



GOVERNMENT OF ASSAM

ACCOUNTS AT A GLANCE

2011- 2012

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

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PREFACE

This is the 14th issue of our annual publication '**Accounts at a Glance**'.

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

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

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

GUWAHATI

Dated :



Shantanu Basu

PRINCIPAL ACCOUNTANT GENERAL (A&E)
ASSAM

Chapter I

OVERVIEW

1.1 Introduction

The monthly accounts of the State Government are compiled and consolidated from the accounts submitted by the District Treasuries, Public Works and Forest Divisions, etc. to the Principal Accountant General (Accounts and Entitlement). Besides, the Finance Accounts (Vol.1&2) and the Appropriation Accounts are prepared annually by the Principal Accountant General under the directions of the Comptroller and Auditor General of India in accordance with the requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971.

1.2 Structure of Accounts

1.2.1 The Government accounts are kept in three parts:

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

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

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

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

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

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

1.3 Finance Accounts and Appropriation Accounts

1.3.1 FINANCE ACCOUNTS

The Finance Accounts depict the receipts and disbursements of the Government for the year, together with the financial results disclosed by the revenue and capital accounts, public debt and public account balances recorded in the accounts. Finance Accounts have been issued in two volumes, in a new format, to make them more comprehensive and informative. Volume 1 of the Finance Accounts contains the certificate of the Comptroller and Auditor General of India, summarized statements of overall receipts and disbursements and 'Notes to accounts' containing summary of significant accounting policies, quality of accounts and other items; Volume 2 contains other summarized statements (Part-I), detailed statements (Part-II) and appendices (Part-III).

Receipts and disbursements of the government of Assam as depicted in the Finance Accounts 2011-2012 are given below.

(₹ in crore)

Receipts (Total: 29122.83)	Revenue (Total:27455.40)	Tax Revenue	16921.77
		Non Tax Revenue	2866.76
		Grants-in-Aid	7666.87
	Capital (Total:1667.43)	Recovery of Loans and Advances	21.38
		Borrowing and other liabilities*	1646.05
Disbursements (Total: 29122.83)	Revenue	26528.55	
	Capital	2506.00	
	Loans and Advances	88.28	

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

The Union Government transfers substantial funds directly to State Implementing Agencies/NGOs for implementation of various schemes and programmes. This year, the Government of India directly released ₹ 3349.35 crore (₹ 2784.36 crore last year). Since these funds are not routed through the State Budget, they are not reflected in the accounts of the State Government. These transfers are now exhibited in Appendix VII of Volume 2 of the Finance Accounts.

1.3.2. APPROPRIATION ACCOUNTS

The Appropriation Accounts supplement the Finance Accounts. They depict the expenditure of the State Government against 'charged' on the Consolidated Fund or 'voted' by the State Legislature. There are 3 charged Appropriations and 78 voted Grants.

The Appropriation Act, 2011-2012 had provided for gross expenditure of ₹ 39482.69 crore including the Supplementary Grants totaling ₹ 2301.84 crore voted by State Legislature during the year. An amount of ₹ 6284.12 crore was projected as recoveries in reduction of expenditure. Disbursements aggregating ₹ 30269.16 crore were made against the aggregate budget provision of ₹ 39482.69 crore, resulting in savings of ₹ 9213.53 crore against Grants and Appropriation. Recoveries in reduction of expenditure amounted to ₹ 0.23 crore were recorded resulting in a decrease of ₹ 6283.89 crore vis-à-vis budget estimates of ₹ 6284.12 crore. The gross expenditure includes ₹ 296.83 crore drawn on Abstract Contingent (AC) Bills, which is outstanding at the end of the year for want of supporting Detailed Contingent (DC) Bills.

1.4 Sources and Application of Funds

1.4.1 Ways and Means Advances

The Reserve Bank of India (RBI) extends the facility of Ways and Means Advances (WMA) to enable State Governments to maintain their liquidity. Overdraft (OD) facilities are provided when there is a shortfall in the agreed minimum cash balance (₹ 1.08 crore) maintained with the RBI. During 2011-2012, the Government of Assam did not resort to OD and WMA facilities.

1.4.2 Fund flow statement

The State had a Revenue Surplus of ₹ 926.85 crore and a Fiscal Deficit of ₹ 1646.05 crore representing 0.80 % and 1.43% of the Gross State Domestic Product (GSDP). The Fiscal Deficit constituted 5.65% of total expenditure. This deficit was met from Public Debt {₹ (-) 193.77 crore}, increase in Public Account (₹ 1823.94 crore) and net of Opening and Closing Cash Balance (₹ 15.88 crore). Around 61 % of the revenue receipts (₹ 27455.40 crore) of the State Government was spent on committed expenditure like salaries (₹ 11650.63 crore), interest payments (₹ 2074.50 crore) and pensions (₹ 3136.07 crore).

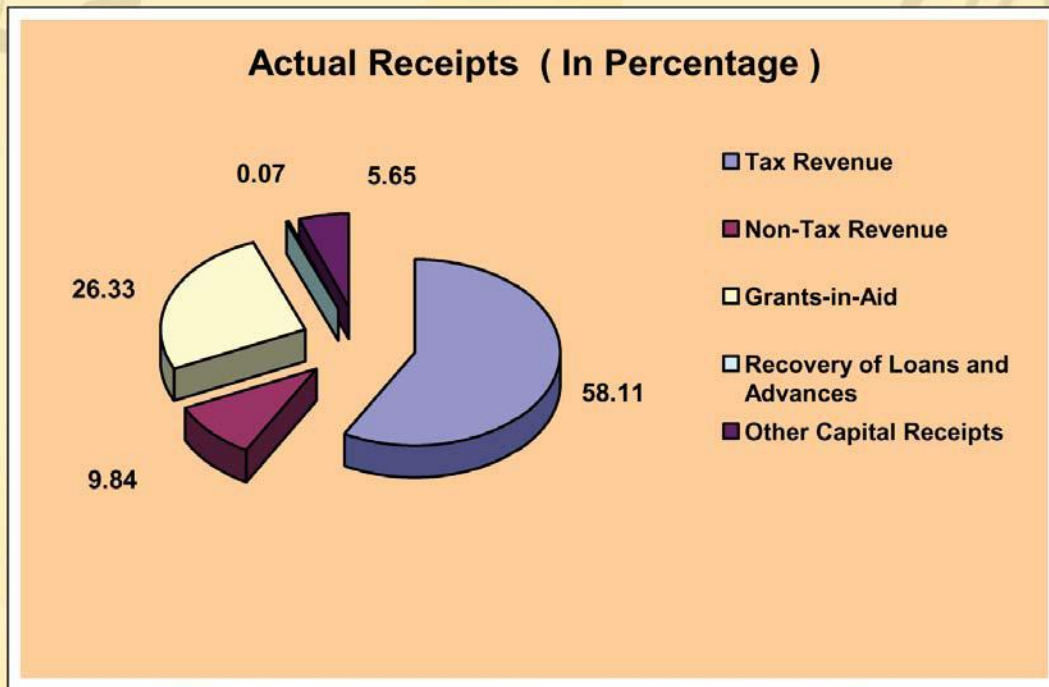
Sources and Application of Funds

(₹ in crore)

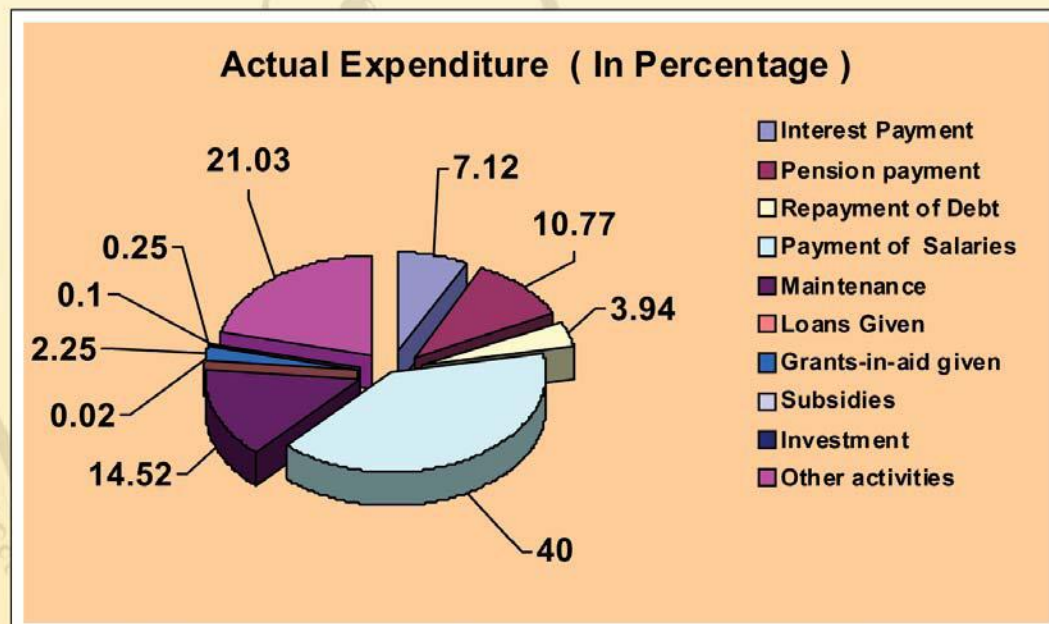
SOURCES	PARTICULARS	AMOUNT
	Opening Cash Balances as on 01.04.2011	(-) 973.25
	Revenue Receipts	27455.40
	Recovery of Loans & Advances	21.38
	Public Debt	952.32
	Small Savings, Provident Fund & Others	1162.15
	Reserves & Sinking Funds	1107.49
	Deposits Received	4145.22
	Civil Advances Repaid	2219.22
	Suspense Account	198751.51
	Remittances	3664.40
	TOTAL	238505.84

