Migrated under World Food Programme No. 2600	1.00	-	-	1.00
25	6860-01-800 (01)	Loan to Mewar Textile Limited	503.49	38.67	(-) 50.53	592.69
26	7075-01-800 (01)	Loan to contractors for Strategic Roads	0.82	-	-	0.82
27	7475-103(01)	Loan to Consumer Cooperative Stores	0.98	-	(-) 1.02	2.00
28	7475-103(05)	Loan to College and University Cooperative Stores	0.07	-	-	0.07
Grand Total			6,803.46	256.89	(-) 55.26	7,115.61

Source: Finance Accounts

Appendix 1.11 Details of devolution of 29 Subjects listed in XI Schedule of the Constitution of India to PRIs
(Refer Paragraph 1.7.5.1; page 29)

Sl. No.	Subjects	Status of devolution to PRIs		
		Funds	Functions	Functionaries
1	Agriculture including agricultural extension	Yes	Yes	Yes
2	Land improvement, implementation of land reforms, land consolidation and soil conservation	Yes	Yes	Yes
3	Minor irrigation, water management and watershed development	Yes	Yes	Yes
4	Animal husbandry, dairy and poultry	No	No	No
5	Fisheries	Yes	Yes	Yes
6	Social forestry and farm forestry	Yes	Yes	Yes
7	Minor forest produce	Yes	Yes	Yes
8	Small scale industries including food-processing industries	No	Yes	No
9	Khadi, village and cottage industries	No	Yes	No
10	Rural housing	Yes	Yes	Yes
11	Drinking water	Yes *	Yes *	Yes *
12	Fuel and fodder	Yes *	Yes *	Yes *
13	Roads, culverts, bridges, ferries, waterways and other means of communication	Yes *	Yes *	Yes *
14	Rural electrification including distribution of electricity	No	Yes	No
15	Non-conventional energy sources	No	Yes	No
16	Poverty alleviation programmes	Yes	Yes	Yes
17	Education including primary and secondary schools	Yes	Yes	Yes
18	Technical training and vocational education	No	Yes	No
19	Adult and non-formal education	No	Yes	No
20	Libraries	No	Yes	No
21	Cultural activities	No	Yes	No
22	Markets and fairs	Yes	Yes	Yes
23	Health and sanitation including hospitals, primary health centres and dispensaries	Yes	Yes	Yes
24	Family welfare	Yes	Yes	Yes
25	Women and child development	Yes	Yes	Yes
26	Social welfare including welfare of the handicapped and mentally retarded	Yes	Yes	Yes
27	Welfare of the weaker sections and in particular of the SCs and STs	Yes	Yes	Yes
28	Public distribution system	Yes *	Yes *	Yes *
29	Maintenance of community assets	Yes *	Yes *	Yes *

Source: Information supplied by PRD
* Devolved but withdrawn temporarily

(Based on the information and Annexure given by the Panchayati Raj Department on 07.08.2015 according to which the position remains same as it was on 18.05.2012)

**Appendix 1.12 Statement showing devolution of functions listed in XII Schedule of the Constitution of India to Urban Local Bodies
(Refer Paragraph 1.7.5.2; page 31)**

A. Functions fully devolved to Urban Local Bodies	
1.	Regulation of land use and construction of buildings
2.	Slum improvement and upgradation
3.	Urban poverty alleviation
4.	Burials and burial grounds etc.
5.	Vital statistics including registration of births and deaths
6.	Public amenities including street lighting, parking lots etc.
7.	Regulation of slaughter houses
8.	Planning for economic and social development
9.	Roads and bridges
10.	Public health and solid waste management
11.	Fire services
12.	Urban forestry, protection of the environment and promotion of ecological aspect
13.	Provision of urban amenities and facilities such as parks, gardens, play grounds etc.
14.	Safeguarding the interests of weaker sections of society including the handicapped and mentally retarded persons
15.	Promotion of cultural, educational and aesthetic aspects
16.	Prevention of cruelty to animals
B. Functions yet to be devolved to Urban Local Bodies	
1.	Urban planning including town planning
2.	Water supply for domestic, industrial and commercial purposes

Appendix 2.1

(Refer Paragraph 2.3.4; page 70)

Statement of various grants/appropriations where excess expenditure was more than ₹ 1 crore each and also by more than 10 per cent of the total provision

(₹ in crore)

S. No.	Grant No.	Name of the Grant	Head of Account	Total Grant	Expenditure	Excess	Percentage of Excess expenditure	Overall savings/ excess against provision under grant
Revenue-Voted								
1.	20	Housing	2216-Housing 05-General Pool Accommodation 053-Maintenance and Repairs 01-Public Works Department (General Expenditure) 11-Proportionate expenditure relating to Major Head 2059-Public Works	- ⁸	2.61	2.61	100.0	Saving
2.	21	Roads and Bridges	3054-Roads and Bridges 80-General 001-Direction and Administration 01-Proportionate expenditure exhibited under Major Head 2059-Public Works 01-Establishment	-	38.07	38.07	100.0	Saving
3.			3054-Roads and Bridges 80-General 797-Transfers to/ from Reserve Fund/ Deposit Account 03-Transfer to Central Road Fund (100 % Central)	246.56	286.44	39.88	16.2	Saving
4.	46	Irrigation	2700-Major Irrigation 02-Chambal Project (Commercial) 800-Other expenditure 03-Other expenditure	30.56	38.76	8.20	26.8	Saving
5.			2700-Major Irrigation 28-Bisalpur Project (Commercial) 001-Direction and Administration 03-Proportionate expenditure transferred from budget Head "2701-80"	0.25	1.56	1.31	524.0	Saving
6.	46	Irrigation	2701-Medium Irrigation 80-General 196-Assistance to Zila Parishads/District Level Panchayats 01-Grants to Zila Parishads 01-Establishment expenditure	2.95	4.40	1.45	49.2	Saving
7.			2702-Minor Irrigation 01-Surface Water 800-Other expenditure 01-Other Irrigation Construction Works 02-Proportionate expenditure transferred from head "2701-80-General"	8.73	10.73	2.00	22.9	Saving

⁸ Only ₹ 1000

(₹ in crore)

S. No.	Grant No.	Name of the Grant	Head of Account	Total Grant	Expenditure	Excess	Percentage of Excess expenditure	Overall savings/excess against provision under grant
8.	51	Special Component Plan for Welfare of Scheduled Castes	2402-Soil and Water Conservation 789-Special Component Plan for Scheduled Castes 02-Mitigating Poverty Project in Western Rajasthan (IFAD Funded) (M POWER)	2.87	4.35	1.48	51.6	Saving
Capital-Voted								
9.	19	Public Works	4059-Capital Outlay on Public Works 80-General 051-Construction 02-General Building (other Administrative Services-General Administrative Building) 01-Through the Chief Engineer, Public Works Department	12.61	19.74	7.13	56.5	Saving
10.	30	Tribal Area Development	4215-Capital Outlay on Water Supply and Sanitation 01-Water Supply 796-Tribal Area Sub-plan 02-Urban Water Supply Schemes 15-Nagaur Lift Canal Project Phase-II	-	3.54	3.54	100.0	Saving
Capital-Charged								
11.	-	Public Debt	6003-Internal Debt of the State Government 106-Compensation and other Bonds 02-Special Bond (Power Bonds) 18-8.50% Tax Free Rajasthan State Special Bonds, 2015	-	18.44	18.44	100.0	Excess

Source: Appropriation Accounts

Appendix 2.2

(Refer Paragraph 2.3.5; page 71)

Rush of expenditure (where expenditure during last quarter was more than ₹ 50 crore in each case and also by more than 30 per cent of the total expenditure)

(₹ in crore)

S. No.	Number and Name of Grant/ Appropriation	Head of account	Expenditure incurred during January-March 2015	Expenditure incurred in March 2015	Total Expenditure	Percentage of total expenditure incurred during	
						January-March 2015	March 2015
1.	7-Elections	2515-800-01 Expenditure on Panchayat Elections	122.57	35.17	123.29	99.4	28.5
2.	9-Forest	4406-01-102-14 Forestry work assisted by NABARD	60.31	24.58	82.40	73.2	29.8
3.	10-Miscellaneous General Services	2075-797-01 Transfer to Head 8235-117 Guarantee Redemption fund	615.83	615.83	615.83	100	100
4.	14-Sales Tax	2040-800-02 Rajasthan Investment Promotion Policy	147.34	80.89	446.04	33.0	18.1
5.	15-Pensions and Other Retirement Benefits	2071-01-117-01 Government contribution in pension scheme of defined contribution	111.75	61.67	356.12	31.4	17.3
6.	16-Police	2055-115-04 Modernisation of General Police	50.27	49.18	51.32	98.0	95.8
7.	21-Roads and Bridges	3054-04-800-02 Rural Roads	213.53	77.30	559.96	38.1	13.8
8.		5054-04-800-02 Other Road Construction Programme	137.81	67.44	358.36	38.5	18.8
9.	23-Labour and Employment	2230-01-103-07 Building and other Construction Labour Welfare Board, Rajasthan	76.95	76.95	251.95	30.5	30.5
10.	24-Education, Art and Culture	2202-01-001-01 General Expenditure	64.96	59.17	88.89	73.1	66.6
11.		2202-01-111-01 Education Guarantee Scheme	1,009.14	325.09	2,522.80	40.0	12.9
12.		2202-01-800-14 Reimbursement to Private schools under Right to Education-General expenditure	61.53	46.03	83.91	73.3	54.9
13.		2202-02-109-07-01 Madhyamik Shiksha Abhiyan-General expenditure	288.04	123.93	282.31	102.0	43.9

(₹ in crore)

