

GOVERNMENT OF RAJASTHAN

ACCOUNTS AT A GLANCE

2010-2011

PRINCIPAL ACCOUNTANT GENERAL
(ACCOUNTS AND ENTITLEMENT)
RAJASTHAN, JAIPUR

PREFACE

This is our annual publication '**Accounts at a Glance**'.

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

The Pr. Accountant General (Accounts and Entitlements) 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.

(Sunil K. Bahri)
PRINCIPAL ACCOUNTANT GENERAL

Place : Jaipur

Date : February 24, 2012

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OVERVIEW

1.1. Introduction

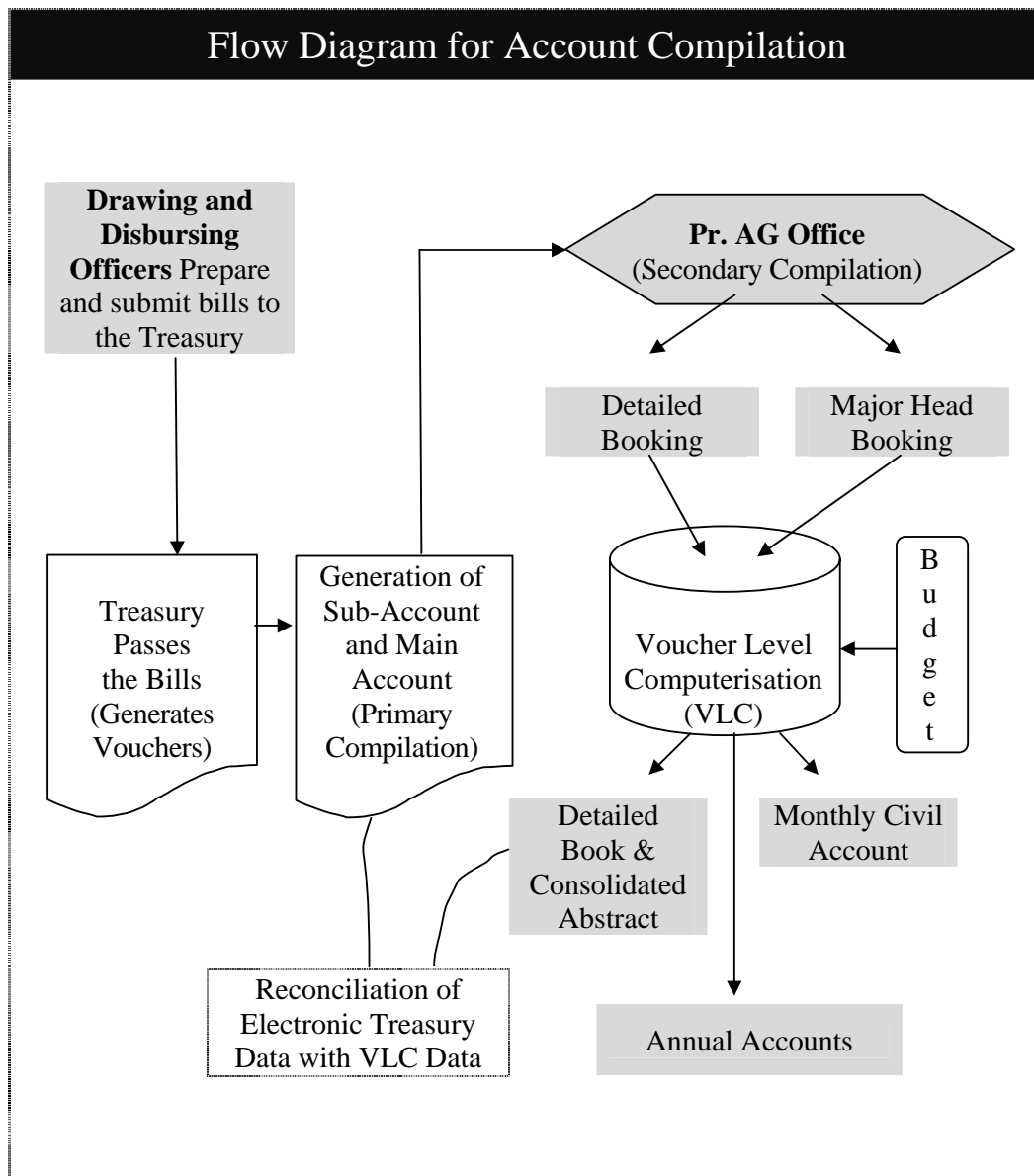
The Principal Accountant General (Accounts and Entitlements), Rajasthan compiles the accounts of receipts and expenditure of the Government of Rajasthan. This compilation is based on the initial accounts rendered by the District Treasuries, Public Works & Forest Divisions, Inter State Transactions and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

1.2. Structure of Accounts

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

Part I Consolidated Fund	Receipts and Expenditure on Revenue and Capital Account, Public Debt and Loans & Advances.
Part II Contingency Fund	Intended to meet unforeseen expenditure not provided for in the budget. Expenditure from this Fund is recouped subsequently from the Consolidated Fund.
Part III Public Account	Comprises of Debt, Deposits, Advances, Remittances and Suspense transactions. Debt and Deposits represent repayable liabilities of the Government. Advances are receivables of the Government. Remittances and Suspense transactions are adjusting entries that are to be cleared eventually by booking to the final heads of account.

1.2.2. *Compilation of Accounts*



1.3. Finance Accounts and Appropriation Accounts

1.3.1. Finance Accounts

The Finance Accounts depict the receipts and disbursements of the Government for the year, together with the financial results disclosed by the revenue and capital accounts, public debt and public account balances recorded in the accounts. The Finance Accounts have been prepared in two volumes to make them more comprehensive and informative. Volume 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 Rajasthan as depicted in the Finance Accounts 2010-11 are given below.

(₹ in crore)

Receipts (Total: 50,386)	Revenue (Total: 45,928)	Tax Revenue	33,614
		Non-Tax Revenue	6,294
		Grants-in-Aid	6,020
	Capital (Total: 4,458)	Receipts	13
		Recovery of Loans and Advances	319
		Borrowings and other Liabilities*	4,126
Disbursements (Total: 50,386)	Revenue	44,873	
	Capital	5,251	
	Loans and Advances	262	

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

The Union Government transfers substantial funds directly to State Implementing Agencies/ NGO's for implementation of various schemes and programmes. This year, the Government of India directly released ₹ 8,674 crore (₹ 9,207 crore during 2009-10). 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 amounts 'charged' on the Consolidated Fund or 'voted' by the State Legislature. There are 4 *charged* Appropriations and 51 voted Grants.

The Appropriation Act, 2010-11, had provided for gross expenditure of ₹ 56,303 crore and reduction of expenditure (recoveries) of ₹ 1,955 crore. Against this, the actual gross expenditure was ₹ 55,774 crore and reduction of expenditure was ₹ 2,071 crore, resulting in net savings of ₹ 529 crore and an under-estimation by ₹ 116 crore (6%) on reduction of expenditure. The gross expenditure includes ₹ 76 crore drawn on Abstract Contingent (AC) Bills, which is still outstanding at the end of the year for want of supporting Detailed Contingent (DC) Bills.

During 2010-11, ₹ 7,615 crore was transferred to Personal Deposit (PD) Accounts under the Public Account, which are maintained by designated Administrators for specific purposes. Outstanding balances in individual PD Accounts are available only with the treasuries, since they are responsible for maintaining such records.

1.4. Sources and Application of Funds

1.4.1. Ways and Means Advances

The Reserve Bank of India (RBI) extends the facility of Ways and Means Advances (WMA) to enable State Governments to maintain their liquidity. Overdraft (OD) facilities are provided when there is a shortfall in the agreed minimum cash balance (₹ 2.34 crore) maintained with the RBI. During 2010-11, the Government of Rajasthan did not resort to OD facilities and WMA.