APPLICATION	PARTICULARS	AMOUNT
	Revenue Expenditure	26528.55
	Capital Expenditure	2506.00
	Loans Given	88.28
	Repayment of Public Debt	1146.09
	Small Savings, Provident Fund & Others	527.17
	Reserves & Sinking Funds	1039.62
	Deposits Spent	3683.23
	Civil Advances Given	2244.04
	Suspense Account	198016.75
	Remittances	3715.24
	Closing Cash Balance as on 31-03-2012	(-) 989.13
TOTAL	238505.84	

1.4.3 Where the Rupee came from



1.4.4 Where the Rupee went



1.4.4 HIGHLIGHTS OF ACCOUNTS

(₹ in Crore)

Particulars		B.E 2011-2012	Actuals 2011-12	Percentage of Actuals to B.E	Percentage of Actuals to GSDP #
1.	Tax Revenue	16138.70	16921.77	104.85	14.66
2.	Non-Tax Revenue	3325.96	2866.76	86.19	2.48
3.	Grants-in-aid & Contributions	13266.20	7666.87	57.79	6.64
4.	Revenue Receipts (1+2+3)	32730.86	27455.40	83.88	23.79
5.	Recovery of Loans & Advances	36.24	21.38	59.00	0.02
6.	Other Receipts	0.00	0.00	0.00	0.00
7.	Borrowings and Other Liabilities	(-) 2804.59	1646.05	...	1.43
8.	Capital Receipts (5+6+7)	(-) 2768.35	1667.43	...	1.44
9.	Total Receipts (4+8)	29962.51	29122.83	97.20	25.23
10.	Non-Plan Expenditure(NPE)	16571.37	20121.93	121.43	17.44
11.	NPE on Revenue Account	16461.48	20040.79	121.74	17.37
12.	NPE on Interest Payments out of 11	2098.88	2074.50	98.84	1.80
13.	NPE on Capital Account	109.89	81.14	73.84	0.07
14.	Plan Expenditure (PE)	13391.14	9000.90	67.22	7.80
15.	PE on Revenue Account	8913.64	6487.76	72.78	5.62
16.	PE on Capital Account	4477.50	2513.14	56.13	2.18
17.	Total Expenditure (10+14)	29962.51	29122.83	97.20	25.23
18.	Expenditure on Revenue Account(11+15)	25375.12	26528.55	104.55	22.99
19.	Expenditure on Capital Account (13+16)*	4587.39	2594.28	56.55	2.25
20.	Revenue Surplus (4-18)	7355.74	926.85	12.60	0.80
21.	Fiscal Surplus(+)/ Deficit (-) {17- (4+5)}	2804.59	(-) 1646.05	...	(-) 1.43

* Expenditure on Capital Account consists of Capital Expenditure (₹ 2506.00 crore) and Loans and Advances disbursed (₹ 88.28 crore).

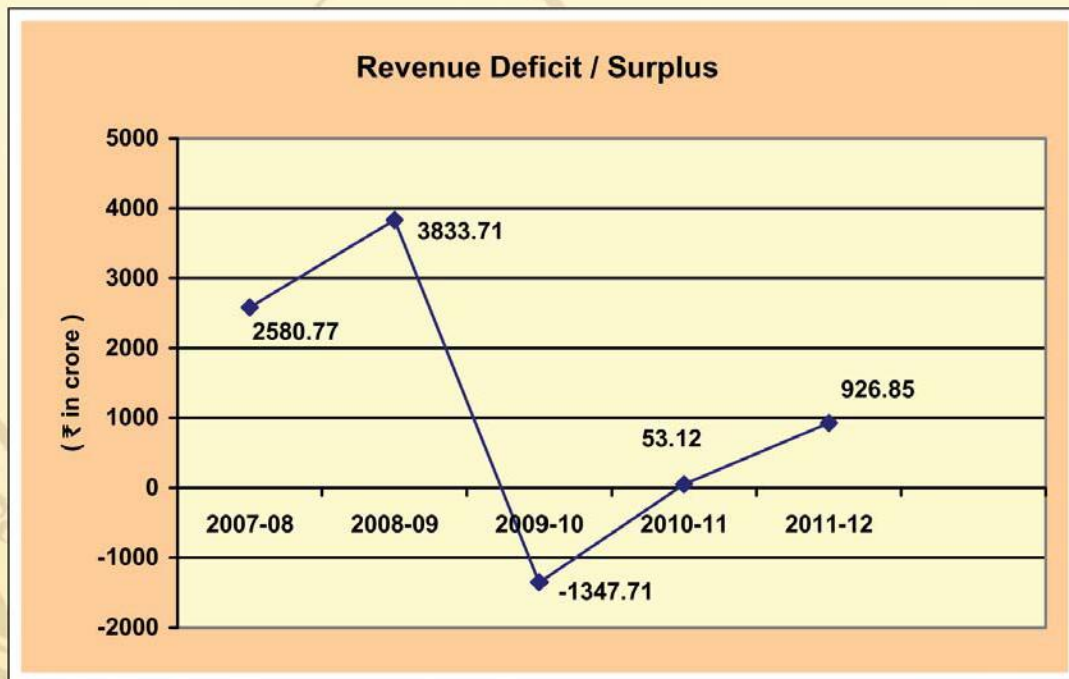
GSDP ₹ 115408 Crore (Adv).

1.6 What do the Deficits and Surpluses indicate ?

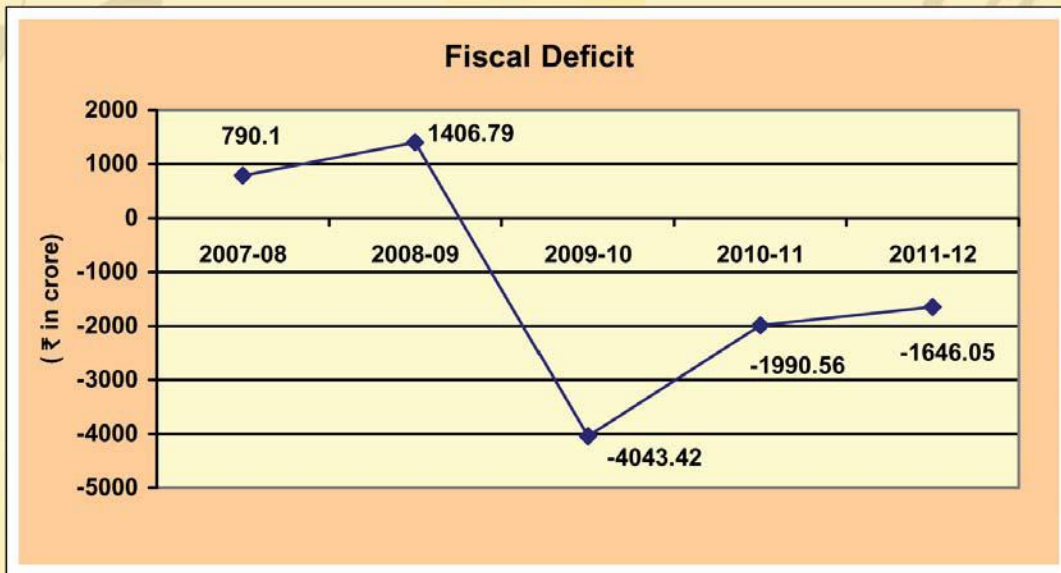
Deficit	Refers to the gap between Revenue and Expenditure. The kind of deficit, how the deficit is financed, and application of funds are important indicators of prudence in Financial Management.
Revenue Surplus	Refers to the gap between Revenue Receipts and Revenue Expenditure. Revenue Expenditure is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