S. No.	Number and Name of Grant/ Appropriation	Head of account	Expenditure incurred during January-March 2015	Expenditure incurred in March 2015	Total Expenditure	Percentage of total expenditure incurred during	
						January-March 2015	March 2015
14.	25-Treasury and Accounts	7999-201 Appropriation to Contingency Fund	300.00	300.00	300.00	100.0	100.0
15.	26-Medical and Public Health and Sanitation	4210-01-110-07 Works through the Medical and Health Department	69.54	69.49	119.33	58.3	58.2
16.		4210-02-800-02 NABARD Loan based Schemes	62.63	62.63	62.63	100	100
17.	27-Drinking Water Scheme	2515-01-101-01-12 Other Urban Water Supply Schemes	132.37	63.35	433.53	30.5	14.6
18.		4215-01-101-01 General Urban Water Supply Schemes	273.92	186.31	672.12	40.8	27.7
19.		4215-01-102-01 Accelerated Rural Water Supply Scheme	111.10	66.75	301.88	36.8	22.1
20.		4215-01-102-03-Other Rural Water Supply Programme	370.69	316.28	732.54	50.6	43.2
21.		4215-01-102-39 Pokaran-Phalsund Water Supply Scheme	64.90	62.36	94.00	69.1	66.4
22.		4215-01-102-49 Works under XIII Finance Commission	61.82	47.16	129.84	47.6	36.3
23.		4215-01-102-80 Sikar, Jhunjhunu, Khetri Integrated Water Supply Project under Kumbharam Lift Project	50.54	50.54	85.93	58.8	58.8
24.		28-Special Programmes for Rural Development	4515-101-11 M.L.A. Local Area Development Programme	105.60	30.71	274.80	38.4
25.	29-Urban Plan and Regional Development	2217-80-191-03 Special Grants	180.47	75.50	576.33	31.3	13.1
26.		4217-04-800-04 Rajeev Housing Scheme for Slum Free India	77.06	57.88	119.23	64.6	48.6
27.		4217-60-050-03 Rajasthan Urban Sector Development Investment Programme (RUSDIP) RUIDP Second Stage (EAP) Construction Work	70.00	37.99	184.05	38.0	20.6
28.	30-Tribal Area Development	2202-01-111-03 Sub-plan for Tribal Area (Education Guarantee Scheme)	194.06	50.00	538.63	36.0	9.3

(₹ in crore)

S. No.	Number and Name of Grant/Appropriation	Head of account	Expenditure incurred during January-March 2015	Expenditure incurred in March 2015	Total Expenditure	Percentage of total expenditure incurred during	
						January-March 2015	March 2015
29.	30-Tribal Area Development	2202-02-109-07-03 Madhyamik Shiksha Abhiyan for Scheduled Tribes	53.45	20.05	59.17	90.3	33.8
30.		2225-02-796-06 Through the Social Welfare Department	65.49	38.98	179.44	36.5	21.7
31.		2505-01-196-01 Indira Awas Yojana	163.19	102.98	342.03	47.7	30.1
32.		4215-01-796-01 Rural Water Supply Schemes	228.38	168.21	449.60	50.8	37.4
33.		4225-02-796-11 Schemes for amount received from Government of India under Article 275(1) of the Constitution of India (SCA)	61.48	41.91	61.48	100	68.2
34.		4801-80-796-04 Investment in Jaipur Vidyut Vitran Nigam Limited	104.68	99.36	140.55	74.5	70.7
35.		4801-80-796-05 Investment in Jodhpur Vidyut Vitran Nigam Limited	108.71	105.57	130.70	83.2	80.8
36.		4801-80-796-06 Investment in Ajmer Vidyut Vitran Nigam Limited	118.81	107.47	133.44	89.0	80.5
37.	33-Social Security and Welfare	2225-03-277-02 Maintenance of Hostels	63.78	52.05	64.23	99.3	81.0
38.		2236-02-197-01 Through the Integrated Child Development Services Department	154.45	75.71	500.77	30.8	15.1
39.	34-Relief from Natural Calamities	2245-01-104-06 Cattle Camp/Goshala	86.76	56.07	146.57	59.2	38.3
40.		2245-01-800-01 Expenditure on relief works	223.37	217.32	617.22	36.2	35.2
41.		2245-02-114-02 Agriculture Input Grant to Small and marginal farmers for loss of crops	187.83	188.22	420.72	44.6	44.7
42.		2245-02-114-05 Agriculture grant to farmers except for Small and marginal farmers (flood/ice-fall etc.)	141.14	141.31	324.68	43.5	43.5
43.		2245-05-101 Transfer to Reserve Funds and Deposit Accounts-State Disaster Response Fund	365.31	365.31	730.10	50.0	50.0
44.	35-Miscellaneous Community and Economic Services	3454-02-203-02 Bhamashah Yojana, 2014	231.93	153.66	289.38	80.2	53.1

(₹ in crore)

S. No.	Number and Name of Grant/Appropriation	Head of account	Expenditure incurred during January-March 2015	Expenditure incurred in March 2015	Total Expenditure	Percentage of total expenditure incurred during	
						January-March 2015	March 2015
45.	35-Miscellaneous Community and Economic Services	5475-800-08 Information Technology and Communication	72.04	57.81	89.41	80.6	64.7
46.	36-Co-operation	2425-800-02 Interest grant to good debtors of co-operative	168.68	168.67	260.04	64.9	64.9
47.	37-Agriculture	2401-110-02 Through the agency of Agriculture Department	198.12	51.13	244.13	81.2	20.9
48.		2401-119-26 For the conversion in Drip irrigation from flow irrigation (20% State Share: 80% Central Share)	57.74	43.41	61.99	93.2	70.0
49.		2401-196-06 District Level Agriculture Schemes	114.05	94.91	134.53	84.8	70.5
50.		2401-800-27 National Agriculture Development Project (S.C.A.)	280.60	165.80	445.05	63.1	37.2
51.		4401-800-02 Through the agency of Agriculture Department	56.26	51.38	152.54	36.9	33.7
52.		6408-02-190-01-01 Loans to Rajasthan State Warehousing Corporation	55.00	30.00	90.00	61.1	33.3
53.		41-Community Development	2515-196-24-02 Functional/activities in total Sanitation Campaign	68.61	40.86	118.16	58.1
54.	2515-197-01-01 Establishment under Adhoc Assistance		225.32	107.32	504.86	44.6	21.3
55.	2515-197-05 Grants for Panchayat Samities under the recommendations of State Finance commission		81.35	12.80	170.96	47.6	7.5
56.	2515-198-06 National Nutritious Assistance Programme under Mid day meal Assistance		141.79	37.99	368.25	38.5	10.3
57.	2515-198-16 General Basic Grants for Gram Panchayats under the recommendations of XIII Finance Commission		303.67	303.67	559.65	54.3	54.3
58.	46-Irrigation	4700-04-001-02 Second Stage	81.93	46.58	167.79	48.8	27.7
59.	48-Power	2801-80-190-34 Grant for Vidyut Tax	600.41	294.17	1,175.00	51.1	25.0
60.		4801-80-190-02 Investment in Rajasthan Rajya Vidyut Utpadan Nigam Limited	186.84	186.84	586.20	31.8	31.8

(₹ in crore)

S. No.	Number and Name of Grant/Appropriation	Head of account	Expenditure incurred during January-March 2015	Expenditure incurred in March 2015	Total Expenditure	Percentage of total expenditure incurred during	
						January-March 2015	March 2015
61.	48-Power	4801-80-190-03 Investment in Rajasthan Rajya Vidyut Prasaran Nigam Limited	78.25	78.25	246.05	31.8	31.8
62.		4801-80-190-04 Investment in Jaipur Vidyut Vitran Nigam Limited	501.92	474.92	692.33	72.5	68.6
63.		4801-80-190-05 Investment in Jodhpur Vidyut Vitran Nigam Limited	527.09	510.42	643.82	81.9	79.3
64.		4801-80-190-06 Investment in Ajmer Vidyut Vitran Nigam Limited	579.68	517.55	657.33	88.2	78.7
65.	51-Special Organisational Schemes for Welfare of Scheduled Castes	2202-02-107-05 Pre-metric scholarship to students of scheduled tribes	53.22	24.34	62.15	85.6	39.2
66.		2202-02-109-07-02 Madhyamik Shiksha Abhiyan for Scheduled Castes	72.01	26.51	72.01	100	36.8
67.		2225-01-789-01 Scholarship and stipend for Scheduled Castes	51.57	32.08	145.70	35.4	22.0
68.		2401-789-03 National Agriculture Development Scheme (S.C.A.)	64.75	54.52	103.32	62.8	52.8
69.		4215-01-789-01 Water supply in Scheduled Caste Areas	224.48	136.59	592.76	37.9	23.0
70.		4801-80-789-02 Investment in Rajasthan Rajya Vidyut Utpadan Nigam Limited	71.36	71.36	176.30	40.5	40.5
71.		4801-80-789-04 Investment in Jaipur Vidyut Vitran Nigam Limited	158.56	151.47	208.22	76.2	72.7
72.		4801-80-789-05 Investment in Jodhpur Vidyut Vitran Nigam Limited	163.18	158.83	193.63	84.3	82.0
73.		4801-80-789-06 Investment in Ajmer Vidyut Vitran Nigam Limited	177.43	161.88	197.69	89.7	81.9
74.	Interest Payments	2049-01-200-02 Interest on Loans received from Local Bodies	136.34	135.79	440.81	30.9	30.8
75.		2049-03-104-02 Interest on Contributory Provident Funds	67.47	67.47	67.63	99.8	99.8

(₹ in crore)

S. No.	Number and Name of Grant/Appropriation	Head of account	Expenditure incurred during January-March 2015	Expenditure incurred in March 2015	Total Expenditure	Percentage of total expenditure incurred during	
						January-March 2015	March 2015
76.	Interest Payments	2049-04-101 Interest on Loans for State/Union Territory Plan Schemes	94.24	27.46	233.67	40.3	11.7
77.	Public Debt	6003-105-02 Loan under Rural Infrastructure Development Fund	493.65	326.50	816.02	60.5	40.0
78.		6003-111-01 Special Securities issued to National Small Savings Fund of the Central Government	332.28	153.95	1,243.71	26.7	12.4
79.		6004-02-105 State Plan Loans consolidated in terms of recommendation of the XII Finance Commission	92.61	30.87	308.70	30.0	10.0
Total			14,075.99	9,888.46	27,268.51	51.6	36.3

Source: Information compiled by office of the Principal Accountant General (A & E), Rajasthan

Appendix 2.3

(Refer Paragraph 2.3.6; page 76)

Statement of various grants/appropriations where saving was more than ₹ 20 crore each and also by more than 20 per cent of the total provision

(₹ in crore)

