

PREFACE

- 1.** This Report has been prepared for submission to the Governor under Article 151 of the Constitution of India.
- 2.** Chapters I and II of this Report respectively contain audit observations on matters arising from examination of the Finance Accounts and Appropriation Accounts of the State Government for the year ended 31 March 2009.
- 3.** Chapter III on “Financial Reporting” provides an overview and status of the State Government’s compliance with various financial rules, procedures and directives during 2008-09.

EXECUTIVE SUMMARY

Background

In July 2005, Haryana Government enacted the “Fiscal Responsibilities and Budget Management Act” (FRBM). It laid down a reform agenda through a fiscal correction path in the medium term with the long term goal of securing growth stability for its economy. The Government’s commitment to carry forward these reforms is reflected in the policy initiatives announced in its subsequent budgets. The benefits of FRBM legislation have been realised to some extent in terms of reducing revenue / fiscal deficit and minimising liabilities. However, a host of institutional and sectoral reform measures will go a long way in building up the much needed ‘fiscal space’ for improving the quality of public expenditure and to promote fiscal stability. The State Government has done well in establishing an institutional mechanism on fiscal transparency and accountability.

The Comptroller and Auditor General’s (C&AG) Audit Reports have been commenting upon the Government’s finances for over three years since the FRBM legislation. Since these comments formed part of the Civil Audit Report, it was felt that the audit findings on State finances remained camouflaged because the majority of audit findings were on compliance and performance audits. The obvious fallout of this all-inclusive reporting was that the audit findings on financial management did not receive proper attention. In recognition of the need to bring State finances to centre-stage once again, a stand-alone report on State Government finances was considered an appropriate audit response to this challenge. Accordingly, from the report year ended March 2009 onwards, C&AG has decided to bring out a separate volume titled ‘Report on State Finances.’

The report

Based on the audited accounts of the Government of Haryana for the year ended March 2009, this report provides an analytical review of the Annual Accounts of the State Government. The report is structured in three Chapters.

Chapter 1 is based on the audit of Finance Accounts and makes an assessment of the Haryana Government’s fiscal position as at 31 March 2009. It provides an insight into trends of committed expenditure and borrowing patterns besides giving a brief account of Central funds transferred directly to State implementing agencies through the off-budget route.

Chapter 2 is based on audit of Appropriation Accounts and gives a grant-wise description of appropriations and the manner in which the allocated resources were managed by the service delivery departments.

Chapter 3 is an inventory of the Haryana Government’s compliance with various reporting requirements and financial rules. The report also compiles the data

collated from various government departments/organisations in support of the findings.

Audit findings and recommendations

Return to Fiscal Correction: The Government's previous years' strength in achieving deficit targets, suffered a setback in the current year due to the slump in the economy, impacting its revenue receipts. The Sixth Pay Commission's recommendations also put pressure on the committed expenditure. The State can still achieve the FRBM targets through concerted efforts for better tax compliance, reductions in tax-collection costs, focusing on regaining revenue arrears and pruning unproductive expenditure.

Incomplete projects: Twenty nine (Irrigation and Buildings and Roads) projects, scheduled for completion between April 2007 and March 2009, are still incomplete. Time and cost overruns of these incomplete projects will have to be reduced so as to utilise the time-bound benefits for the people of Haryana.

Review of Government investments:

The average return on Haryana Government's investments in Statutory Corporations, Rural Banks, Joint Stock Companies and Co-operatives varied between 0.09 to 0.18 *per cent* in the past five years, whereas its average interest outgo was in the range of 7.43 to 9.20 *per cent*. This is an unsustainable proposition. The State Government should therefore, seek better value for money in investments as otherwise, high cost borrowed funds invested in projects with low financial returns will continue to strain the economy. Projects which are justified on account of low financial but high socio-economic returns may be identified and prioritised with full justification for the high cost borrowings. Time has come to review the working of State-owned public sector undertakings incurring huge losses and work out either a revival strategy (for those that are strategic in nature and can be made viable) or close down the sick units by disinvesting their equity.

Debt sustainability: As per the HFRBM Act 2005, total debt including contingent liabilities should not exceed 28 *per cent* of the estimated GSDP for the year. The States total liability including guarantees during 2008-09 at Rs 36,853 crore stood at 20 *per cent* of the GSDP which was well within the parameters of the HFRBM Act 2005 and higher than that projected in the Medium Term Fiscal Policy Statements (MTFPS) (Rs 35,005 crore) for 2008-09. Re-emergence of a revenue deficit after three years indicates that some portion of high cost borrowings are being used by the State Government for meeting its current expenditure. Borrowed funds should be used as far as possible only to fund capital expenditure and revenue expenditure should be fully met from revenue receipts. Efforts should be made to return to the state of primary surpluses and zero revenue deficit as soon as possible. Maintaining a calendar of borrowings to avoid bunching towards the end of the fiscal year and a clear

understanding of the maturity profile of debt payments will go a long way in prudent debt management.

Oversight of funds transferred directly from Government of India to the State implementing agencies: Funds flowing directly to implementing agencies through the off-budget route inhibits FRBM requirements of transparency and therefore bypasses accountability. There is no single agency monitoring their use and there is no readily available data on the amounts spent in any particular year on major flagship and other important schemes. A system has to be put in place to ensure proper accounting of these funds and the updated information should be validated by the State Government as well as the Accountant General (A&E).

Financial management and budgetary control: Slow progress in implementation of various social and developmental programmes in the State left an overall saving of Rs 3719.35 crore even after offset of excess of Rs 302.63 crore. The excess expenditure requires regularisation under Article 205 of the Constitution of India. 'Public Debt' posted large savings persistently for the last five years. There were instances of inadequate provision of funds and unnecessary or excessive re-appropriations. Rush of expenditure at the end of the financial year was another chronic feature noticed in the State. In many cases, the anticipated savings were either not surrendered or surrendered on the last two days of the year, leaving no scope for utilising these funds for other developmental purposes. Detailed contingent bills were not submitted for large amounts of advances drawn on abstract contingent bills. Budgetary controls should be strictly observed to avoid such deficiencies in financial management. Last minute fund releases and issuance of re-appropriation/ surrender orders should be avoided.

Financial Reporting: The State Government's compliance with various rules, procedures and directives was lacking in various Government departments, which was evident from delays in furnishing of utilization certificates against loans and grants by various grantee institutions. Delays were noticed in submission of Annual Accounts by autonomous bodies and departmental undertakings. There were instances of losses and misappropriations for which departmental action was pending for long periods. Departmental inquiries in such cases should be expedited to bring the defaulters to book. Internal controls in all the organisations should be strengthened to prevent such cases in future.

Chapter I

Finances of the State Government

This chapter provides a broad perspective of the finances of the State Government of Haryana during 2008-09 and analyses the changes observed in the major fiscal aggregates in relation to the previous year, keeping in view the overall trends during the last five years. The structure and form of Government accounts have been explained in *Appendix 1.1 Part A* and the layout of the Finance Accounts is depicted in *Appendix 1.1 Part B*. The methodology adopted for assessment of the fiscal position is given in *Appendix 1.2*.

1.1 Summary of current year's Fiscal Transactions

A summary of the State Government's fiscal transactions during 2008-09 vis-à-vis the previous year is presented in **Table 1.1**. *Appendix 1.4* provides details of receipts and disbursements as well as the overall fiscal position during 2008-09.

Table 1.1: Summary of current year's fiscal transactions

(Rupees in crore)							
2007-08	Receipts	2008-09	2007-08	Disbursements	2008-09		
					Non-plan	Plan	Total
Section – A : Revenue							
19,750.74	Revenue Receipts	18,452.31	17,526.87	Revenue Expenditure	16,616.82	3,917.91	20,534.73
11,617.82	Tax revenue	11,655.28	5,229.68	General Services	5,970.31	54.16	6,024.47
5,097.08	Non-tax revenue	3,238.45	5,738.67	Social Services	4,596.54	2,662.19	7,258.73
1,634.36	Share of Union Taxes/Duties	1,724.62	6,221.88	Economic Services	5,834.19	1,201.56	7,035.75
1,401.48	Grants from Government of India	1,833.96	336.64	Grants-in-aid and Contributions	215.78		215.78
Section – B : Capital							
10.15	Miscellaneous Capital Receipts	6.80	3,426.17	Capital Outlay	511.81	3,989.86	4,501.67
213.80	Recoveries of Loans and Advances	351.80	285.50	Loans And Advances Disbursed	311.87	20.44	332.31
843.50	Public Debt Receipts*	3,888.06	840.92	Repayment of Public Debt*	1,291.84		1,291.84
-	Contingency Fund	-	-	Contingency Fund	-	-	-
9,432.73	Public Account Receipts	12,308.28	8,818.08	Public Account Disbursements	11,441.82		11,441.82
7,146.68	Opening Cash Balance	6,500.06	6,500.06	Closing Cash Balance	3,404.94		3,404.94
37,397.60	Total	41,507.31	37,397.60	Total	33,579.10	7,928.21	41,507.31

* Excluding net transactions under Ways and Means advances and overdrafts.

(Source: State Finance Account.)

The following are the major changes in fiscal transactions during 2008-09 over the previous year:

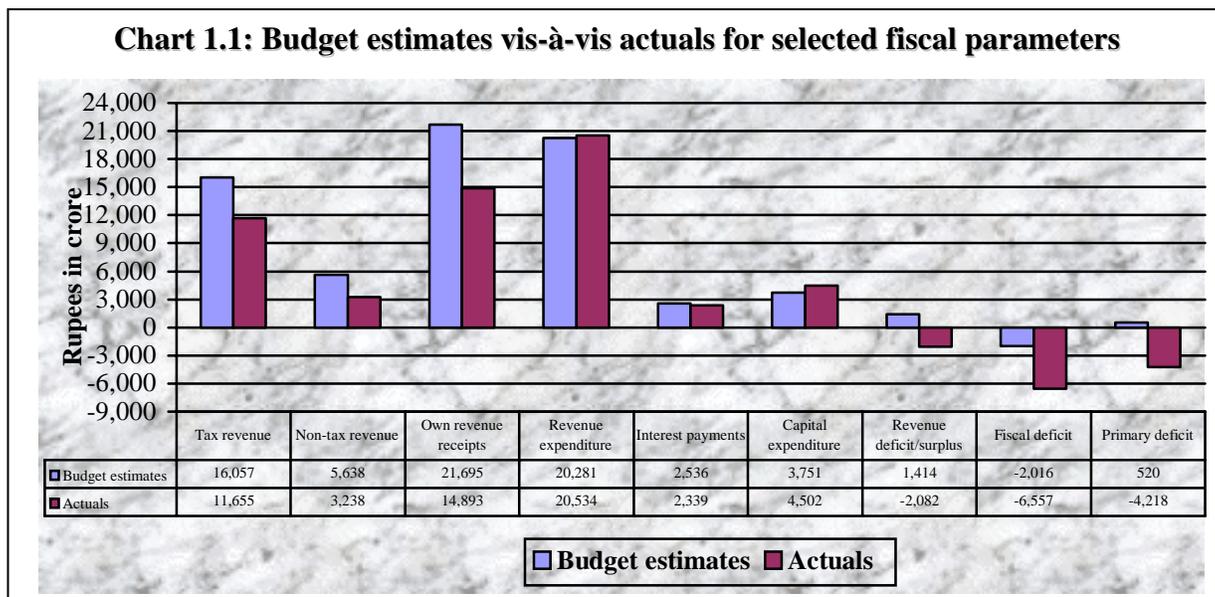
- Revenue receipts decreased by Rs 1,299 crore (seven *per cent*) due to decrease in non-tax revenue (Rs 1,859 crore) by 36 *per cent*. Tax revenue, share of Union taxes and duties and grants from the Government of India

(GOI) increased by Rs 37 crore (0.32 *per cent*), Rs 91 crore (six *per cent*) and Rs 432 crore (31 *per cent*) respectively. The State Government received a debt credit of Rs 96.67 crore under Debt Consolidation and Relief Facility (DCRF) from Government of India. The States' own tax revenue (Rs 11,655 crore) fell short by nine *per cent* of the target fixed by the Twelfth Finance Commission (TFC) (Rs 12,864 crore) and 18 *per cent* of the State Government in its Medium Term Fiscal Policy Statement (MTFPS) (Rs 14,294 crore) and four *per cent* of Fiscal Correction Path (FCP) (Rs 12,200 crore). The States' own non-tax revenue (Rs 3,268 crore) was higher by 58 *per cent* than the target fixed by TFC (Rs 2,066 crore) and by 50 *per cent* the State Government in FCP (Rs 2,185 crore) but lower by 19 *per cent* than that fixed in MTFPS (Rs 4,044 crore) for the year 2008-09.

- Revenue expenditure increased by Rs 3,007 crore (17 *per cent*), mainly due to increase in expenditure on Social Services (Rs 1,520 crore), Economic Services (Rs 813 crore) and General Services (Rs 794 crore). The Non-Plan Revenue expenditure (NPRE) which was Rs 16,616 crore in 2008-09 was higher by 59 *per cent* than the normative assessment of TFC (Rs 10,445 crore), 15 *per cent* of the projection of the State Government made in FCP (Rs 14,400 crore) and 3 *per cent* of the projection of MTFPS (Rs 16,144 crore).
- There was an increase of Rs 1,076 crore (31 *per cent*) in capital expenditure mainly on Economic Services (Rs 865 crore), especially on Agriculture and Allied Activities (Rs 515 crore) and Transport (Rs 397 crore).
- Recovery of loans and advances increased by Rs 138 crore (64 *per cent*) during 2008-09. The increase was mainly due to increase in recovery of loans and advances in the power sector (Rs 92.81 crore).
- Public debt receipts increased by Rs 3,044 crore (361 *per cent*) in 2008-09 over the previous year mainly due to increase in internal debt receipts by Rs 3,046 crore. The repayment of public debt also increased by Rs 451 crore (54 *per cent*). Thus, there was a net increase of Rs 2,593 crore in public debt receipts during 2008-09.
- Public Account receipts increased from Rs. 9,433 crore in 2007-08 to Rs. 12,308 crore in 2008-09 and their disbursements also increased from Rs. 8,818 crore in 2007-08 to Rs 11,422 crore in 2008-09.
- The cash balance of the State at the close of 2008-09 decreased by Rs 3,095 crore over the previous year due to payment of arrears of pay and allowances as a result of implementation of the Sixth Pay Commission's report in the State. Out of the total cash balance of Rs 3,405 crore at the end of the current year, the Government invested Rs 2,842 crore in securities of GOI and interest of Rs 303 crore was earned on such investments during 2008-09.

Actual realisation of revenue and its disbursement depends on a variety of factors,

some internal and some external. **Chart 1.1** represents the budget estimates and actuals for some important fiscal parameters.



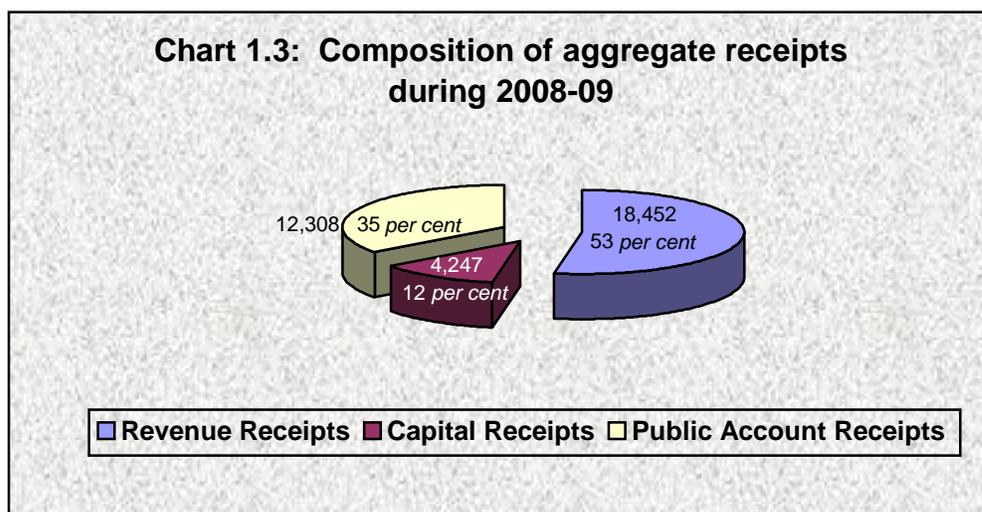
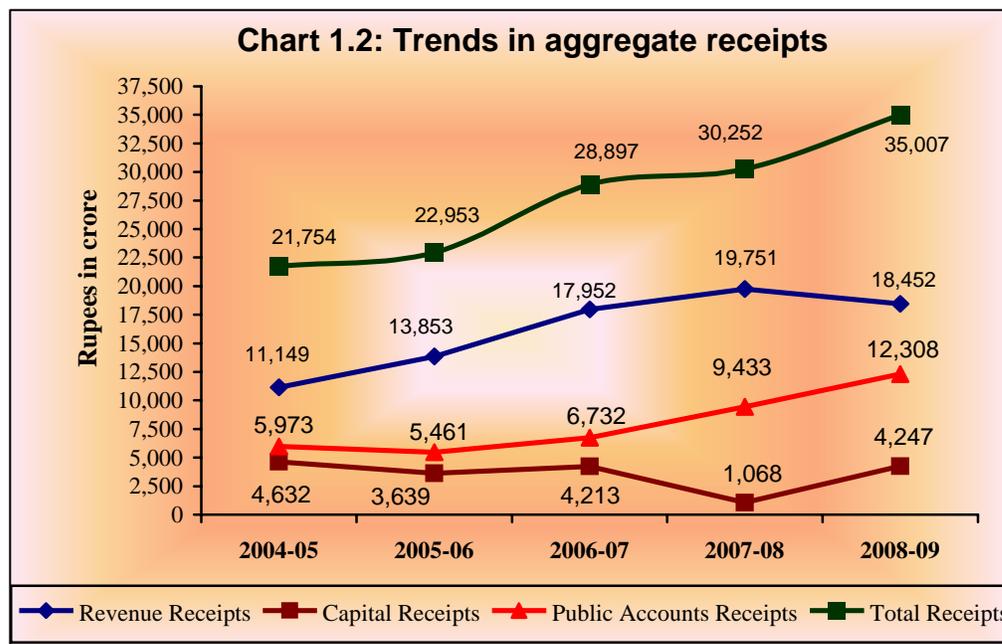
State Government could not enforce fiscal discipline during the year as against the targeted revenue receipts of Rs 21,695 crore, the actual collection of its own revenue was only Rs 14,893 crore (69 per cent). The shortfall in collection was mainly under tax revenue and non-tax revenue, where against anticipated receipts of Rs 16,057 crore and Rs 5,638 crore, the actual receipts were only Rs 11,655 crore (73 per cent) and Rs 3,238 crore (57 per cent) respectively. The actual revenue expenditure (Rs 20,534 crore) exceeded the budget provision (Rs 20,281 crore) by Rs 253 crore. The Government could not maintain the estimated revenue surplus of Rs 1,414 crore as it turned into a revenue deficit of Rs 2,082 crore. Capital expenditure (Rs 4,502 crore) was also not restricted to its estimate (Rs 3,751 crore) and exceeded it by Rs 751 crore i.e. by 20 per cent. Although interest payments (Rs 2,339 crore) were kept within the estimated projection (Rs 2,536 crore), the estimated fiscal deficit (Rs 2,016 crore) and the primary surplus (Rs 520 crore) could not be maintained as the fiscal deficit further decreased to Rs 6,557 crore and the primary surplus turned into a deficit of Rs 4,218 crore during the current year.

1.2 Resources of the State

1.2.1 Resources of the State as per Annual Finance Accounts

Revenue and capital are the two streams of receipts that constitute the resources of the State Government. Revenue receipts consist of tax revenues, non-tax revenues, State's share of Union taxes and duties and grants-in-aid from GOI. Capital receipts comprise miscellaneous capital receipts such as proceeds from

disinvestment, recoveries of loans and advances, debt receipts from internal sources (market loans, borrowings from financial institutions/commercial banks) and loans and advances from GOI as well as accruals from the Public Account. **Table 1.1** presents the receipts and disbursements of the State during 2008-09 as recorded in its Annual Finance Accounts while **Chart 1.2** depicts the trends of various components of the receipts of the State during 2004-09. **Chart 1.3** depicts the composition of resources of the State during 2008-09.



The total receipts of the State Government increased by Rs 13,253 crore (61 per cent) from Rs 21,754 crore in 2004-05 to Rs 35,007 crore in 2008-09. Revenue receipts increased by Rs 7,303 crore (66 per cent) from Rs 11,149 crore in 2004-05 to Rs 18,452 crore in 2008-09. Capital receipts which included recovery of loans and advances and public debt, decreased by Rs 385 crore

(eight *per cent*) from Rs 4,632 crore in 2004-05 to Rs 4,247 crore in 2008-09. Public Account receipts also increased by Rs 6,335 crore (106 *per cent*) from Rs 5,973 crore in 2004-05 to Rs 12,308 crore in 2008-09. The share of revenue receipts in the total receipts marginally increased from 51 *per cent* in 2004-05 to 53 *per cent* in 2008-09. The share of Public Account in total receipts also increased from 27 *per cent* in 2004-05 to 35 *per cent* in 2008-09 whereas the share of capital receipts including debt decreased from 21 *per cent* in 2004-05 to 12 *per cent* in 2008-09.

1.2.2 Funds transferred from GOI directly to State implementing agencies

The Central Government has been transferring a sizeable quantum of funds directly to State implementing agencies¹ for the implementation of various schemes/programmes in the social and economic sectors. As these funds are not routed through the State Budget/State Treasury System, the Annual Finance Accounts do not capture the flow of these funds and to that extent, the State's receipts and expenditure as well as other fiscal variables/ parameters derived from them are underestimated. To present a holistic picture on availability of aggregate resources, funds directly transferred to State implementing agencies during 2007-08 and 2008-09 are presented in **Table 1.2**.

Table-1.2: Funds Transferred Directly to State Implementing Agencies

(Rupees in crore)

Sr. No.	Programme/Scheme (Indicate Centre Share)	Implementing Agency in the State	Central Share	
			2007-08	2008-09
1.	Members of Parliament Local Area Development Schemes (MPLAD)	District Rural Development Agency (DRDA)	33.54	28.60
2.	National Rural Employment Guarantee Scheme (NREGA)	DRDA	42.67	134.57
3.	Indira Awas Yojana (IAY)	DRDA	24.94	50.33
4.	Swaranjayanti Gram Swarojgar Yojana (SGSY)	DRDA	19.89	23.51
5.	Desert Development Programme (DDP)	DRDA	29.14	10.59
6.	Integrated Wasteland Development Programme (IWDP)	DRDA	4.45	4.28
7.	District Rural Development Agency (DRDA) (Administration)	DRDA	7.71	8.03
8.	Backward Region Grant Fund (BRGF)	DRDA	25.80	11.57
9.	Sampoorna Gramin Rojgar Yojna (SGRY)	DRDA	67.66	0
10.	Sarva Shiksha Abhiyan (SSA)	Education Department	140.00	204.52
11.	National Programme for Education of Girls at Elementary Level (NPEGEL)	Education Department	1.50	0
12.	Kasturba Gandhi Bal Vidhyalya (KGBV)	Education Department	0.70	0.95
13.	National Rural Health Mission (NRHM)	Haryana State Health and Family Welfare Society	151.53	211.59
14.	National Horticulture Mission (NHM)	Horticulture Department	64.76	33.00
15.	Micro Irrigation Scheme (MIS)	Horticulture Department	6.04	12.07
16.	Pradhan Mantri Gram Sarak Yojana (PMGSY)	Public Works Department (Buildings and Roads)	216.21	272.02
17.	National Food Security Mission (NFSM)	Agriculture Department	21.15	11.04
18.	Scheme for Central share support to state extension programme for extension reforms (ATMA)	Agriculture Department	1.86	5.77
	Total		859.55	1,022.44

(Source: Information supplied by concerned department.)

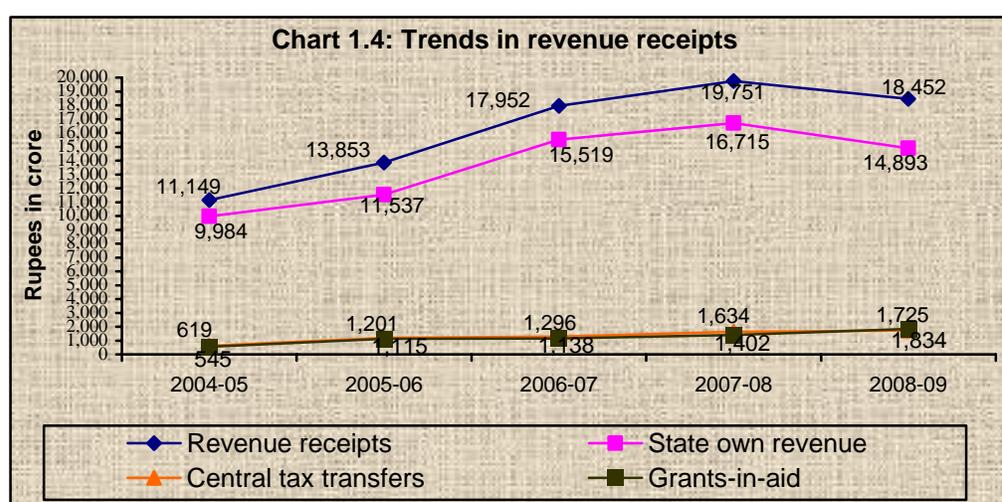
¹ State implementing agencies include any organization/institution including non-governmental organizations which are authorized by the State Government to receive funds from the Government of India for implementing specific programmes in the State, e.g. State implementation society for Sarva Shiksha Abhiyan (SSA), State Health Mission under NRHM etc.

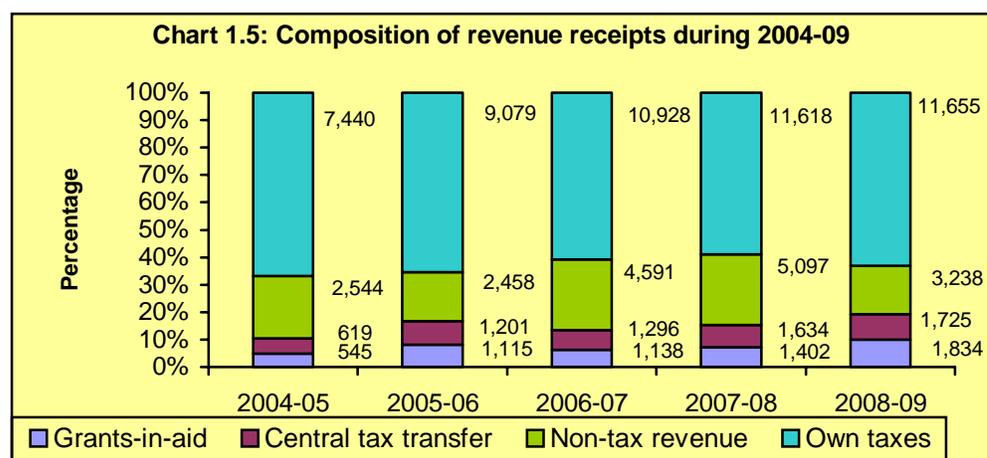
Table 1.2 shows that the funds transferred directly to the State implementing agencies (Central share) increased by 19 per cent during 2008-09 (Rs 1,022.44 crore) over 2007-08 (Rs 859.55 crore). The increase was mainly under National Rural Employment Guarantee Scheme: Rs 91.90 crore (215 per cent), Scheme for Central share support to state extension programme for extension reforms : Rs 3.91 crore (210 per cent) Indira Awas Yojana : Rs 25.39 crore (102 per cent), Micro Irrigation Scheme: Rs 6.03 crore (100 per cent), Sarva Shiksha Abhiyan : Rs 64.52 crore (46 per cent) and National Rural Health Mission: Rs 60.06 crore (40 per cent). However, the transfer of funds decreased by Rs 18.55 crore (64 per cent) under Desert Development Programme ; Rs 14.23 crore (55 per cent) under Backward Region Grant Fund and Rs 31.76 crore (49 per cent) under National Horticulture Mission during the same period.

As the funds are not routed through State Government accounts, the direct transfer of funds from the Union Government to the State implementing agencies runs the risk of oversight of maintenance of accounts and utilisation of funds by these agencies. In the absence of uniform accounting practices followed by all these agencies, proper documentation and timely reporting about the status of expenditure by these implementing agencies was not in place.

1.3 Revenue Receipts

Statement 11 of the Finance Accounts details the revenue receipts of the Government. The revenue receipts consist of its own tax and non-tax revenues, Central tax transfers and grants-in-aid from GOI. The trends and composition of revenue receipts over the period 2004-09 are presented in *Appendix 1.3* and also depicted in **Charts 1.4 and 1.5** respectively.





The Revenue receipts of the State were showing an increasing trend over the period 2004-08 but decreased by 1,299 crore (7 per cent) from Rs 19,751 crore in 2007-08 to Rs 18,452 crore in 2008-09. The decrease in revenue receipts was mainly due to decrease of Rs 1,859 crore in non-tax revenue from Rs 5,097 crore in 2007-08 to Rs 3,238 crore in 2008-09. The share of non-tax revenue in revenue receipts also decreased from 26 per cent in 2007-08 to 18 per cent in 2008-09. Central tax transfers increased by Rs 91 crore, from Rs 1,634 crore in 2007-08 to Rs 1,725 crore during 2008-09 and constituted nine per cent of revenue receipts. The increase in Central transfers was mainly under corporation tax (Rs 47 crore), Customs duty (Rs 21 crore) and service tax (Rs 23 crore). The grants-in-aid from Government of India, which constituted 10 per cent of revenue receipts in the current year, increased from Rs 1,402 crore in 2007-08 to Rs 1,834 crore. The increase of Rs 432 crore was under Centrally sponsored schemes (Rs 51 crore), Non-Plan grants (Rs 272 crore), Central schemes (Rs 17 crore) and State Plan schemes (Rs 92 crore).

The trends in revenue receipts relative to the Gross State Domestic Product (GSDP) are presented in **Table 1.3**.

Table 1.3: Trends in revenue receipts relative to GSDP

	2004-05	2005-06	2006-07	2007-08	2008-09
Revenue receipts (RR) (Rupees in crore)	11,149	13,853	17,952	19,751	18,452
Rate of growth of RR (per cent)	13.27	24.25	29.58	10.02	(-).6.58
R R/GSDP (per cent)	11.89	12.98	13.81	12.90	10.22
Buoyancy ratios²					
Revenue buoyancy with reference to GSDP	1.008	1.760	1.355	0.565	(-).0.368
State's Own Tax Buoyancy with reference to GSDP	1.306	1.599	0.933	0.356	0.018
Revenue buoyancy with reference to State's own taxes	0.772	1.101	1.452	1.588	(-).20.56

(Source: State Finance Accounts)

The growth of revenue receipts during 2004-08, declined to 6.58 per cent in the

² Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. For instance, revenue buoyancy at 0.6 implies that revenue receipts tend to increase by 0.6 percentage points, if the GSDP increases by one per cent.

current year. The percentage ratio of revenue receipts to GSDP decreased from 12.90 in 2007-08 to 10.22 in 2008-09. The revenue buoyancy with reference to the GSDP and the State's own taxes became negative from 0.565 and 1.588 in 2007-08 to 0.368 and 20.56 during 2008-09. The State's own tax buoyancy with reference to GSDP decreased from 1.306 in 2004-05 to 0.018 in 2008-09.

1.3.1 State's Own Resources

As the State's share in Central taxes and grants-in-aid is determined on the basis of recommendations of the Finance Commission, collection of Central tax receipts, Central assistance for Plan schemes, etc., the State's performance in mobilisation of additional resources should be assessed in terms of its own resources comprising revenue from its own tax and non-tax sources. The gross collection in respect of major taxes and duties as well as the components of non-tax receipts vis-à-vis expenditure incurred on their collection and the percentage of such expenditure to the gross collection during the years 2004-05 to 2008-09 along with the respective all-India average are presented in **Appendix 1.5**.

The tax revenue increased by 0.32 *per cent* during 2008-09 (Rs 11,655 crore) over the previous year (Rs 11,618 crore). The revenue from taxes on sales, trade, etc. comprised major share of tax revenue (70 *per cent*) and the same increased by six *per cent* over the previous year. The value added tax (VAT) introduced in April 2003 had enhanced the buoyancy of the taxes on sales, trade, etc. revenue and generated a higher collection of Rs 434 crore during 2008-09. Receipts under stamps and registration decreased by 25 *per cent* from Rs 1,763 crore in 2007-08 to Rs 1,326 crore in 2008-09 due to the global slowdown of the economy, leading to decrease in transactions of immovable property. Other components of tax revenue exhibited relative stability with insignificant increases and decreases during the year. It is important to note that the State's own tax revenue was less than the assessment made by TFC (Rs 12,864 crore) as well as the projections made by the State Government in its FCP (Rs 12,200 crore) and MTFPS (Rs 14,294 crore).

The expenditure on collection of tax revenue during 2004-09 ranged between 0.66 and 0.81 *per cent* for taxes on sales, trades etc., 2.34 and 4.47 *per cent* for taxes on vehicles, 0.88 and 1.30 *per cent* for State Excise, 0.42 and 1.23 *per cent* for Stamp duty and Registration fees and 0.30 and 0.95 *per cent* for Taxes on Goods and Passenger for tax revenue.

