



GOVERNMENT OF KERALA

ECONOMIC CUM PURPOSE CLASSIFICATION OF LOCAL BODY ACCOUNTS-KERALA 2012-13, 2013-14 & 2014-15



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Government of Kerala-2017

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PREFACE

Economic cum purpose classification of local body accounts is essential to compute the share of economic growth and capital formation of local self govt. The local body accounts analysis is done by collecting Annual financial Statements of all local bodies, classified under receipt and expenditure data into economic and purpose according to the instruction of Central Statistics Office.

This report on ‘Economic cum purpose classification of local body accounts 2012-13, 2013-14 & 2014-15’ is prepared by the Directorate of Economics and Statistics, Kerala as per the methodology (revised) developed by the National Accounts Division, Central Statistics Office, Ministry of Statistics & Programme Implementation, Govt. of India.

This publication is prepared by the State Income division of Directorate of Economics and Statistics with the cooperation of Computer division, District and Taluk Statistical offices. In this occasion, I congratulate all the officers in the Department associated with this report for their sincere efforts made by them.

We sincerely hope that these figures would be beneficial to researchers and scholars who are interested in this subject.

*V Ramachandran
Director General*

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Chapter 1

Introduction

Kerala, which lying between the Arabian Sea and the Western Ghats, is a state of Indian subcontinent with a population of 3.34 crores, and a density of 860/Sq. Kms as per census-2011. Kerala has always been leading among the states in different human development indicators like highest literacy, life expectancy and lowest child mortality. Before independence the different regions in Kerala had been under different administrative systems.

The Local body Institutions which have been established in Kerala in 1963 with elected members having legal and financial powers only in very few sectors of development and hence the functioning of these institutions were not in a better position, particularly in rural areas. In 1990 District Councils were established to promote local level development through the functioning of local self government in a decentralized system. Political scenario of the state tends the district councils to an immature end.

Local governments in Kerala enjoy very stable sources of revenue compared to their counterparts in the country. Even before the 73rd and 74th constitutional amendments in 1994, the situation was true. The sources of income earmarked for local governments, prior to the amendments, were meant for providing civic services and welfare functions, but not for development functions. The scenario had changed after the constitutional amendments and enactment of conformity acts in the State in 1994. Significant portion of development functions of the State were devolved to local

governments. In 1996, the State government earmarked one-third of its development plan size as devolved funds for bottom-up planning in development sectors transferred to local governments. This decision created a good gallop in the functioning of local bodies. This was followed by many measures to support the financial health of local governments in the State.

In Kerala, new three tier system in rural areas and one tier system in urban is established with constitutional support. The elected local bodies according to Panchayath raj/ Nagar palika Act came into force in 1995. In 1996 the state Government decided to transfer 1/3 of its plan fund to local bodies and implementation of various projects of 9th plan as '**Janakeeyasuthranam**'-Peoples Participatory Programme. This decision created a good gallop in the functioning of local bodies. By attaining the financial and legal powers the functioning of Local bodies transformed as Local Governments. After that state Government continued transferring of funds to local body institutions every year, which is more or less around 25% of state plan fund. Besides this plan fund, state government transfers Central Grants and own fund of local bodies are being used for implementing various development plans. State government transferred the control of some of its institutions to local bodies to strengthen the local bodies.

Presently there is a lot of demand for the economic cum purpose classification of accounts of local bodies .The state are in the process of calculating the district domestic products .This is possible if the local body accounts are analysed. Such an attempt is made in the annual financial statements of local bodies for the years 2012-13 ,2013-14 & 2014-15 which are presented in this publication

Local bodies get grants from centre as well as states for their day to day functioning but apart from these grants local bodies are authorized by a state Legislature to levy taxes, duties, fees ,tolls fees .Thus the main sources of funds for local bodies may be categorized as local body grants ,as recommended by the Central Finance Commission (Grants-in-aid),fund for implementation of centrally sponsored schemes(Grand-in -aid),funds released by the state governments on the recommendations of the state Finance commissions (Grants-in-aid),Own resources by levying taxes and other fees (Tax and Non tax revenue) and borrowing and loans .

Chapter 2

Concepts and Definitions

Scope and need :

The report on Economic and Purpose classification of Annual financial statement (AFS) of local bodies in the state, analyses the data of three years from 2012-13. The figures are arrived by estimating the available AFS data from 69%,94% and 100% of local bodies for the respective years 2012-13,2013-14 and 2014-15. Government Expenditure has a significant role in economic growth and development. Expenditure of local self governments has more importance, since it is closer to implementation stage with minimal transmission loss. The economic cum purpose classification of accounts of local bodies would give an idea of their functioning ,sources of funds as well as the details of their utilization .

Analysis of the Local body accounts by classifying the income and expenditure by economic and purpose classification is essential to compute the share of economic growth, state domestic product and capital formation created by local body expenditure. Earlier, data used for the analysis of the above economic indicators were very less in number and estimates were prepared with the data support of Central Statistics Office. With the help of district offices, Annual financial statements of all local bodies were collected and used to analyse and generate the reports.

1. *Receipts and Expenditure:* Receipt is classified into two parts according to the nature of transaction as current and capital .Further current receipts is categorized into taxes ,sale, current transfers ,fines ,interest ,dividends and rent on land as well as current grants from centre and state .Taxes are again classified into two parts direct and indirect ,according to the type of activity. Interest, dividends and rent on land includes all the receipts associated with ownership of financial assets& land and these are termed as property income .Expenditure are divided into four broad categories ,namely current expenditure ,transfers and subsidies, expenditure for capital assets and expenditure for financial assets.
2. *Current expenditure:* Current expenditure are the items which are regular kind of expenditure and essential for day to day working .
3. *Compensation of employees:* This category include all the salary, benefits, honorarium, pension etc. paid to the employees of the local bodies . This item comprises of remuneration to general government employees such as pay of officers, pay of establishment and allowances and honorarium other than travelling and daily allowances. Wages paid to casual labours have also been taken as wages and salaries. It also includes Pension payments and employers Contribution to Pension Fund
4. *Purchase of goods and services :* This item refers to all government payments in exchange for goods and services.
5. *Transfers and subsidies:* These are funds transferred to other institutions, businesses and individuals by the local bodies

6. Payments for financial assets :It include all the payments done to purchase any financial assets like shares or equity etc. by local bodies .
7. *Economic cum Purpose classification* :This analytical classification delineates how the expenditure is incurred for a particular activity among the different economic categories and how in a particular economic category, it is utilized for different public services provided .
8. *Taxes on Income and Wealth*: It refers Corporation tax, taxes on income other than corporation tax, other taxes on income and expenditure, taxes on wealth.
9. *Product Tax*: Taxes on products consist of taxes on goods and services that become payable as a result of the production, sale, transfer, leasing or delivery of those goods or services, or as a result of their use for own consumption or own capital formation. The tax may be a specific amount of money per unit of quantity of a good or service or it may be calculated as a specified percentage of the price per unit or value of the goods or services transacted. e.g. Union & State Excise duty, Customs Duty, Service Tax, Receipts under State Motor Vehicle Act, Taxes on Goods and Passengers, Taxes and Duties on electricity, Taxes on Sales, Trade etc.
10. *Production Taxes/ Subsidies* : Production tax or production subsidy is paid/ received on the factors of production – land, labour or capital, irrespective of the volume of production- Stamps and registration, Land Revenue, Taxes on Pollution.

Chapter 3

Income and Expenditure

3.1 Income and Outlay Account of local bodies.

This account deals with the current revenue and expenditure of local bodies. Receipt side consists of current tax receipts, income from property and entrepreneurship, revenues, grants and contributions from the rest of the economy and other miscellaneous receipts. Expenditure side consists of consumption expenditure, interest paid, subsidies and current transfer payments.

The result shows that the total current expenditure of local bodies in the state is increased in each year. The main source of income of local bodies is transfers from Central and State Governments, Current transfers. The compensation of employees and intermediate consumption of goods and services consume the major share of current expenditure.

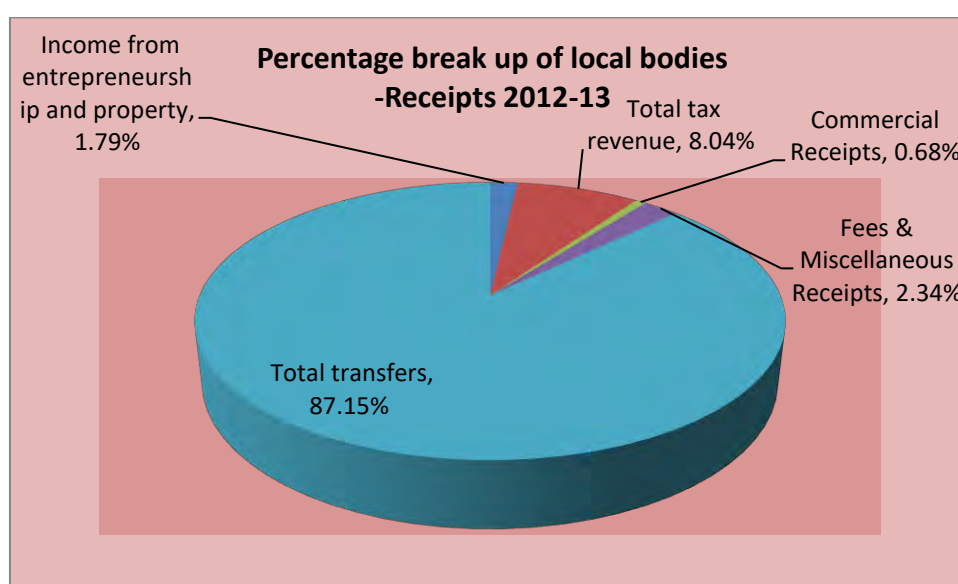
The receipts of local bodies in 2012-13, 2013-14 & 2014-15 are shown in account 1(a). This shows the total tax revenue are ₹ 58051 lakhs, ₹ 48351 & ₹ 101118 lakhs for the year 2012-13, 2013-14 & 2014-15 respectively. The transfers include current transfer and capital transfer. The current transfer for the above period has been ₹ 416771 lakhs, ₹ 464069 lakhs and ₹ 579549 lakhs and that of capital transfer has been ₹ 212489 lakhs, ₹ 261100 lakhs and ₹ 327419 lakhs respectively.

Account I(a) -Income and Outlay Account of local bodies-Receipts (₹in lakhs)

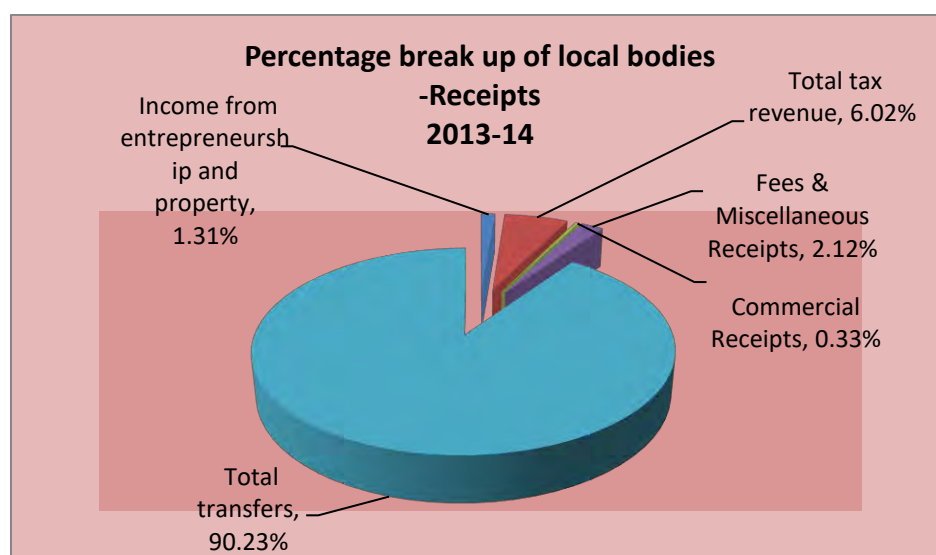
	Sl.NO	Item	2012-13	2013-14	2014-15
		Receipts			
1		Income from entrepreneurship and property	12925.28	10511.99	16984.67
	1.1	Profits	0.00	0.00	0.00
	1.2	Income from property	12925.28	10511.99	16984.67
	1.2.1	Net interest received	2752.91	2369.55	4110.21
	1.2.2	Other Property Receipts	10172.38	8142.44	12874.46
2		Total tax revenue	58051.17	48350.85	101117.77
	2.1	Import Duty	0.00	0.00	0.00
	2.2	Export Duty	0.00	0.00	0.00
	2.3	Production Taxes	457.21	6.45	5.78
	2.4	Product Taxes	5968.00	3423.05	6730.04
	2.5	Other Transfers	51626.00	44921.35	94381.95
3		Commercial Receipts	4885.06	2667.50	5587.52
4		Fees & Miscellaneous Receipts	16888.87	17003.30	12523.58
5		Total transfers	629259.86	725169.09	906968.79
	5.1	Current transfer	416771.06	464068.78	579549.34
	a)	Centre	38118.44	43293.22	60619.54
	b)	States	357637.11	389446.66	471142.10
	c)	Others	21015.52	31328.89	47787.70
	5.2	Capital Transfer	212488.80	261100.31	327419.44
	a)	Centre	150559.49	166114.91	210135.39
	b)	States	61929.30	94985.41	117284.05
	c)	Others	0.00	0.00	0.00
		Total Receipts	722010.24	803702.73	1043182.32

The graph from 3.1.1 to graph 3.1.3 shows the income of transfers is more than 80% for the years 2012.-13,2013-14 & 2014-15. The graph 3.1.4 shows contribution of transfers is maximum in all years and commercial receipts is very small compared to transfers. It shows the total transfers on 2014-15 is 86.9%. It also shows the tax revenue on 2014-15 is 9.8% and that of 2013-14 is 6.02%

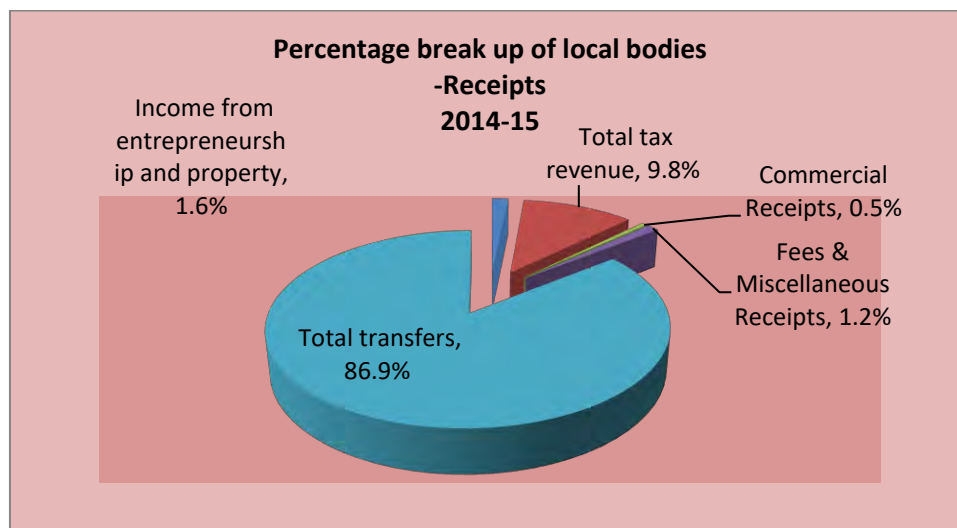
Graph 3.1.1 Receipts of local bodies 2012-13



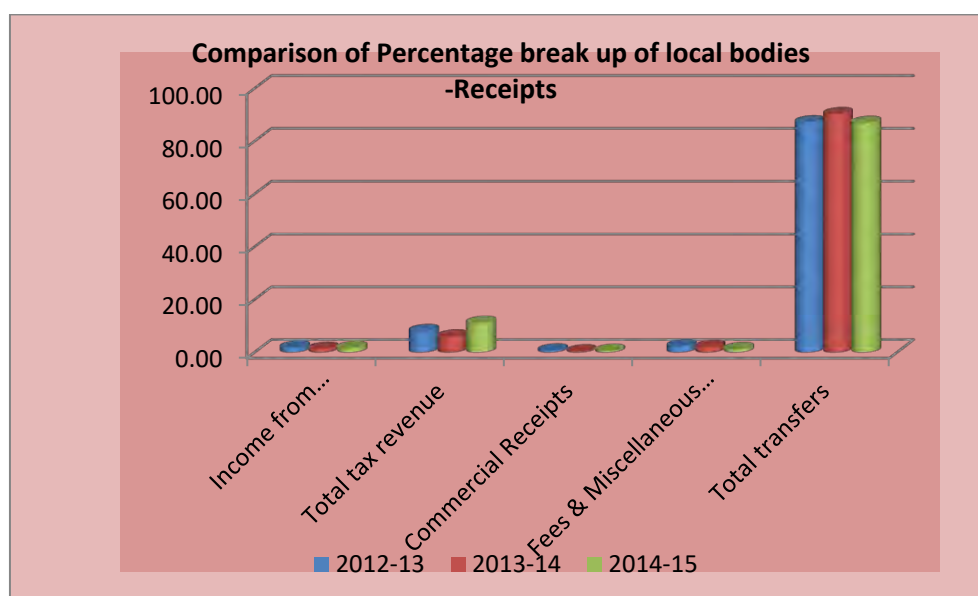
Graph 3.1.2 Receipts of local bodies 2013-14



Graph 3.1.3 Receipts of local bodies 2014-15



Graph 3.1.4 Comparison of receipts of Local bodies



The account I (b) shows the current expenditure of local bodies for the years 2012-13 ,2013-14 and 2014-15. The total consumption expenditure for the years 2012-13 ,2013-14 and 2014-15 are ₹ 2013 crores , ₹ 2800 crores and ₹ 3240 crores respectively. There is 13.57% growth in composition of employees in 2014-15 as that of the previous year .