S. No.	Grant No.	Name of the Grant	Total Grant	Savings	Percentage
(1)	(2)	(3)	(4)	(5)	(6)
Revenue-Voted					
1.	11	Miscellaneous Social Services	113.73	42.47	37.3
2.	18	Public Relation	77.94	28.34	36.4
3.	28	Special Programmes for Rural Development	594.70	284.40	47.8
4.	35	Miscellaneous Community and Economic Services	847.72	449.52	53.0
5.	37	Agriculture	1,956.80	409.89	20.9
6.	43	Minerals	196.98	94.51	48.0
7.	49	Compensation and Assignments to Local Bodies and Panchayati Raj Institutions	80.53	80.45	99.9
8.	50	Rural Employment	3,611.45	1,221.60	33.8
9.	51	Special Component Plan for Welfare of Scheduled Castes	6,164.27	1,654.42	26.8
Capital-Voted					
10.	9	Forest	223.41	88.49	39.6
11.	12	Other Taxes	374.78	300.00	80.0
12.	19	Public Works	1,397.65	688.04	49.2
13.	21	Roads and Bridges	3,281.25	881.43	26.9
14.	22	Area Development	348.13	90.45	26.0
15.	24	Education, Art and Culture	53.67	28.47	53.1
16.	26	Medical and Public Health and Sanitation	346.25	122.97	35.5
17.	29	Urban Plan and Regional Development	1,280.91	573.42	44.8
18.	30	Tribal Area Development	2,732.48	615.85	22.5
19.	33	Social Security and Welfare	301.82	255.98	84.8
20.	37	Agriculture	429.96	120.30	28.0
21.	42	Industries	20.22	101.86	503.8
22.	43	Minerals	103.56	108.21	104.5
		Total	24,538.21	8,241.07	33.6

Source: Appropriation Accounts

Appendix 2.4

(Refer Paragraph 2.3.7; page 76)

Statement of various grants where persistent savings were more than ₹ one crore in each case and also more than 10 per cent of the total provision during 2012-15

(₹ in crore)							
Sl. No.	No. and Name of Grant	Year	Total Provision	Actual expenditure	Savings	% of savings	Main reasons of savings reported in Appropriation Accounts
Revenue-Voted							
1.	9- Forest	2012-13	632.89	478.66	154.23	24.4	Reasons not intimated by the State Government.
		2013-14	749.21	560.92	188.29	25.1	Posts remaining vacant and non-tendering for plantation work. Detailed reasons for savings in several cases were not intimated by the State Government.
		2014-15	747.86	630.62	117.24	15.7	Posts remaining vacant, non-receipt of consent of villagers for displacement, non-receipt of second instalment of annual work plan from the GoI and less release of grants by the State Government. Detailed reasons for savings in several cases were not intimated by the State Government.
2.	11- Miscellaneous Social Services	2012-13	62.12	42.02	20.10	32.4	Non-receipt of funds from GoI and less expenditure by Medical Education and Medical Health Department on disposal of Bio-medical waste management and authorization fees of Government Health Care Centres.
		2013-14	99.77	86.17	13.60	13.6	
		2014-15	113.73	71.26	42.47	37.3	
3.	20-Housing	2012-13	53.38	40.93	12.45	23.3	Not intimated by the State Government.
		2013-14	84.54	60.53	24.01	28.4	Less expenditure on repair and maintenance work.
		2014-15	77.32	62.48	14.84	19.2	Not intimated by the State Government.
4.	28-Special Programmes for Rural Development	2012-13	140.60	55.77	84.83	60.3	Not intimated by the State Government.
		2013-14	52.01	21.62	30.39	58.4	Less/non-receipt of funds from GoI.
		2014-15	594.70	310.30	284.40	47.8	Non-receipt of second instalment of funds for "Integrated Catchment Management Programme" and non-receipt of funds for "National Rural Livelihood Mission" from GoI.
5.	35- Miscellaneous Community and Economic Services	2012-13	93.45	58.20	35.25	37.7	Non-release of payment process of BPL promotion amount by Unique Identification Authority of India under UID number projects.
		2013-14	113.33	90.89	22.44	19.8	Not intimated by the State Government.
		2014-15	847.72	398.20	449.52	53.0	Non-receipts of funds from GoI. Less

(₹ in crore)

Sl. No.	No. and Name of Grant	Year	Total Provision	Actual expenditure	Savings	% of savings	Main reasons of savings reported in Appropriation Accounts
							expenditure on <i>Bhamashah</i> enrolment and preparation of <i>Bhamashah</i> card due to election code of conduct under <i>Bhamashah Yojana</i> 2014. Detailed reasons for savings in several cases were not intimated by the State Government.
6.	43-Minerals	2012-13	185.53	103.42	82.11	44.3	Non-release of sanction by the State Government.
		2013-14	148.65	123.36	25.29	17.0	Posts remaining vacant, non-purchase of machinery in time due to as election code of conduct and non-deployment of personnel of Mineral protection Force for prevention of illegal mining.
		2014-15	196.98	102.47	94.51	48.0	Non-purchase of medical equipments as per sanctions from Finance Department and less transfer to Environment Reforms and Health Fund in mining area.
7.	48-Power	2012-13	6,607.34	5,607.34	1,000.00	15.1	Less release of grant due to finalization of Financial Restructuring Programme (FRP) for power distribution companies by the GoI.
		2013-14	9,390.63	7,213.13	2,177.50	23.2	Payment of interest was not made during the year under FRP. Release of grant against actual recovery of electric tax by <i>Vidyut Vitran Nigams</i> .
		2014-15	10,384.96	9,114.40	1,270.56	12.2	Less payment of interest on power bonds, release of grants as per power supply in rural areas by JVVNL, release of grants to power distribution companies as per the recovery of power tax and less release of grants to JVVNL because of change in ratio of releasing grant for recoupment of revenue losses.
8.	50-Rural Employment	2012-13	274.03	213.34	60.69	22.1	Short receipt of fund from GoI under various schemes.
		2013-14	383.66	326.23	57.43	15.0	
		2014-15	3,611.45	2,389.51	1,221.60	33.8	
Capital-Voted							
9.	11-Miscellaneous Social Services	2012-13	8.32	6.73	1.59	19.1	Not intimated by the State Government.
		2013-14	9.68	8.06	1.62	16.7	Non-starting of 11 works pertaining to 2012-13 after objection of Development Authority and Archaeology Department and non-release of work order due to election code of conduct.
		2014-15	23.15	6.86	16.29	70.4	Delay in release of Administrative and Financial sanctions of new works and non-execution of work for 32 temples due to non-selection of consultant by PDCORE for preparing master plan.
10.	19-Public Works	2012-13	512.57	376.86	135.71	26.5	Slow progress/ less execution of work.
		2013-14	796.83	519.09	277.74	34.9	

(₹ in crore)

Sl. No.	No. and Name of Grant	Year	Total Provision	Actual expenditure	Savings	% of savings	Main reasons of savings reported in Appropriation Accounts
		2014-15	1,397.65	709.61	688.04	49.23	Non-completion of works due to excess work load on Public Works Department (PWD) and less execution of works. Detailed reasons for savings in several cases were not intimated by the State Government.
11.	23-Labour and Employment	2012-13	5.10	3.72	1.38	27.1	Non-availability of building on rent for Industrial Training Institutes as per National Council for Vocational Training norms.
		2013-14	5.47	2.60	2.87	52.5	Not intimated by the State Government.
		2014-15	4.42	1.54	2.88	65.2	Non-supply of complete order by firms, rejection of equipments of firms as the specification of material was not as per the supply order and non-availability of materials on DGS&D rate contract.
12.	24-Education, Art and Culture	2012-13	104.46	85.26	19.20	18.4	Not intimated by the State Government.
		2013-14	79.21	31.24	47.97	60.6	Non-allotment of land for new Government colleges and land was made available only for 58 library building out of 70 library building. Detailed reasons for savings in several cases were not intimated by the State Government.
		2014-15	53.67	25.20	28.47	53.05	Less execution of work for construction of new polytechnic colleges, non-purchase of machinery and non- approval of new courses for three colleges by All India Council for Technical Education. Detailed reasons for savings in several cases were not intimated by the State Government.
13.	26-Medical and Public Health and Sanitation	2012-13	188.70	121.63	67.07	35.5	Non-purchase of equipment due to non-completion/delay of tendering process and non-execution of works by the PWD. Detailed reasons for savings in several cases were not intimated by the State Government.
		2013-14	185.97	143.17	42.80	23.0	Not intimated by the State Government.
		2014-15	346.25	223.28	122.97	35.5	Slow progress of work, non-release of sanction for construction of building of 1,079 primary health sub-centres, less amount received by NABARD against loans and non-receipt of funds from GoI.
14.	29-Urban Plan and Regional Development	2012-13	1,169.89	975.95	193.94	16.6	Not intimated by the State Government.
		2013-14	1,460.01	1,045.02	414.99	28.4	Non-receipt of funds from GoI.
		2014-15	1,280.91	707.49	573.42	44.8	Slow progress of construction works in sewerage sector due to termination of contracts, delay in land availability, delay in clearance of railway crossing by NHAI. Posts remaining vacant,

(₹ in crore)

Sl. No.	No. and Name of Grant	Year	Total Provision	Actual expenditure	Savings	% of savings	Main reasons of savings reported in Appropriation Accounts
							reduction in plan ceiling and change in site of land.
15.	30-Tribal Area Development	2012-13	1,240.46	1,008.19	232.27	18.7	Slow progress/non-execution/non-starting of construction works and less investment in power companies.
		2013-14	1,822.66	1,599.82	222.84	12.2	Not intimated by the State Government.
		2014-15	2,732.48	2,116.63	615.85	22.5	Non-release of sanction for building construction of primary health sub-centres under NABARD schemes, non/less execution of works and non/less receipt of funds from GoI.
16.	33-Social Security and Welfare	2012-13	159.15	73.38	85.77	53.9	Less/non-execution of works and non-release of sanction for construction works.
		2013-14	84.36	73.15	11.21	13.3	Not intimated by the State Government.
		2014-15	301.82	45.84	255.98	84.8	Delay in land allotment resulted in slow progress of construction works in two residential schools by PWD. Detailed reasons for savings in several cases were not intimated by the State Government.
17.	46-Irrigation	2012-13	811.29	582.32	228.97	28.2	Less execution of works.
		2013-14	1,108.51	829.33	279.18	25.2	
		2014-15	1,165.59	953.91	211.68	18.2	

Source: Appropriation Accounts

Appendix 2.5

(Refer Paragraph 2.3.8; page 77)

**Cases where supplementary provision (₹ 1 crore or more in each case)
proved unnecessary**

(₹ in crore)

S. No.	Number and Name of the Grant	Original Provision	Actual Expenditure	Savings out of Original Provision	Supplementary Provision
Revenue-Voted					
1.	5-Administrative Services	135.15	128.10	7.05	6.53
2.	6-Administration of Justice	567.37	539.03	28.34	9.07
3.	7-Elections	355.51	336.60	18.91	2.42
4.	8-Revenue	633.60	579.05	54.55	6.41
5.	12-Other Taxes	443.20	434.14	9.06	73.13
6.	19-Public Works	411.61	372.60	39.01	7.71
7.	20-Housing	69.26	62.48	6.78	8.06
8.	28-Special Programmes for Rural Development	477.18	310.30	166.88	117.52
9.	41-Community Development	5,065.56	4,457.14	608.42	28.03
10.	43-Minerals	109.13	102.47	6.66	87.85
Capital-Voted					
11.	30-Tribal Area Development	2,306.93	2,116.63	190.30	425.55
12.	51-Special Component Plan for Welfare of Scheduled Castes	2,712.86	2,551.98	160.88	336.58
Revenue-Charged					
13.	Interest Payments	10,470.36	10,462.89	7.47	54.82
14.	Public Service Commission	24.11	19.77	4.34	4.68
Total		23,781.83	22,473.18	1,308.65	1,168.36