Non-tax revenue, which includes debt relief of Rs 96.66 crore from GOI on repayment of the consolidated loan under DCRF, constituted 18 *per cent* of the total revenue receipts during 2008-09, significant decrease of Rs 1,859 crore (36 *per cent*) over the previous year. The decrease in non-tax revenue was mainly on account of a decrease of Rs 1,921 crore in receipts under the major head 'Urban Development' due to less approval of projects because of global recession. Receipts of Rs 645 crore under Transport during the year were offset by an

expenditure of Rs 827 crore under Transport as Haryana does not have a Road Transport Corporation and State-owned buses are operated by the Transport Department of the State. The expenditure incurred on the collection of non-tax revenue was much higher than the expenditure incurred for collection of tax revenue. However, non-tax revenue at Rs 3,238 crore during 2008-09 exceeded the projections made by TFC (Rs 2,066 crore) and by the State Government in the FCP (Rs 2,185 crore). It was less by Rs 806 crore (20 *per cent*) than the projection made by the State Government in its MTFPS (Rs 4,044 crore).

1.3.2 *Loss of revenue due to evasion of taxes, write offs/waivers and refunds*

Out of 12,890³ cases of evasion of taxes (12,060 cases were detected during 2008-09 and 830 cases during earlier periods), assessments/investigations were completed in 11,880 cases and additional demand of Rs 223.68 crore including penalty had been raised by the Excise and Taxation Department. The Government suffered a loss of Rs 16.37 crore on account of recovery of revenue which was not realised hence, written off.

Refunds of Rs 1,110.50 crore were made to 2,978 claimants, against outstanding amounts totalling Rs 1,748.14 crore in 3,474 cases by the Excise and Taxation, Power and Urban Development Departments during 2008-09. Of the 496 balance cases involving refunds of Rs 638 crore, 71 *per cent* cases of refund pertained to the Excise and Taxation Department and 29 *per cent* cases, involving 91 *per cent* of the total amount, related to the Urban Development Department.

1.3.3 *Revenue Arrears*

The arrears of revenue increased by 118 *per cent* from Rs 1,087 crore in 2004-05 to Rs 2,367 crore³ in 2008-09. Of these, Rs 606 crore (26 *per cent*) was outstanding for a period of more than five years. The arrears were mainly on account of taxes on sales, trade, etc.: Rs 1,956 crore, tax on entry of goods into local areas: Rs 159 crore, taxes and duties on electricity: Rs 101 crore, taxes on goods and passengers: Rs 58 crore and State excise: Rs 47 crore. As evident from above data, taxes on sales, trade, etc. constituted 83 *per cent* of the total arrears. Demands amounting to Rs 591 crore could not be realised due to granting of stays by the High Court, judicial and non-judicial authorities. Collection of arrears of revenue needs immediate attention along with effective measures for their realisation in a time-bound manner.

1.4 Application of Resources

Analysis of the allocation of expenditure at the State Government's level assumes significance since major expenditure responsibilities are entrusted with them.

³ Figures are as per Audit Report (Revenue Receipts).

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Within the framework of fiscal responsibility legislations, there are budgetary constraints in raising public expenditure financed by deficit or borrowings. It is, therefore, important to ensure that the ongoing fiscal correction and consolidation process at the State level is not at the cost of expenditure, especially the expenditure directed towards development of social sectors.

1.4.1 Growth and Composition of Expenditure

Trends observed in total expenditure of over a period of five years (2004-2009) are shown in **Chart 1.6** and its composition both in terms of 'economic classification' and 'expenditure by activities' is depicted in **Charts 1.7 and 1.8** respectively. **Table 1.4** presents the growth of capital expenditure over five years (2004-09):

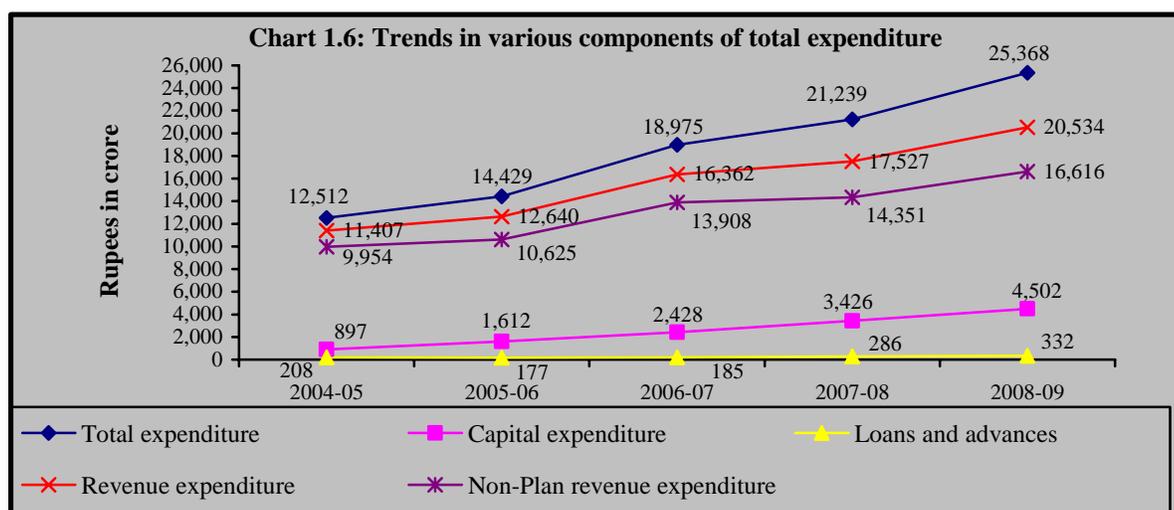


Table 1.4: Growth of Capital Expenditure

(Rupees in crore)

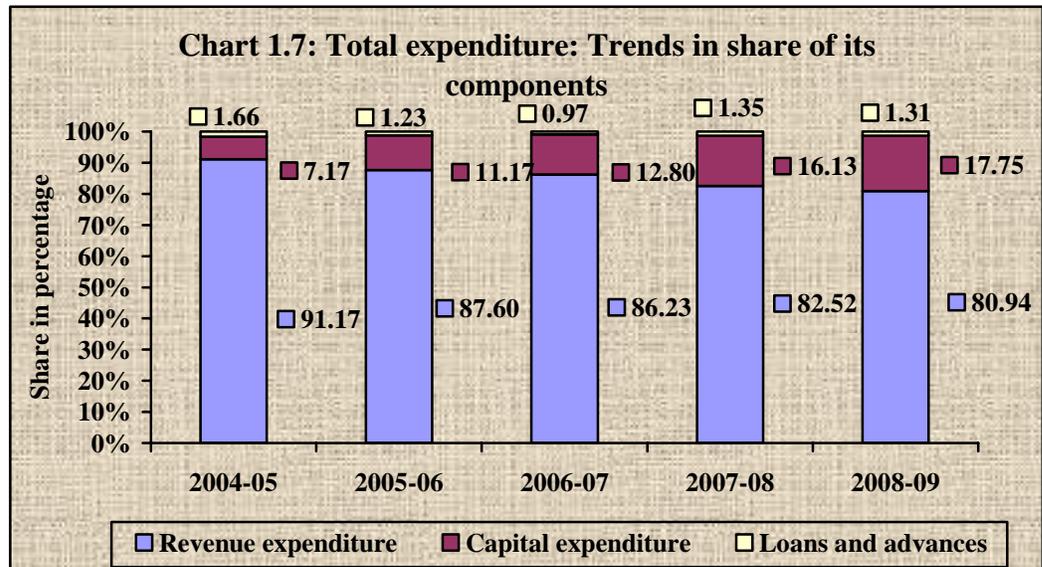
	2004-05	2005-06	2006-07	2007-08	2008-09
Capital expenditure	897	1612	2428	3426	4502
Growth rate (<i>per cent</i>)	132	80	51	41	31
Percentage of total expenditure	7.17	11.17	12.80	16.13	17.75

(Source: State Finance Accounts)

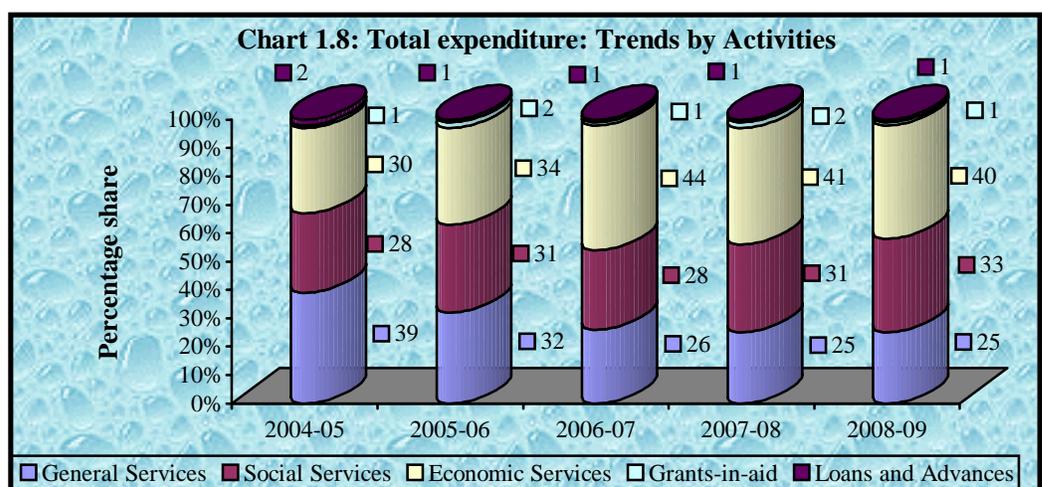
The trends of total expenditure depict that the trends in various component of expenditure during the last five years vis-à-vis the total expenditure during the period has increased by Rs 12,856 crore (103 *per cent*) from Rs 12,512 crore in 2004-05 to Rs 25,368 crore in 2008-09. Of this, revenue expenditure increased by Rs 9,127 crore (80 *per cent*) from Rs 11,407 crore in 2004-05 to Rs 20,534 crore in 2008-09. Capital expenditure increased by Rs 3,605 crore (402 *per cent*) from Rs 897 crore in 2004-05 to Rs 4,502 crore in 2008-09. Disbursement of loans and advances also increased by Rs 124 crore (60 *per cent*) from Rs 208 crore in 2004-05 to Rs 332 crore in 2008-09. However, the share of NPRE in total expenditure decreased from 80 *per cent* in 2004-05 to 65 *per cent* in 2008-09.

The total expenditure during 2008-09, i.e. Rs 25,368 crore increased by Rs 4,129 crore (19 *per cent*) over the previous year. Of the total increase, revenue expenditure contributed Rs 3,007 crore (73 *per cent*) while capital expenditure

accounted for Rs 1,076 crore (26 per cent). The remaining amount of Rs 46 crore (one per cent) was contributed by loans and advances. The bifurcation of total expenditure into Plan and Non-Plan expenditure revealed that the share of Plan and Non-Plan expenditure was 31 and 68 per cent respectively.



The share of revenue expenditure in total expenditure decreased from 91.17 per cent in 2004-05 to 80.94 per cent in 2008-09, whereas the share of capital expenditure in total expenditure increased from 7.17 per cent in 2004-05 to 17.75 per cent in 2008-09. The share of loans and advances disbursed also decreased from 1.66 per cent in 2004-05 to 1.31 per cent in 2008-09. The NPRE ratios to GSDP and to total expenditure came down from 9.37 per cent and 67.57 per cent in 2007-08 to 9.20 per cent and 65.50 per cent respectively in 2008-09. However, the buoyancy of total revenue expenditure with reference to GSDP increased from 0.133 in 2004-05 to 0.141 in 2008-09.



The movement of relative shares of various components of expenditure indicated that while the share of General Services including interest payment declined from 39 per cent in 2004-05 to 25 per cent in 2008-09, the share of Economic Services

increased from 30 *per cent* in 2004-05 to 40 *per cent* in 2008-09, mainly due to the steep increase in expenditure on power projects. The combined share of Social and Economic Services which represented development expenditure increased from 58 *per cent* in 2004-05 to 73 *per cent* in 2008-09, though there was no substantial increase in 2008-09 from its level in the previous year. The share of Loans and Advances remained constant during 2004-09.

Revenue expenditure of the State consistently increased at an average rate of 16 *per cent* from Rs 11,407 crore in 2004-05 to Rs 20,534 crore in 2008-09. The increase of Rs 3,007 crore (17 *per cent*) during 2008-09 over the previous year was mainly due to higher expenditure on general education (Rs 955 crore), power (Rs 439 crore), pension and other retirement benefits (Rs 317 crore), police (Rs 292 crore), other rural development programmes (Rs 274 crore) and medical and public health (Rs 175 crore). The break up of revenue expenditure into NPRE and Plan Revenue Expenditure (PRE) showed that the proportionate share of NPRE was substantially higher than the PRE. The total increase of Rs 3,007 crore comprised Rs 2,265 crore and Rs 742 crore in NPRE and PRE respectively.

The NPRE in 2008-09 at Rs 16,616 crore was higher than the normative assessment of TFC (Rs 10,445 crore) and the projection of the State Government made in its FCP (Rs 14,400 crore) and the MTFPS (Rs 16,144 crore).

1.4.2 Committed Expenditure

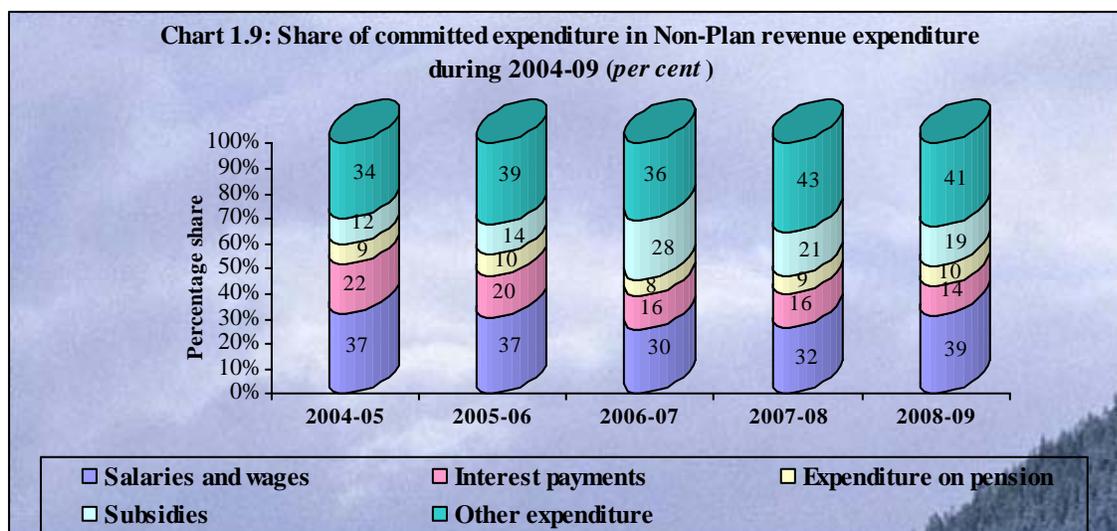
The committed expenditure of the State Government on revenue account mainly consists of interest payments and expenditure on salaries and wages, pensions and subsidies. The trends of expenditure on these components during 2004-09 are presented in **Table 1.5** and **Chart 1.9**.

Table 1.5: Components of committed expenditure

Component of committed expenditure	2004-05	2005-06	2006-07	2007-08	2008-09	
					Budget estimates	Actuals
Salaries and wages, of which	3,714 (33)	3,894 (28)	4,126 (23)	4,566 (23)	5,222 (24)	6,546 (35)
Non-Plan Head	3,308	3,584	3,784	4,292	4,797	6,069
Plan Head **	406	310	342	274	425	477
Interest Payments	2,235 (20)	2,100 (15)	2,265 (13)	2,346 (12)	2,536 (12)	2,339 (13)
Expenditure of pension	902 (8)	1,033 (7)	1,173 (7)	1,298 (7)	1,800 (8)	1,614 (9)
Subsidies	1,157 (10)	1,466 (11)	3,852 (21)	3,057 (15)	2,838 (13)	3,190 (17)
Other components	3,399 (30)	4,167 (30)	4,946 (28)	6,242 (32)	7,885 (36)	6,845 (37)
Total	11,407	12,660	16,362	17,527	20,281	20,534

Note: Figures in parentheses indicate percentage to revenue receipts.

** Plan Head also includes the salaries and wages paid under Centrally sponsored schemes.



The expenditure on salaries and wages increased by 76 per cent from Rs 3,714 crore in 2004-05 to Rs 6,546 crore in 2008-09. Actual salary expenditure at Rs 6,546 crore in 2008-09 was, however, higher than the projections in the State's own FCP (Rs 4,770 crore) and that envisaged in the MTFPS of the State Government (Rs 6,196 crore). The total Non-Plan salary bill of revenue expenditure, net of interest payments and pension was 36 per cent, which was higher than the norm of 35 per cent envisaged by the TFC.

Interest payments increased marginally by five per cent from Rs 2,235 crore in 2004-05 to Rs 2,339 crore in 2008-09. However, during 2008-09, there was a decrease of Rupees seven crore (0.30 per cent) over the previous year. The percentage of interest payments to revenue receipts consistently decreased from 20 per cent in 2004-05 to 13 per cent in 2008-09. Interest payments were within the medium-term target of 15 per cent of revenue receipts to be achieved by 2009-10 as envisaged by TFC. Interest payments (Rs 2,339 crore) during 2008-09 were also within the projections made by the State in its FCP (Rs 2,706 crore) and the projections in the MTFPS (Rs 2,354 crore) for the year 2008-09.

Pension payments increased by Rs 712 crore (79 per cent) from Rs 902 crore in 2004-05 to Rs 1,614 crore in 2008-09 but its percentage to revenue receipts increased slightly from eight in 2004-05 to nine in 2008-09. The expenditure on pension payments (Rs 1,614 crore) in 2008-09 was lower than the projection made in State's MTFPS but was higher by 26 per cent and 13 per cent than the assessment of TFC for the year and the assessment made in the State's FCP respectively. To meet the increasing pension liabilities, a new Contributory Pension Scheme was introduced by the State with effect from 1 January 2006.

Payment of subsidies increased by Rs 2033 crore (176 per cent) from Rs 1157 crore in 2004-05 to Rs 3190 crore in 2008-09. Payment of subsidies (Rs 3,190 crore) during 2008-09 constituted 13 per cent of the total expenditure

and consumed 17 *per cent* of revenue receipts. Out of total subsidies of Rs 3,190 crore, Rs 2,997 crore (94 *per cent*) were for the power and energy sector, the bulk of which was for rural electrification (Rs 2,913 crore) and electricity arrears waiver schemes (Rs 76 crore). The actual subsidy to the power and energy sector was 179 *per cent* (Rs 2,997 crore) of the projection (Rs 1,670 crore) in the State's own FCP. The general subsidy at Rs 193 crore was also 175 *per cent* of the projection (Rs 110 crore) in the FCP for 2008-09.

1.4.3 Financial assistance by State Government to local bodies and other institutions

The quantum of assistance provided by way of grants and loans to local bodies and other institutions during the period 2004-05 to 2008-09 is given in **Table 1.6**.

Table 1.6: Financial assistance to local bodies, etc.

(Rupees in crore)

	2004-05	2005-06	2006-07	2007-08	2008-09		
					Budget estimate	Actual	Percentage of variation
Educational Institutions (Aided Schools, Aided Colleges, Universities, etc.)	72.91	244.06	247.53	459.65	676.75	538.49	(-) 20
Municipal Corporations and Municipalities	180.00	Nil	125.63	103.22	478.45	464.45	(-)3
Zila Parishads and Other Panchayati Raj Institutions	29.42	73.12	135.02	93.88	666.23	412.16	(-)38
Development Agencies	121.28	303.31	231.93	520.33	301.99	268.75	(-)11
Hospitals and other Charitable Institutions	22.32	25.28	20.32	49.46	99.55	46.80	(-)53
Other Institutions	92.19	196.29	161.51	345.05	229.55	322.72	(+)41
Total	518.12	842.06	921.94	1,571.59	2,452.52	2,053.37	
Assistance as percentage of RE	5	7	6	9		10	

Financial assistance to local bodies and other institutions increased from Rs 518.12 crore in 2004-05 to Rs 2,053.37 crore in 2008-09 (296 *per cent*) and its percentage to revenue expenditure ranged around five to 10 during 2004-09. An analysis of the above table reveals that during 2008-09, the financial assistance increased to Rs 2,053.37 crore from Rs 1,571.59 crore in 2007-08. The increase of Rs 481.78 crore (31 *per cent*) over the previous year was mainly due to more assistance to educational institutions (Rs 79 crore), Municipal Corporations and Municipal Committees (Rs 361 crore) and Zila Parishad and other panchayati raj institutions (Rs 318 crore). The assistance to Development Agencies and Other Institutions decreased by Rs 252 crore and Rs 22 crore respectively. Against the estimated provision of Rs 2,452.52 crore, financial assistance of Rs 2,053.37 crore was released. The decrease in the actual release vis-à-vis the budget estimates to educational institutions, Municipal Corporations and Municipalities, Zila Parishads, etc., ranged between three and 53 *per cent*. However, the actual release to Other Institutions was more than the budget estimate by 41 *per cent*, mainly under non-conventional sources of energy, social and economic services and compensation and assignments to local bodies and panchayati raj institutions. Actual release of Rs 876.61 crore to local bodies was more than the projection of TFC (Rs 36.43 crore).

1.5 Quality of Expenditure

The availability of better social and physical infrastructure in the State generally reflects the quality of its expenditure. The improvement in the quality of expenditure basically involves three aspects, viz., adequacy of the expenditure (i.e. adequate provision for providing public services); efficiency of expenditure and use and the effectiveness (assessment of outlay-outcome relationships for selected services).

1.5.1 Adequacy of Public Expenditure

The expenditure responsibilities relating to the social sector and the economic infrastructure assigned to the State Governments are largely State subjects. Enhancing human development levels requires the States to step up their expenditure on key social services like education, health, etc. Low level of spending on any sector by a particular State may be either due to the low fiscal priority attached by the State Government or on account of the low fiscal capacity of the State Government or due to both working together. Low fiscal priority (ratio of expenditure category to aggregate expenditure) is attached to a particular sector, if it is below the respective national average while low fiscal capacity would be reflected if the State's per capita expenditure was below the respective national average, even after having a fiscal priority that was more than or equal to the national average. **Table 1.7** analyses the fiscal priority and fiscal capacity of the State Government with regard to development expenditure, social sector expenditure and capital expenditure during 2008-09.

Table-1.7: Fiscal Priority and Fiscal Capacity of the State in 2005-06 and 2008-09

Fiscal Priority of the State	AE/GSDP	DE/AE	SSE/AE	CE/AE
All States/National Average* (Ratio) 2005-06	19.50	61.44	30.41	14.13
Haryana's Average (Ratio) 2005-06	15.44	65.96	30.73	11.17
All States/National Average* (Ratio) 2008-09	19.16	67.68	33.90	16.87
Haryana Average (Ratio)* 2008-09	14.05	73.88	32.99	17.75
Fiscal Capacity of the State	DE#	SSE	CE	
All States Average Per capita Expenditure 2005-06	3,010	1,490	692	
Haryana's per Capita expenditure (Amount in Rs) in 2005-06	4,120	1,919	698	
Adjusted per Capita** Expenditure (Amount in Rs) in 2005-06	NR	NR	1,115	
All States' Average per capita expenditure 2008-09	5,030	2,520	1,254	
Haryana's Per Capita Expenditure (Amount in Rs) in 2008-09	7,682	3,430	1,845	
Adjusted Per Capita** Expenditure (Amount in Rs) in 2008-09	NR	4,805	NR	
* As per cent of GSDP				
** Calculated as per the methodology explained in the Appendix 1.2				
AE: Aggregate Expenditure DE: Development Expenditure SSE: Social Sector Expenditure				
CE: Capital Expenditure. NR = No adjustment required since the State is giving adequate fiscal priority.				
Population of Haryana 2.31 crore in 2005-06 and 2.44 crore. in 2008-09.				
# Development expenditure includes Development Revenue Expenditure, Development Capital expenditure and Loans and Advances disbursed.				
Source : (1) For GSDP, the information was collected from the State's Directorate of Economics and Statistics (2) Population figures were taken from Projection 2001-2026 of the Registrar General & Census Commissioner, India (Website: http://www.censusindia.gov.in) Population = Average of Projected population for 2005 and 2006.				

Table 1.7 shows that in 2005-06 and 2008-09, the ratios of aggregate expenditure to GSDP for Haryana (15.44 and 14.05 per cent) were lower than the all the

States/ National Average (19.51 and 19.16 *per cent*). This means that aggregate expenditure as a proportion of GSDP was low. On an average, other States were spending a higher proportion of their GSDP annually. Haryana does have a very high GSDP relative to other States but it is worth noting that States with higher GSDPs like Uttar Pradesh, Andhra Pradesh, Tamil Nadu and Karnataka have a higher AE/GSDP ratio than the all States average. Similarly, the ratio of social sector expenditure as a proportion of aggregate expenditure for Haryana is also lower than the national average. This indicates that Haryana is giving lower fiscal priority to social sector expenditure compared to other States. In the case of developmental expenditure and capital expenditure however, Haryana is giving adequate priority as the DE/AE and the CE/AE ratios were higher than the respective national averages in 2008-09. Since developmental expenditure is a sum of the amounts spent on Economic Services and Social Sector Services, Haryana has given a very high priority to its Economic Services. It may be noted that compared to 2005-06, Haryana has given greater priority to CE as the ratio was lower than the national average in 2005-06 but became higher in the current year.

The per capita expenditure of DE, SSE and CE (Rs 4,120, Rs 1,919 and Rs 698 respectively) in 2005-06 and Rs 7,682, Rs 3,430 and 1,845 respectively in 2008-09 for Haryana was higher than the national average during these years, mainly because Haryana's population is relatively less compared to most other non-special category states. Even in the case of social sector expenditure, despite the low fiscal priority given by the State, the per capita expenditure during 2005-06 and 2008-09 was Rs 1,919 and Rs 3430, which is higher than the national average of Rs 1,490 and Rs 2,520 respectively. Using the methodology for calculating adjusted expenditure in *Appendix 1.2*, it was observed that if the AE and SSE are adjusted using the formula, then the adjusted per capita expenditure on SSE would be even higher at Rs 4,805. In other words, the absorptive capacity (capacity of the Government to implement schemes to achieve developmental outcomes) for all categories of expenditure is relatively high in Haryana.

1.5.2 Efficiency of Expenditure Use

In view of the importance of public expenditure on development heads from the point of view of social and economic development, it is important for the State Government to take appropriate expenditure rationalisation measures and lay emphasis on provision of core public and merit goods⁴. Apart from improving the

⁴ *Core public goods* are goods which all citizens enjoy in common in the sense that each individual's consumption of such goods leads to no subtractions from any other individual's consumption of those goods, e.g. enforcement of law and order, security and protection of our rights; pollution free air and other environmental goods, road infrastructure etc. *Merit goods* are commodities that the public sector provides free or at subsidised rates because an individual or society should have them on the basis of some concept of need, rather than the ability and willingness to pay the Government. Examples of such goods include the provision of free or subsidised food for the poor to support nutrition, delivery of health services to improve quality of life and reduce morbidity, providing basic education to all, drinking water and sanitation etc.

allocation towards development expenditure⁵, particularly in view of the fiscal space being created on account of the decline in debt servicing in the recent years, the efficiency of expenditure use is also reflected by the ratio of capital expenditure to total expenditure (and/or GSDP) and the proportion of revenue expenditure being made on operation and maintenance of the existing social and economic services. The higher the ratio of these components to the total expenditure (and/or GSDP), the better would be the quality of expenditure. **Table 1.8** presents the trends in development expenditure⁶ relative to the aggregate expenditure of the State during the period 2004-05 to 2008-09. **Table 1.9** provides the details of capital expenditure and the components of revenue expenditure incurred on the maintenance of selected social and economic services.

Table 1.8: Development expenditure

(Rupees in crore)

Component of committed expenditure	2004-05	2005-06	2006-07	2007-08	2008-09	
					Budget Estimate	Actuals
Development expenditure (a to c)	7,363(59)	9,375(65)	13,615(72)	15,346(72)	16,194(67)	18,743(74)
a. Development revenue expenditure	6,417(51)	7,810(54)	11,242(59)	11,961(56)	12,915(54)	14,294(56)
b. Development capital expenditure	839(7)	1,530(11)	2,338(12)	3,255(15)	3,211(13)	4,307(17)
c. Development loans and Advances	107(1)	35(0.24)	35(0.18)	130(0.61)	68(0.07)	142(0.56)

(Note: Figures in parentheses indicate percentage of aggregate expenditure.)

Development expenditure increased by Rs 11,380 crore (155 per cent) from Rs 7,363 crore in 2004-05 to Rs 18,743 crore in 2008-09. This expenditure which constituted 74 per cent of the total expenditure increased by Rs 3,397 crore (22 per cent) from Rs 15,346 crore in 2007-08 to Rs 18,743 crore in 2008-09. Revenue expenditure constituted 76 per cent of development expenditure whereas the share of capital expenditure was only 23 per cent. This expenditure also exceeded its budget estimates by Rs 2,549 crore (16 per cent). Against the provision of Rs 16,194 crore, the actual expenditure was Rs 18,743 crore.

⁵ The analysis of expenditure data is disaggregated into development and non-development expenditure. All expenditure relating to Revenue Account, Capital Outlay and Loans and Advances is categorised into Social Services, Economic Services and General Services. Broadly, the Social and Economic Services constitute development expenditure, while expenditure on General Services is treated as non-development expenditure.

⁶ Development expenditure is defined as total expenditure made on Social and Economic Services.

**Table 1.9 Efficiency of expenditure use in selected Social and Economic Services
(Rupees in crore)**

Social/economic infrastructure	2007-08			2008-09		
	Ratio of CE to TE	In RE, the share of		Ratio of CE to TE	In RE, the share of	
		S&W	O&M		S&W	O&M
Social Services (SS)						
Education, Sports, Art and Culture	0.030	63.17	0.01-	0.023	66.95	0.01-
Health and Family Welfare	0.087	70.53	-	0.057	75.24	-
Water Supply, Sanitation, Housing and Urban Development	0.430	23.71	8.72	0.422	26.30	8.96
Total (SS)	0.138	43.21	1.43	0.133	50.02	1.46
Economic Services (ES)						
Agriculture and Allied Activities	0.031	30.45	0.79	0.369	48.51	1.22
Irrigation and Flood Control	0.556	34.36	11.51	0.518	45.98	12.66
Power and Energy	0.248	*	-	0.221	0.03	-
Transport	0.294	28.54	28.67	0.408	30.19	26.85
Total (ES)	0.273	15.98	6.76	0.312	18.82	6.41
Total (SS + ES)	0.213	29.05	4.20	0.232	34.67	3.89

TE: Total expenditure; CE: Capital expenditure; RE: Revenue expenditure; S&W: Salaries and wages; O&M: Operations and maintenance

* Less than Rupees one crore

The ratio of capital expenditure on Social Services with reference to the total expenditure decreased from 0.138 in 2007-08 to 0.133 in 2008-09, whereas the ratio of capital expenditure on Economic Services increased from 0.273 in 2007-08 to 0.312 in 2008-09.

The share of expenditure on salaries and wages and O & M under Social Services in revenue expenditure increased from 43.21 and 1.43 *per cent* in 2007-08 to 50.02 and 1.46 *per cent* in 2008-09 respectively. However, under Economic Services the share of salaries and wages increased from 15.98 in 2007-08 to 18.82 in 2008-09 but the share of operational and maintenance expenditure marginally decreased from 6.76 *per cent* in 2007-08 to 6.41 *per cent* in 2008-09. Under SS and ES combined, the expenditure on salaries and wages increased from 29.05 *per cent* in 2007-08 to 34.67 *per cent* in 2008-09.

1.5.3 *Flagship schemes: Position of expenditure*

The Government of India has identified 27 Central sector and additional Central assistance linked schemes as flagship schemes depending on their expected impact on the social and economic development of the nation. The following amounts were released for the schemes by the Central Government, Ministries to the Government of Haryana, their functionaries and various implementing agencies/NGOs during 2008-09.

Table 1.10: Expenditure vis-à-vis availability of funds under flagship schemes implemented in Haryana**(Rupees in crore)**

Sr. No.	Name of the scheme	Funds received		Total including opening balance and funds received from other sources	Expenditure	Percentage of expenditure to available funds
		From GOI	State Share			
1	National Rural Health Mission	211.59	0.00	370.28	244.70	66
2	Integrated Watershed Management Programme (Desert Development Programme)	10.59	8.14	47.56	19.67	41
3	National Rural Employment Guarantee Act (NREGA)	134.57	13.12	160.12	109.85	69
4	Accelerated Irrigation Benefits Programme (ARBP)	0.00	30.29	30.29	30.29	100
5	Backward Regions Grant Fund (BRGF)	11.57	0.00	39.72	23.55	59
6	Indira Awas Yojana (IAY)	50.33	16.79	68.62	50.05	73
7	Sarva Shiksha Abhiyan (SSA)	204.52	110.13	374.40	295.66	79
8	Rural Water Supply Schemes (A) Accelerated Rural Water Supply Scheme (ARWSP)	87.40	0.00	87.40	87.40	100
	(B) Desert Development Programme (DDP)	54.80	0.00	54.80	54.80	100
9	Midday Meal Scheme	57.48	37.96	105.84	94.37	89
10	Integrated Child Development Services Scheme	87.98	31.09	119.07	120.15	101
11	National Horticulture Mission (NHM)	33.00	2.22	65.99	57.34	87
12	Pradhan Mantri Gram Sadak Yojana (PMGSY)	272.02	0.00	373.99	339.78	91
13	Macro-Management of Agriculture including National Watershed Development Project for Rainfed Area and Extension Service.	23.00	2.56	25.56	25.31	99
14	National Agriculture Insurance Scheme	4.74	0.00	4.74	4.74	100
15	Integrated scheme on Oil seeds, Pulses and Maize	7.32	2.44	9.76	9.73	100
16	Jawaharlal Nehru National Urban Renewal Mission (JNNURM)	NA	161.95	161.95	161.95	100
17	National e-governance Action Plan	NA	11.28	11.28	11.28	100
18	Rajiv Gandhi Grameen Vidyuti Karan Yojana (RGGVY)	37.43	-	37.43	53.94	144
19	Accelerated Power Development and Reform Programme (APDRP)	-	-	-	28.15	-

(Source: Information collected from concerned departments and AG (A&E) office.)

