

सत्यमेव जयते

Accounts at a Glance 2022-23



SUPREME AUDIT INSTITUTION OF INDIA

लोकहितार्थ सत्यनिष्ठा

Dedicated to Truth in Public Interest

Government of Gujarat



Accounts at a Glance
for the year **2022-23**

Accountant General
(Accounts and Entitlement)

GOVERNMENT OF GUJARAT

Preface

The Annual Accounts of the State Government are prepared 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 Finance Accounts and 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 expenditure against provisions approved by the State Legislature and offer explanations for variations between the actual expenditure and the funds provided.

'Accounts at a Glance' provides a broad overview of Government activities, as reflected in the Finance Accounts and the Appropriation Accounts. The information is presented through brief explanations, statements and graphs. While it has been our endeavour to rely on the figures in the certified Finance Accounts and Appropriation Accounts, the certified Annual Accounts should be referred to for authentic figures.

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



(R. K. Solanki)

Accountant General (A&E)

Place : Rajkot

Date : 11.01.2024

Our Vision, Mission and Core Values



VISION

(The vision of the institution of the Comptroller of Auditor General of India represents what we aspire to become.)

We strive to be a global leader and initiator of national and international best practices in public sector auditing and accounting and recognized for independent, credible, balanced and timely reporting on public finance and governance.

Mandated by the Constitution of India, we promote accountability, transparency and good governance through high quality auditing and accounting and provide independent assurance to our stakeholders:

The Legislature, the Executive and the Public—that public funds are being used efficiently and for the intended purposes.

MISSION

(Our mission enunciates our current role and describes what we are doing today.)

CORE VALUES

(Our core values are the guiding beacons for all that we do and give us the benchmarks for assessing our performance.)

- Independence
- Objectivity
- Integrity
- Reliability
- Professional Excellence
- Transparency
- Positive Approach

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1.1 Introduction

The Accountant General (A&E), Gujarat collates, classifies, compiles the accounts data rendered by multiple agencies, and prepares the accounts of the Government of Gujarat. The accounts of receipts and expenditure of the Government of Gujarat have been compiled based on the initial accounts rendered by 33 Treasuries, 73 Forest Divisions, 157 Public Works Divisions (87 Irrigation Divisions and 70 Road and Building Divisions), 02 Pay and Accounts Offices and Advices of the Reserve Bank of India. A Monthly Civil Account is presented by the office of the AG (A&E) to the Government of Gujarat every month. The office of AG (A&E) also submits a quarterly Appreciation Note on the important financial indicators and quality of expenditure of the Government. The AG (A&E) also prepares, annually, Finance Accounts and the Appropriation Accounts which are placed before the State Legislature after audit by the Accountant General (Audit-II), Gujarat and certification by the Comptroller and Auditor General of India.

1.2 Structure of Government Accounts

1.2.1 Government Accounts are kept in three parts:

Structure of Government Accounts

Part 1 ● **CONSOLIDATED FUND**

All revenue received by the Government including tax and non-tax revenues, loans raised and repayment of loans given (including interest thereon) form the Consolidated Fund. All expenditure and disbursements of the Government, including release of loans and repayments of loanstaken (and interest thereon), are met from this fund.

The Contingency Fund is in the nature of an imprest, intended to meet unforeseen expenditure, pending authorization by the Legislature. Such expenditure is recouped subsequently from the Consolidated Fund. The corpus of this fund for the Government of Gujarat is ₹ 200 crore.

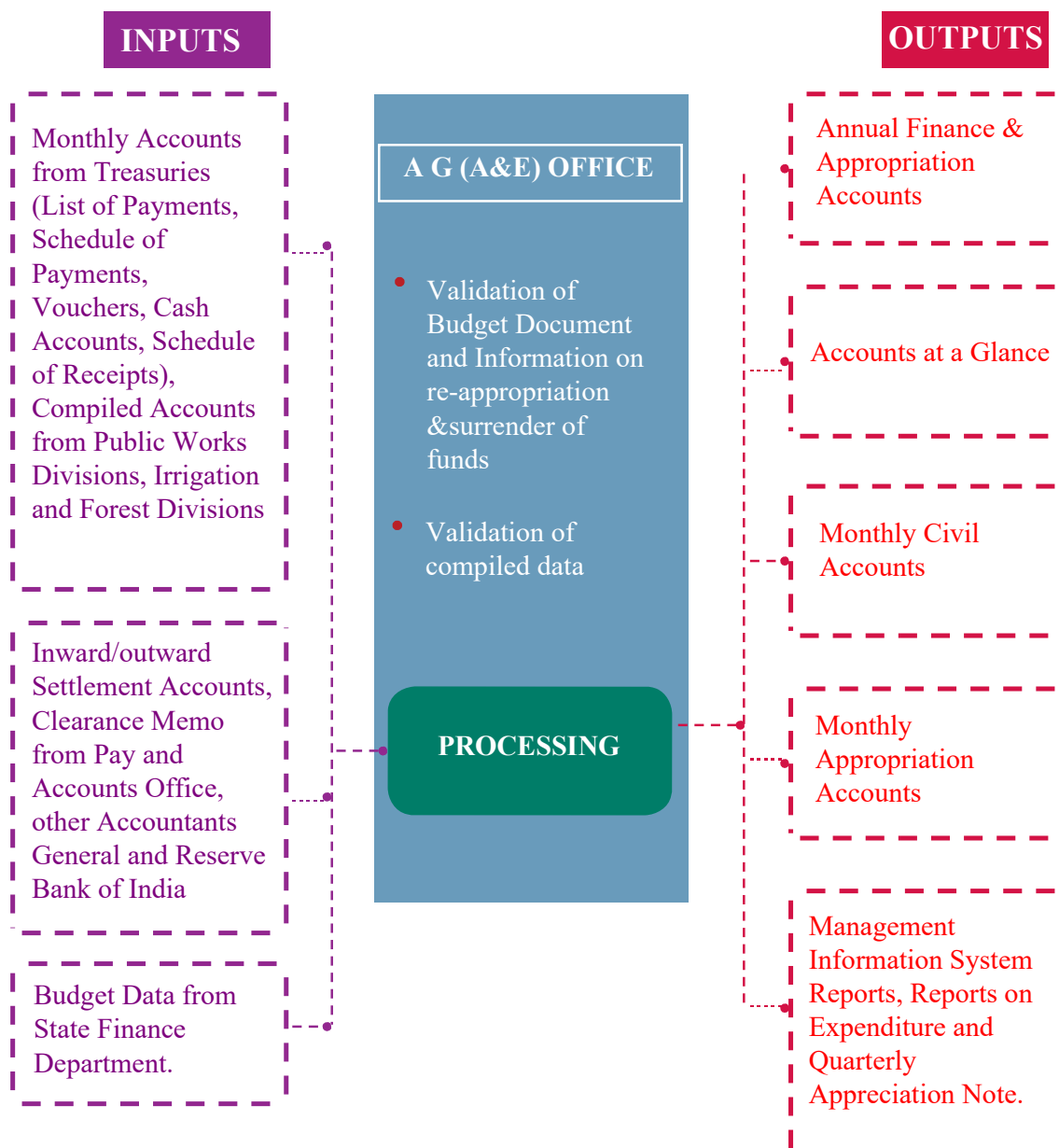
Part 2 **CONTINGENCY** ● **FUND**

● **Part 3** **PUBLIC ACCOUNT**

All public moneys received, other than those credited to the Consolidated Fund, are accounted for under the Public Account. In respect of such receipts, Government acts as a banker or trustee. The Public Account comprises: repayable like Small Savings and Provident Funds, Reserve Fund, Deposits and Advances, Suspense and Miscellaneous transactions (adjusting entries pending booking to final heads of account), Remittances between accounting entities, and Cash Balance.



Flow diagram for Accounts Compilation



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 are prepared in two volumes to make them more comprehensive and informative. Volume I of the Finance Accounts contains the certificates of the Comptroller and Auditor General of India, matter of emphasis, summarized statements of overall receipts and disbursements and 'Notes to Accounts' containing summary of significant accounting policies, comments on quality of accounts and other items. Volumes II contains detailed statement (Part-I) and appendices (Part-II).

The Union Government transfers substantial funds directly to State Implementing Agencies/ Non-Governmental Organisations for implementation of various schemes and programmes. During the year 2022-23, the Government of India (GOI) released ₹ 26,806 crore directly to the implementing agencies in Gujarat. Since these funds are not routed through the State Budget, these are not reflected in the Accounts of the State Government. These transfers are exhibited in Appendix VI of Volume II of the Finance Accounts.

1.3.2 Financial highlights of year 2022-23

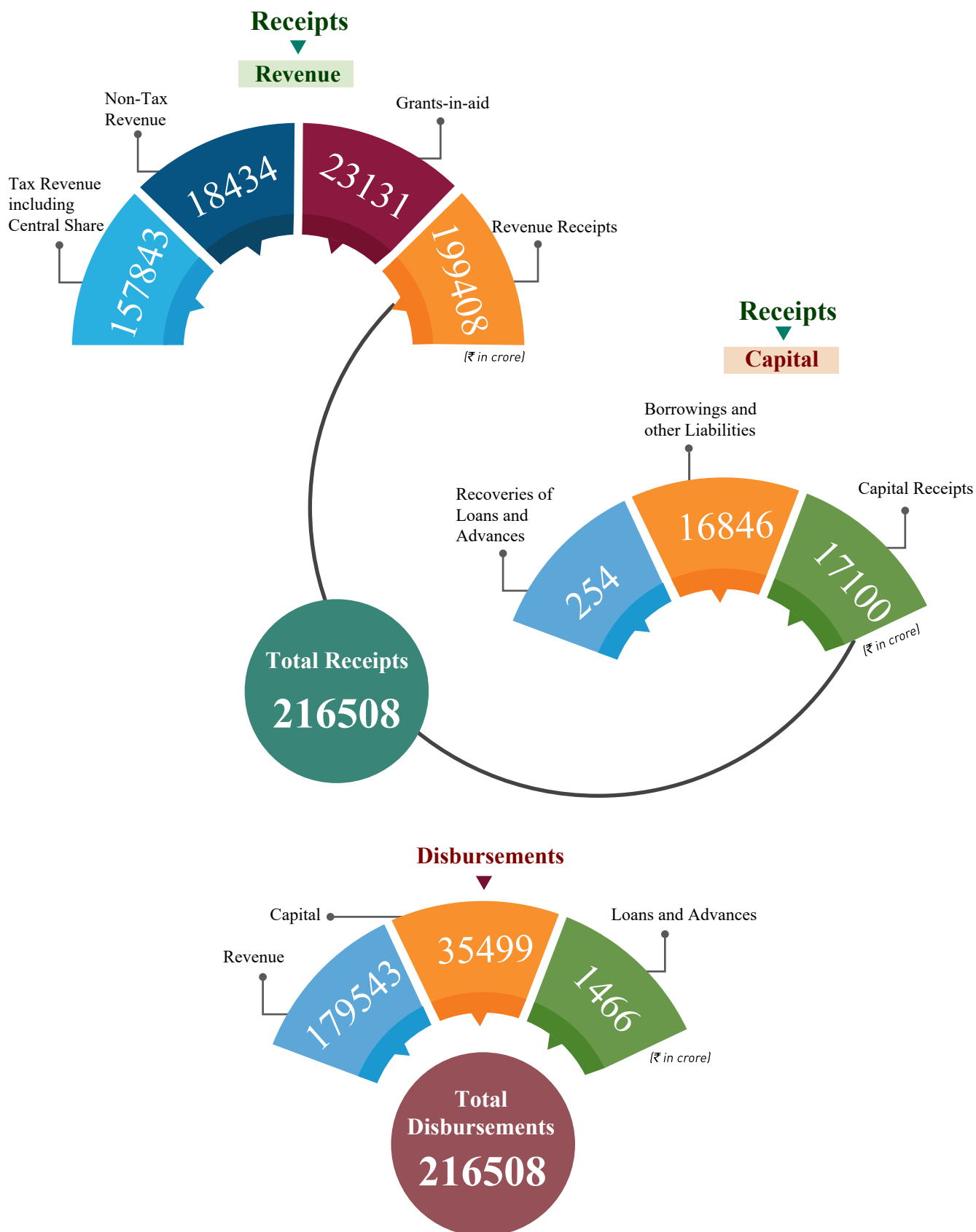
The following table provides the details of actual financial results vis-à-vis budget estimates for the year 2022-23:

Sl. No	Component	Budget Estimate 2022-23 (₹ in crore)	Actuals 2022-23 (₹ in crore)	Percentage of Actuals to B.E.	Percentage of Actuals to GSDP (#)
1	Own Tax Revenue	1,19,883	1,24,809	104.11	5.52
2	Non-Tax Revenue	17,761	18,434	103.79	0.81
3	Share of Union Taxes/ duties	28,418	33,034	116.24	1.46
4	Grants-in-aid & Contributions	15,983	23,131	144.72	1.02
5	Revenue Receipts (1+2+3+4)	1,82,045	1,99,408	109.54	8.82
6	Recovery of Loans & Advances	250	254	101.60	0.01
7	Other Receipts	0	0	-	0
8	Borrowings and other liabilities (a)	36,113	16,846	46.65	0.74
9	Capital Receipts (6+7+8)	36,363	17,100	47.03	0.76
10	Total Receipts (5+9)	2,18,408	2,16,508	99.13	9.57
11	Revenue Expenditure	1,81,040	1,79,543	99.17	7.94
12	Expenditure on Interest Payments (out of Revenue Expenditure)	27,120	25,354	93.49	1.12
13	Capital expenditure, of which:-	37,369	36,965	98.92	1.63
14	Capital Outlay	35,899	35,499	98.89	1.57
15	Loans and Advances Disbursed	1,470	1,466	99.73	0.06
16	Total Expenditure (11+13)	2,18,408	2,16,508	99.13	9.57
17	Revenue Deficit (-) /Revenue Surplus (+)(5-11)	(-)1,006	(+)19,865	-	0.88
18	Fiscal Deficit (5+6+7-16)	(-)36,113	(-)16,846	46.65	(-)0.74
19	Primary Deficit(18-12)	(-)8,993	(+)8,508	-	0.38

(a) Borrowings and other liabilities: Net (Receipts- Disbursements) of Public Debt + Net of Contingency Fund + Net (Receipts- Disbursements) of Public Account + Net of Opening and closing balance.

GSDP of 2022-23 was ₹ 22,61,715 crore (advance)

Receipts and disbursement in the year 2022-23





1.3.3 Appropriation Accounts

Under the Constitution, no expenditure can be incurred by the Government except with authorization of the Legislature. Barring certain expenditure specified in the Constitution as “Charged” on the Consolidated Fund, which can be incurred without vote of the Legislature, all other expenditure requires to be “Voted”. The budget of the Gujarat has 02 Charged Appropriation and 75 Voted and 31 combined (Charged and Voted) Grants. The purpose of the Appropriation Accounts is to indicate the extent to which the actual expenditure compiled with the appropriation authorized by the Legislature through the Appropriation Act of each year.

1.3.4 Efficiency on Budget Preparation

The Appropriation Acts, 2022-23 had provided for gross expenditure of ₹ 2,74,758 crore and reduction of expenditure (recoveries) of ₹ 3,531 crore. Against this, the actual gross expenditure was ₹ 2,40,117 crore and reduction of expenditure was ₹ 1,450 crore, resulting in net savings of ₹ 34,641 crore (gross saving of ₹ 34,705 crore offset by an excess of ₹ 64 crore under four grants and one appropriation). This excess expenditure of ₹ 64 crore is required to be regularised by the State Legislature, as per Article 205 of Constitution of India.

1.4 Sources and Application of Funds

1.4.1 Fund flow statement

The state had a revenue surplus of ₹ 19,865 crore and a fiscal deficit of ₹ 16,846 crore as on 31 March 2023. The fiscal deficit was met from net Public Debt (₹ 30,174 crore) decrease in Public Account (₹ 13,851 crore) net decrease of opening and closing cash balance (₹ 543 crore) and unrecouped Contingency fund (₹ 20 crore). Around 43.61 *per cent* of the revenue receipts (₹ 1,99,408 crore) of the State Government was spent on committed expenditure like salaries (₹ 13,419 crore), interest payments (₹ 25,354 crore), pensions (₹ 22,435 crore) and subsidies (₹ 25,749 crore).

During the year 2022-23 revenue surplus of ₹ 19,865 crore (₹ 6,409 crore surplus in 2021-22) and fiscal deficit of ₹ 16,845 crore (₹ 22,692 crore in 2021-22) represents 0.88 *per cent* and 0.74 *per cent* of Gross State Domestic Product (GSDP) respectively. The fiscal deficit constituted 7.78 *per cent* of total expenditure.



1.4.2 Sources and Application of Funds

		Particulars	Amount (₹ in crore)
SOURCES		Opening Cash Balance as on 1 April 2022	271
		Revenue Receipts	1,99,408
		Capital Receipts	Nil
		Recovery of Loans and Advances	254
		Public Debt Receipts	52,333
		Small Savings, Provident funds etc.	1,855
		Reserve and Sinking funds	4,674
		Deposits Received	58,889
		Suspense Account	3,17,019
		Remittances	21,659
		Contingency Fund Un-recouped	(-) 20
		Total	6,56,342
APPLICATION		Particulars	Amount (₹ in crore)
		Revenue Expenditure	1,79,543
		Capital expenditure	35,499
		Loans Given	1,466
		Repayment of Public Debt	22,159
		Small Savings, Provident funds etc.	2,041
		Reserves Funds and Sinking funds	3,494
		Deposits Repaid	58,476
		Suspense Account	3,32,292
		Remittances	21,644
		Closing Cash Balance as on 31 March 2023	(-)272
		Total	6,56,342

1.4.3 Where the ₹ came from

Actual Receipts



63% Tax Revenue



21% Public Debt



9% Grants-in-aid



7% Non-Tax Revenue

(Recovery of Loans and Advances were only ₹ 254 crore, which is negligible amount. Hence value is shown as zero.)

1.4.4 Where the ₹ went

Actual Expenditure



64% Development Expenditure



26% Non- Development Expenditure



9% Public Debt



1% Loans and Advances



What do the deficits and Surpluses indicate?



Deficit

Refers to the gap between receipts and expenditure. The kind of deficit, how the deficit is financed, and application of funds are important indicators of prudence in financial management

Refers to the gap between revenue receipt and revenue expenditure. Revenue expenditure is required to maintain the existing establishment of government and ideally, should be fully met from revenue receipts.

Revenue Deficit/ Surplus



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 and ideally should be invested in capital projects.

1.5 Gujarat Fiscal Responsibility Act, 2005

The Government of Gujarat has enacted the Gujarat Fiscal Responsibility Act, 2005. As per this Act, the State Government was required to achieve certain fiscal targets by specified periods. Achievements during the year 2022-23 against fiscal targets laid down in the Act and rules framed there under, were as follows:-

Sl. No.	Targets	Achievements during the year as per the accounts and GSDP (*)
1	Revenue deficit shall be maintained at ₹ 1,006 crore during the period 2022-23	The Government of Gujarat had a Revenue Surplus of ₹ 19,865.03 crore in 2022-23 (0.88 <i>per cent</i> of GSDP)
2	Fiscal deficit shall not exceed 1.64 <i>per cent of GSDP</i> during the period 2022-23	The Fiscal Deficit of ₹ 16,845.45 crore as per the accounts was 0.74 <i>per cent</i> of GSDP for 2022-23
3	Public debt expressed as percentage of GSDP shall be less than 15.88 <i>per cent</i> of GSDP during 2022-23	Public debt for Gujarat ₹ 3,60,731(#) crore was 15.95(#) <i>per cent</i> of GSDP

(*) Source: GSDP figure (₹ 22,61,715 crore) is taken from Economic and Statistics department, Government of Gujarat as the same was not available on the website of Ministry and Statistics and Programme implementation, Government of India.

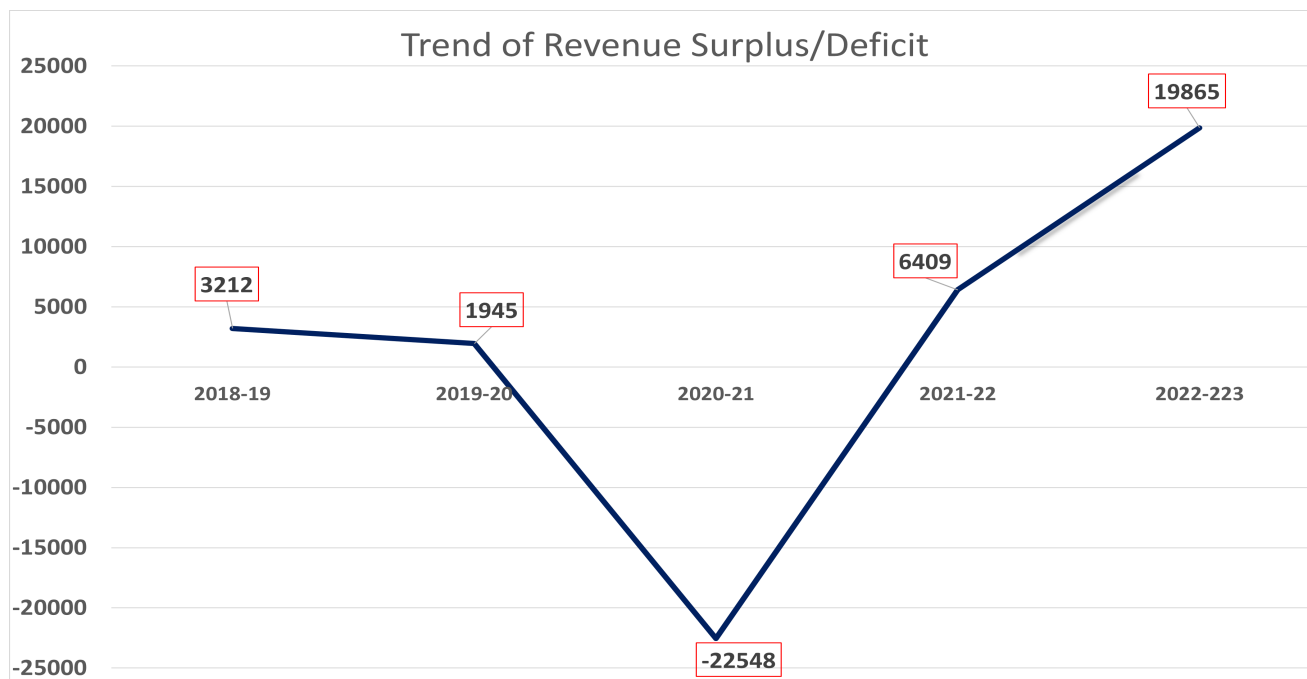
(#) As per Department of Expenditure, GoI, the borrowings under the special window will not be treated as debt of the State for any norms which may be prescribed by the Finance Commission, etc. Hence the back to back loans in lieu of shortfall of GST compensation of ₹ 9,222 crore in 2020-21 and ₹ 13,040 crore in 2021-22 have not been considered as public debt here.

The State Government had made disclosures to the Legislature required under the Gujarat Fiscal Responsibility Rules, 2006.