Source: Appropriation Accounts

Appendix 2.6

(Refer Paragraph 2.3.9; page 78)

Excessive/Unnecessary/Insufficient reappropriation of funds (where reappropriation and final excess/saving were more than ₹ 1 crore)

(₹ in crore)

S. No.	Grant No.	Description	Head of Account	Re appropriation	Final Excess (+) /Saving (-)
Insufficient reappropriation of funds					
1.	15	Pensions and Other Retirement Benefits	2071-01-101-01 Pensions to State employees	(-) 184.00	(-) 15.64
2.	21	Roads and Bridges	3054-80-797-03 Transfer to Central Road Fund (100% Central)	(+) 18.39	(+) 39.88
3.			3054-02-337-01-01 Maintenance and Restoration through Border Road Development Board	(-) 84.14	(+) 12.88
4.			5054-03-337-04 Provision for renewal and modernisation of Roads	(+) 43.61	(+) 1.15
5.	29	Urban Plan and Regional Development	4217-60-050-03 Rajasthan Urban Sector Development Investment Programme (RUSDIP) RUIDP Second Stage (EAP) Construction Work	(-) 65.78	(-) 12.49
6.	33	Social Security and Welfare	2235-60-196-01-05 Indira Gandhi National Old Age Pension	(-) 20.73	(-) 3.28
7.	46	Irrigation	4700-24-001-03-01 Construction works in Rajasthan	(-) 64.90	(-) 1.07
Unnecessary reappropriation of funds					
8.	46	Irrigation	2700-05-001-01-01 Indira Gandhi Nahar Feeder	(+) 2.01	(-) 2.26
9.			2700-24-800-01 Other expenditure in Narbada Project (Commercial)	(+) 3.69	(-) 9.66
Excessive reappropriation of funds					
10.	15	Pensions and Other Retirement Benefits	2071-01-102 Commuted Value of Pensions	(+) 76.00	(-) 1.38
11.	24	Education, Art and Culture	2202-02-109-01 Government Secondary Schools-Boys School	(+) 27.04	(-) 1.25
12.	27	Drinking Water Scheme	4215-01-102-03-05 Maintenance Percentage charges (O & M) for Rural Schemes transferred from Major Head 2215-Water Supply and Sanitation-01-102	(+) 57.18	(-) 34.77

(₹ in crore)

S. No.	Grant No.	Description	Head of Account	Re appropriation	Final Excess (+) /Saving (-)
13.	30	Tribal Area Development	2700-27-796-04 Other expenditure in Mahi Project (Commercial)	(+) 3.04	(-) 2.38
14.	33	Social Security and Welfare	2235-60-196-01-01 Chief Minister Old Person Honour Pension Scheme	(+) 205.22	(-) 56.12
15.			2235-60-196-01-02 Chief Minister Specially-abled Person Honour Pension Scheme	(+) 7.94	(-) 2.43
16.			2235-60-196-01-03 Chief Minister Single Woman Honour Pension Scheme	(+) 15.95	(-) 6.40
17.	51	Special Component Plan for Welfare of Scheduled Castes	2210-05-789-01-01 Medical College and attached group of Hospitals, Jaipur	(+) 3.43	(-) 2.20
18.			5054-04-789-12-01 Rajasthan Road Area Modernisation Project financed by World Bank- Rural Approach Roads	(+) 4.67	(-) 3.54
Total					(-) 154.87 (+) 53.91

Source: Appropriation Accounts

Appendix 2.7

(Refer Paragraph 2.3.11; page 78)

Cases of surrender of savings in excess of ₹ 20 crore on 31 March 2015

(₹ in crore)

Sr. No.	Number and Name of Grant/Appropriation	Major Head(s)	Total Provision	Amount of Surrender
1.	Interest Payments	2049	10,525.18	61.14
2.	3-Secretariat	2052, 2251, 3451	250.67	22.89
3.	4-District Administration	2053	383.54	35.19
4.	6-Administration of Justice	2014	576.44	37.14
5.	8-Revenue	2029, 2052	640.01	60.82
6.	9-Forest	2406	747.86	116.73
7.		4406	223.41	84.69
8.	11-Miscellaneous Social Services	2250, 3425, 3435	113.73	42.46
9.	12-Other Taxes	2030, 2041, 2045, 3055	516.33	81.29
10.		5055, 7055	374.78	300.00
11.	14-Sales Tax	2040	654.02	51.98
12.	15-Pensions and Other Retirement Benefits	2071	9,895.11	251.59
13.	16-Police	2055, 2070	3,850.99	84.81
14.	18-Public Relation	2220	77.94	28.34
15.	19-Public Works	2059	419.32	46.74
16.		4055, 4059, 4070, 4202, 4210, 4220, 4225, 4235, 4250, 4403, 4515, 4700, 4853, 5475	1,397.65	698.21
17.	21-Roads and Bridges	3054	1,721.39	184.10
18.		4851, 4853, 5054, 7075	3,281.25	887.62
19.	22-Area Development	4575, 4705	348.13	90.32
20.	24-Education, Art and Culture	2070, 2202, 2203, 2204, 2205	19,318.57	2,745.93
21.		4202, 6202	53.67	29.00
22.	26-Medical and Public Health and Sanitation	2210, 2211, 3606	6,251.69	1,169.00
23.		4210, 6210	346.25	122.96
24.	27-Drinking Water Scheme	2215	2,501.77	92.48
25.		4215	3,573.71	207.20
26.	28-Special Programmes for Rural Development	2501, 2515, 2810	594.70	284.40

Sr. No.	Number and Name of Grant/Appropriation	Major Head(s)	Total Provision	Amount of Surrender
27.	29-Urban Plan and Regional Development	2216, 2217, 3055	2,863.76	564.54
28.		4217, 5055, 6217	1,280.91	560.93
29.	30-Tribal Area Development	2014, 2029, 2055, 2059, 2202, 2203, 2204, 2205, 2210, 2211, 2216, 2217, 2220, 2225, 2230, 2235, 2236, 2401, 2402, 2403, 2405, 2406, 2415, 2425, 2501, 2505, 2515, 2700, 2702, 2705, 2801, 2810, 2851, 2852, 2853, 3055, 3425, 3435, 3451, 3452, 3454, 3456, 3475, 3604	6,352.64	1,217.03
30.		4058, 4059, 4202, 4210, 4215, 4217, 4220, 4225, 4235, 4236, 4250, 4401, 4402, 4405, 4406, 4425, 4515, 4575, 4700, 4701, 4702, 4705, 4801, 4853, 4885, 5054, 5452, 5475, 6216, 6408, 6885, 7055	2,732.48	614.93
31.	33-Social Security and Welfare	2202, 2225, 2230, 2235, 2236	5,592.13	163.93
32.		4225, 4235, 4236, 6225, 6235	301.82	246.72
33.	34-Relief from Natural Calamities	2245	2,438.92	126.02
34.	35-Miscellaneous Community and Economic Services	2047, 3454, 3475	847.72	449.46
35.	37-Agriculture	2401, 2415, 2435	1956.80	406.24
36.		4401, 6401, 6408	429.96	120.02
37.	39-Animal Husbandry and Medical	2403, 2404, 2405, 2415	632.06	120.42
38.	41-Community Development	2515	5,093.59	636.30
39.	42-Industries	4851, 4885, 6851, 6860, 6885	20.22	20.11
40.	43-Minerals	2802, 2853	196.98	87.03
41.		4802, 4853, 6802	103.56	103.20
42.	46-Irrigation	2700, 2701, 2702	1,814.74	109.43
43.		4700, 4701, 4702, 4711	1,165.59	206.97
44.	48-Power	2801, 2810	10,384.96	1,270.56
45.		4801, 4810, 6801	3,600.00	532.87
46.	49-Compensation and Assignments to Local Bodies and Panchayati Raj Institutions	3604	80.53	80.40

Sr. No.	Number and Name of Grant/Appropriation	Major Head(s)	Total Provision	Amount of Surrender
47.	50-Rural Employment	2505, 2515	3,611.45	1,221.60
48.	51-Special Component Plan for Welfare of Scheduled Castes	2014, 2029, 2055, 2056, 2059, 2202, 2203, 2204, 2205, 2210, 2211, 2216, 2217, 2225, 2230, 2235, 2236, 2401, 2402, 2403, 2405, 2406, 2425, 2501, 2505, 2515, 2701, 2702, 2705, 2801, 2810, 2851, 2852, 2853, 3055, 3425, 3451, 3452, 3454, 3456, 3475, 3604	6,164.27	1651.55
49.		4055, 4059, 4202, 4210, 4215, 4217, 4220, 4225, 4235, 4236, 4250, 4401, 4402, 4406, 4425, 4515, 4575, 4700, 4701, 4702, 4705, 4711, 4801, 4853, 4885, 5054, 5452, 5475, 6216, 7055	3,049.44	487.74
Total			1,29,352.64	18,815.03

Source: Appropriation Accounts

Appendix 2.8

(Refer Paragraph 2.3.11; page 78)

Details of saving of ₹ 1 crore and above not surrendered

(₹ in crore)

S. No.	Number and Name of Grant	Saving	Surrender	Saving which remained to be surrendered
1	2	3	4	5
Revenue- Voted				
1.	7-Elections	21.33	18.81	2.52
2.	15-Pensions and Other Retirement Benefits	266.14	251.59	14.55
3.	16-Police	87.14	84.81	2.33
4.	24-Education, Art and Culture	2,748.25	2,745.93	2.32
5.	26-Medical and Public Health and Sanitation	1,170.24	1,169.00	1.24
6.	27-Drinking Water Scheme	98.50	92.48	6.02
7.	30-Tribal Area Development	1,222.56	1,217.03	5.53
8.	33-Social Security and Welfare	233.27	163.93	69.34
9.	37-Agriculture	409.89	406.24	3.65
10.	43-Minerals	94.51	87.03	7.48
11.	46-Irrigation	111.86	109.43	2.43
12.	51-Special Component Plan for Welfare of Scheduled Castes	1,654.42	1,651.55	2.87
Capital- Voted				
13.	9-Forest	88.49	84.69	3.80
14.	27-Drinking Water Scheme	265.69	207.20	58.49
15.	29-Urban Plan and Regional Development	573.42	560.93	12.49
16.	33-Social Security and Welfare	255.98	246.72	9.26
17.	35-Miscellaneous Community and Economic Services	5.88	4.58	1.30
18.	42-Industries	101.86	20.11	81.75
19.	43-Minerals	108.21	103.20	5.01
20.	46-Irrigation	211.68	206.97	4.71
21.	51-Special Component Plan for Welfare of Scheduled Castes	497.46	487.74	9.72
Revenue-Charged				
22.	Interest Payments	62.28	61.14	1.14
	Total	10,289.06	9,981.11	307.95