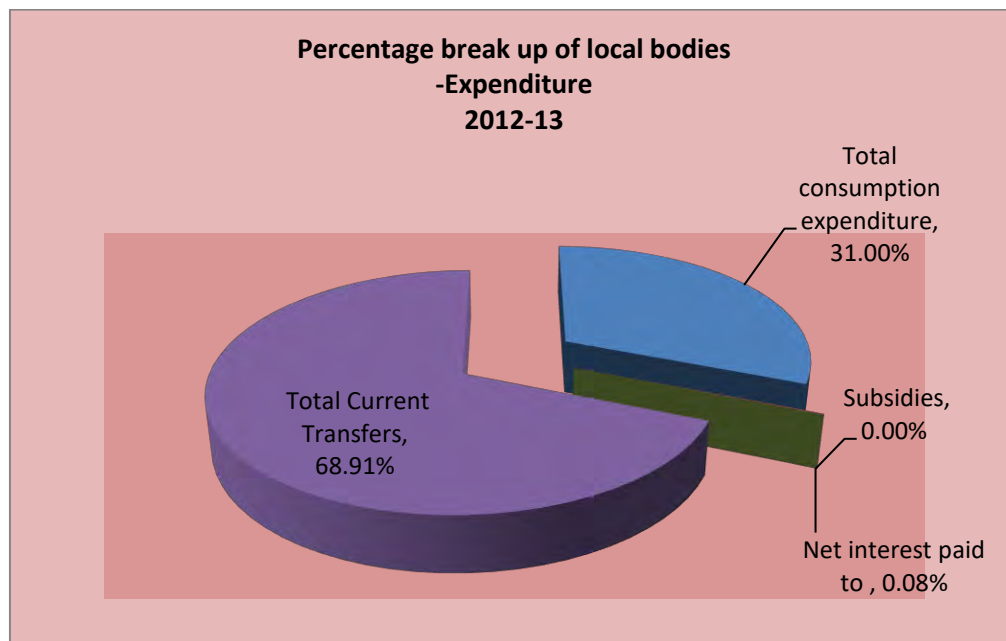
Account I (b) - Income and Outlay Account of local bodies

Current Expenditure (₹ in lakhs)

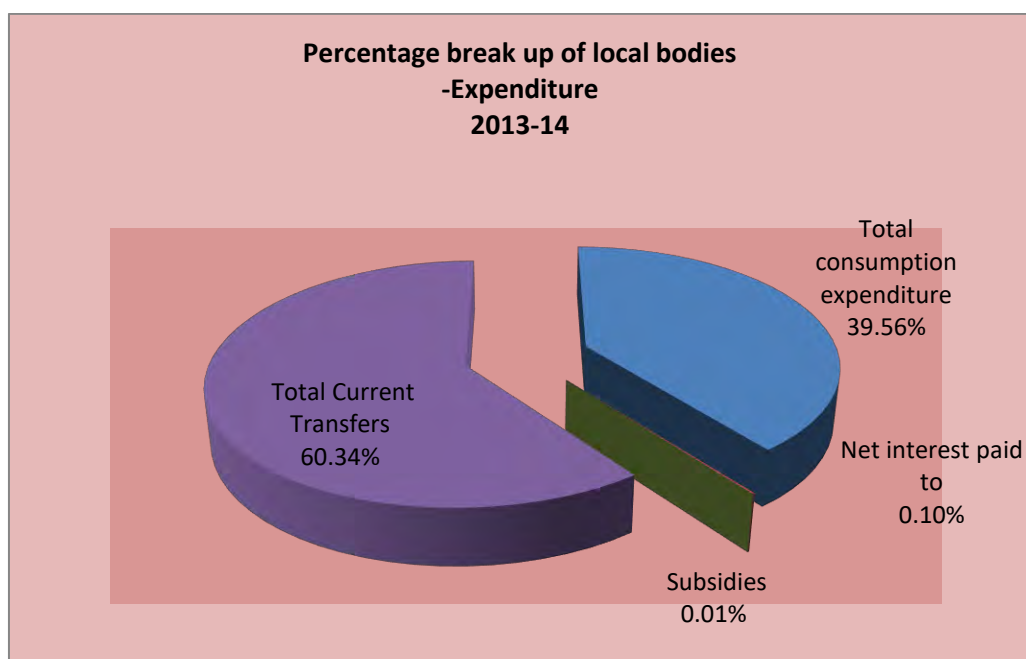
Sl No	Item	2012-13	2013-14	2014-15
1	Total consumption expenditure	201345.41	280048.83	324044.28
1.1	Compensation of employees	70599.60	73170.12	108176.25
a)	Salaries, Wages and Benefits	62357.42	68545.86	96837.73
b)	Pension	8242.17	4624.27	11338.51
1.2	Net purchase of commodities and services	130745.82	206878.70	215868.03
a)	purchases	112902.43	90104.03	95967.32
b)	maintenance	20101.41	118816.67	132946.50
c)	less sales	2258.02	2041.99	13045.79
2	Net interest paid to	536.72	683.70	1292.73
2.1	Public Authorities	536.72	683.70	1292.73
a)	Centre	10.25	83.26	16.41
b)	States	146.73	31.95	126.51
c)	Other	379.73	568.49	1149.81
2.2	less Commercial Interest	0.00	0.00	0.00
3	Subsidies	16.53	59.96	125.78
3.1	Production Subsidies	0.00	0.00	0.00
3.2	Product Subsidies	16.53	59.96	125.78
4	Total Current Transfers	447570.44	427164.35	659686.76
5	Total current expenditure (1+2+3+4)	649469.00	707956.83	985149.54
6	Surplus on current account	72541.00	95745.89	58032.78

The graph from 3.1.5 to 3.1.7 shows, compared to other expenditure current transfer is maximum and subsidies is minimum. The current transfer on 2014-15 is 66.96% and the subsidies is 1.01% and in 2013-14 it is 60.34% and 1.02 respectively.

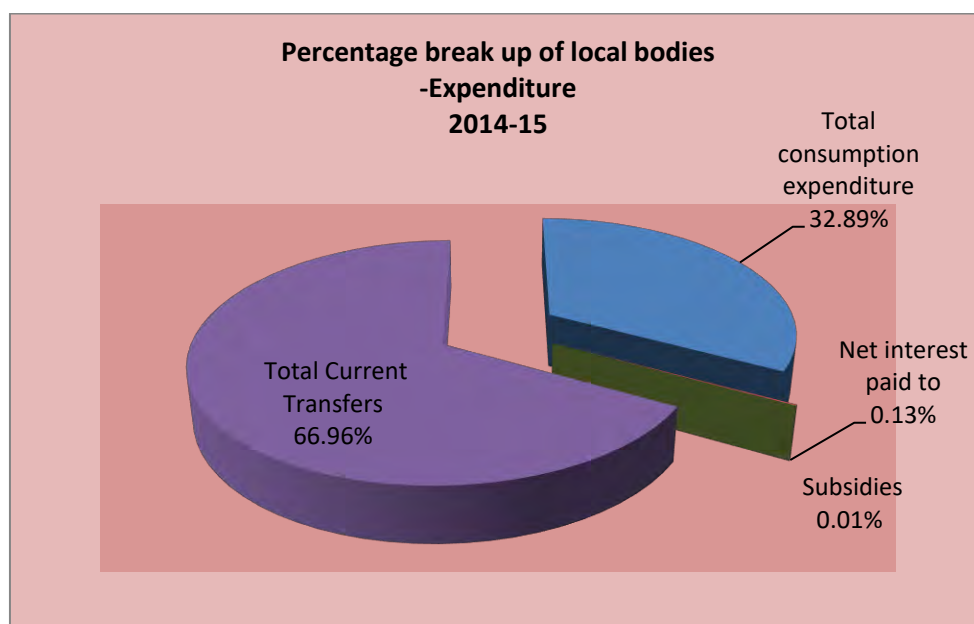
Graph 3.1.5 Expenditure of local bodies 2012-13



Graph 3.1.6 Expenditure of local bodies 2013-14

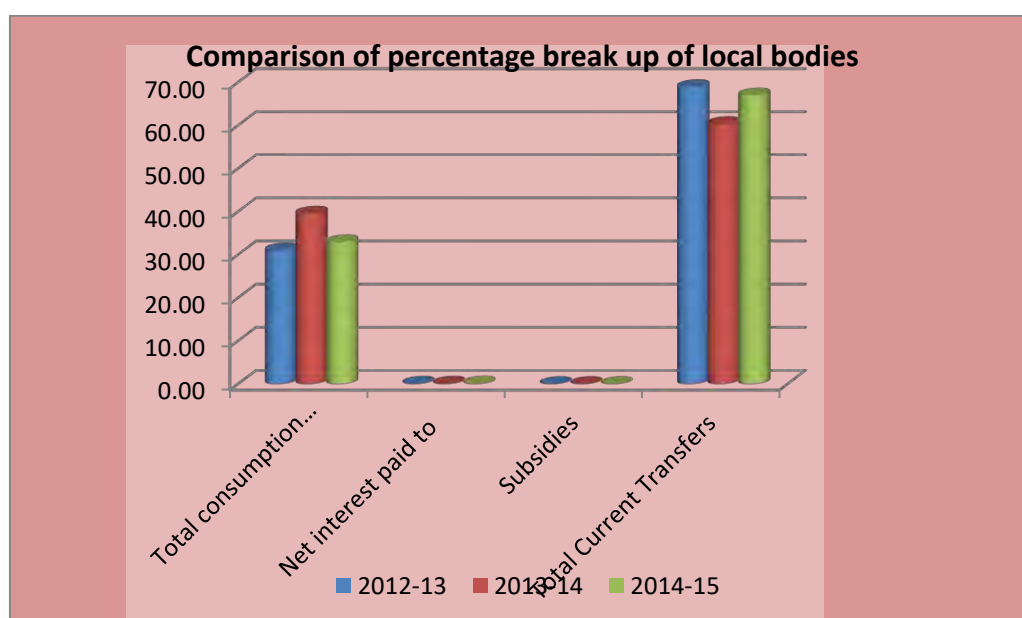


Graph 3.1.7 Expenditure of local bodies 2014-15



The graph 3.1.8 shows percentage share of expenditure of local bodies for the given period. It shows expenditure for the current transfer in 2012-13 is more than that of 2013-14 & 2014-15.

Graph 3.1.8 Comparison of expenditure of local bodies



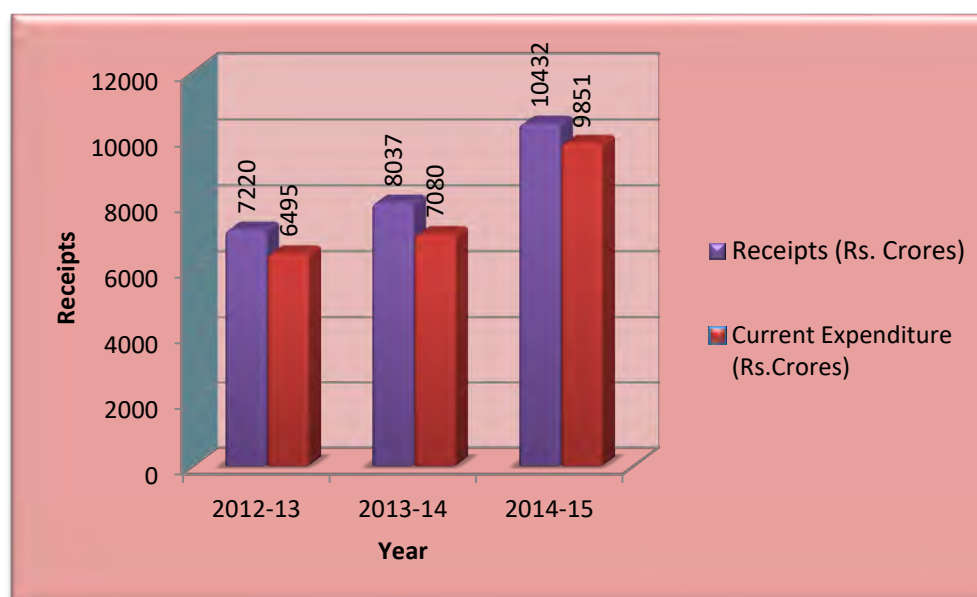
The table 3.1 shows the receipts and expenditure for the period of 2013-13, 2013-14 & 2014-15 .Analysis of receipts will not be complete with out referencing the expenditure .This shows the receipts is greater than that of expenditure for all the above period .

Table 3.1 Income and Expenditure

	2012-13	2013-14	2014-15
Receipts (₹ in Lakhs)	722010.24	803702.73	1043182.32
Current Expenditure (₹ in Lakhs)	649469	707956.83	985149.54
Current Expenditure (%)	89.95	88.09	94.44

It is also represented with graph 3.1.9 below. The expenditure on 2014-15 is ₹ 9851 crores. This shows there is growth of 28% compared to 2013-14.

Graph 3.1.9 Receipts and Expenditure of Local bodies



3.2 Capital Finance Account of Local Bodies

The total expenditure incurred by localbodies are classified into various economic categories like wages and salaries, pension ,purchase of goods and services, maintenance of building ,roads and other construction ,subsidies, interest payments ,transfer of finds ,current and capital grants ,construction of buildings ,roads and other construction, purchase of transport and machinery and equipments ,purchase of physical assets ,change in stocks ,investments in financial assets ,consumption of fixed capital etc. Capital finance account of localbodies is concerned with the total capital expenditure incurred by local bodies. It consist of capital outlay, net purchase of physical assets, second hand assets and change in stock of both administration and enterprises. Capital receipts mainly include sale proceeds of government assets, including those realized from disinvestment of Government equity in PSUs. Capital Expenditures are those that are incurred with the objective of increasing concrete assets of a material and permanent character.

The Account II below shows the capital finance account of local bodies for the years 2012-13,2013-14 & 2014-15 .Change in stock represents the value of the physical change in raw materials ,work in progress and finished products .The capital expenditure is ₹ 86906.35 lakhs , ₹ 49151.65 lakhs and ₹ 81088.93 lakhs in the years 2012-13,2013-14 & 2014-15 respectively. The capital receipt is ₹ 72541 lakhs , ₹ 95745.89 lakhs and ₹ 84115.04 lakhs respectively for the above period.