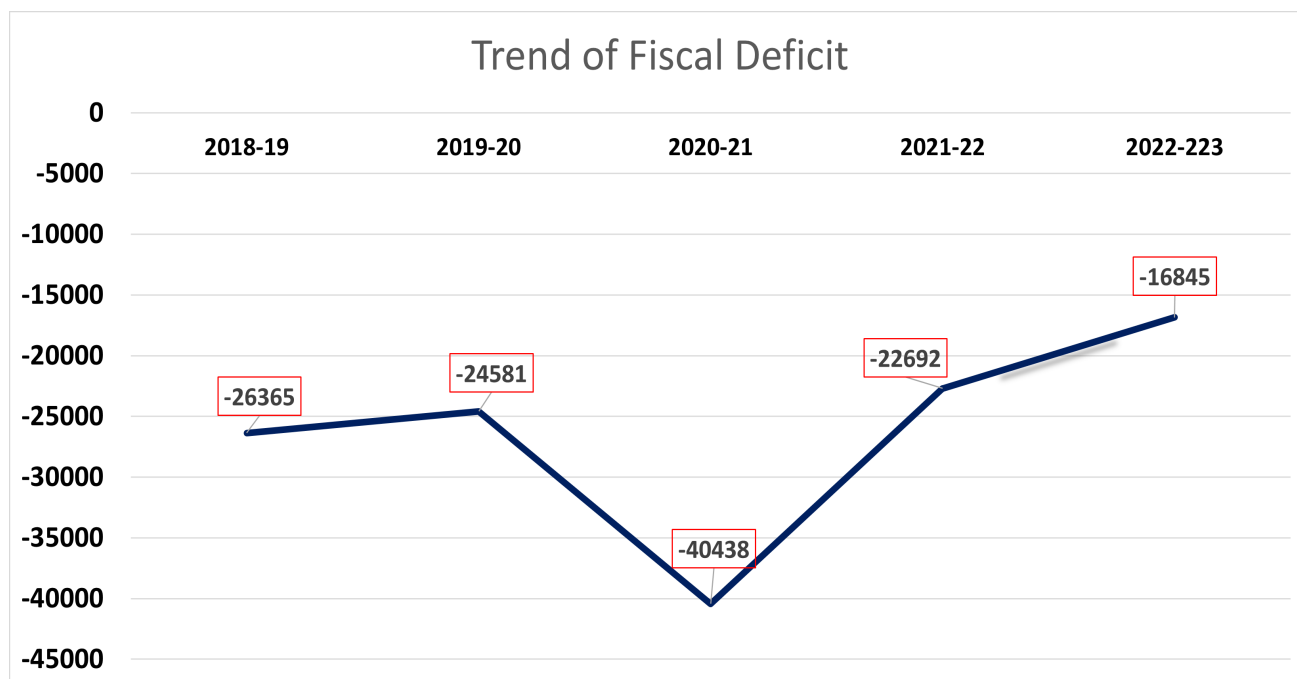
1.5.1 Trend of Revenue Surplus/ Deficit

(₹ in crore)



1.5.2 Trend of Fiscal Deficit

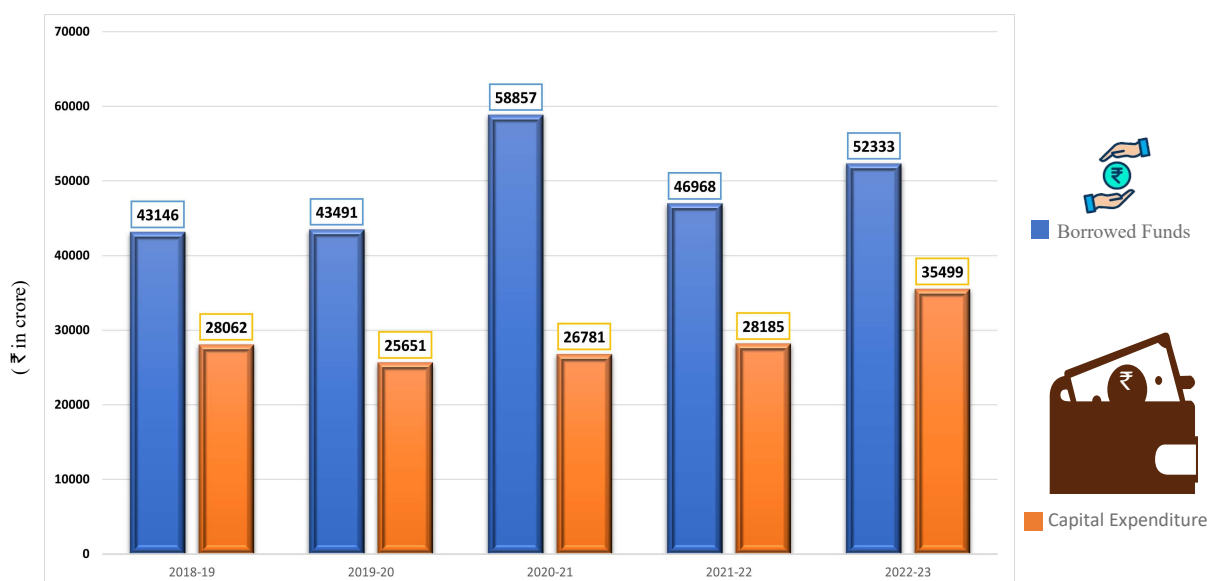
(₹ in crore)



1.5.3 Proportion of borrowed funds spent on Capital Expenditure

(₹ in crore)

Year	Borrowed Fund	Capital Expenditure
2018-19	43,146	28,062
2019-20	43,491	25,651
2020-21	58,857	26,781
2021-22	46,968	28,185
2022-23	52,333	35,499



The government usually runs fiscal deficits and borrow funds for capital/ assets formation or for creation of economic and social infrastructure, so that assets created through borrowings could pay for themselves by generating an income stream. Thus, it is desirable to fully utilize borrowed funds for creation of capital assets and to use revenue receipts for the repayment of principal and interest. The state government, however, spent only 68 *per cent* of the borrowings of the current year (₹ 52,333 crore) on capital expenditure (₹ 35,499 crore). It would therefore appear that balance of the borrowings in the public debt was utilized to repay the principal (₹ 16,834 crore).

2.1 Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total revenue and non-debt capital receipts are ₹ 1,99,662 crore.

2.2 Revenue Receipts

The revenue receipts of the government comprise three components viz. Tax Revenue, Non-tax Revenue and Grants-in-aid received from the Union Government.

● Tax Revenue

Comprises taxes collected and retained by the state and State's share of Union Taxes under Article 280(3) of the Constitution.

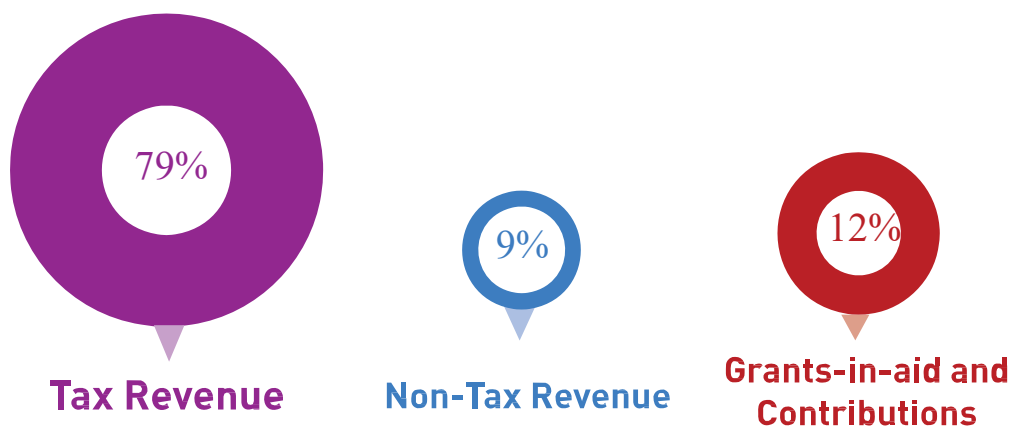
Includes interest receipts, dividend, profits, departmental receipts etc.

Non-Tax Revenue ●

● Grants-in -aid

Grants-in-aid represent central assistance to the State Government from the Union Government. It also includes "External Grant Assistance" received from Foreign Government and channelized through the Union Government. In turn, the State Government also give Grants-in-aid to institutions like Panchayati Raj Institution, Autonomous bodies etc.

Revenue Receipts



2.2.1 Revenue Receipts Components

(₹ in crore)

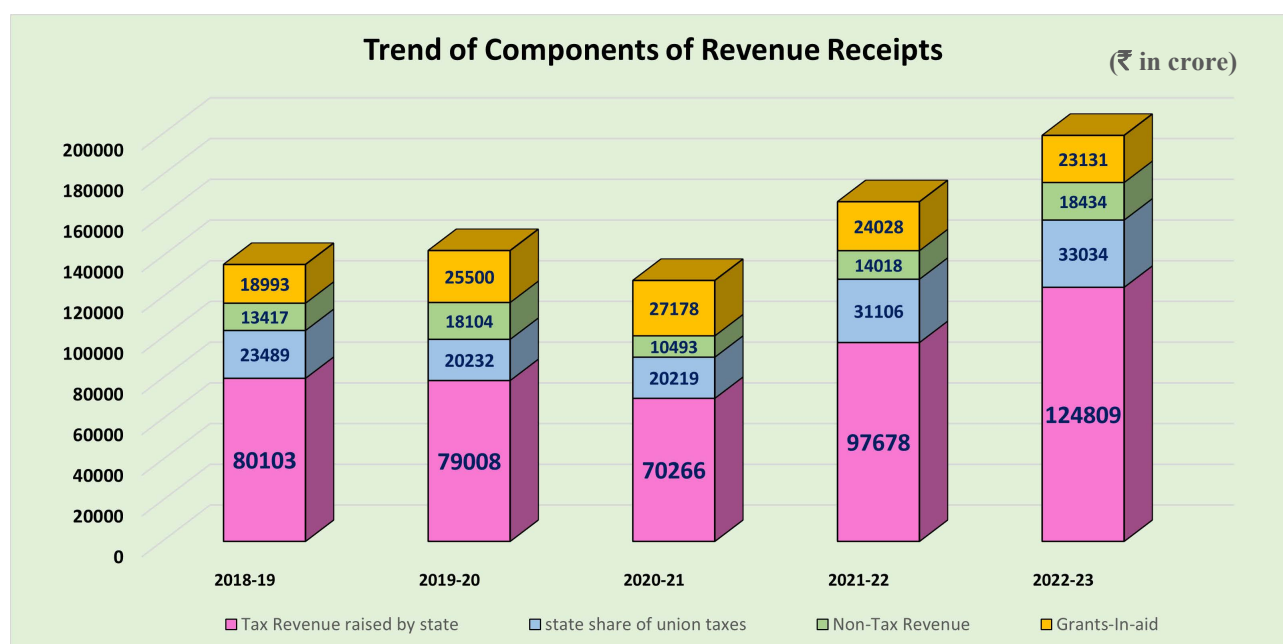
Components	Actuals
A. Tax Revenue	1,57,843
Goods and Service Tax	61,487
Taxes on Income and Expenditure	22,145
Taxes on Property and Capital Transactions	19,165
Taxes on Commodities and Services	55,046
B. Non- Tax Revenue	18,434
Interest Receipts, Dividends and Profits	1,365
General Services	2341
Social Services	4,778
Economic Services	9,950
C. Grants-in-aid & Contribution	23,131
	1,99,408

2.2.2 Trend of Revenue Receipts

(₹ in crore)

	2018-19	2019-20	2020-21	2021-22	2022-23
Own Tax Revenue (Raised by the State)	80,103	79,008	70,266	97,678	1,24,809
State Share of Union Taxes/Duties	23,489	20,232	20,219	31,106	33,034
Non-Tax Revenues	13,417	18,104	10,493	14,018	18,434
Grants-in-aid	18,993	25,500	27,178	24,028	23,131
Total Revenue Receipts	1,36,002	1,42,844	1,28,156	1,66,830	1,99,408
GSDP	14,92,156	16,17,143	16,36,781	19,57,583	22,61,715

GSDP increased by 15.54 *per cent* in 2022-23 compared to previous year, whereas there was a increase of 19.53 *per cent* in revenue receipts. The tax revenue increased by 22.56 *per cent*, the non-tax revenue increased by 31.50 *per cent*, however, grants-in-aid decreased by 3.73 *per cent* compared to the previous year.