Source: Appropriation Accounts

Appendix 2.9

(Refer Paragraph 2.3.12; page 79)

Details of Lump sum provisions (where surrender was more than ₹ 15 crore in each case and also in excess of 50 per cent of total budget provision)

(₹ in crore)

S. No.	Grant No.	Description	Head of Account	Total Provision	Amount Surrendered	Percentage Surrendered
1.	8	Revenue	2029-103-07 Modernisation of National Land Records Programme	56.80	48.97	86.2
2.	9	Forest	2406-02-110-01 Tiger Project, <i>Ranthambhore</i>	40.19	29.69	73.9
3.			2406-02-110-02 Tiger Project, <i>Sariska</i>	26.30	22.46	85.4
4.	11	Miscellaneous Social Services	3435-03-102-04 National River Conservation Scheme	28.58	24.03	84.1
5.	12	Other Taxes	5055-190-07 Share Capital to RSRTC against assets transferred to Rajasthan State Bus Terminal Service Corporation under Reform Linked Plan	360.00	300.00	83.3
6.	16	Police	4055-211-01-90 Police Housing-Construction Works	16.98	16.15	95.1
7.	19	Public Works	4059-80-051-04-01 Through the Chief Engineer, Public Works Department	54.88	35.90	65.4
8.			4059-80-051-06 General Building (Building to be constructed under Police Modernisation Scheme)	51.77	40.92	79.0
9.			4210-03-105-02-90 Medical College, Bikaner-Construction Works	61.74	32.77	53.1
10.			4210-03-105-03-90 Medical College, Udaipur-Construction Works	45.12	23.20	51.4
11.			4210-03-105-06-90 Medical College, Kota-Construction Works	36.64	23.93	65.3
12.			4250-203-02-90 Employment-Training-Construction Works	20.39	17.02	83.5
13.	21	Roads and Bridges	3054-03-337-01-06 Contract on Road repairs based on result and execution (OPRC)	20.00	20.00	100.0

(₹ in crore)

S. No.	Grant No.	Description	Head of Account	Total Provision	Amount Surrendered	Percentage Surrendered
14.	21	Roads and Bridges	3054-04-800-01-05 Contract on Road repairs based on result and execution (OPRC)	20.00	20.00	100.0
15.	3054-04-800-02-07 Contract on Road repairs based on result and execution (OPRC)		60.00	60.00	100.0	
16.	5054-03-337-10 Construction of Roads from Public Private Partnership (PPP)		221.24	216.63	97.9	
17.	5054-04-800-11-16 Road Upgradation Project (<i>Vinshitam</i>)		125.44	111.24	88.7	
18.	22	Area Development	4705-108-01-01 Land Development Work (Bhakra Irrigation Project)	16.82	16.82	100.0
19.	24	Education, Art and Culture	2202-02-109-08-01 Girls Hostel-General expenditure	66.85	48.15	72.0
20.			2202-02-109-09-01 Model School-General expenditure	206.06	128.10	62.2
21.			2202-02-109-11 Cycle distribution to students of Class IX studying in Government schools of urban and rural areas	40.62	31.35	77.2
22.			2202-02-109-18 Government Secondary Schools-I.C.T.	36.25	23.05	63.6
23.			2202-02-109-23 Distribution of Lap-Top	49.42	49.42	100.0
24.			26	Medical and Public Health and Sanitation	2210-05-105-03-01 Rajasthan Health Science University, Jaipur	134.91
25.	2210-06-101-21 National AIDS Control Programme	51.46			30.46	59.2
26.	2211-800-03-03 National Urban Health Mission	203.09			150.21	74.0
27.	4210-02-800-02-01 Construction of Health Sub-Centres	106.34			71.91	67.6
28.	28	Special Programmes for Rural Development	2501-06-196-06-01 National Rural Livelihood Mission-Grants	100.50	100.50	100.0

(₹ in crore)

S. No.	Grant No.	Description	Head of Account	Total Provision	Amount Surrendered	Percentage Surrendered		
29.	29	Urban Plan and Regional Development	2217-05-190-02-02 Jaipur City Transport Services Limited	46.20	25.05	54.2		
30.			2217-80-191-28 General execution grant under XIII Finance Commission	41.59	41.59	100.0		
31.			2217-80-192-01-01 Untied Grants	22.74	22.74	100.0		
32.			2217-80-192-22-01 Urban Infrastructural Development Scheme of Small and Medium Towns (10:10:80)-Development Works	317.43	188.48	59.4		
33.			2217-80-192-29 General execution grant under XIII Finance Commission	102.31	102.31	100.0		
34.			4217-03-800-03-01 Development work through Local Self Government Department	207.85	167.68	80.7		
35.			4217-04-800-01 Integrated House and Slum Development Plan	78.56	64.16	81.7		
36.			6217-60-190-03-01 Loans from Asian Development Bank	150.00	82.66	55.1		
37.			30	Tribal Area Development	2202-02-109-09-03 Model Schools for Scheduled Tribes	47.61	32.35	67.9
38.					2211-796-07-03 National Urban Health Mission	37.72	27.90	74.0
39.	2217-80-192-22-03 Urban Infrastructural Development Scheme of Small and Medium Towns- Development Works	62.44			44.61	71.4		
40.	2225-02-796-17-18 Integrated Development Project for Saharia's	32.29			26.10	80.8		
41.	2501-05-196-06-02 National Rural Livelihood Mission-Grants	40.00			40.00	100.0		
42.	2515-196-26-02 Total Sanitation Campaign-Functional/Activities	53.71			31.40	58.5		

(₹ in crore)

S. No.	Grant No.	Description	Head of Account	Total Provision	Amount Surrendered	Percentage Surrendered	
43.	30	Tribal Area Development	3454-02-796-02-02 U. I. D. Project under the recommendations of XIII Finance Commission	16.39	16.39	100.0	
44.			3454-02-796-05-01 Bhamashah Yojana, 2014- Economic and Statistics Department	65.58	35.58	54.3	
45.			4210-02-796-03-01 Construction of Health Sub-Centres	19.74	19.74	100.0	
46.			4700-24-796-01 Narmada Project (Commercial)-Tribal Area Sub plan-Construction Works	29.45	18.44	62.6	
47.			4702-796-03-01 Accelerated Irrigation Benefit Programme-Construction Works	20.00	15.62	78.1	
48.			5054-04-796-06-09 Roads Upgradation Project (Vinshitam)	21.02	20.10	95.6	
49.	33		Social Security and Welfare	4225-03-800-01-03 Construction of <i>Devnarain</i> Residential School	57.86	41.29	71.4
50.				4236-02-800-09 Construction of <i>Aangan Bari</i> Centres under I.C.D.S. Mission Mode	180.17	170.76	94.8
51.	35	Miscellaneous Community and Economic Services	3454-02-203-01-04 U. I. D. Project under the recommendations of XIII Finance Commission	83.41	83.41	100.0	
52.	37	Agriculture	2401-109-16-01 National Agriculture Extension Mission	25.71	19.60	76.2	
53.			2401-196-06-22 National Food Security Mission-Coarse Cereals	42.53	29.54	69.5	
54.			2401-196-06-25 National Agriculture Extension Mission-Agriculture Extension	25.17	18.07	71.8	
55.			2401-196-06-28 Sustainable Agriculture Mission- <i>Barani</i> Area Development	32.28	31.42	97.3	
56.			2401-800-31-01 Rajasthan Agriculture Competitive Project-Through the Agriculture Department	27.60	25.60	92.8	

(₹ in crore)

S. No.	Grant No.	Description	Head of Account	Total Provision	Amount Surrendered	Percentage Surrendered
57.	37	Agriculture	2401-800-35-02 Soil Health Management	15.89	15.89	100.0
58.	39	Animal Husbandry and Medical	2403-106-02-01 Grants to <i>Gaushala</i>	58.65	40.62	69.3
59.			2404-195-01 Assistance to Rajasthan <i>Rajya</i> Co-operative Dairy Federation	16.54	15.39	93.0
60.	41	Community Development	2515-102-01-07 Financial Strengthening Scheme-Payment to General Service Providers	25.00	25.00	100.0
61.			2515-196-28-02 Rajeev Gandhi Panchayat strengthening Campaign- Functional/Activities	49.46	46.35	93.7
62.			2515-197-09-03 Maintenance under <i>Janta Jal</i> <i>Yojana</i>	34.00	29.27	86.1
63.			2515-198-27-01 For honorarium of contract personnel's for security of Rajeev Gandhi Service Centres-Establishment	20.00	20.00	100.0
64.	42	Industries	4885-60-800-23-01 Delhi-Mumbai Industrial Corridor	20.00	19.99	99.9
65.	43	Minerals	2853-02-797-01 Accounting head 8229- 200(07) Environment reforms in Mining Area	44.94	37.12	82.6
66.			2853-02-800-01-02 Expenditure relating to Environment Reforms and Health in Mining Area- Medical and Health Department	34.61	28.59	82.6
67.			4802-02-190-03 HPCL-Rajasthan Refinery Limited	102.10	102.10	100.0
68.	48	Power	2801-80-190-35-01 Grant to Jaipur <i>Vidyut Vitran</i> <i>Nigam</i> Limited	500.73	253.39	50.6
69.			2801-80-190-35-02 Grant to Jodhpur <i>Vidyut</i> <i>Vitran Nigam</i> Limited	490.49	261.75	53.4
70.			2801-80-190-35-03 Grant to Ajmer <i>Vidyut Vitran</i> <i>Nigam</i> Limited	588.72	304.07	51.6

(₹ in crore)