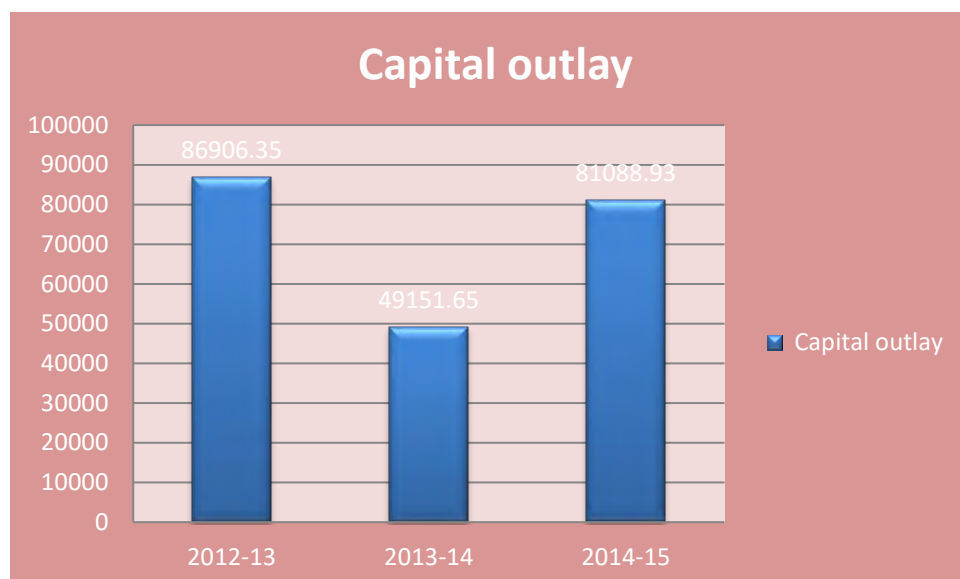
Account II - Capital Finance Account of Local Bodies

I. Capital Expenditure (₹ in lakhs)

Sl No	Item	2012-13	2013-14	2014-15
Administration				
1	Capital outlay	86906.35	49151.65	81088.93
2	Net purchase of physical assets	0.00	0.00	0.00
2.1	Second hand assets	0.00	0.00	0.00
2.2	Land	0.00	0.00	0.00
3	Change in Stock	0.00	0.00	0.00
4	Capital transfers	0.00	0.00	0.00
5	. Total (1 to 4)	86906.35	49151.65	81088.93
Enterprise				
6	Capital outlay	0.00	0.00	0.00
7	Net purchase of physical assets	0.00	0.00	0.00
7.1	Second hand assets	0.00	0.00	0.00
7.2	Land	0.00	0.00	0.00
8	Change in stock	0.00	0.00	0.00
9	Total (6 to 8)	0.00	0.00	0.00
10	Total expenditure (5+9)	86906.35	49151.65	81088.93
Receipts				
11	Surplus on current account	72541.00	95745.89	58032.78
12	Consumption of fixed capital	0.00	0.00	26082.26
13	Borrowing at home	0.00	0.00	0.00
14	Other liabilities	0.00	0.00	0.00
14.1	net extra budgetary borrowings	0.00	0.00	0.00
14.2	less net purchase of financial assets	0.00	0.00	0.00
15	Total receipts(11 to 14)	72541.00	95745.89	84115.04

The graph 3.2.1 shows the graphical representation of capital outlay of local bodies for the years 2012-13, 2013-14 & 2014-15. It shows the capital outlay increases in 2014-15 as compared to 2013-14.

Graph 3.2.1 Capital outlay of local bodies



3.3 Net State Domestic Product

NSDP is an important indicator of economic growth of the State, which measures the volume of all goods and services produced within the boundary of the state after deducting the wear and tear (depreciation).

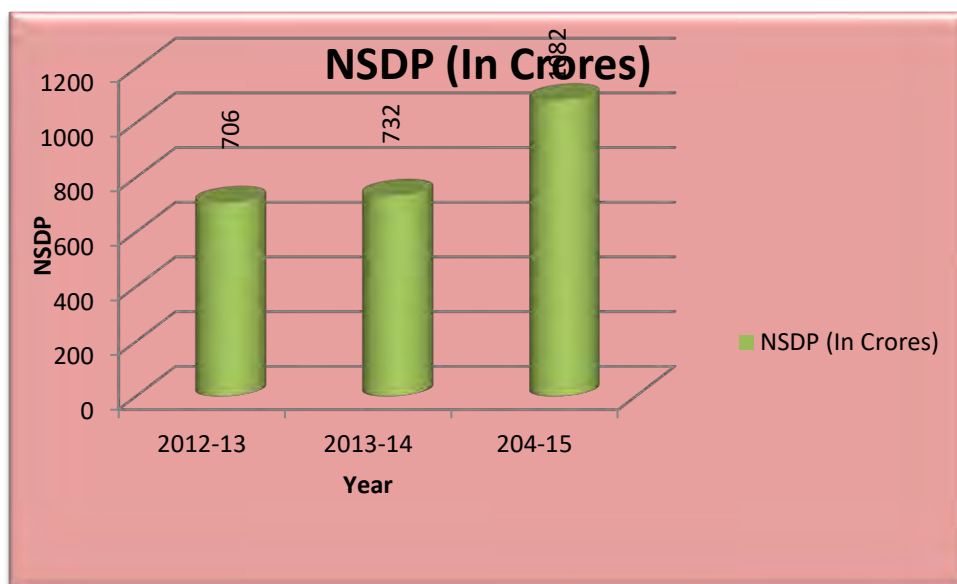
Expenditure incurred towards the compensation of employees and workers are estimated as the share of state domestic product created by local bodies. The Net State Domestic Products created by local bodies were 10.87% of total current expenditure in 2012-13 and it increased to 10.98% in 2014-15.

Table 3.3.1 Net Domestic Product created by local bodies

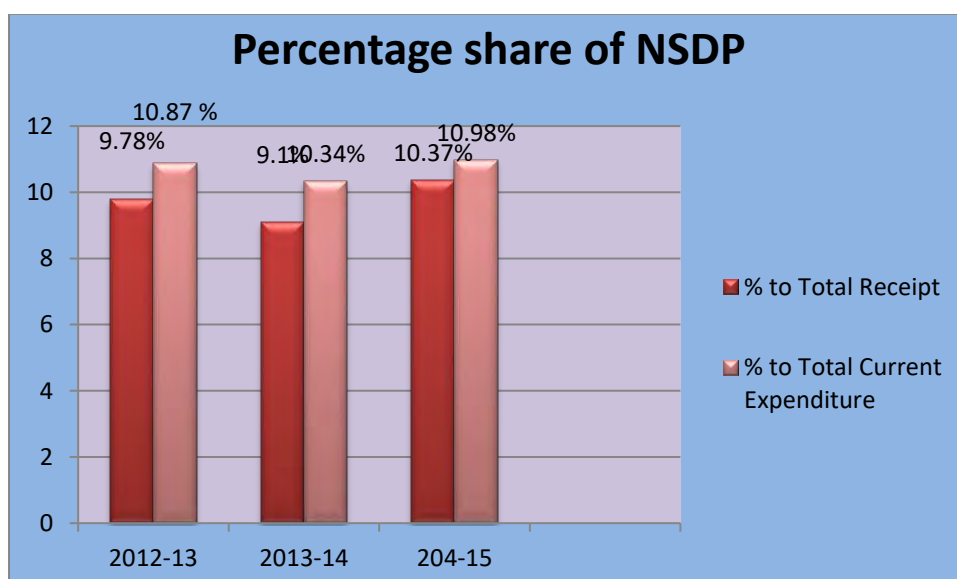
	2012-13	2013-14	2014-15
NSDP (₹In lakhs)	70599.6	73170.12	108176.3
% to Total Receipt	9.78	9.1	10.37
% to Total Current Expenditure	10.87	10.34	10.98

The graph 3.3.1 shows the Net State Domestic Product is increases for each years .NSDP of 2014-15 is maximum where compared to other years 2012-13 & 2013-14.The graph 3.3.2 shows the NSDP in total current expenditure in 2014-15 is 10.98% and the total receipt in that year is 10.37%.

Graph 3.3.1 Representation of NSDP



Graph 3.3.2 Representation of Percentage share of NSDP



The Account III concerned with estimates of net domestic product , ie the compensation of employees from different sectors .The account A describe the salary account from the different category such as construction, water supply, education , medical and public health ,sanitation and public administration .Account B deals the pension account and C deals the other beneficiary which are not included in pension and salary.

It shows that the total salary is ₹ 44527.08 lakhs , ₹ 47571.08 lakhs and ₹74813.54 lakhs for the years 2012-13,2013-14 and 2014-15 respectively. The pension for the above periods are ₹ 8242.17 lakhs , ₹ 4624.27 lakhs , ₹ 11338.51 lakhs respectively .Other benefits received by the employees in the above period is ₹ 17830.34 lakhs , ₹ 20973.87 lakhs and ₹ 22024.19 lakhs respectively.

Account III -Estimates of Net Product from Public Administration

A. Salary (₹` in lakhs)

Sl No	Item	2012-13	2013-14	2014-15
1	2	3	4	5
1	Total	44527.08	47571.99	74813.54
2	Construction	2734.32	2921.30	4594.14
3	Water supply	223.27	238.53	375.13
4	Other Services	4625.10	4941.38	7771.01
a)	Education	2544.51	2718.51	4275.24
b)	Medical & Public Health	1904.75	2035.00	3200.33
c)	Sanitation	175.84	187.86	295.44
5	Sub Total (2 to 4)	7582.68	8101.21	12740.28
6	Public Administration & Defence (1-5)	36944.40	39470.77	62073.26

B. Pension (₹ in lakhs)

Sl No	Item	2012-13	2013-14	2014-15
1	2	3	4	5
1	Total	8242.17	4624.27	11338.51
2	Construction	740.08	415.22	1018.11
3	Water supply	25.07	14.06	34.48
4	Other Services	1252.72	702.84	1723.33
a)	Education	709.43	398.02	975.93
b)	Medical & Public Health	526.04	295.14	723.66
c)	Sanitation	17.25	9.68	23.74
5	Sub Total (2 to 4)	2017.87	1132.13	2775.93
6	Public Administration & Defence (1-5)	6224.30	3492.14	8562.58

c. Others (₹ in lakhs)

Sl No	Item	2012-13	2013-14	2014-15
1	2	3	4	5
1	Total	17830.34	20973.87	22024.19
2	Construction	19.84	23.34	24.50
3	Water supply	264.11	310.67	326.23
4	Other Services	804.02	945.77	993.14
a)	Education	114.31	134.46	141.20
b)	Medical & Public Health	33.04	38.86	40.81
c)	Sanitation	656.68	772.45	811.13
5	Sub Total (2 to 4)	1087.97	1279.78	1343.87
6	Public Administration & Defence (1-5)	16742.38	19694.09	20680.33

Total (A+B+C) (₹ in lakhs)

Sl No	Item	2012-13	2013-14	2014-15
1	2	3	4	5
1	Total	70599.60	73170.12	108176.25
2	Construction	3494.24	3359.86	5636.76
3	Water supply	512.44	563.27	735.84
4	Other Services	6681.85	6589.99	10487.47
a)	Education	3368.25	3251.00	5392.37
b)	Medical & Public Health	2463.83	2369.00	3964.80
c)	Sanitation	849.77	969.99	1130.31
5	Sub Total (2 to 4)	10688.53	10513.12	16860.07
6	Public Administration & Defence (1-5)	59911.07	62657.01	91316.17

Table 3.3.1 shows the percentage share of compensation of employees for the years 2012-13, 2013-14 and 2014-15. **Employee's compensation of most of the sectors** are borne by the State Government except that of the employees of the local bodies.

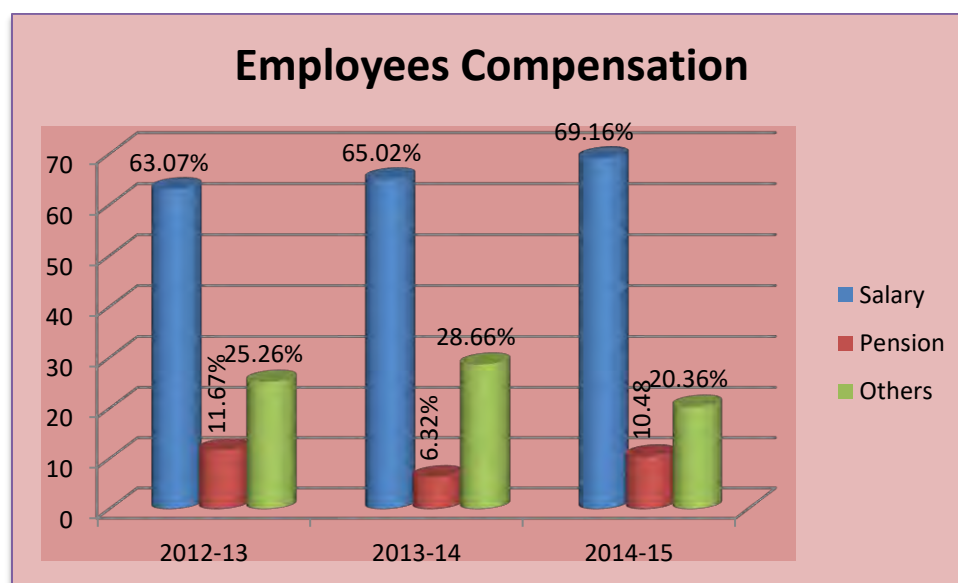
In 2013-14, share of Salaries of employees were 65.02% of total employees' compensation and pension and other benefits were 6.32% and 28.66% respectively. In 2014-15, share of Salaries of employees were 69.16% of total employees' compensation and pension and other benefits were 10.48% and 20.36% respectively.

Table 3.3.1 Percentage share of Compensation to Employees

	2012-13	2013-14	2014-15
Salary	63.07	65.02	69.16
Pension	11.67	6.32	10.48
Others	25.26	28.66	20.36

The graph 3.3.4 describe the share of compensation of employees . Salaries of employees were 63.07% of total employees' compensation in 2012-13 and pension and other benefits were 11.67% and 25.26% respectively.

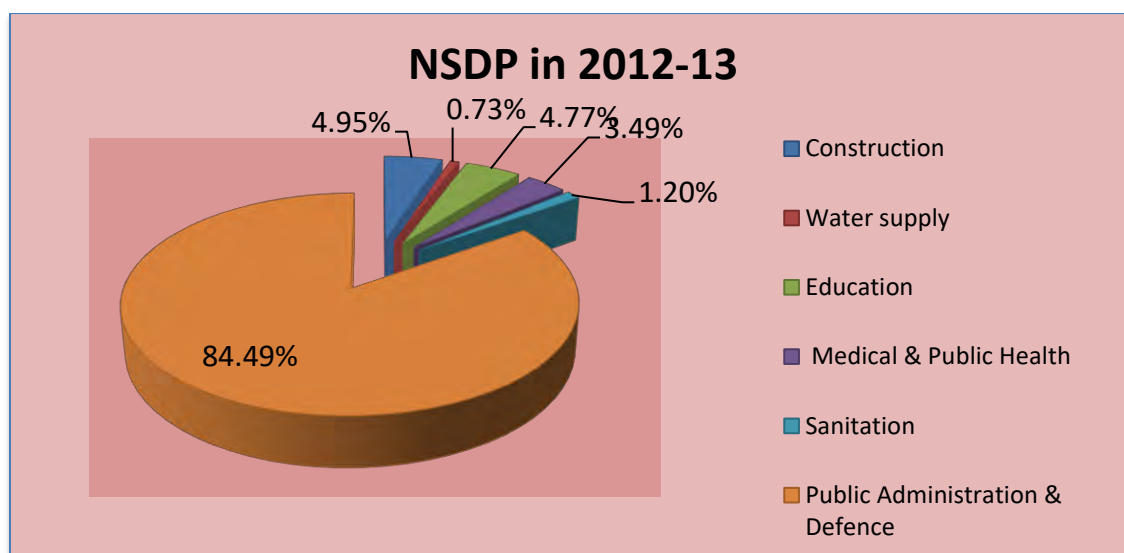
Graph 3.3.4 Compensation to Employees



The graph from 3.3.5 to 3.3.7 represents the contribution of NSDP from different sectors for the years 2012-13, 2013-14 & 2014-15. The contribution of NSDP from construction sector on 2012-13 is 84.49% and that in 2014-15 is 84.41%. It also shows the contribution of NSDP from water supply is minimum and that from public administration and defence is maximum.