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

1.6.1. Trend of Revenue Deficit/Surplus

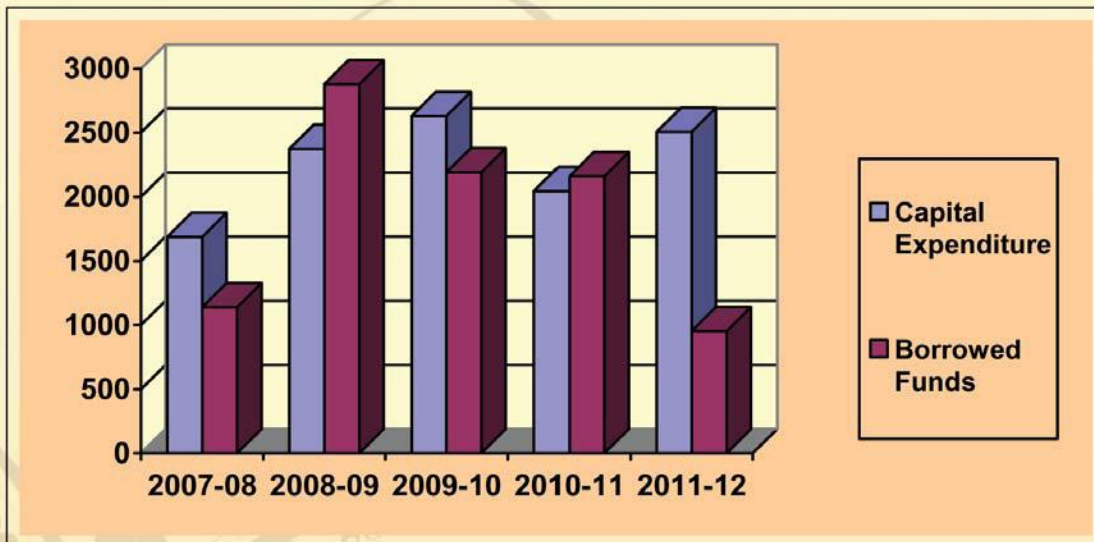


1.6.2. Trend of Fiscal Deficit



1.6.3. Proportion of borrowed funds spent on Capital Expenditure.

(₹ in crore)



It is desirable to fully utilize borrowed funds for the creation of capital assets, and to use revenue receipts for the repayment of principal and interest. The State Government fully utilized the borrowings of the current year (₹ 952.32 crore) on capital expenditure (₹ 2506.00 crore).

Chapter II

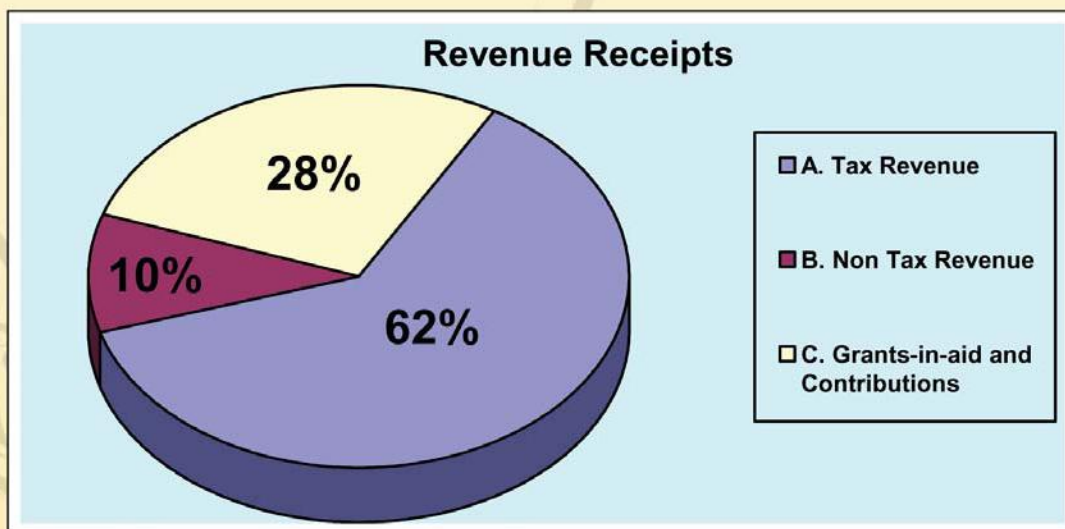
RECEIPTS

2.1. Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total Receipts for 2011-12 were ₹ 29122.83 crore.

2.2 Revenue Receipts

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



Revenue Receipt Components (2011-12)

(₹ in Crore)

Components	Actuals
A. Tax Revenue*	16921.77
Taxes on Income & Expenditure	5757.79
Taxes on Property & Capital Transactions	328.97
Taxes on Commodities & Services	10835.01
B. Non-Tax Revenue	2866.76
Interest Receipts, Dividends and Profits	489.58
General Services	88.96
Social Services	26.95
Economic Services	2261.27
C. Grants-in-aid & Contributions	7666.87
Total – Revenue Receipts	27455.40

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

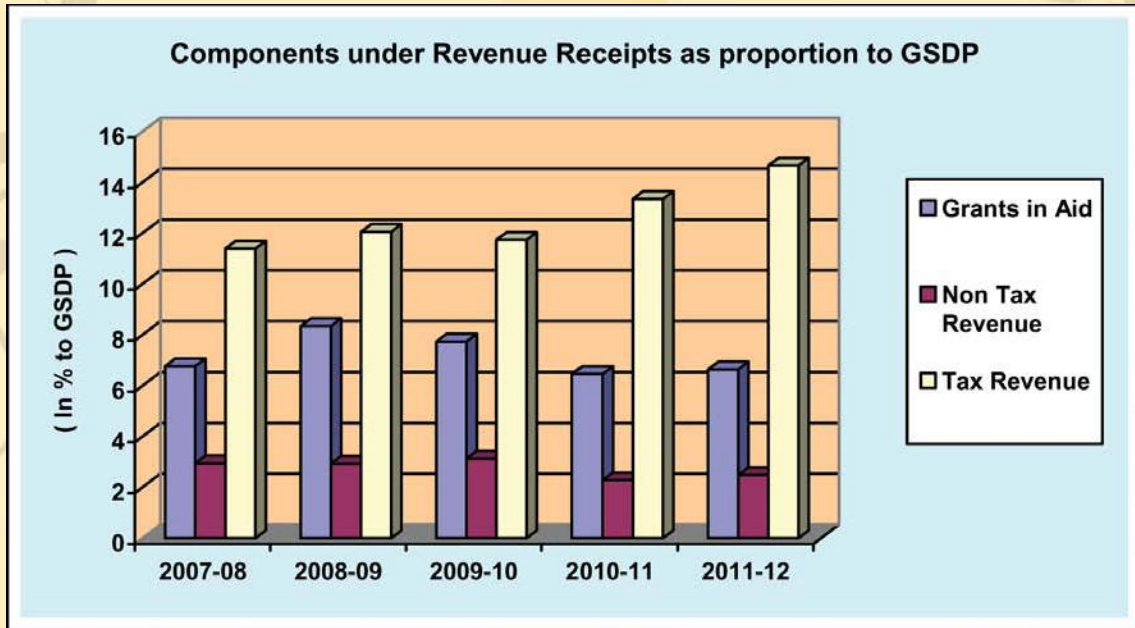
2.3 Trend of Receipts

(₹ in crore)

	2007-08	2008-09	2009-10	2010-11	2011-12
Tax Revenues	8277.71 (11.39)	9340.11 (12.05)	10326.25 (11.73)	13898.46 (13.34)	16921.77 (14.66)
Non-Tax Revenues	2134.59 (2.94)	2271.90 (2.93)	2752.94 (3.13)	2373.33 (2.28)	2866.76 (2.48)
Grants-in-Aid	4912.63 (6.76)	6465.03 (8.34)	6805.30 (7.73)	6733.15 (6.46)	7666.87 (6.64)
Total Revenue Receipts	15324.93 (21.08)	18077.04 (23.32)	19884.49 (22.59)	23004.94 (22.07)	27455.40 (23.79)
GSDP	72700.47	77506.00	88023.00	104218.00	115408.00