S. No.	Grant No.	Description	Head of Account	Total Provision	Amount Surrendered	Percentage Surrendered
71.	48	Power	2810-102-01-01 Through the agency of Rajasthan <i>Akshay Urja</i> Corporation Limited	71.00	71.00	100.0
72.			2810-190-01-01 Solar Roof Top Power Generation Scheme	21.00	21.00	100.0
73.	49	Compensation and Assignments to Local Bodies and Panchayati Raj Insitutions	3604-198-01 Share of <i>Panchayats</i> in Royalty under the recommendations of State Finance Commission	80.00	80.00	100.0
74.	51	Special Component Plan for Welfare of Scheduled Castes	2202-02-107-14 Pre-matric Scholarships to children of families engaged in scavenging works	33.42	21.32	63.8
75.			2202-02-109-09-02 Model Schools for Scheduled Castes	81.76	61.98	75.8
76.			2210-03-197-03-01 Primary Health Centre	25.13	21.70	86.4
77.			2211-789-03-03 National Urban Health Mission	49.32	36.48	74.0
78.			2217-80-192-22-02 Urban Infrastructural Development Scheme of Small and Medium Towns-Development Works	82.65	59.06	71.5
79.			2225-01-196-12 Development of <i>Sambal</i> Villages	39.70	32.53	81.9
80.			2401-789-02-05 For conversion from flow irrigation to drip irrigation (20% State share : 80% Central share)	32.32	26.64	82.4
81.			2401-789-02-12 Additional Grant on Solar Pump Set	19.07	19.07	100.0
82.			2403-789-02-01 Grants to <i>Gaushalas</i>	18.15	18.15	100.0
83.			2501-06-196-06-03 Rajasthan <i>Grameen Ajivika</i> Mission-Grants	60.00	60.00	100.0
84.			2505-01-196-01-04 Indira <i>Awas Yojana</i> -Grants (State Share)	249.85	132.31	53.0

(₹ in crore)

S. No.	Grant No.	Description	Head of Account	Total Provision	Amount Surrendered	Percentage Surrendered
85.	51	Special Component Plan for Welfare of Scheduled Castes	2810-789-01-01 Through the agency of Rajasthan Renewable Energy Corporation Ltd.	17.00	17.00	100.0
86.	3454-02-789-01-02 U.I.D. Project under the recommendations of XIII Finance Commission		21.61	21.61	100.0	
87.	3454-02-789-05-01 Bhamashah Yojana, 2014- Economic and Statistics Department		92.94	51.94	55.9	
88.	4217-04-789-01 Integrated Housing and Slum Area Development Scheme		20.90	17.60	84.2	
89.	5054-03-789-04-90 Recouped Roads of State Road Development Fund (State Highways)- Construction Works		34.65	21.65	62.5	
Total				7,197.35	5,237.77	72.8

Source: Appropriation Accounts

Appendix 2.10

(Refer Paragraph 2.3.13; page 79)

Details of surrender in excess of actual savings (₹ 1 crore and above in each case)

(₹ in crore)

S. No.	Number and Name of Grant	Saving	Amount surrendered	Excess surrendered
Revenue- Voted				
1.	20-Housing	14.84	17.45	2.61
2.	21-Roads and Bridges	93.07	184.10	91.03
Capital-Voted				
3.	19-Public Works	688.04	698.21	10.17
4.	21-Roads and Bridges	881.43	887.62	6.19
	Total	1,677.38	1,787.38	110.00

Source: Appropriation Accounts

Appendix 2.11

(Refer Paragraph 2.4; page 83)

Statement of nil expenditure against the provision

(₹ in crore)

S. No	Head of account	P/ CSS ⁹	Year	Total Budget	Surrender	Re-appropriation	Department reply
1.	2202-General Education 01-Elementary Education 111-Sarva Shiksha Abhiyan 05-D.P.E.P Post activity	P	2013-14	10.00	10.00	-	Early closure of DPEP scheme.
2.	2202- General Education 01-Elementary Education 800-Other Expenditure 17- Distribution of Laptop	P	2012-13	21.00	-	21.00	Not intimated by the State Government.
3.	2202- General Education 02-Secondary Education 107-Scholarships 12-Pre-matric scholarship to children of families engaged in scavenging works	CSS	2012-13	17.80	-	17.80	Non receipt of sanctioned funds from Government of India (GoI).
4.	2202- General Education 02-Secondary Education 109-Government Secondary Schools 02-Girls School	CSS	2012-13	5.10	-	5.10	Non receipt of funds from GoI.
5.	2202- General Education 02-Secondary Education 109-Government Secondary Schools 08- Girls Hostel 01-Girl Hostel-General Expenditure	CSS	2012-13	50.66	-	50.66	Non receipt of sanctioned funds from GoI.
6.	2202- General Education 02- Secondary Education 800- Other Expenditure 21- Residential School	P	2012-13	1.40	-	1.40	Expenditure not incurred according to scheme.
7.	2202-General Education 02-Secondary Education 800-Other Expenditure 22- Furniture facility to Secondary Schools	P	2013-14	21.40	21.40	-	Revision in plan ceiling.
8.	2202- General Education 02-Secondary Education 109-Government Secondary Schools 23-Distribution of Lap top	P	2014-15	49.42	49.42	-	Non completion of tender process till 31May, 2015.

⁹ P: Plan, CSS: Centrally Sponsored Schemes

S. No	Head of account	P/ CSS ⁹	Year	Total Budget	Surrender	Re-appropriation	Department reply
9.	2202- General Education 03-University and Higher Education 102-Assistance to Universities 08- Grant to Kota University	P	2012-13	1.00	-	1.00	Non allotment of funds.
10.	2202- General Education 04-Adult Education 200-Other Adult Education Programme 02-Sakshar Bharat Abhiyan	P	2012-13	5.50	-	5.50	Non receipt of Central share.
11.	2203-Technical Education 104-Assistance to Non - Government Technical Colleges and Institutes 04-Manikya Lal Verma Textile Institute, Bhilwara	P	2014-15	1.30	1.30	-	Not intimated by the State Government.
12.	2205-Art and Culture 102-Promotion of Arts and Culture 13- Ravindra Manch	P	2013-14	4.75	4.75	-	Not intimated by the State Government.
13.	2205-Art and Culture 103-Archaeology 03-Establishment of International museum in Sawai Man Singh Town Hall	P	2013-14	11.50	11.50	-	Non utilization of funds by executive agency "Amber Development & Management Authority".
		P	2014-15	11.50	11.50	-	
		CSS	2013-14	3.50	3.50	-	
14.	4202-Capital Outlay on Education, Sports, Art and Culture 01-General Education 203- University and Higher Education 04-College Education 01- Building (including percentage charges)	P	2013-14	6.51	6.51	-	Not intimated by the State Government.
15.	4202-Capital Outlay on Education, Sports, Art and Culture 04-Art and culture 106-Museums 05-For establishment of International Museum in Sawai Man Singh Town Hall and Jaleb Chowk	P	2012-13	10.00	-	10.00	Not intimated by the State Government.

Source: Appropriation Accounts

Appendix 2.12

(Refer Paragraph 2.6; page 86)

Position of Outstanding Abstract Contingent Bills up to 2014-15

(₹ in lakh)				
S. No.	Major Head	Year	No. of AC Bills	Amount
1.	2013	2014-15	1	0.25
		Total	1	0.25
2.	2014	2013-14	1	0.50
		2014-15	2	1.00
		Total	3	1.50
3.	2015	2014-15	3	4.98
		Total	3	4.98
4.	2029	2007-08	1	292.18
		2010-11	1	26.60
		2011-12	4	325.30
		2013-14	8	192.41
		2014-15	2	0.74
		Total	16	837.23
5.	2039	2014-15	1	5.46
		Total	1	5.46
6.	2040	2014-15	2	22.91
		Total	2	22.91
7.	2051	2014-15	1	5.00
		Total	1	5.00
8.	2052	2011-12	2	11.13
		2012-13	2	2.50
		2013-14	1	3.95
		2014-15	3	23.09
		Total	8	40.67
9.	2053	2014-15	1	0.38
		Total	1	0.38
10.	2055	2012-13	3	191
		2013-14	3	0.90
		2014-15	21	320.51
		Total	27	512.41
11.	2059	2011-12	1	1.64
		Total	1	1.64
12.	2070	2013-14	2	15.54
		2014-15	6	25.54
		Total	8	41.08
13.	2202	1989-90	2	0.60
		1990-91	3	0.41
		1991-92	3	0.96
		1992-93	4	0.86
		1996-97	1	0.08

S. No.	Major Head	Year	No. of AC Bills	Amount
		1997-98	1	0.68
		2013-14	1	225.00
		2014-15	1	0.44
		Total	16	229.03
14.	2204	2014-15	5	13.82
		Total	5	13.82
15.	2205	2012-13	1	11.23
		2014-15	2	75.90
		Total	3	87.13
16.	2210	2011-12	4	73.44
		2012-13	2	56.32
		2013-14	10	254.44
		2014-15	27	750.87
		Total	43	1,135.07
17.	2215	2010-11	2	0.38
		2013-14	1	0.23
		2014-15	3	0.45
		Total	6	1.06
18.	2217	2014-15	8	23.09
		Total	8	23.09
19.	2225	2014-15	1	6.00
		Total	1	6.00
20.	2235	2013-14	1	1.50
		Total	1	1.50
21.	2245	2002-03	2	18.80
		2006-07	2	80.14
		2008-09	1	19.01
		2010-11	4	124.90
		2011-12	1	1.00
		2012-13	4	122.94
		2013-14	15	7,022.76
		2014-15	52	16,332.50
		Total	81	23,722.05
22.	2403	2013-14	3	0.45
		2014-15	14	28.24
		Total	17	28.69
23.	2406	2012-13	2	0.80
		2014-15	1	0.55
		Total	3	1.35
24.	2515	2008-09	1	11.29
		2013-14	1	0.21
		2014-15	55	361.12
		Total	57	372.62
25.	2701	2014-15	2	3.77
		Total	2	3.77

S. No.	Major Head	Year	No. of AC Bills	Amount
26.	2851	2013-14	1	3.03
		2014-15	3	2.00
		Total	4	5.03
27.	2853	2012-13	1	150.00
		2013-14	1	24.00
		2014-15	1	2.54
		Total	3	176.54
28.	3054	2014-15	4	497.93
		Total	4	497.93
29.	3425	2014-15	2	1.68
		Total	2	1.68
30.	3452	2014-15	7	12.31
		Total	7	12.31
31.	3454	2000-01	2	4.57
		2014-15	2	8.85
		Total	4	13.42
32.	4059	2011-12	8	20.00
		Total	8	20.00
33.	4202	1990-91	1	0.30
		1992-93	1	0.24
		2005-06	1	4.20
		Total	3	4.74
34.	4210	2012-13	4	207.59
		2013-14	1	185.00
		2014-15	7	409.35
		Total	12	801.94
35.	4250	2014-15	2	190.00
		Total	2	190.00
36.	4700	2014-15	1	6.36
		Total	1	6.36
37.	4853	2012-13	1	30.00
		Total	1	30.00
38.	5054	2000-01	2	34.50
		Total	2	34.50
Grand Total			368	28,893.14

Source: Information compiled by office of the Principal Accountant General (A & E), Rajasthan.