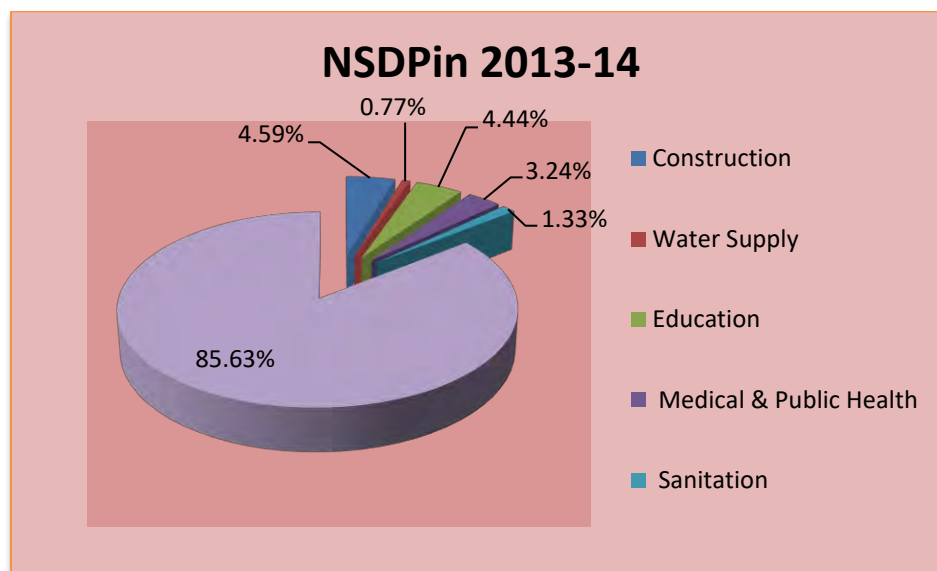
The graph 3.3.5 shows Major Share of contribution to NSDP was from general public administration (84.49%). Share of other sectors are Construction sector 4.95%, Water supply 0.73%, Education 4.77%, Health 3.49% and Sanitation 1.20%.

Graph 3.3.5 Contribution to NSDP in 2012-13



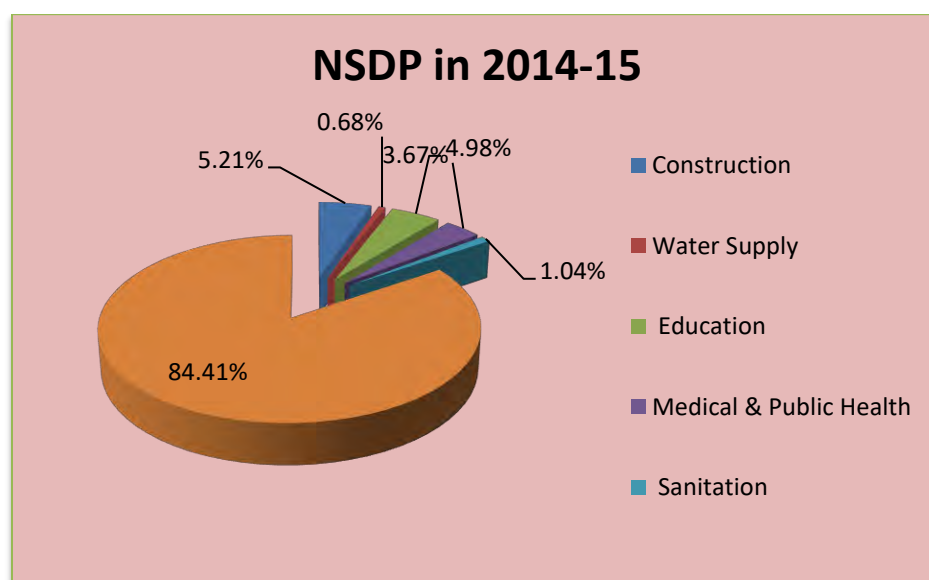
The graph 3.3.6 shows share of contribution to NSDP from general public administration is 85.63%,. Share of other sectors are Construction sector 4.59%, Water supply 0.77%, Education 4.44%, Health 3.24% and Sanitation 1.33%.

Graph 3.3.6 Contribution to NSDP in 2013-14



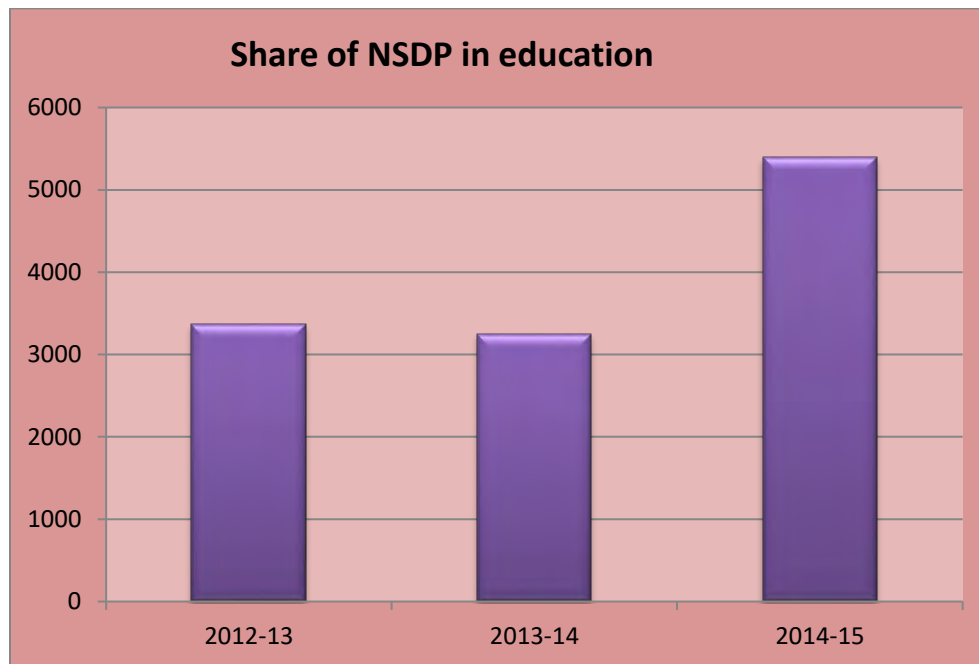
The graph 3.3.7 shows share of contribution to NSDP from general public administration is 84.41%,. Share of other sectors are Construction sector 5.21%, Water supply 0.68%, Education 4.98%, Health 3.67% and Sanitation 1.04%.

Graph 3.3.7 Contribution to NSDP in 2014-15



The graph 3.3.8 shows the share of NSDP in education sector. It is more in 2014-15 than that of the previous years 2012-13 & 2013-14 .

Graph 3.3.8 Share of NSDP in education sector



Chapter 4

Capital Formation

Capital formation is considered as a barometer to measure the economic growth of the productive capacity of the economy. Capital formation is a measure of the amount by which the total physical capital stock increased during an accounting period in an economic sector. Expenditure in some of the developmental programmes by Central and State Governments are accounted in capital formation. Generally new projects in construction sector is termed as capital creating. Capital formation measures were originally designed to provide a picture of investment and growth of the "real economy" in which goods and services are produced using tangible capital assets.

Capital formation does not include financial assets such as stocks and securities. Regular maintenance and repairs to keep fixed asset in working condition is treated as Intermediate consumption. However major overhaul and renovation that enhance the efficiency or capacity or prolong the life of an assets is Capital Formation. Purchase of durable goods by households for its own use are not treated as capital formation.

Analysis of local body accounts from 2012-13 to 2014-15 shows that the capital formation is highest in the financial year 2012-13 and least in 2013-14. Major share of capital formation is from construction sector, which represents more than 60%.

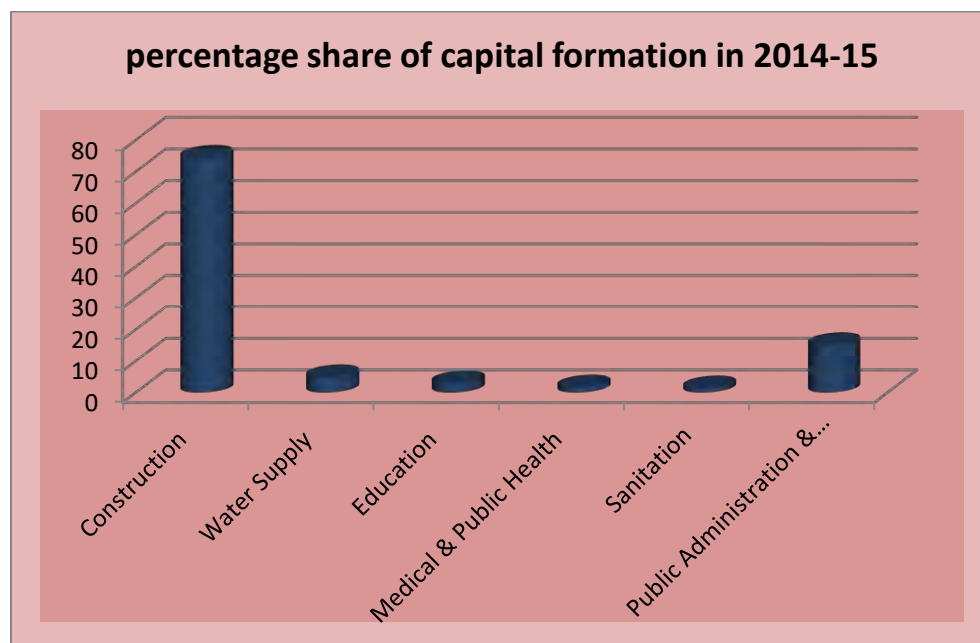
The table 4.1 shows the percentage share of capital formation in construction ,water supply, education, health , sanitation and public administration sectors The capital formation in construction sector constitute major portion .

Table 4.1 Percentage share of Capital Formation in different sectors

Sectors	Years		
	2012-13	2013-14	2014-15
Construction	90.23	66.49	74.36
Water Supply	2.02	7.56	4.82
Education	1.23	4.56	2.91
Medical & Public Health	0.72	2.44	1.58
Sanitation	0.54	2.02	1.29
Public Administration & Defence	5.26	16.93	15.03
	100	100	100

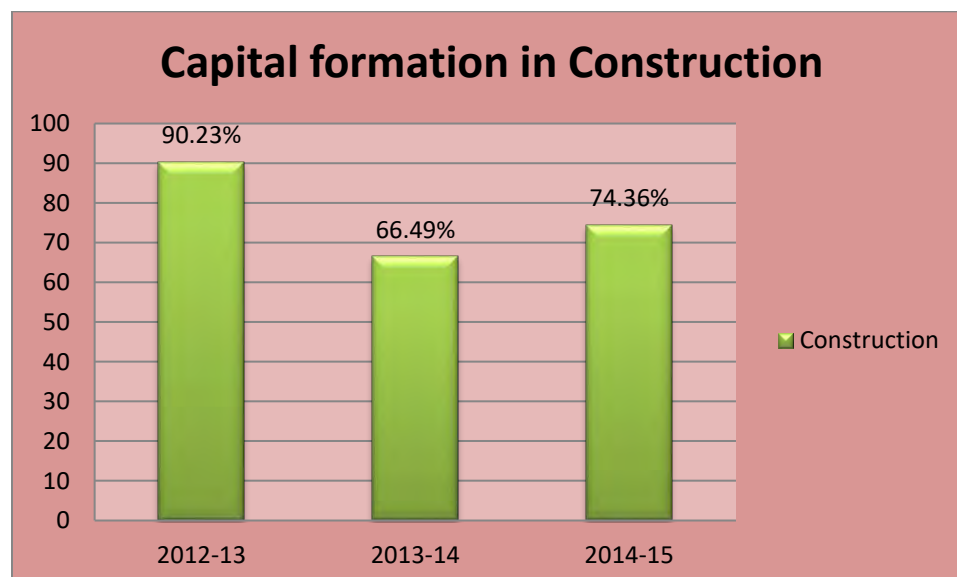
Graph 4.1 shows the graphical representation of capital formation in 2014-15 from different sectors . The capital formation from construction is high, public administration in second position, only slight difference is noted between watersupply and education

Graph 4.1 Percentage share of Capital formation in 2014-15



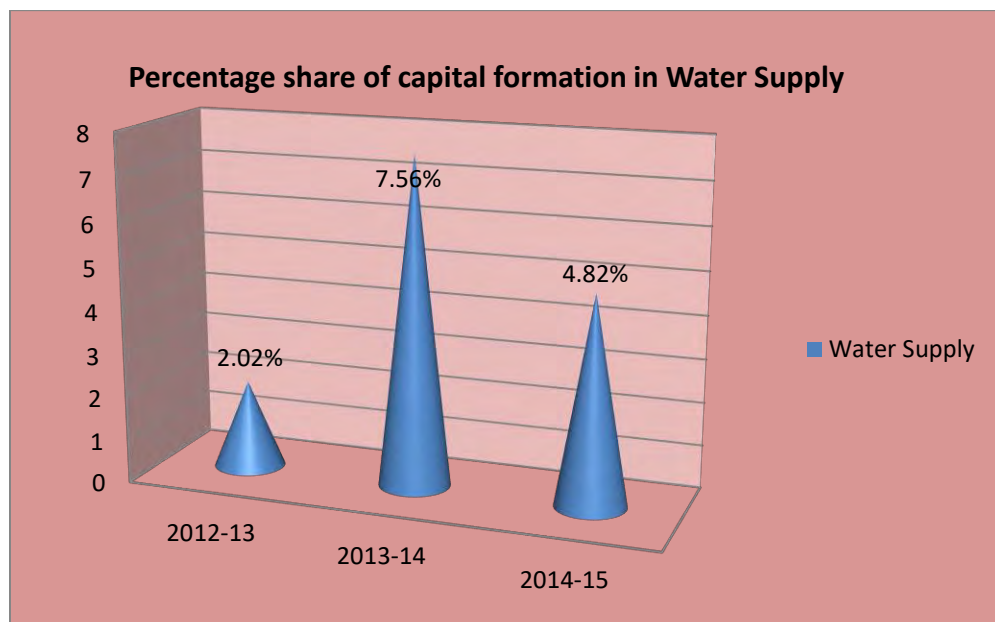
Graph 4.2 shows the graphical representation of capital formation from construction. It is 90.23%, 66.49 % and 74.36 % for the years 2012-13, 2013-14 & 2014-15 respectively.

Graph 4.2 Representation of Capital formation in construction sector



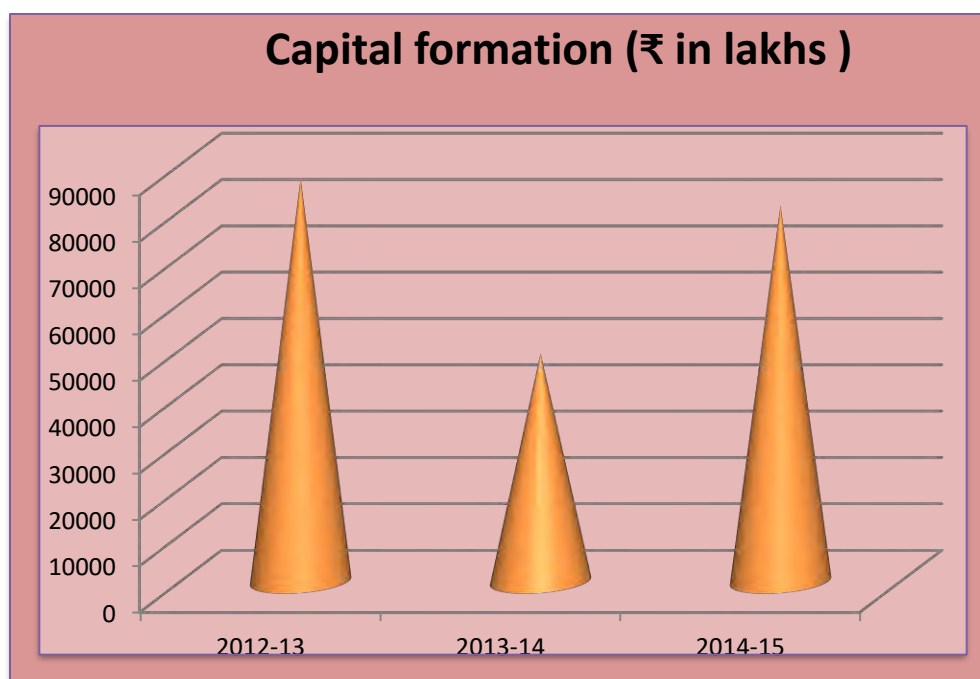
Graph 4.3 shows the capital formation from the sector water supply sector. Capital formation for the years 2012-13 ,2013-14 &2014-15 is 2.02%,7.56% and 4.82% respectively.