2.3 Tax Revenue

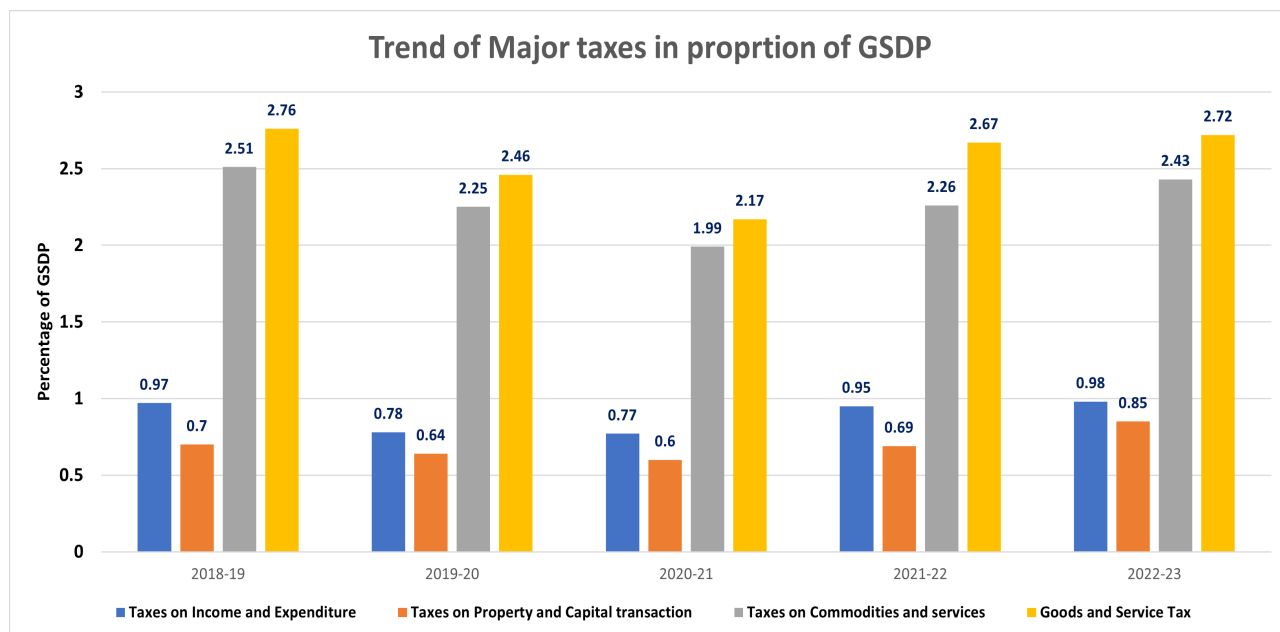
Sector-wise Tax Revenue

(₹ in crore)

	2018-19	2019-20	2020-21	2021-22	2022-23
a. Goods and Service Tax	41,148	39,848	35,489	52,302	61,487
b. Taxes on Income and Expenditure	14,486	12,563	12,576	18,659	22,145
c. Taxes on Property and Capital Transactions	10,451	10,389	9,862	13,518	19,165
d. Taxes on Commodities and Services	37,507	36,440	32,558	44,305	55,046
Total Tax Revenue	1,03,592	99,240	90,485	1,28,784	1,57,843
GSDP	14,92,156	16,17,143	16,36,781	19,57,583	22,61,715

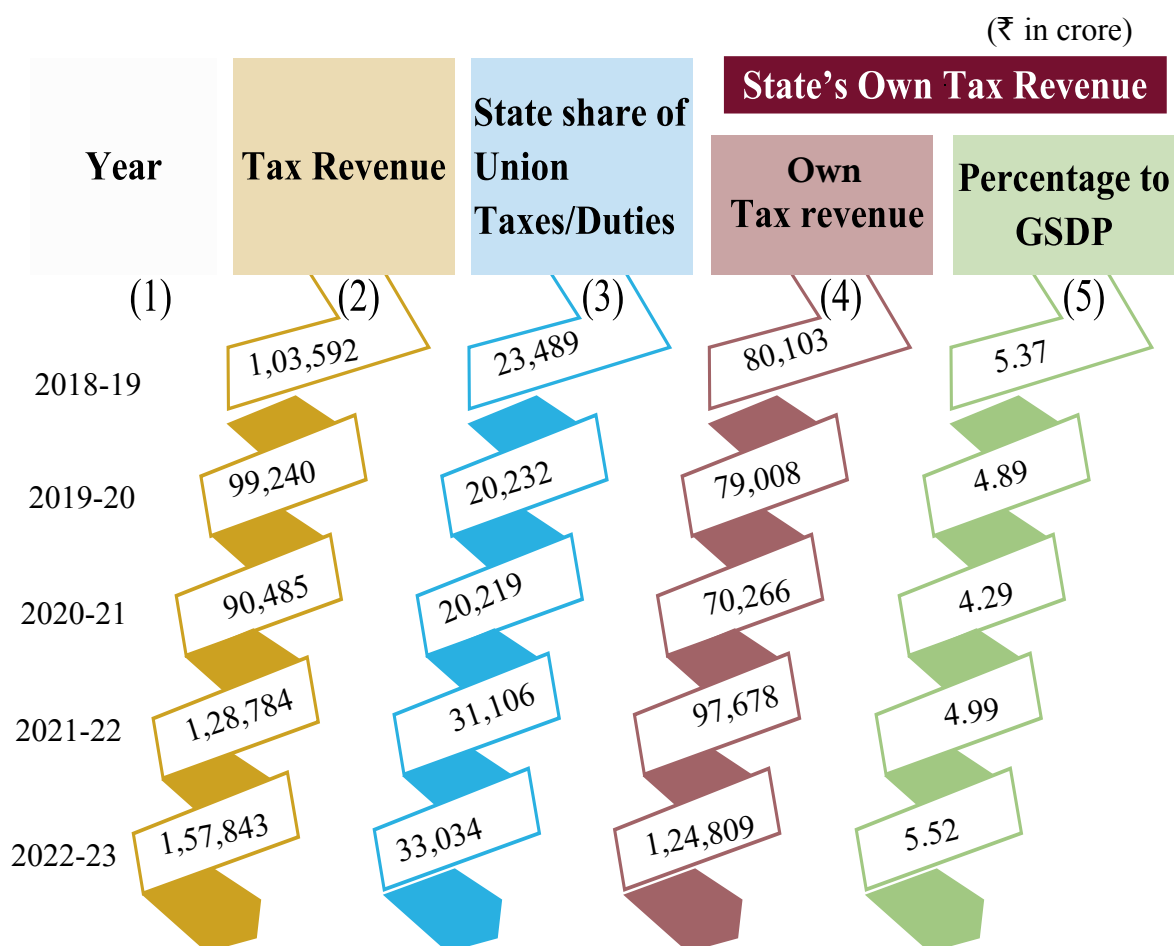
The increase in total tax revenue during 2022-23 was mainly attributable to more receipts under SGST (₹ 8,667 crore), Taxes on Sales and Trade etc. (₹ 7,939 crore) and Stamp and Registration fee (₹ 3,774 crore).

2.3.1 Trend of Major taxes in Proportion to GSDP



2.3.2 State's own Tax collection and State's share of Union Taxes

Tax Revenue of the State Government comes from two sources viz. State's own Tax collection and Transfer of Union Taxes.



2.3.3 Comparative position of the amount of Tax revenue received from the two sources over a period of five years.

(₹ in crore)

	2018-19	2019-20	2020-21	2021-22	2022-23
State's own Tax collection	80,103	79,008	70,266	97,678	1,24,809
Transfer of Union Taxes	23,489	20,232	20,219	31,106	33,034
Total Tax Revenue	1,03,592	99,240	90,485	1,28,784	1,57,843
Percentage of State's own tax to total tax revenue	77	80	78	76	79

The proportion of State's own collection in overall Tax revenue *79 per cent* compared to 76 per cent in 2021-22.

2.3.4 Trend in State's own Tax collection over the past five years

(₹ in crore)

Taxes	2018-19	2019-20	2020-21	2021-22	2022-23
State Goods and Service Tax	34,889	34,107	29,458	43,487	52,154
Taxes on Sales, Trade etc.	22,414	21,072	18,800	29,044	36,984
State Excise	131	138	134	155	188
Taxes on Immovable Property other than Agricultural Land	259	329	338	301	478
Taxes on Vehicle	4,119	3,847	2,981	3,889	5,002
Stamp and Registration fees	7,781	7,701	7,390	10,433	14,207
Taxes and Duties on electricity	7,348	8,774	8,319	7,013	10,593
Land Revenue	2,408	2,359	2,134	2,782	4,480
Taxes on Goods and Passengers	116	48	104	11	55
Other Taxes	638	633	608	563	668
Total State' own Taxes	80,103	79,008	70,266	97,678	1,24,809

2.4 Cost of Tax collection

(₹ in crore)

Taxes	2018-19	2019-20	2020-21	2021-22	2022-23
1. Taxes on property and Capital transactions					
Revenue collection	10,451	10,390	9,862	13,518	19,165
Expenditure on	276	229	222	198	230
Cost of Tax collection	3%	2%	2%	1%	1%
2. Taxes on commodities and services					
Revenue collection	37,507	36,440	32,558	44,305	55,046
Expenditure on	463	458	444	498	597
Cost of Tax Collection	1%	1%	1%	1%	1%

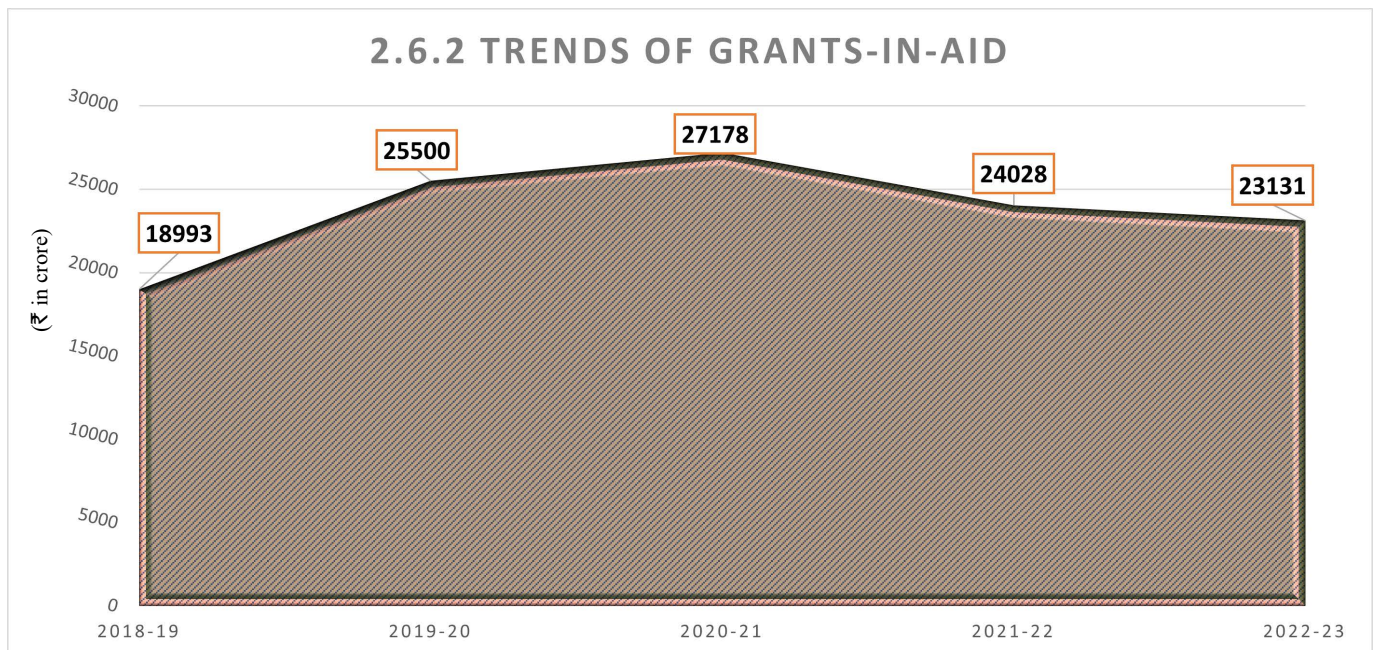
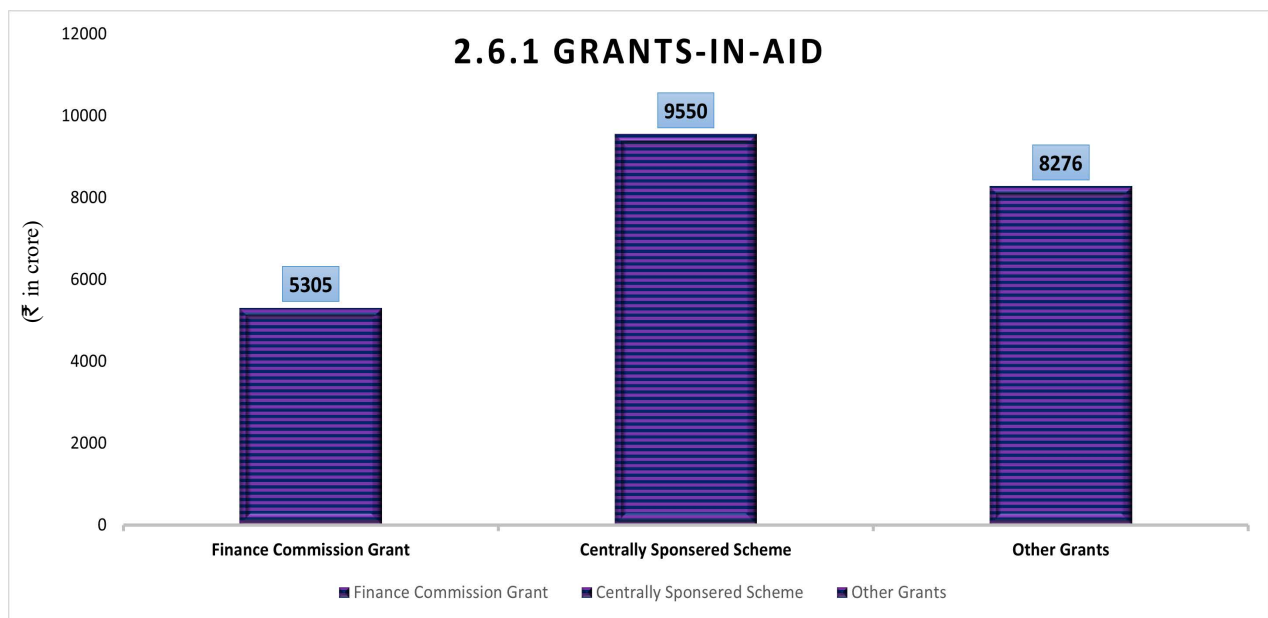
2.5 Trend in State's share of Union Taxes over the past five years