1.4.2. Funds Flow Statement

The State had a Revenue Surplus of ₹ 1,055 crore and a Fiscal Deficit of ₹ 4,126 crore representing 0.35% and 1.36% respectively of the Gross State Domestic Product (GSDP)¹. The Fiscal Deficit constituted 8.19% of total expenditure. This deficit was met from Public Debt (₹ 4,660 crore), increase in Public Account (₹ 13 crore) and increase in cash balance (₹ 547 crore). Around 58% of the revenue receipts (₹ 45,928 crore) of the State Government was spent on committed expenditure like salaries (₹ 14,191 crore), interest payments (₹ 7,369 crore) and pensions (₹ 5,151 crore).

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

Sources and Application of Funds

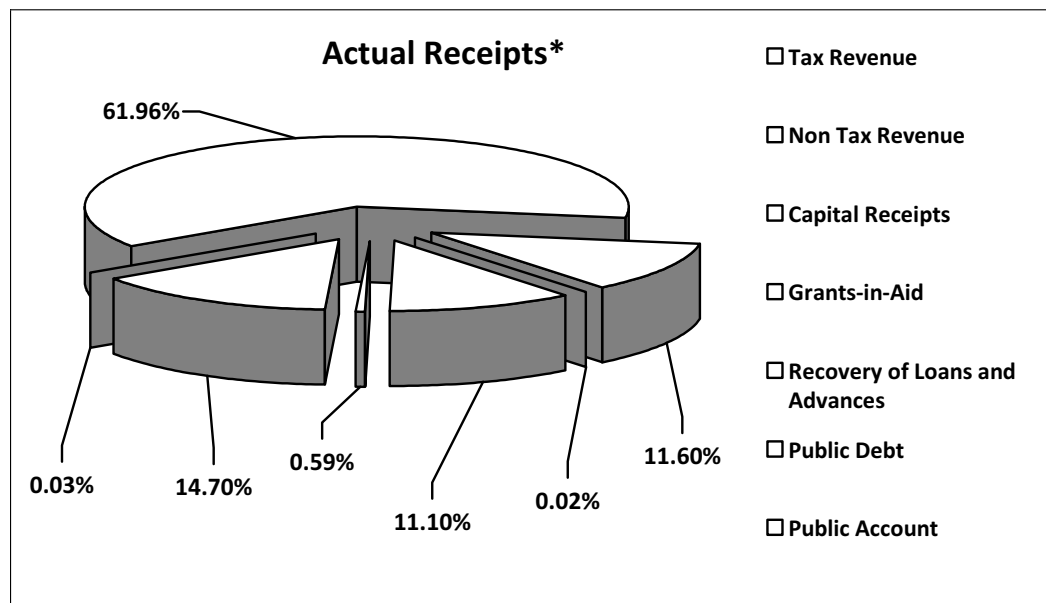
(₹ in crore)

	PARTICULARS	AMOUNT
	Opening Cash Balance as on 01.04.2010	(-) 573
	Revenue Receipts	45,928
	Capital Receipts	13
	Recovery of loans and Advances	319
	Public Debt	7,977
SOURCES	Small Savings, Provident Fund and Others	5,130
	Reserves Funds	873
	Deposits Received	1,07,632
	Civil Advances Repaid	34
	Suspense Account*	62,453
	Remittances	5,810
	Contingency Fund	..
	TOTAL	2,35,596

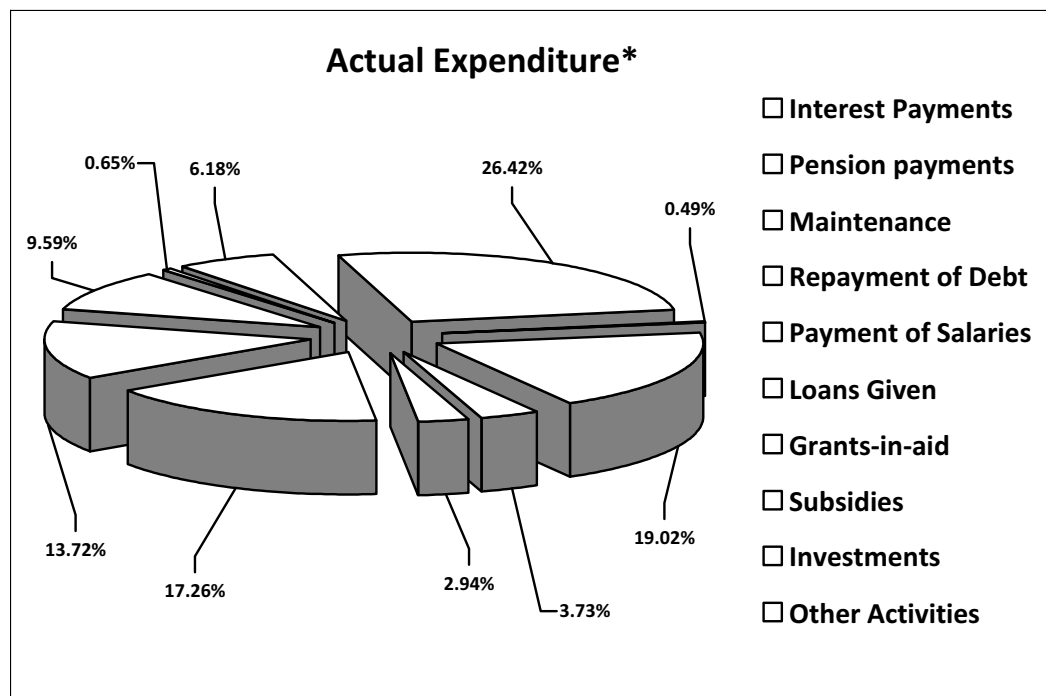
	PARTICULARS	AMOUNT
	Revenue Expenditure	44,873
	Capital Expenditure	5,251
	Loans Given	262
	Repayment of Public Debt	3,317
	Small Savings, Provident Fund and Others	2,289
APPLICATION	Reserves Funds	1,507
	Deposits Spent	1,06,747
	Civil Advances Given	34
	Suspense Account*	65,532
	Remittances	5,810
	Closing Cash Balance as on 31.03.2011	(-) 26
	TOTAL	2,35,596

* The suspense account include ₹ 65,473 crore invested in treasury bill and disbursement of departmental balances and permanent cash imprest which is shown on the "Application" side, and (₹ 62,443 crore) worth of treasury bills sold through the RBI (a process known as "re-discounting") and receipts in departmental balance and permanent cash imprest which is shown on the "sources" side. The net of such investment (₹ 3,030 crore) supplements the closing cash balance of the State Government.

1.4.3. Where the Rupee came from.



1.4.4. Where the Rupee went.



* Public account component above is taken as net.

1.5. Highlights of Accounts

		Budget Estimates 2010-11	Actuals	Percentage of Actuals to B.E	Percentage of Actuals to GSDP [@]
		(₹ in crore)			
1.	Tax Revenue*	31,273	33,614	107.49	11.08
2.	Non-Tax Revenue	4,976	6,294	126.49	2.08
3.	Grants-in-aid and Contributions	6,215	6,020	96.86	1.98
4.	Revenue Receipts (1+2+3)	42,464	45,928	108.16	15.14
5.	Capital Receipts	..	13	..	0.01
6.	Recoveries of Loans and Advances	111	319	287.39	0.10
7.	Net Borrowings and Other Liabilities	8,461	4,126	48.76	1.36
8.	Capital Receipts (5+6+7)	8,572	4,458	52.01	1.47
9.	Total Receipts (4+8)	51,036	50,386	98.73	16.61
10.	Non-Plan Expenditure (NPE)	36,327	36,214	99.69	11.94
11.	NPE on Revenue Account	35,810	36,121	100.87	11.91
12.	NPE on Interest Payments out of 11	7,427	7,369	99.22	2.43
13.	NPE on Capital Account	517	93	17.99	0.03
14.	Plan Expenditure (PE)	14,709	14,172	96.35	4.67
15.	PE on Revenue Account	7,752	8,752	112.90	2.88
16.	PE on Capital Account	6,957	5,420	77.91	1.79
17.	Total Expenditure (10+14)	51,036	50,386	98.73	16.61
18.	Expenditure on Revenue Account (11+15)	43,562	44,873	103.01	14.79
19.	Expenditure on Capital Account** (13+16)	7,474	5,513	73.76	1.82
20.	Revenue Deficit (-)/ Surplus (+) *** (4-18)	(-) 1,098	(+) 1,055	..	0.35
21.	Fiscal Deficit*** [17-(4+5+6)] =7	8,461	4,126	48.76	1.36

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

* Includes share of net proceeds assigned to States of ₹ 12,856 crore received from Government of India.