Graph 4.3 Representation of Capital formation in water supply



Graph 4.4 shows the capital formation formed in 2012-13,2013-14 & 2014-15.It shows the capital formation in 2012-13 is higher when compared to 2013-14 and 2014-15.The capital formation in the years 2012-13,2013-14 and 2014-15 has been ₹ 86906.35 lakhs, ₹ 49151.65lakhs and ₹ 81088.93 lakhs respectively

Graph 4.4 Representation of Capital formation



Capital formation include the Improvements and alteration of the durable goods which significantly extend the expected life-time or productivity of assets. The Account IV shows the capital formation in different sectors such as construction ,water supply, education ,medical & public health ,sanitation and public administration by type of assets in the above three years .The type of assets consist of building, roads & bridges ,capital outlay ,transport equipment , machinery, software, cultivated assets, animal stock ,purchase of second hand asset and change in stock. In the below table vertically shows different sectors and horizontally shows type of assets.

Account IV - Administration & Capital Formation

(₹ in lakhs)

	Building			Roads & Bridges			Capital Outlay		
	2012-13	2013-14	2014-15	2012-13	2013-14	2014-15	2012-13	2013-14	2014-15
1	2	3	4	6	7	8	10	11	12
1. Total	6863.80	2047.95	4841.35	69194.43	25289.18	49917.41	10237.76	21658.75	22789.23
2. Construction	6667.90	1989.50	4703.17	69194.43	25289.18	49917.41	2549.04	5392.68	5674.15
3. Water Supply	0.00	0.00	0.00	0.00	0.00	0.00	1757.40	3717.92	3911.98
4. Other Services	82.81	24.71	58.41	0.00	0.00	0.00	2078.42	4397.06	4626.56
a) Education	8.41	2.51	5.93	0.00	0.00	0.00	1057.71	2237.65	2354.45
b) Medical & Public Health	74.40	22.20	52.48	0.00	0.00	0.00	551.72	1167.20	1228.12
c) Sanitation	0.00	0.00	0.00	0.00	0.00	0.00	469.00	992.20	1043.99
5. Sub-Total (2 to 4)	6750.71	2014.21	4761.58	69194.43	25289.18	49917.41	6384.86	13507.66	14212.69
6. Public Administration & Defence (1-5)	113.09	33.74	79.77	0.00	0.00	0.00	3852.90	8151.10	8576.54

Account IV - **Administration & Capital Formation (contd...)**

(₹ in lakhs)

	Transport Equipment			Machinery			Software		
	2012-13	2013-14	2014-15	2012-13	2013-14	2014-15	2012-13	2013-14	2014-15
1	2	3	4	6	7	8	10	11	12
1. Total	259.42	124.37	176.76	13.57	31.40	16.50	337.36	0.00	3347.69
2. Construction	0.00	0.00	0.00	4.65	10.76	5.65	0.00	0.00	0.00
3. Water Supply	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Other Services	0.00	0.00	0.00	3.58	8.29	4.36	0.00	0.00	0.00
a) Education	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Medical & Public Health	0.00	0.00	0.00	3.58	8.29	4.36	0.00	0.00	0.00
c) Sanitation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5. Sub-Total (2 to 4)	0.00	0.00	0.00	8.23	19.05	10.01	0.00	0.00	0.00
6. Public Administration & Defence (1-5)	259.42	124.37	176.76	5.34	12.35	6.49	337.36	0.00	3347.69

Account IV - Administration Capital Formation (contd..)

(₹ in lakhs)

	Cultivable Assets			Total New Outlay			Capital Formation		
	2012-13	2013-14	2014-15	2012-13	2013-14	2014-15	2012-13	2013-14	2014-15
1	2	3	4	6	7	8	10	11	12
1. Total	0.00	0.00	0.00	86906.35	49151.65	81088.93	86906.35	49151.65	81088.93
2. Construction	0.00	0.00	0.00	78416.03	32682.12	60300.39	78416.03	32682.12	60300.39
3. Water Supply	0.00	0.00	0.00	1757.40	3717.92	3911.98	1757.40	3717.92	3911.98
4. Other Services	0.00	0.00	0.00	2164.81	4430.05	4689.32	2164.81	4430.05	4689.32
a) Education	0.00	0.00	0.00	1066.11	2240.16	2360.38	1066.11	2240.16	2360.38
b) Medical & Public Health	0.00	0.00	0.00	629.70	1197.69	1284.95	629.70	1197.69	1284.95
c) Sanitation	0.00	0.00	0.00	469.00	992.20	1043.99	469.00	992.20	1043.99
5. Sub-Total (2 to 4)	0.00	0.00	0.00	82338.24	40830.10	68901.69	82338.24	40830.10	68901.69
6. Public Administration & Defence (1-5)	0.00	0.00	0.00	4568.10	8321.56	12187.24	4568.10	8321.56	12187.24

Chapter 5

Economic cum Purpose Classification of Local body Accounts

This analytical classification delineates how the expenditure is incurred for a particular purpose among the different economic categories and how in a particular category, it is utilized for different public services provided. Economic character of the expenditure and receipts like current, capital, loan etc. The purpose it is likely to serve, such as health, education, social security & welfare services, etc. The combination of Economic and purpose classification, explains how expenditure for a particular purpose is divided between economic categories and vice versa. The list of economic codes and purpose code used in the analysis are given in the annexure 1 & 2.

The table 5.1 describe the current receipts of local bodies for the years 2012-13, 2013-14 and 2014-15. The current receipts consists of direct taxes, indirect taxes, sale of goods and services, fees, fines and miscellaneous services, property income, current grant from centre, state and others, withdrawal from deposit funds. The direct tax on 2014-15 is ₹ 94320.11 lakhs and indirect tax on that year is ₹6797.66 lakhs.

Table 5.1. Current Receipts (₹ in lakhs)

	Description of Item	2012-13	2013-14	2014-15
1	2	3	4	5
1	Direct Taxes	52792.35	45286.78	94320.11
	1.1 Land revenue	456.95	3.20	5.60
	1.2 Property tax	29173.48	8249.40	26124.50
	1.3 Other direct taxes	23161.92	37034.18	68190.01
2	Indirect Taxes	5258.82	3064.07	6797.66
	2.1 Tax on vehicles	0.09	0.00	0.00
	2.2 Entertainment tax	5255.08	3055.07	5975.20
	2.3 Stamp duty	0.00	0.00	0.00
	2.4 Other indirect taxes	3.66	9.00	822.45
3	Sale of goods & services			

	3	Total	2258.02	2041.99	13045.79
	3.1	General Public Services	2258.02	2041.99	0.00
	3.2	Education Services	0.00	0.00	3.49
	3.3	Health Services	0.00	0.00	444.43
	3.4	Social Security and Welfare Services	0.00	0.00	0.00
	3.5	Housing and Community Amenity Services	0.00	0.00	2264.89
	3.6	Cultural Recreational and Religious Services	0.00	0.00	7.71
	3.7	Agriculture, Forestry, Fishing and Hunting	0.00	0.00	0.88
	3.8	Manufacturing	0.00	0.00	1364.25
	3.9	Electricity & Gas	0.00	0.00	0.00
	3.10.	Water Supply	0.00	0.00	0.00
	3.11	Transport	0.00	0.00	682.75
	3.12	Construction	0.00	0.00	1987.04
	3.13	Environment Protection	0.00	0.00	0.00
	3.14	Relief on calamities	0.00	0.00	0.00
	3.15	Sanitation	0.00	0.00	0.00
	3.16	Others	0.00	0.00	6290.35
	4	Fees, fines & misc. services	16888.87	17003.30	12523.58
	5	Property Income	12925.28	10511.99	16984.67
	5.1	Interest receipts	2752.91	2369.55	4110.21
	5.2	Rent and Royalty	10172.38	8142.44	12874.46
	6	Current Grants From	416771.06	464068.78	579549.34
	6.1	centre	38118.44	43293.22	60619.54
	6.2	state	357637.11	389446.66	471142.10
	6.3	Other local bodies	13402.78	21200.75	36133.96
	6.4	Others	7612.74	10128.14	11653.74
	7	Withdrawal from Deposit funds	123.04	68.17	100475.23

The table 5.2 describe capital receipts of local bodies for the years 2012-13,2013-14 and 2014-15.The capital receipt consists of capital grants, sale of financial assets, sale of land ,sale of second hand assets. It shows that in local bodies most of the receipts are grant from state and centre.

The table 5.3 and 5.4 shows the purpose classification of capital expenditure and current expenditure for the years 2012-13 ,2013-14 and 2014-15 .

Table 5.2. Capital Receipts (₹ in lakhs)

SI No	Description of Item		2012-13	2013-14	2014-15
1	2		3		
1	Grants		212488.80	261100.31	327419.44
	1.1	From centre	150559.49	166114.91	210135.39
		1.1.1 MGNREGS	122837.04	121539.32	146001.43
		1.1.2 Sarva Shiksha Abhiyan	304.16	406.99	290.15
		1.1.3 Indira Awas Yojna	19436.43	38294.25	48138.32
		1.1.4 National Rural Health Mission	140.42	44.64	42.13
		1.1.5 PM Gram Sadak Yojna	0.00	0.00	0.00
		1.1.6 Other Central Grant	7841.45	5829.70	15663.37
	1.2	From state	61929.30	94985.41	117284.05
		1.2.1 MGNREGS	0.00	0.00	0.00
		1.1.2 Sarva Shiksha Abhiyan	0.00	0.00	0.00
		1.2.3 Indira Awas Yojna	0.00	0.00	0.00
		1.2.4 National Rural Health Mission	0.00	0.00	0.00
		1.2.5 PM Gram Sadak Yojna	0.00	0.00	0.00
		1.2.6 Other State Grant	61929.30	94985.41	117284.05
	1.3	Grants from other local bodies	0.00	0.00	0.00
	1.4	Grants from others	0.00	0.00	0.00
2	Sale of Financial Assets		0.00	0.00	0.00
3	Sale of Land		0.00	0.00	0.00
	3.1	Administration	0.00	0.00	0.00
	3.2	DCU	0.00	0.00	0.00
4	Sale of Second hand Assets		0.00	0.00	0.00
	4.1	Sale of Building	0.00	0.00	0.00
		4.1.1 Administration	0.00	0.00	0.00
		4.1.2 DCU	0.00	0.00	0.00
	4.2	Sale of Other Assets	0.00	0.00	0.00
		4.2.1 Administration	0.00	0.00	0.00
		4.2.2 DCU	0.00	0.00	0.00

Table 5.3. Capital Expenditure (₹ in lakhs)

Sl. No.	Purpose	Purchase of Land			Purchase of Second hand assets-Others		
		2012-13	2013-14	2014-15	2012-13	2013-14	2014-15
1	2	3	4	5	7	8	9
1	General Public Services	0.00	0.00	0.00	0.00	0.00	0.00
2	Education Services	0.00	0.00	0.00	0.00	0.00	0.00
3	Health Services	0.00	0.00	0.00	0.00	0.00	0.00
4	Social Security and Welfare Services	0.00	0.00	0.00	0.00	0.00	0.00
5	Housing and Community Amenity Services	0.00	0.00	0.00	0.00	0.00	0.00
6	Cultural Recreational and Religious Services	0.00	0.00	0.00	0.00	0.00	0.00
7	Agriculture, Forestry, Fishing and Hunting	0.00	0.00	0.00	0.00	0.00	0.00
8	Manufacturing	0.00	0.00	0.00	0.00	0.00	0.00
9	Electricity & Gas	0.00	0.00	0.00	0.00	0.00	0.00
10	Water Supply	0.00	0.00	0.00	0.00	0.00	0.00
11	Transport	0.00	0.00	0.00	0.00	0.00	0.00
12	Construction	0.00	0.00	0.00	0.00	0.00	0.00
13	Environment Protection	0.00	0.00	0.00	0.00	0.00	0.00
14	Relief on calamities	0.00	0.00	0.00	0.00	0.00	0.00
15	Sanitation	0.00	0.00	0.00	0.00	0.00	0.00
16	Others	0.00	0.00	0.00	0.00	0.00	0.00
17	Total	0.00	0.00	0.00	0.00	0.00	0.00

Table 5.3 Capital Expenditure (₹ in lakhs) (contd..)

Sl. No.	Purpose	Capital Expenditure on Building			Capital Expenditure on Road		
		2012-13	2013-14	2014-15	2012-13	2013-14	2014-15
1	2	3	4	5	7	8	9
1	General Public Services	59.605	17.78431	42.04	0.00	0.00	0.00
2	Education Services	8.405	2.507834	5.93	0.00	0.00	0.00
3	Health Services	74.402	22.19927	52.48	0.00	0.00	0.00
4	Social Security and Welfare Services	25.942	7.740286	18.30	0.00	0.00	0.00
5	Housing and Community Amenity Services	6023.113	1797.116	4248.38	0.00	0.00	0.00
6	Cultural Recreational and Religious Services	20.277	6.050073	14.30	0.00	0.00	0.00
7	Agriculture, Forestry, Fishing and Hunting	0.000	0	0.00	0.00	0.00	0.00
8	Manufacturing	0.000	0	0.00	0.00	0.00	0.00
9	Electricity & Gas	0.000	0	0.00	0.00	0.00	0.00
10	Water Supply	0.000	0	0.00	0.00	0.00	0.00
11	Transport	0.000	0	0.00	69194.43	25289.18	49917.41
12	Construction	644.790	192.3859	454.80	0.00	0.00	0.00
13	Environment Protection	0.000	0	0.00	0.00	0.00	0.00
14	Relief on calamities	0.000	0	0.00	0.00	0.00	0.00
15	Sanitation	0.000	0	0.00	0.00	0.00	0.00
16	Others	7.267	2.168391	5.13	0.00	0.00	0.00
17	Total	6863.801	2047.952	4841.35	69194.43	25289.18	49917.41

Table 5.3 Capital Expenditure (₹ in lakhs) (contd..)

Sl. No.	Purpose	Capital Expenditure on other Construction			Capital Expenditure on capitalized wages		
		2012-13	2013-14	2014-15	2012-13	2013-14	2014-15
1	2	3	4	5	7	8	9
1	General Public Services	0.00	0.00	0.00	0.00	0.00	0.00
2	Education Services	1057.71	2237.654	2354	0.00	0.00	0.00
3	Health Services	551.72	1167.197	1228	0.00	0.00	0.00
4	Social Security and Welfare Services	1451.63	3071.021	3231	0.00	0.00	0.00
5	Housing and Community Amenity Services	1999.38	4229.832	4451	0.00	0.00	0.00
6	Cultural Recreational and Religious Services	259.30	548.5755	577	0.00	0.00	0.00
7	Agriculture, Forestry, Fishing and Hunting	1249.49	2643.384	2781	0.00	0.00	0.00
8	Manufacturing	0.00	0	0	0.00	0.00	0.00
9	Electricity & Gas	456.92	966.6549	1017	0.00	0.00	0.00
10	Water Supply	1757.40	3717.919	3912	0.00	0.00	0.00
11	Transport	78.60	166.2944	175	0.00	0.00	0.00
12	Construction	894.72	1892.857	0.00	0.00	0.00	0.00
13	Environment Protection	0.00	0.00	0.00	0.00	0.00	0.00
14	Relief on calamities	0.00	0.00	0.00	0.00	0.00	0.00
15	Sanitation	469.00	992.2038	1044	0.00	0.00	0.00
16	Others	11.89	25.15935	26	0.00	0.00	0.00
17	Total	10237.76	21658.75	20796	0.00	0.00	0.00

Table 5.3 Capital Expenditure (₹ in lakhs) (contd..)