Note : Figures in parentheses represent percentage to GSDP

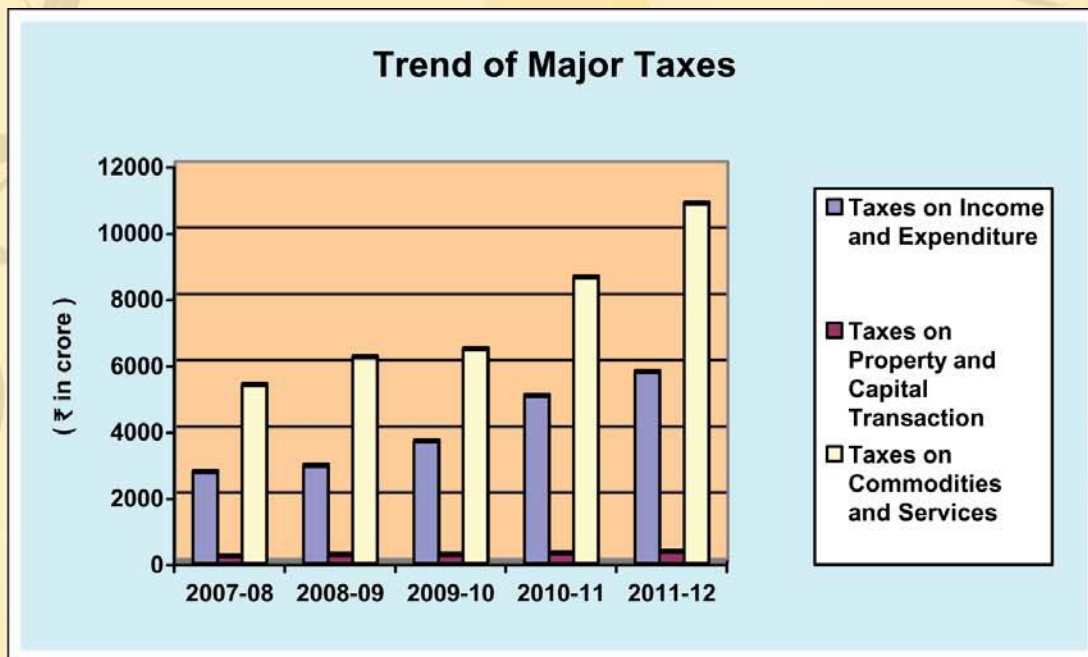
Though the GSDP increased by 10.74 % between 2010-11 and 2011-12, growth in revenue collection was only 19.35 %. Both tax and non- tax revenues increased by 21.75 % and 20.79 % respectively. Significant collections under non-tax revenue were made under 'Petroleum' (₹ 1970.63) crore and 'Forest and Wild Life' (₹ 152.85) crore. The State's own revenue under certain tax components, like taxes on Sales, trade etc. (₹ 5693.96 crore), 'State Excise' (₹ 503.35 crore), taxes on vehicles (₹ 293.70 crore) and ' Taxes on Goods and Passengers' (₹ 536.40) crore showed a higher trend.



Sector-wise Tax Revenue

(₹ in crore)

	2007-08	2008-09	2009-10	2010-11	2011-12
Taxes on Income and Expenditure	2736.34	2926.53	3650.05	5022.40	5757.79
Taxes on Property and Capital Transactions	191.40	226.14	230.34	271.11	328.97
Taxes on Commodities and Services	5349.97	6187.44	6445.86	8604.95	10835.01
Total Tax Revenues	8277.71	9340.11	10326.25	13898.46	16921.77



2.4 Performance of State's own tax revenue collection

(₹ in crore)

Year	Tax Revenue	State share of Union Taxes	State's Own Tax Revenue	
			Amount	Percentage to GSDP
(1)	(2)	(3)	(4)	(5)
2007-08	8277.71	4918.21	3359.50	4.62 %
2008-09	9340.11	5189.89	4150.22	5.35 %
2009-10	10326.25	5339.53	4986.72	5.67 %
2010-11	13898.46	7968.61	5929.85	5.69 %
2011-12	16921.77	9283.53	7638.24	6.62 %

2.5 Efficiency of Tax Collection

A. Taxes on Property and Capital Transaction

(₹ in crore)

	2007-08	2008-09	2009-10	2010-11	2011-12
Revenue Collection	191.40	226.14	230.34	271.11	328.97
Expenditure on Collection	89.78	99.84	124.73	154.47	163.04
Efficiency of Tax Collection	46.91	44.15	54.15	56.98	49.56

B. Taxes on Commodities and Services

(₹ in crore)

	2007-08	2008-09	2009-10	2010-11	2011-12
Revenue Collection	5349.97	6187.44	6445.86	8604.95	10835.01
Expenditure on Collection	43.95	61.89	71.98	114.47	113.33
Efficiency of Tax Collection	0.82	1.00	1.12	1.33	1.05

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

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

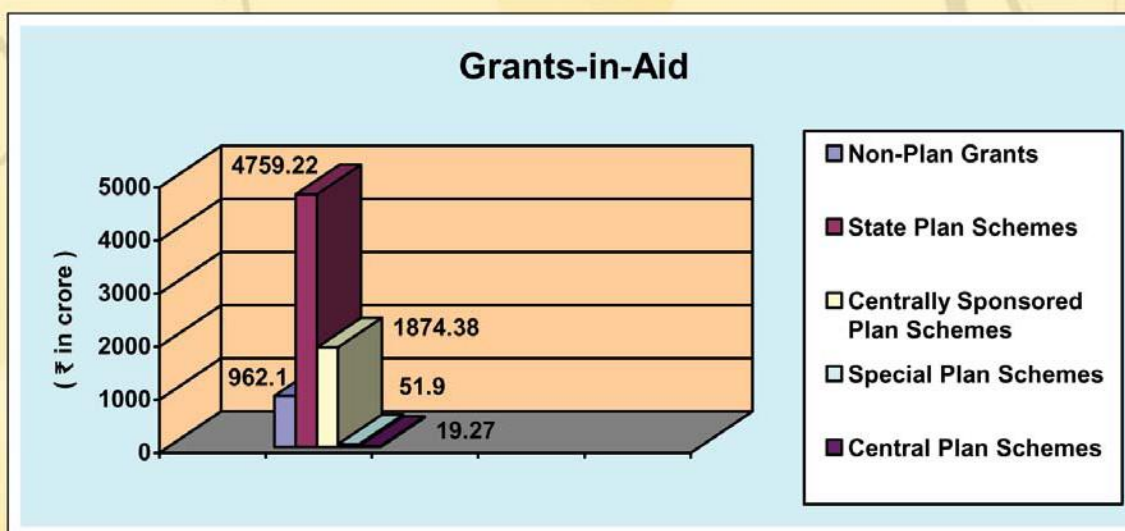
(₹ in crore)

Major Head Description	2007-08	2008-09	2009-10	2010-11	2011-12
Corporation Tax	1560.93	1702.01	2197.48	3114.68	3654.12
Taxes on Income other than Corporation Tax	1047.67	1068.71	1224.08	1645.93	1856.13
Other Taxes on Income and Expenditure *	(-) 0.08	(-) 0.11
Taxes on Wealth	1.73	1.61	4.97	6.39	14.10
Customs	929.65	992.08	747.32	1393.42	1609.62
Union Excise Duties	887.47	865.10	601.97	1013.67	1041.57
Service Tax	491.03	560.60	563.71	794.53	1107.99
Other Taxes and Duties on Commodities and Services*	(-) 0.19	(-) 0.11	...	(-) 0.01	...
State Share of Union Taxes	4918.21	5189.89	5339.53	7968.61	9283.53
Total Tax Revenue	8277.71	9340.11	10326.25	13898.46	16921.77
% of Union Taxes to Total Tax Revenue	59.42	55.57	51.71	57.33	54.86

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

2.7 Grants in Aid

Grants in Aid represent assistance from the Government of India, and comprise Grants, for State Plan Schemes, Central Plan Schemes, Centrally Sponsored Schemes and Special Plan Schemes approved by the Planning Commission and State Non-Plan Grants recommended by the Finance Commission. Total receipts during 2011-2012 under Grants- in Aid were ₹ 7666.87 crore as shown below:



The share of non-plan grants in total grants-in-aid declined from 14.02 % during 2010-2011 to 12.55 % in 2011-2012 while the share of grants for plan schemes increased from 85.98% in 2010-2011 to 87.45 % in 2011-2012.

2.8 Public Debt

Trend of Public Debt over past years.

(₹ in crore)

Description	2007-08	2008-09	2009-10	2010-11	2011-12
Internal Debt	630.01	2165.59	1475.90	1229.63	(-) 98.56
Central Loans	(-) 66.86	(-) 68.88	(-) 293.18	(-) 107.69	(-) 95.21
Total Public Debt	563.15	2096.71	1182.72	1121.94	(-) 193.77

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

Against the total internal debt of ₹ 922.26 crore of the State Government in 2011-2012 plus the central loan component of ₹ 30.06 crore received during this period, capital expenditure was ₹ 2506.00 crore, indicating that the rest of the capital expenditure was met from revenue accounts for developmental purposes.