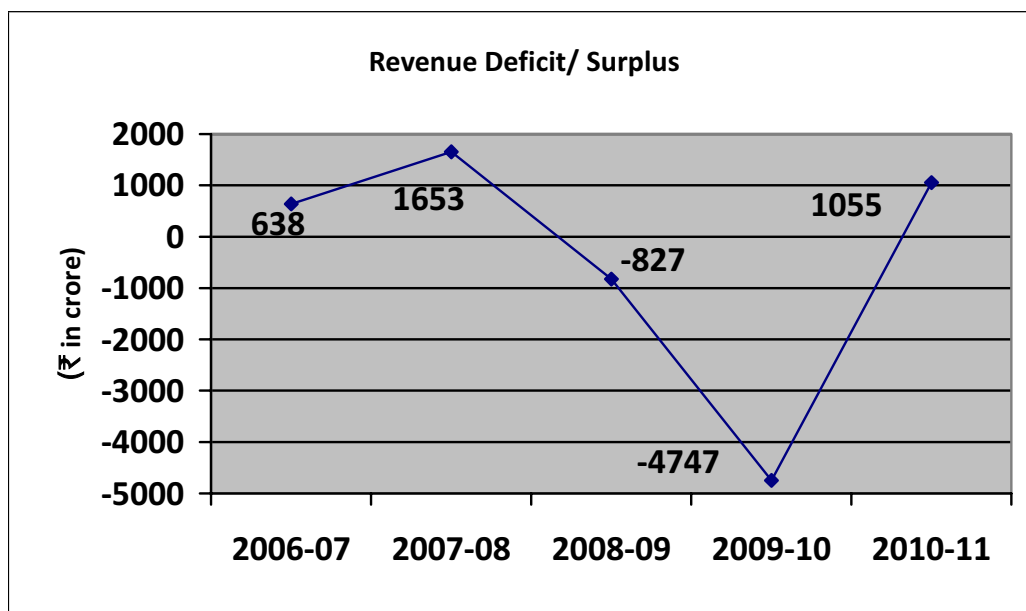
** Expenditure on Capital Account includes capital expenditure (₹ 5,251 crore) and Loans and Advances disbursed (₹ 262 crore).

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

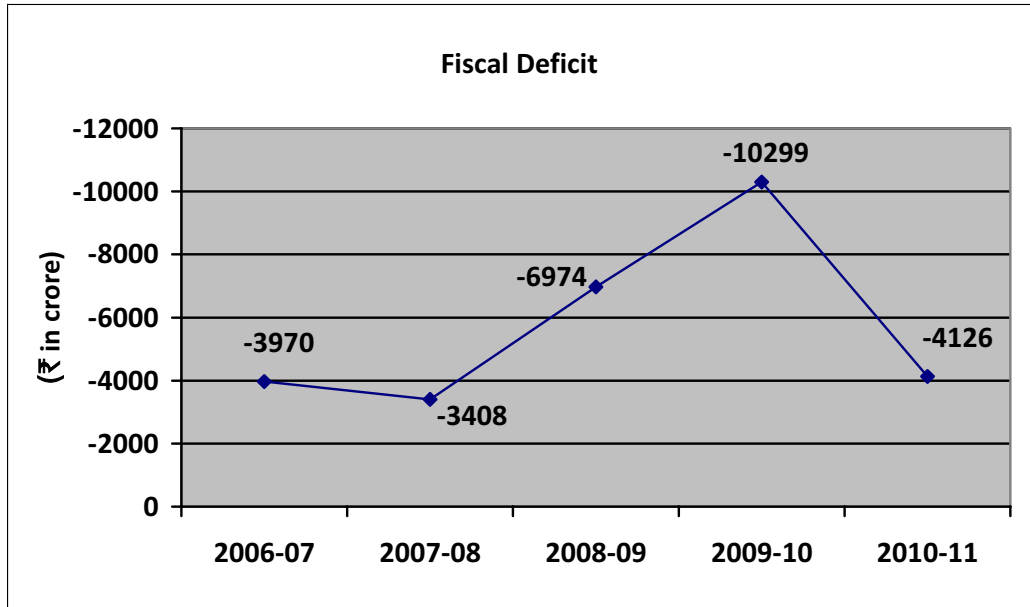
1.6. What do the Deficits and Surpluses indicate?

Deficit	Refers to the gap between Receipt and Expenditure. The kind of deficit, how the deficit is financed, and application of funds are important indicators of prudence in Financial Management.
Revenue Deficit/ 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.

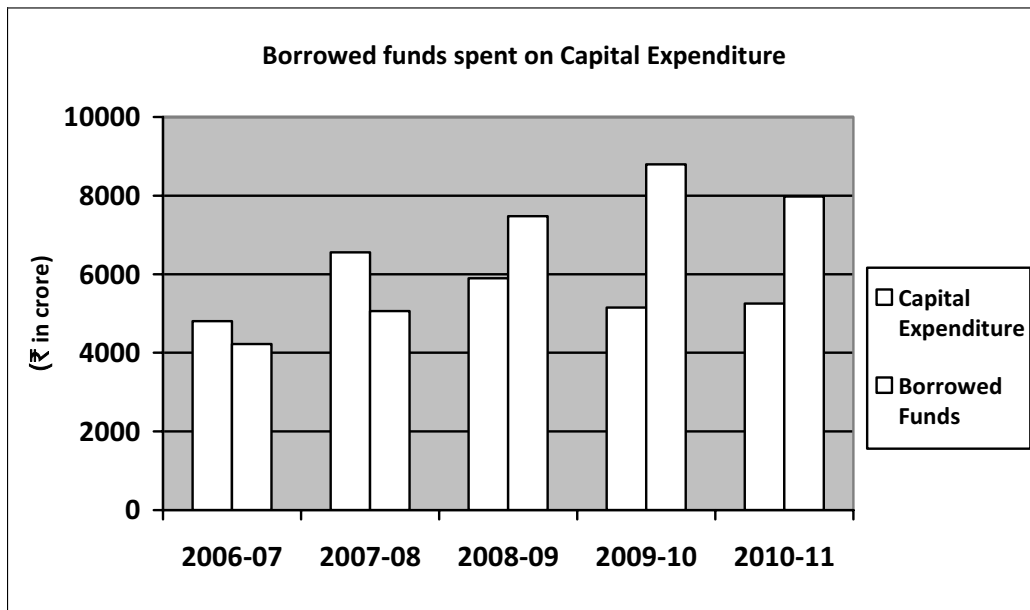
1.6.1. Trend of Revenue Deficit/ Surplus



1.6.2. Trend of Fiscal Deficit



1.6.3. Proportion of borrowed funds spent on Capital Expenditure.



It is desirable to fully utilize borrowed funds for the creation of capital assets, and to use *revenue* receipts for the repayment of principal and interest. The State Government, however, spent only 66% of the borrowings of the current year (₹ 7,977 crore) on capital expenditure (₹ 5,251 crore). It would therefore appear that 34% of the public debt (₹ 2,726 crore) was utilized on repayment of partial principal loan.