Table 1.10 shows that utilisation of available funds under the Integrated Watershed Management Programme (Desert Development Programme), Backward Regions Grant Fund, National Rural Health Mission and National Rural Employment Guarantee Scheme ranged between 41 and 69 *per cent*.

Besides stepping up the expenditure on key social and economic services, the need to enhance human development requires the State to improve the delivery mechanism to obtain the desired outcomes. The State Government should relate expenditure to outcomes in terms of quality, reach and final impact.

1.6 Financial Analysis of Government Expenditure and Investments

In the post-HFRBM framework, the State is expected to keep its fiscal deficit (and borrowings) not only at low levels but also meet capital expenditure/ investment (including loans and advances) requirements. In addition, in a transition to complete dependence on market-based resources, the State Government needs to initiate measures to earn adequate returns on its investments, recover its cost of borrowed funds rather than bearing the same on the budget in the form of implicit subsidies and take requisite steps to infuse transparency in financial operations. This section presents a broad financial analysis of investments and other capital expenditure undertaken by the Government during 2008-09 vis-à-vis the previous years.

1.6.1 Financial results of irrigation works

The financial results of seven out of 33 irrigation projects with a capital outlay of Rs 400.50 crore at the end of March 2009 showed that revenue realised from these projects during 2008-09 (Rs 46.53 crore) was 12 *per cent* of the capital outlay. After meeting the working and maintenance expenditure (Rs 215.60 crore) and interest charges (Rs 20.29 crore), there was a loss of Rs 189.36 crore, which was 47 *per cent* of the capital outlay on these projects.

1.6.2 Incomplete projects

Department-wise information pertaining to incomplete projects as on 31 March 2009 is given in **Table 1.11**. Only those projects where the scheduled dates for completion are already over as of 31 March 2009 have been included under incomplete projects.

Table 1.11: Department-wise profile of incomplete projects

(Rupees in crore)

Department	Number of incomplete projects	Initial budgeted cost	Revised total cost of projects*	Total expenditure upto March 2009
Buildings and Roads	24	117.01	119.14	77.30
Irrigation	5	6.37	9.86	8.30
Total	29	123.38	129.00	85.60

* Revised total cost of projects as per last revision by the State Government on March 2009.

Out of 29 incomplete projects required to be completed by 31 March 2009, the cost of six projects was revised from Rs 8.55 crore to Rs 14.17 crore. Of these, five projects pertained to irrigation where the initial estimated cost was revised from Rs 6.37 crore to Rs 9.86 crore while in the remaining case of a road project, the initial estimated cost was revised from Rs 2.18 crore to Rs 4.31 crore. In four projects pertaining to buildings and roads, against an estimated cost of Rs 6.04 crore, expenditure of Rs 8.73 crore was incurred, resulting in extra expenditure of Rs 2.69 crore. The scheduled dates of completion of these projects were between April 2007 and March 2009, but these were incomplete involving time overruns varying from nine to 16 months in the case of irrigation projects and from one to 23 months for road projects. Reasons for delays in completion of these projects were not intimated by the departments.

1.6.3 Investments and returns

As of 31 March 2009, the Government had invested Rs 5,031.32 crore in Statutory Corporations, Rural Banks, Joint Stock Companies and Co-operatives (Table 1.12). The average return on these investments was 0.14 per cent in the last five years while the Government paid an average interest rate of 8.38 per cent on its borrowings during 2004-09.

Table 1.12: Return on investments

Investment/return/cost of borrowings	2004-05	2005-06	2006-07	2007-08	2008-09	
					Budget estimate	Actuals
Investment at the end of the year (Rupees in crore)	1,861.34	2,261.44	3,058.05	3,988.43	929.29	5,031.32
Return (Rupees in crore)	2.35	1.92	5.62	6.05	9.13	8.27
Return (per cent)	0.13	0.09	0.18	0.15	0.98	0.16
Average rate of interest on Government borrowings (per cent)	8.49	8.95	9.20	7.43	7.75	7.82
Difference between interest rate and return (per cent)	8.36	8.86	9.02	7.28	6.77	7.66

While the investments by Government increased by Rs 3,169.98 crore (170 per cent) from Rs 1,861.34 crore in 2004-05 to Rs 5,031.32 crore in 2008-09, the return from investments increased from Rs 2.35 crore in 2004-05 to Rs 8.27 crore in 2008-09. The percentage return from investments ranged from a meagre 0.09 to 0.18 during the last five years, while the Government paid interest at an average rate of 7.43 to 9.20 per cent on its borrowing during 2004-09. Investment of Rs 1,042.89 crore during 2008-09 exceeded the budget provision (Rs 929.29 crore) by Rs 113.60 crore (12 per cent).

One Statutory Corporation and 11 Government Companies with an aggregate investment of Rs 4,625 crore up to 2008-09 were incurring losses and their accumulated losses amounted to Rs 3,303 crore as per the accounts furnished by these Companies upto 2008-09 (Appendix 1.6). It is pertinent to note that Rs 856 crore of the total investment (82 per cent) in 2008-09 was made by the State Government in the equity capital of Uttar Haryana Bijli Vitran Nigam Limited (Rs 110 crore), Dakshin Haryana Bijli Vitran Nigam Limited (Rs 140 crore), Haryana Vidyut Prasaran Nigam Limited (Rs 135 crore) and Haryana Power

Generation Limited (Rs 471 crore). Accumulated losses of these Government Companies amounted to Rs 1,560 crore, Rs 996 crore, Rs 83 crore and Rs 168 crore respectively for the years for which their accounts were finalised till 2008-09. The losses of these four power distribution companies constituted 85 per cent of the total losses of Government Statutory Corporations and Government Companies during the year. The losses were mainly attributable to deficiencies in financial management, planning, implementation of projects, operations and monitoring⁷. Thus, Government needs not only to invest its high cost borrowings more judiciously to get better returns, but also consider disinvesting its equity in loss-making units.

1.6.4 Departmental Commercial Undertakings

Activities of quasi-commercial nature are also performed by the departmental undertakings of certain Government departments. The department-wise position of the investments made by the Government up to the year for which proforma accounts are finalised, net profit/loss as well as return on capital invested in these undertakings are given in **Appendix 1.7**. The following points were observed:

- An amount of Rs 1,762.00 crore had been invested by the State Government in these undertakings at the end of the financial year up to which the accounts were finalised.
- Of the total undertakings, only two could earn net profit amounting to Rs 16.15 crore against the invested capital of Rs 20.49 crore, thereby yielding a rate of return of 79 per cent (Agriculture Department-Purchase and Distribution of Pesticides and Printing and Stationery-National Text Book Scheme).
- Of the loss-making undertakings, one undertaking incurring losses continuously for more than five years (Haryana Roadways) and one undertaking, viz. Agriculture Department (Seed Depot Scheme) have not prepared proforma accounts for the last 21 years.
- The accumulated losses of these three departmental undertakings were Rs 66.05 crore as against the total investment of Rs 1,741.51 crore.

1.6.5 Loans and advances by State Government

In addition to investments in co-operative societies, corporations and companies, Government has also been providing loans and advances to many of these institutions/organisations. **Table 1.13** presents the outstanding loans and advances as on 31 March 2009 and interest receipts vis-à-vis interest payments during the last three years.

⁷ Para 1.17 of Audit Report (Commercial) for the year ended 31 March 2009.

Table 1.13: Average interest received on loans advanced by the State Government**(Rupees in crore)**

Quantum of loans / interest receipts / cost of borrowings	2006-07	2007-08	2008-09	
			Budget Estimate	Actual
Opening Balance	3,841	1,825		1,897
Amount advanced during the year	185	286	391	332
Amount repaid during the year	2,201	214	321	352
Closing Balance	1,825	1,897		1,877
<i>Of which</i> Outstanding balance for which terms and conditions have been settled	1,825	1,897		1,877
Net addition	(-)2,016	72	70	(-)20
Interest receipts	95	21	115	53
Interest receipts as percentage of outstanding Loans and advances	3.35	1.13		2.81
Interest payments as percentage of outstanding fiscal liabilities of the State Government	7.92	8.06	8.45	7.25
Difference between interest payments and interest receipts (<i>per cent</i>)	4.57	6.93		4.44

Total outstanding loans and advances as on 31 March 2009 was Rs 1,877 crore, against an outstanding amount of Rs 1,897 crore as on 31 March 2008. Interest received against the loans advanced was 2.81 *per cent* in 2008-09 and was below the weighted rate of interest of 7.82 *per cent* on Government borrowings during 2008-09. Interest of Rs 53 crore received during the year against loans and advances was much below the budgeted projections (Rs 115 crore). Out of Rs 332 crore advanced during 2008-09, Rs 189.87 crore was advanced to Government servants while the balance of Rs 142 crore was advanced mainly for industry and minerals (Rs 138.53 crore), agriculture and allied activities (Rs 2.64 crore) and rural development (Rs 1.27 crore).

Loans amounting to Rs 176.31 crore were outstanding against the Haryana State Minor Irrigation (Tube wells) Corporation Limited, Chandigarh which was wound up in July 2002 and the loan remained unrecovered. Loans amounting to Rs 490.44 crore were outstanding at the beginning of year 2008-09 against co-operative sugar mills. Further loans totalling Rs 128 crore were given to these co-operative sugar mills without any recoveries against the previous loans.

1.6.6 Cash Balances and Investment of Cash Balances

Table 1.14 depicts the cash balances and investments made by the State Government out of the cash balances during the year.

Table 1.14 Cash balances and investment of cash balances**(Rupees in crore)**

Particulars	As on 1 April 2008	As on 31 March 2009	Increase(+)/decrease(-)
Cash balances	6,500.06	3,404.94	(-)3,095.12
Investment from cash balances (a to d)	6,354.38	2,841.58	(-)3,512.80
a. GOI Treasury Bills	6,354.38	2,841.58	(-)3,512.80
b. GOI securities	-	-	-
c. Other securities	-	-	-
d. Other investments	-	-	-
Fund-wise break-up of investment from earmarked balances (a to e)	866.22	1157.97	(+)291.75
a. Sinking Fund	229.13	289.25	(+)60.12
b. Funds for development schemes	0.11	0.11	-
c. Funds for village reconstruction for <i>Harijan</i> uplift	2.19	2.19	-
d. Calamity Relief Fund	583.72	811.37	(+)227.65
e. Guarantee Redemption Fund	51.07	55.05	(+)3.98
Interest realized	410.46	302.81	(-)107.65

Cash balances during the year decreased from Rs 6,500.06 crore to Rs 3,404.94 crore. Consequently, the investments out of cash balances also decreased from Rs 6,354.38 crore to Rs 2,814.58 crore. However, the investment from earmarked balances increased by Rs 291.75 crore, from Rs 866.22 crore on 1 April 2008 to Rs 1,157.97 crore on 31 March 2009, which was mainly due to more investments (Rs 227.65 crore) out of the Calamity Relief Fund and Rs 60.12 crore out of the Sinking Fund. Interest of Rs 302.81 crore realised on investments during 2008-09 was less by Rs 107.65 crore (26 per cent) than the interest earned (Rs 410.46 crore) during 2007-08.

The efficiency of handling of cash balances by the State can also be assessed by monitoring the trends in the monthly daily average of cash balances held by the State to meet its normal banking transactions. **Table 1.15** presents the trends in monthly average daily cash balances and the investments in Auction Treasury Bills for the last three years (2006-09).

Table-1.15: Trends in Monthly Average Daily Cash Balances and Investments in Auction Treasury Bills

(Rupees in crore)

Month	Monthly Average Daily Cash Balances			Investment in 14 day Treasury Bills			Investment in Auction Treasury Bills		
	2006-07	2007-08	2008-09	2006-07	2007-08	2008-09	2006-07	2007-08	2008-09
April	2.89	6.14	2.46	4,126.98	1,552.63	897.26	NIL	4,500.00	4,500.00
May	1.15	10.79	3.69	3,977.14	1,540.20	856.43	500.00	4,500.00	4,500.00
June	1.14	1.15	1.15	4,163.80	1,564.43	1,261.48	500.00	4,000.00	4,000.00
July	1.14	1.15	1.15	3,944.64	1,603.68	700.82	1,000.00	4,500.00	4,000.00
August	1.15	1.15	3.43	4,333.76	1,545.13	827.20	1,000.00	4,500.00	3,500.00
September	1.15	1.14	7.45	4,291.01	1,485.11	558.47	1,000.00	5,000.00	3,500.00
October	1.14	1.14	9.15	4,367.62	1,181.99	Nil	1,000.00	4,000.00	3,000.00
November	1.14	1.14	1.15	4,697.83	1,321.27	0.01	1,000.00	4,000.00	2,000.00
December	2.39	1.69	2.13	3,442.79	1,557.38	1,299.81	2,500.00	4,500.00	2,000.00
January	1.77	1.14	1.15	3,738.91	1,848.04	714.27	2,500.00	4,500.00	2,000.00
February	1.14	1.14	1.15	4,190.53	1,368.25	29.83	2,500.00	5,500.00	2,000.00
March	2.06	1.14	11.50	2,907.02	854.38	2,841.58	3,500.00	5,500.00	Nil

The State Government had to maintain a minimum cash balance of Rs 1.14 crore as per its agreement with the Reserve Bank of India but during 2008-09, the minimum cash balances for five days were maintained by taking ordinary and special Ways and Means advances amounting to Rs 92.36 crore, for which interest of Rs 4.17 lakh at the rate of seven per cent was paid.

1.7 Assets and liabilities

1.7.1 Growth and composition of Assets and Liabilities

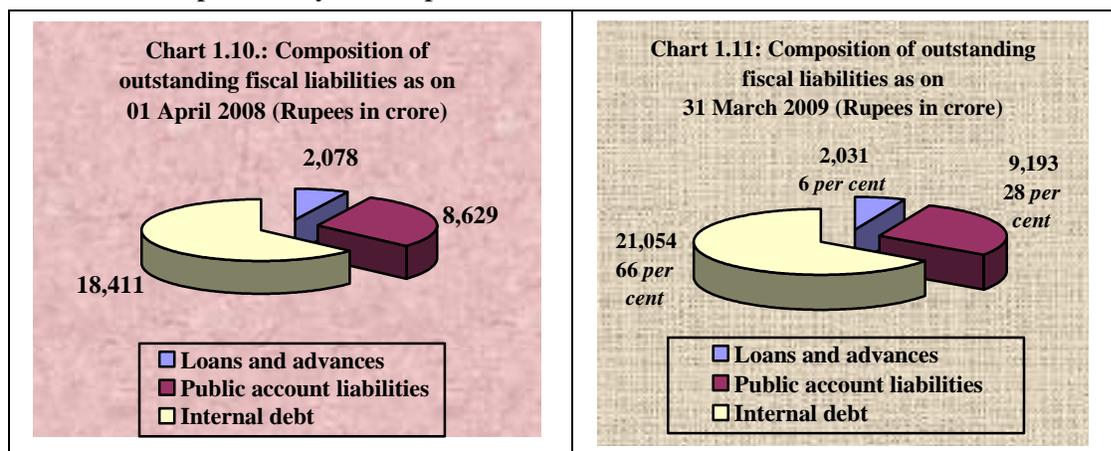
In the existing Government accounting system, comprehensive accounting of fixed assets like land and buildings owned by the Government is not done. However, the Government accounts do capture the financial liabilities of the Government and the assets created out of the expenditure incurred. **Appendix 1.4** gives an abstract of such liabilities and assets as on 31 March 2009, compared

with the corresponding position on 31 March 2008. While the liabilities in this Appendix consist mainly of internal borrowings, loans and advances from the GOI, receipts from the Public Account and Reserve Funds, the assets comprise mainly the capital outlay and loans and advances given by the State Government and cash balances.

“Total liability” as defined in the HFRBM Act, means the liabilities under the Consolidated Fund of the State and the Public Account of the State and also include borrowings by public sector undertakings and special purpose vehicles and other equivalent instruments including guarantees where principal and/or interest are to be serviced out of the State budgets.

1.7.2 Fiscal liabilities

The trends in outstanding fiscal liabilities of the State are presented in **Appendix 1.3**. The compositions of fiscal liabilities during 2008-09 vis-à-vis the previous year are presented in **Charts 1.10** and **1.11**.



The overall fiscal liabilities of the State increased from Rs 29,118 crore in 2007-08 to Rs 32,278 crore in 2008-09. The growth rate was 10.85 *per cent* during 2008-09 over the previous year, mainly due to increase in receipts of public debt (Rs 2,643 crore), Small Savings, Provident Funds, etc., (Rs 352 crore) and deposits (Rs 217 crore). The ratio of fiscal liabilities to GSDP showed a consistently decreasing trend and decreased from 0.259 *per cent* in 2004-05 to 0.179 *per cent* in 2008-09. These liabilities were 1.75 times the revenue receipts and 2.17 times the State’s own resources as at the end of 2008-09. Payment of interest on the fiscal liabilities was Rs 2,339 crore (7.25 *per cent*) during the year 2008-09. It is significant to note that the total fiscal liabilities at Rs 32,278 crore upto 2008-09 were within the limit of Rs 33,400 crore projected in the State’s FCP. However, the amount was higher than the projection (Rs 30,005 crore) made in the MTFPS for 2008-09 presented to the State legislature with the Budget estimates for 2008-09.

The State Government set up a consolidated Sinking Fund during 2002-03. A sum equal to one *per cent* of the outstanding market borrowings as on 31 March of preceding year is deposited in the Fund every year. As on

31 March 2009, the outstanding balance in the Sinking Fund was Rs 291.38 crore.

1.7.3 Status of guarantees-contingent liabilities

Guarantees are liabilities contingent on the Consolidated Fund of the State in cases of defaults by borrowers for whom the guarantees have been extended. No law under Article 293 of the Constitution has been passed by the State legislature laying down the limit within which the Government may give guarantees on the security of the Consolidated Fund of the State.

As per Statement 6 of the Finance Accounts, the maximum amount for which guarantees were given by the State and outstanding guarantees for the last three years is given in **Table 1.16**.

Table 1.16: Guarantees given by the Government of Haryana
(Rupees in crore)

Guarantees	2006-07	2007-08	2008-09	
			Budget Estimate	Actual
Maximum amount guaranteed	12,694	6,341	5,000	5,188
Outstanding amount of guarantees	5,074	4,402	5,000	4,575
Percentage of maximum amount guaranteed to total revenue receipts	71	32	23	28
Criteria as per State's own FCP	3,799	3,600		3,400

No amount was paid by the Government towards guarantees during 2007-08. The maximum amount guaranteed by the State Government varied from Rs 5,188 crore to Rs 12,694 crore. The outstanding amount of Rs 4,575 crore of guarantees as on 31 March 2009 was in respect of Corporations and Boards (Rs 349.02 crore), Government Companies (Rs 2,430.90 crore), Co-operative Banks and Societies (Rs 1,765.99 crore), Municipalities, Corporations, Townships and other local bodies (Rs 29.47 crore).

The State Government constituted the Guarantee Redemption Fund during 2003-04 to meet the contingent liabilities arising out of the total liabilities. As on 31 March 2009, the balance in the Fund was Rs 55.05 crore. As per the terms of the Guarantee Redemption Fund, the State Government was required to contribute an amount equal to at least 1/5 of the outstanding invoked guarantees plus an amount likely to be invoked as a result of the incremental guarantees during the year. The State Government had not contributed any amount to the Fund during 2008-09. However, the outstanding guarantee of Rs 4,575 crore as on 31 March 2009 was higher than the projection of Rs 3,400 crore given in the State's FCP for the year. Total liabilities including guarantees (Rs.36,853 crore) during 2008-09 stood at 20 per cent of the GSDP which was well within the limit of 28 per cent envisaged in the HFRBM Act to be achieved by 31 March 2010, but were higher than the amount (Rs 35,005 crore) projected in the MTFPS for 2008-09.

1.8 Debt sustainability

Apart from the magnitude of debt of the State Government, it is important to analyse the various indicators that determine the debt sustainability⁸ of the State. This section assesses the sustainability of debt of the State Government in terms of debt stabilisation⁹; sufficiency of non-debt receipts¹⁰; net availability of borrowed funds¹¹; burden of interest payments (measured by interest payments to revenue receipts ratio) and the maturity profile of State Government securities. **Table 1.17** analyses the debt sustainability of the State according to these indicators for the period of five years beginning from 2004-05.

Table 1.17: Debt sustainability: Indicators and trends

(Rupees in crore)

Indicators of Debt Sustainability	2004-05	2005-06	2006-07	2007-08	2008-09
Debt Stabilisation (Quantum Spread + Primary Deficit)	2,068	2,986	6,857	4,027	(-)1,283
Sufficiency of non-debt receipts (Resource Gap)	1,727	920	1,464	(-)2,443	(-)5,293
Net Availability of borrowed funds	(-)122	819	(-)392	(-)1,709	1,113
Burden of interest payments (IP/RR Ratio)	20	15	13	12	13
Maturity Profile of State Debt (In Years)*					
0 – 1					1,153.46 (5)
1 – 3					2,790.89 (12)
3 – 5					3,892.16 (17)
5 – 7					3,871.19 (17)
7 and above					11,375.27 (49)

The quantum spread together with primary deficit remained positive during 2004-08, but during 2008-09 it turned negative. As a result, the debt-GSDP ratio

⁸ Debt sustainability is defined as the ability of the State to maintain a constant debt-GDP ratio over a period of time and also embodies the concern about the ability to service its debt. Sustainability of debt, therefore, also refers to sufficiency of liquid assets to meet current or committed obligations and the capacity to keep a balance between costs of additional borrowings with returns from such borrowings. It means that the rise in fiscal deficit should match the increase in capacity to service the debt.

⁹ A necessary condition for stability states that if the rate of growth of economy exceeds the interest rate or cost of public borrowings, the debt-GDP ratio is likely to be stable provided primary balances are either zero or positive or are moderately negative. Given the rate spread (GSDP growth rate – interest rate) and quantum spread (Debt x rate spread), the debt sustainability condition states that if the quantum spread, together with the primary deficit is zero, the debt-GSDP ratio would be constant or debt would stabilize eventually. On the other hand, if the primary deficit together with the quantum spread turns out to be negative, the debt-GSDP ratio would be rising. In case it is positive, the debt-GSDP ratio would eventually be falling.

¹⁰ Adequacy of incremental non-debt receipts of the State to cover the incremental interest liabilities and incremental primary expenditure. The debt sustainability could be significantly facilitated if the incremental non-debt receipts could meet the incremental interest burden and the incremental primary expenditure.

¹¹ Defined as the ratio of debt redemption (Principal plus Interest Payments) to total debt receipts and indicates the extent to which the debt receipts are used in debt redemption, indicating the net availability of borrowed funds.

rose which could deteriorate the debt sustainability of the State in the medium to long run, if no corrective action is taken.

The resource gap remained negative during 2007-09 and the primary expenditure was met partially out of borrowed funds, indicating that the State needed to step up its resource mobilisation efforts to ensure debt stability.

The position of net funds available from borrowed funds improved marginally from negative net availability of Rs 1,709 crore in 2007-08 to Rs 1,113 crore in 2008-09. During 2008-09, the State Government raised market loans of Rs 2,795 crore at the rate of 7.08 *per cent* (Rs 1,500 crore) and at the rate of 7.27 *per cent* (Rs 1,295 crore).

The ratio of interest payments to revenue receipts declined from 20 to 13 during 2004-09, which indicates that the burden of interest payment on revenue receipts was declining.

The maturity profile of State debt as given in **Table 1.17** indicates that the State Government will have to repay 12 *per cent* of its debt between one and three years, 17 *per cent* between three and five years, 17 *per cent* between five and seven years and 49 *per cent* after seven years, for which the Government will have to improve its debt sustainability to generate funds for repayment of loans in the coming years.

1.9 Fiscal imbalances

Three key fiscal parameters i.e. revenue, fiscal and primary deficits indicate the extent of overall fiscal imbalances in the finances of the State Government during a specified period. The deficit in the Government accounts represents the gap between its resources and commitments. The nature of deficit is an indicator of the prudence of fiscal management of the Government. Further, the ways in which the deficit is financed and the resources are raised and applied are important pointers to its fiscal health. This section presents trends, nature, magnitude and the manner of financing these deficits and also the assessment of actual levels of revenue and fiscal deficits vis-à-vis targets set under HFRBM Act/Rules for the financial year 2008-09.

1.9.1 Trends of deficits

Chart 1.12 present the trends in deficit indicators over the period 2004-09.

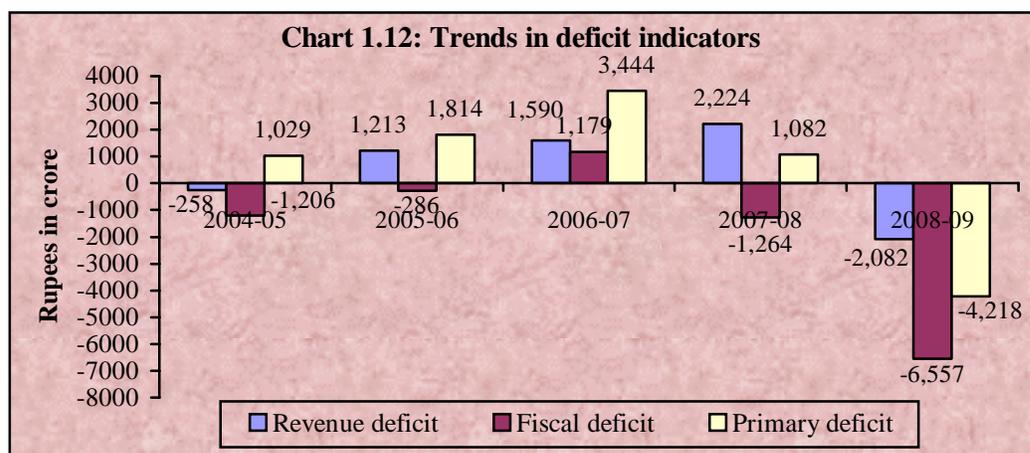


Table 1.18: Trends in deficit indicators over the period 2004-09

Year	2004-05	2005-06	2006-07	2007-08	2008-09
RD/GSDP	(-)0.003	0.011	0.012	0.015	(-)0.012
FD/GSDP	(-)0.013	(-)0.003	0.009	(-)0.008	(-)0.036
PD/GSDP	0.011	0.017	0.026	0.007	(-)0.023

The revenue deficit, which was to be brought down to zero by 2008-09, as per the HFRBM, experienced a consistent improvement in terms of increasing the surplus during the period 2005-08. However, the surplus turned into a deficit of Rs 2,082 crore during 2008-09 due to a decrease of Rs 1,299 crore (seven per cent) in revenue receipts and an increase of Rs 3,007 crore (17 per cent) in revenue expenditure over the previous year. Turning of revenue surplus of Rs 2,224 crore in 2007-08 into revenue deficit of Rs 2,082 crore in 2008-09 plus increase in capital expenditure (Rs 1,076 crore) led to increase in fiscal deficit of Rs 5,293 crore from Rs 1,264 crore in 2007-08 to Rs 6,557 crore in 2008-09.

There was a primary surplus¹² during the period 2004-08. However, a sharp increase in the fiscal deficit turned the primary surplus of Rs 1,082 crore in 2007-08 into primary deficit of Rs 4,218 crore in 2008-09. The revenue deficit and fiscal deficit were more than the target of zero and Rs 2,150 crore respectively, fixed for the year 2008-09 in the FCP.

The percentage ratio of revenue deficit and primary deficit had shown surpluses upto 2007-08 but had turned into a deficit during 2008-09. Turning of revenue surplus and primary surplus into deficit and increase in fiscal deficit by 419 per cent indicates the deterioration in the fiscal position of the State during 2008-09.

¹² Primary deficit, defined as the fiscal deficit net of interest payments, indicates the extent of deficit which is an outcome of the fiscal transactions of the State during the course of the year. When this is a positive figure, it is a primary surplus.

1.9.2 Components of Fiscal Deficit and its Financing pattern

The financing pattern of the fiscal deficit has undergone a compositional shift as reflected in the **Table 1.19**.

Table 1.19: Components of fiscal deficit and its financing pattern

		(Rupees in crore)				
Particulars	2004-05	2005-06	2006-07	2007-08	2008-09	
Decomposition of fiscal deficit						
	(-)1,206	(-)286	(+)1,179	(-)1,264	(-)6,557	
1 Revenue deficit(-)/surplus(+)	(-)258	(+)1,213	(+)1,590	(+)2,224	(-)2,082	
2 Net capital expenditure	(-)897	(-)1,612	(-)2,428	(-)3,416	(-)4,495	
3 Net loans and advances	(-)51	(+)113	(+)2,016	(-)72	20	
Financing pattern of fiscal deficit						
1 Market Borrowing	928.89	386.94	(-)147.40	(-)253.73	2,504.54	
2 Loans from GOI	(-)1,411.59	(-)70.36	(-)90.24	(-)44.98	(-)47.46	
3 Special securities issued to National Small Savings Fund	2,091.62	1,860.97	1,099.05	50.56	(-)79.73	
4 Loans from financial institutions	(-)148.67	63.70	36.68	250.75	218.88	
5 Small Savings Provident Funds etc.	284.23	354.75	364.80	299.32	352.38	
6 Reserve Funds	74.01	14.12	(-)48.32	15.23	(-)4.81	
7 Deposits and advances	242.88	158.02	377.70	184.72	216.62	
8 Suspense and Miscellaneous	(-)665.66	(-)2,745.49	(-)2,496.50	21.69	3,546.38	
9 Remittances	(-)14.57	43.62	(-)15.63	14.28	(-)26.63	
10 Over all surplus (-) deficit (+)	1,381.14	66.27	(-)919.86	537.84	6,680.17	
11 Increase (-) decrease (+) in cash balance	(-)175.16	219.39	(-)258.90	(+)726.03	(-)122.37	
12 Gross Fiscal Deficit	1,206	286	(-)1179	1,264	6,557*	

* Rounded to lower side.

Fiscal deficit which represents the borrowings of the Government and its resource gap increased from Rs 1,264 crore in 2007-08 to Rs 6,557 crore in 2008-09. The increase in fiscal deficit was due to shifting of its components by turning the revenue surplus of Rs 2,224 crore in 2007-08 to deficit of Rs 2,082 crore in 2008-09, increase in net capital expenditure by Rs 4,495 crore and loans and advances from (-) Rs 72 crore in 2007-08 to Rs 20 crore during 2008-09. The financing pattern of fiscal deficit shows that there was increase in market borrowings (Rs 2,504.54 crore), loans from financial institutions (Rs 218.88 crore), small savings, Provident funds, etc. (Rs 352.38 crore) and deposits and advances (Rs 3,546.38 crore) which resulted in increase in the fiscal deficit. As per HFRBM norm, the fiscal deficit was to be kept below 3.50 per cent of the GSDP but was 3.63 per cent of the GSDP during 2008-09.

1.9.3 Quality of deficit/surplus

The ratio of revenue deficit to fiscal deficit and the decomposition of primary deficit into primary revenue deficit and capital expenditure (including loans and advances) would indicate the quality of deficit in the State's finances. The ratio of revenue deficit to fiscal deficit indicates the extent to which borrowed funds were used for current consumption. Further, persistently high ratios of revenue deficit to fiscal deficit also indicate that the asset base of the State was continuously shrinking and a part of the borrowings (fiscal liabilities) did not have

any asset backup. The bifurcation of the primary deficit (**Table 1.20**) would indicate the extent to which the deficit was on account of enhancement in capital expenditure, which may have been desirable to improve the productive capacity of the State's economy.

Table 1.20: Primary deficit / surplus–bifurcation of factors**(Rupees in crore)**

Year	Non-debt receipts	Primary ¹³ revenue expenditure	Capital expenditure	Loans and advances	Primary expenditure	Primary revenue deficit (-)/surplus (+)	Primary deficit (-)/ surplus (+)
1	2	3	4	5	6 (3+4+5)	7 (2-3)	8 (2-6)
2004-05	11,306	9,172	897	208	10,277	2,134	1,029
2005-06	14,143	10,540	1,612	177	12,329	3,603	1,814
2006-07	20,153	14,096	2,428	185	16,709	6,057	3,444
2007-08	19,975	15,181	3,426	286	18,893	4,794	1,082
2008-09	18,811	18,195	4,502	332	23,029	616	(-) 4,218

The State Government had a primary revenue surplus during 2004-05 to 2008-09 although it decreased from Rs 6,057 crore in 2006-07 to Rs 616 crore in 2008-09 due to increase in primary expenditure (which includes primary revenue expenditure, capital expenditure and loans and advances) from Rs 10,277 crore in 2004-05 to Rs 23,029 crore in 2008-09. In other words, non-debt receipts were not only enough to meet the primary expenditure requirements in the revenue account but some revenue receipts were also used to meet the expenditure under the capital account. However, the State experienced a primary deficit during 2008-09, which indicates that borrowed funds were utilised to cover the primary expenditure.