Chapter III

EXPENDITURE

3.1 Introduction

Expenditure is classified as Revenue Expenditure and Capital Expenditure. Revenue expenditure is used to meet the day to day running of the organization, Capital expenditure is used to create permanent assets, or to enhance the utility of such assets, or to reduce permanent liabilities. Expenditure is further classified under plan and Non-Plan.

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

3.2 Revenue Expenditure

Revenue Expenditure was 22.98 percent of GSDP. It was excess over original Budget Estimates by ₹ 1153.43 crore. Non Plan Expenditure was more than original Budget Estimates by ₹ 3579.31 crore and Plan Expenditure was less than original Budget Estimates by ₹ 2425.88 crore.

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

(₹ in crore)

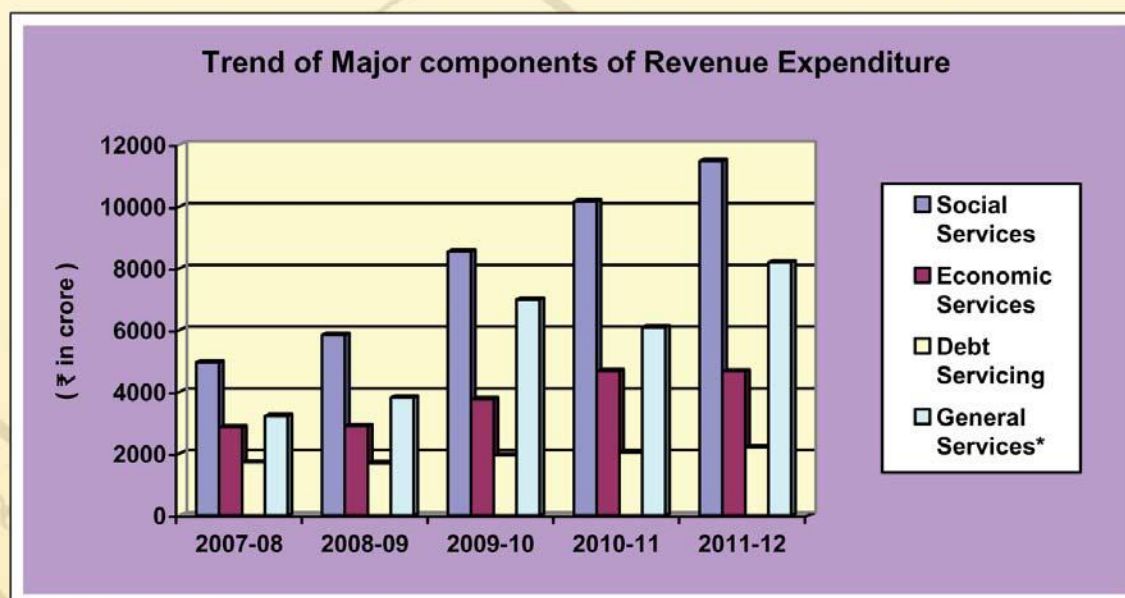
	2007-08	2008-09	2009-10	2010-11	2011-12
Budget Estimates	16768.14	20039.32	24150.64	25431.52	25375.12
Actuals	12744.16	14243.33	21232.20	22951.82	26528.55
Gap	4023.98	5795.99	2918.44	2479.70	(-)1153.43
% of gap over BE	24.00	28.92	12.08	9.75	(-)4.55

3.2.1 Sectoral distribution of Revenue Expenditure (2011-12)

(₹ in crore)

Components	Amount	Percentage
A. Fiscal Services	277.82	1.05
i) Collection of Taxes on Property and Capital transactions	163.04	0.61
ii) Collection of Taxes on Commodities and Services	113.33	0.43
iii) Other Fiscal Services	1.45	0.01
B. Organs of State	248.01	0.93
C. Interest Payments and Servicing of Debt	2207.50	8.32
D. Administrative Services	3618.06	13.64
E. Pensions and Miscellaneous General Services	3392.28	12.79
F. Social Services	11465.79	43.22
G. Economic Services	4663.27	17.58
H. Grants-in-aid and Contributions	655.82	2.47
TOTAL EXPENDITURE (REVENUE ACCOUNT)	26528.55	100.00

3.2.2 Major components of Revenue Expenditure(2007-2012)



* General Services excludes MH 2048 (Appropriation for reduction or avoidance of debt), MH 2049 (Interest payments) and includes MH 3604 (Compensation and assignment to Local Bodies and Panchayati Raj Institutions). Debt Servicing includes MH 2048 & 2049.

3.3 Capital Expenditure

Capital disbursements for 2011-2012 at 2.25% of GSDP were less than Original Budget Estimates by ₹ 1993.11 (less disbursement of ₹ 1964.36 crore under Plan Expenditure and ₹ 28.75 crore under Non-Plan Expenditure.

3.3.1 Sectoral distribution of Capital Expenditure

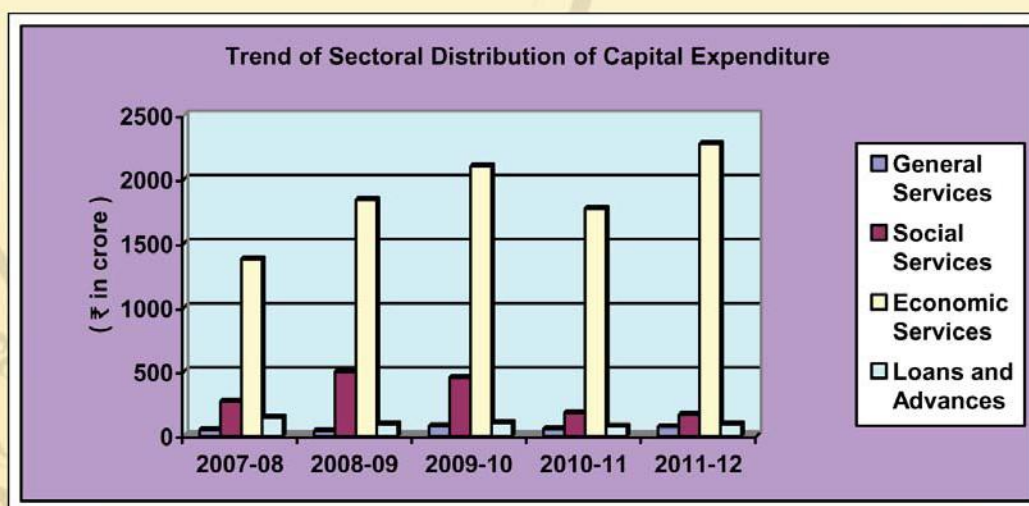
(₹ in crore)

Sl. No	Sector	Amount	Percentage
1	General Services- Police, Land Revenue etc	68.48	2.64
2	Social Services- Education, Health& Family Welfare, Water Supply, Welfare of SC/ST etc.	162.00	6.25
3	Economic Services- Agriculture, Rural Development, Irrigation, Cooperation, Energy, Industries, Transport etc.	2275.52	87.71
4	Loans and Advances Disbursed	88.28	3.40
Total		2594.28	100

3.3.2 Sectoral distribution of Capital Expenditure over the past 5 years

(₹ in crore)

Sl. No	Sector	2007-08	2008-09	2009-10	2010-11	2011-12
1.	General Services	43.28	36.47	74.82	53.58	68.48
2.	Social Services	265.61	497.01	452.23	176.02	162.00
3.	Economic Services	1379.22	1839.54	2102.30	1771.29	2275.52
4.	Loans and Advances	142.89	88.74	99.23	70.88	88.28
Total		1831.00	2461.76	2728.58	2071.77	2594.28