RECEIPTS

2.1. Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total Receipts for 2010-11 were ₹ 50,386 crore.

2.2. Revenue Receipts

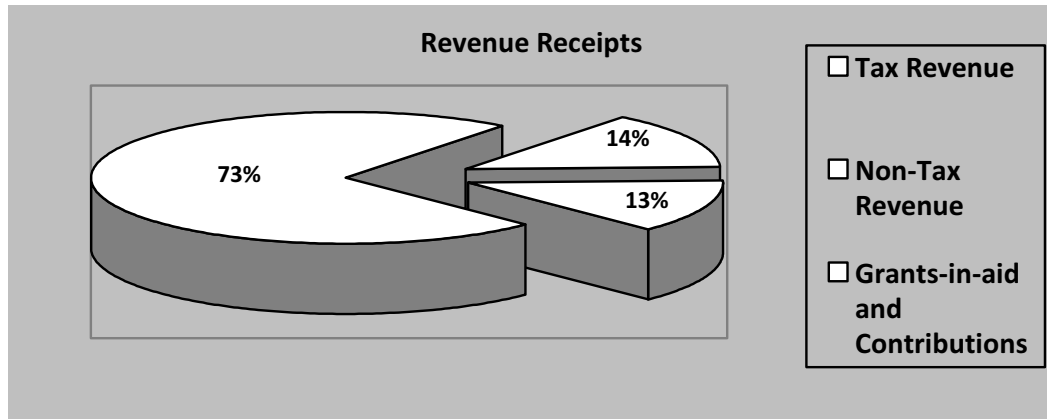
Tax Revenue	Comprises taxes collected and retained by the State and State's share of union taxes under Article 280(3) of the Constitution.
Non-Tax Revenue	Includes interest receipts, dividends, profits, royalties etc.
Grants-in-Aid	Essentially, a form of Central Assistance to the State Government from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

Revenue Receipt Components (2010-11).

(₹ in crore)

Components	Actuals
A. Tax revenue*	33,614
Taxes on Income and Expenditure	7,680
Taxes on Property and Capital Transactions	2,464
Taxes on Commodities and Services	23,470
B. Non-Tax Revenue	6,294
Interest Receipts, Dividends and Profits	1,297
General Services	595
Social Services	525
Economic Services	3,877
C. Grants-in-aid and Contributions	6,020
Total- Revenue Receipts	45,928

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



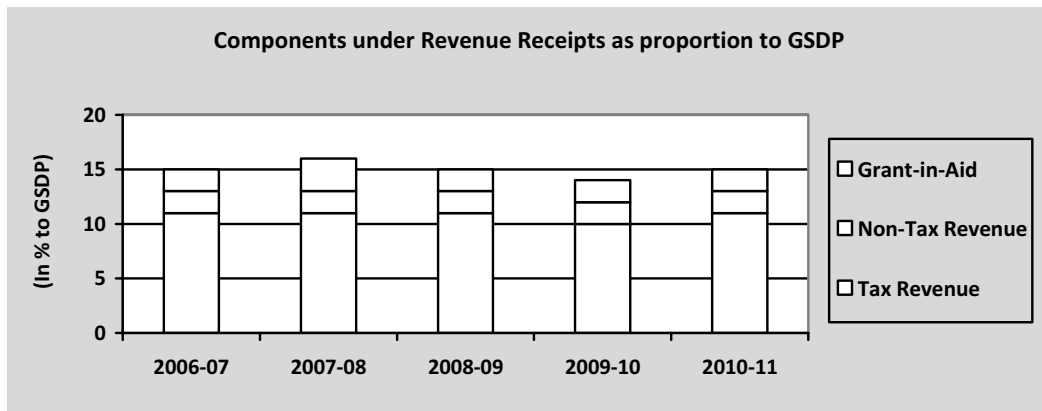
2.3. Trend of Receipts

(₹ in crore)

	2006-07	2007-08	2008-09	2009-10	2010-11
Tax Revenue	18,368 (11)	21,803 (11)	23,942 (11)	25,672 (10)	33,614 (11)
Non-Tax Revenue	3,431 (2)	4,054 (2)	3,889 (2)	4,558 (2)	6,294 (2)
Grants-in-Aid	3,793 (2)	4,924 (3)	5,638 (2)	5,155 (2)	6,020 (2)
Total Revenue Receipt	25,592 (15)	30,781 (16)	33,469 (15)	35,385 (14)	45,928 (15)
GSDP	1,71,043	1,94,822	2,25,254	2,55,295	3,03,358

Note: Figures in parentheses represent percentage to GSDP.

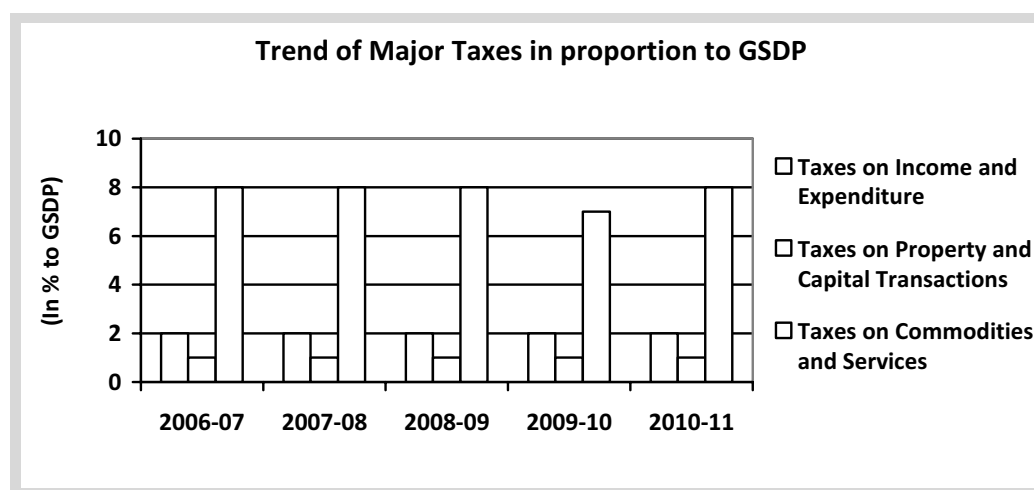
In spite of increase in GSDP by 19% during 2010-11, there was a healthy appreciation of 30% in revenue collection. Though, the growth in tax revenue (31%) was lesser than the non-tax revenue (38%). The State's own revenue under certain tax components, like 'Taxes on Sales, Trade etc.' (₹ 12,630 crore), 'State Excise' (₹ 2,861 crore), 'Taxes on Vehicles' (₹ 1,612 crore) and Taxes and Duties on Electricity (₹ 906 crore) showed a higher trend.



Sector-wise Tax Revenue

(₹ in crore)

	2006-07	2007-08	2008-09	2009-10	2010-11
Taxes on Income and Expenditure	3,391	4,523	4,803	5,932	7,680
Taxes on Property and Capital Transactions	1,466	1,754	1,750	1,651	2,464
Taxes on Commodities and Services	13,511	15,526	17,389	18,089	23,470
Total Tax Revenues	18,368	21,803	23,942	25,672	33,614



2.4. Performance of State's own tax revenue collection

(₹ in crore)

Year	Tax Revenue	State share of Union Taxes	State's Own Tax Revenue	
			Rupees	Percentage to GSDP
1	2	3	4	5
2006-07	18,368	6,760	11,608	7%
2007-08	21,803	8,528	13,275	7%
2008-09	23,942	8,999	14,943	7%
2009-10	25,672	9,258	16,414	6%
2010-11	33,614	12,856	20,758	7%

2.5. Efficiency of Tax Collection

A. Taxes on Property and Capital Transactions

(₹ in crore)

	2006-07	2007-08	2008-09	2009-10	2010-11
Revenue Collection	1,466	1,754	1,750	1,651	2,464
Expenditure on Collection	230	254	350	402	411
Efficiency of Tax Collection	16%	14%	20%	24%	17%