1.9.4 State's own revenue and deficit correction

It is worthwhile to observe the extent to which deficit correction is achieved by the State on account of improvement in its own resources which is an indicator of the durability of the corrections in deficit indicators. **Table 1.21** presents the changes in revenue receipts of the State and corrections of the deficits during the last three years.

Table 1.21: Changes in Revenue Receipts and corrections of Deficit**(Per cent of GSDP)**

Parameters	2006-07	2007-08	2008-09	
			Budget estimates	Actuals
Revenue Receipts (a to d)	13.80	12.90	12.02	10.22
a. State's own tax revenue	8.40	7.59	7.92	6.46
b. State's own non-tax revenue	3.53	3.33	2.24	1.79
c. State's share in central taxes and duties	1.00	1.07	0.98	0.95
d. Grants-in-aid	0.87	0.91	0.88	1.02
Revenue expenditure	12.58	11.45	11.24	11.38
Revenue deficit(-)/surplus(+)	(+)1.22	(+)1.45	(+)0.78	(-)1.15
Fiscal deficit(-)/surplus(+)	(+)0.91	(-)0.83	(-)1.12	(-)3.63

The percentage ratio of revenue receipts to GSDP showed declining trends as the

¹³ Primary revenue expenditure means revenue expenditure excluding interest payments.

percentage decreased from 13.80 in 2006-07 to 10.22 in 2008-09, mainly due to decrease in the States' own tax revenue from 8.40 in 2006-07 to 6.46 in 2008-09 and non-tax revenue from 3.53 in 2006-07 to 1.79 in 2008-09. Thus, efforts of the State to improve its own source for durability of deficit corrections were not sufficient and the State had to depend on borrowed funds. The percentage of revenue expenditure to GSDP also declined from 12.58 in 2006-07 to 11.38 in 2008-09. The revenue deficit, the percentage of which against the GSDP was as surplus in 2006-07 has turned in deficit and also the fiscal deficit which was also in surplus (+) 0.91 in 2006-07 has also turned into deficit (-) 3.63 in 2008-09. The State also did not achieve its budget projections as detailed above.

1.10 Conclusion

Pattern of Revenue and expenditure: Revenue receipts decreased by seven *per cent* during the year over the previous year due to decrease in non-tax revenue by 36 *per cent*. Tax revenue for 2008-09 fell short by nine *per cent* as compared to projections made by TFC, 18 *per cent* as compared to MTFPS projection and four *per cent* of the FCP projection. However, the non-tax revenue was higher by 58 *per cent* than the TFC projection and by 50 *per cent* than the FCP projection. It was lower by 19 *per cent* as compared to the MTFPS projection during the year.

Revenue expenditure, which constituted 81 *per cent* of the total expenditure during the year, increased by 17 *per cent* over that of previous year. Its NPRE component at Rs 16,616 crore was higher by 59 *per cent* than the projection of TFC for the State (Rs 10,445 crore) by 15 *per cent* than the State's projection in its FCP (Rs 14,400 crore) and by three *per cent* of the projection of MTFPS. Within the Non-Plan revenue expenditure, four components i.e. salary and wages, pension liabilities, interest payments and subsidies constituted about 82 *per cent* during 2008-09. Moreover, 94 *per cent* (Rs 2,997 crore) of total subsidies (Rs 3,190 crore) were for the energy sector and were more than 1.79 times the State's own projection of Rs 1,670 crore in the Fiscal Correction Path for 2008-09.

Capital expenditure which constituted 18 *per cent* of the total expenditure also increased during 2008-09 by 31 *per cent* over 2007-08. A major proportion (80 *per cent*) of the incremental capital expenditure was in the form of investment in equity shares of various power corporations.

Financial assistance to local bodies (Rs 876.61 crore) was 24 times the projection of TFC (Rs 36.43 crore).

Return to fiscal correction: Haryana is one of the early States to have passed the Fiscal Responsibility and Budget Management Act. The fiscal position of the State, viewed in terms of the trends in fiscal parameters revenue, fiscal and primary deficit/surplus indicated a downward trend in 2008-09 compared to the previous year as revenue and primary surplus turned into deficit of Rs 2,082 crore and Rs 4,218 crore respectively. Fiscal deficit increased from Rs 1,264 crore in 2007-08 to Rs 6,557 crore in 2008-09. The slippage in 2008-09 in achieving the deficit targets could be attributed largely to the slump in the economy (which

impacted revenue receipts) as well as the Sixth Pay Commission Award (which increased committed expenditure).

Debt sustainability: As per the HFRBM Act, total debt including contingent liabilities should not exceed 28 *per cent* of the estimated GSDP for the year. Total liability including guarantees during 2008-09 at Rs 36,853 crore stood at 20 *per cent* of the GSDP, which was well within the limit of HFRBM Act but was higher than that projected in the MTFPS (Rs 35,005 crore) for 2008-09. Re-emergence of revenue deficit after three years indicates that some portion of high cost borrowings are being used by the State Government for meeting its current expenditure.

Review of Government investments: The average return on the Government's investment in Statutory Corporations, Rural Banks, Joint Stock Companies and Co-operatives varied between 0.9 to 0.18 *per cent* in the past five years while the Government paid an average interest of 7.43 to 9.20 *per cent* on this investment (Para 1.6.3).

Incomplete projects: Twenty nine projects, which were scheduled for completion between April 2007 and March 2009, were still lying incomplete. Time overruns of incomplete projects (para 1.6.2) will have to be reduced so that people of Haryana benefit from these sunk costs.

Oversight of funds transferred directly from the GOI to the State implementing agencies: GOI directly transferred Rs 1,022.44 crore to State implementing agencies during the year, which was an increase of Rs 162.89 crore (19 *per cent*) over the previous year. As long as these funds remain outside the State budget, there is no single agency monitoring its use and there is no readily available data on how much is actually spent in any particular year on major flagship and other important schemes which are being implemented by State implementing agencies but are being funded directly by GOI.

1.11 Recommendations

- The State has a reasonable prospect of achieving the targets set out in the FRBM Act of 2005 provided efforts are made to increase tax compliance, reduce tax administration costs, collect revenue arrears and prune unproductive expenditure so that deficits are contained to the levels envisaged in the Act.
- Borrowed funds should be used as far as possible only to fund capital expenditure and revenue expenditure should be met fully from revenue receipts. Efforts should be made to return to the state of primary surpluses and zero revenue deficit as soon as possible. Maintaining a calendar of borrowings to avoid bunching towards the end of the fiscal year and a clear understanding of the maturity profile of debt payments will go a long way in prudent debt management.

- It would be advisable for the State Government to ensure better value for money in investments as otherwise, high cost borrowed funds will continue to be invested in projects with low financial returns. Projects which are justified on account of low financial but high socio-economic returns may be identified and prioritized with full justification on why high cost borrowings should be channeled there. It would also be prudent to review the working of State public sector undertakings which are incurring huge losses (Para 1.6.3) and work out either a revival strategy (for those that are strategic in nature and can be made viable) or close down the sick units by disinvesting their equity

- A system has to be put in place to ensure proper accounting of GOI funds that are transferred directly to the State implementing agencies and the updated information should be validated by the State Government as well as the Accountant General.

Chapter II

Financial Management and Budgetary Control

2.1 Introduction

2.1.1 Appropriation Accounts are accounts of the expenditure, voted and charged, of the Government for each financial year, compared with the amounts of voted grants and appropriations charged for different purposes as specified in the schedules appended to the Appropriation Acts. These Accounts list the original budget estimates, supplementary grants, surrenders and reappropriations distinctly and indicate actual capital and revenue expenditure on various specified services *vis-à-vis* those authorised by the Appropriation Acts in respect of both charged and voted items of the budget. Appropriation Accounts, thus, facilitate the management of finances and monitoring of budgetary provisions and are, therefore, complementary to the Finance Accounts.

2.1.2 Audit of appropriations by the Comptroller and Auditor General of India seeks to ascertain whether the expenditure actually incurred under various grants is within the authorisation given under the Appropriation Acts and that the expenditure required to be charged under the provisions of the Constitution is so charged. It also ascertains whether the expenditure so incurred is in conformity with the law, relevant rules, regulations and instructions.

2.2 Summary of Appropriation Accounts

The summarised position of actual expenditure during 2008-2009 against 26 grants/appropriations is given in **Table 2.1**:

Table 2.1: Summarised position of actual expenditure vis-à-vis original/supplementary provisions

(Rupees in crore)

	Nature of expenditure	Original grant/appropriation	Supplementary grant/appropriation	Total	Actual expenditure	Saving (-)/Excess (+)
Voted	I Revenue	17,824.64	2,913.60	20,738.24	18,212.51	(-)2,525.73
	II Capital	5,501.46	355.34	5,856.80	6,090.22	(+)233.42
	III Loans and Advances	391.67	78.00	469.67	332.31	(-)137.36
Total Voted		23,717.77	3,346.94	27,064.71	24,635.04	(-)2,429.67
Charged	IV Revenue	2,614.94	10.76	2,625.70	2,422.18	(-)203.52
	V Capital	44.00	3.50	47.50	58.65	(+)11.15
	VI Public Debt-Repayment	2,389.14	-	2,389.14	1,291.83	(-)1,097.31
Total Charged		5,048.08	14.26	5,062.34	3,772.66	(-) 1,289.68
Appropriation to Contingency Fund (if any)		NIL	NIL	NIL	NIL	NIL
Grand Total		28,765.85	3,361.20	32,127.05	28,407.70	(-) 3,719.35

Note: The expenditure shown above includes gross figures without taking into account the recoveries adjusted in the accounts as reduction of expenditure under Revenue Heads (Rs 99.95 crore) and Capital Heads (Rs 1,647.20 crore).

Supplementary provisions of Rs 3,361.20 crore obtained during the year constituted 12 *per cent* of the original provision as against eight *per cent* in the previous year.

The overall savings of Rs 3,719.35 crore were the result of savings of Rs 4,021.98 crore in 22 grants under the Revenue Section, 10 grants under the Capital Section and one appropriation (Public Debt-Repayments) under the Loan Section, offset by excess of Rs 302.63 crore in three grants under the Revenue Section and three grants under the Capital Section. The excess of Rs 302.63 crore requires regularisation under Article 205 of the Constitution.

The savings/excesses (Detailed Appropriation Accounts) were intimated between 30 June 2009 and 27 July 2009 to the Controlling Officers, requesting them to explain the significant variations. The Controlling Officers were again requested demi-officially on 3 August 2009 to furnish reasons for the excesses/savings but their explanations were not received (October 2009). Finance, Buildings and Roads, Education, Social Welfare and Rehabilitation, Agriculture and Rural Development were the departments having substantial savings/excess expenditure.

2.3 Financial accountability and budget management

2.3.1 Appropriation vis-à-vis allocative priorities

The outcome of appropriation audit revealed that savings in 18 cases exceeded Rs 10 crore in each case or were more than 20 *per cent* of the total provision (**Appendix 2.1**). Against the total savings of Rs 4,021.98 crore, savings of Rs 3,870.80 crore (98 *per cent*) occurred in 12¹ cases relating to 10 grants and one appropriation as indicated in **Table 2.2**.

Table 2.2: List of grants with savings of Rs 50 crore and above

(Rupees in crore)

Sr. No.	Number and name of the grant	Original	Supplementary	Total	Actual expenditure	Savings
Revenue-Voted						
1.	4-Revenue	384.50	Nil	384.50	226.98	157.52
2.	6-Finance	1,833.22	Nil	1,833.22	1,650.42	182.80
3.	7-Other Administrative Services	1,249.73	Nil	1,249.73	59.54	1,190.19
4.	8-Buildings and Roads	695.14	94.03	789.17	702.99	86.18
5.	9-Education	3,329.46	684.84	4,014.30	3,854.30	160.00
6.	13-Social Welfare and Rehabilitation	1245.99	Nil	1245.99	1193.48	52.51
7.	15-Irrigation	3,407.78	686.49	4,094.27	3,677.16	417.11
8.	17-Agriculture	460.54	99.66	560.20	495.67	64.53
9.	21-Community Development	800.55	381.29	1,181.84	1,053.70	128.14
Capital-Voted						
10.	25-Loans and Advances by State Government	391.67	78.00	469.67	332.31	137.36
Revenue-Charged						
11.	6-Finance	2,583.49	Nil	2,583.49	2,386.34	197.15
Capital-Charged						
12.	Public Debt	2,389.15	Nil	2,389.15	1,291.84	1,097.31
Total		18771.22	2024.31	20795.53	16924.73	3870.80

¹ Exceeding Rs 50 crore in each case.

Savings exceeding Rs 100 crore in each case are discussed as under:

i Grant number '4-Revenue' (Savings Rs 157.52 crore)

Savings occurred mainly under '2245-Relief on account of Natural Calamities-Transfer to Reserve Funds and Deposit Accounts, Calamity Relief Fund-State Contribution'. The savings (Rs 72.00 crore) were due to non-receipt of instalment from the Government, (Rs 39.09 crore) due to less demand of funds by Deputy Commissioners and (Rs 41.11 crore) due to non-occurrence of floods in the State during the year.

ii Grant number '6-Finance' (Savings Rs 182.80 crore)

Savings occurred mainly under, '2071-Pensions and other Retirement Benefits', (Rs 185.04 crore). The savings were due to receipt of lesser number of cases of superannuation, gratuities, commuted value of pension and family pension than anticipated. The Financial Commissioner and Principal Secretary to the Government of Haryana, Finance Department intimated (September 2009) that the State Government could decide on 17 April 2009, the implementation of revised pension during 2008-09.

iii Grant number '7-Other Administrative Services' (Savings Rs 1,190.19 crore)

Savings occurred mainly under, '2075-Miscellaneous General Services', where a reserve of Rs 1,200 crore was kept with the Finance Department for unforeseen expenditure/revision of pay scales. Reasons for non-utilisation of the provision were not intimated by the Government (August 2009).

iv Grant number '9-Education' (Savings Rs 160.00 crore)

Savings occurred mainly under '2202-General Education-Secondary Education' (Rs 116.46 crore), 'Elementary Education' (Rs 93.85 crore), 'University and Higher Education' (Rs 61.02 crore) and 'Adult Education (Rs 52.62 crore). They were mainly due to non-receipt of guidelines/modalities under, 'Sarva Shiksha Abhiyan' from GOI, non-clearance of departmental proposals, non-implementation of schemes, injudicious provision of funds for vacant posts in primary and middle school classes, receipt of less number of claims for medical reimbursement and leave travel concession, etc.

v Grant Number '15-Irrigation' (Savings Rs 417.11 crore)

Savings occurred mainly under '2701-Medium Irrigation-Improvement of Old/Existing Channels under NABARD' (Rs 157.52 crore) and '2700-Major Irrigation-Western Jamuna Canal Project (Commercial)', Loharu Canal Project (Commercial) and Multi Purpose River Project (Commercial) (Rs 452.16 crore).

vi Grant number '21-Community Development' (Savings Rs 128.14 crore)

Savings occurred mainly under '2515-Other Rural Development Programmes' (Rs 76.75 crore). Funds kept for providing residential plots to Scheduled castes and below poverty line people were surrendered due to enforcement of the code of conduct and less engagement of safaiwalas under the Employment Generation Programme for Scheduled Castes. Savings also occurred under, '3604-Compensation and Assistance to Local Bodies and Panchayati Raj Institutions' (Rs 64.71 crore) due to non-finalisation of schemes. Reasons for non-finalisation of schemes have not been intimated by the Government (August 2009).

vii Grant number '6-Finance' (Savings Rs 197.15 crore)

Savings occurred mainly under '2049-Interest Payments-Interest on Internal Debt' (Rs 170.42 crore). The savings were mainly due to less payment of interest due to availing of lesser market borrowings during 2008-09 and lower rates of interest fixed by the Reserve Bank of India.

viii Grant number '25-Loans and Advances by State Government' (Savings Rs 137.36 crore)

Savings occurred mainly under '7610-Loans to Government Servants, etc.' (Rs 135.68 crore). The savings were due to less demands for loans from Government employees.

ix Appropriation-'Public Debt' (Savings Rs 1,097.31 crore)

Savings occurred mainly under '6003-Internal Debt of the State Government' (Rs 1,166 crore). They were due to less repayment of loans during the years and receipt of less loans from the State Bank of India for cash credit limit.

2.3.2 Persistent savings

During the last five years, the grants for Public Debt showed persistent savings of more than Rs 10 crore, and which were also by 10 per cent or more of the total grants (Table 2.3).

Table 2.3: List of grants indicating persistent savings during 2004-09

Sr. No.	Number and name of the grant	Percentage of savings to total provision (Amount of savings)				
		2004-05	2005-06	2006-07	2007-08	2008-09
Capital (Charged)						
1.	Public debt	40 (2005.86)	38 (473.43)	38 (684.02)	62 (1,375.17)	46 (1,097.31)

The savings occurred due to less repayment of loans and less receipt of loans from State Bank of India for cash credit limit.

2.3.3 Excess expenditure

In six cases, expenditure aggregating Rs 299.49 crore exceeded the approved provisions by Rs 10 crore or more in each case or by more than 20 per cent of the total provisions. Details are given in **Appendix 2.2**. Of these, in the case of grant number “15 – Irrigation” (**Table 2.4**), excess expenditure of more than 10 crore and also more than 10 per cent has been observed consistently for the last five years:

Table 2.4: List of grants indicating persistent excess expenditure during 2004-09

(Rupees in crore)

Sr. No.	Numer and name of the grant	Percentage of savings to total provision (Amount of excess expenditure)				
		2004-05	2005-06	2006-07	2007-08	2008-09
Capital-Voted						
	15-Irrigation	12(48.89)	19(118.60)	17(182.81)	20(278.72)	12(171.01)

Excess expenditure during 2008-09 occurred mainly under the head “Major and Medium Irrigation-Rehabilitation/Improvement of Old/Existing Channels/ Drainage Systems”, reasons for which were not intimated (August 2009) by the concerned departments.

2.3.4 Expenditure without provision

As per the Budget Manual, no expenditure is to be incurred on a scheme/service without provision of funds. It was, however, noticed that expenditure of Rs 78.68 crore was incurred in four cases as detailed in **Table 2.5** without any provision in the original estimates/supplementary demands and without any reappropriation orders to this effect.

Table 2.5: Expenditure incurred without provision during 2008-09

(Rupees in crore)

Number and name of grants	Amount of expenditure without provision	Reasons/remarks
8-Buildings and Roads	13.81	The expenditure was incurred under the head “5054-Capital Outlay on Roads and Bridges 03-State Highways-80-General- 800-Other Expenditure”. Reasons have not been intimated by the Government.
15-Irrigation	0.46	The expenditure was incurred under the head “2700-Major Irrigation-01-Multipurpose River Project (Commercial)-101-Maintenance and Repair-001-Direction and Administration-99-Chief Engineer”. Reasons have not been intimated by the Government.
	0.41	The expenditure was incurred under the head “2700-Major Irrigation- 18-Non-Commercial Irrigation Projects-001-Direction and Administration-95-Special Revenue Staff”. Reasons have not been intimated by the Government.
21-Community Development	64.00	Though a provision of Rs 64.71 crore was made in the budget, it was judiciously withdrawn. The expenditure subsequently was incurred under the head “3604-Compensation and Assignments to Local Bodies and Panchayati Raj Institutions-200-Other Miscellaneous Compensations and Assignments-92-Assignment of Local Area Development Tax (LADT) proceeds to Panchayati Raj Institutions”. The original provisions were reduced through reappropriation due to non-finalisation of the scheme.
Total	78.68	

2.3.5 *Drawal of funds to avoid lapse of budget grant*

As per provisions contained in Rule 2.10 (6) (5) of Punjab Financial Rules, also applicable to Haryana, no money should be drawn from the treasury unless it is required for immediate disbursement. Seventeen Drawing and Disbursement Officers, the audit of whose offices was conducted during 2008-09 had drawn a total amount of Rs 166.48² crore as detailed in **Appendix 2.3**, which was neither fully spent for specific purposes nor remitted to Government accounts before the closure of financial year.

It was further noticed that the funds drawn during the last quarter or on the last day of the financial year were kept in chest or in bank accounts only to avoid the lapse of budget grants.

2.3.6 *Excess over provisions relating to previous years requiring regularisation*

As per Article 205 of the Constitution of India, it is mandatory for a State Government to get excesses over grants/appropriations regularised by the State Legislature. Although no time limit for regularisation of expenditure has been prescribed under the Article, the regularisation of excess expenditure is done after the completion of discussion of the Appropriation Accounts by the Public Accounts Committee. However, excess expenditure amounting to Rs 1315.33 crore for the years 2005-06, 2006-07 and 2007-08 was still to be regularised as detailed in **Appendix 2.4**. Year-wise amount of excess expenditure pending regularisation for grants/appropriations are summarised in **Table 2.6**.

Table 2.6: Excess over provisions relating to previous years requiring regularisation

(Amount in rupees)

Year	Number of grants	Amount of excess over provision	Status of regularisation
2005-06	3,8,10 and 15	2,68,86,50,000	Appropriation Accounts have not been discussed by PAC.
2006-07	3, 6, 10, 15 and 20	6,16,73,66,040	
2007-08	3, 8, 10, 15 and 24	4,29,72,47,782	
Total	14	13,15,32,63,822	

2.3.7 *Excess over provisions during 2008-09 requiring regularisation*

Table 2.7 contains the summary of total excesses in six grants/appropriation amounting to Rs 302.63 crore over authorisations from the Consolidated Fund of the State during 2008-09 which require regularisation under Article 205 of the Constitution.

² 2006-07: Rs 12.76 crore; 2007-08: Rs 64.28 crore and 2008-09: Rs 89.44 crore.

Table 2.7: Excess over provisions requiring regularisation during 2008-09

(Amount in rupees)

Sr. No.	Number and title of grant/appropriation	Total grant/ appropriation	Expenditure	Excess
Revenue (Voted)				
1.	3-Home	12,33,67,47,000	12,45,13,34,266	11,45,87,266
2.	10-Medical and Public Health	13,64,80,29,000	13,84,61,88,137	19,81,59,137
3.	20-Forest	1,90,96,51,000	1,92,73,26,027	1,76,75,027
Sub total		27,89,44,27,000	28,22,48,48,430	33,04,21,430
Revenue (Charged)				
1.	3-Home	22,03,20,000	23,39,00,389	1,35,80,389
2.	10-Medical and Public Health	16,60,000	18,55,831	1,95,831
Sub-Total		22,19,80,000	23,57,56,220	1,37,76,220
Capital (Voted)				
1.	8-Buildings and Roads	10,28,78,38,000	11,14,83,12,019	86,04,74,019
2.	15-Irrigation	14,41,70,00,000	16,12,71,14,868	1,71,01,14,868
3.	22-Co-operation	34,35,46,000	34,35,46,750	750
Sub Total		25,04,83,84,000	27,61,89,73,637	2,57,05,89,637
Capital (Charged)				
1.	8-Buildings and Roads	2,50,00,000	4,26,80,622	1,76,80,622
2.	15-Irrigation	45,00,00,000	54,38,21,512	9,38,21,512
Sub-Total		47,50,00,000	58,65,02,134	11,15,02,134
Grand-Total		53,63,97,91,000	56,66,60,80,421	3,02,62,89,421

Reasons for excess expenditure were called for from the Government in June/July 2009. Reply had not been received (September 2009).

2.3.8 *Unnecessary/excessive/inadequate supplementary provision*

Supplementary provisions aggregating Rs 78.51 crore obtained in two cases, during the year proved unnecessary as the expenditure was equal to the original provision or did not come up to the level of the original provision as detailed in *Appendix 2.5*. In seven cases, supplementary provisions totaling Rs 716.92 crore proved insufficient by more than Rupees one crore in each case, leaving an aggregate uncovered excess expenditure of Rs 131.61 crore (*Appendix 2.6*).

In one case, addition to the budget provision through supplementary estimates (Rs 50.61 lakh) to cover more expenditure on salaries and dearness allowances on account of revision of pay scales was surrendered through reappropriation due to non-finalisation of pay scales of staff of the Haryana Electricity Regulatory Commission. In another case, supplementary provision of Rs 78 crore proved excessive in view of the overall savings of Rs 137.36 crore.

2.3.9 *Excessive/unnecessary reappropriation of funds*

Reappropriation is transfer of funds within a grant from one unit of appropriation, where savings are anticipated, to another unit where additional funds are needed.

Injudicious reappropriation proved excessive or insufficient and resulted in savings of over Rs 10,361 crore under 51 sub-heads and excesses of over Rs 888.29 crore in 40 sub-heads by more than Rupees one crore in each case. Excesses/Savings were more than Rs 10 crore under 39 sub-heads as detailed in **Appendix 2.7**. In 14³ cases, the reappropriation of funds proved excessive as the savings were more than the funds provided through reappropriation. Similarly, in 15⁴ cases, reduction of provisions through reappropriation proved injudicious as the excess expenditure was more than the provisions reduced through reappropriations.

In 20⁵ cases, injudicious reappropriation of funds resulted in excesses/savings by more than Rs 25 crore in each case.

2.3.10 Surrenders in excess of actual savings

In nine cases, the amounts surrendered (Rs 50 lakh or more in each case) were in excess of the actual savings, indicating lack of or inadequate budgetary control in these departments. As against savings of Rs 1,305.39 crore, the amount surrendered was Rs 1,651.75 crore resulting in excess surrender of Rs 346.36 crore. Details are given in **Appendix 2.8**. In four cases (Sr. No. 1, 4, 5 and 9 of **Appendix 2.8**), the expenditure incurred was in excess of the total grants/appropriations but even then, the funds were surrendered.

2.3.11 Anticipated savings not surrendered

As per paragraph 13.2 of the Punjab Budget Manual also applicable to Haryana, spending departments are required to surrender the grants/appropriations or portion thereof to the Finance Department as and when savings are anticipated. At the close of the year 2008-09, there was, however, one grant {8-Buildings and Roads- Revenue (Charged)} in which savings occurred but no part of it was surrendered by the concerned department. The amount involved in this case was Rs 0.14 crore.

Similarly, out of total savings of Rs 2,285.94 crore under 11 other grants/appropriations (savings of Rupees one crore and above were indicated in each grant/appropriation), amounts totaling to Rs 626.89 crore (27 per cent of the total savings) were not surrendered, details of which are given in **Appendix 2.9**. Besides, in 27 cases (surrender of funds in excess of Rs 10 crore in each case), Rs 3,624.62 crore was (**Appendix 2.10**) surrendered on the last two working days of March 2009, indicating inadequate financial control and the fact that these funds could not be utilised for other development purposes.

2.3.12 Rush of expenditure

Financial rules require that Government funds should be evenly spent throughout

³ Sr. No. 3, 14, 30, 33, 34, 36, 44, 46, 71, 75, 76, 77, 79 and 88 of Appendix 2.6.

⁴ Sr. No. 8, 17, 23, 50, 61, 62, 64, 65, 66, 68, 69, 70, 84, 87 and 89 of Appendix 2.6.

⁵ Sr. No. 4, 6, 9, 15, 17, 18, 50, 51, 55, 64, 65, 66, 69, 70, 71, 87, 88, 89, 90 and 91 of Appendix 2.6.

the year. Rush of expenditure in the closing month of the financial year should be avoided. Contrary to this, in respect of 13 sub-heads listed in **Appendix 2.11**, expenditure exceeding Rs 10 crore and also more than 50 per cent of the total expenditure for the year was incurred in March 2009. **Table 2.8** presents the major heads where more than 50 per cent expenditure was incurred either during the last quarter or during the last month of the financial year.

Table 2.8: Cases of rush of expenditure towards the end of the financial year 2008-09**(Rupees in crore)**

Sr. No.	Grant Number	Major Head	Total expenditure during the year	Expenditure during last quarter of the year		Expenditure during March 2009	
				Amount	Percentage of total expenditure	Amount	Percentage of total expenditure
1.	3	2055-Police 101-Criminal Investigation and Vigilance-(Non Plan)	43.81	38.00	87	27.00	62
2.	9	2202-General Education 01-Elementary Education-(Non Plan)	776.31	513.00	66	414.00	53
3.	9	2202-General Education 01-Elementary Education-(Shared Centre Plan Scheme)	29.00	19.00	66	17.00	59
4.	9	2202-General Education 02-Secondary Education-(State Plan)	35.11	33.00	94	28.00	80
5.	9	2203- Technical Education 105- Polytechnics-Development of Kurukshetra University (Non Plan)	17.70	12.00	68	12.00	68
6.	9	2203- Technical Education 105- Polytechnics- 89-Setting up of new Government Polytechnic in States (State Plan)	89.98	70.00	78	64.00	71
7.	10	2210- Medical and other Public Health (State Plan)	14.39	14.00	97	14.00	97
8.	11	2217- Urban Development 800- Other Expenditure- (State Plan)	147.95	122.00	82	122.00	82
9.	15	4701- Capital Outlay on Medium Irrigation 800-Other Expenditure- (State Plan)	28.48	20.00	70	15.00	53
10.	17	2401- Crop Husbandry 109- Extension and Farmers Training- (State Plan)	60.23	58.00	96	58.00	96
11.	21	2515- Other Rural Development Programme 101- Panchayati Raj (State Plan)	79.45	78.00	98	78.00	98
12.	21	3604- Compensation and Assignments to Local Bodies and Panchayati Raj Institutions 200-Other Misc. Components and Assignments (Non Plan)	15.43	14.00	91	11.00	71
13.	23	5053- Capital outlay on Civil Aviation 052-Machinery and Equipments (State Plan)	37.20	37.00	99	37.00	99
Total			1,375.04	1,028.00	75	897.00	65

Further scrutiny revealed that out of the expenditure of Rs 1,375.04 crore incurred on 10 major heads under eight grants during 2008-09, expenditure of

Rs 1,028 crore (75 per cent) was incurred during the last quarter of the year, of which Rs 897 crore (65 per cent) was spent during the month of March 2009. Of these 13 sub-heads, five were under Non-Plan, seven were under Plan and one was under Centrally sponsored schemes. Rush of expenditure during the last quarter, specially during the month of March, was a breach of financial rules.

2.4 Non-reconciliation of departmental figures

2.4.1 Pendency in submission of detailed countersigned contingent bills against abstract contingent bills

As per Rule 4.49 (4) of the Subsidiary Treasury Rule, every drawing officer is to certify in each Abstract Contingent (AC) bill that detailed bills for all contingent charges drawn by him prior to the first of the current month have been forwarded to the respective controlling officers for countersignature and transmission to the Accountant General. The total amount for which Detailed Countersigned Contingent (DC) bills were received during the years 2006-07 and 2008-09 was only Rs 2.92 crore against the amount of AC bills for Rs 4.60 crore, leading to an outstanding balance of eight DC bills of Rs 1.68 crore as on 31 March 2009. Year-wise details are given in **Table 2.9**.

Table 2.9: Pendency in submission of detailed countersigned contingent bills against abstract contingent bills

(Rupees in lakh)				
Year	Amount of AC bills	Amount of DC bills	DC bills as percentage of AC bills	Outstanding AC bills
2006-07	3.00	2.91	97	1
2008-09	1.60	0.01	1	7
Total	4.60	2.92		8

Department-wise pending DCC bills for the years up to 2008-09 are shown in **Appendix 2.12**. Genuineness of expenditure of Rs 1.68 crore drawn through eight contingent bills could not be verified as the DC bills were not submitted (September 2009).

2.5 Errors in budgeting process

In the process of budgeting by the State Government, the following errors were observed:

- Nineteen cases (**Appendix 2.13**) of defective budgeting on account of defective reappropriation orders issued by the Finance Department involving expenditure of Rs 2,244.58 crore were noticed.
- Out of these, in seven cases, reduction of provisions (Rs 154.12 crore) through reappropriations proved injudicious as there was excess expenditure

of Rs 165.08 in these cases. In 12 cases involving an expenditure of Rs 1,972.80 crore, augmenting of funds (Rs 92.30 crore) through reappropriations proved injudicious as there were savings of Rs 96.16 crore under these heads.

- In three⁶ cases involving two grants (grant numbers 6 and 10), expenditure of Rs 2.76 crore, which was to be treated as ‘New Service/New Instrument of Service’, was met without the approval of the Legislature.
- As per note 2 below “Major Head 2700-Major Irrigation” in the list of Major and Minor Heads of Accounts of the Union and State, ‘Interest on capital’ is required to be opened as a sub-head under each project. However, in the budget estimates, the provision was made under the minor head “Other Expenditure”. During 2008-09, against total provisions of Rs 98.40 crore⁷, expenditure of Rs 602.92 crore was incurred under this minor head, but no reasons were given for the excess expenditure.
- Under the system of gross budgeting followed by the Government, the demands for grants presented to the Legislature are for gross expenditure and include all credits and recoveries. These are adjusted in the accounts as reduction of expenditure. The anticipated recoveries and credits are shown separately in the budget estimates. In respect of grant number ‘14-Food and Supplies’, the actual recoveries. The adjusted in reduction of expenditure (Rs 54.53 crore) exceeded the estimated recoveries (Rs 30.90 crore) by Rs 23.63 crore. Though no recovery was provided in the budget estimates in respect of grant number ‘15-Irrigation’ for the year 2008-09, recovery of Rs 17.18 crore was made. Further, in respect of eight grants⁸, the actual recoveries (Rs 1,675.44 crore) were less than the estimated recoveries (Rs 2,313.97 crore) by Rs 638.53 crore. Details of recoveries are given in the appendix to the Appropriation Accounts. Huge variations between the estimated recoveries and actual realisation indicated faulty budgeting.