Appendix 3.1

(Refer paragraph 3.1; page 89)

Utilisation Certificates Outstanding as on 30 June 2015

(₹ in lakh)

S. No.	Department	Year of Payment of Grant	Total Grant paid		Utilisation Certificate			
					Received		Outstanding	
			No.	Amount	No.	Amount	No.	Amount
1.	Family Welfare(2211)	2007-08	1	486.00	0	347.68	1	138.32
		2008-09	1	489.00	0	306.41	1	182.59
		2009-10	5	508.97	4	310.12	1	198.85
Total			7	1,483.97	4	964.21	3	519.76
2.	Social Welfare (2225)	2004-05	308	235.47	307	223.75	1	11.72
		2013-14	2	2.07	2	2.07	0	0
Total			310	237.54	309	225.82	1	11.72
3.	Social Welfare (2235)	2013-14	124	2,899.03	100	2,853.55	24	45.48
Total			124	2,899.03	100	2,853.55	24	45.48
4.	Nutrition (2236)	2013-14	5	98.14	4	78.57	1	19.57
Total			5	98.14	4	78.57	1	19.57
5.	Science and Technology (3425)	2009-10	55	84.65	38	51.32	17	33.33
		2010-11	35	176.76	22	144.06	13	32.70
		2011-12	38	752.67	14	267.76	24	484.91
		2012-13	43	1038.54	18	66.09	25	972.45
		2013-14	35	146.67	12	46.79	23	99.88
Total			206	2,199.29	104	576.02	102	1623.27
6.	Environment (3435)	1997-98	30	27.56	29	27.48	1	0.08
		1998-99	25	26.20	22	25.98	3	0.22
Total			55	53.76	51	53.46	4	0.30
Grand Total			707	6,971.73	572	4,751.63	135	2,220.10

Source: Information compiled by office of the Principal Accountant General (A & E), Rajasthan.

Appendix 3.2

(Refer Paragraph 3.2; page 90)

Statement showing names of bodies and authorities the accounts of which had not been received

S. No.	Department	Number of Accounts in Arrear	Year for which accounts had not been received	Grant received during preceding year (₹ in lakh)	Expenditure incurred during preceding year (₹ in lakh)
Higher Education					
1.	Rajasthan University, Jaipur	2	2012-14	6,300.00	17,247.87
2.	Dr. Bhimrao Ambedkar Law University, Jaipur	2	2012-14	N.A.	N.A.
3.	Maharaja Surajmal Brij University, Bharatpur	2	2012-14	N.A.	N.A.
4.	Matsya University, Alwar	2	2012-14	N.A.	N.A.
5.	Rajiv Gandhi Tribal University, Udaipur	2	2012-14	N.A.	N.A.
6.	Pt. Deendayal Upadhyay Shekhawati University, Sikar	2	2012-14	N.A.	N.A.
	Total	12		6,300.00	17,247.87
Secondary Education					
1.	Shri Jagdamba Mook Badir School, Sriganganagar	1	2013-14	89.39	98.16
	Total	1		89.39	98.16
Technical Education					
1.	Engineering College, Ajmer	5	2009-14	103.00	310.92
	Total	5		103.00	310.92
Labour					
1.	Child Labour Project Society, Barmer	11	2003-14	N.A.	N.A.
2.	Child Labour Project Society, Banswara	2	2012-14	4.15	0.74
3.	Child Labour Project Society, Bharatpur	10	2004 -14	N.A.	N.A.
4.	Child Labour Project Society, Bundi	4	2010-14	118.37	112.80
5.	Child Labour Project Society, Chittorgarh	1	2013-14	129.79	0.59
6.	Child Labour Project Society, Churu	3	2011-14	15.26	0.37
7.	Child Labour Project Society, Dholpur	1	2013-14	11.86	0.51
8.	Child Labour Project Society, Dungarpur	2	2012-14	2.52	0.58

S. No.	Department	Number of Accounts in Arrear	Year for which accounts had not been received	Grant received during preceding year (₹ in lakh)	Expenditure incurred during preceding year (₹ in lakh)
9.	Child Labour Project Society, Jhalawar	1	2013-14	17.41	2.54
10.	Child Labour Project Society, Pali	2	2012-14	12.45	3.10
11.	Child Labour Project Society, Sri Gangaagar	3	2011-14	0.01	1.24
12.	Child Labour Project Society, Udaipur	2	2012-14	78.83	2.63
	Total	42		390.65	125.10
Industries					
1.	Bureau of Investment Promotion, Jaipur	1	2013-14	436.40	457.50
2.	Aditya Mills Ltd. Ajmer	1	2013-14	Nil	85.26
3.	Entrepreneurship and Management Development Institute, Jaipur	2	2012-14	308.93	375.47
	Total	4		745.33	918.23
Tourism					
1.	State Institute of Hotel Management, Jodhpur	1	2013-14	534.00	223.00
	Total	1		534.00	223.00
Art and Culture					
1.	Indian Institute of Crafts and Design, Jaipur	2	2012-14	Nil	285.77
2.	Rajasthan Lalit Kala Academy, Jaipur	1	2013-14	100.20	100.80
3.	Rajasthan Sangeet Academy, Pawta, Jodhpur	1	2013-14	172.00	229.96
4.	Rajasthan Sanskrit Academy, Jaipur	1	2013-14	76.93	80.51
5.	Rajasthan Bhasha Sahitya Sanskriti Academy, Bikaner	1	2013-14	79.95	66.45
	Total	6		429.08	763.49
Ayurveda					
1.	Rajasthan Ayurveda University, Jodhpur	2	2012-14	980.00	501.93
	Total	2		980.00	501.93
Medical and Health					
1.	Rajasthan University of Health Sciences, Jaipur	1	2013-14	847.50	627.25
	Total	1		847.50	627.25

S. No.	Department	Number of Accounts in Arrear	Year for which accounts had not been received	Grant received during preceding year (₹ in lakh)	Expenditure incurred during preceding year (₹ in lakh)
Social Justice and Empowerment					
1.	Rajasthan Other Backward Classes Finance and Development Co-operative Corporation Limited, Jaipur	2	2012-14	763.00	157.94
2.	Rajasthan Rajya Samaj Kalyan Board, Jaipur	1	2013-14	130.61	128.14
3.	Rajasthan SC, ST, Finance and Development Co-operative Corporation Limited, Jaipur	1	2013-14	4799.05	5455.29
4.	Opium De-addiction Treatment & Training Research Trust, Jodhpur	1	2013-14	23.12	57.00
	Total	5		5715.78	5798.37
Tribal Area Development					
1.	Swachhta Jal and Samudayik Swasthya Project, Udaipur	2	2012-14	1978.17	1298.31
	Total	2		1978.17	1298.31
Woman and Child Development					
1.	Mahila and Bal Vikas (Leupin) Pariyojna, Kumher, Bharatpur	2	2012-14	218.02	557.90
	Total	2		218.02	557.90
General Administration Department					
1.	Rajasthan Rajya Uddayan School, Sanganer Airport, Jaipur	2	2012-14	57.50	27.95
	Total	2		57.50	27.95
	Grand Total	85		18388.42	28498.48
				Or say ₹ 183.88 crore ₹ 284.99 crore	

Appendix 3.3

(Refer Paragraph 3.3; page 91)

Statement showing performance of the Autonomous Bodies

S. No.	Name of Body	Period of Entrustment	Year up to which Accounts were received	Period up to which Separate Audit Report issued	Placement of Separate Audit Report in Legislature	Delay in Submission of Accounts	Period of delay up to 31.08.2015 (in Months)
1.	Rajasthan Khadi and Village Industries Board, Jaipur	2012-13 to 2016-17	2013-14	2013-14	22 February 2013 (2001-02 to 2009-10)	2014-15	02
2.	Rajasthan State Human Rights Commission, Jaipur	Under Section 19 (2)	2013-14	2012-13	Not intimated	2014-15	02
3.	Rajasthan State Legal Services Authority, Jaipur	Under Section 19 (2)	2013-14	2012-13	-do-	2014-15	02
4.	Rajasthan Building and Other Construction Workers Welfare Board, Jaipur	Under Section 19 (2)	2012-13	2012-13	-do-	2013-14 2014-15	14 02

Source: Information received from the Departments

Appendix 3.4

(Refer Paragraphs 1.9.4 and 3.4; page 43 and 91)

Statement of finalisation of accounts and the government investment in departmentally managed commercial and quasi-commercial undertakings

(₹ in crore)

S. No.	Name of Undertaking	Accounts finalised up to	Investment ¹⁰ as per the last accounts finalised	Total accumulated losses
1	Jail Manufacture, Ajmer	2013-14	2.14	1.86
2	Jail Manufacture, Alwar	2012-13	0.63	0.63
3	Jail Manufacture, Bikaner	2013-14	1.68	1.45
4	Jail Manufacture, Jaipur	2013-14	0.58	2.88
5	Jail Manufacture, Jodhpur	2013-14	2.20	1.94
6	Jail Manufacture, Kota	2012-13	0.01	0.48
7	Jail Manufacture, Udaipur	2013-14	2.03	1.47
8	Departmental Trading of Forest Coupes	2013-14	Nil ¹¹	
9	Tendu Patta Scheme	2013-14	Nil ¹¹	
10	Rajasthan Water Supply and Sewerage Management Board, Jaipur	2013-14	13,865.95	11,021.29
	Total		13,875.22	11,032.00

Source: Information received from the Departments

10. Investment represents balance of fixed and current capital of the Government on the last day of the financial year up to which accounts were finalised.

11. Capital Investment of the Government is Nil as the remittance from the undertaking was more than the amount invested by the Government.