B. Taxes on Commodities and Services

(₹ in crore)

	2006-07	2007-08	2008-09	2009-10	2010-11
Revenue Collection	13,511	15,526	17,389	18,089	23,470
Expenditure on Collection	211	265	298	315	376
Efficiency of Tax Collection	2%	2%	2%	2%	2%

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

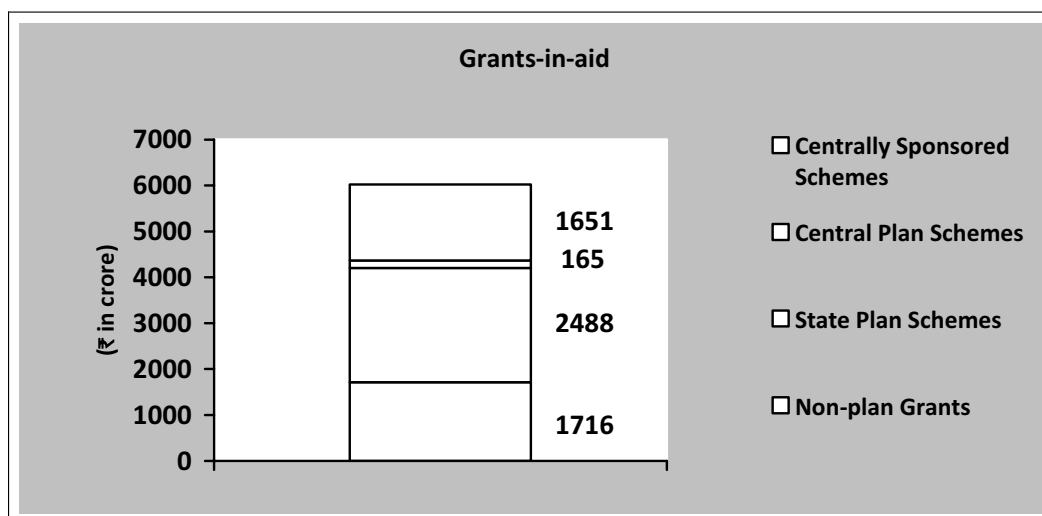
2.6. Trend in State's Share of Union Taxes over the past five years

(₹ in crore)

Major Head description	2006-07	2007-08	2008-09	2009-10	2010-11
Corporation Tax	2,110	2,706	2,951	3,810	5,025
Taxes on Income other than Corporation Tax	1,281	1,816	1,853	2,123	2,656
Taxes on Wealth	3	3	3	8	10
Customs	1,318	1,612	1,720	1,296	2,248
Union Excise Duties	1,400	1,539	1,500	1,043	1,635
Service Tax	649	852	972	978	1,282
Other Taxes and Duties on Commodities and Services	(-) 1	..	..	..	..
State Share of Union Taxes	6,760	8,528	8,999	9,258	12,856
Total Tax Revenue	18,368	21,803	23,942	25,672	33,614
% of Union Taxes to Total Tax Revenue	37%	39%	38%	36%	38%

2.7. Grants-in-aid

Grants-in-aid represent assistance from the Government of India and comprise, Grants for State Plan Schemes, Central Plan Schemes and Centrally Sponsored Schemes approved by the Planning Commission and State Non-plan Grants recommended by the Finance Commission. Total receipts during 2010-11 under Grants-in-aid were ₹ 6,020 crore as shown below:



2.8. Public Debt

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

(₹ in crore)

Description	2006-07	2007-08	2008-09	2009-10	2010-11
Internal Debt	2,737	3,170	5,111	5,994	4,754
Central Loans	(-) 295	47	(-) 66	(-) 142	(-) 94
Total Public Debt	2,442	3,217	5,045	5,852	4,660

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

In 2010-11 eleven loans totaling ₹ 6,180 crore were raised at par at interest rates varying from 8.05% to 8.52%. Out of these loans, nine loans will redeem in 2020 and rest of two will redeem in 2021.

Against the total internal debt of ₹ 7,617 crore of the State government in 2010-11 plus the central loan component of ₹ 360 crore received during this period, capital expenditure was occurred only ₹ 5,251 crore (66%), indicating that the rest of the public debt was used for non-capital purposes.

EXPENDITURE

3.1. Introduction

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

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

3.2. Revenue Expenditure

Revenue Expenditure of ₹ 44,873 crore for 2010-11 was more than the budget estimates by ₹ 1,311 crore due to increased expenditure of ₹ 1,000 crore under Plan Expenditure and ₹ 311 crore under Non-plan Expenditure. This increase is to be viewed in the light of the ₹ 3,464 crore (8%) increase in Revenue Receipts. The State Government had obtained supplementary grant of ₹ 4,153 crore in the month of March to meet the increased revenue expenditure.

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

(₹ in crore)

Description	2006-07	2007-08	2008-09	2009-10	2010-11
Budget Estimates	24,034	28,385	31,803	39,677	43,562
Actuals	24,954	29,128	34,296	40,132	44,873
Gap	(-) 920	(-) 743	(-) 2,493	(-) 455	(-) 1,311
% of gap over BE	(-) 4	(-) 3	(-) 8	(-) 1	(-) 3

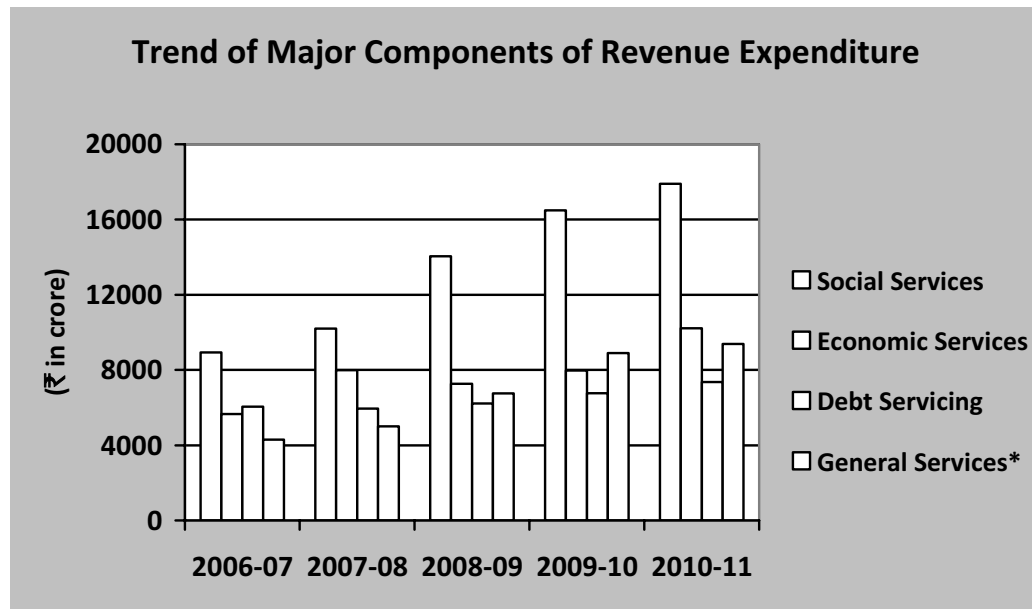
The excess of revenue expenditure against budget estimates, is to be viewed in the light of the State Government's commitment under the FRBM Act to be at least revenue neutral if not generate a revenue surplus. Around 60% of the revenue expenditure was "committed" on salaries (₹ 14,191 crore excluding ₹ 136 crore spent on salaries under capital sector), interest payments (₹ 7,369 crore) and pensions (₹ 5,151 crore).

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

(₹ in crore)

Description	2006-07	2007-08	2008-09	2009-10	2010-11
Revenue expenditure	24,954	29,128	34,296	40,132	44,873
Committed revenue expenditure	14,846	16,199	20,815	25,314	26,711
Uncommitted revenue expenditure	10,108	12,929	13,481	14,818	18,162

3.2.1. Major Components of Revenue Expenditure (2006 – 2011)



* 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).