2.6 Conclusion

During 2008-09, expenditure of Rs 28,407.70 crore was incurred against total grants and appropriations of Rs 32,127.05 crore. Overall savings of Rs 3,719.35 crore were the result of savings of Rs 4,021.98 crore, which were offset by excess of Rs 302.63 crore, which requires regularisation. In nine cases, a total amount of Rs 346.36 crore surrendered (more than Rs 50 lakh or more in each case) were in excess of the actual savings indicating lack of or inadequate budgetary control in these departments. There were savings of Rs 2,284.94 crore in 11 grants/

⁶ Sr. Nos.: 24, 25 and 26 of Appendix 2.13.

⁷ Sr. Nos.: 20 to 23 of Appendix 2.13.

⁸ 4-Revenue, 8-Buildings and Roads, 10-Medical and Public Health, 14-Food and Supplies, 17-Agriculture, 22-Co-operation, 23-Transport and 25-Loans and Advances by State Government.

appropriations in which savings of Rs 626.89 crore were not surrendered. In 27 cases, a total amount of Rs 3,624.62 crore was surrendered in the last two working days of the financial year. There were also cases of injudicious reappropriations.

2.7 Recommendations

Budgetary control should be strengthened in all the Government Departments where savings/excesses have been observed for the last five years regularly. Last minute fund releases at the end of the year should be avoided.

Chapter III

Financial Reporting

A sound internal financial reporting system with relevant and reliable information significantly contributes to efficient and effective governance by a Government. Compliance with financial rules, procedures and directives as well as the timeliness and quality of reporting on the status of such compliances is, thus, one of the attributes of good governance. Reports on compliance and controls, if effective and operational, assist the Government in meeting its basic stewardship responsibilities including strategic planning and decision making. This Chapter provides an overview and status of the State Government's compliance with various financial rules, procedures and directives during the current year.

3.1 Delay in furnishing utilisation certificates

Rule 8.14 of the Punjab Financial Rules, as applicable to Haryana, provides that utilisation certificates (UCs), for the grants provided for specific purposes, should be obtained by the departmental officers from the grantees and after verification, these should be forwarded to the Accountant General within a reasonable time, unless a specific time limit is fixed by the sanctioning authority. However, of the 16,698 UCs due for submission in respect of grants and loans aggregating Rs 7,868.09 crore 2,340 UCs (14 *per cent*) (2,339 UCs pertaining to the period 1996-97 to 2007-08 and one for 1993-94) for an aggregate amount of Rs 2,268.34 crore were in arrears. The department-wise break-up of UCs due, received and outstanding as on 31 March 2009 is given in *Appendix 3.1*. The age-wise delays in submission of UCs is summarised in **Table 3.1**.

Table 3.1: Age-wise arrears of Utilisation Certificates

(Rupees in crore)

Sr. No.	Range of delay in number of years	Total grants paid		Utilisation certificates outstanding	
		Number	Amount	Number	Amount
1	0 - 1	1,016	1,571.60	563	996.36
2	1 - 3	2,416	1,764.00	572	885.16
3	3 - 5	5,290	1,241.30	267	302.22
4	5 - 7	3,655	1,276.26	732	60.15
5	7 - 9	2,252	923.59	201	21.83
6	9 & above	2,069	1,091.34	05	2.62
Total		16,698	7,868.09	2,340	2,268.34

Table 3.1 showed that out of 2,340 outstanding UCs, 1205 UCs (51 *per cent*) were more than three years old. Analysis of the department-wise break-up showed that outstanding UCs from Development and Panchayat, Irrigation, Non-

conventional Source of Energy, Rural Development, Social Security and Welfare, Urban Development and Village and Small Scale Industries Departments constituted 88 *per cent* of the total outstanding UCs, involving 84 *per cent* of the grants released. Despite this being pointed out in the Comptroller and Auditor General of India's Report-Civil-Government of Haryana for the year ended 31 March 2008, only 469 UCs (21 *per cent*) against the outstanding 2,246 UCs, pertaining to earlier years were furnished by the departments during 2008-09. This not only indicates lack of internal control of administrative departments but also shows the tendency on the part of the Government to go on disbursing fresh grants without ascertaining proper utilisation of the earlier ones.

3.2 Non-submission/delay in submission of accounts

In order to identify the institutions which attract audit under Sections 14 and 15 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act 1971 (CAG's Act-1971), the Government/heads of the departments are required to furnish to audit every year, detailed information about the financial assistance given to various institutions, the purpose of assistance granted and total expenditure of the institutions. On the basis of information received, 154 bodies/authorities, attracted audit under Section 14 of the Act *ibid.* Audit of 48 bodies/authorities was conducted during 2008-09.

A total of 240 Annual Accounts pertaining to 94 autonomous bodies/ authorities due up to 2008-09 had not been received in the office of the Principal Accountant General (Audit) as of July 2009. The details of these accounts are given in **Appendix 3.2** and their age-wise pendency is presented in **Table 3.2**.

Table 3.2: Age-wise arrears of annual accounts due from bodies/authorities

Sr. No.	Delay in number of years	Number of accounts	Grants received (Rupees in crore)
1.	0-1	45	232.78
2.	1-3	75	138.12
3.	3-5	39	40.01
4.	5-7	25	32.29
5.	7-9	14	15.09
6.	9 and above	42	46.70

Table 3.2 shows that 81 Annual Accounts (34 *per cent*) involving grants of Rs 94.08 crore were in arrear for more than five years. Further scrutiny revealed that 160 Annual Accounts¹ (67 *per cent*) pertaining to 51 Municipal Committees, to whom grants amounting to Rs 428.81 crore were released between 1982-83 and 2008-09, had not been received. Annual Accounts ranging between five and 13 years involving grants of Rs 334.39 crore were in arrears against 13² bodies

¹ Sr.No. 1 to 51 of Appendix 3.2.

² Sr. No. 1, 2, 3, 4, 6, 9, 13, 14, 15, 18, 36, 39 and 71 of Appendix 3.2.

and authorities. In the absence of the Annual Accounts, it could not be ascertained whether these bodies/authorities attracted the provisions of Section 14 of the CAG's Act, 1971.

3.3 Delays in submission of accounts of autonomous bodies for certification

Several autonomous bodies have been set up by the Government in the field of, Agriculture, Housing, Labour Welfare, Urban Development, etc. The audit of accounts of 28 bodies in the State has been entrusted to the CAG. The status of entrustment of audit, rendering of accounts to audit, issuance of Separate Audit Reports and their placement in the Legislature are indicated in *Appendix 3.3*. The frequency distribution of autonomous bodies according to the delays in submission of accounts to Audit and placement of SARs in the Legislature is summarised in **Table 3.3**.

Table 3.3: Delays in submission of accounts and tabling of Separate Audit Reports

Delays in submission of accounts (in months)	Number of autonomous bodies	Reasons for delay	Delays in submission of SARs in Legislature (in years)	Number of autonomous bodies	Reasons for delay
0 - 1	-	Accounts had not been prepared by autonomous bodies.	0 - 1	8	Reasons for delay not intimated by departments.
1 - 6	-		1 - 2	1	
6 - 12	-		2 - 3	-	
12 - 18	5		3 - 4	-	
18 - 24	-		4 - 5	-	
24 and above	15		5 and above	-	
Total	20			9	

It was further observed that 12³ autonomous bodies had not submitted their Annual Accounts for the last 12 years (1996-97 and onwards).

3.4 Departmental commercial undertakings

The departmental undertakings of certain Government departments performing activities of quasi-commercial nature, are required to prepare proforma accounts annually in the prescribed format showing the working results of financial operations so that the Government can assess their working. The final accounts reflect their overall financial health and efficiency in conducting their business. In

³ District Legal Services Authority: Bhiwani, Faridabad, Fatehabad, Gurgaon, Jhajjar, Kaithal, Panchkula, Panipat, Rewari, Rohtak, Sonipat and Yamunanagar.

the absence of timely finalisation of accounts, the investment of the Government remains outside the scrutiny of Audit/State Legislature. Consequently, corrective measures, if any required, for ensuring accountability and improving efficiency cannot be taken in time. Besides, the delay, there is open to risk of fraud and leakage of public money.

Heads of departments in the Government have to ensure that the undertakings prepare their proforma accounts and submit the same to the Principal Accountant General for audit within a specified timeframe. As of June 2009, out of five such undertakings, four had not prepared their accounts even up to 2007-08. Government funds amounting to Rs 1,762 crore stood invested in these undertakings at the end of the financial year upto which their accounts were completed. The proforma accounts of Haryana Roadways having Government investment of Rs 347.63 crore as on 31 March 2003 were in arrears from 2003-04. The CAG had repeatedly commented about the arrears in preparation of accounts in the State Reports-Civil but there was no vital improvement in this regard. The department-wise position of arrears in preparation of proforma accounts and investments made by the Government are given in **Appendix 3.4**.

3.5 Misappropriations, losses, defalcations, etc.

Rule 2.33 of the Punjab Financial Rules, as applicable to Haryana, stipulates that every Government employee should realise that he would be held personally responsible for any loss sustained by Government through fraud or negligence on his part or any loss arising from fraud or negligence on the part of any other Government employee to the extent that he contributed to the loss by his own action or negligence. Further, as per rule 2.34 *ibid*, cases of defalcations and losses are required to be reported to the Principal Accountant General.

State Government reported 219 cases of misappropriation, defalcation, etc. involving Government money amounting to Rs 1.80 crore on which final action was pending as of June 2009. The department-wise break up of pending cases and age-wise analysis is given in **Appendix 3.5** and nature of these cases is given in **Appendix 3.6**. The age-profile of the pending cases and the number of cases pending in each category-theft, misappropriation, loss, etc. is summarised in **Table 3.4**.

Table 3.4: Profile of misappropriations, losses, defalcations, etc.

Age-profile of pending cases			Nature of pending cases		
Range in years	Number of cases	Amount involved (Rupees in lakh)	Nature/characteristics of the cases	Number of cases	Amount involved (Rupees in lakh)
0 - 5	47	43.53	Theft	136	87.03
5 - 10	60	85.84			
10 - 15	23	13.73	Misappropriation/ loss of material	83	92.57
15 - 20	41	21.58			
20 - 25	30	8.44	Total	219	179.60
25 and above	18	6.48	Cases of losses written off during the year	Nil	Nil
Total	219	179.60	Total pending cases	219	179.60

Reasons for pendency of the cases are listed in **Table 3.5**.

Table 3.5: Reasons for outstanding cases of misappropriation, loss, defalcation, etc.

Reasons for the delays in finalisation of pending cases		Number of cases	Amount (Rupees in lakh)
i)	Departmental action initiated but not finalised	141	84.22
ii)	Awaiting orders for recovery or write off	60	55.70
iii)	Pending in the courts of law	18	39.68
Total		219	179.60

Out of the total loss cases, 62 *per cent* cases related to theft of Government money/stores which indicates that appropriate steps for the safety of Government property/cash, etc., as prescribed in the rules, had not been taken by the departments. Further, in respect of 64 *per cent* cases of losses, departmental action had not been finalised and 27 *per cent* cases were outstanding simply for want of orders of the competent authority for recovery or write off of the losses. It was further noticed that out of 219 cases of losses due to theft/misappropriation etc., 172 cases were more than five years old, of which 18 cases were more than 25 years old. The lackadaisical approach of the departments in finalisation of these cases had not only caused loss to the State exchequer but also prevented timely action against the officers/officials at fault.

3.6 Conclusion

Internal financial reporting is one of the attributes of good governance but it was not effective as there was non-compliance of financial rules, procedures and directives on several aspects. There were substantial delays in submission of utilisation certificates due to which proper utilisation of grants could not be ensured. Non-submission/delays in submission of accounts by grantee institutions resulted in non-identification of institutions for conducting of audit by CAG. A large number of autonomous bodies, the audit of which was entrusted to CAG as also departmentally run commercial undertakings were not preparing their final

accounts for long periods as a result of which, their financial position was not known to the Government. Further, there were a large number of cases of theft of Government money, misappropriation, loss of Government material, defalcation, etc. for which departmental action was pending for long periods. For good governance, these issues need to be addressed at appropriate levels.

3.7 Recommendations

Internal Control Mechanism of the Government Departments needs to be strengthened to watch the timely submission of UCs and to ensure that the subsequent grants are released only after ascertaining the proper utilisation of earlier grants apart from timely submission of accounts by autonomous bodies, etc. A time bond frame work needs to be prepared for taking prompt action in the cases of theft and misappropriation, etc.

Chandigarh
Dated:

(Sushama V. Dabak)
Principal Accountant General (Audit),
Haryana

Countersigned

New Delhi
Dated:

(Vinod Rai)
Comptroller and Auditor General of India

APPENDIX 1.1

(Reference: Paragraph 1.1; Page)

Part A: Structure and Form of Government Accounts

Structure of Government Accounts: The accounts of the State Government are kept in three parts (i) Consolidated Fund, (ii) Contingency Fund and (iii) Public Account.

Part I: Consolidated Fund : All revenues received by the State Government, all loans raised by issue of treasury bills, internal and external loans and all moneys received by the Government in repayment of loans shall form one consolidated fund entitled 'The Consolidated Fund of State' established under Article 266(1) of the Constitution of India.

Part II: Contingency Fund: Contingency Fund of the State established under Article 267(2) of the Constitution is in the nature of an imprest placed at the disposal of the Governor to enable him to make advances to meet urgent unforeseen expenditure, pending authorisation by the Legislature. Approval of the Legislature for such expenditure and for withdrawal of an equivalent amount from the Consolidated Fund is subsequently obtained, whereupon the advances from the Contingency Fund are recouped to the Fund.

Part III: Public Account: Receipts and disbursements in respect of certain transactions such as small savings, provident funds, reserve funds, deposits, suspense, remittances etc which do not form part of the Consolidated Fund, are kept in the Public Account set up under Article 266(2) of the Constitution and are not subject to vote by the State legislature.

PART B: Layout of Finance Accounts

Statement	Layout
Statement No.1	Presents the summary of transactions of the State Government – receipts and expenditure, revenue and capital, public debt receipts and disbursements etc., in the Consolidated Fund, Contingency Fund and Public Account of the State.
Statement No.2	Contains the summarised statement of capital outlay showing progressive expenditure to the end of 2008-09.
Statement No. 3	Gives financial results of irrigation works, their revenue receipts, working expenses and maintenance charges, capital outlay, net profit or loss, etc.
Statement No.4	Indicates the summary of debt position of the State which includes borrowing from internal debt, Government of India, other obligations and servicing of debt.
Statement No. 5	Gives the summary of loans and advances given by the State Government during the year repayments made, recoveries in arrears etc.
Statement No. 6	Gives the summary of guarantees given by the Government for repayment of loans etc. raised by the statutory corporations, local bodies and other institutions.
Statement No.7	Gives the summary of cash balances and investments made out of such balances.
Statement No.8	Depicts the summary of balances under Consolidated Fund, Contingency Fund and Public Account as on 31 March 2009.
Statement No. 9	Shows the revenue and expenditure under different heads for the year 2008-09 as a percentage of total revenue/expenditure.
Statement No. 10	Indicates the distribution between the charged and voted expenditure incurred during the year.
Statement No. 11	Indicates the detailed account of revenue receipts by minor heads.

PART B: Layout of Finance Accounts	
Statement	Layout
Statement No. 12	Provides accounts of revenue expenditure by minor heads under non-plan and plan separately and capital expenditure by major head wise.
Statement No. 13	Depicts the detailed capital expenditure incurred during and to the end of 2008-09.
Statement No. 14	Shows the details of investment of the State Government in statutory corporations, Government companies, other joint stock companies, co-operative banks and societies etc up to the end of 2008-09.
Statement No. 15	Depicts the capital and other expenditure to the end of 2008-09 and the principal sources from which the funds were provided for that expenditure.
Statement No. 16	Gives the detailed account of receipts, disbursements and balances under heads of account relating to Debt, Contingency Fund and Public Account.
Statement No. 17	Presents detailed account of debt and other interest bearing obligations of the Government of Haryana.
Statement No. 18	Provides the detailed account of loans and advances given by the Government of Haryana, the amount of loan repaid during the year, the balance as on 31 March 2009.
Statement No. 19	Gives the details of earmarked balances of reserve funds.

APPENDIX - 1.2 Part A

(Reference: Paragraph 1.1 and 1.5.1; Page)

Methodology Adopted for the Assessment of Fiscal Position

The norms/Ceilings prescribed by the TFC for selected fiscal variable along with its projections for a set of fiscal aggregates and the commitments/projections made by the State Governments in their Fiscal Responsibility Acts and in other Statements required to be laid in the legislature under the Act (**Part B of Appendix 1.2**) are used to make qualitative assessment of the trends and pattern of major fiscal aggregates. Assuming that GSDP is the good indicator of the performance of the State's economy, major fiscal aggregates like tax and non-tax revenue, revenue and capital expenditure, internal debt and revenue and fiscal deficits have been presented as percentage to the Gross State Domestic Product (GSDP) at current market prices. The buoyancy coefficients for relevant fiscal variables with reference to the base represented by GSDP have also been worked out to assess as to whether the mobilisation of resources, pattern of expenditure etc, are keeping pace with the change in the base or these fiscal aggregates are also affected by factors other than GSDP.

The trends in GSDP for the last five years are indicated below:

Trends in Gross State Domestic Product (GSDP)

	2004-05	2005-06	2006-07	2007-08	2008-09
Gross State Domestic Product (Rupees in crore)	93,804	1,06,732	1,30,033	1,53,087	1,80,494
Growth rate of GSDP	13.17	13.78	21.83	17.72	17.90

Source: Directorate of Economic and Statistical Analysis, Haryana

Note: Figures are on provisional estimates 2006-07 quick estimates 2007-08 and advance estimates on 2008-09.

Methodology for Estimating the Fiscal Capacity

For working out the fiscal capacity of the State Governments, the following methodology given in Twelfth Finance Commission report has been adopted.

Step 1: Calculate the national average of AE-GSDP and CO/DE/ SSE-AE.

Step 2: Based on the national average of AE-GSDP ratio, derive the aggregate expenditure so that no State is having a ratio AEGSDP less than the national average, *i.e.*, if

$$AE/GSDP = x$$

$$AE = x * GSDP \dots\dots(1)$$

where x is the national average of AE-GSDP ratio.

Wherever the States are having AE-GSDP ratio higher than national average, no adjustments were made. Wherever this ratio was less than average, it was made equal to the national average.

Step 3: Based on the national average of DE-AE, SSE-AE and COAE, derive the respective DE, SSE and CO, so that no State is having these ratios less than national average, *i.e.*, if

$$DE/AE = y$$

$$DE = y * AE \dots\dots\dots(2)$$

where y is the national average of DE-AE ratio

Substituting (1) in (2), we get

$$DE = y * x * \text{GSDP} \dots\dots\dots(3)$$

Wherever the States are having DE-AE, SSE-AE and CO-AE ratio higher than national average, no adjustments have been made. Wherever these ratios were less than average, it was made equal to the national average.

Step 4: Based on the derived DE, SSE and CO as per equation (3), respective per capita expenditure was calculated, *i.e.*,

$$\text{PCDE} = \text{DE}/\text{P} \dots\dots\dots(4)$$

where PCDE is the per capita development expenditure and P is the population.

Substituting (3) in (4), we get

$$\text{PDE} = (y * x * \text{GSDP})/\text{P} \dots\dots\dots(5)$$

Equation (5) provides the adjusted per capita expenditure. If the adjusted per capita expenditure is less than the national average of per capita expenditure, then the States' low level of spending is due to the low fiscal capacity. This gives a picture of actual level of expenditure when all the State Governments are attaching fiscal priority to these sectors equivalent to the national average.

The definitions of some of the selected terms used in assessing the trends and pattern of fiscal aggregates are given below:

Terms	Basis of calculation
Buoyancy of a parameter	Rate of Growth of the parameter/GSDP Growth
Buoyancy of a parameter (X) With respect to another parameter (Y)	Rate of Growth of parameter (X)/ Rate of Growth of parameter (Y)
Rate of Growth (ROG)	[(Current year Amount /Previous year Amount)-1]* 100
Development Expenditure	Social Services + Economic Services
Average interest paid by the State	Interest payment/[(Amount of previous year's Fiscal Liabilities + Current year's Fiscal Liabilities)2]*100
Interest spread	GSDP growth – Average Interest Rate
Quantum spread	Debt stock *Interest spread
Interest received as <i>per cent</i> to Loans Outstanding	Interest Received [(Opening balance + Closing balance of Loans and Advances)2]*100
Revenue Deficit	Revenue Receipt – Revenue Expenditure
Fiscal Deficit	Revenue Expenditure + Capital Expenditure + Net Loans and Advances – Revenue Receipts – Miscellaneous Capital Receipts
Primary Deficit	Fiscal Deficit – Interest payments
Balance from Current Revenue (BCR)	Revenue Receipts minus all Plan grants and Non-plan Revenue Expenditure excluding expenditure recorded under the major head 2048 – Appropriation for reduction of Avoidance of debt

APPENDIX 1.2 (Part B)
(Reference: Paragraph 1.1; Page)

Fiscal Responsibility and Budgetary Management (FRBM) Act, 2005

**THE HARYANA FISCAL RESPONSIBILITY AND BUDGET
MANAGEMENT ACT, 2005 (Haryana Act No. 6 of 2005)**

An act to provide for the responsibility of the State Government to ensure prudence in fiscal management and fiscal stability by progressive elimination of revenue deficit, reduction in fiscal deficit, prudent debt management consistent with fiscal sustainability, greater transparency in fiscal operations of the Government and conduct of fiscal policy in a medium term framework and for matters connected therewith of incidental thereto.

Be it enacted by the Legislature of the State of Haryana in the Fifty-sixth Year of the Republic of India as follows:-

1. (a) This Act may be called the Haryana Fiscal Responsibility and Budget Management Act, 2005.
- (b) It shall come into force on such date as the State Government may, by notifications in the Official Gazette, appoint in this behalf.
2. In this Act, unless the context otherwise requires: -
 - (a) “budget” means the annual financial statement laid before the House of the Legislature of the State of Haryana under article 202 of the Constitution of India;
 - (b) “current year” means the financial year preceding the ensuring year;
 - (c) “ensuing year” means the financial year for which the budget’s being presented;
 - (d) “financial year” means the year beginning on the 1 April and ending on 31 March next following;
 - (e) “GSDP” means Gross State Domestic Product at current market prices;
 - (f) “fiscal deficit” is the excess of aggregate disbursements (net of debt repayments) over revenue receipts, recovery of loans and non-debt capital receipts;
 - (g) “fiscal indicators” are such indicators as may be prescribed for evaluation of the fiscal position of the State Government;
 - (h) “fiscal targets” are the numerical ceilings and proportions to total revenue receipts (TRR) of GSDP for the fiscal indicators;
 - (i) “prescribed” means prescribed by rules made under this Act;
 - (j) “previous year” means the year preceding the current year;
 - (k) “revenue deficit” means the difference between revenue expenditure and total revenue receipts (TRR);

Explanation: Total revenue receipts (TRR) includes State' own revenue receipts (both tax and non-tax) and current transfers from the centre (comprising grants and State's shares of central taxes).

- (i) "special purposes vehicle's" means an origination or institution set up by State Government to discharge specific assignments/ duties within a specified period in respect of financial transactions or raising of loans form financial institutions or the market for specific purposes against State guarantees.
 - (m) "State Government" means the Government of the State of Haryana; and
 - (n) "total liabilities" means the liabilities under the Consolidate Fund of the State and the public accounts of the State and shall also included borrowings by the public account of the State and shall also included borrowings by public sector undertakings and the special purpose vehicles and other equivalent instruments including guarantees where the principal and / or interest are to be served out of the State budgets.
3. The State Government shall:-
- (a) take appropriate measures to eliminate the revenue deficit and thereafter build up adequate revenue surplus and contain the fiscal deficit at a sustainable level, and utilise such surplus for discharging the liabilities in excess of the assets or for funding capital expenditure;
 - (b) pursue policies to raise non-tax revenue with due regard to cost recovery and equity; and
 - (c) lay down norms for prioritisation of capital expenditure, an pursue expenditure policies that would provide impetus for economic growth, poverty reduction and improvement in human welfare.
4. The State Government shall be guided by the following fiscal management principles, namely:-
- (a) transparency in setting the fiscal policy objectives, the implementation of public policy and the publication of fiscal information so as to enable the public to scrutinise the conduct of fiscal policy and the State of public finances;
 - (b) stability and predictability in fiscal policy making process and in the way fiscal policy impacts the economy;
 - (c) responsibility in the management of public finances, including integrity in the budget formulation;
 - (d) fairness to ensure that policy decisions of the State Government have due regard to their financial implications on future generations; and
 - (e) efficiency in the design and implementation of the fiscal policy and in managing the assets and liabilities of the public sector balance sheet.
5. The State Government shall in each financial year lay before the House of the State Legislature, the following statements of fiscal policy along with the budget, namely:-

-
- (a) the Macroeconomic Framework Statement;
 - (b) the Medium Term Fiscal Policy Statement; and
 - (c) the Fiscal Policy Strategy Statement.
6. The macroeconomic framework statement, in such form as may be prescribed, shall contain an overview of the State economy, an analysis of growth and sectoral composition of GSDP, an assessment related to State Government finances and future prospects.
7. (a) The medium term fiscal policy statement shall set forth a three year rolling target for the prescribed fiscal indicators with clear enunciations of the underlying assumptions.
- (b) In particular and without prejudice to the provisions contained in sub-section (1), the medium term fiscal policy statement shall include the various assumption behind the fiscal indicators and an assessment of sustainability relating to:-
- (i) the balance between revenue receipts and revenue expenditure;
 - (ii) the use of capital receipts including borrowing for generating productive assets; and
 - (iii) the estimated yearly pension liabilities worked out on actuarial basis for the next ten years.
- Provided that in case it is not possible to calculate the pension liabilities on actuarial basis during the period of first three years after the coming into force of this Act, the State Government may, during that period, estimate the pension liabilities by making forecasts on the basis of trend growth rates.
8. The fiscal policy strategy statement shall be in such form as may be prescribed and shall contain, *inter alia*-
- (a) the fiscal policies of the State Government for the ensuring year relating to taxation, expenditure, borrowing and other liabilities (including borrowings by public sector undertakings and special purpose vehicle and other equivalent instruments where liability for repayment is on the State Government), lending, investments, other contingent liabilities, user charges on public goods/utilities and description of other activities, such as guarantees and activities of public sector undertakings which have potential budgetary implications;
 - (b) the strategic priorities of the State Government in the fiscal area for the ensuring year;
 - (c) the key fiscal measures and the rationale for any major deviation in fiscal measures pertaining to taxation, subsidy, expenditure, borrowings and user charges on public goods/utilities; and
 - (d) an evaluation of the current policies of the State Government *vis-à-vis* the fiscal management principles set out in section 4, the fiscal

objectives set out in the medium term fiscal policy statement in subsection (1) of section 7 and fiscal targets set out in section 9.

9. (a) The State Government may prescribe such targets as may be deemed necessary for giving effect to the fiscal management objectives.
- (b) In particular and without prejudice to the generality of the foregoing provisions, the State Government shall: -
- (i) progressively reduce revenue deficit from the financial year 2005-2006, so as to bring it down to zero by 2008-09 and generate revenue surplus thereafter;
- (ii) progressively reduce fiscal deficit from the financial year 2005-06, so as to bring it down to not more than 3 *per cent* of GSDP by the year ending March 2010;
- (iii) ensure within a period of five years, beginning from the financial year 2005-06 and ending on 31 March 2010, that the outstanding total debt including contingent liabilities do not exceed 28 *per cent* of the estimated GSDP for that year.

Provided that revenue deficit and fiscal deficit may exceed the limits specified under this section due to ground or grounds of unforeseen demands on the finances of the State Government arising out of internal disturbance or natural calamity or national security or such other exceptional grounds as the State Government may specify.

Provided further that a statement in respect of the ground or grounds specified in the first proviso shall be placed before the House of the State Legislature, as soon as may be, after such deficit amount exceeds the aforesaid targets.

10. (a) The State Government shall take suitable measures to ensure greater transparency in its fiscal operations in the public interest and minimise as far as practicable, secrecy in the preparation of the budget;
- (b) In particular, and without prejudice to the generality of the foregoing provisions, the State Government shall, at the time of presentation the budget, make disclosures on the following, along with detailed information in such forms as may be prescribed:-
- (i) the significant changes in the accounting standards, policies and practices affecting or likely to affect the computation of fiscal indicators;
- (ii) details of borrowings by way of ways and means advances/overdraft availed of from the Reserve Bank of India.
- (c) Whenever the State Government undertakes unconditionally and substantially to repay the principal amount and/or pay the interest of any separate legal entity, it has to reflect such liability as the borrowings of the State.
11. (a) The Minister-in-Charge of the Department of Finance (hereinafter referred to as “Minister of Finance”) shall review, half yearly, the trends in receipts and expenditure in relation to the budget estimates

and place before the House of the State Legislature, the outcome of such reviews.

- (b) Whenever there is either shortfall in revenue or excess of expenditure over the intra-year targets mentioned in the fiscal policy strategy statement or the rules made under this Act, the State Government shall take appropriate measures for increasing revenue and/or for reducing the expenditure, including curtailment of the sums authorised to be paid and applied from out of the Consolidated Fund of the State.

Provided that nothing in this sub-section shall apply to the expenditure charged on the Consolidated Fund of the State under clause (3) of article 202 of the Constitution of India or any other expenditure, which is required to be incurred under any agreement or contract, which cannot be postponed or curtailed.

- (c) (i) Except as provided under this Act no deviation in meeting the obligations cast on the State Government under this Act shall be permissible without approval of the State Legislature.
- (ii) Where owing to unforeseen circumstances, any deviation is made in meeting the obligations cast on the State Government under this Act, the Minister of Finance shall make a statement in the House of the State Legislature explaining:-
- (aa) any deviation in meeting the obligations cast on the State Government under this Act;
- (ab) whether such deviation is substantial and relates to the actual or the potential budgetary outcomes; and
- (ac) the remedial measures, the State Government proposes to take.
- (d) Any measure proposed in the course of the financial year, which may lead to an increase in revenue deficit, either through increased expenditure or loss of revenue shall be accompanied by a statement of remedial measures, before the House of the State Legislature.
- (e) The State Government may set up an agency independent of the State Government to review periodically the compliance of the provisions of this Act and table such reviews in the House of the State Legislature.
12. No suit, prosecution or other legal proceedings shall lie against the State Government or any officer of the State Government for anything which is in good faith done or intended to be done under this Act or the rules made thereunder.
13. The provisions of this Act shall be in addition to and not in derogation of the provisions of any other law for the time being in force.
14. (a) If any difficulty arises in giving effect to the provisions of this Act, the State Government may, by order published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act as may appear to be necessary for removing the difficulty:

Provided that no order shall be made under this section after the expiry of two years from the commencement of this Act.

- (b) Every order made under this section shall be laid, as soon as may be after it is made, before the State Legislature.
15. (a) The State Government may, by notification in the Official Gazette, make rules for carrying out the purpose of this Act.
- (b) In particulars, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely: -
 - (i) the form of the macroeconomic framework statement under section 6;
 - (ii) the form of medium term fiscal policy statement, including the rolling targets for the fiscal indicators under section 7;
 - (iii) the form of fiscal policy strategy statement under section 8;
 - (iv) the forms for disclosure under sub-section (2) of section 10;
 - (v) measures to enforce compliance;
 - (vi) the manner of review of compliance of the provisions of this Act by the independent agency under section 11; and
 - (vii) any other matter which is required to be, or may be prescribed
 - (c) Every rule made under this Act shall be laid as soon as may be, after it is made, before the House of the State Legislature, while it is in session. If the House agrees in making any modification in the rule or the House agrees that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

Appendix 1.3
(Reference paragraph 1.3; page)
Time series data on State Government finances

(Rupees in crore)

	2004-05	2005-06	2006-07	2007-08	2008-09
Part A. Receipts					
1. Revenue Receipts	11,149	13,853	17,952	19,751	18,452
(i) Tax Revenue	7,440(67)	9,079(65)	10,928 (61)	11,618(59)	11,655(63)
Taxes on Sales, Trade, etc.	4,761(64)	5,604(62)	6,853 (63)	7,721(67)	8,155(70)
State Excise	1,013(14)	1,107(12)	1,217 (11)	1,379(12)	1,419(12)
Taxes on Vehicles	140(2)	172(2)	224 (2)	234(2)	239(2)
Stamps duty and Registration fees	727(10)	1,340(15)	1,765 (16)	1,763(15)	1,326(12)
Land Revenue	12	13	13 (-)	9 (-)	9(-)
Taxes on goods and passengers	705(10)	758 (8)	738 (7)	379(3)	370(3)
Taxes and duties on Electricity	62(1)	62(1)	98 (1)	108(1)	106(1)
Other Taxes	20	23	20	25	31
(ii) Non-Tax Revenue	2,544(23)	2,458(18)	4,591 (26)	5,097(26)	3,238(18)
(iii) State's share in Union taxes and duties	619(6)	1,201(9)	1,296 (7)	1,634(8)	1,725(9)
(iv) Grants-in-aid from Government of India	545(5)	1,115(8)	1,138 (6)	1,402(7)	1,834(10)
2. Misc. Capital Receipts	-	-	-	10	7
3. Recoveries of Loans and Advances	157	290	2,201	214	352
4. Total Revenue and Non debt capital receipt (1+2+3)	11,306	14,143	20,153	19,975	18,811
5. Public Debt Receipts	4,474	3,349	2,012	844	3,888
Internal Debt (excluding Ways and Means Advances and Overdrafts)	4,178(93)	3,309(99)	1,990 (99)	776(92)	3,822(98)
Net transactions under Ways and Means Advances and Overdraft	-	-	-	-	-
Loans and Advances from Government of India ¹	296(7)	40(1)	22 (1)	68(8)	66(2)
6. Total Receipts in the Consolidated Fund (4+5)	15,780	17,492	22,165	20,819	22,699
7. Contingency Fund Receipts	-	-	-	-	-
8. Public Accounts receipts	5,973	5,461	6,732	9,433	12,308
9. Total receipts of the State (6+7+8)	21,754	22,953	28,897	30,252	35,007
Part B. Expenditure/disbursement					
10. Revenue Expenditure	11,407	12,640	16,362	17,527	20,534²
Plan	1,453(13)	2,015(16)	2,454 (15)	3,176(18)	3,918(19)
Non-plan	9,954(87)	10,625(84)	13,908 (85)	14,351(82)	16,616(81)
General Services (including Interests payments)	4,898(43)	4,580(36)	4,845 (30)	5,230(30)	6,024(30)
Economic Services	3,199(28)	3,815(31)	6,627 (40)	6,222(35)	7,035(34)
Social Services	3,218(28)	3,995(32)	4,615 (28)	5,739(33)	7,259(35)
Grants-in-aid and contributions	92(1)	250(1)	275 (2)	337(2)	216(1)
11. Capital Expenditure	897	1,612	2,428	3,426	4,502
Plan	1,142(127)	1,652(102)	2,486 (102)	3,411(100)	3,990(89)
Non-plan	(-) 245 (-) (27)	(-)40 (-) (2)	(-) 59 (-2)	15	512(11)
General Services	58(6)	82(5)	90 (4)	171(5)	195(4)
Economic Services	552(62)	1,091(68)	1,689 (68)	2,333(68)	3,198(71)
Social Services	287(32)	439(27)	649 (26)	922(27)	1,109(25)
12. Disbursement of Loans and Advances	208	177	185	286	332
13. Total (10+11+12)	12,512	14,429	18,975	21,239	25,368
14. Repayments of Public Debt	3,014	1,107	1,114	841	1,292
Internal Debt (excluding Ways and Means Advances and Overdrafts)	1,307(43)	997(90)	1,002 (90)	728(87)	1,178(91)
Net transactions under Ways and Means Advances and Overdraft	--	-	-	-	-
Loans and Advances from Government of India	1,707(57)	110(10)	112 (10)	113(13)	114(9)
15. Appropriation to Contingency Fund	--	-	-	-	-

¹ Includes Ways and Means Advances from GOI.² Revenue expenditure for the year 2008-09 rounded to lower side.

