



REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA ON

STATE FINANCES

FOR THE YEAR ENDED 31 MARCH 2011 (REPORT NO. 1)



GOVERNMENT OF JAMMU AND KASHMIR

TABLE OF CONTENTS

	Paragraph	Page	
Preface		iii	
Executive Summary		V	
CHAPTER-I: FINANCES OF THE STATE GOVERNMENT			
Summary of Current Year's Fiscal Transactions	1.1	1	
Resources of the State	1.2	5	
Revenue Receipts	1.3	6	
Application of resources	1.4	12	
Quality of Expenditure	1.5	17	
Financial Analysis of Government Expenditure and Investments	1.6	20	
Assets and Liabilities	1.7	26	
Debt Sustainability	1.8	28	
Fiscal Imbalances	1.9	29	
Conclusion and Recommendations	1.10	33	
CHAPTER-II: FINANCIAL MANAGEMENT AND BUDGETARY CONTROL			
Introduction	2.1	35	
Summary of Appropriation Accounts	2.2	35	
Financial Accountability and Budget Management	2.3	36	
Non-reconciliation of Departmental figures	2.4	41	
Errors in budgeting process	2.5	42	
Review of Grant (Tourism Department)	2.6	42	
CHAPTER-III: FINANCIAL REPORTING			
Delay in furnishing of Utilisation Certificates	3.1	49	
Non-submission/delay in submission of accounts	3.2	49	
Delay in submission of Accounts/Separate Audit Reports of Autonomous Bodies	3.3	50	
Departmental Commercial Undertakings	3.4	50	
Conclusion	3.5	51	

Appendices		
Appendix No.	Particulars	Page
Appendix 1.1	Part A: Structure and Form of Government Accounts	53
	Part B : Layout of Finance Accounts	53
Appendix 1.2	Part A: Methodology Adopted for the Assessment of Fiscal Position	54
	Part B: Fiscal Responsibility and Budget Management Act, 2006	55
Appendix 1.3	Time Series Data on the State Government Finances	56
Appendix 1.4	Abstract of Receipts and Disbursements for the year 2010-11	60
	Summarised Financial Position of the Government of Jammu and Kashmir as on 31 March 2011	63
Appendix 1.5	Funds Transferred Directly to State Implementing Agencies	65
Appendix 2.1	Statement of various grants/appropriations where saving was more than ₹ one crore each or more than 20 <i>per cent</i> of the total provision	68
Appendix 2.2	Statement of various grants/appropriations where excess expenditure was more than ₹ one crore each or more than 20 <i>per cent</i> of the total provision	70
Appendix 2.3	Statement showing expenditure incurred without budget provision during 2010-11	71
Appendix 2.4	Year-wise details of excess expenditure for the years 1980-81 to 2009-10 pending with Finance Department for regularisation	74
Appendix 2.5	Cases of unnecessary supplementary grant/appropriation	75
Appendix 2.6	Cases of excessive supplementary grant/appropriation	76
Appendix 2.7	Statement of various grants/appropriation where supplementary provision provided was insufficient by more ₹ one crore each	77
Appendix 2.8	Details of saving of ₹ one crore and above not surrendered	78
Appendix 2.9	Department-wise outstanding DC bills 1995-2011	80
Appendix 3.1	Statement of annual accounts awaited under Section 14 of the CAG's (DPC) Act	81
Appendix 3.2	Statement of finalisation of accounts and the Government investment in departmentally managed commercial and quasi-commercial undertakings.	82