The expenditure increased in all sectors during last five years.

3.2.2. Sectoral Distribution of Revenue Expenditure (2010-11)

Components	Amount (₹ in crore)	Percentage
A. Fiscal Services	788	2
Collection of Taxes on Property and Capital Transactions	411	..
Collection of Taxes on Commodities and Services	376	..
Other Fiscal Services	1	..
B. Organs of State	532	1
C. Interest Payments and Servicing of Debt	7,369	16
D. Administrative Services	2,859	6
E. Pensions and Miscellaneous General Services	5,189	12
F. Social Services	17,895	40
G. Economic Services	10,220	23
H. Grants-in-aid and Contributions	21	..
Total Expenditure (Revenue Account)	44,873	100

3.3. Capital Expenditure

Capital disbursements of ₹ 5,251 crore for 2010-11 at 2% of GSDP were less than Budget Estimates by ₹ 2,182 crore (less disbursement of ₹ 1,695 crore under Plan Expenditure and ₹ 487 crore under Non-plan Expenditure).

3.3.1. Sectoral Distribution of Capital Expenditure

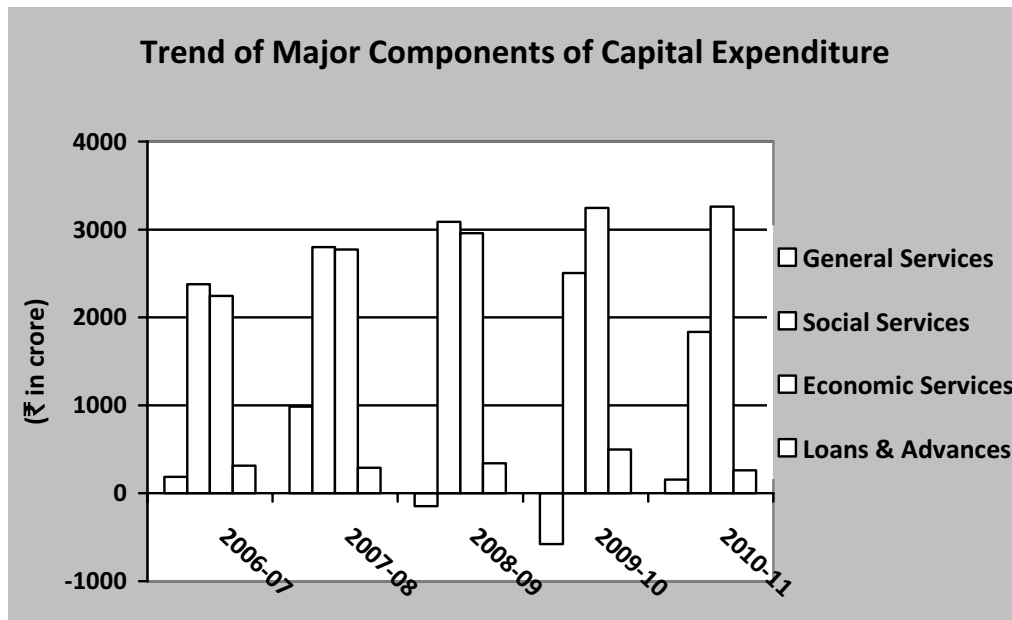
During 2010-11, the State Government has spent ₹ 601 crore on various Irrigation Projects (₹ 358 crore on Major Irrigation, ₹ 122 crore on Medium Irrigation and ₹ 121 crore on Minor Irrigation), ₹ 971 crore on various Water Supply Schemes, ₹ 553 crore on Construction of Roads and Bridges. The Government has also invested ₹ 1,579 crore in various Company/ Corporations/ Co-operative Societies/ Banks etc.

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

(₹ in crore)

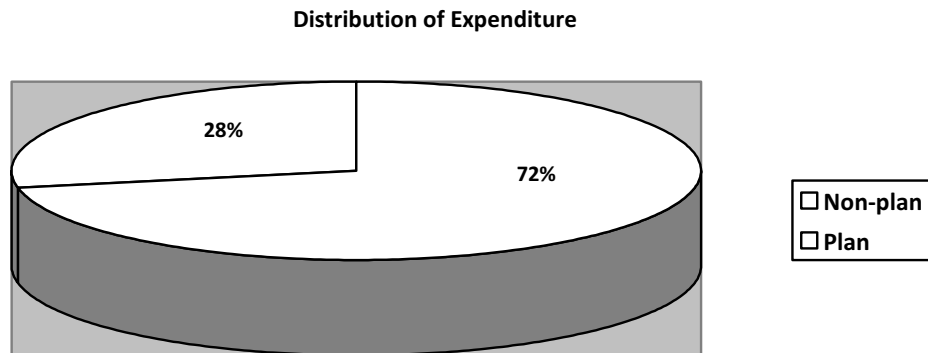
Description	2006-07	2007-08	2008-09	2009-10	2010-11
General Services	186 (4)	984 (14)	(-) 145	(-) 577	155 (3)
Social Services	2,379 (46)	2,800 (41)	3,088 (49)	2,506 (44)	1,836 (33)
Economic Services	2,244 (44)	2,771 (41)	2,957 (47)	3,246 (57)	3,260 (59)
Loans and Advances	313 (6)	288 (4)	340 (5)	498 (9)	262 (5)
Total	5,122	6,843	6,240	5,673	5,513

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



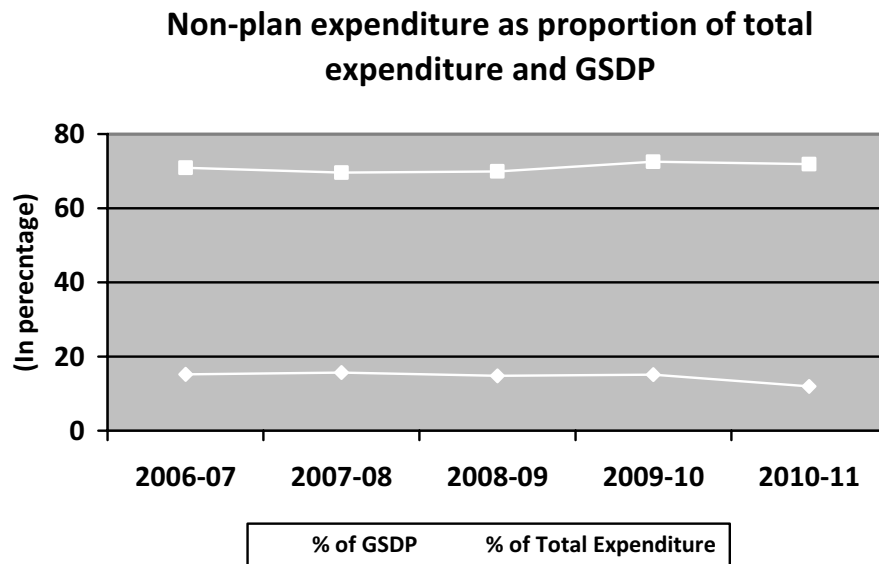
PLAN & NON PLAN EXPENDITURE

4.1. Distribution of expenditure



4.2. Non-plan Expenditure

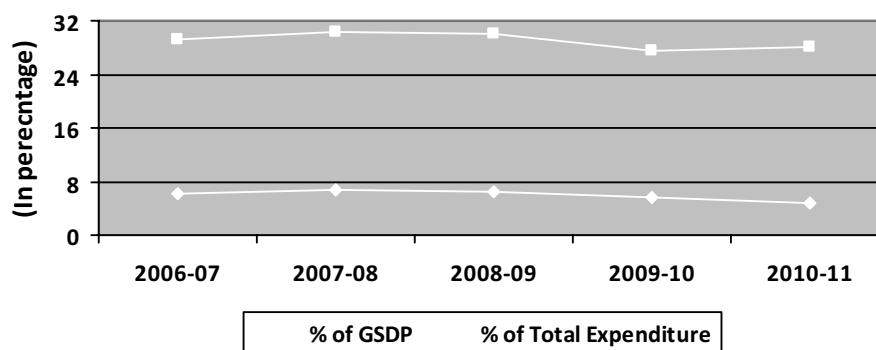
Non-plan expenditure during 2010-11, representing 72 percent of total disbursements, was ₹ 36,214 crore (₹ 36,121 crore under Revenue and ₹ 93 crore under Capital including loans and advances).