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	2004-05	2005-06	2006-07	2007-08	2008-09
16. Total disbursement out of Consolidated Fund (13+14+15)	15,526	15,536	20,089	22,080	26,660
17. Contingency Fund disbursements	--	-	-	-	-
18. Public Accounts disbursements	5,031	5,564	5,395	8,818	11,442
19. Total disbursement by the State (16+17+18)	20,557	21,100	25,484	30,898	38,102
Part C. Deficits/Surplus					
20. Revenue Deficit (-)/Surplus (+) (1-10)	(-) 258	(+) 1,213	(+) 1,590	(+) 2,224	(-)2,082
21. Fiscal Deficit(-)/Surplus(+) (4-13)	(-) 1,206	(-) 286	(+) 1,179	(-) 1,264	(-)6,557
22. Primary Deficit (-)/surplus (+) (21+23))	1,029	1,814	(+) 3,444	(+) 1,082	(-)4,218
Part D. Other data					
23. Interest Payments (included in revenue expenditure)	2,235	2,100	2,265	2,346	2,339
24. Financial Assistance to local bodies etc.	518	842	922	1,572	2,053
25. Ways and Means Advances (WMA)/Overdraft availed (days)	-	-	-	-	92(5)
26. Interest on WMA/Overdraft³	-	-	-	-	0.04
27. Gross State Domestic Product (GSDP)⁴	93,804	1,06,732	1,30,033	1,53,087	1,80,494
28. Outstanding Fiscal liabilities (year end)	24,255	27,023	28,616	29,118	32,278
29. Outstanding guarantees including interest (year end)	4,249	5,644	5,074	4,402	4,575
30. Maximum amount guaranteed (year end)	6,742	8,448	12,694	6,341	5,188
31. Number of incomplete projects	25	22	20	23	29
32. Capital blocked in incomplete projects	105.75	43.65	36.30	74.74	85.60
33. Arrear of Revenue (Percentage of Tax and non-tax revenue receipts)	1,087 (11)	1,432 (12)	1,602 (10)	1,982 (12)	2,367 (16)
Part E: Fiscal Health Indicators					
I Resource Mobilisation					
Own Tax revenue/GSDP	0.079	0.085	0.084	0.076	0.065
Own Non-Tax Revenue/GSDP	0.027	0.023	0.035	0.033	0.018
Central Transfers/GSDP	0.007	0.011	0.010	0.011	0.010
II Expenditure Management					
Total Expenditure/GSDP	0.133	0.135	0.146	0.139	0.141
Total Expenditure/Revenue Receipts	1.122	1.042	1.057	1.075	1.375
Revenue Expenditure/Total Expenditure	0.912	0.876	0.862	0.825	0.809
Expenditure on Social Services/Total Expenditure	0.280	0.307	0.277	0.314	0.330
Expenditure on Economic Services/Total Expenditure	0.300	0.340	0.438	0.403	0.403
Capital Expenditure/Total Expenditure	0.072	0.112	0.128	0.161	0.177
Capital Expenditure on Social and Economic Services/Total Expenditure.	0.067	0.106	0.123	0.153	0.170
III Management of Fiscal Imbalances					
Revenue deficit (surplus)/GSDP	(-) 0.003	0.011	0.012	0.015	(-) 0.012
Fiscal deficit/GSDP	(-) 0.013	(-) 0.003	0.009	(-) 0.008	(-) 0.036
Primary Deficit (surplus) /GSDP	0.011	0.017	0.026	0.007	(-) 0.023
Revenue Deficit/Fiscal Deficit	0.214	(-) 4.241	1.349	(-) 1.759	0.318
Primary Revenue Balance/GSDP	0.004	0.005	0.006	0.005	(-) 0.023
IV Management of Fiscal Liabilities					
Fiscal Liabilities/GSDP	0.259	0.253	0.220	0.190	0.179
Fiscal Liabilities/RR	2.176	1.951	1.594	1.474	1.749
Primary deficit vis-à-vis quantum spread	0.920	1.598	1.317	0.409	(-) 1.437
Debt Redemption (Principal +Interest)/ Total Debt Receipts	1.015	0.876	1.072	1.338	0.897

³ Interest of Rs 4.17 lakh at the rate of seven *per cent* was paid on ways and means advances.

⁴ GSDP figures at current prices as communicated by the Directorate of Economic and Statistical Analysis, Haryana.

	2004-05	2005-06	2006-07	2007-08	2008-09
V Other Fiscal Health Indicators					
Return on Investment	2.35	1.92	5.62	6.05	8.27
Balance from Current Revenue (Rs in crore)	786	2424	3087	4300	572
Financial Assets/Liabilities	0.72	0.79	0.86	0.94	0.88

* Figures in brackets represent percentages (rounded) to total of each sub-heading.

Appendix 1.4 Part - A

(Refer paragraph 1.1 and 1.7.1; page)

Abstract of receipts and disbursements for the year 2008-09

(Rupees in crore)

Receipts			Disbursements					
2007-08		2008-09	2007-08		Non-plan	Plan	2008-09	
							Total	
19,750.74	Section A: Revenue		18,452.31	17,526.87	I. Revenue Expenditure	16,616.82	3,917.91	20,534.73
	I. Revenue Receipts			5,229.68	General Services	5,970.31	54.16	6,024.47
11,617.82	Tax Revenue	11,655.28		5,738.67	Social Services	4,596.54	2,662.19	7,258.73
5,097.08	Non-Tax Revenue	3,238.45		2,753.44	Education, Sports, Art and Culture	2,870.49	983.81	3,854.30
1,634.36	State's share of Union Taxes	1,724.62			Health and Family Welfare	510.08	214.72	724.80
					Water Supply, Sanitation, Housing and Urban Development	796.40	374.25	1,170.65
251.68	Non-Plan Grants	523.37		35.97	Information and Broadcasting	28.67	24.77	53.44
639.00	Grants for State Plan Schemes	731.32		142.34	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	36.39	84.70	121.09
				105.44	Labour and Labour Welfare	115.38	30.06	145.44
510.80	Grants for Central and Centrally Sponsored Plan Schemes	579.27		1,234.41	Social Welfare and Nutrition	233.40	949.88	1,183.28
				3.70	Others	5.73	-	5.73
				6,221.88	Economic Services	5,834.19	1,201.56	7,035.75
				1,075.03	Agriculture and allied activities	557.44	382.16	939.60
				585.22	Rural Development	358.65	485.08	843.73
				-	Special Areas Programmes	-	-	-
				707.58	Irrigation and Flood Control	584.24	171.20	755.44
				2,570.72	Energy	3,005.45	6.61	3,012.06
				67.32	Industry and Minerals	31.70	41.47	73.17
				1,154.08	Transport	1,270.57	6.60	1,277.17
				7.66	Science, Technology and Environment	1.90	7.61	9.51
				54.27	Other General Economic Services	24.24	100.83	125.07
				336.64	Grants-in-aid and Contributions	215.78	-	215.78
-	II. Revenue Deficit carried over to Section B	-	2,082.42	2,223.87	Revenue surplus carried over to Section B			
19,750.74	Total Section A		20,534.73	19,750.74		16,616.82	3,917.91	20,534.73
7,146.68	Section B – Others		6,500.06	-	III. Opening overdraft from Reserve Bank of India	-	-	-
	III. Opening Cash Balance including Permanent Advances and Cash Balance investment			3,426.17	IV. Capital Outlay	511.81	3,989.86	4,501.67
10.15	IV. Miscellaneous Capital Receipt		6.80	170.77	General Services		194.81	194.81
				922.18	Social Services	-	1,109.28	1,109.28
				84.63	Education, Sports, Art and Culture		90.54	90.54
				50.60	Health and Family Welfare		44.14	44.14
				706.58	Water Supply, Sanitation, Housing and Urban Development		855.77	855.77
					Information and Broadcasting		-	-
				2.65	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes		2.40	2.40
				13.64	Social Welfare and Nutrition		15.32	15.32
				64.08	Others		101.11	101.11

Receipts				Disbursements				
2007-08			2008-09	2007-08		Non-plan	Plan	2008-09
								Total
				2,333.22	Economic Services	511.81	2,685.77	3,197.58
				34.35	Agriculture and allied activities	511.46	37.89	549.35
				-	Rural Development	-	-	-
				-	Special Area Programme	-	-	-
				887.44	Irrigation and Flood Control	-	811.39	811.39
				848.90	Energy	-	855.70	855.70
				65.84	Industry and Minerals	-	83.23	83.23
				481.59	Transport	0.35	878.46	878.81
				15.10	General Economic Services	-	19.10	19.10
213.80	V. Recoveries of Loans and Advances		351.80	285.50	V. Loans and Advances disbursed			332.31
16.56	From Power Projects	109.37		2.51	For Power Projects	-	-	-
109.81	From Government Servants	141.72		155.58	To Government Servants	183.87	6.00	189.87
87.43	From others	100.71		127.41	To others	128	14.44	142.44
2,223.87	VI Revenue Surplus brought down			-	VI. Revenue Deficit brought down			2,082.42
843.50	VII. Public Debt Receipts		3,888.06	840.92	VII. Repayment of Public Debt			1,291.84
-	External debt	-		-	External debt	-	-	-
775.75	Internal Debt other than Ways and Means Advances and Overdraft	3,822.06		728.17	Internal debt other than Ways and Means Advances and Overdraft	1,178.38		
-	Net transaction under Ways and Means Advances	-		-	Net transaction under Ways and Means Advances	-	-	-
-	Net transactions under overdraft	-						
67.75	Loans and Advances from Central Government	66.00		112.75	Repayment of Loans and Advances to Central Government	113.46		
-	VIII. Appropriation to contingency fund	-	-	-	VIII. Appropriation to contingency fund	-	-	-
-	IX. Amount transferred to contingency fund	-	-	-	IX. Expenditure from contingency fund	-	-	-
9,432.73	X. Public Accounts Receipts		12,308.28	8,818.08	X. Public Account Disbursements			11,441.82
1,274.05	Small Savings, Provident Fund, etc.	1,401.27		974.73	Small Savings, Provident Funds, etc.	1,048.89		
233.35	Reserve Funds	361.89		83.21	Reserve Funds	74.95		
291.99	Suspense and Miscellaneous	375.88		325.81	Suspense and Miscellaneous	338.73		
4,847.23	Remittances	4,908.29		4,832.94	Remittances	4,934.92		
2,786.11	Deposits and Advances	5,260.95		2,601.39	Deposits and Advances	5,044.33		
-	XI. Closing overdraft from Reserve Bank of India	-	-	6,500.06	XI. Cash Balance at end	-	-	3,404.94
				0.54	Cash in Treasuries and Local Remittances	0.54		
				(-) 725.76	Deposits with Reserve Bank	(-) 603.39		
				4.68	Departmental Cash Balance including Permanent Advances, etc.	8.24		
				7,220.60	Cash Balance Investment	3,999.55		
19,870.73	Total - Section B		23,055.00	19,870.73	Total			23,055

Appendix 1.4 Part B
(Refer paragraph 1.1 and 1.7; pages)
Summarised financial position of the Government of Haryana as on 31 March 2009

(Rupees in crore)

As on 31 March 2008	Liabilities		As on 31 March 2009
18,410.80	Internal Debt		21,054.48
	4,741.01	Market Loans bearing interest 7,245.51	
	2.36	Market Loans not bearing interest 2.39	
	19.09	Loans from Life Insurance Corporation 15.98	
	13,648.34	Loans from other Institutions, etc. 13,790.60	
	-	Ways and means advances -	-
	-	Overdraft from Reserve Bank of India -	-
2,078.33	Loans and Advances from Central Government		2,030.88
	0.43	Pre 1984-85 Loans 0.43	
	38.05	Non-plan Loans 34.15	
	1,990.73	Loans for State Plan Schemes 1,949.16	
	17.19	Loans for Central Plan Schemes 15.28	
	31.93	Loans for Centrally Sponsored Plan Schemes 31.85	
10.00	Contingency Fund		10.00
6,257.05	Small Savings, Provident Funds, etc.		6,609.43
2,005.10	Deposits		2,221.72
1,232.47	Reserve Funds		1,519.42
	-	Remittance balances -	-
29,993.75			33,445.93
As on 31 March 2008	Assets		As on 31 March 2009
19,682.99*	Gross Capital Outlay on Fixed Assets		24,177.87
	3,988.43	Investments in shares of Companies, Corporations, etc. 5,031.32	
	15,694.56	Other Capital Outlay 19,146.55	
1,896.74	Loans and Advances		1,877.25
	248.74	Loans for Power Projects 139.37	
	1,243.83	Other Development Loans 1,285.56	
	404.17	Loans to Government Servants and miscellaneous loans 452.32	
0.87	Advances		0.87
76.75	Suspense and Miscellaneous Balances		39.61
(-) 19.70	Remittance Balances		6.93
6,500.06	Cash		3,404.94
	0.54	Cash in Treasuries and Local Remittances 0.54	
	(-) 725.76	Deposits with Reserve Bank (-) 603.39	
	4.59	Departmental cash balances 8.13	
	0.09	Permanent advances 0.11	
	6,354.38	Cash Balance Investment 2,841.58	
	866.22	Reserve Fund Investment 1,157.97	
1,856.04	Deficit on Government Accounts		3,938.46
	(-) 2,223.87	(i) Revenue Surplus/deficit of the Current Year 2,082.42	
	4,079.91*	(ii) Accumulated deficit up to preceding year 1,856.04	
29,993.75	Total		33,445.93

* This includes Rs 3.88 crore deducted from the opening balance of total capital outlay due to rectification of misclassification of previous year (Foot note (a) at page 34 of Finance Accounts 2007-08).

Explanatory Notes for Appendices 1.3 and 1.4

The abridged accounts in the foregoing statements have to be read with comments and explanations in the Finance Accounts. Government accounts being mainly on cash basis, the deficit on Government account, as shown in Appendix 1.4, indicates the position on cash basis, as opposed to accrual basis in commercial accounting. Consequently, items payable or receivable or items like depreciation or variation in stock figures, etc., do not figure in the accounts. Suspense and Miscellaneous balances include cheques issued but not paid, payments made on behalf of the State and other pending settlements, etc. There was a difference of Rs 0.98 crore (credit) between the figures reflected in the Accounts and that intimated by the Reserve Bank of India under “Deposits with Reserve Bank” on 31 March 2009. The difference is under reconciliation (October 2009).

Appendix 1.5

(Refer paragraph 1.3.1; page)

Details showing the collection of tax and non-tax revenue in respect of Major Components and expenditure incurred on their collection

Head	Year	Collection	Expenditure on collection	Percentage of expenditure on collection	All India average
		(Rupees in crore)			
Tax Revenue					
Taxes on Sales, trades, etc.	2004-05	4,760.91	34.12	0.72	
	2005-06	5,604.45	36.86	0.66	
	2006-07	6,853.24	45.42	0.66	0.82
	2007-08	7,720.98	50.64	0.66	
	2008-09	8,154.73	65.92	0.81	
Taxes on Vehicles	2004-05	140.41	6.28	4.47	
	2005-06	172.12	6.71	3.90	
	2006-07	223.66	6.93	3.10	2.47
	2007-08	233.79	5.47	2.34	
	2008-09	239.30	8.00	3.34	
State Excise	2004-05	1,013.16	8.92	0.88	
	2005-06	1,106.86	10.75	0.97	
	2006-07	1,217.10	12.09	0.99	3.30
	2007-08	1,378.81	12.95	0.94	
	2008-09	1,418.53	18.46	1.30	
Stamp and Registration	2004-05	726.58	5.25	0.72	
	2005-06	1,339.73	5.63	0.42	
	2006-07	1,764.98	10.59	0.60	2.33
	2007-08	1,763.28	12.04	0.68	
	2008-09	1,326.39	16.31	1.23	
Taxes on goods and Passengers	2004-05	705.16	6.58	0.93	
	2005-06	757.60	7.22	0.95	
	2006-07	738.41	-	-	
	2007-08	379.39	1.13	0.30	
	2008-09	370.29	1.50	0.41	
Non-Tax Revenue					
Police	2004-05	26.45	592.71	2,240.87	
	2005-06	7.49	645.12	8,613.08	
	2006-07	22.79	690.35	3,029.18	
	2007-08	41.44	773.68	1,866.99	
	2008-09	55.22	1,065.23	1,929.07	
Urban Development	2004-05	317.96	61.29	19.28	
	2005-06	714.09	115.18	16.13	
	2006-07	2,562.34	144.66	5.65	
	2007-08	2,805.24	370.89	13.22	
	2008-09	884.50	500.61	56.60	
Medical and Health	2004-05	40.92	324.92	794.04	
	2005-06	30.50	385.42	1,263.67	
	2006-07	31.59	410.41	1,299.18	
	2007-08	64.91	468.48	721.74	
	2008-09	30.94	643.73	2,080.58	

Appendices

Head	Year	Collection	Expenditure on collection	Percentage of expenditure on collection	All India average
(Rupees in crore)					
Major and Medium Irrigation	2004-05	103.32	387.90	375.44	
	2005-06	64.13	401.31	625.78	
	2006-07	87.19	492.97	565.40	
	2007-08	72.27	633.38	876.41	
	2008-09	74.01	661.33	893.57	
Road Transport	2004-05	513.17	611.48	119.16	
	2005-06	548.44	669.75	122.12	
	2006-07	571.18	699.63	122.49	
	2007-08	622.56	732.19	117.61	
	2008-09	645.04	826.53	128.14	
Water Supply and Sanitation	2004-05	31.11	311.52	1,001.35	
	2005-06	32.84	356.93	1,086.88	
	2006-07	34.94	392.52	1,123.41	
	2007-08	38.12	549.45	1,441.37	
	2008-09	30.74	649.48	2,112.82`	

Appendix 1.6

(Refer paragraph 1.6.3; page)

Details of Statutory Corporations and Government Companies with Government investments, which are in loss

		Investment (upto 2008-09)	Accumulated Loss	Year of Account
		(Rupees in crore)		
I. Statutory Corporations				
1.	Haryana Financial Corporation, Chandigarh.	187.00	130.81	2008-09
II. Government Companies				
1.	Haryana Backward Classes and Economically Weaker Section Kalyan Nigam Limited, Chandigarh.	16.08	5.99	2003-04
2.	Haryana State Minor Irrigation (Tube wells) Corporation Limited, Chandigarh.	10.89	251.82	2006-07
3.	Haryana Tanneries Limited, Chandigarh.	1.17	10.57	2007-08
4.	Haryana State Roads and Bridges Development Corporation Limited, Chandigarh.	185.74	66.72	2007-08
5.	Haryana State Small Industries and Export Corporation Limited, Chandigarh.	1.81	21.89	2006-07
6.	Haryana State Handloom and Handicrafts Corporation Limited, Chandigarh.	2.65	6.10	2005-06
7.	Haryana Scheduled Castes and Finance Development Corporation Limited, Chandigarh.	21.69	3.03	2004-05
8.	Haryana Power Generation Limited, Panchkula.	2,258.97	168.26	2007-08
9.	Haryana Vidhyut Prasaran Nigam Limited, Panchkula.	1,011.78	82.58	2007-08
10.	Uttar Haryana Bijli Vitran Nigam Limited, Panchkula.	418.08	1559.95	2007-08
11.	Dakshin Haryana Bijli Vitran Nigam Limited, Hisar.	509.14	995.71	2007-08
Total		4,625.00	3,303.43	

Appendix 1.7

(Refer Paragraph 1.6.4, page)

Summarised financial statement of departmentally managed commercially/ quasi-commercially undertakings

(Rupees in crore)

Sr. No.	Name of the Undertaking	Period of accounts	Capital employed as per last account	Mean Government capital	Block assets at depreciated cost	Depreciation provided during the Year	Turnover	Net profit/ Loss	Interest on Capital	Total return (9+10)	Percentage return on capital
1	2	4	5	6	7	8	9	10	11	12	13
1.	Agriculture Department (Seed Depot Scheme)	1987-88	-	-	-	-	0.03	(-) 0.10	-	(-) 0.10	-
2.	Agriculture Department (Purchase and Distribution of Pesticides)	1985-86	2.53	2.30	-	-	1.96	0.06	-	0.06	3
3.	Printing and Stationary (National Text Book Scheme)	2005-06	17.96	13.05	0.10	0.01	19.25	16.09	0.42	16.51	127
4.	Food and Supply (Grain Supply Scheme)	2007-08	1,393.88	1181.44	-	-	1,378.49	(-) 15.38	-	(-) 15.38	-
5.	Transport Department Haryana Roadways	2002-03	347.63	341.08	408.91	2.48	443.78	(-) 50.57	17.61	(-) 32.96	-
Total			1,762.00	1,537.87	409.01	2.49	1,843.51	(-) 49.90	18.03	(-) 31.87	129

Appendix 2.1

(Refer paragraph 2.3.1; page)

Statement of various grants/appropriations where savings were more than Rs 10 crore in each case or more than 20 per cent of the total provision

(Rupees in crore)

Sr. No.	Grant No	Name of the grant/appropriation	Total grant/ appropriation	Savings	Percentage of savings
(1)	(2)	(3)	(4)	(5)	(6)
Revenue (Voted)					
1.	4	Revenue	384.50	157.52	41
2.	6	Finance	1,833.22	182.80	10
3.	7	Other Administrative Services	1,249.73	1,190.19	95
4.	8	Buildings and Roads	789.17	86.18	11
5.	9	Education	4,014.30	160.00	4
6.	11	Urban Development	532.26	31.65	6
7.	12	Labour and Employment	159.57	14.13	9
8.	13	Social Welfare and Rehabilitation	1,245.99	52.51	4
9.	15	Irrigation	4,094.27	417.11	10
10.	16	Industries	105.03	10.24	10
11.	17	Agriculture	560.20	64.53	12
12.	21	Community Development	1,181.84	128.14	11
13.	23	Transport	862.18	25.99	3
Revenue (Charged)					
14.	6	Finance	2,583.49	197.15	8
15.	7	Other Administrative Services	5.57	5.57	100
Capital (Voted)					
16.	14	Food and Supplies	2,106.89	10.32	1
17.	25	Loans and Advances by State Government	469.67	137.36	29
Capital (Charged)					
18.		Public Debt	2,389.15	1,097.31	46
Total			24,567.03	3,968.70	

Appendix 2.2

(Refer paragraph 2.3.3; page)

Statement of various grants/appropriations where excess expenditure was more than Rs 10 crore in each case or more than 20 per cent of the total provision

(Rupees in Crore)

Sr. No.	Grant Number	Name of the grant/ appropriation	Total grant/ appropriation	Expenditure	Excess expenditure (Percentage)
(1)	(2)	(3)	(4)	(5)	(6)
Revenue (Voted)					
1.	3	Home	1,233.67	1,245.13	11.46 (1)
2.	10	Medical and Public Health	1,364.80	1,384.62	19.82 (1)
Capital (Voted)					
3.	8	Buildings and Roads	1,028.78	1,114.83	86.05 (8)
4.	15	Irrigation	1,441.70	1,612.71	171.01 (12)
Capital (Charged)					
5.	8	Buildings and Roads	2.50	4.27	1.77(81)
6.	15	Irrigation	45.00	54.38	9.38 (21)
Total			5,116.35	5,415.94	299.49

Appendix 2.3

(Refer paragraph 2.3.5; page)

Details showing the drawal of funds to avoid lapse of budget grant

Sr. No.	Name of Drawing and Disbursing Officer	Amount drawn		Remarks	Period of audit
		Date	Amount (In rupees)		
1.	Director, Ayurveda, Panchkula	31 March 2008	5,30,244	Draft prepared in the name of firm were kept in the chest	23 October to 4 November 2008
		31 March 2008	14,70,845		
		31 March 2008	5,148		
		31 March 2008	22,284		
		Total	20,28,521		
2.	Deputy Director, Integrated Child Development Programme, Gurgaon	31 March 2008	10,000	Cheques drawn were lying in the chest	5 May to 6 May 2008
		31 March 2008	10,000		
		31 March 2008	10,000		
		31 March 2008	10,000		
		31 March 2008	10,000		
		31 March 2008	6,000		
		31 March 2008	6,000		
		Total	62,000		
3.	Deputy Director, Animal Husbandry, Sonipat	31 March 2008	2,14,050	Cheques drawn were lying in the chest	20 October to 22 October 2008
		31 March 2008	15,000		
		Total	2,29,050		
4.	Block Development and Panchayat Officer, Nilokheri (Karnal)	31 March 2008	8,17,800	Amount was kept in State Bank of India, Nilokheri	26 June to 27 June 2008
5.	Block Development and Panchayat Officer, Karnal	31 March 2008	9,30,600	Amount was kept in Oriental Bank of Commerce, Karnal	23 June to 25 June 2008
6.	Superintendent, District Jail, Rohtak	27 March 2008	66,376	Amount was kept in the chest	19 June to 27 June 2008
		31 March 2008	70,900		
		Total	1,37,276		
7.	Senior Medical Officer, General Hospital, Tohana	13 November 2006	16,750	Amount was kept in the chest	5 November to 7 November 2008
8.	Senior Medical Officer, General Hospital, Adampur, (Hisar)	31 March 2007	58,264	Amount was kept in the Bank account of Senior Medical Officer	13 September to 14 September 2007
9.	District Welfare Officer, Ambala	31 March 2008	6,34,500	Amount was kept in the chest	9 June to 13 June 2008
		31 March 2008	1,68,600		
		Total	8,03,100		

Sr. No.	Name of Drawing and Disbursing Officer	Amount drawn		Remarks	Period of audit
		Date	Amount (In rupees)		
10.	District Welfare Officer, Hisar	31 March 2007	49,99,800	Amount was kept in State Bank of India, Hisar	25 November to 28 November 2008
		31 March 2007	6,49,100		
		31 March 2007	1,07,50,000		
		31 March 2007	14,50,000		
		31 March 2007	17,50,000		
		31 March 2007	1,00,000		
		31 March 2007	10,04,793		
		31 March 2007	2,35,03,824		
		13 March 2008	20,10,000		
		13 March 2008	6,19,500		
		13 March 2008	59,450		
		13 March 2008	9,99,120		
		13 March 2008	50,01,000		
		13 March 2008	8,49,500		
		13 March 2008	2,12,50,000		
		13 March 2008	30,70,000		
		13 March 2008	30,00,000		
		13 March 2008	3,10,000		
		13 March 2008	1,23,200		
		13 March 2008	2,50,000		
13 March 2008	77,50,000				
	Total	6,87,95,594			
11.	District Education Officer, Narnaul	13 March 2008	13,93,020	Kept in State Bank of Patiala, Narnaul	1 December to 5 December 2008
		31 March 2008	72,150		
		31 March 2008	1,00,000		
		31 March 2008	2,50,000		
		31 March 2008	1,00,000		
		31 March 2008	2,82,000		
		31 March 2008	12,800		
		31 March 2008	9,47,784		
		31 March 2008	62,871		
		31 March 2008	27,70,404		
		31 March 2008	5,04,845		
		31 March 2008	3,00,000		
		31 March 2008	1,56,23,000		
		31 March 2008	4,60,875		
		31 March 2007	5,88,000		
		31 March 2007	15,63,000		
		31 March 2007	17,01,978		
		31 March 2007	79,95,200		
		31 March 2007	1,50,000		
		31 March 2007	1,50,000		
	Total	3,50,27,927			
12.	District Primary Education Officer, Hisar	12 March 2008	1,68,01,000	Amount was kept in State Bank of India, Hisar	17 November to 21 November 2008
		26 March 2008	10,80,000		
		28 March 2008	4,55,300		
		29 March 2008	24,46,000		
		31 March 2008	57,90,000		
		31 March 2008	27,15,000		
		31 March 2008	66,60,000		
		30 March 2007	1,70,82,000		
		30 July 2007	21,30,000		
		31 March 2007	16,01,742		
			Total		

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Sr. No.	Name of Drawing and Disbursing Officer	Amount drawn		Remarks	Period of audit
		Date	Amount (In rupees)		
13.	Block Education Officer, Karnal	27 March 2008	1,25,944	Amount was kept in State Bank of Patiala, Karnal	09 March to 13 March 2009
		31 March 2008	2,59,870		
		31 March 2008	9,02,029		
		31 March 2008	18,08,637		
		31 March 2008	6,000		
		31 March 2008	13,000		
		31 March 2008	50,000		
		31 March 2008	5,400		
		31 March 2008	4,94,095		
	Total	28,54,975			
14.	Principal, Government Senior Secondary School, Sisai, (Hisar)	25 March 2008	2,500	Amount was kept in the chest	21 November to 22 November 2008
15.	Principal, Government Senior Secondary School, Talwandi	29 March 2008	2,500	Amount was kept in the chest	19 November to 20 November 2008
16.	Registrar, Co-operative Societies, Haryana, Chandigarh	1 January 2009	1,08,900	Cheques were drawn and kept in the chest	1 April to 6 April 2009
		1 January 2009	46,200		
		14 January 2009	1,09,826		
		6 February 2009	30,000		
		12 February 2009	2,38,958		
		24 February 2009	16,336		
		5 March 2009	25,000		
		9 February 2009	972		
		13 March 2009	22,64,324		
		30 March 2009	10,196		
		31 March 2009	1,72,146		
		31 March 2009	9,33,284		
		31 March 2009	2,77,360		
		31 March 2009	25,000		
		31 March 2009	19,634		
		31 March 2009	39,804		
		31 March 2009	1,83,510		
		31 March 2009	2,40,240		
		31 March 2009	1,90,590		
		31 March 2009	12,89,532		
		31 March 2009	9,43,635		
31 March 2009	25,000				
31 March 2009	4,10,817				
31 March 2009	28,285				
31 March 2009	3,602				
	Total	76,33,151			

Sr. No.	Name of Drawing and Disbursing Officer	Amount drawn		Remarks	Period of audit
		Date	Amount (In rupees)		
17.	Chief Account Officer, Transport Commissioner, Chandigarh	29 March 2009	1,75,39,000	Draft prepared in favour of Managing Director, Haryana Roadways Engineering Corporation Ltd. Chandigarh	
		29 March 2009	8,76,20,000		
		31 March 2009	7,27,48,000		
		31 March 2009	70,88,93,000		
		Total	88,68,00,000		
		5 March 2008	1,18,27,000		
		20 March 2008	7,35,47,000		
		27 March 2008	6,24,78,000		
		27 March 2008	2,06,40,000		
		28 March 2008	26,59,38,000		
		31 March 2008	9,63,61,000		
		Total	53,07,91,000		
		31 March 2007	2,57,96,000		
		31 March 2007	98,88,000		
		31 March 2007	3,52,98,000		
		Total	7,09,82,000		
		Total			
				Say Rs 166.48 crore	

Appendix 2.4

(Refer paragraph 2.3.6; page)

Excess over provision of previous years requiring regularisation

(Amount in Rupees)

Year	Number of grants/ appropriations	Grant/ appropriation numbers	Amount of excess	Status of consideration by Public Accounts Committee (PAC)
2005-06	4	3,8,10 and 15	2,68,86,50,000	The matter has not been discussed by the PAC.
2006-07	5	3, 6, 10, 15 and 20	6,16,73,66,040	
2007-08	5	3, 8, 10, 15 and 24	4,29,72,47,782	
Total	14		13,15,32,63,822	