Sl. No.	Purpose	Capital Expenditure on Transport			Capital Expenditure on Machinery		
		2012-13	2013-14	2014-15	2012-13	2013-14	2014-15
1	2	3	4	5	7	8	9
1	General Public Services	259.42	124.37	176.76	0.00	0.00	0.00
2	Education Services	0.00	0.00	0.00	0.00	0.00	0.00
3	Health Services	0.00	0.00	0.00	3.58	8.29	4.36
4	Social Security and Welfare Services	0.00	0.00	0.00	0.00	0.00	0.00
5	Housing and Community Amenity Services	0.00	0.00	0.00	0.00	0.00	0.00
6	Cultural Recreational and Religious Services	0.00	0.00	0.00	0.00	0.00	0.00
7	Agriculture, Forestry, Fishing and Hunting	0.00	0.00	0.00	0.44	1.03	0.54
8	Manufacturing	0.00	0.00	0.00	0.00	0.00	0.00
9	Electricity & Gas	0.00	0.00	0.00	4.89	11.32	5.95
10	Water Supply	0.00	0.00	0.00	0.00	0.00	0.00
11	Transport	0.00	0.00	0.00	0.00	0.00	0.00
12	Construction	0.00	0.00	0.00	4.65	10.76	5.65
13	Environment Protection	0.00	0.00	0.00	0.00	0.00	0.00
14	Relief on calamities	0.00	0.00	0.00	0.00	0.00	0.00
15	Sanitation	0.00	0.00	0.00	0.00	0.00	0.00
16	Others	0.00	0.00	0.00	0.00	0.00	0.00
17	Total	259.42	124.37	176.76	13.57	31.40	16.50

Table 5.3 Capital Expenditure (₹ in lakhs) (contd..)

SI No	Purpose	Capital Expenditure on Software			Capital Expenditure on Cultivated Asset			Capital Transfers		
		2012-13	2013-14	2014-15	2012-13	2013-14	2014-15	2012-13	2013-14	2014-15
1	2	3	4	5	7	8	9	11	12	13
1	General Public Services	337.36	0.00	3347.69	0.00	0.00	0.00	0.00	0.00	0.00
2	Education Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	Health Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	Social Security and Welfare Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5	Housing and Community Amenity Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6	Cultural Recreational and Religious Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7	Agriculture, Forestry, Fishing and Hunting	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8	Manufacturing	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9	Electricity & Gas	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10	Water Supply	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Transport	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12	Construction	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13	Environment Protection	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14	Relief on calamities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
15	Sanitation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
16	Others	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Total	337.36	0.00	3347.69	0.00	0.00	0.00	0.00	0.00	0.00

Table 5.4 Current Expenditure (₹ in lakhs) (contd..)

Sl. No.	Purpose	Salary			Wages		
		2012-13	2013-14	2014-15	2012-13	2013-14	2014-15
1	2	3	4	5	7	8	9
1	General Public Services	33430.59	35716.68	56169.43	7754.42	6816.82	4615.901
2	Education Services	250.35	267.47	420.6381	292.41	257.05	174.0595
3	Health Services	1916.50	2047.55	3220.061	106.36	93.50	63.31474
4	Social Security and Welfare Services	69.47	74.22	116.7232	89.51	78.69	53.28459
5	Housing and Community Amenity Services	2426.60	2592.54	4077.131	20.31	17.85	12.08821
6	Cultural Recreational and Religious Services	76.44	81.67	128.4304	0.00	0.00	0.00
7	Agriculture, Forestry, Fishing and Hunting	43.44	46.42	72.99432	1924.88	1692.14	1145.807
8	Manufacturing	0.00	0.00	0.00	0.00	0.00	0.00
9	Electricity & Gas	0.00	0.00	0.00	0.00	0.00	0.00
10	Water Supply	223.27	238.53	375.1274	21.08	18.53	12.54943
11	Transport	2.64	2.82	4.431932	55.97	49.20	33.3173
12	Construction	183.46	196.00	308.2392	596.82	524.66	355.2635
13	Environment Protection	0.00	0.00	0.00	0.00	0.00	0.00
14	Relief on calamities	0.00	0.00	0.00	0.00	0.00	0.00
15	Sanitation	5778.13	6173.25	9708.297	1483.94	1304.51	883.3299
16	Others	126.20	134.83	212.0414	24.52	21.56	14.59657
17	Total	44527.08	47571.99	74813.54	12370.23	10874.53	7363.512

Table 5.4 Current Expenditure (₹ in lakhs) (contd..)

Sl. No.	Purpose	Benefits			Pension		
		2012-13	2013-14	2014-15	2012-13	2013-14	2014-15
1	2	3	4	5	7	8	9
1	General Public Services	4831.83	8937.24	12973.71	5281.68	2963.28	7265.85
2	Education Services	0.00	0.00	0.00	50.66	28.43	69.70
3	Health Services	0.00	0.00	0.00	527.20	295.78	725.25
4	Social Security and Welfare Services	628.28	1162.11	1686.98	10.59	5.94	14.57
5	Housing and Community Amenity Services	0.00	0.00	0.00	677.06	379.86	931.41
6	Cultural Recreational and Religious Services	0.00	0.00	0.00	21.33	11.97	29.34
7	Agriculture, Forestry, Fishing and Hunting	0.00	0.00	0.00	4.26	2.39	5.86
8	Manufacturing	0.00	0.00	0.00	0.00	0.00	0.00
9	Electricity & Gas	0.00	0.00	0.00	0.00	0.00	0.00
10	Water Supply	0.00	0.00	0.00	25.07	14.06	34.48
11	Transport	0.00	0.00	0.00	0.74	0.41	1.012
12	Construction	0.00	0.00	0.00	50.84	28.52	69.93
13	Environment Protection	0.00	0.00	0.00	0.00	0.00	0.00
14	Relief on calamities	0.00	0.00	0.00	0.00	0.00	0.00
15	Sanitation	0.00	0.00	0.00	1580.37	886.67	2174.07
16	Others	0.00	0.00	0.00	12.38	6.95	17.04
17	Total	5460.12	10099.35	14660.68	8242.17	4624.266	11338.51

Table 5.4 Current Expenditure (₹ in lakhs) (contd..)

Sl. No.	Purpose	Purchase of Goods and Services			Maintenance of Building		
		2012-13	2013-14	2014-15	2012-13	2013-14	2014-15
1	2	3	4	5		8	9
1	General Public Services	53936.54	38095.68	23525.02	0.00	0.00	0.00
2	Education Services	17781.48	10629.45	19295.43	125.76	30.16	231.72
3	Health Services	17654.77	6108.88	10450.05	67.29	58.15	139.61
4	Social Security and Welfare Services	4286.64	10076.72	4888.86	0.00	0.00	31.00
5	Housing and Community Amenity Services	479.60	425.00	11209.61	0.00	0.00	254.72
6	Cultural Recreational and Religious Services	2752.62	2892.95	2647.75	0.00	0.00	0.00
7	Agriculture, Forestry, Fishing and Hunting	890.81	985.68	1164.78	0.00	0.00	0.00
8	Manufacturing	18.20	520.65	156.74	1318.62	0.00	0.00
9	Electricity & Gas	551.60	4592.21	53.26	0.00	0.00	0.00
10	Water Supply	3639.62	4008.50	11880.79	0.00	0.00	0.00
11	Transport	375.30	274.96	620.95	14.84	25.24	1.07
12	Construction	0.00	0.00	0.00	0.00	1128.13	790.98
13	Environment Protection	137.72	314.17	112.97	0.00	0.00	0.00
14	Relief on calamities	2090.96	4654.63	688.65	0.00	0.00	0.00
15	Sanitation	3282.96	3521.50	6404.68	0.00	0.00	0.00
16	Others	18.60	93.79	649.24	0.00	0.00	0.00
17	Total	107897.45	87194.77	93748.77	1526.50	1241.69	1449.10

Table 5.4 Current Expenditure (₹ in lakhs) (contd..)

Sl. No.	Purpose	Maintenance of Road			Maintenance of Other Construction		
		2012-13	2013-14	2014-15	2012-13	2013-14	2014-15
1	2	3	4	5	7	8	9
1	General Public Services	0.00	0.00	0.00	1877.92	7361.74	3244.01
2	Education Services	0.00	0.00	0.00	562.33	3841.51	5004.64
3	Health Services	0.00	0.00	0.00	508.26	13719.54	8652.12
4	Social Security and Welfare Services	0.00	0.00	0.00	192.01	8058.27	815.68
5	Housing and Community Amenity Services	0.00	0.00	0.00	37.43	8.22	1648.41
6	Cultural Recreational and Religious Services	0.00	0.00	0.00	49.04	95.86	185.29
7	Agriculture, Forestry, Fishing and Hunting	0.00	0.00	0.00	305.59	3240.45	1932.41
8	Manufacturing	0.00	0.00	0.00	7.06	324.28	4394.53
9	Electricity & Gas	0.00	0.00	0.00	524.94	420.02	476.64
10	Water Supply	0.00	0.00	0.00	1403.67	2735.72	4577.62
11	Transport	11767.92	75814.96	96088.60	0.13	1.05	0.00
12	Construction	0.00	0.00	0.00	75.29	1295.89	0.00
13	Environment Protection	0.00	0.00	0.00	975.64	277.18	3898.87
14	Relief on calamities	0.00	0.00	0.00	0.00	0.00	0.00
15	Sanitation	0.00	0.00	0.00	18.61	6.13	95.11
16	Others	0.00	0.00	0.00	269.05	374.18	483.47
17	Total	11767.92	75814.96	96088.60	6806.99	41760.02	35408.80

Table 5.4 Current Expenditure (₹ in lakhs) (contd..)

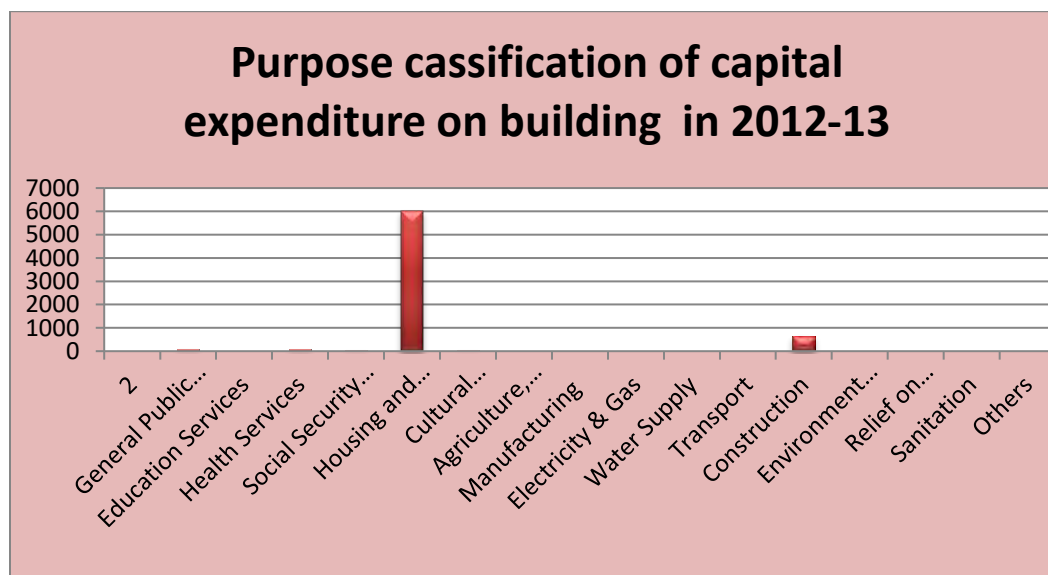
Sl. No.	Purpose	Current Transfers			Subsidy Given to Producers		
		2012-13	2013-14	2014-15	2012-13	2013-14	2014-15
1	2	3	4	5	7	8	9
1	General Public Services	118.41	2555.38	43.09	0.00	0.00	0.00
2	Education Services	239.04	733.86	754.43	0.00	0.00	0.00
3	Health Services	55.04	1147.02	164778.53	0.00	0.00	0.00
4	Social Security and Welfare Services	416890.05	385755.67	237495.49	16.53	59.96	0.00
5	Housing and Community Amenity Services	1904.82	2622.87	203085.40	0.00	0.00	125.78
6	Cultural Recreational and Religious Services	41.48	1626.39	0.00	0.00	0.00	0.00
7	Agriculture, Forestry, Fishing and Hunting	29724.19	31121.33	37812.51	0.00	0.00	0.00
8	Manufacturing	2234.49	1945.08	2458.10	0.00	0.00	0.00
9	Electricity & Gas	129.05	336.32	563.19	0.00	0.00	0.00
10	Water Supply	670.12	299.46	8352.21	0.00	0.00	0.00
11	Transport	0.00	0.00	19.71	0.00	0.00	0.00
12	Construction	0.00	0.00	0.00	0.00	0.00	0.00
13	Environment Protection	333.55	430.98	628.49	0.00	0.00	0.00
14	Relief on calamities	0.00	0.00	3846.35	0.00	0.00	0.00
15	Sanitation	23.49	110.34	0.00	0.00	0.00	0.00
16	Others	211.67	1388.91	1967.09	0.00	0.00	0.00
17	Total	452575.42	430073.61	661804.59	16.53	59.96	125.78

Table 5.4 Current Expenditure (₹ in lakhs) (contd..)

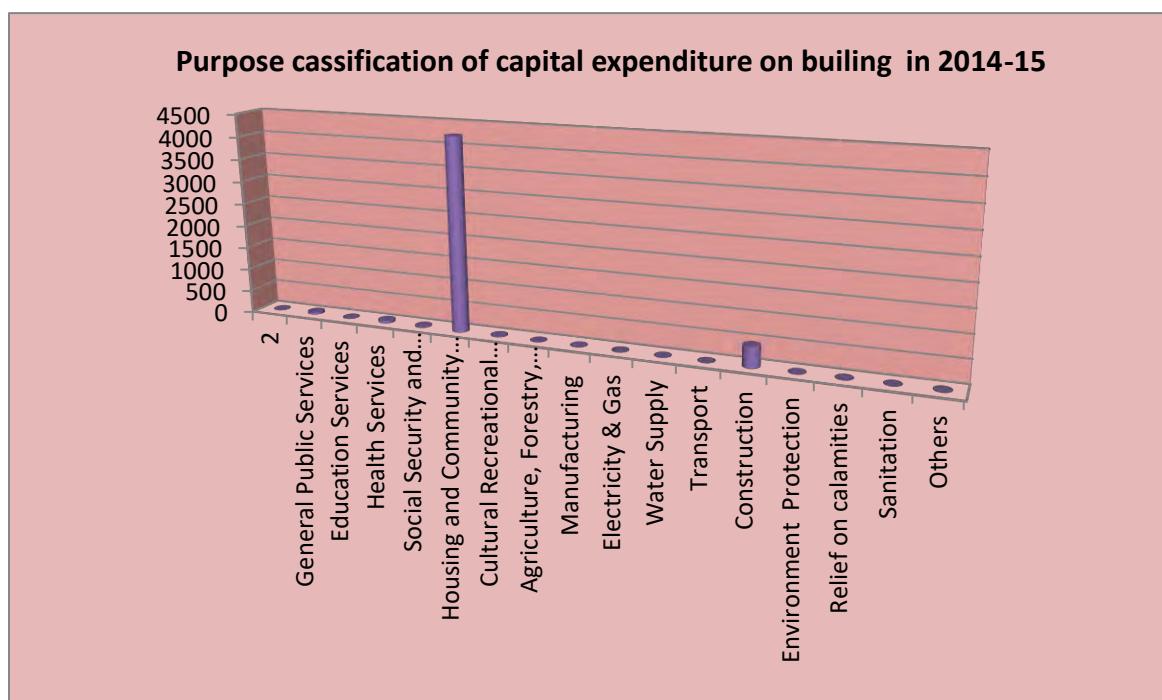
SI No	Purpose	Interest paid to Loans from Govt			Interest paid to Financial Institution			Interest paid to others		
		2012-13	2013-14	2014-15	2012-13	2013-14	2014-15	2012-13	2013-14	2014-15
1	2	3	4	5	7	8	9	11	12	13
1	General Public Services	156.99	115.21	142.92	379.73	568.49	1149.81	0.00	0.00	0.00
2	Education Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	Health Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	Social Security and Welfare Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5	Housing and Community Amenity Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6	Cultural Recreational and Religious Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7	Agriculture, Forestry, Fishing and Hunting	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8	Manufacturing	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9	Electricity & Gas	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10	Water Supply	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Transport	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12	Construction	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13	Environment Protection	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14	Relief on calamities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
15	Sanitation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
16	Others	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Total	156.99	115.21	142.92	379.73	568.49	1149.81	0.00	0.00	0.00

The graph 5.1 & 5.2 shows the purpose classification of capital expenditure on building in 2012-13 & 2014-15. It shows the expenditure on housing and community amenity services is high.