Description	2018-19	2019-20	2020-21	2021-22	2022-23
Central Goods & Service Tax (CGST)	5,797	5,741	6,031	8,815	9,333
Integrated Goods & Service Tax (IGST)	463	0	0	0	0
Corporation Tax	8,168	6,898	6,084	9,243	11,079
Taxes on Income other than Corporation Tax	6,015	5,405	6,235	9,159	10,810
Other taxes on Income and Expenditure	42	0	0	0	0
Taxes on Wealth	3	0	0	2	0
Customs	1,665	1,282	1,089	2,243	1,298
Union Excise Duties	1,106	892	682	1,229	407
Service Tax	218	0	84	384	52
Other Taxes and Duties on Commodities and Services	12	13	14	31	55
State's share of Union Taxes/Duties	23,489	20,232	20,219	31,106	33,034
Total Tax Revenue	1,03,592	99,240	90,485	1,28,784	1,57,843
Percentage of Union Taxes to Total Tax Revenue	23	20	22	24	21

Government of Gujarat received ranging between 20 *per cent* to 24 *per cent* share of total Tax Revenue from the net proceeds of all shareable Union taxes during the period 2018-19 to 2022-23.

2.6 Grants-in-aid

Grants-in-aid represent assistance from the Government of India, and comprise Centrally Sponsored Schemes Finance Commission Grants and other grants Total receipts during 2022-23 under Grants-in-aid were ₹ 23,131 crore as shown below:

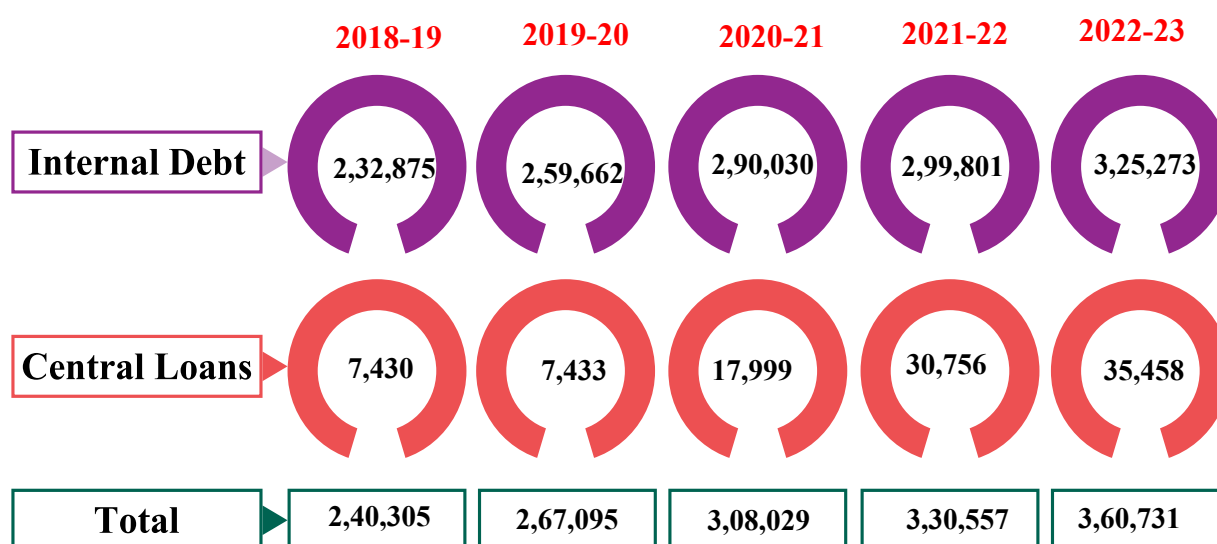




2.7 Public Debt

Trend of Public debt over the last five years is shown below:

(₹ in crore)



Chapter III

Expenditure

3.1 Introduction

Expenditure is classified as Revenue Expenditure and Capital Expenditure. Revenue expenditure is used to meet the day-to-day running of the organization. Capital expenditure is used to create permanent assets, or to enhance the utility of such assets, or to reduce permanent liabilities. Expenditure is further classified as State Fund Expenditure and Central Assistance (including CSS/CS).

In Government accounts, the expenditure is classified at top level into three sectors: General Services, Social Services and Economic Services. The significant areas of expenditure covered under these sectors are mentioned in the table given below:

● General Service	Includes Justice, Police, PWD, Interest, Pension etc.
Includes Education, Health and Family Welfare, Water Supply etc.	Social Service ●
● Economic Service	Includes Agriculture, Rural Development, Irrigation, Co-operation, Energy, Industries, Transport etc.

3.2 Revenue Expenditure

The shortfall of revenue expenditure against budget estimates as per Appropriation Accounts during the past five years is given below:

(₹ in crore)

Components	2018-19	2019-20	2020-21	2021-22	2022-23
Budget Estimate	1,48,123	1,51,858	1,61,658	1,66,761	1,81,040
Actuals	1,32,790	1,40,899	1,50,704	1,60,421	1,79,543
Gap	15,333	10,959	10,954	6,340	1,497
Percentage of variation of the Actuals against BE	10.35	7.20	6.78	3.80	0.83

Around 48 *per cent* of the total revenue expenditure was incurred on committed expenses viz. on salaries (₹ 13,419 crore) Interest payment (₹ 25,354 crore), Pension (₹ 22,435 crore) and subsidies (₹ 25,749 crore) which is the committed liabilities of the State Government.

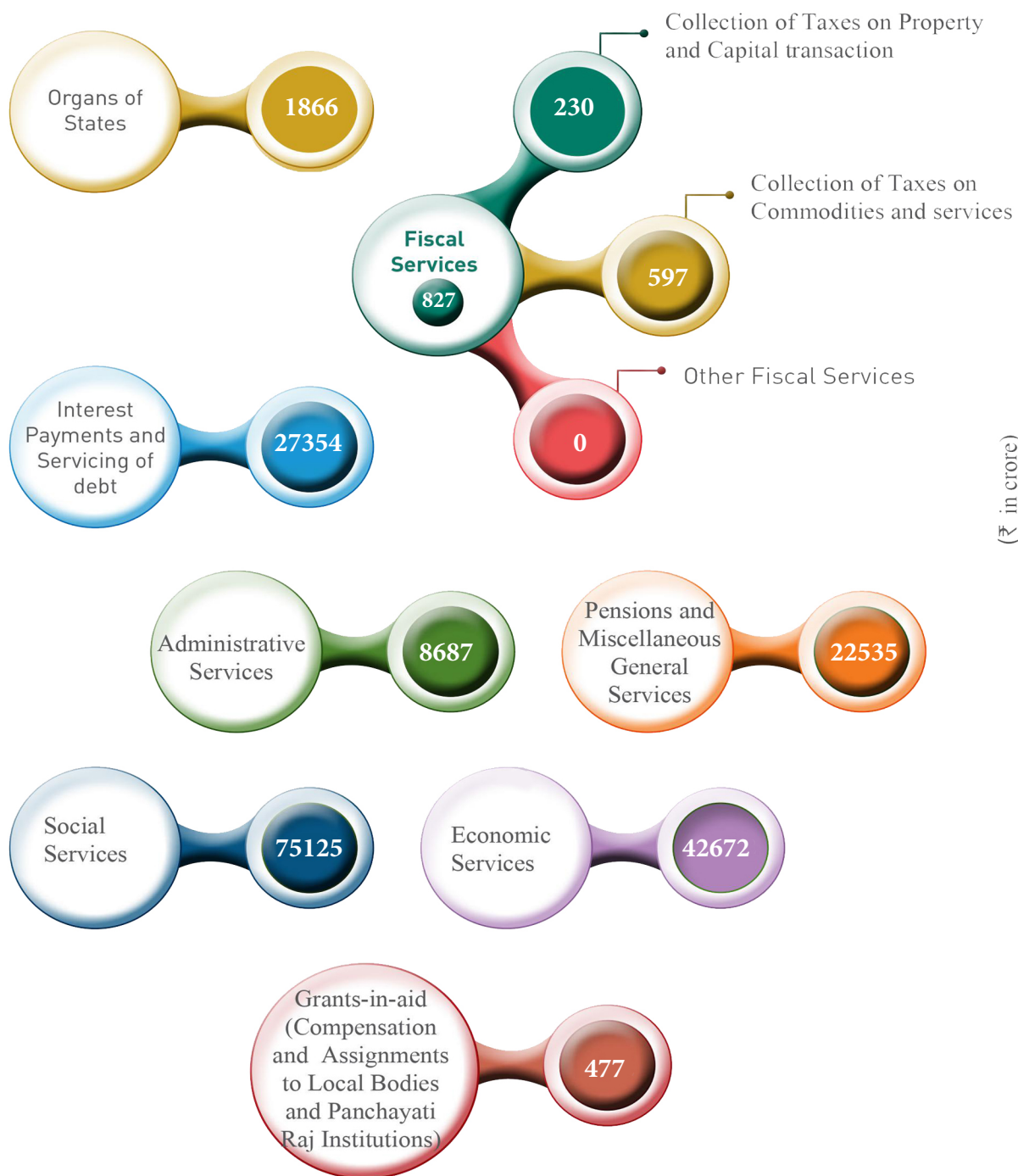
3.2.1 Position of committed and uncommitted revenue expenditure over the last five years

(₹ in crore)

Components	2018-19	2019-20	2020-21	2021-22	2022-23
Total Revenue Expenditure	1,32,790	1,40,899	1,50,704	1,60,421	1,79,543
Committed Revenue Expenditure (#)	66,583	69,482	76,379	79,488	86,957
Percentage of Committed Revenue Expenditure to Total Revenue Expenditure	50	49	51	50	48
Uncommitted Revenue Expenditure	66,207	71,417	74,325	80,933	92,586

(#) Committed revenue expenditure includes expenditure on salaries, Interest payments, pensions and subsidies.