Appendix 3.5

(Refer Paragraph 3.5; page 92)

Department/age-wise break-up of the pending cases of misappropriation, theft/losses, etc. (cases where final action was pending at the end of June 2015)

(No. of cases)

S. No.	Name of the Department	Upto 5 years	5 to 10 years	10 to 15 years	15 to 20 years	20 to 25 years	25 years and above	Total number of cases
1.	Revenue	28	13	23	09	01	01	75
2.	Education	54	64	25	13	11	09	176
3.	Medical	27	18	14	11	04	04	78
4.	Public Works	01	-	04	20	04	06	35
5.	Water Resources	01	03	05	01	-	02	12
6.	Ground Water	03	09	06	03	02	-	23
7.	Command Area Development, Indira Gandhi Nahar Project	-	01	03	04	02	-	10
8.	Indira Gandhi Nahar Project	02	08	05	03	-	01	19
9.	Forest	04	-	01	04	01	-	10
10.	Public Health Engineering Department	32	64	84	48	30	23	281
11.	Others	64	44	39	17	14	11	189
	Total	216	224	209	133	69	57	908

Source: Information received from the Departments

Appendix 3.6

(Refer Paragraph 3.5; page 92)

Department/category-wise details in respect of loss to Government due to theft, misappropriation/loss of Government material

(₹ in lakh)

S. No	Name of Department	Theft/loss cases		Misappropriation/Embezzlement		Total	
		Number of cases	Amount	Number of cases	Amount	Number of cases	Amount
1.	Revenue	33	181.46	42	969.20	75	1,150.66
2.	Education	105	122.91	71	695.24	176	818.15
3.	Medical	33	57.85	45	443.95	78	501.80
4.	Public Works	09	5.51	26	459.76	35	465.27
5.	Water Resources	05	1.04	07	80.95	12	81.99
6.	Ground Water	20	39.11	03	5.09	23	44.20
7.	Command Area Development, Indira Gandhi Nahar Project	09	10.48	01	0.80	10	11.28
8.	Indira Gandhi Nahar Project	14	79.88	05	69.73	19	149.61
9.	Forest	07	34.08	03	78.23	10	112.31
10.	Public Health Engineering Department	260	257.19	21	170.04	281	427.23
11.	Others	78	450.63	111	1,467.49	189	1,918.12
	Total	573	1,240.14	335	4,440.48	908	5,680.62

Source: Information received from the Departments

Appendix 3.7

(Refer Paragraph 3.6; page 94)

Statement showing the details of non-operation of Personal Deposit Accounts during 2010-15

(₹ in lakh)

S. No.	Name of the Drawing and Disbursing Officer	Balance as on 31.03.2010	During 2010-15		Balance as on 31.03.2015
			Receipt	Payment	
1.	Director, Vocati Ajmer	0.36	Nil	Nil	0.36
2.	Rafalls University, Neemrana, Alwar	5.00	Nil	Nil	5.00
3.	Joint Registrar, Co-operative Society, Bharatpur	0.13	Nil	Nil	0.13
4.	Superintendent Engineer, Urban Infrastructure Development Project, Bikaner	5.00	Nil	Nil	5.00
5.	Higher Education Academy for Research and Training, Jaipur (Secretariat)	3.17	Nil	Nil	3.17
6.	Secretary, Backward Class Organisation, Tehsil Pokhran, Jaisalmer	0.01	Nil	Nil	0.01
7.	Executive Engineer, Public Health & Engineering Department, Jalore	1.70	Nil	Nil	1.70
8.	Executive Engineer, Public Health & Engineering Department, Bhinmal, Jalore	2.65	Nil	Nil	2.65
9.	Shirdhar University, Bigodana, Jhunjhunu	0.01	Nil	Nil	0.01
10.	I.T.I Production Centre, Jodhpur City	1.37	Nil	Nil	1.37
11.	Krishi Upaj Mandi Samiti, Piparcity, Jodhpur (Rural)	₹ ¹²	Nil	Nil	₹ ¹²
12.	Executive Engineer, Public Health & Engineering Department, South-Division, Barmer	0.74	Nil	Nil	0.74
Total		20.14			20.14

Source: Information compiled by office of the Principal Accountant General (A & E), Rajasthan.

¹² Only ₹ 500.

Appendix 3.8

(Refer Paragraph 3.10; page 96)

Outstanding Balances under Major Head 8658-Suspense Accounts

(₹ in crore)

Name of Minor Head	2012-13		2013-14		2014-15	
	Dr	Cr	Dr	Cr	Dr	Cr
101- Pay and Accounts Office- Suspense	10.43	0.57	26.62	0.91	47.00	1.37
Net	(Dr) 9.86		(Dr) 25.71		(Dr) 45.63	
102- Suspense Account (Civil)	3.82	(-) 0.01	2.00	(-) 0.03	2.26	0.19
Net	(Dr) 3.83		(Dr) 2.03		(Dr) 2.07	
112- Tax Deducted at Source (TDS) Suspense	-	25.89	-	52.03	-	39.40
Net	(Cr) 25.89		(Cr) 52.03		(Cr) 39.40	
123- All India Service Officers' Group Insurance Scheme	-	0.16	-	0.16	-	0.17
Net	(Cr) 0.16		(Cr) 0.16		(Cr) 0.17	
129- Material Purchase Settlement Suspense Account	-	(-) 2.09	-	2.23	-	(-) 3.13
Net	(Cr) (-) 2.09		(Cr) 2.23		(Cr) (-) 3.13	
Net Total	(Cr) 10.27		(Cr) 26.68		(Dr) 11.26	

Source: Finance Accounts

Appendix 4.1

Glossary of Terms

Terms	Basis of calculation
Buoyancy of a parameter	Rate of Growth of the parameter/GSDP Growth Rate
Buoyancy of a parameter (X) with respect to another parameter (Y)	Rate of Growth of parameter (X)/ Rate of Growth of parameter (Y)
Rate of Growth	$[(\text{Current year Amount} / \text{Previous year Amount}) - 1] * 100$
Development Expenditure	Social Services + Economic Services
Average interest paid by the State	Interest payment / [(Amount of previous year's Fiscal Liabilities + Current year's Fiscal Liabilities) / 2] * 100
Average interest received on investment of cash balances	Interest realised on investment of cash balances / [(Opening balance + Closing balance of cash balances investment account) / 2] * 100
Interest spread	GSDP Growth Rate – Average Interest Rate
Quantum spread	Debt stock * Interest spread
Interest received as <i>per cent</i> to Loans Outstanding	Interest Received [(Opening balance + Closing balance of Loans and Advances) / 2] * 100
Revenue Deficit	Revenue Receipt – Revenue Expenditure
Fiscal Deficit	Revenue Expenditure + Capital Expenditure + Net Loans and Advances – Revenue Receipts – Miscellaneous Capital Receipts
Primary Deficit	Fiscal Deficit – Interest payments
Terms	Description
Balance from Current Revenue (BCR)	Revenue Receipts minus all Plan Grants and Non-Plan Revenue Expenditure excluding expenditure recorded under the Major Head 2048 – Appropriation for reduction of Avoidance of debt.
Appropriation Accounts	Appropriation Accounts present the total amount of funds (Original and Supplementary) authorised by the Legislative Assembly in the budget grants under each voted grant and charged appropriation <i>vis-à-vis</i> the actual expenditure incurred against each and the unspent provisions or excess under each grant or appropriation. Any expenditure in excess of the grants requires regularisation by the Legislature.
Autonomous Bodies	Autonomous Bodies (usually Registered Societies or Statutory Corporations) are set up whenever it is felt that certain functions need to be discharged outside the governmental set up with some amount of independence and flexibility without day-to-day interference of the Governmental machinery.

Terms	Basis of calculation
Committed Expenditure	The committed expenditure of the State Government on revenue account mainly consists of interest payments, expenditure on salaries and wages, pensions and subsidies on which the present executive has limited control.
State Implementing Agency	State Implementing Agency includes any Organisation/Institution including Non-Governmental Organisation which is authorised by the State Government to receive the funds from the Government of India for implementing specific programmes in the State, e.g. State Implementation Society for <i>Sarva Shiksha Abhiyan</i> and State Health Mission for National Rural Health Mission, etc.
Contingency Fund	Legislative Assembly has by law established a Contingency Fund in the nature of an imprest into which is paid from time to time such sums as may be determined by such law, and the said fund is placed at the disposal of the Governor to enable advances to be made by him out of it for the purpose of meeting unforeseen expenditure pending authorisation of such expenditure by Legislative Assembly by law under Article 115 or Article 116 of the Constitution.
Consolidated Fund of the State	The fund constituted under Article 266 (1) of the Constitution of India into which all receipts, revenues and loans flow. All expenditure from the Consolidated Fund of the State is by appropriation: voted or charged. It consists of two main divisions namely Revenue Account (Revenue Receipts and Revenue Expenditure) and Capital Account (Public Debt and Loans, etc.).
Contingent Liability	Contingent liabilities may or may not be incurred by an entity depending on the outcome of a future event such as a court case.
Sinking Fund	A Fund into which the government sets aside money over time, in order to retire its debt.
Guarantee Redemption Fund	Guarantees are liabilities contingent on the Consolidated Fund of the State in case of default by the borrower for whom the guarantee has been extended. As per the terms of the Guarantee Redemption Fund, the State Government is required to contribute an amount equal to at least 1/5 th of the outstanding invoked guarantees plus an amount likely to be invoked as a result of the incremental guarantees during the year.
Internal Debt	Internal Debt comprises regular loans from the public in India, also termed 'Debt raised in India'. It is confined to loans credited to the Consolidated Fund.
Primary Revenue Expenditure	Primary revenue expenditure means revenue expenditure excluding interest payments.
Reappropriation	Means the transfer of funds from one Primary unit of appropriation to another such unit.

Terms	Basis of calculation
Surrenders of unspent provision	Departments of the State Government are to surrender to the Finance Ministry, before the close of the financial year, all the anticipated unspent provisions noticed in the grants or appropriations controlled by them. The Finance Ministry is to communicate the acceptance of such surrenders, as are accepted by them to the Audit Officer and/or the Accounts Officer, as the case may be, before the close of the financial year.
Supplementary Grants	If the amount authorised by any law made in accordance with the provisions of Article 114 of the Constitution to be expended for a particular service for the current financial year is found to be insufficient for the purpose of that year or when a need has arisen during the current financial year for the supplementary or additional expenditure upon some 'new service' not contemplated in the original budget for that year, Government is to obtain supplementary grants or appropriations in accordance with the provision of Article 115 (1) of the Constitution.
Suspense and Miscellaneous	Items of receipts and payments which cannot at once be taken to a final head of receipt or charge owing to lack of information as to their nature or for any other reasons, may be held temporarily under the Major Head "8658-Suspense Account" in the Sector "L. Suspense and Miscellaneous" of the Accounts, (Footnotes under the major head in the list of major/minor heads of account may be referred to for further guidance). A service receipt of which full particulars are not given must not be taken to the head "Suspense Account" but should be credited to the minor head "Other Receipts" under the revenue major head to which it appears to belong pending eventual transfer to the credit of the correct head on receipt of detailed particulars.
Public Accounts Committee	A Committee constituted by the Legislative Assembly for the examination of the reports of the Comptroller and Auditor General of India relating to the Appropriation Accounts of the State, the annual financial accounts of the State or such other accounts or financial matters as are laid before it or which the Committee deems necessary to scrutinise.

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