Appendix 2.5

(Refer paragraph 2.3.8; page)

Cases where supplementary provision (Rs 50 lakh or more in each case)
proved unnecessary

(Rupees in crore)

Number and Name of the grant	Original provision	Actual expenditure	Savings out of original provision	Supplementary provision
A Revenue (Charged)				
15-Irrigation	2.44	2.44	Nil	0.51
Total Charged	2.44	2.44	Nil	0.51
B Capital (Voted)				
25- Loans and Advances by State Government	391.67	332.31	59.36	78.00
Capital-Total	391.67	332.31	59.36	78.00
Grand Total	394.11	334.75	59.36	78.51

Appendix 2.6

(Refer paragraph 2.3.8; page)

Statement of various grants/appropriations where supplementary provision proved insufficient by more than Rupees one crore in each case

(Rupees in crore)

Sr. No.	Grant number	Name of the grants and appropriation	Original provision	Supplementary provision	Total	Expenditure	Excess
Revenue (Voted)							
1.	3	Home	949.68	283.99	1,233.67	1,245.13	11.46
2.	10	Medical and Public Health	1,104.03	260.77	1,364.80	1,384.62	19.82
3.	20	Forest	175.57	15.39	190.96	192.73	1.77
Revenue (Charged)							
4.	3	Home	15.87	6.16	22.03	23.39	1.36
Capital (Voted)							
5.	8	Buildings and Roads	881.67	147.11	1,028.78	1,114.83	86.05
Capital (Charged)							
6.	8	Buildings and Roads	2.00	0.50	2.50	4.27	1.77
7.	15	Irrigation	42.00	3.00	45.00	54.38	9.38
Total			3,170.82	716.92	3,887.74	4,019.35	131.61

Appendix 2.7

(Refer paragraph 2.3.9; page)

Excess/unnecessary/insufficient re-appropriation of funds

(Rupees in crore)

Sr. No.	Grant No.	Description	Head of Account	Provisions O: Original S: Supplementary R: Reappropriation	Actual expenditure	Final Excess(+)/ Saving(-)
1.	3	Home	2055-Police 109-District Police- 99-District Police Force-	(O) 565.69 (S) 143.00 (R) 17.28 725.97	739.31	(+)13.34
2.	003-Education and Training- 104-Special Police- 98-India Reserve Battalions-		(O) 23.48 (S)17.28 (R) (-) 6.38 34.38	35.86	(+) 1.48	
3.	2014-Administration of Justice 105-Civil and Session Courts- 99-District and Session Judges-		(O) 29.35 (S)10.41 (R) 0.98 40.74	39.56	(-) 1.18	
4.	4055-Capital Outlay on Police 207-State Police- 96-Setting up of Modern Forensic Science Laboratory (FSL) in National Capital Region (NCR)-		(O) 34.88 (R) (-) 0.46 34.42	0.00	(-) 34.42	
5.	4	Revenue	2245-Relief on Account of Natural Calamities 282-Public Health- 122-Repairs and Restoration of Damaged Irrigation and Flood Control Works-	(O) 5.00 (R) (-) 5.00 0.00	1.09	(+) 1.09
6.	6	Finance	2071-Pensions and Other Retirement Benefits 01-Civil- 104-Gratuities-	(O) 375.00 (R) (-) 1.50 373.50	340.33	(-) 33.17
7.	102-Commuted Value of Pensions-		(O) 249.00 (R) (-) 9.00 240.00	230.57	(-) 9.43	
8.	2049-Interest Payments 01-Interest on Internal Debt- 200-Interest on Other Internal Debts- 96-Loans from National Rural Credit (LTO) Fund of the NABARD-		(O) 62.22 (R) (-) 14.35 47.87	64.33	(+) 16.46	
9.	8	Buildings and Roads	3054-Roads and Bridges 80-General- 797-Transfer to/from Reserve Funds and Deposit Accounts- 99-Transfer to/from CRF-Inter Account Transfer-	(O) 120.00 (R) (-) 37.91 82.09	4.60	(-) 77.49
10.	04-District and Other Roads- 337- Road works- 99-District Roads-		(O) 42.11 (R) (-) 14.79 27.32	12.13	(-) 15.19	
11.	03-State Highways- 337-Road works-		(O)81.19 (R) (-) 31.84 49.35	61.73	(+) 12.38	
12.	3054-Roads and Bridges 04-District and Other Roads- 337-Road works- 98-Rural Roads-		(O) 86.14 (S) 15.00 (R) 107.87 209.01	224.54	(+) 15.53	
13.	2216-Housing 05-General Pool Accommodation- 053-Maintenance and Repairs- 99-Other Maintenance expenditure- 88-General Maintenance & Repair-		(O) 10.06 (R) 3.28 13.34	15.38	(+) 2.04	

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Sr. No.	Grant No.	Description	Head of Account	Provisions O: Original S: Supplementary R: Reappropriation	Actual expenditure	Final Excess(+)/ Saving(-)
14.			2059-Public Works 80-General- 103-Furnishing- 99-Rest Houses-	(O)0.35 (R)17.03 17.38	0.17	(-) 17.21
15.			5054-Capital Outlay on Roads and Bridges 04-District and Other Roads- 337-Road works- 99-District Roads-	(O) 99.57 (R) 25.48 125.05	155.51	(+) 30.46
16.			03-State Highways- 101-Bridges- 99- 1 Construction of H.L. Bridge over Tangri Nadi on Ambala- Naraingarh Road-	(O) 25.70 (R) 10.28 35.98	58.77	(+) 22.79
17.			337-Road works- 99- 1 Widening and Strengthening Panipat-Asandh Road from KM 0.44 in Karnal and Jind District-	(O) 262.17 (R)(-) 15.75 246.42	278.24	(+) 31.82
18.			4250-Capital Outlay on other Social Services 800-Other expenditure- 99-Training Building- 99-Works-	(O) 31.00 (S) 20.25 (R) 4.01 55.26	86.15	(+) 30.89
19.			4059-Capital Outlay on Public Works 60-Other Buildings- 051-Construction- 99-Public Works-	(O) 3.00 (R) 6.80 9.80	21.66	(+) 11.86
20.			98-Administration of Justice-	(O) 20.00 (S) 20.98 (R) 9.51 50.49	47.42	(-) 3.07
21.			4202-Capital Outlay on Education, Sports, Art and Culture 01-General Education- 203-University and Higher Education- 99-College Buildings-	(O) 19.00 (S) 5.00 (R) 10.00 34.00	41.79	(+) 7.79
22.			4210-Capital Outlay on Medical and Public Health 01-Urban Health Services- 110-Hospital and Dispensaries- 99-Buildings-	(O) 7.50 (R) 4.50 12.00	14.00	(+) 2.00
23.			02-Rural Health Services- 101-Health sub-centres- 99-Buildings-	(O) 0.50 (R) (-) 0.40 0.10	4.00	(+) 3.90
24.			03-Medical Education Training and Research- 101-Ayurveda- 99-Buildings-	(O) 0.05 (R) 1.00 1.05	3.20	(+) 2.15
25.			4216-Capital Outlay on Housing 01-Government Residential Buildings- 106-General Pool Accommodation- 98-District Administration-	(O)6.65 (S) 6.33 (R) 2.65 15.63	17.47	(+) 1.84
26.			5054-Capital Outlay on Roads and Bridges 04-District and Other Roads- 337-Road works- 98-Rural Roads-	(O) 206.56 (S) 49.50 (R) (-) 36.50 219.56	201.91	(-) 17.65
27.			80-General- 004-Research- 99- Research-	(O) 4.00 (R) (-) 2.00 2.00	0.09	(+) 1.91

Sr. No.	Grant No.	Description	Head of Account	Provisions O: Original S: Supplementary R: Reappropriation	Actual expenditure	Final Excess(+)/ Saving(-)
28.			4202-Capital Outlay on Education, Sports, Art and Culture 01-General Education- 203-University and Higher Education- 98-Construction of Building of Shiksha Sadan at Panchkula-	(O) 4.50 (R) (-) 1.20 3.30	0.54	(-) 2.76
29.			02-Rural Health Services- 104-Community Health Centres- 99-Buildings-	(O) 4.50 (R) (-) 1.70 2.80	1.43	(-) 1.37
30.			4250-Capital Outlay on other Social Services 789-Special Component Plan for Scheduled Castes- 98-Training building for SC wings-	(O) 11.00 (R) 2.00 13.00	0.00	(-) 13.00
31.			4059-Capital Outlay on Public Works 60-Other Buildings- 051-Construction- 96-Jails-	(O) 25.68 (R) (-) 8.03 17.65	19.89	(+) 2.24
32.			70-Yojna Bhawan-	(O) 0.50 (S) 1.50 (R) (-) 0.40 1.60	0.00	(-) 1.60
33.			01-Office Buildings- 051-construction- 72-Scheme for Construction of office building of State Election Commission- 98-Construction of Office Building-	(S) 1.92 (R) 0.31 2.23	0.00	(-) 2.23
34.			99-District Administration-	(O) 19.50 (S) 8.00 (R) 1.69 29.19	26.14	(-) 3.05
35.			4235- Capital Outlay on Social Security and Welfare 800-Other expenditure- 81-Implementation of J.J. Act- 98-Observation Home-	(O) 2.18 (S) 0.67 (R) (-) 0.01 2.84	0.00	(-) 2.84
36.			5054- Capital Outlay on Roads and Bridges 04-District and Other Roads- 789-Special Component Plan for Scheduled Castes- 99-Construction/Widening/ Strengthening and Special repair of Roads in the Scheduled Castes population area-	(O) 19.00 (R) 18.49 37.49	18.55	(-) 18.94
37.	9	Education	2202-General Education 03-University and Higher Education- 103-Government Colleges and Institutes- 99-Institutes-	(O) 87.81 (S) 29.31 (R) (-) 24.58 92.54	88.31	(-) 4.23
38.			001-Direction and Administration- 99-Administrative Staff-	(O) 13.31 (S) 3.13 (R) (-) 3.47 12.97	9.72	(-) 3.25
39.			01-Elementary Education- 101-Government Primary Schools- 99-Classes I to V-	(O) 582.63 (S) 180.70 (R) 26.83 790.16	776.31	(-) 13.85

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Sr. No.	Grant No.	Description	Head of Account	Provisions O: Original S: Supplementary R: Reappropriation	Actual expenditure	Final Excess(+)/ Saving(-)
40.			98-Middle Education Classes VI to VIII- 98-Establishment Expenses-	(O) 411.01 (S) 124.39 (R) 10.79 546.19	536.90	(-) 9.29
41.			02-Secondary Education- 109-Government Secondary Schools- 99-Teaching Staff including other Establishments- 98-Establishment Expenses-	(O)775.75 (S) 227.32 (R) 12.46 1015.53	1006.17	(-) 9.36
42.	10	Medical and Public Health	2210- Medical and Public Health 06-Public Health- 87-National Malaria Eradication Programme (Rural)-	(O) 3.83 (R) -0.78 3.05	1.89	(-) 1.16
43.			2215-Water Supply and Sanitation 01-Water Supply- 001-Direction and Administration- 96-Executive Engineers and their establishment regular/confirmed mechanical staff-	(O) 178.84 (S) 61.20 (R) (-)10.92 229.12	231.11	(+) 1.99
44.			2210-Medical and Public Health 01-Urban Health Services Allopathy- 110-Hospitals and Dispensaries- 99-Hospitals-	(O) 68.71 (S) 18.21 (R)7.34 94.26	80.79	(-)13.47
45.			04-Rural Health Services-Other Systems of medicine- 101-Ayurveda- 92- Ayurveda-	(O) 25.19 (S) 6.99 (R) 5.37 37.55	35.35	(-) 2.20
46.			06-Public Health- 101-Prevention and Control of diseases- 99-Malaria-	(O) 43.07 (S) 13.25 (R) 5.05 61.37	50.77	(-) 10.60
47.	13	Social Welfare and Rehabilitation	2235-Social Security and Welfare 60-Other Social Security and Welfare Programmes- 102-Pension under Social Security Scheme- 98-Old Age Pension-	(O)252.20 (R) 27.73 279.93	272.10	(-) 7.83
48.			96-Widow Pension	(O) 127.46 (R) 6.38 133.84	131.82	(-) 2.02
49.			02-Social Welfare- 102-Child Welfare- 92-Integrated Child Development Services Schemes (WCD)-	(O)108.31 (R) 10.77 119.08	120.15	(+) 1.07
50.			2236-Nutrition 02-Distribution of Nutritious Food and BEVERAGES- 101-Special Nutrition Programmes- 95-Supplementary Nutrition Programme-	(O) 71.66 (R) (-) 26.87 44.79	73.06	(+) 28.27
51.	15	Irrigation	2700-Major Irrigation 02-Western Jamuna Canal Project (Commercial)- 001-Direction and Administration- 98-Execution Irrigation-	(O) 128.95 (S) 61.87 (R) (-) 1.29 189.53	68.75	(-) 120.78
52.			99-Supervision Irrigation-	(O) 14.90 (S) 7.60 (R) (-) 4.00 18.50	6.44	(-) 12.06

Sr. No.	Grant No.	Description	Head of Account	Provisions O: Original S: Supplementary R: Reappropriation	Actual expenditure	Final Excess(+)/ Saving(-)
53.			800-Other Expenditure- 98-Energy Charges-	(O) 12.10 (S) 8.00 (R) (-) 4.11 15.99	9.79	(-) 6.20
54.			001-Direction and Administration- 99-Chief Engineer's Common Establishment-	(O) 15.87 (S)10.94 (R) (-) 2.43 24.38	6.25	(-) 18.13
55.			04-Loharu Canal Project (Commercial)- 800-Other Expenditure- 98-Energy Charges-	(O) 21.00 (S) 28.00 (R) (-) 14.00 35.00	8.39	(-) 26.61
56.			01-Multi Purpose River Project (Commercial)- 001-Direction and Administration- 97- Execution Irrigation-	(O) 26.01 (S) 9.99 (R) (-) 4.40 31.60	10.42	(-) 21.18
57.			95-Special Revenue Staff-	(O) 12.91 (S) 7.09 (R) (-) 2.00 18.00	0.08	(-) 17.92
58.			98-Superintending Irrigation-	(O) 2.02 (S) 0.68 (R)(-) 0.30 2.40	0.48	(-) 1.92
59.			101-Maintenance and Repairs- 98-Other Maintenance Expenditure- 98-Punjab portion-	(O) 7.11 (R) (-) 1.60 5.51	0.00	(-) 5.51
60.			2700-Major Irrigation 80-General- 800-Other Expenditure- 98-Improvement, up Gradation, Operation and Maintenance-	(O)22.00 (S) 4.95 (R) 2.05 29.00	42.22	(+) 13.22
61.			05-Jawahar Lal Nehru Project (Commercial)- 101-Maintenance and Repairs- 98-Other Maintenance Expenditure-	(O) 1.79 (R) (-) 0.09 1.70	9.10	(+) 7.40
62.			04-Loharu Canal Project (Commercial)- 101-Maintenance and Repairs- 98-Other Maintenance Expenditure-	(O) 1.21 (R) (-) 0.22 0.99	7.22	(+) 6.23
63.			01-Multi Purpose River Project (Commercial)- 101- Maintenance and Repairs 98- Other Maintenance Expenditure- 99- Haryana portion-	(O)3.17 (R) 1.74 4.91	8.20	(+) 3.29
64.			2700-Major Irrigation 05-Jawahar Lal Nehru Project (Commercial)- 800-Other Expenditure- 98- Energy Charges-	(O) 48.60 (S) 64.00 (R) (-) 44.00 68,60	123.13	(+) 54.53
65.			4700- Capital Outlay on Major Irrigation 16- Rehabilitation of Existing Channels/ Drainage System- 800-Other Expenditure- 98- Construction of canals-	(O) 59.00 (R) (-) 11.00 48.00	193.70	(+) 145.70
66.			15- Lining of channels- 800-Other Expenditure- 97-BMI-hansi Branch-Butana Branch Multipurpose link Channel-	(O) 18.00 (R) (-) 0.80 17.20	45.75	(+) 28.55

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Sr. No.	Grant No.	Description	Head of Account	Provisions O: Original S: Supplementary R: Reappropriation	Actual expenditure	Final Excess(+)/ Saving(-)
67.			13- Modernisation & Lining of canal systems- 800-Other Expenditure- 98- Construction of Canal-	(O) 14.50 (R) 20.50 35.00	31.95	(-) 3.05
68.			05-Jawahar Lal Nehru Project (Commercial)- 800-Other Expenditure- 98- Dam and Appurtenant Works-	(O) 16.70 (R) (-) 2.70 14.00	23.66	(+) 9.66
69.			4701-Capital Outlay on Major and Medium Irrigation 07-Improvement of old/Existing Channels under NABARD- 800-Other Expenditure- 98- Construction of canal-	(O) 150.00 (R) (-) 41.00 109.00	281.98	(+) 172.98
70.			4711- Capital Outlay on Flood Control Projects 01- Flood Control- 201-Drainage and Flood Control Project- 99- Flood Protection and Disaster Preparedness-	(O) 32.45 (R) (-) 5.00 27.45	81.05	(+) 53.60
71.			4701- Capital Outlay on Major and Medium Irrigation 06- New Minor for Equitable distribution of water- 800- Other Expenditure- 98- Construction of Canal-	(O) 167.00 (R) 44.35 211.35	19.51	(-) 191.84
72.			80- General- 002- Data Collection- 99- Data Collection-	(O) 6.65 (R) 1.30 7.95	0.00	(-) 7.95
73.			4700- Capital Outlay on Major Irrigation 14- Dadupur Nalvi Irrigation Project- 800-Other Expenditure- 98- Construction of canals-	(O) 70.00 (R) (-) 44.85 25.15	30.97	(+) 5.82
74.			789-Special Component Plan for Scheduled Castes- 99- Recharge Ground Water in Sweet Water in SC Population in the State-	(O) 5.00 (R) (-) 2.75 2.25	3.28	(+) 1.03
75.			15-Lining of channels- 800-Other Expenditure- 98- Restoration capacity of BML-	(O)3.00 (R) 6.00 9.00	0.00	(-) 9.00
76.			13- Modernisation & lining of canal systems- 789-Special Component Plan for Scheduled Castes- 99- Improvement in Rehabilitation of Water Courses in SC Population in the State-	(O) 0.50 (R) 1.50 2.00	0.00	(-) 2.00
77.	17	Agriculture	2401- Crop Husbandry 119- Horticulture and Vegetable Crops- 69- Scheme for National Horticulture Mission-	(O) 1.00 (S) 6.47 (R) 1.22 8.69	2.22	(-) 6.47
78.			2402- Soil and Water Conservation 102- Soil Conservation- 86- Pilot Project for the reclamation of Water logged Areas in Bhiwani and Jhajjar District- 99- Normal plan-	(O) 4.15 (R) (-) 0.98 3.17	1.06	(-) 2.11

Sr. No.	Grant No.	Description	Head of Account	Provisions O: Original S: Supplementary R: Reappropriation	Actual expenditure	Final Excess(+)/ Saving(-)
79.			2401- Crop Husbandry 119- Horticulture and Vegetable Crops- 72- Scheme on Micro Irrigation (sharing basis part-II)-	(O) 0.80 (S) 3.91 (R) 3.64 8.35	4.44	(-) 3.91
80.			2415-Agricultural Research and Education 01- Crop Husbandry – 277- Education- 99- Grant-in-aid to Haryana Agricultural University 99- Normal plan-	(O) 32.27 (R) 3.09 35.36	32.89	(-) 2.47
81.	18	Animal Husbandry	2403- Animal Husbandry 101- Veterinary Services and Animal Health- 81- Conversion of Veterinary Dispensaries/Stockmen Centres into Hospital-cum-Breeding Centres (Normal Plan)-	(O) 3.00 (R) 2.20 5.20	6.97	(+) 1.77
82.			95- Continuance of Veterinary Hospital and Dispensaries-	(O) 28.35 (S) 7.58 (R) 7.04 42.97	36.44	(-) 6.53
83.	20	Forest	2406- Forestry and Wild Life 01-Forestry- 102-Social and Farm Forestry- 70- Integrated Natural Resource development and poverty reduction project-	(O) 48.82 (R) 4.38 53.20	55.84	(+) 2.64
84.			001-Direction and Administration- 99-Headquarter Staff- 98-Establishment Expenses-	(O) 3.48 (R) (-) 0.01 3.47	4.61	(+) 1.14
85.	21	Community Development	2515-Other Rural Development Programmes 102-Community Development- 96-Rural Health and Sanitation Programme- 99-Normal Plan-	(O) 4.00 (R) (-) 0.07 3.93	2.40	(-) 1.53
86.			3604- Compensation and Assignments to Local Bodies and Panchayati Raj Institutions 200-Other Miscellaneous Compensations and Assignments- 94- Assignment of Excise Duty to Panchayat Samities in lieu of Tax on Sale of Indian Made Foreign Liquor-	(O) 4.50 (S) 5.42 (R) (-) 0.01 9.91	8.85	(-) 1.06
87.			92- Assignment of Local Area Development Tax (LADT) proceeds to Panchayati Raj Institutions-	(O) 64.71 (R) (-) 64.71 0.00	64.00	(+) 64.00
88.		Public Debt	6003-Internal debt of the State Government 109-Loans from Other Institutions- 97-Loans from NCRPB for upgradation of roads (B&R)-	(O) 24.28 (R) 4.52 28.80	0.00	(-) 28.80
89.			105-Loans from National Bank for Agricultural and Rural Development- 99-Loans from NABARD-	(O) 129.90 (R) (-) 39.54 90.39	128.88	(+) 38.49

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Sr. No.	Grant No.	Description	Head of Account	Provisions O: Original S: Supplementary R: Reappropriation	Actual expenditure	Final Excess(+)/ Saving(-)
90.			110-Ways and Means Advances from the Reserve Bank of India-	(O) 10.00 (R) 290.00 300.00	92.36	(-) 207.64
91.			109-Loans from Other Institutions- 96-Loans from NCRPB (PH)-	(O) 53.96 (R) (-) 24.55 29.41	64.35	(+) 34.94
Total					8469.31	(+) 888.29 (-) 1,036.53

Abstract	Nos. of cases	Amount (Rupees in crore)
Excess expenditure over appropriations	40	888.29
Savings out of appropriations	51	1,036.53
Total	91	1,924.82

Excess cases more than 10 crore	Number	Amount
Sr. No. 1,8,11,12,15,16,17,18,19,50,60, 64,65,66,69,70,87,89 and 91	19	819.81
Savings cases more than 10 crore		
Sr. No. 4,6,9,10,14,26,30,36,39,44,46,51,52,54,55,56,57,71,88 and 90	20	904.95
Total	39	1,729.76

Excess cases more than 25 crore	Number	Amount
15,17,18,50,64,65,66,69,70,87,89 and 91	12	714.23
Savings cases more than 25 crore		
4,6,9,51,55,71,88 and 90	8	720.75
Total	20	714.98

Appendix 2.8

(Refer paragraph 2.3.10; page)

Surrenders in excess of actual savings (Rs 50 lakh or more)

(Rupees in crore)

Sr. No.	Number and name of the grant/ appropriation	Total grant/ appropriation	Savings (-)/ Excesses (+)	Amount surrendered	Amount surrendered in excess
Revenue – Voted					
1	3-Home	1,233.67	(+)11.46	1.86	13.32
2	04-Revenue	384.50	(-)157.53	159.61	2.08
3	07-Other Administration Services	1,249.73	(-)1,190.19	1,190.74	0.55
4	10-Medical and Public Health	1,364.80	(+)19.82	37.62	57.44
5	20-Forest	190.97	(+)1.77	0.98	2.75
6	21-Development	1,181.84	(-)128.14	186.08	57.94
7	23-Transport	862.18	(-) 25.99	27.16	1.17
Capital – Voted					
8	10-Medical and Public Health	834.53	(-)7.60	14.00	6.40
9	15-Irrigation	1,441.70	(+)171.01	33.70	204.71
	Total	8,743.92	(-)1,305.39	1,651.75	346.36

Appendix 2.9

(Refer paragraph 2.3.11; page)

Details of savings of Rupees one crore and above not surrendered

(Rupees in crore)

Sr. No.	Number and name of grants/appropriations	Saving	Surrender	Savings which remained to be surrendered
1	2	3	4	5
	Revenue (Voted)			
1	1-Vidhan Sabha	1.42	0.65	0.77
2	6-Finance	182.80	106.55	76.25
3	8-Buildings and Roads	86.18	18.71	67.47
4	9-Education	160.00	118.79	41.21
5	12-Labour and Employment	14.13	11.97	2.16
6	13-Social Welfare and Rehabilitation	52.51	50.75	1.76
7	15-Irrigation	417.11	179.20	237.91
8	17-Agriculture	64.53	39.32	25.21
9	18-Animal Husbandry	6.77	3.15	3.62
10	22-Co-operation	1.81	1.46	0.35
	Revenue (Charged)			
11	6-Finance	197.15	190.71	6.44
	Capital (Voted)			
12	12-Labour and Employment	4.22	3.80	0.42
	Capital (Charged)			
13	Public Debt	1,097.31	933.99	163.32
	Total	2,285.94	1,659.05	626.89

Appendix 2.10

(Refer paragraph 2.3.11; page)

Cases of surrender of funds in excess of Rs 10 crore on 30 and 31 March 2009**(Rupees in crore)**

Sr. No.	Grant number	Major Head	Amount of surrender	Percentage of Total Provision
1	2	3	4	5
1.	4-Revenue	2254-Relief on account of Natural Calamities	164.75	57
2.	4-Revenue	2506-Land Reforms	18.70	77
3.	6-Finance	2049-Interest Payments	190.71	7.5
4.	6-Finance	2071-Pensions and Other Retirement Benefits	110.00	6.1
5.	7-Other Administrative Services	2075-Miscellaneous General Services	1,199.79	99.9
6.	8-Buildings and Roads	2059-Public Works	25.98	9.7
7.	8-Buildings and Roads	4210-Capital Outlay on Medical and Public Health	12.60	25
8.	9-Education	2202-General Education	127.43	3.4
9.	10-Medical and Public Health	2210-Medical and Public Health	37.29	5.2
10.	10-Medical and Public Health	2215-Water Supply and Sanitation	13.64	2.3
11.	10-Medical and Public Health	4215-Capital Outlay on Water Supply and Sanitation	14.00	-
12.	11-Urban Development	2217-Urban Development	31.68	6
13.	12-Labour and Employment	2230-Labour and Employment	11.97	7.5
14.	13-Social Welfare and Rehabilitation	2225-Welfare of SC, ST and Other Backward Classes	79.76	39.4
15.	13-Social Welfare and Rehabilitation	2236-Nutrition	26.05	17.7
16.	14-Food and Supplies	4408-Capital Outlay on Food Storage and Warehousing	10.32	0.5
17.	15-Irrigation	2700-Major Irrigation	173.03	19
18.	15-Irrigation	4700-Capital Outlay on Major Irrigation	31.45	16.1
19.	16-Industries	2851-Village and Small Industries	18.24	40.2
20.	17-Agriculture	2401-Crop Husbandry	38.76	13.5
21.	17-Agriculture	2705-Command Area Development	10.31	10.4
22.	21-Community Development	2505-Rural Employment	51.14	49.6
23.	21-Community Development	2515-Other Rural Development Programmes	66.16	7.9
24.	21-Community Development	3604-Compensation and Assignments to Local Bodies and <i>Panchayati Raj</i> Institutions	64.73	30
25.	23-Transport	3055-Road Transport	26.85	3.1
26.	Public Debt	6003-Internal Debt of the State	936.12	41.1
27.	25-Loans and Advances by State Government	7610-Loans to Government Servants	133.16	41.2
Total			3,624.62	

Appendix 2.11

(Refer paragraph 2.3.12; page)

Details showing the rush of expenditure in last quarter/month of the year

(Rupees in crore)

Sr. No.	Grant number	Head of Account Scheme/Service	Expenditure incurred during Jan-March 2008	Expenditure incurred in March 2008	Total expenditure	Percentage of total expenditure incurred during	
						Jan-March 2008	March 2008
1.	3	2055-Police 101-Criminal Investigation and Vigilance- 99-CID and SCRB-	38.00	27.00	43.81	87	62
2.	9	2202-General Education 01-Elementary Education- 101-Government Primary School-	513.00	414.00	776.31	66	53
3.	9	2202-General Education 01-Elementary Education- 789-Special Component Plan for Scheduled Castes-	19.00	17.00	29.00	66	59
4.	9	2202-General Education 02-Secondary Education- 109-Government Secondary Schools-	33.00	28.00	35.11	94	80
5.	9	2203- Technical Education 105- Polytechnics- 59- Development of Polytechnics	12.00	12.00	17.70	68	68
6.	9	2203- Technical Education 105- Polytechnics- 89- Setting of new Polytechnics	70.00	64.00	89.98	78	71
7.	10	2210- Medical and other Public Health	14.00	14.00	14.39	97	97
8.	11	2217- Urban Development 800- Other Expenditure-	122.00	122.00	147.95	82	82
9.	15	4701- Capital outlay on Medium Irrigation 800-Other Expenditure- 97-Liability of Other Projects	20.00	15.00	28.48	70	53
10.	17	2401- Crop Husbandry 101- Extension and Farmers Training-	58.00	58.00	60.23	96	96
11.	21	2515- Other Rural Development Programme	78.00	78.00	79.45	98	98
12.	21	3604- Compensation and Assignments to Local Bodies and <i>Panchayati Raj</i> Institutions	14.00	11.00	15.43	91	71
13.	23	5053- Capital outlay on Civil Aviation	37.00	37.00	37.20	99	99
Total			1,028.00	897.00	1,375.04	75	65

Appendix 2.12

(Refer paragraph 2.4.1; page)

Pending detailed contingency bills for the years up to 2008-09

Sr. No.	Department		Number of AC bills	Amount (In Rupee)
	Name	Month		
1.	Civil Surgeon, Jind	October 2006	1	8,80,500
2.	Superintending District Jail, Sirsa	November 2008	1	40,000
3.	Superintending District Jail, Gurgaon	November 2008	1	1,00,000
4.	Superintending District Jail, Gurgaon	November 2008	1	20,000
5.	Superintending District Jail, Sirsa	February 2009	1	80,000
6.	Project Officer, Integrated Child Development Programme, Jhajjar	February 2009	1	50,11,530
7.	Project Officer, Integrated Child Development Programme, Jhajjar	February 2009	1	1,00,00,000
8.	Project Officer, Integrated Child Development Programme, Jhajjar	February 2009	1	6,80,887
Total			8	1,68,12,917

Appendix 2.13
(Refer paragraph 2.5; page)
Details of cases showing defective budgeting

(Rupees in crore)

Sr. No.	Head	Original	Supplementary	Reappropriation	Total	Actual expenditure	Saving(-)/ excess(+)
1.	2014-Administration of Justice 105- Civil and Session Courts- 99- District and Sessions Judges-	29.35	10.41	0.98	40.74	39.56	(-) 1.18
2.	2059-Public Works 80-General- 103-Furnishing- 99-Rest Houses-	0.35	-	17.03	17.38	0.17	(-) 17.21
3.	5054-Capital Outlay on Roads and Bridges 04-District & Other Roads- 789-Special Component plan for Scheduled Castes- 99-Construction/Widening/Strengthening and Special repair of Roads in the Scheduled Castes population area-	19.00	-	18.49	37.49	18.55	(-) 18.94
4.	2202-General Education 01-Elementary Education- 101-Government Primary Schools- 98-Middle Education Classes VI to VIII- 98-Establishment Expenses-	411.01	124.39	10.79	546.19	536.90	(-) 9.29
5.	02-Secondary Education- 109-Government Secondary Schools- 99-Teaching Staff including other Establishments- 98-Establishment Expenses-	775.75	227.32	12.47	1,015.54	1,006.17	(-) 9.37

Sr. No.	Head	Original	Supplementary	Reappropriation	Total	Actual expenditure	Saving(-)/ excess(+)
6.	2210-Medical and Public Health 01-Urban Health Services-Allopathy- 110-Hospitals and Dispensaries- 99-Hospitals-	68.71	18.21	7.34	94.26	80.79	(-) 13.47
7.	04-Rural Health Services-Other Systems of medicine- 101-Ayurveda- 92-Ayurveda-	25.19	6.99	5.37	37.55	35.35	(-) 2.20
8.	06-Public Health- 101-Prevention and Control of diseases 99-Malaria-	43.07	13.25	5.05	61.37	50.77	(-) 10.60
9.	2401-Crop Husbandry 119-Horticulture and Vegetable Crops- 72-Scheme on Micro Irrigation (sharing basis part II)-	0.80	3.91	3.64	8.35	4.44	(-) 3.91
10.	2415-Agricultural Research and Education 01-Crop Husbandry- 277-Education- 99-Grants-in-aid to Haryana Agricultural University- 99-Normal Plan-	32.27	-	3.09	35.36	32.89	(-) 2.47
11.	2403-Animal Husbandry 101-Veterinary Services and Animal Health- 95-Continuance of veterinary Hospital and Dispensaries-	28.35	7.58	7.04	42.97	36.44	(-) 6.53
12.	2406-Forestry and Wild Life 01-Forestry- 001-Direction and Administration- 98-Circle/Divisional Staff-	21.57	13.02	1.01	35.60	34.61	(-) 0.99
Total		1,455.42	425.08	92.30	1,972.80	1,876.64	96.16
13.	2235-Social Security and Welfare 60-Other Social Security and Welfare programme- 102-Pensions under Social Security scheme- 95-Handicapped Pension-	41.43	-	(-) 3.02	38.41	39.15	(+) 0.74
14.	2236-Nutrition	71.66	-	(-) 26.87	44.79	73.06	(+) 28.27