It may be seen that the uncommitted revenue expenditure available for implementation of various schemes has increased by 39.84 *per cent* from ₹ 66,207 crore in 2018-19 to ₹ 92,586 crore in 2022-23. The total revenue expenditure increased by 35.21 *per cent* from ₹ 1,32,790 crore in 2018-19 to ₹ 1,79,543 crore in 2022-23 and committed revenue expenditure increased by 30.60 *per cent* over the same period.



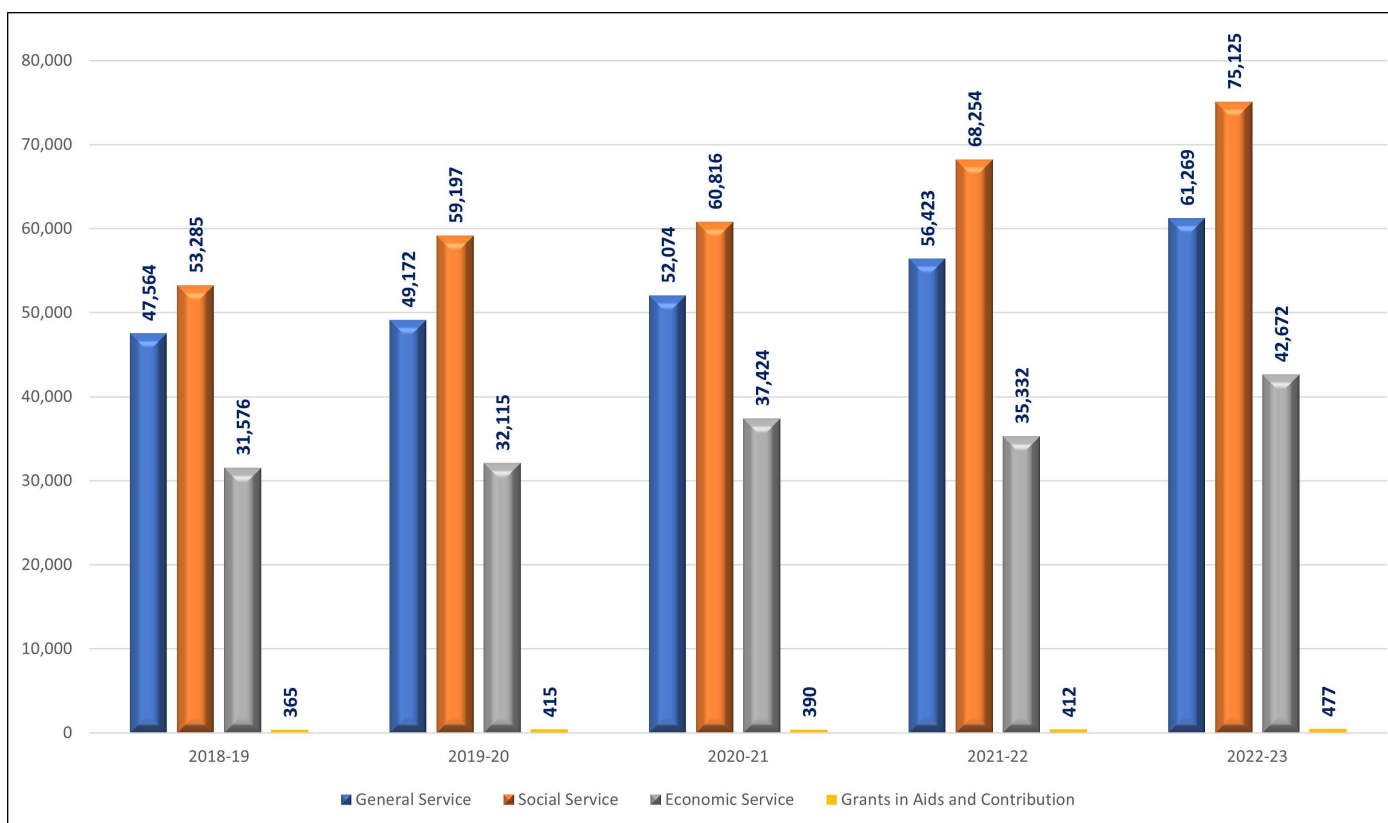


3.2.2 Major Components of Revenue Expenditure 2018-19 to 2022-23

(₹ in crore)

Components	2018-19	2019-20	2020-21	2021-22	2022-23
General Service	47,564	49,172	52,074	56,423	61,269
Social Service	53,285	59,197	60,816	68,254	75,125
Economic Service	31,576	32,115	37,424	35,332	42,672
Grants in Aid and Contribution	365	415	390	412	477

(₹ in crore)



3.3 Capital Expenditure

Capital disbursements for 2022-23 were 1.57 *per cent* of GSDP. It was less than the Budget Estimates by ₹ 399 crore.

(₹ in crore)

Sl No.	Components	2018-19	2019-20	2020-21	2021-22	2022-23
1	Budget Estimate (B.E.)	30,342	32,807	33,371	30,816	35,898
2	Actual Expenditure	28,062	25,650	26,781	28,185	35,499
3	Percentage of Actual Expenditure to B.E	92.49	78.18	80.25	91.46	98.89
4	Yearly growth in Capital Expenditure	6.65%	(-) 8.59%	4.41%	5.24%	25.95%
5	GSDP	14,92,156	16,17,143	16,36,781	19,57,583	22,61,715
6	Yearly growth in GSDP	12.27%	8.38%	1.21%	19.60%	15.54%

3.3.1 Sectoral distribution of Capital Expenditure

During 2022-23, the Government spent ₹ 6,229 crore on Irrigation and Flood Control (₹ 1,905 crore on Major Irrigation and ₹ 2,180 Crore on Medium Irrigation). Apart from above, the Government spent ₹ 5,969 Crore on construction of roads and bridges.

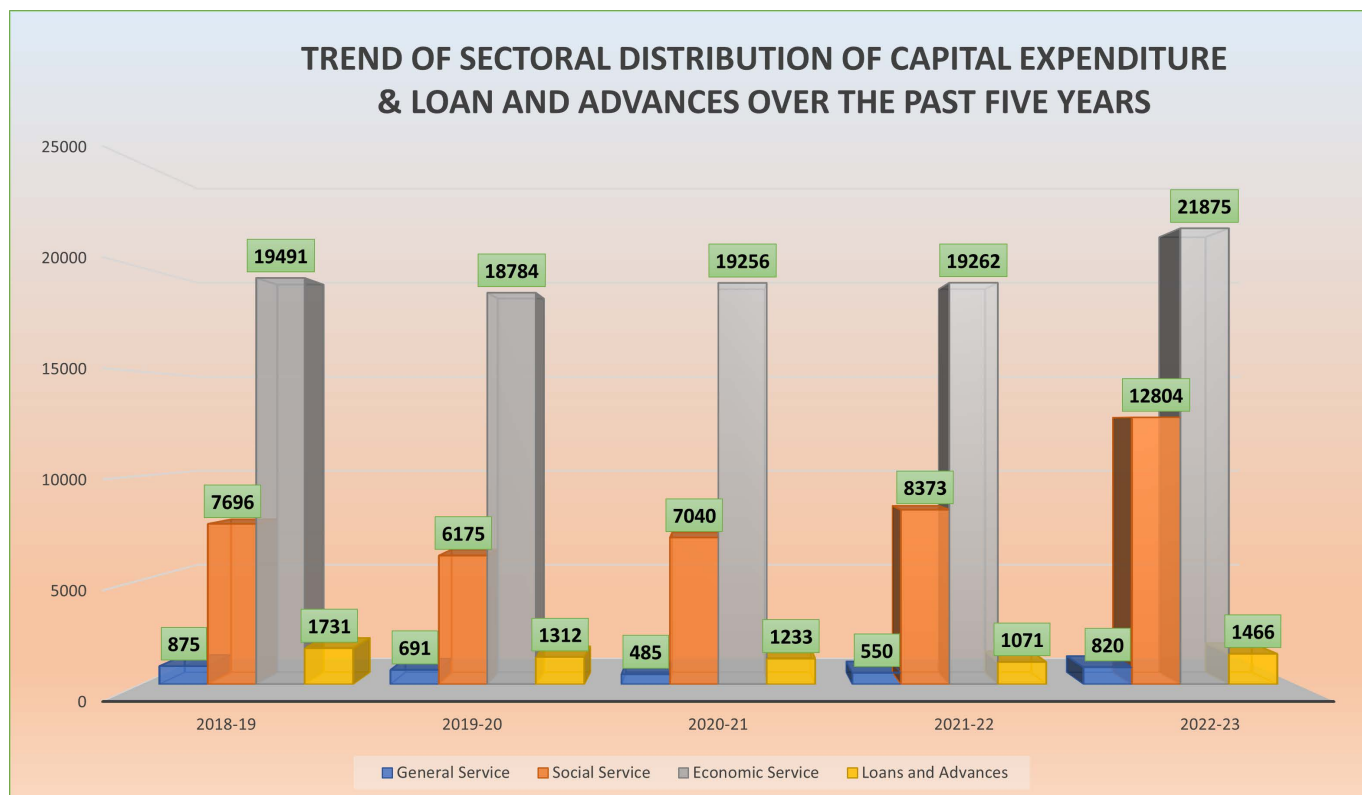
3.3.2. Sectoral distribution of Capital Expenditure & Loan and Advances over the past five years

(₹ in crore)

Sector	2018-19	2019-20	2020-21	2021-22	2022-23
General Service	875	691	485	550	820
Social Service	7,696	6,175	7,040	8,373	12,804
Economic Service	19,491	18,784	19,256	19,262	21,875
Loans and Advances	1,731	1,312	1,233	1,071	1,466



(₹ in crore)



3.3.3 Sectoral distribution of Capital and Revenue Expenditure

The comparative sectoral distribution of capital and revenue expenditure over the past five years is illustrated below:

(₹ in crore)

Sector		2018-19	2019-20	2020-21	2021-22	2022-23
General Service	Capital	875	691	485	550	820
	Revenue	47,564	49,172	52,074	56,423	61,269
Social Service	Capital	7,696	6,175	7,040	8,373	12,804
	Revenue	53,285	59,197	60,816	68,254	75,125
Economic Service	Capital	19,491	18,784	19,256	19,262	21,875
	Revenue	31,576	32,115	37,424	35,332	42,672
Grants-in-aid	Revenue	365	415	390	412	477

Chapter IV

Appropriation Accounts

4.1 Summary of Appropriation Accounts for the year 2022-23

(₹ in crore)

	Nature of expenditure	Original grant / Appropriation	Supplementary grant/ Appropriation	Total	Actual Expenditure	Saving (-) / Excess (+)
	I- Revenue	1,56,502.07	26,150.99	1,82,653.06	1,55,081.30	(-) 27,571.76
	II- Capital	36,492.21	4,085.19	40,577.40	35,707.25	(-) 4,870.15
	III- Loans and Advances	1,470.10	61.90	1,532	1,465.79	(-) 66.21
Total Voted		1,94,464.38	30,298.08	2,24,762.46	1,92,254.34	(-) 32,508.12
	IV- Revenue	27,385.78	102.69	27,488.47	25,629.52	(-) 1,858.95
	V- Capital	89.07	41.34	130.41	74.48	(-) 55.93
	VI- Public Debt- Repayment	22,025.49	194.79	22,220.28	22,158.98	(-) 61.30
	VII- Loans and Advances	0.00	156.39	156.39	0.00	(-) 156.39
Total Charged		49,500.34	495.21	49,995.55	47,862.98	(-) 2,132.57
Grand Total		2,43,964.72	30,793.29	2,74,758.01	2,40,117.32	(-) 34,640.69

