Press Brief on State Finances Audit Report- 2024-25

In accordance with Article 151 of the Constitution of India, Comptroller and Auditor General of India (CAG) submits his Audit Reports to the Governor of the State for being laid in the Legislature. Accordingly, Report of the Comptroller and Auditor General of India for the year ended 31 March 2025 (State Finances)-Government of Rajasthan, has been laid in the Legislature on 21 August 2026. As per procedure, the Report of the CAG stands referred to the Public Accounts Committee of the State Legislature.

Achievements of the State Government

- The outstanding guarantee to estimated receipts ratio (23.99 *per cent*) during 2024-25 was within the limit fixed under FRBM Act (60 *per cent*).
- The State Government accomplished 100 *per cent* reconciliation of expenditure and receipts with office of the Accountant General (A&E) through controlling officers during the last five years.

Audit findings are highlighted below:

Fiscal Position

- The fiscal position of the State is viewed in terms of three key fiscal parameters - Revenue Deficit/Surplus, Fiscal Deficit/Surplus and the ratio of Outstanding Liability to GSDP, as prescribed in the FRBM Act and its amendments.
- Fiscal Deficit of the State in 2024-25 (4.25 *per cent* of GSDP) was in excess of the target fixed in the FRBM Act (3.5 *per cent* of GSDP, including extra borrowing limit of 0.50 *per cent* of GSDP for power sector reforms). It even exceeded the overall fiscal space allowed by the Central Government to the state (4.04 *per cent* of GSDP).
- As per FRBM Act, the State Government was to achieve Zero Revenue Deficit from the financial year 2011-12 and thereafter maintain it or attain revenue surplus. However, the State Government could maintain the revenue surplus only during the years 2011-12 and 2012-13 and thereafter, there has been revenue deficit during the last twelve consecutive years upto 2024-25.
- The Outstanding Liability-GSDP ratio during 2024-25 was 37.10 *per cent* which was within the limit fixed by the FRBM Act (38.20 *per cent*)

Finances of the State

- The GSDP at current prices grew at 12.02 *per cent* in 2024-25 over the previous year and was ₹ 17,04,339 crore. The GSDP growth rate of 12.02 *per cent* was higher than the growth rate (9.78 *per cent*) of GDP
- Revenue receipts (₹ 2,27,250.02 crore), of the State increased by 11.79 *per cent* over the previous year but fell short by 14.07 *per cent* in comparison to the budget estimates.

- Capital Receipts increased by 1.59 *per cent* from ₹ 58,687 crore in 2023-24 to ₹ 59,622 crore in 2024-25with nearly 82.07 *per cent* inflow from internal debt.
- Revenue Expenditure constituted 89.68 *per cent* of total expenditure during 2024-25. It increased from ₹ 1,78,309 crore in 2020-21 to ₹ 2,69,200 crore in 2024-25. During 2024-25, the revenue expenditure increased by 11.13 *per cent* (₹ 26,969 crore) over the previous year
- During 2024-25, Capital Expenditure was 10.23 *per cent* of Total Expenditure. However, the Capital Outlay (₹ 30,727 crore) increased by ₹4,081 crore over the previous year (₹26,646 crore).
- Committed expenditure increased by ₹ 44,320 crore (42.64 *per cent*) from ₹1,03,944 crore in 2020-21 to ₹1,48,264 crore in 2024-25
- During 2024-25, subsidy as percentage of revenue receipts and revenue expenditure was 14.97 *per cent* and 12.64 *per cent* respectively. Payment on subsidies during 2024-25 (₹ 34,024 crore) increased by 19.79 *per cent* over the previous year (₹ 28,402 crore).
- At the end of March 2025, the cash balance was ₹ 799 crore. Further, the State Government availed normal and special Ways and Means for 271 days and paid an interest of ₹ 180.01 crore

Budgetary Management

- Against the total budget provision of ₹ 5,23,305.80 crore, department incurred an expenditure of ₹ 4,62,702.16 crore during 2024-25 resulting in overall savings of ₹ 60,603.64 crore.
- Supplementary provision of ₹17,214.64 crore obtained during the year was unnecessary as expenditure during the year did not come even upto the level of original budget.
- There was an excess disbursement of ₹ 74.86 crore over the authorisation made by the State Legislature under one Grant (Public Works Department, Capital-Voted) during 2024-25 which requires regularisation under Article 205 of the Constitution In addition, excess disbursements amounting to ₹ 21,147.34 crore pertaining to the year 2022-2023 to 2023-2024, are pending for regularisation
- In five cases (under five grants) during the year 2024-25, saving of ₹ 1,177.62 crore (excluding surrender) exceeded ₹100 crore in each case. Further, in two grants no expenditure was incurred during the year.
- In 35 cases under 26 grants, there was persistent saving exceeding ₹ 100 crore in each case during 2022-23 to 2024-25.
- During 2024-25, in 16 out of the 64 grants, utilization was less than 70 *per cent* of the budget allocation, which is indicative of issues warranting a close review by the Government to enable initiation of corrective measures.

- Expenditure of revenue nature towards operation, maintenance, repair and renovation etc., amounting to ₹ 931.66 crore had been booked under Capital Expenditure.

Financial Reporting Practices

- Government of Rajasthan (GoR) has not disclosed any off-budget borrowing in its Budget for the year 2024-25. Further examination of sanction orders and information collected from PSUs/ Corporations and other bodies revealed that the State Government routed ₹ 9,410 crore loans outside the budget.
- Various departments did not submit a total of 449 UCs aggregating to ₹ 427.33 crore pertaining to the period 2010-11 to 2023-24 to the office of the Accountant General (A&E) as on 31 March 2025. Non-submission of UCs is fraught with the risk of mis-utilisation, it is imperative that the State government should monitor this aspect closely and hold the persons concerned accountable for submission of UCs in a timely manner.
- As of 31 March 2025, total 75 PD Accounts having balance of ₹ 17.18 crore remained inoperative for the last two years (2023-25), of which 23 inoperative PD accounts had *nil* balance for the last two years.
- During 2020-25, huge balances have been lying in ZP Fund, PS Funds and Municipal Fund pending utilisation. The closing balances in these funds during 2024-25 was ₹1,718.34 crore, ₹ 1,912.68 crore and ₹ 1,514.39 crore respectively.
- State Government reported 765 cases of misappropriation/embezzlement (333) and theft/loss (432) of the Government money across various departments amounting to ₹ 152.08 crore were pending up to 31 March 2025