Sr. No.	Head	Original	Supplementary	Reappropriation	Total	Actual expenditure	Saving(-)/ excess(+)
	02-Distribution of nutritious food and beverages- 101-Special Nutrition Programmes- 95-Supplementary Nutrition Programme-						
15.	2700-Major Irrigation 05-Jawahar Lal Nehru Project (Commercial)- 800-Other Expenditure- 98-Energy Charges-	48.60	64.00	(-) 44.00	68.60	123.13	(+) 54.53
16.	2049-Interest Payments 01-Interest on Internal Debt- 200-Interest on Other Internal Debts- 96-Loans from National Rural Credit (LTO) Fund of the NABARD-	62.22	-	(-) 14.35	47.87	64.33	(+) 16.46
17.	4851-Capital Outlay on Village and Small Industries 102-Small scale Industries- 99-Extension of existing Quality Marketing Centres-	0.02	0.71	(-) 0.72	0.01	0.69	(+) 0.68
18.	2515-Other Rural Development programmes 101-Panchyati Raj- 93-Matching GIA for Development works (Government Share)-	3.63	-	(-) 0.45	3.18	3.58	(+) 0.40
19.	3604-Compensation Assignments to Local Bodies and Panchayati Raj Institutions- 200-Other Miscellaneous Compensations and Assignments- 92-Assignment of Local Area Development Tax (LADT) proceeds to Panchayati Raj Institutions-	64.71	-	(-) 64.71	-	64.00	(+) 64.00
	Total	292.27	64.71	(-) 154.12	202.86	367.94	165.08
20.	2700-Major Irrigation 80-General- 800-Other Expenditure- 99- Interest-	44.00	5.08	-	49.08	299.75	(+) 250.67
21.	01-Multipurpose River Projects (Commercial)- 800-Other Expenditure- 99-Interest on Capital and Expenditure on Extension and Improvement-	0.12	-	-	0.12	1.71	(+) 1.59

Sr. No.	Head	Original	Supplementary	Reappropriation	Total	Actual expenditure	Saving(-)/ excess(+)
	99-Haryana Portion-						
22.	80-General- 800-Other Expenditure-	44.00	5.08	-	49.08	299.75	(+) 250.67
23.	800-Other Expenditure- 99-Haryana Portion-	0.12	-	-	0.12	1.71	(+) 1.59
	Total	88.24	10.16	-	98.40	602.92	504.52
New Service							
24.	2071-Pensions and other Retirement Benefits 01-Civil- 117-Government contribution for defined Contribution Pension Scheme- 99-Defined Contributory Pension Scheme- 99-Government contribution to defined contribution pension scheme-	-	-	0.50	0.50	-	(-) 0.50
25.	2211-Family Welfare 001-Direction and Administration 97-Child Survival Safe Motherhood-	-	-	2.60	2.60	2.60	-
26.	2210-Medical and Public health 03-Rural Health Services-Allopathy- 103-Primary Health Centres- 84-Establishment of Pt. B. D. Sharma University of Health Sciences, Rohtak-	-	-	0.16	0.16	0.16	-
	Total	-	-	3.26	3.26	2.76	(-) 0.50

Appendix 3.1

(Refer paragraph 3.1; page)

Details of utilisation certificates due, received and outstanding as on 31 March 2009

(Rupees in lakh)

Sr. No.	Name of the department	Year	Utilisation certificates due ⁵		Utilisation certificates received		Utilisation certificates outstanding	
			Items	Amount	Items	Amount	Items	Amount
1.	Housing	2006-07	8	26.77	8	26.77	0	0.00
		2007-08	5	15.25	5	15.25	0	0.00
2.	Urban Development	1998-99	4	259.99	0	0.00	4	259.99
		1999-2000	77	513.67	0	0.00	77	513.67
		2000-01	113	1,015.10	0	0.00	113	1,015.10
		2001-02	452	1,367.23	13	99.46	439	1,267.77
		2002-03	276	3,364.94	5	22.18	271	3,342.76
		2003-04	152	2,669.41	5	138.37	147	2,531.04
		2004-05	6	993.33	3	47.52	3	945.81
		2005-06	134	5,538.97	99	1,889.94	35	3,649.03
		2006-07	122	10,122.64	34	1,194.09	88	8,928.55
		2007-08	123	35407.20	98	1,424.52	25	33,982.68
3.	Irrigation	2003-04	2	2,139.62	0	0.00	2	2,139.62
		2004-05	6	2,418.86	0	0.00	6	2,418.86
		2005-06	9	4,469.83	2	143.00	7	4,326.83
		2006-07	13	5,627.37	2	140.00	11	5,487.37
		2007-08	15	7345.44	6	5,814.78	9	1,530.66
4.	Agriculture	2006-07	11	10,865.67	0	0.00	11	10,865.67
		2007-08	9	11,961.00	0	0.00	9	11,961.00
5.	Rural Development	2001-02	1	13.53	0	0.00	1	13.53
		2002-03	1	1.69	0	0.00	1	1.69
		2004-05	7	1,120.65	0	0.00	7	1,120.65
		2005-06	127	2,919.17	0	0.00	127	2,919.17
		2006-07	47	6,812.89	0	0.00	47	6,812.89
		2007-08	330	7,796.33	0	0.00	330	7,796.33
6.	Development and Panchayat	2002-03	3	502.06	0	0.00	3	502.06
		2003-04	16	10,095.18	0	0.00	16	10,095.18
		2004-05	13	6,884.90	0	0.00	13	6,884.90
		2005-06	41	15,710.98	Partly	5,908.50	41	9,802.48
		2006-07	11	14,150.03	Partly	5,575.64	11	8,574.39
		2007-08	4	35,842.00	Partly	1,824.99	4	34,017.01
7.	Economical and Statistical Advisor	2004-05	6	1.04	4	0.53	2	0.51
		2005-06	34	1.17	24	1.07	10	0.10
		2006-07	14	360.65	5	299.13	9	61.52
		2007-08	20	3,500.00	0.00	0.00	20	3,500.00
8.	Medical	2002-03	1	100.00	1	100.00	0.00	0.00
		2003-04	2	8.31	1	5.01	1	3.30
		2005-06	5	211.61	5	211.61	0.00	0.00
		2007-08	11	2,795.34	9	2,771.03	2	24.31

⁵

Due in respect of 2006-07 and earlier year has been shown on the basis of actual outstanding utilisation certificates as on 31 March 2008.

Audit Report on State Finances for the year ended 31 March 2009

Sr. No.	Name of the department	Year	Utilisation certificates due ⁵		Utilisation certificates received		Utilisation certificates outstanding	
			Items	Amount	Items	Amount	Items	Amount
9.	Education	2005-06	5	551.51	3	474.31	2	77.20
		2006-07	194	18,770.65	130	13,485.93	64	5,284.72
		2007-08	259	43,415.20	234	43,391.10	25	24.10
10.	Other Administrative Services	2007-08	9	375.00	9	375.00	0.00	0.00
11.	Social Security and Welfare	2000-01	10	653.86	0	0.00	10	653.86
		2001-02	6	606.55	0	0.00	6	606.55
		2002-03	11	280.81	0	0.00	11	280.81
		2003-04	21	525.38	0	0.00	21	525.38
		2004-05	17	1,543.96	0	0.00	17	1,543.96
		2005-06	42	1,170.07		82.95	42	1,087.12
		2006-07	53	1,536.08	45	302.90	8	1,233.18
		2007-08	48	2,128.20	0	0.00	48	2,128.20
12.	Technical Education	2004-05	1	875.00	1	875.00	0	0.00
		2006-07	5	546.65	5	546.65	0	0.00
		2007-08	21	2,280.00	0	0.00	21	2,280.00
13.	Sports	2004-05	1	5.99	1	5.99	0	0.00
		2005-06	3	21.50	3	21.50	0	0.00
		2006-07	10	326.54	0	0.00	10	326.54
		2007-08	10	240.00	0	0.00	10	240.00
14.	Science and Technology	2006-07	3	36.32	3	36.32	0	0.00
		2007-08	30	515.53	22	294.79	8	220.74
15.	Ecology and Environment	2006-07	2	7.16	1	6.69	1	0.47
		2007-08	6	79.15	1	69.90	5	9.25
16.	Tourism	2006-07	4	21.00	4	21.00	0	0.00
17.	Water Supply and Sanitation	2003-04	25	1,279.62	11	226.21	14	1,053.41
		2004-05	24	1,452.59	8	506.13	16	946.46
18.	Art and Culture	2005-06	3	15.00	0	0.00	3	15.00
		2006-07	1	15.00	0	0.00	1	15.00
		2007-08	1	30.00	0	0.00	1	30.00
19.	Animal Husbandry	2007-08	8	559.26	8	559.26	0.00	0.00
20.	Fisheries	2004-05	1	6.01	1	6.01	0.00	0.00
		2005-06	6	24.58	0	5.72	6	18.86
		2006-07	23	84.07	13	46.92	10	37.15
		2007-08	42	220.62	26	171.83	16	48.79
21.	Non-Conventional Sources of Energy	1993-94	1	1.99	0	0.00	1	1.99
		2004-05	3	14.64	1	2.00	2	12.64
		2005-06	7	67.62	5	66.45	2	1.17
		2006-07	14	345.99	9	233.20	5	112.79
		2007-08	17	817.99	6	383.48	11	434.51
22.	Village and Small Scale Industries	2000-01	1	0.14	0	0.00	1	0.14
		2005-06	14	7,152.90	6	169.05	8	6,983.85
		2006-07	21	12,014.40	8	119.00	13	11,895.40
		2007-08	27	1,777.50	8	369.29	19	1,408.21
23.	Civil Aviation	2007-08	7	35.99	7	35.99	0	0.00
24.	Family Welfare	2007-08	14	22.40	14	22.40	0	0.00
Total			3,262	3,17,400.24	922	90,566.36	2,340	2,26,833.88
Say				3,174.00 crore		905.66 crore		2,268.34 crore

Appendix 3.2

(Refer paragraph 3.2; page)

Statement showing names of bodies and authorities, the accounts of which had not been received

(Rupees in lakh)

Sr. No.	Name of the body/authority	Year for which accounts had not been received	Grants received
1.	Municipal Committee, Bahadurgarh	1986-87	35.93
		1993-94	34.08
		1996-97	50.00
		1997-98	25.95
		1999-2000	49.50
		2000-01	48.93
		2003-04	304.10
		2004-05	33.12
		2005-06	221.34
		2006-07	51.00
		2007-08	223.47
		2008-09	1,171.40
2.	Municipal Committee, Bhiwani	1987-88	36.40
		1988-89	33.25
		1989-90	36.00
		1995-96	50.00
		1997-98	27.56
		1998-99	72.00
		1999-2000	1,156.87
		2000-01	247.58
		2007-08	48.45
3.	Municipal Committee, Karnal	1982-83	7.00
		1988-89	32.61
		1997-98	36.12
		1998-99	26.25
		2000-01	60.08
		2007-08	1,038.41
		2008-09	53.00
4.	Municipal Committee, Narnaul	1988-89	25.30
		1989-90	28.63
		2005-06	192.58
		2006-07	201.00
		2007-08	25.90
		2008-09	351.81
5.	Municipal Committee, Rohtak	2004-05	140.58
		2007-08	1,215.88
		2008-09	1,166.54

Sr. No.	Name of the body/authority	Year for which accounts had not been received	Grants received
6.	Municipal Corporation, Faridabad	1995-96	39.38
		1996-97	50.00
		1997-98	30.00
		1998-99	669.00
		1999-2000	394.00
		2000-01	111.61
		2002-03	93.29
		2003-04	175.14
		2004-05	121.80
		2005-06	404.28
		2006-07	202.45
		2007-08	4,443.62
	2008-09	16,395.00	
7.	Municipal Committee, Sonipat	2007-08	178.73
		2008-09	41.00
8.	Municipal Committee, Jagadhari	2004-05	33.46
		2005-06	54.92
		2007-08	37.10
9.	Municipal Committee, Panipat	2003-04	78.09
		2004-05	57.06
		2005-06	238.95
		2006-07	50.23
		2007-08	145.86
		2008-09	51.00
10.	Municipal Committee, Gurgaon	2006-07	38.72
		2007-08	173.69
		2008-09	39.00
11.	Municipal Committee, Yamunanagar	2007-08	1,841.67
		2008-09	37.00
12.	Municipal Committee, Palwal	2007-08	60.19
13.	Municipal Committee, Charkhi Dadri (Bhiwani)	1995-96	33.33
		1999-2000	50.00
		2000-01	43.14
		2001-02	50.00
		2008-09	306.90
14.	Municipal Committee, Rewari	1996-97	50.00
		1997-98	38.82
		1999-2000	229.73
		2000-01	84.17
		2003-04	48.40
		2004-05	35.70
		2005-06	133.45
		2007-08	191.91
15.	Municipal Committee, Thanesar	2003-04	31.01
		2004-05	163.32
		2005-06	89.72
		2006-07	51.00
		2007-08	29.33

Sr. No.	Name of the body/authority	Year for which accounts had not been received	Grants received
16.	Municipal Committee, Ambala City	2005-06	148.50
		2006-07	26.70
		2007-08	39.80
		2008-09	27.00
17.	Municipal Committee, Ambala Cantt.	2002-03	26.43
		2005-06	239.80
		2007-08	56.85
		2008-09	901.03
18.	Municipal Committee, Kurukshetra	1998-99	33.75
		2005-06	133.48
		2006-07	180.00
		2007-08	375.00
		2008-09	200.00
19.	Municipal Committee, Kaithal	2007-08	72.78
20.	Municipal Committee, Gannaur	2002-03	41.16
		2006-07	40.00
21.	Municipal Committee, Gohana	2005-06	69.99
		2006-07	116.98
22.	Municipal Committee, Bawani Khera	1998-99	32.03
		1999-2000	40.00
23.	Municipal Committee, Kharkhoda	1998-99	50.00
		2005-06	46.41
24.	Municipal Committee, Sirsa	2006-07	30.85
		2007-08	58.87
25.	Municipal Committee, Dabwali	2002-03	140.23
		2003-04	158.58
		2007-08	69.71
26.	Municipal Committee, Taoru	1999-2000	40.00
		2005-06	59.95
27.	Municipal Committee, Uchana	1999-2000	30.00
		2006-07	46.22
28.	Municipal Committee, Asandh	1999-2000	120.00
		2003-04	74.54
		2004-05	44.06
29.	Municipal Committee, Naraingarh	2005-06	70.10
30.	Municipal Committee, Kalanaur	1999-2000	40.00
31.	Municipal Committee, Tosham	1999-2000	28.40
32.	Municipal Committee, Ladwa	2000-01	45.16
33.	Municipal Committee, Narwana	2000-01	60.58
		2007-08	43.41
34.	Municipal Committee, Hansi	2006-07	51.17
35.	Municipal Committee, Mahendragarh	2005-06	61.26
		2007-08	48.77

Sr. No.	Name of the body/authority	Year for which accounts had not been received	Grants received
36.	Municipal Committee, Jind	2002-03	57.39
		2003-04	25.01
		2004-05	41.85
		2005-06	133.74
		2006-07	26.35
		2007-08	102.82
37.	Municipal Committee, Fatehabad	2000-01	50.23
		2002-03	40.16
		2004-05	89.71
		2006-07	33.33
38.	Municipal Committee, Ellenabad	2000-01	43.10
39.	Municipal Council, Panchkula	2001-02	116.06
		2005-06	160.54
		2006-07	27.04
		2007-08	51.61
		2008-09	27.00
40.	Municipal Committee, Cheeka	2003-04	158.28
		2004-05	81.00
41.	Municipal Committee, Indri	2003-04	74.01
		2005-06	54.21
		2006-07	46.51
42.	Municipal Committee, Pinjore	2003-04	34.60
		2006-07	73.93
43.	Municipal Committee, Bawal	2006-07	40.00
44.	Municipal Committee, Hisar	2008-09	200.00
45.	Municipal Committee, Hodal	2006-07	40.00
46.	Municipal Committee, Kalka	2006-07	25.06
47.	Municipal Committee, Kalayat	2006-07	47.05
48.	Municipal Committee, Nuh	2006-07	40.00
49.	Municipal Committee, Pundri	2006-07	47.07
50.	Municipal Committee, Dharuhera	2008-09	47.40
51.	Municipal Committee, Jhajjar	2008-09	121.40
52.	Shri Bhuteshwar Temple Tirath, Jind	1994-95	25.29
53.	Aravali Vikas Sangathan, Gurgaon	1995-96	100.00
54.	Software Technology Park of India, New Delhi	2002-03	250.00
55.	Haryana Slum Clearance Board, Chandigarh	1998-99	700.48
56.	District Council for Child Welfare, Rewari	1999-2000	38.75
57.	Fish Farm Development Agency, Gurgaon	2000-01	45.85
58.	Charitable Endowment, Haryana, Manimajara	2001-02	478.00
		2002-03	478.00
59.	Society for I.T. Initiative Fund for e-Governance, Chandigarh	2002-03	165.55
		2003-04	60.00
		2004-05	25.00

Sr. No.	Name of the body/authority	Year for which accounts had not been received	Grants received
60.	Haryana Energy Development Agency, Chandigarh	2001-02	67.30
		2002-03	41.50
		2003-04	384.37
		2004-05	25.00
61.	Board of Trustees (SOS) Children's Villages Bal Gram Rai at Chandigarh	2003-04	240.00
62.	Saket Hospital, Panchkula	2004-05	50.00
		2008-09	30.00
63.	Director, Haryana Institute of Rural Development, Nilokheri	2004-05	40.00
64.	Fish Farm Development Agency, Hisar	2005-06	42.54
65.	Haryana State Council of Science and Technology	2005-06	170.00
66.	Blood Transfusion Council, Panchkula	2005-06	150.00
67.	Non-Conventional Energy Sources, Haryana, Chandigarh	2006-07	49.89
		2008-09	600.26
68.	Director of Electronics, Haryana, Chandigarh	2006-07	378.00
Private Aided Colleges			
69.	S.L.D.A.V. College of Education, Ambala City	2008-09	41.71
70.	M.P.N. College, Mullana (Ambala)	2006-07	58.40
		2007-08	66.58
		2008-09	61.35
71.	Maharaja Aggarsein College, Jagadhri	2003-04	49.13
		2004-05	41.68
		2005-06	44.55
		2006-07	53.10
		2007-08	52.89
		2008-09	59.70
72.	APJ Saraswati College of Education, Charkhi Dadri	2007-08	41.62
		2008-09	43.95
73.	B.L.J. Suiwala College, Tosham (Bhiwani)	2007-08	49.60
		2008-09	57.90
74.	RLS College of Education, Sidhrawali (Gurgaon)	2007-08	52.67
		2008-09	50.00
75.	DAV Centenary College, Faridabad	2008-09	75.70
76.	Saraswati Mahila Mahavidyala, Palwal	2005-06	57.30
		2006-07	53.55
		2007-08	60.09
		2008-09	67.24
77.	SD Mahila Mahavidyalya, Hansi (Hisar)	2006-07	67.25
		2007-08	68.02
		2008-09	66.15
78.	CR College of Education, Hisar	2007-08	43.92
		2008-09	42.30
79.	DAV College, Pundri (Kaithal)	2007-08	51.38
		2008-09	53.65
80.	DAV College, Cheeka (Kaithal)	2008-09	98.02
81.	Bhagwan Parshu Ram College, Kurukshetra	2008-09	86.65

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Sr. No.	Name of the body/authority	Year for which accounts had not been received	Grants received
82.	CR College of Education, Rohtak	2007-08	45.25
		2008-09	50.10
83.	MK Jat Kanya Mahavidyalya, Rohtak	2007-08	88.93
		2008-09	100.55
84.	Guru Hari Singh Mahavidyalya, Jiwan Nagar, Sirsa	2008-09	54.44
85.	M.A College for Women, Jhajjar	2007-08	67.35
		2008-09	77.67
86.	TR College of Education, Sonapat	2007-08	34.41
		2008-09	41.45
87.	CIS Kanya Mahavidhalya Fatehpur Pundri (Kaithal)	2007-08	73.80
		2008-09	89.80
88.	Vaish College of Education, Rohtak	2007-08	25.06
		2008-09	31.85
89.	KM College of Education, Bhiwani	2006-07	30.98
		2007-08	33.87
		2008-09	44.75
90.	Dr. Ganesh Dass DAV College of Education, Karnal	2008-09	37.87
91.	Vaish Girls College, Samalkha (Panipat)	2006-07	28.45
		2007-08	38.32
		2008-09	39.60
92.	Kanya Mahavidyalaya, Kharkhoda (Sonipat)	2007-08	33.16
		2008-09	42.75
93.	MLN College, Radaur	2007-08	59.43
		2008-09	69.75
94.	GB College of Education, Rohtak	2008-09	26.80

Appendix 3.3

(Refer paragraph 3.3; page)

Statement showing the details of rendering of account to CAG and submission of Audit Report to State Legislature by the autonomous bodies

Sr. No.	Name of the body	Period of entrustment of audit of accounts to CAG	Year up to which accounts were rendered	Year up to which Audit Report issued	Year up to which Audit Report submitted to State Legislature	Year for which accounts due	Period of delay in submission of accounts
1.	Haryana Khadi and Village Industries Board, Manimajra, Chandigarh	2007-08 to 2011-12	2004-05	2004-05	2004-05	2005-06 to 2008-09	Three years
2.	Haryana Labour Welfare Board, Chandigarh	2008-09 to 2012-13	2006-07	2006-07	2004-05	2007-08 2008-09	One year
3.	Haryana Urban Development Authority, Panchkula	2007-08 to 2011-12	2007-08	2007-08	2006-07	2008-09	
4.	Haryana Housing Board, Panchkula	2004-05 to 2008-09	2007-08	2007-08	2006-07	2008-09	
5.	Haryana State Agricultural Marketing Board, Panchkula	2005-06 to 2009-10	2007-08 ⁶	2005-06	2004-05	2008-09	
6.	Haryana Urdu Academy, Panchkula	1996-97 to 2005-06	1996-97 to 2005-06 ⁷	-	Not required to be laid down		11 years
7.	Haryana Wakf Board, Ambala Cantt	2008-09 to 2012-13	2006-07	2006-07	Not required to be laid down	2007-08 2008-09	One year
8.	Haryana State Legal Services Authority, Chandigarh	No entrustment is required as audit is undertaken under Section 19 (2) of CAG's Act-1971	2005-06	2005-06	2005-06	2006-07 2007-08 2008-09	Two years
9.	Chief Judicial Magistrate-cum-Secretary, District Legal Services Authority, Bhiwani.	-do-	-	-	-	1996-97 to 2008-09	12 years
10.	Chief Judicial Magistrate-cum-Secretary, District Legal Services Authority, Faridabad.	-do-	-	-	-	1996-97 to 2008-09	12 years
11.	Chief Judicial Magistrate-cum-Secretary, District Legal Services Authority, Fatehabad.	-do-	-	-	-	1996-97 to 2008-09	12 years
12.	Chief Judicial Magistrate-cum-Secretary, District Legal Services Authority, Gurgaon.	-do-	-	-	-	1996-97 to 2008-09	12 years
13.	Chief Judicial Magistrate-cum-Secretary, District Legal Services Authority, Jhajjar.	-do-	-	-	-	1996-97 to 2008-09	12 years
14.	Chief Judicial Magistrate-cum-Secretary, District Legal Services Authority, Kaithal	-do-	-	-	-	1996-97 to 2008-09	12 years
15.	Chief Judicial Magistrate-cum-Secretary, District Legal Services Authority, Panchkula.	-do-	-	-	-	1996-97 to 2008-09	12 years
16.	Chief Judicial Magistrate-cum-Secretary, District Legal Services Authority, Panipat	-do-	-	-	-	1996-97 to 2008-09	12 years

⁶ Audit Report for 2006-07 was held up due to non-placing of earlier Audit Reports before State Legislature and the same had been issued as the Audit Reports for the period 1995-96 to 2004-05 had been laid on the table of State Legislature on 31-7-2009. Certification for 2007-08 had been done and SAR was under process.

⁷ The accounts for the period 1996-97 to 2005-06 had been received (April 2009) certification of accounts had been done and SAR was under process.

Audit Report on State Finances for the year ended 31 March 2009

Sr. No.	Name of the body	Period of entrustment of audit of accounts to CAG	Year up to which accounts were rendered	Year up to which Audit Report issued	Year up to which Audit Report submitted to State Legislature	Year for which accounts due	Period of delay in submission of accounts
17.	Chief Judicial Magistrate-cum-Secretary, District Legal Services Authority, Rewari.	-do-	-	-	-	1996-97 to 2008-09	12 years
18.	Chief Judicial Magistrate-cum-Secretary, District Legal Services Authority, Rohtak.	-do-	-	-	-	1996-97 to 2008-09	12 years
19.	Chief Judicial Magistrate-cum-Secretary, District Legal Services Authority, Sonapat.	-do-	-	-	-	1996-97 to 2008-09	12 years
20.	Chief Judicial Magistrate-cum-Secretary, District Legal Services Authority, Yamunanagar.	-do-	-	-	-	1996-97 to 2008-09	12 years
21.	Chief Judicial Magistrate -cum-Secretary, District Legal Services Authority, Hisar.	-do-	2006-07	2006-07	-	2007-08 2008-09	One year
22.	Chief Judicial Magistrate -cum-Secretary, District Legal Services Authority, Narnaul.	-do-	2006-07	2006-07	-	2007-08 2008-09	One year
23.	Chief Judicial Magistrate -cum-Secretary, District Legal Services Authority, Sirsa.	-do-	2006-07	2006-07	-	2007-08 2008-09	One year
24.	Chief Judicial Magistrate -cum-Secretary, District Legal Services Authority, Ambala.	-do-	2007-08 ⁸		-	2008-09	
25.	Chief Judicial Magistrate -cum-Secretary, District Legal Services Authority, Jind.	-do-	2007-08 ⁴		-	2008-09	
26.	Chief Judicial Magistrate -cum-Secretary, District Legal Services Authority, Karnal.	-do-	2007-08	2007-08	-	2008-09	
27.	Chief Judicial Magistrate -cum-Secretary, District Legal Services Authority, Kurukshetra.	-do-	2007-08	2007-08	-	2008-09	
28.	Haryana Building and other Construction Workers Welfare Board, Chandigarh.	-do-	-	-	-	2006-07 2007-08 2008-09	Two years

Appendix 3.4

(Refer Paragraph 3.4; Page)

Statement showing the position of finalisation of accounts and Government investment in departmentally managed commercial and quasi-commercial undertakings

Sr. No.	Department	Name of undertaking/ schemes under the department	Accounts finalised upto	Investment as per the last accounts finalised (Rupees in crore)	Remarks/reasons for delay in preparation of accounts
1.	Agriculture	Seed Depot Scheme ⁹	1987-88	-	Reasons for delay has not been intimated
2.	Agriculture	Purchase and Distribution of Pesticides ⁵	1985-86	2.53	Reasons for delay has not been intimated
3.	Printing and Stationary	National Text book Scheme	2005-06	17.96	Reasons for delay has not been intimated
4.	Food and Supplies	Grain Supply Scheme	2007-08	1,393.88	Reasons for delay has not been intimated
5.	Transport	Haryana Roadways	2002-03	347.63	Reasons for delay has not been intimated
Total				1,762.00	

⁹ These schemes are defunct from 1986-87 (Purchase and Distribution of Pesticides) and 1984-85 (Seed Depot Scheme).

APPENDIX 3.5

(Refer paragraph 3.5; page)

Department-wise/duration-wise break-up of the cases of misappropriation, defalcation, etc., where final action was pending at the end of June 2009

(Figures in bracket indicate rupees in lakh)

Sr. No.	Name of the department	Upto 5 years	5 to 10 years	10 to 15 years	15 to 20 years	20 to 25 years	25 years to more	Total
1	Animal Husbandry	1 (6.50)	2 (0.54)	1 (2.91)	2 (0.31)	-	-	6 (10.26)
2	Education	5 (2.96)	13 (5.80)	6 (5.39)	5 (2.72)	2 (0.62)	5 (3.47)	36 (20.96)
3	Fisheries	-	1 (8.06)	-	-	-	-	1 (8.06)
4	Public Relations	3 (4.32)	1 (0.08)	-	-	-	-	4 (4.40)
5	Forest	4 (0.60)	6 (9.27)	2 (2.28)	2 (0.70)	5 (0.96)	1 (0.15)	20 (13.96)
6	Labour and Employment	-	-	-	1 (0.02)	1 (0.14)	-	2 (0.16)
7	Medical	3 (2.03)	1 (0.01)	1 (1.50)	2 (11.92)	-	-	7 (15.46)
8	Technical Education	4 (4.37)	12 (31.63)	2 (1.12)	-	-	1 (0.03)	19 (37.15)
9	Revenue	-	2 (10.52)	-	-	-	-	2 (10.52)
10	Police	1 (3.79)	-	-	-	-	-	1 (3.79)
11	Social Welfare	-	-	-	1 (0.00)	-	-	1 (0.00)
12	Sports and Youth Welfare	1 (0.00)	1 (0.87)	-	-	-	-	2 (0.87)
13	Women and Child Development	-	-	1 (0.12)	-	-	-	1 (0.12)
14	Transport	2 (0.40)	1 (3.17)	-	-	1 (0.60)	-	4 (4.17)
15	Irrigation	15 (7.02)	19 (15.18)	9 (0.41)	26 (5.66)	21 (6.12)	10 (2.11)	100 (36.50)
16	Public Works (Buildings and Roads)	1 (0.00)	1 (0.71)	-	-	-	-	2 (0.71)
17	Water Supply and Sanitation	7 (11.54)	-	1 (0.00)	2 (0.25)	-	1 (0.72)	11 (12.51)
	Total	47 (43.53)	60 (85.84)	23 (13.73)	41 (21.58)	30 (8.44)	18 (6.48)	219 (179.60)

APPENDIX 3.6

(Refer paragraph 3.5; Page)

Department/category wise details in respect of cases of loss to Government due to theft, misappropriation/loss of Government material

(Rupees in lakh)

Name of the department	Theft cases		Misappropriation/ loss of Government material		Total	
	Number of cases	Amount	Number of cases	Amount	Number of cases	Amount
Animal Husbandry	4	9.95	2	0.31	6	10.26
Education	26	14.59	10	6.37	36	20.96
Fisheries	-	-	1	8.06	1	8.06
Public Relation	3	4.32	1	0.08	4	4.40
Forest Department	3	4.70	17	9.26	20	13.96
Labour and Employment	2	0.16	-	-	2	0.16
Medical	2	0.01	5	15.45	7	15.46
Technical Education	17	25.52	2	11.63	19	37.15
Revenue	-	-	2	10.52	2	10.52
Transport	1	0.36	3	3.81	4	4.17
Sports and Youth Welfare	2	0.87	-	-	2	0.87
Police	-	-	1	3.79	1	3.79
Women and Child Development	1	0.12	-	-	1	0.12
Social Welfare	-	-	1	-	1	-
Irrigation	65	15.97	35	20.53	100	36.50
Public Works (Buildings and Roads)	2	0.71	-	-	2	0.71
Water Supply and Sanitation	8	9.75	3	2.76	11	12.51
Total	136	87.03	83	92.57	219	179.60

GLOSSARY

AC	Abstract Contingency
AE	Aggregate Expenditure
AIA	All India Average
APDRP	Accelerated Power Development and Reform Programme
ARBP	Accelerated Irrigation Benefits Programme
ARWSP	Accelerated Rural Water Supply Scheme
ATMA	Scheme for Central share sport to state extension programme for extension reforms
BE	Budget Estimates
BRGF	Backward Region Grant Fund
CAG	Comptroller and Auditor General of India
CE	Capital Expenditure
CO	Capital Outlay
DCC	Detailed Countersigned Contingency
DCRF	Debt Consolidation and Relief Facility
DDP	Desert Development Programme
DE	Development Expenditure
DRDA	District Rural Development Agency
FCP	Fiscal Correction Path
GOI	Government of India
GSDP	Gross State Domestic Product
HFRBM	Haryana Fiscal Responsibility and Budget Management Act, 2005
IAY	Indira Awas Yojana
IP	Interest Payment
IWDP	Integrated Wasteland Development Programme
JNNURM	Jawaharlal Nehru National Urban Renewal Mission
KGBV	Kasturba Gandhi Bal Vidhyalya
MIS	Micro Irrigation Scheme
MPLAD	Members of Parliament Local Area Development Schemes
MTFPS	Medium Term Fiscal Policy Statement
NFSM	National Food Security Mission

NHM	National Horticulture Mission
NPEGEL	National Programme for Education of Girls at Elementary Level
NREGA	National Rural Employment Guarantee Act
NRHM	National Rural Health Mission
O&M	Operation and Maintenance
PAC	Public Accounts Committee
PCCE	Per Capita Capital Expenditure
PCDE	Per Capita Development Expenditure
PCSSE	Per Capita Social Sector Expenditure
PMGSY	Pradhan Mantri Gram Sarak Yojana
RE	Revenue Expenditure
RGVY	Rajiv Gandhi Grameen Vidyati Karan Yojana
RR	Revenue Receipts
S&W	Salaries and Wages
SAR	Separate Audit Report
SGRY	Sampoorna Gramin Rojgar Yojna
SGSY	Swaranjayanti Gram Swarajgar Yojana
SSA	Sarva Shiksha Abhiyan
SSE	Social Sector Expenditure
TE	Total Expenditure
TFC	Twelfth Finance Commission
UC	Utilisation Certificate
VAT	Value Added Tax