4.3. Plan Expenditure

During 2010-11, Plan expenditure (including CSS), representing 28 percent of total disbursements, was ₹ 14,172 crore (₹ 11,893 crore under Plan, ₹ 2,090 crore under Centrally Sponsored Plan Schemes and ₹ 189 crore under Loans and Avances).

Plan expenditure as proportion of total expenditure and GSDP



4.3.1. Plan expenditure under Capital Account

(₹ in crore)

Description	2006-07	2007-08	2008-09	2009-10	2010-11
Total Capital Expenditure	5,122	6,843	6,240	5,673	5,513
Capital Expenditure (Plan)	4,965	5,810	6,420	6,282	5,420
% of Capital Expenditure (Plan) to Total Capital Expenditure	97	85	103	111	98

4.3.2. Plan expenditure under Loans and Advances

Significant disbursements of Loans and Advances are as under:

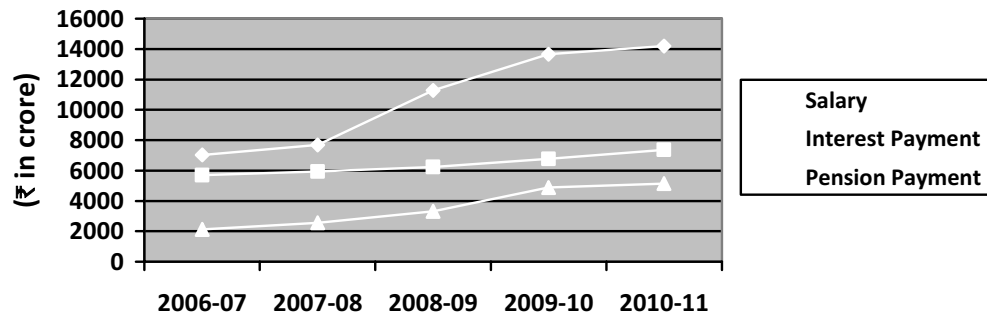
Major Heads	Amount (₹ in crore)	Purpose
6217. Loans for Urban Development	160	Loans to Local Bodies for integrated development of small and medium towns.
6225. Loans for Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	1	Loans to Rajasthan Other Backward Classes Finance and Development Co-operative Corporation.
6401. Loans for Crop Husbandry	2	Loans to Rajasthan State Agriculture Marketing Board.
6425. Loans for Co-operation	26	Loans to Co-operatives for integrated development project, Spin Fed/ Cotton Complex and debentures of special schemes of ARC.

4.4. Committed Expenditure

(₹ in crore)

Component	2006-07	2007-08	2008-09	2009-10	2010-11
Committed Expenditure	14,846	16,199	20,815	25,314	26,711
Revenue Expenditure	24,954	29,128	34,296	40,132	44,873
% of Committed expenditure to Revenue Receipts	58	53	62	72	58
% of Committed expenditure to Revenue Expenditure	59	56	61	63	60

Trend of Committed Expenditure



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

APPROPRIATION ACCOUNTS

5.1. Summary of Appropriation Accounts

(₹ in crore)

Nature of expenditure	Original grant	Supplementary grant	Total	Actual expenditure	Saving (-) Excess (+)	Surrender
Revenue Voted Charged	37,014 7,485	4,133 20	41,147 7,505	38,753 7,444	(-) 2,394 (-) 61	2,146 61
Capital Voted Charged	8,451 ..*	638 ..&	9,089 ..#	5,998 ..\$	(-) 3,091 ..**	2,409 ..@
Public Debt Charged	3,312	5	3,317	3,317	..	..%
Loans and Advances Voted	41	74	115	262	(+) 147	12
Total	56,303	4,870	61,173	55,774	(-) 5,399	4,628

* Only ₹ 61 thousand

& Only ₹ 14.62 thousand

Only ₹ 15.23 thousand

\$ Only ₹ 13.39 thousand

@ Only ₹ 1.85 thousand

% Only ₹ 10.15 thousand

** Only ₹ 1.84 thousand

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

(₹ in crore)

Year	Saving (-)/ Excess (+)				Total
	Revenue	Capital	Public Debt	Loans and Advances	
2006-07	(-) 1,285	(-) 907	(-) 2,601	(-) 34	(-) 4,827
2007-08	(-) 2,597	(-) 720	(-) 184	(-) 129	(-) 3,630
2008-09	(-) 1,371	(-) 975	(-) 102	(-) 41	(-) 2,489
2009-10	(-) 1,959	(-) 2,699	(-) 2	(-) 6	(-) 4,666
2010-11	(-) 2,455	(-) 3,091	..	(+) 147	(-) 5,399

5.3. Significant Savings

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

Some grants with persistent and significant savings are given below:

(₹ in crore)

Grant	Nomenclature	2006-07	2007-08	2008-09	2009-10	2010-11
009	Forest (Capital)	6	1	35	59	49
014	Sales Tax (Revenue)	10	18	47	14	9
019	Public Works (Capital)	32	14	17	48	22
022	Area Development (Capital)	37	36	32	71	23
027	Drinking Water Scheme (Capital)	200	351	223	1,071	705
046	Irrigation (Capital)	249	173	230	186	182
051	Special Component Plan for Welfare of Scheduled Castes (Revenue)	20	12	22	48	17

During 2010-11, supplementary grants totaling ₹ 4,870 crore (9% 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	Supplementary	Actual Expenditure
004	District Administration	Revenue	287	9	265
013	Excise	Revenue	111	3	92
016	Police	Revenue	2,086	32	2,048
019	Public Works	Revenue	315	9	286
024	Education, Art and Culture	Revenue	9,765	172	9,680
025	Treasury and Accounts Administration	Revenue	103	1	100
027	Drinking Water Scheme	Capital	1,735	99	1,129
029	Urban Plan and Regional Development	Capital	897	64	693
033	Social Security and Welfare	Revenue	1,595	160	1,592
		Capital	44	5	41
039	Animal Husbandry and Medical	Revenue	303	4	302

ASSETS AND LIABILITIES

6.1. Assets

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

Total investments as share capital in non-financial public sector undertakings (PSU's) stood at ₹ 11,112 crore at the end of 2010-11. However, dividends received during the year were ₹ 21 crore (i.e. 0.19%) on investment. During 2010-11, investments increased by ₹ 1,579 crore, while income from dividend decreased by ₹ 16 crore.

Cash Balance stood at ₹ (-) 573 crore on 31st March 2010 and increased to ₹ (-) 26 crore at the end of March, 2011.