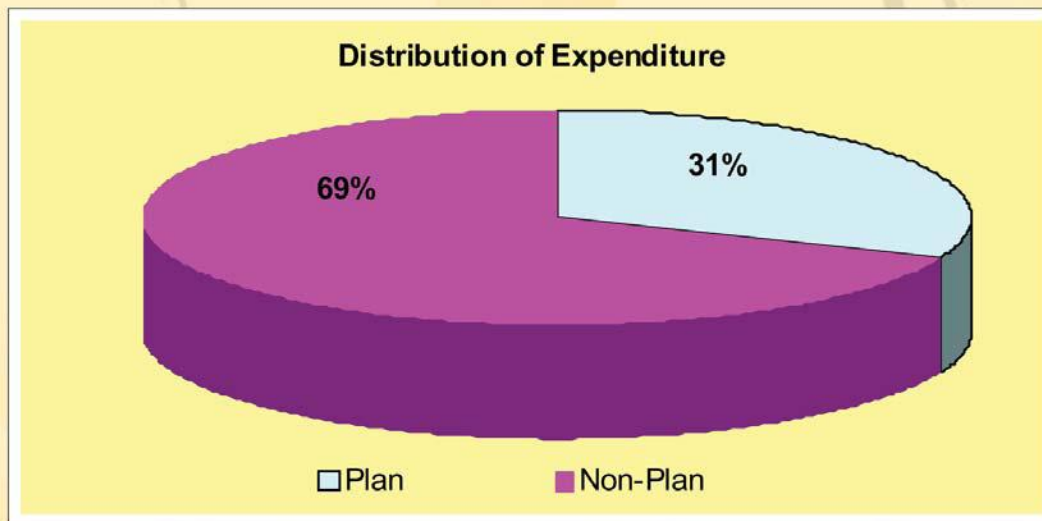




Chapter IV

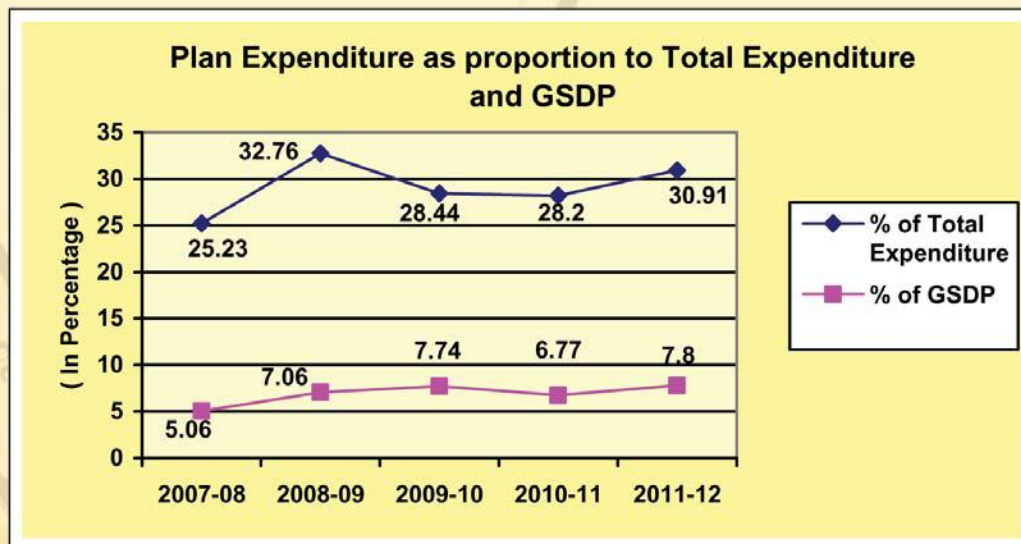
PLAN & NON PLAN EXPENDITURE

4.1 Distribution of Expenditure (2011-2012)



4.2 Plan Expenditure

During 2011-2012, Plan Expenditure, representing 31 percent to total disbursement, was ₹ 9000.90 crore (₹ 6814.29 crore under State Plan, ₹ 2104.81 crore under Centrally Sponsored Plan Schemes and ₹ 81.80 crore under Loans and Advances.)



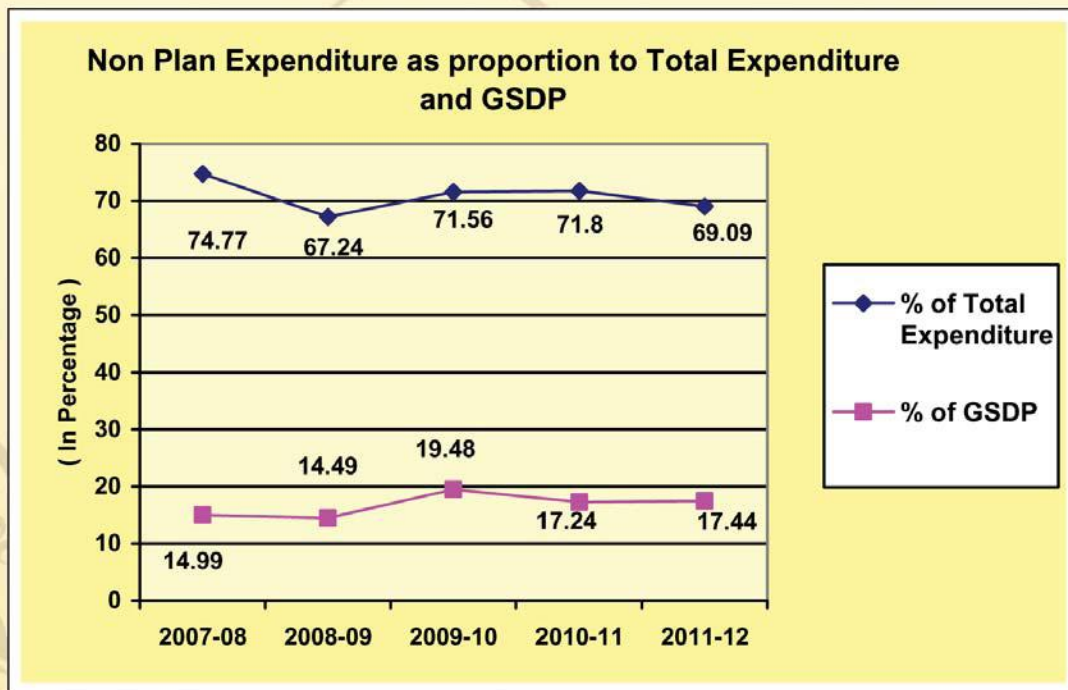
4.2.1 Plan Expenditure under Capital Account

(₹ in crore)

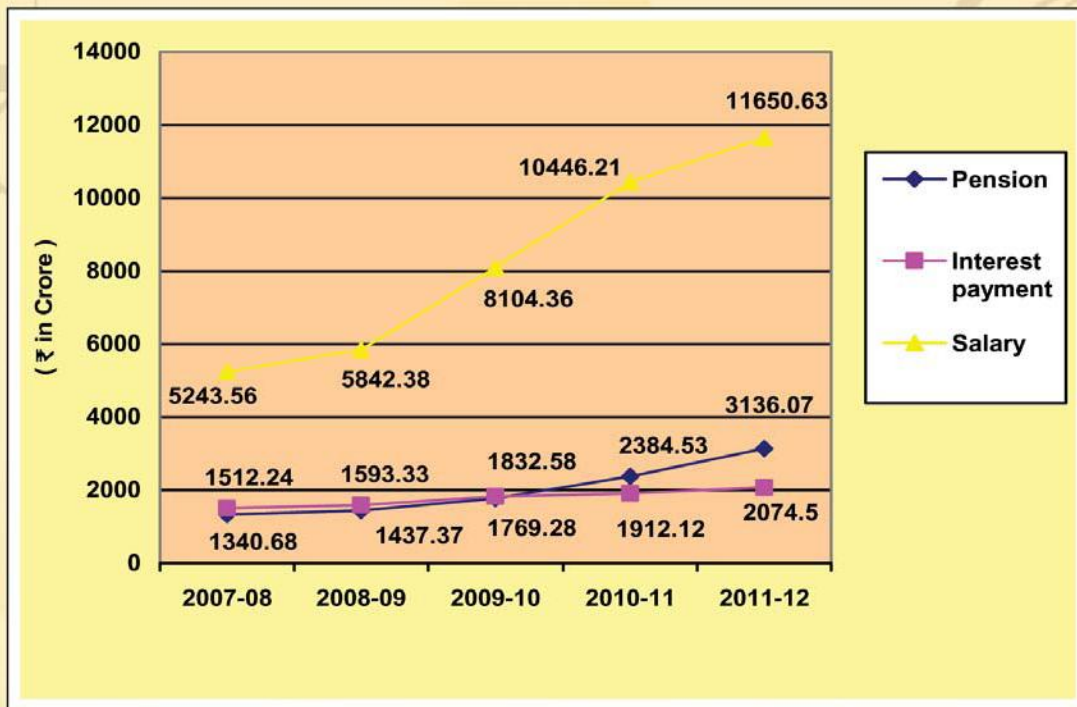
	2007-08	2008-09	2009-10	2010-11	2011-12
Total Capital Expenditure	1831.00	2461.75	2728.58	2071.77	2594.28
Capital Expenditure (Plan)	1610.63	2361.24	2645.97	2000.75	2513.14
% of Capital Expenditure (Plan) to Total Capital Expenditure	87.96	95.92	96.97	96.57	96.87

4.3. Non-Plan Expenditure

Non-plan Expenditure during 2011-2012 representing 69 percent of total disbursement, was ₹ 20121.93 crore, (₹ 20040.79 crore under Revenue and ₹ 81.14 crore under Capital).