4.2 Trend of Savings / Excess during the past 12 years

(₹ in crore)

Year	Savings (-)/Excess (+)				Total
	Revenue	Capital	Public Debt	Loans and Advances	
2011-12	(-) 4,500	(-) 1,347	(+) 471	(-) 144	(-) 5,520
2012-13	(-) 7,048	(-) 989	(-) 1	(-) 251	(-) 8,289
2013-14	(-) 8,942	(-) 3,469	(-) 14	(-) 318	(-) 12,743
2014-15	(-) 15,336	(-) 5,882	(-) 3	(-) 393	(-) 21,614
2015-16	(-) 12,294	(-) 5,308	(+) 267	(-) 56	(-) 17,391
2016-17	(-) 13,315	(-) 5,281	(-) 4,361	(-) 629	(-) 23,586
2017-18	(-)16,634	(-)2,989	(-)2,100	(-)185	(-)21,908
2018-19	(-)14,976	(-)4,800	(-)8	(-)313	(-)20,097
2019-20	(-) 18,801	(-)6,941	(+)47	(-) 297	(-) 25,992
2020-21	(-) 19,729	(-)8,824	(+)3	(-) 10	(-) 28,560
2021-22	(-) 16,168	(-)5,489	(-)19	(-)358	(-)22,034
2022-23	(-) 29,431	(-)4,926	(-)61	(-)223	(-)34,641

4.3 Significant Savings

Substantial Savings under a grant indicate either non-implementation or slow implementation of certain schemes/ programs. This also indicates weak budgetary control. Some grants with persistent and significant savings are given below:

(Per cent)

GR	Grant description	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
0019	Other Expenditure Pertaining to Finance Department	99.17	99.31	99.14	99.20	84.30	86.80
0076	Revenue Department	33.67	27.04	36.20	49.46	43.19	35.33
0077	Tax Collection Charges (Revenue Department)	16.61	7.04	27.85	30.01	26.13	14.13
0078	District Administration	11.29	12.71	17.96	19.58	7.05	10.98
0084	Non-Residential Buildings	32.79	31.76	39.57	46.78	39.12	25.16
0085	Residential Buildings	15.03	34.33	46.91	40.84	39.79	33.60

4.3.1 Significant savings at the end of the year even against original allocations

During 2022-23, Supplementary Grants totaling ₹ 30,793.29 crore (12.82 *per cent* of total expenditure) proved to be unnecessary in some cases, where there were significant savings at the end of the year even against original allocations: Few instances are given below:

(₹ in crore)

GR	NOMENCLATURE	SECTION	ORIGINAL	SUPPLEMENTARY	EXPENDITURE
2	Agriculture	Revenue/Voted	2,968.69	776.21	2,560.16
5	Co-operation	Revenue/Voted	1,854.57	119.15	1,808.36
6	Fisheries	Revenue/Voted	399.94	83.82	360.52
9	Education	Revenue/Charged	227.77	4.09	209.57
13	Power Projects	Capital/Voted	3,215.57	12.53	3,096.35
18	Pension and other Retirement Benefits	Revenue/Voted	12,883.57	649.42	12,588.87
30	Council of Ministers	Revenue/Voted	5.99	0.94	5.73
31	Elections	Revenue/Voted	557.18	2.31	534.65
46	Other Expenditure Pertaining to Home Department	Capital/Voted	1,300.10	44.31	1,268.00
49	Industries	Capital/Voted	679.59	81.06	310.48
70	Community Development	Capital/Voted	71.10	74.91	66.14
74	Transport	Capital/Voted	493.76	56.05	124.44
79	Relief on Account of Natural Calamities	Revenue/Voted	2,599.97	241.85	1,760.13
79	Relief on Account of Natural Calamities	Capital/Voted	179.65	0.28	148.87
83	Road and Building Department	Revenue/Voted	26.25	3.49	24.49
106	Other Expenditure Pertaining to Women and Child Development Department	Revenue/Voted	3,807.62	676.99	3,662.16

5.1 Assets

The existing forms of accounts do not clearly depict valuation of Government assets like land, building etc., except 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.

Total investment as share capital in non-financial public sector undertakings (PSU) stood at ₹ 1,25,088 crore at the end of the year of 2022-23. However, dividends received during the year were ₹ 97.43 crore (i.e. 0.08 *per cent*) on total investment ₹ 1,25,088 crore. At the end of the year 2022-23, investments increased by ₹ 8,603 crore and dividend income decreased by ₹ 37 crore.

5.2 Debt and Liabilities

Article 293 of the Constitution of India empowers the State Government to borrow on the security of the Consolidated Fund. Government of India determines, from time to time, the limit up to which State Government can borrow from the market.

5.2.1 Details of the Public Debt and total liabilities of the State Government

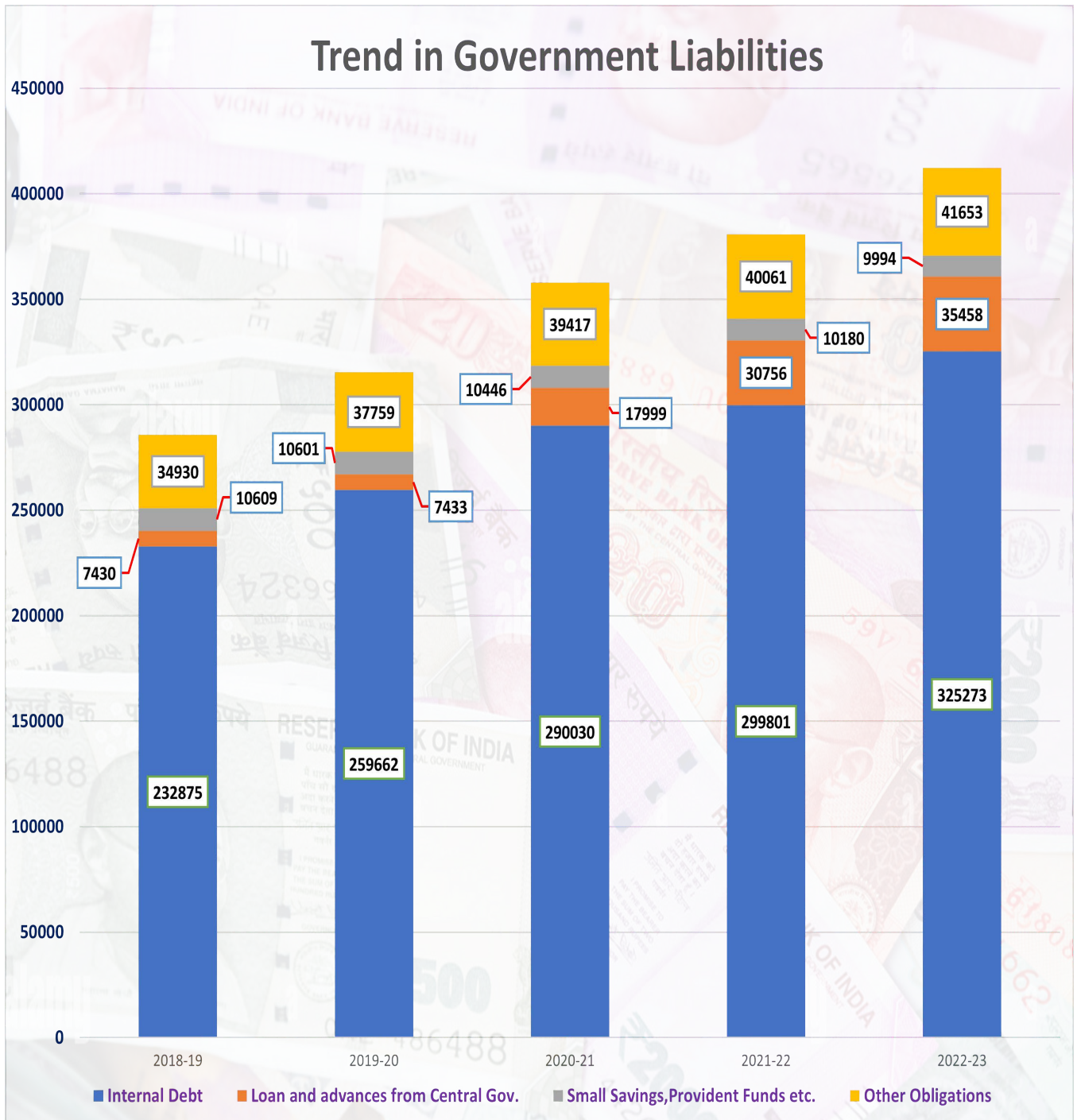
(₹ in crore)

Year	Public Debt	<i>Per cent of</i> GSDP	Public Account	<i>Per cent of</i> GSDP	Total Liabilities	<i>Per cent of</i> GSDP
2018-19	2,40,305	16.10	45,539	3.06	2,85,844	19.16
2019-20	2,67,094	16.52	48,361	2.99	3,15,456	19.51
2020-21	3,08,029	18.26	49,863	3.04	3,57,892	21.30
2021-22	3,30,557	15.75	50,241	2.57	3,80,798	18.32
2022-23	3,60,731	14.97	51,647	2.28	4,12,378	17.25

Public Debt and other Liabilities showed a net increase of ₹ 31,580 crore (8.29 per cent) over the previous year.

5.2.2 Trend in Government Liabilities over the past five years

(₹ in crore)



5.3 Guarantees

In addition to directly raising loans, State Governments also guarantee loans raised by Government companies and corporation from the market and financial institution 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 the repayment of loans (payment of principal and interest thereon) raised by statutory corporation, government companies, corporations, cooperative societies etc., is given below.

(₹ in crore)

At the end of the year	Maximum amount guaranteed (Principal only)	Amount outstanding at the end of the year
2018-19	11,796	4,699
2019-20	11,747	4,462
2020-21	11,751	3,656
2021-22	10,757	3,089
2022-23	9,951	1,473

6.1 Adverse balances under Internal Debt

Borrowings of State Governments are governed by Article 293 of the Constitution of India. In addition to directly raising loans, the State Government also guarantees loans raised by government companies and corporations from the market and financial institutions for implementation of various plan schemes and programmes which are projected outside the State Budget.

6.2 Loans and advances by the State Government

Total Loans and Advances given by the State Government outstanding at the end of 2022-23 was ₹ 14,363 crore. During the year 2022-23 the State Government disbursed loans and advances amounting to ₹ 1,466 crore and recovered outstanding loans amounting to ₹ 254 crore.