6.2. Debt and Liabilities

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

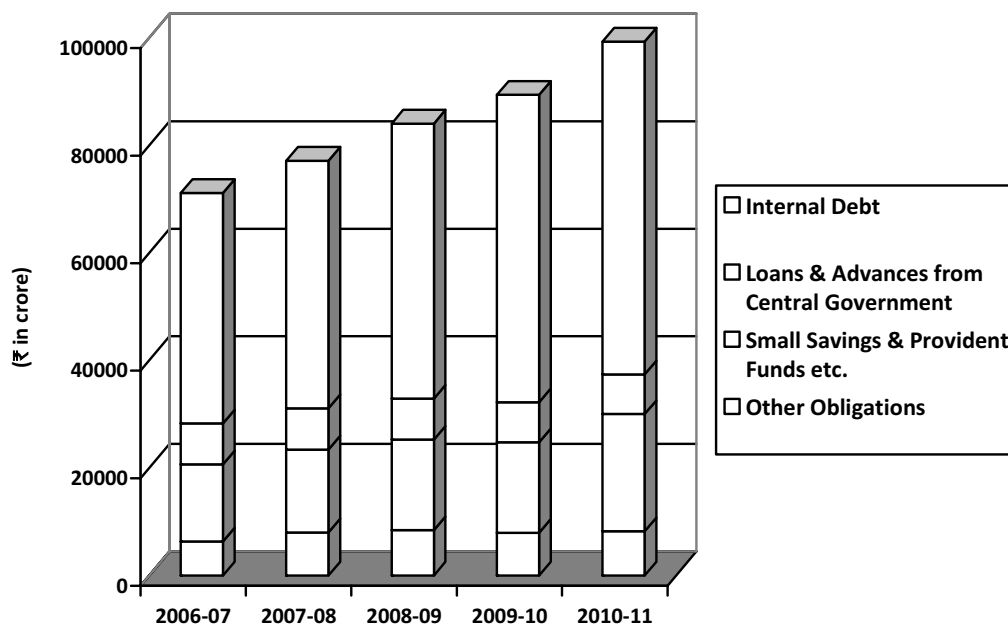
Details of the Public Debt and total liabilities of the State Government are as under (Figures are progressive balances to end of the year):

(₹ in crore)

Year	Public Debt	% to GSDP	Public Account*	% to GSDP	Total Liabilities	% to GSDP
2006-07	50,504	30	20,642	12	71,146	42
2007-08	53,721	28	23,417	12	77,138	40
2008-09	58,766	26	25,257	11	84,023	37
2009-10	64,618	25	26,915	11	91,533	36
2010-11	69,278	23	30,007	10	99,285	33

* Excludes suspense and remittance balances.

Trend of Committed Liabilities



6.3. Guarantees

In addition to directly raising loans, State Governments also guarantee loans raised by Government companies and corporations from the market and financial institutions for implementation of various plan schemes and programmes. These guarantees are projected outside the State budget. The position of guarantees by the State Government for repayment of loans (payment of principal and interest thereon) raised by Statutory Corporations, Government Companies, Corporations, Co-operative Societies, etc., is given below:

(₹ in crore)

At the end of the year	Maximum Amount Guaranteed (Principal only)	Amount outstanding at the end of year	
		Principal	Interest
2006-07	27,402	14,706	3
2007-08	37,029	19,769	1
2008-09	46,080	27,764	1
2009-10	63,621	39,068	1
2010-11	88,112	50,691	1

Note: Details are available at Statement No. 9 and are based on information received from the State Government, and where available, from the respective institutions.

Guarantee fees are calculated at 1% per annum. During 2010-11, the State Government has transferred ₹ 36.94 crore to the Guarantee Redemption Fund and the entire balance of ₹ 148.87 crore at the credit of the fund was invested.

OTHER ITEMS

7.1. Loans and Advances by the State Government

Total Loans and Advances made by the State Government at the end of 2010-11 was ₹ 3,318 crore. During 2010-11 ₹ 319 crore has been received towards repayment of loans and advances, out of which ₹ 266 crore relates to repayments of Co-operation (₹ 181 crore) and Power Companies (₹ 85 crore). Effective steps to recover the outstanding loans would help the Government’s fiscal position.

7.2. Cash Balance and investment of Cash Balance

(₹ in crore)

Component	As on 1st April 2010	As on 31st March 2011	Net increase(+)/ decrease(-)
Cash Balances	(-) 573	(-) 26	(+) 547
Investments from cash balance (GOI Treasury Bills)	2,676	5,709	(+) 3,033
Other cash balances	9	7	(-) 2
(a) Departmental Balances	1	1	..
(b) Permanent cash imprest	8	6	(-) 2
Investment from earmarked fund balances	250	398	(+) 148
(a) Guarantee Redemption Fund	..	148	(+) 148
(b) Other Funds	250	250	..
Interest realised	131	180	(+) 49

State Government had a positive closing cash balance at the end of 2010-11 despite utilizing its cash balances and earmarked fund balances towards investments. Interest receipt on these investments was increased by 37%.

7.3. Financial assistance to local bodies and others

During the past five years, Grants in aid to local bodies etc., increased from ₹ 5,854 crore in 2006-07 to ₹ 10,216 crore in 2010-11. Grants to Zila Parishads, Panchayat Samitis and Municipalities (₹ 5,495 crore) represented 54 percent of total grants given during the year.

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

(₹ in crore)

Year	Zila Parishads	Municipalities	Gram Panchayats and Panchayat Samitis	Others	Total
2006-07	165	720	1,886	3,083	5,854
2007-08	618	794	2,040	1,784	5,236
2008-09	1,909	979	1,633	1,998	6,519
2009-10	678	1,052	3,342	3,063	8,135
2010-11	621	1,130	3,744	4,721	10,216

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 Principle Accountant General (A&E). This exercise is to be conducted by respective Heads of Departments/ Controlling officers. During 2010-11, all 373 Controlling Officers have reconciled the total expenditure of ₹ 53,703 crore. Similarly, out of 131 Controlling Officers, 121 have reconciled Government receipts to the extent of 96.40 percent i.e. ₹ 44,286 crore against the total receipts of ₹ 45,942 crore for the year 2010-11.

Particulars	Total No. of CCO's	Fully Reconciled	Not Reconciled
Expenditure	373	373	..
Receipts	131	121	10
Total	504	494	10

7.5. Rush of expenditure

The financial rules stipulate that rush of expenditure particularly in the closing month of the financial year shall be regarded as a breach of financial regularity and should be avoided. However, the expenditure incurred under certain selected Heads of Account during March 2011 ranged between 61.84% and 100% 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 2010-11 in the above mentioned Heads was as below :

Head of Account	Description	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	Total	During March	Percentage of 3/2011 w.r.t. total expenditure of 2010-11
		(` in crore)						
2075	Miscellaneous General Services	0.22	0.18	0.09	37.48	37.97	37.22	98.02
3475	Other General Economic Services	0.77	0.81	0.90	19.48	21.96	18.86	85.88
3604	Compensation and Assignment to Local Bodies and Panchayati Raj Institutions	0.01	0.02	0.04	20.93	21.00	20.84	99.24
4401	Capital Outlay on Crop Husbandry	(-) 0.01	9.99	10.31	85.02	105.84	65.45	61.84
4701	Capital Outlay on Medium Irrigation	10.86	5.89	2.20	83.29	122.34	79.05	64.62
4860	Capital Outlay on Consumer Industries	..	..	..	15.00	15.00	15.00	100.00
4885	Capital Outlay on Medical and Public Health	0.17	0.28	0.25	9.57	10.27	8.46	82.38
6225	Loans for Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	..	..	..	1.03	1.03	1.03	100.00
6401	Loans for Crop Husbandry	..	2.29	0.10	54.89	57.28	54.89	95.82

7.6. Submission of accounts by Treasuries

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

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

When money is required in advance or the Drawing and Disbursing Officers (DDO's) are not able to calculate the exact amounts required, they are permitted to draw money without supporting documents through AC Bills. Such AC Bills are required to be settled within a maximum of 90 days through submission of DC Bills. The fact that to the end of 31st March 2011, 531 DC Bills amounting to ₹ 104 crore was outstanding. It includes 194 DC Bills involving ₹ 28 crore were pending more than a year.

7.8. Commitments on account of Incomplete Capital Works

A total expenditure of ₹ 71,42.01 crore was incurred upto the year 2010-11 by the State Government on various incomplete projects costing more than ten crore which have been taken up by the Water Resources Department, Public Works Department and Public Health & Engineering Department. However, the projects/ works under PWD (Building & NH) Department involving cost of ₹ 13.66 crore were abandoned after the work had been done to the extent of ₹ 5.24 crore.