Graph 5.1 Purpose classification of capital expenditure on building on 2012-13

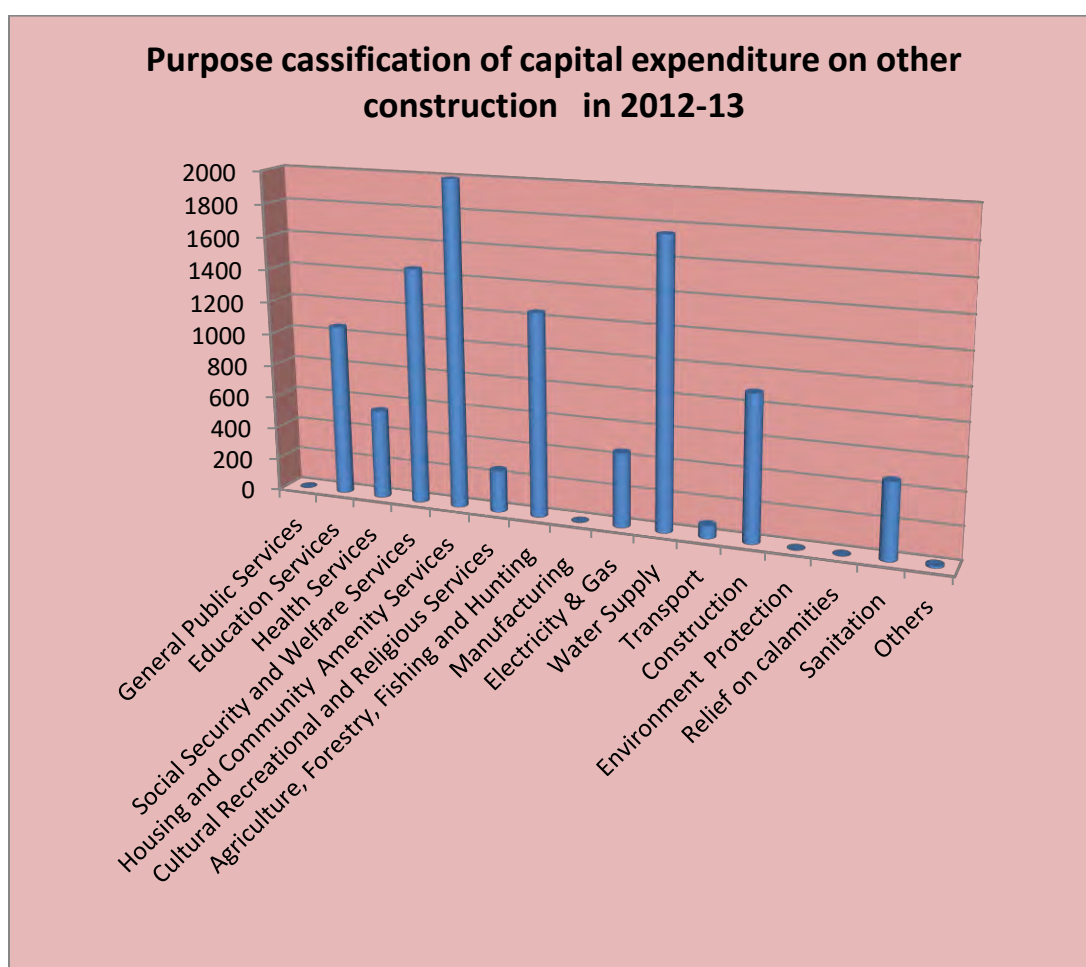


Graph 5.2 Purpose classification of capital expenditure on building on 2014-15



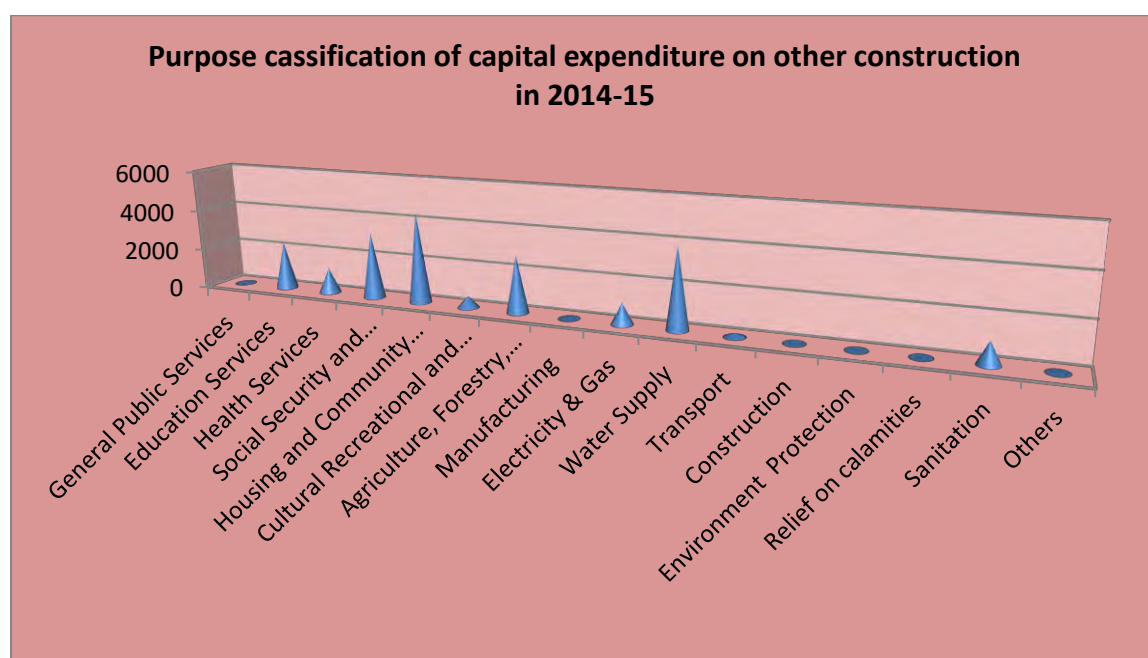
The graph 5.3 shows the purpose classification of capital expenditure on other construction in 2012-13. It shows the expenditure on housing and community amenity services is highest and the capital expenditure for the purpose of water supply is in second position.

Graph 5.3 Purpose classification of capital expenditure on other construction on 2012-13



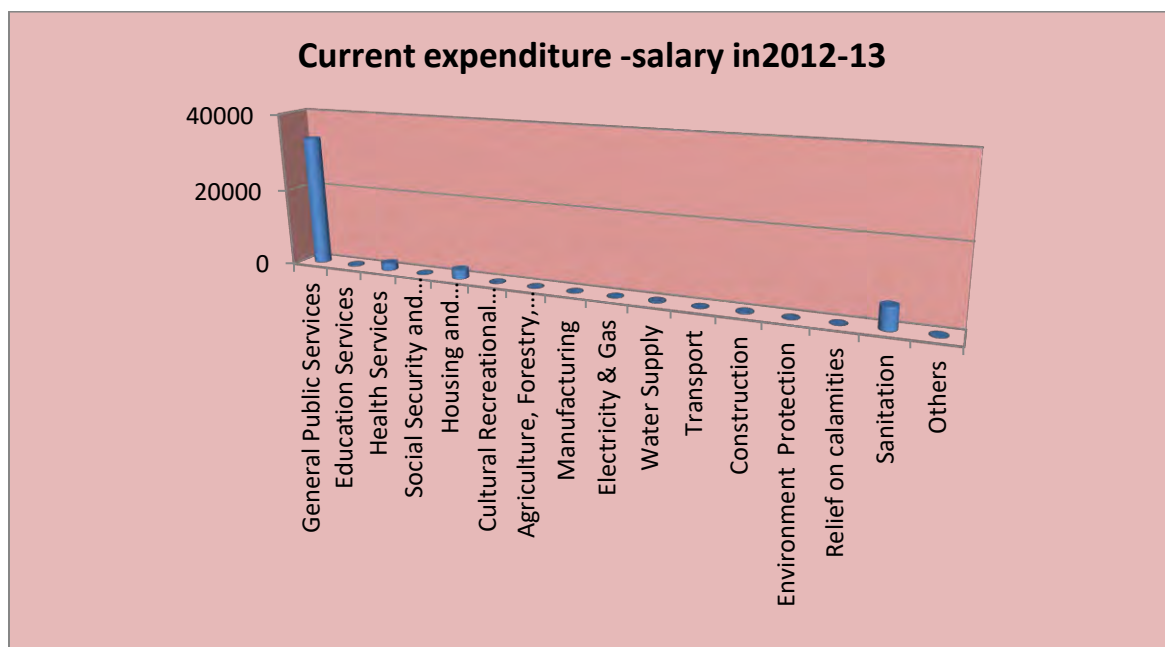
The graph 5.4 shows the purpose classification of capital expenditure on other construction in 2013-14. In 2013-14 also the expenditure on housing and community amenity services is in first and water supply is in second position.

Graph 5.4 Purpose classification of capital expenditure on other construction on 2014-15

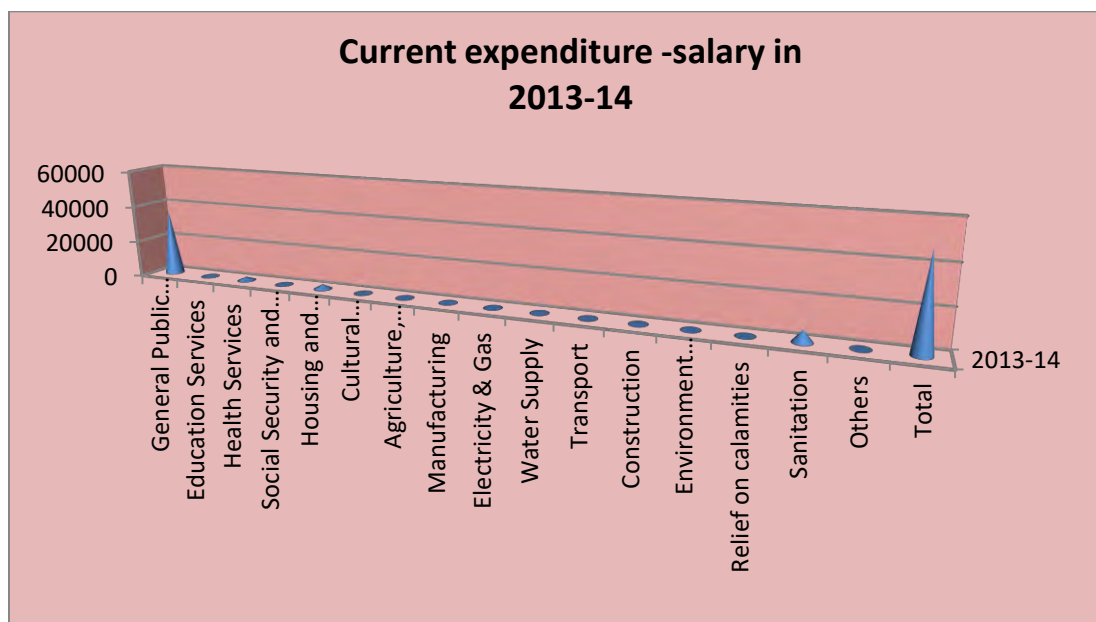


The graph from 5.5 to 5.7 shows the purpose classification of current expenditure on salary in 2012-13, 2013-14 & 2014-15 years. In all the years the salary share in general public service is high when compared to other purposes. Salary share in general public services is ₹ 33430.59, ₹ 35716.68, ₹ 56169.43 lakhs for the years 2012-13, 2013-14 and 2014-15 respectively out of the total salary ₹ 44527.08 lakhs, ₹ 47571.99 lakhs, ₹ 74813.54 lakhs for the respective years.

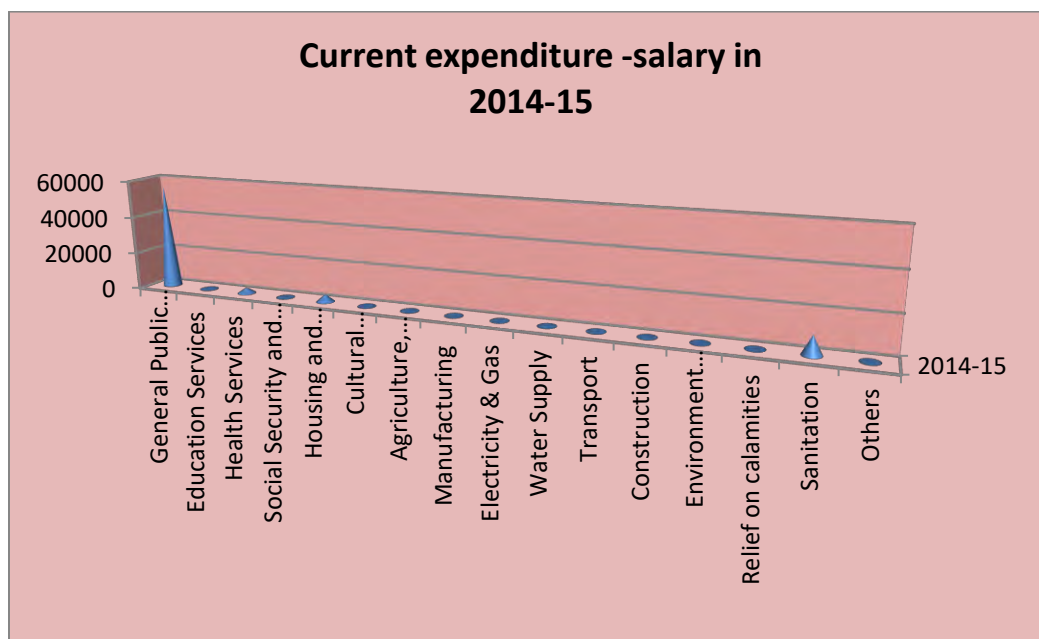
Graph 5.5 Purpose classification of current expenditure –salary on 2012-13