4.4 Committed Expenditure



(₹ in crore)

Component	2007-08	2008-09	2009-10	2010-11	2011-12
Committed Expenditure	8096.48	8873.08	11706.22	14742.86	16861.20
Revenue Expenditure	12744.16	14243.33	21232.20	22951.82	26528.55
% of Committed Expenditure to Revenue Receipts	53	49	59	64	61
% of Committed Expenditure to Revenue Expenditure	63	62	55	64	64

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



Chapter V

APPROPRIATION ACCOUNTS

5.1 Summary of Appropriation Accounts for 2011-12

(₹ in crore)

Sl. No	Nature of Expenditure	Original Grant	Supplementary Grant	Re-appropriation	Total	Actual Expenditure	Savings(-)/ Excesses(+)
1.	Revenue Voted Charged	29332.86 2291.61	1312.99 7.79	188.86 0.10	30645.85 2299.39	24275.42 2253.37	(-) 6370.43 (-) 46.02
2.	Capital Voted Charged	4500.60 ...	747.15 ...	1.12 ...	5247.75 ...	2504.14 1.86	(-) 2743.61 (+) 1.86
3.	Public Debt Charged	934.23	230.86	43.00	1165.09	1146.09	(-) 19.00
4.	Loans and Advances Voted Charged	121.56 ...	3.05	124.61 ...	88.28 ...	(-) 36.33 ...
	Total	37180.86	2301.84	233.08	39482.69	30269.16	(-) 9213.53

5.2 Trend of Savings / Excess during the past five years

(₹ in crore)

Year	Saving (-) / Excess (+)				Total
	Revenue	Capital	Public Debt	Loans & Advances	
2007-08	(-) 6011.38	(-) 1622.25	(-) 734.40	(-) 47.69	(-) 8415.72
2008-09	(-) 7588.56	(-) 1922.53	(-) 129.46	(-) 76.82	(-) 9717.37
2009-10	(-) 9637.77	(-) 2960.61	(-) 27.15	(-) 19.00	(-) 12644.53
2010-11	(-) 11313.55	(-) 2479.39	(-) 123.92	(-) 37.13	(-) 13953.99
2011-12	(-) 6416.45	(-) 2741.75	(-) 19.00	(-) 36.33	(-) 9213.53

5.3 Significant Savings

Substantial savings under a grant indicates either non-implementation or slow implementation of certain schemes / programmes.

Some grants with persistent and significant savings are given below:

(₹ in crore)

Year	Grant No. Major Head	Total Allocation	Percentage of Savings (-) / Excess (+) to Total Grant
	25 - Miscellaneous General Services (Revenue) 2070 - Other Administrative Services 2075 - Miscellaneous General Services 2235 - Social Security and Welfare		
2007-08	DO	6.37	(-) 94.98
2008-09	DO	504.48	(-) 99.89
2009-10	DO	3886.42	(-) 63.64
2010-11	DO	161.89	(-) 58.98
2011-12	DO	361.70	(-) 28.42
	29 - Medical and Public Health(Revenue) 2210 - Medical and Public Health. 2211 - Family Welfare. 2215 - Water Supply and Sanitation		
2007-08	DO	1257.16	(-) 50.85
2008-09	DO	1455.83	(-) 40.04
2009-10	DO	1797.14	(-) 21.06
2010-11	DO	1879.55	(-) 28.83
2011-12	DO	1653.37	(-) 11.64
	39 - Social Security, Welfare and Nutrition (Revenue) 2235 - Social Security and Welfare (S.W) 2236 - Nutrition		
2007-08	DO	794.86	(-) 68.07
2008-09	DO	1015.40	(-) 63.22
2009-10	DO	1553.13	(-) 57.41
2010-11	DO	1241.16	(-) 37.57
2011-12	DO	1397.16	(-) 26.63
	17 - Administrative and Functional Building (Capital) 4058 - C.O. on Stationery and Printing 4059 - C.O. on Public Works 4202 - C.O. on Medical and Public Health 4211 - C.O. on Family Welfare 4225 - C.O. on Welfare of SC/ST/OBC 4250 - C.O. on Other Social Services		
2007-08	DO	71.65	(-) 57.60
2008-09	DO	67.60	(-) 52.14
2009-10	DO	86.14	(-) 24.04
2010-11	DO	109.65	(-) 52.21
2011-12	DO	232.37	(-) 67.82
	63 - Water Resources (Capital) 4711 - C.O. on Flood Control		
2007-08	DO	205.50	(-) 56.61
2008-09	DO	488.09	(-) 62.68
2009-10	DO	1105.55	(-) 74.92
2010-11	DO	669.09	(-) 65.57
2011-12	DO	907.37	(-) 68.80

During 2011-12, Supplementary Grants totaling ₹ 2301.84crore (7.60 % of Total Expenditure) proved to be unnecessary in some cases, where there were significant savings at the end of the year even against original allocations. A few instances are given below :

(₹ in crore)

Grant	Nomenclature	Section	Original	Supple- mentary	Actual Expenditure
6	Land revenue and Land Ceiling	Revenue	321.43	1.18	155.23
9	Transport Services	Revenue	134.65	6.09	123.65
11	Secretariat and Attached Offices	Revenue	1693.29	5.09	1219.08
12	District Administration	Revenue	115.62	11.01	105.71
14	Police	Revenue	2311.61	134.58	1798.62
17	Administrative and Functional Building	Capital	217.53	14.83	74.78
26	Education (Higher Education)	Revenue	1021.95	54.10	943.91
27	Art and Culture	Revenue	96.12	5.57	51.62
29	Medical and Public Health	Revenue	1478.59	174.78	1460.92
36	Labour and Employment	Revenue	183.70	30.19	110.06
38	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	Revenue	604.74	26.26	507.17
39	Social Security, Welfare and Nutrition	Revenue	1387.04	10.12	1025.14
42	Social Services	Revenue	677.25	11.53	182.46
44	North Eastern Council Scheme	Capital	924.59	247.20	347.57
48	Agriculture	Revenue	904.72	19.19	650.62
49	Irrigation	Capital	599.54	25.00	409.83
50	Other Special Areas Programmes	Revenue	98.44	14.97	30.15
52	Animal Husbandry	Revenue	231.00	8.38	188.93
54	Fisheries	Revenue	79.84	11.05	55.22
55	Forestry and Wild life	Revenue	384.68	58.64	260.11
56	Rural Development (Panchayat)	Revenue	541.78	10.06	501.04
58	Industries	Capital	110.22	41.10	69.82
59	Sericulture	Revenue	200.12	14.50	155.19
63	Water Resources	Capital	713.69	193.68	283.06
64	Roads and Bridges	Revenue	621.93	221.91	619.18
		Capital	1001.78	55.05	580.93
65	Tourism	Revenue	27.50	3.62	15.86
		Capital	37.28	5.89	30.11
71	Education (Elementary Secondary Etc.)	Revenue	5854.06	147.51	5097.57
73	Urban Development (GDD)	Revenue	643.28	42.63	282.26

Chapter VI

ASSETS AND LIABILITIES

6.1. *Assets*

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

Total investments as share capital in Statutory Corporations, Government Companies, Joint Stock Companies, Rural Banks etc. stood at ₹ 2194.84 crore at the end of 2011-2012. However, dividend received during the year was ₹13.64 crore (i.e. 0.62%) on investment. During 2011 - 2012, investments in PSUs increased by ₹ 29.02 crore while corresponding decrease in dividend income had been ₹ 1.34 crore.

6.2. *Debt and Liabilities*

Outstanding Public Debt at the end of 2011-2012 was ₹ 19948.59 crore, comprising internal debt of ₹ 17805.11 crore and loans and advances of ₹ 2143.48 crore from Central Government. In addition Other Liabilities accounted under Public Account was ₹ 11548.56 crore.

The State also acts as a banker and trustee in respect of deposits like Small Savings Collections, Provident Funds and Deposits. There was an overall increase of ₹ 1096.97 crore in respect of such liabilities of State Government during 2011-2012.

Interest payments on debt and Other Liabilities totaling ₹ 2074.50 crore constituted 7.82 percent of Revenue Expenditure of ₹ 26528.55 crore. Interest payments on public debts were ₹ 1667.69 crore (Internal debt ₹ 1531.52 crore and Loans and Advances from Central Governments ₹ 136.17 crore) and ₹ 406.81 crore on Other Liabilities. Expenditure on Account of Interest Payment increased by ₹ 162.37 crore during 2011-2012 over the previous year.

