

# A STUDY OF DEFICIT ANALYSIS BY E-GOVERNANCE IN GOVERNMENT FINANCIAL SYSTEM OF THE GUJARAT STATE

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Received: September 13, 2018

Accepted: October 28, 2018

**ABSTRACT:** The “e” in e-Governance stands for ‘electronic’. Thus, e-Governance is basically associated with carrying out the functions and achieving the results of governance through the utilization of ICT (Information and Communications Technology). E-Government, also known as Electronic Government or Digital Government – the act called as e-Governance, has become very common terminology now a day. However, there are so many different views and definitions of e-Government. Difference of Revenue Receipt and Revenue Expenditure is considered as Revenue Deficit Likewise, Difference of Total Revenue cum Non Debt Capital Receipt and Total Expenditure is considered as Fiscal Deficit and Interest payment which was deducted while finding the Fiscal Deficit is added back in fiscal Deficit to arrive Primary Deficit. Deficit Analysis is important ingredient for the purpose of fiscal management to follow the Gujarat Fiscal Responsibility Act 2005.

**Key Words:** E-Governance, Deficit Analysis

## Introduction

The financial management of any organization must have a prudent financial system backed by sound and effective accounting procedures and internal controls. A Well-designed and well managed accounting system helps ensure proper control over funds. Accounting policies and procedures are designed to compile accounts fulfilling legal/ procedural requirements that govern financial control. Accounts are an integral part of financial management of activities. On the basis of accounts, the Government determines the shape of its monetary and fiscal policies. Difference between private sector system of accounting and governmental accounting arises mainly because of the environment of the accounting system.

## OBJECTIVE OF THE STUDY

Present article is based on the Study of deficit analysis by E-Governance in Government Financial System of the Gujarat State.

## PERIOD OF STUDY

The study period is to be converted 5 years; from 2012-13 to 2016-17.

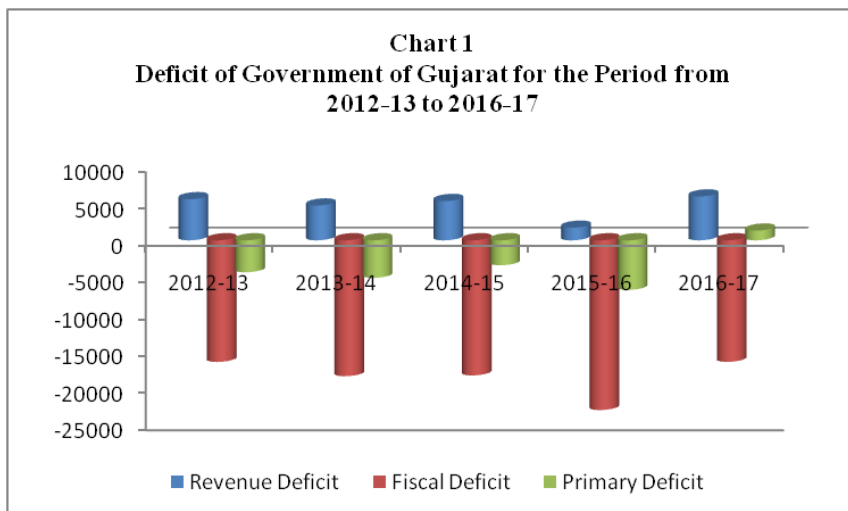
## NO. OF SAMPLE

Researcher has considered State of Gujarat as a Universe for the present study Researcher has considered only Deficit Analysis from Finance base parameters for present study.

<b>(a) Revenue Deficit (-) / Surplus (+) (a)</b>						
<b>Particular</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>Average</b>
<b>Revenue Receipt</b>	75229	79976	91978	97483	109842	90901.60
<b>Less: Revenue Expenditure</b>	69659	75259	86652	95779	103895	86248.80
<b>Revenue Deficit(-) / Surplus (+)</b>	<b>5570</b>	<b>4717</b>	<b>5326</b>	<b>1704</b>	<b>5947</b>	<b>4652.80</b>
<b>(b) Fiscal Deficit (-) / Surplus (+) (b)</b>						
<b>Particular</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>Average</b>
<b>Total Revenue &amp; Non Debt Capital Receipt</b>	75276	80117	92840	97608	110248	<b>91217.80</b>
<b>Less: Total Expenditure</b>	91768	98539	111160	120623	126728	<b>109763.60</b>

Fiscal Deficit (-) / Surplus (+)	(16492)	(18422)	(18320)	(23015)	(16480)	(18545.80)
<b>(c) Primary Deficit(-)/ Surplus (+) (c)</b>						
<b>Particular</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>Average</b>
<b>Fiscal Deficit</b>	(16492)	(18422)	(18320)	(23015)	(16480)	(18545.80)
<b>Add: Interest Payment</b>	12161	13332	14946	16300	17797	<b>14907.20</b>
<b>Primary Deficit(-)/ Surplus (+)</b>	<b>(4331)</b>	<b>(5090)</b>	<b>(3374)</b>	<b>(6715)</b>	<b>1317</b>	<b>(3638.60)</b>
<b>Source: <a href="http://www.cag.gov.in">www.cag.gov.in</a> (Annual Report on State Finance by CAG 2012-17)</b>						

➤ **GRAPHICAL PRESENTATION**



It is evident from above table and graph that as per Gujarat Fiscal Responsibility Act, 2005 revenue deficit shows positive throughout research period but Fiscal deficit that is based on total receipt and expenditure and it shows negative values throughout research period. While primary deficit is considering on the base of other than interest payment criteria of the fiscal deficit hence interest payment is added back in fiscal deficit and primary deficit is also showing negative values excepting last year of research period.

**Conclusion**

For the present study researcher has attempted to study the deficit analysis by E-governance in Government Financial System of Gujarat State It is found average deficit for Fiscal and Primary while there is average surplus for Revenue during research period.

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