Graph 5.6 Purpose classification of current expenditure –salary on 2013-14

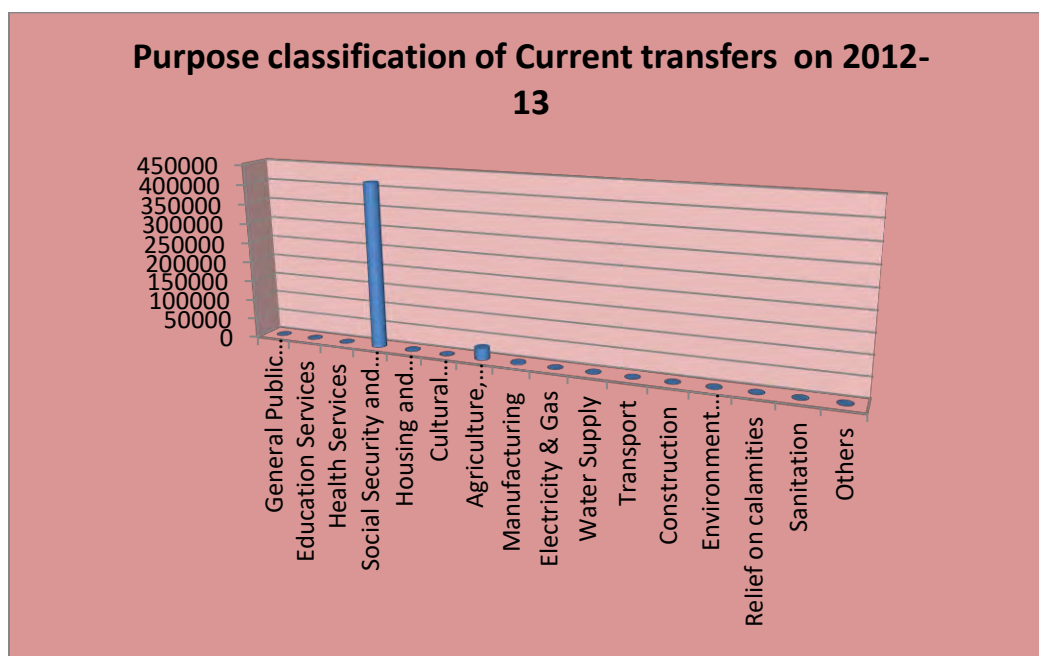


Graph 5.7 Purpose classification of current expenditure –salary on 2014-15

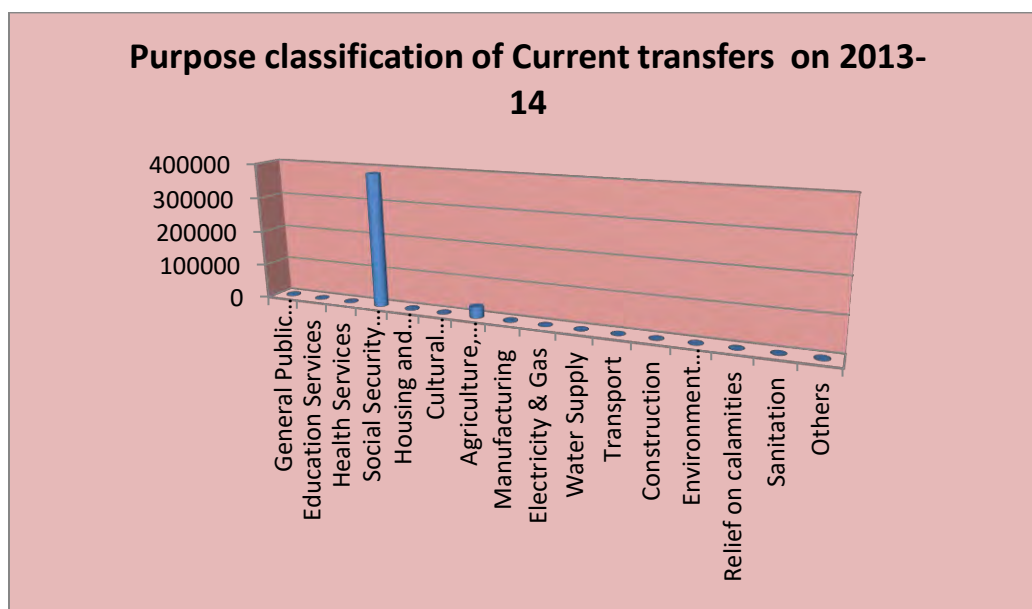


The graph from 5.8 to 5.10 shows the purpose classification of current transfers for the respective years 2012-13, 2013-14 & 2014-15. It shows the current transfers for the purpose of social security and welfare service is high when compared to other purposes .

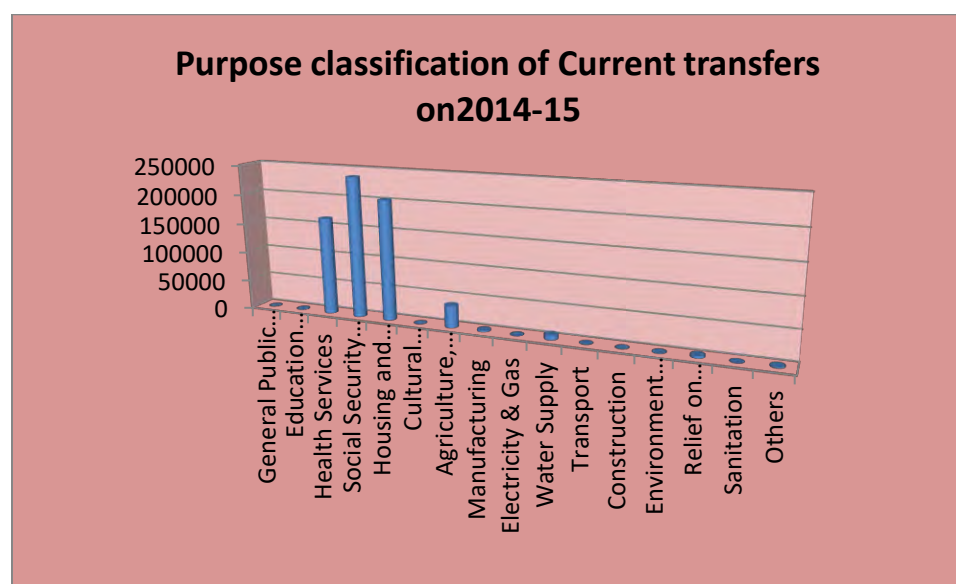
Graph 5.8 Purpose classification of current expenditure –current transfers on 2012-13



Graph 5.9 Purpose classification of current expenditure –current transfers on 2013-14



Graph 5.10 Purpose classification of current expenditure –current transfers on 2014-15



Chapter 6

Statistical Tables

Table 1-Borrowing Account

I. Receipt (₹ in lakhs)

Sl No	Item description	2012-13	2013-14	2014-15
1	1. Revenue + Capital A/C	719506.25	803145.39	1151115.82
I	Borrowing at home			
1	Internal debt	0.00	0.00	0.00
2	Small savings, provident fund etc.	0.00	0.00	0.00
3	Other debt	0.00	0.00	0.00
	Total	0.00	0.00	0.00
	Net receipts			
II	II. Extra budgetary receipts & adjustments			
1	Loans from Government of India	0.00	0.00	0.00
2	Loans and advances by State Government	0.00	0.00	0.00
3	Reserve funds	0.00	0.00	0.00
4	Deposits & Advances	0.00	0.00	0.00
5	Suspense & Miscellaneous	0.00	0.00	0.00
6	Remittances	0.00	0.00	0.00
7	Cash Balance			
8	Funds Rev A/C			
9	Funds Commercial Account (Dep.)			
	Total	0.00	0.00	0.00

Table 2. Account V-**Borrowing Account (contd...)**

II. Expenditure (₹ in lakhs)

Sl No	Item description	2012-13	2013-14	2014-15
1	Revenue + Capital A/C	738633.47	759150.48	1079040.63
I	I. Borrowing at home			
1	Internal debt	0.00	0.00	0.00
2	Small savings, provident fund etc.	0.00	0.00	0.00
3	Other debt	0.00	0.00	0.00
	Total	0.00	0.00	0.00
	Net receipts			
II	II. Extra budgetary receipts & adjustments			
1	Loans from Government of India	0.00	0.00	0.00
2	Loans and advances by State Government	0.00	0.00	0.00
3	Reserve funds	0.00	30.10	22.88
4	Deposits & Advances	0.00	0.00	0.00
5	Suspense & Miscellaneous	0.00	0.00	0.00
6	Remittances	0.00	0.00	0.00
7	Cash Balance			
8	Funds Rev A/C			
9	Funds Commercial Account (Dep.)			
	Total	0	30.10	22.88

Table 3 Funds - Receipts (₹ in lakhs)

Sl. No.	Items	2012-13	2013-14	2014-15
1	Loans	0.00	0.00	0.00
1.1	centre	0.00	0.00	0.00
1.2	State	0.00	0.00	0.00
1.3	Other Local Bodies	0.00	0.00	0.00
1.4	Financial Institution	0.00	0.00	0.00
1.5	Others	0.00	0.00	0.00
2	Remittance	0.00	0.00	0.00
3	Internal Debt	0.00	0.00	0.00
4	Small savings, Provident fund etc.	0.00	0.00	0.00
5	Reserve Funds	0.00	0.00	0.00
6	Deposits and Advances	0.00	0.00	0.00
7	Suspense and Miscellaneous	0.00	0.00	0.00
8	Other Funds	123.04	68.17	100475.23

Table 4 Funds - Expenditure (₹ in lakhs)

Sl. No.	Items	2012-13	2013-14	2014-15
1	Loans	0.00	0.00	0.00
1.1	centre	0.00	0.00	0.00
1.2	State	0.00	0.00	0.00
1.3	Other Local Bodies	0.00	0.00	0.00
1.4	Financial Institution	0.00	0.00	0.00
1.5	Others	0.00	0.00	0.00
2	Remittance	0.00	0.00	0.00
3	Internal Debt	0.00	0.00	0.00
4	Small savings, Provident fund etc.	0.00	0.00	0.00
5	Reserve Funds	0.00	0.00	22.88
6	Deposits and Advances	0.00	0.00	0.00
7	Suspense and Miscellaneous	0.00	0.00	0.00
8	Other Funds	327.55	106.65	566.62

Annexures

ANNEXURE 1 Codes used in Economic Classifications

	SNA Description	Economic Code	Definition
Receipt			
1	Capital Transfers	Captc	Capital Transfers to Centre
2		Captc	Capital Transfers to State
3		Captf	Capital Transfers to Foreign
4		Captl	Capital Transfers to Local Body
5		Captng	Capital Transfers to Non Government/Individuals/Others
6	Commercial Receipts	Cr	Commercial Receipts
7	Current Transfers	Tc	Transfers, Central Government
8		Ts	Transfers, State Government
9		Tl	Transfers, Local Authority
10		Tn	Transfers, Non profit Institutions
11		Tf	Transfers, Foreign Government
12	Other Receipts	F	Withdrawal from fund
13		Txo	Taxes on Income and wealth
14		Txn	Production Tax
15		Txt	Product Tax
16		Id	Import duty
17		Ed	Export Duty
18		Mr	Fees, Miscellaneous Receipts
19		Ssh	Sale, Second Hand Assets
20		Sl	Sale, land
21		Sfa	Sale, financial Assets
22	Pension Receipts	Pn	Pension Contribution
23	Property Income	Into	Interest, Non Government bodies
24		Intf	Interest, Foreign Government organisations
25		Intc	Interest, Central Government
26		Ints	Interest, State Government
27		Intl	Interest, Local bodies
28		Pr	Property Receipt

29	Receipt of Goods and Services	G	Sale of Goods and Services
	Expenditure		
30	Advances Loan	Ang	Advance and loans to Non Government organisations
31		Af	Advance and loans to Foreign countries/ organisations
		Alb	Advance and loans to Local Authorities
32		Al	Advance, Local Authorities
33	Capital Transfers	Capti	Capital transfers, Individuals
34		Captp	Capital transfers to private institutions
35		Capta	Capital transfers to Autonomous Bodies
36		Captst	Capital transfers to State Government
37		Captl	Capital transfers to Local Authorities
38		Captf	Capital transfers to Foreign countries/ organisations
39	Compensation of Employees	S	Salaries
40		W	Wages
41		A	Allowances
42		Bcs	Social (cash) Benefits
43		Bco	Others(cash) Benefits
44		Bk	Benefits in Kind
45		P1	Pension Payment
46		P2	Employers Contribution to Pension Fund
47	Current Transfers	Ti	Transfers, Individuals
48		Tp	Transfers to private institutions
49		Ta	Transfers to Autonomous Bodies
50		Tk	Transfers in Kind
51		Tc	Transfers to Center
52		Ts	Transfers to State
53		Tl	Transfers to Local bodies
54		Tf	Transfers to Foreign
55	Financial Assets	Pfa	Purchase of Financial Assets
56	Gross capital formation	Psh	Purchase of second hand Assets
57		Pl	Purchase of Land

58		Stof	Change in Stock of food
59		Stoi	Change in Stock of Inventory
60	Gross fixed capital formation	Bor	Expenditure on construction of Dwelling
61		Bonr	Expenditure on construction of Non residential Building
62		Ro	Expenditure on Construction of Road
63		Co	Expenditure on Construction of Other capital
64		Li	Land improvement
65		Tro	Expenditure on Purchase of Transport
66		Mo	Expenditure on Purchase of Machinery
67		Ict	Expenditure on purchase of ICT equipments
68		So	Expenditure on Purchase of Software
69		Cao	Expenditure on Acquiring Cultivated Assets
70		Aso	Expenditure on Acquiring Animal Stock
71		Oipp	Other intellectual property products
72		Rnd	Research and Development
73	Intermediate Consumption	G	Purchase of Goods and Services
74		Bm	Maintenance of Building
75		Rm	Maintenance of Roads
76		Cm	Maintenance of Other Construction
77	Property Income	Intl	Interest to local Authorities
78		Into	Interest to Non Government bodies
79		Intf	Interest to Foreign Government organisations
80		Intc	Interest to Central Government
81		Ints	Interest to State Government
82	Subsidies	Subt	Product subsidy
83		Subn	Production Subsidy
86		F	Fund

ANNEXURE 2 : Codes used in Purpose Classification

Code	Major Category	Code	Sub Category
1	General Public Services	1.1	General Admn., External Affairs, Public Order & Safety
		1.1.1	Public Order & Safety
		1.1.2	Planning & Statistical Activities
		1.1.3	General Admn., External Affairs, Public Order & Safety n.e.c.
		1.2	General Research
2	Defence including Civil Defence		
3	Education Affairs and Services	3.1	Administration, Regulation and Research
		3.1.1	Primary Education
		3.1.2	Secondary Education
		3.1.3	Higher Education
		3.1.4	Other Educational Administration n.e.c.
		3.2	Educational Services
		3.2.1	Primary Education
		3.2.2	Secondary Education
		3.2.3	Higher Education
		3.2.4	Educational Services n.e.c.
4	Health Affairs and Services	4.1	Administration, Regulation and Research
		4.1.1	Allopathic
		4.1.2	Homeopathic
		4.1.3	Ayurvedic
		4.1.4	Unani
		4.1.5	Other Medical Administration n.e.c.
		4.2	Health Services
		4.2.1	Allopathic
		4.2.2	Homeopathic
		4.2.3	Ayurvedic
		4.2.4	Unani
		4.2.5	Other Medical Services n.e.c.
5	Social Security /	5.1	Social Security Affairs and Services

	Welfare Affairs and Services	5.2	Welfare Affairs and Services
		5.3	Social Security and Welfare Affairs / Services n.e.c.
6	Housing / Community Amenities Affairs / Services	6.1	Housing and Community Services
		6.2	Sanitary Affairs and Services
		6.3	Housing, Community Amenity Affairs / Services n.e.c.
7	Cultural, Recreational / Religious Affairs / Services	7.1	Art and Cultural Affairs / Services
		7.2	Recreational and Sporting Services
		7.3	Tourism Affairs & Services
		7.4	Cultural/Recreational /Religious Affairs & Services n.e.c.
8	Economic Affairs and Services	8.1	General Admn., Regulation, Research and Labour
		8.2	Agriculture, Forestry, Fishing and Hunting
		8.3	Mining, Manufacturing and Construction
		8.4	Electricity, Gas, Steam and Other Sources of Energy
		8.4.1	Electricity, Gas and Steam
		8.4.2	Atomic Energy
		8.4.3	Non-conventional Sources of Energy
		8.5	Drinking Water Supply
		8.6	Transport and Communication
		8.6.1	Road Transport
		8.6.2	Water Transport
		8.6.3	Air Transport
		8.6.4	Transport and Communication n.e.c., Railway
		8.7	Other Economic Services n.e.c.
9	Environmental Protection	9.1	Waste Management
		9.2	Waste Water Management
		9.3	Prevention & Control of Pollution
		9.4	Environmental Research & Education
		9.5	Environmental Protection n.e.c.
10	Other Services	10.1	Relief on Calamities
		10.2	Other Miscellaneous Services n.e.c.