6.3 Financial assistance to local bodies and others

During the past five years, Grants-in-aid to local bodies etc. increased from ₹ 59,611 crore (in the year 2018-19) to ₹ 80,753 crore (in 2022-23). Grants given to Zilla Parishads, Municipal Corporation and Gram Panchayats and Panchayat Samitis amounting ₹ 42,681 crore represented 53 *per cent* of total grants given during the year. Details of Grants-in-aid for the past 5 years are as under:

(₹ in crore)

Sl No.	Name of Institution	2018-19	2019-20	2020-21	2021-22	2022-23
1	Zila Parishads	2,875	5,067	3,949	2,301	12,317
2	Municipal Corporation & Municipalities	7,482	8,100	7,454	9,268	12,197
3.	Gram Panchayats and Panchayat Samities	16,770	16,967	20,374	22,088	21,338
4	Other Institute	32,484	34,128	32,860	36,151	34,901
	Total	59,611	64,262	64,637	69,808	80,753



6.3.1 Details of Grants-in-aid given for creation of Asset in the past 5 years

(₹ in crore)

	Name of Institution	2018-19	2019-20	2020-21	2021-22	2022-23
1	Zila Parishad	27.14	38.22	20.14	19.77	447.92
2	Panchayat Samiti	95.35	96.80	2.48	10.26	16.38
3	Gram Panchayats	5.50	1.48	11.96	45.36	467.69
4	Municipal Corporation	228.00	651.98	290.00	447.89	5,293.93
5	Municipalities/Municipal Councils	1,318.23	938.57	327.88	645.86	2,375.84
6	Government Companies	40.00
7	Universities	234.39	243.41	168.66	148.42	195.12
8	Development Authorities	77.09	48.95
9	Co-Operative Institution	1.00	1.50	133.82	329.40	1.00
10	Non-Government Organisations	6.00	4.00	1.00	100.91	0.75
11	Others	212.43	682.45	252.28	320.99	558.50
	Total	2,205.13	2,707.36	1,208.22	2,077.86	9,400.13

6.4 Cash Balance and Investment of cash Balance

(₹ in crore)

Component	As on 01 April 2022	As on 31 March 2023	Net increase(+)/ decrease(-)
Cash Balances	271.30	(-)271.89	(-)543.19
Investment from cash balance (GoI treasury bills)	12,828	25,423	(+)12,595
Investment from earmarked fund balances	7,576	10,380	(+)2,804
(a) Sinking Fund	7,033	9,790	(+)2,757
(b) Other Funds	543	590	(+)47
Interest realised during the year	131	138	(+)7



6.5 Reconciliation of Accounts

In terms of the Gujarat Budget Manual, Controlling Officers are required to reconcile the Receipts and Expenditure of the Government with the figures accounted for by the Office of the Accountant General (A&E). During the year, reconciliation of receipts amounting to ₹ 2,43,412.95 crore (96.59 *per cent* of total receipts) and reconciliation of expenditure amounting to ₹ 2,21,700.92 crore (92.89 *per cent* of total expenditure) were reconciled by the State Government.

6.6 Submission of Accounts by Accounts rendering units

The accounts of receipts and expenditure of the Government of Gujarat have been compiled based on the initial accounts rendered by 33 District Treasuries, 157 Public Works Divisions and 73 Forest Divisions compiled accounts of Pay and Accounts Offices at Gandhinagar and Ahmedabad and Advices of the Reserve Bank of India. No accounts remained excluded at the end of the Financial Year.

6.7 Advance payments

As per the provisions of Gujarat Treasury Rules 2000, Drawing and Disbursing Officers/ Controlling Officers are authorized to draw money in advance for emergent purposes by preparing Abstract Contingent (AC) bills by debiting Service Heads. They are required to submit Detailed Contingent (DC) bills containing supporting vouchers of final expenditure to the Office of the Accountant General (A&E) within three months from the drawal of the AC bills. As of 31 March 2023, 3342 DC bills for ₹ 444.48 crore were not received by the Office of the Accountant General (A&E).



6.8 Status of Suspense Balances and Remittances Balances

(₹ in crore)

Minor Head	2018-19		2019-20		2020-21		2021-22		2022-23	
	Dr	Cr	Dr	Cr	Dr	Cr	Dr	Cr	Dr	Cr
8658-Suspense Accounts										
101-Pay and Accounts Office-Suspense	221	9	167	(-) 5	210	2	141	1	139	(-) 1
Net	212 Dr		172 Dr		208 Dr		140 Dr		140 Dr	
102-Suspense Accounts (Civil)	98	8	246	312	10	62	(-) 8	(-) 12	(-) 10	(-) 30
Net	90 Dr		66 Cr		52 Cr		4 Dr		20 Dr	
8782- Cash Remittance and adjustments										
102- Public Work Remittances	20,045	20,711	18,396	19,317	18,555	19,441	19,677	20,581	20,163	21,107
Net	666 Cr		741 Cr		886 Cr		904 Cr		944 Cr	
103- Forest Remittances	942	988	945	1,012	1,096	1,150	1,215	1,345	1,384	1,491
Net	46 Cr		67 Cr		54 Cr		130 Cr		107 Cr	
108-Other Remittances	113	124	87	103	96	110	90	105	97	109
Net	11 Cr		16 Cr		14 Cr		15 Cr		12 Cr	

6.9 Status of Outstanding Utilisation Certificate

In terms of the Gujarat Financial Rules, 1971 and Finance Department notification dated 12 April 1985, Controlling Officers who draw Grants-in-aid bills are required to submit Utilization Certificates (UCs) to the Accountant General (A&E) within 12 months after the end of the year in which the grant is released. At the end of 2022-23, 3732 UCs for an amount of ₹ 10,408 crore were outstanding.

6.10 Incomplete Capital Projects/Works aged five years or more

As per information received from the State Government, there are 22 incomplete projects under Road and Building Department and 10 incomplete project under Irrigation Department, which are aged five years or more. The details of incomplete projects along with revised cost and escalation in the cost are given in Appendix-IX of the Finance Accounts.

6.11 New Pension Scheme

State Government employees recruited on or after 01.04.2004 are covered under the National Pension System (NPS) which is a Defined Contribution Pension Scheme. In terms of the Scheme, the employee contributes 10 *per cent* of his/her basic pay and dearness allowance, and 10 *per cent* of basic pay and dearness allowance is contributed by the State Government; and the entire amount is to be transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/Trustee Bank.

During the year 2022-23, total contribution to the NPS which is Defined Contribution Pension Scheme was ₹ 2,736.10 crore (Employees' contribution ₹ 1,358.92 crore and Government's contribution ₹ 1,377.18 crore *). The detailed information on government contribution is available in Statement No. 15 of the Finance Accounts. The Government transferred ₹ 2,736.10 crore to the Public Account under Major Head 8342-117 Defined Contribution Pension scheme. The difference between Employees' contribution and Government's contribution is ₹ 18.26 crore which is due to adjustment of previous year's misclassification.

(*) Government Contribution of ₹ 1,377.18 crore includes ₹ 1,366.83 crore (booked under MH-2071), ₹ 9.99 crore (transferred to DCPS fund via treasuries) and ₹ 0.36 crore (booked under MH-2049).

6.12 Personal Deposit Accounts

A Personal Deposit Account is intended to facilitate the administrator to credit receipts into and effect withdrawals directly from the treasury account for a specific purpose. As per Rule 377 of the Gujarat Treasury Rules, 2000 balances in the Personal Deposit Accounts would not lapse to Government under Rule 386 if outstanding for more than three complete account years. However, in cases in which Personal Deposit Accounts are credited by debit to the Consolidated Fund, the same should be closed at the end of the financial year by minus debit of balance to the relevant service heads. The status of PD accounts as of 31 March 2023 is given below:

(₹ in crore)

Opening Balance as on April -2022		Addition during the year 2022-23		Closed/Withdrawal during the year 2022-23		Closing Balance as on 31 March 2023	
Number of Administrators	Amount	Number of Administrators	Amount	Number of Administrators	Amount	Number of Administrators	Amount
471	990	Nil	2089	Nil	2261	471	818

6.13 Investment

The State Government invested ₹ 8,603 crore in 2022-23. Government investment of ₹ 1,25,088 crore as on 31 March 2023 yielded dividend of ₹ 97 crore (0.08 *per cent*) during 2022-23. The same has not been reconciled by the concerned administrative departments, Finance department, and the investee entity with the office of the Accountant General (A&E).

6.14 Status of Reserve Funds

Reserve Funds: There are 18 active Reserve Funds earmarked for specific purposes. The total accumulated balance at the end of 31 March 2023 in these funds was ₹ 14,728 crore. Out of which ₹ 2,674 crore was under interest bearing Reserve Fund and ₹ 12,054 crore under non-interest bearing Reserve Fund.

Inoperative Reserve Funds: Out of the 18 Reserve Funds, five Reserve funds with a balance of ₹ 2 crore were inoperative, of which four Reserve Funds have remained inoperative since 1999-2000 while one Reserve Funds is inoperative since 2014-15.

6.14.1 Consolidated Sinking Fund

The Government of Gujarat set up the Consolidated Sinking Fund for amortization of loans in 2007-08. According to the guidelines of the Fund, States may contribute a minimum of 0.5 per cent of their outstanding liabilities as at the end of the previous year to the Consolidated Sinking Fund. Following are the transactions in the Fund:

(₹ in crore)

Opening balance as on 01 April 2022	Additions to the Fund (Contribution and interest)		Payments out of the Fund	Total balance in the Fund	Amount invested by RBI during the year	Closing balance as on 31 March 2023
	Required contribution (0.5% of the outstanding liabilities as on 31 March 2022)	Contribution and interest added during the year				
7,363	1,904	2,757	Nil	10,120	2,757	10,120

6.14.2 Guarantee Redemption Fund

The State Government constituted the Guarantee Redemption Fund in 2001-02 vide notification No. GR BHD/102013/414/A that is administered by RBI. The latest amendment to the Fund notification issued by the State Government, effective from the year 2013-14, stipulates that the State Government shall initially contribute a minimum of one *per cent* and thereafter at the rate of 0.5 *per cent* of outstanding guarantees at the end of the previous year to achieve a minimum level of three *per cent* in next five years. The Fund shall be gradually increased to a desirable level of five *per cent*.

The total accumulation of the Fund was ₹ 849 crore as on 31 March 2023. Out of which ₹ 46 crore has been invested by RBI. The corpus in the fund is above the required limit i.e. five *per cent* of the outstanding guarantees at the end of previous year. The details are as under:

(₹ in crore)


Opening balance (01 April 2022)	Additions to the Fund (Contribution and interest)			Payment out of Fund	Total balance the Fund	Required balance in the Fund 5% of the Total outstanding Guarantees as on 31 March 2022)	Amount invested by RBI during the year 2022-23	Closing balance (31 March 2023)
	Required contribution (0.5 % of Total outstanding Guarantees as on 31 March 2022)	Actuals during 2022-2023						
		Contributi on	Interest					
803	15	Nil	46	--	849	154	46	849

6.14.3 State Disaster Response Fund/National Disaster Response Fund

In terms of guidelines on constitution and administration of the State Disaster Response Fund (under Major Head-‘8121 General & Other Reserve Funds’ which is under interest bearing section), the Central and State Governments are required to contribute to the fund in the proportion of 75:25. During the year 2022-23, the State Government received ₹ 556 crore as Central Government’s share. The State Government’s share during the year is ₹ 427 crore. The State Government transferred ₹ 983 crore (Central share ₹ 556 crore, State share ₹ 427 crore) to the Fund under Major Head 8121-122 SDRF. The State received ₹ Nil crore from the Central Government towards NDRF.

(₹ in crore)

Opening balance (01 April 2022)	Contribution by Centre	State Share	Receipts under NDRF	Total receipts during the year	Amount set off (MH 2245-05)	Balance in the fund (31 March 2023)	Invested by RBI/State Government during the year
382	556	427	Nil	983	205	1160	Nil



An expenditure of ₹ 205 crore incurred on natural calamities was set off (MH 2245-05 against the Fund balance of ₹ 983 crore. The balance lying under the Fund as at the end of 31 March 2023 was ₹ 1160 crore.

6.15 Accounting of Building and Other Construction Workers Welfare Cess

The Government of India enacted the Building and Other Construction workers (Regulation of Employment and Conditions of Services) Act, 1996 which provides for constitution of the 'State Building and Other Construction Workers Welfare Board' for formulation 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 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/Organisation or Semi Government or Private Organisations. As per Rule 5 of the Building and Other Construction Workers ' Welfare Cess Rules, 1998, the amount collected from cess shall be transferred to the Board within 30 days of its collection.

During the year 2022-23, the Government collected ₹ 748.18 crore (2021-22: ₹ 572.55 crore) as Labour Cess under Major Head 0230 and transferred ₹ 205.57 crore (2021-22: ₹ 209.55 crore) to the Building and Other Construction Workers Welfare Board. Thus, the un-transferred amount from the Major head 0230 was ₹ 542.61 crore as on 31 March 2023.

6.16 Compliance with Accounting Standards

Three Indian Accounting Standards (IGAS) have been notified by the Government of India. Compliance to above IGASs are partly complied with and steps for compliance are being pursued with the Finance Department. They are mainly:

- (i) Guarantees given by Governments: Disclosure Requirement (IGAS-1)
- (ii) Accounting Classification of Grants-in-Aid/Subsidy (IGAS-2)
- (iii) Loans and Advances made by the Government (IGAS-3)

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