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

(₹ in crore)

At the end of the year	Internal Debt	Loans & Advances from Central Government	Total Public Debt	Small Savings, Provident Funds, etc.	Other Obligations	Total Liabilities*	GSDP #	Percentage of total liability to GSDP
2007-2008	13032.55	2708.44	15740.99	3932.74	1363.55	21037.28	72700.47 Adv	28.94
2008-2009	15198.13	2639.57	17837.70	4322.97	2080.77	24241.44	77506.00 Adv	31.28
2009-2010	16674.04	2346.38	19020.42	4812.51	4631.79	28464.72	88023.00 Adv	32.34
2010-2011	17903.67	2238.69	20142.36	5352.93	4197.44	29692.73	104218.00 Adv	28.49
2011-2012	17805.11	2143.48	19948.59	5987.91	5560.65	31497.15	115408.00 Adv	27.29

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

GSDP- AA: Quick, Adv: Advance

6.3 GUARANTEES

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

(₹ in crore)

At the end of the year	Amount Guaranteed (Principal only)	Amount outstanding	
		Principal	Interest
2007-08	1188.72	897.63	53.68
2008-09	1092.34	735.42	60.45
2009-10	592.71	245.96	52.56
2010-11	651.73	186.26	60.79
2011-12	651.73	161.50	97.53



Chapter VII

OTHER ITEMS

7.1 LOANS AND ADVANCES BY THE STATE GOVERNMENT

Total Loans and Advances made by the State Government at the end of 2011-2012 was ₹ 3053.81 crore. Total loans and advances to Government Corporations /Companies, Non-Government Institutes, Local bodies etc., at the end of 2011-2012 stood at ₹ 2438.48 crore. In respect of loans (Balance for which terms and conditions have been settled), detailed accounts of which are maintained by Office of the Principal Accountant General (A&E), recovery of principal amount aggregating to ₹ 23.08 crore and interest on loan amounting to ₹ 11.60 crore was in arrears at the end of 31st March 2012.

7.2 FINANCIAL ASSISTANCE TO LOCAL BODIES AND OTHERS

Assistance to local bodies etc. during 2011-2012 was ₹ 1851.17 crore. It increased from ₹ 945.43 crore in 2007-2008 to ₹ 1851.17 crore in 2011-2012 indicating 95.80 percent increase in the last five years. During 2011-2012 the major portion of assistance ₹ 1801.15 crore (97.30 %) of the total grant of ₹ 1851.17 crore was consumed by the Educational Institutions.

7.3 CASH BALANCE AND INVESTMENT OF CASH BALANCE

The closing cash balance according to the Reserve Bank of India was ₹ 969.03 crore (Debit) against the general cash balance of ₹ 989.13 crore (Credit) reflected in State Government Accounts. Thus, there is a difference of ₹ 20.10 crore (Credit) between the two figures. Out of this difference, items relating to ₹ 4.13 crore (net debit) have been identified and settled in the accounts for 2012-13. The remaining difference of ₹ 15.97 crore (net credit) is under reconciliation with Reserve Bank of India.

Investments held in the * Cash Balance Investment Account as on 31st March 2012 were ₹ 6022.05 crore.

Other cash balances and investment comprising cash with departmental officers (₹ 14.70 crore), Permanent advances with departmental officers (₹ 0.45 crore) and investment of earmarked funds (₹ 2003.28 crore) as on 31st March 2012 were ₹ 2018.43 crore.

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

7.4 RECONCILIATION OF ACCOUNTS

Accuracy and reliability of accounts depend, among other things, on timely reconciliation of the figures available with the departments and the figures appearing in the accounts compiled by the Principal Accountant General (Accounts and Entitlement). This exercise is to be conducted by respective Heads of Departments. The reconciliation of accounts of many departments is in arrears. In 2011-12, only 29.15 % (₹ 8822.48 crore) of the total expenditure of ₹ 30268.92 crore of the State Government was reconciled. Similarly, out of total revenue receipts of ₹ 27455.40 crore, only 79.43 % (₹ 21806.68 crore including shareable taxes of ₹ 9283.53 crore and grants in aid of ₹ 4916.03) was reconciled.

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

Sl. No.	Controlling Officer	Sl. No.	Controlling Officer
1.	Secy., Governor's Secretariat Deptt.	20.	Secy., Social Welfare Deptt.
2.	Secy., Personnel (A) Deptt.	21.	Secy., Chief Minister's Sectt. Deptt.
3.	Secy., Secretariat Administration (A) Deptt.	22.	Secy., Minority Development Deptt..
4.	Secy., Finance Deptt.	23.	Secy., Finance (Control) Deptt.
5.	Secy., Judicial Deptt.	24.	Secy., Industries Deptt.
6.	Secy., Election Deptt..	25.	Secy., Political (B) Deptt.
7.	Secy., Revenue (Registration) Deptt	26.	Secy., Border Areas Deptt.
8.	Secy., Finance Establishment(B) Deptt.	27.	Secy., Fishery Development Deptt.
9.	Secy. Personnel (B) Deptt.	28.	Secy., Sericulture Deptt.
10.	Secy., Hill Areas Deptt.	29.	Secy., Power (Electrical) Mines & Minerals Deptt.
11.	Secy., Political Deptt..	30.	Secy., Water Resources Deptt.
12.	Secy., Public Works (R&B) Deptt.	31.	Secy., Tourism Deptt.
13.	Secy., Pension & Public Grievance Deptt.	32.	Secy., Municipal Administration (Panchayati) Deptt.
14.	Secy., Education Deptt.	33.	Secy., Finance (Budget) Deptt.
15.	Secy., Education (CTM) Deptt.	34.	Secy., Science Technology & Environment Deptt.
16.	Secy., Cultural Affairs	35.	Secy., Guwahati Development Deptt.
17.	Secy., Health & Family Welfare (A) Deptt.	36.	Secy., Sports & Youth Welfare Deptt.
18.	Secy., Health & Family Welfare (B) Deptt.	37.	Secy., Information and Technology Deptt.
19.	Secy., Municipal Administration Deptt.	38.	Secy., Planning and Public Relations Deptt.

7.5 Submission of accounts by Accounts Rendering Units:

Accounts Rendering Units (ARUs) of the Government of Assam could not submit the initial accounts for 2011-12 to Principal Accountant General's (A&E) Office by the prescribed due date. The position of delay in receipt of accounts from ARUs is shown in table below:

Sl. No	Range of Delay	No. of Treasuries	No. of Public Works Divisions	No. of Forest Divisions
1	1 to 15 days	16	90	19
2	16 days to 30 days	15	64	20
3	31 days above.	17	108	87

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

When money is required in advance or the Drawing and Disbursing Officers (DDOs) are not able to calculate the exact amount required, they are permitted to draw money without supporting documents through AC bills. Such AC bills are required to be settled not later than 25th of the month following that to which they relate (Rule 21 of Assam Contingency Manual 1989) through submission of DC bills. The fact that to the end of 31st March 2012, 5179 DC bills amounting to ₹ 1755.85 crore were outstanding, indicates that these instructions have not been followed.

7.7 Commitments on account of Incomplete Works

A total expenditure of ₹ 668.21 crore was incurred up to the year 2011-2012 by the State Government on various incomplete projects costing more than ten crore which have been taken up by the Public Works Department, Public Health & Engineering Department and Irrigation Department. However, the projects / works under PWD (Roads), PWD (Buildings), Public Health & Engineering Department and Irrigation Department involves cost of ₹ 498.52 crore, ₹ 21.67 crore, ₹ 178.15 crore and ₹ 409.63 crore respectively which are still pending for payments.

7.8 *Rush Of Expenditure*

The financial rules stipulate that rush of expenditure particularly in the closing month of the financial year shall be regarded as a breach of financial regularity and should be avoided. However, the expenditure incurred under certain selected Heads of Account during March 2012 ranged between 53.61 % and 95.73 % of the total expenditure during the year indicating a tendency to utilize the budget at the close of the financial year. The flow of expenditure during the four quarters of 2011-12 in the above mentioned Heads was as below :

Head of Ac/s	Description	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr	Total	During March	% of 3/2012 w.r.t Total Expenditure of 2011-12
		(₹ in Crore)						
2052	Secretariat General Services	13.19	22.26	11.77	976.34	1023.55	968.99	94.67
2217	Urban Development	3.38	5.62	90.85	273.17	373.02	245.30	65.76
2225	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	8.41	23.31	48.81	516.24	596.77	424.49	71.13
2236	Nutrition	2.14	0.15	47.97	328.68	378.93	248.50	65.58
2515	Other Rural Development Programmes	12.24	97.45	36.00	378.68	524.38	337.01	64.27
2852	Industries	0.35	0.50	3.20	105.47	109.52	93.79	85.64
4059	Capital Outlay on Public Works	0.92	3.78	7.25	56.54	68.49	43.55	63.59
4215	Capital Outlay on Water Supply and Sanitation	0.08	15.26	28.76	67.51	111.60	59.83	53.61
4552	Capital Outlay on North Eastern Areas	20.05	32.75	24.93	287.87	365.60	219.61	60.07
4801	Capital Outlay on Power Projects	0.00	0.00	0.00	117.17	117.17	112.17	95.73