

Overview

Based on the audited accounts of the Government of Delhi for the year ending March 2015, 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 audit of Finance Accounts and provides a broad perspective of the finances of Delhi Government for the year ending March 2015. It also analyses critical changes in the major fiscal aggregates relating to the previous years keeping in view the overall trends during the last five years.

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

Chapter 3 is an overview and status of the Delhi Government's compliance with various financial rules, procedures and directives.

Audit findings

Chapter 1 Finances of the State Government

Revenue receipts increased by ₹ 1,603.90 crore (5.73 *per cent*) over the previous year. The tax revenue had increased by ₹ 685.21 crore (2.64 *per cent*) while non-tax revenue decreased by ₹ 26.60 crore (4.04 *per cent*) and grants from Government of India increased by ₹ 945.28 crore (67.38 *per cent*) over the previous year. The share of State's own tax revenue to total revenue receipts was 89.92 *per cent* in 2014-15.

(Para 1.2 and Para 1.5.1)

The revenue expenditure during the current year at ₹ 23,509.49 crore has increased by ₹ 1,142.97 crore (5.11 *per cent*) over the previous year. The revenue expenditure constituted 84.22 *per cent* of total expenditure (excluding loans and advances) during 2014-15.

(Para 1.2 and 1.6)

Capital expenditure decreased by ₹ 303.48 crore over the previous year. The capital expenditure constituted only 15.78 *per cent* of total expenditure (excluding loans and advances) during 2014-15.

(Para 1.2 and 1.6)

The Government had invested ₹ 17,660.35 crore (as of 31 March 2015) in Statutory Corporations, Rural Banks, Joint Stock Companies and Co-operatives. The return on these investments was 0.07 *per cent* while the Government paid interest at an average rate of 8.59 *per cent* on its borrowings during 2014-15.

(Para 1.8.1)

Overall fiscal liabilities of the State increased from ₹ 30,140.09 crore in 2010-11 to ₹ 32,497.91 crore in 2014-15 (7.82 *per cent*). The fiscal liabilities

stood at 1.10 times of the revenue receipts and 1.19 times of the State's own resources as at the end of 2014-15.

(Para 1.9.2)

The fiscal position viewed in terms of key fiscal parameters show that the revenue surplus increased by ₹ 460.93 crore during the year 2014-15 over the previous year. The fiscal deficit of ₹ 3,942.71 crore in 2013-14 turned to fiscal surplus of ₹ 218.83 crore in 2014-15 and primary deficit of ₹ 1,118.42 crore during 2013-14 turned to primary surplus of ₹ 2,992.83 crore in 2014-15.

(Para 1.11.1)

Chapter 2 Financial management and budgetary control

During 2014-15, expenditure of ₹ 31,024.14 crore was incurred against total grants and appropriation of ₹ 37,117.99 crore resulting in a saving of ₹ 6,093.85 crore. The overall saving of ₹ 6,093.85 crore was a result of saving of ₹ 4295.73 crore in 13 grants and one appropriation (Public Debt) under Revenue Section and ₹ 1,798.12 crore under Capital Section.

(Para 2.2)

Appropriation accounts for the year 2014-15 showed that savings exceeding ₹ 50 crore in each case occurred in 24 cases relating to six grants and one appropriation totalling ₹ 2,743.11 crore.

(Para 2.3.1)

There was an excess expenditure of ₹ 3.51 crore in two grants for the year 2014-15 which required regularisation under Article 205 of the Constitution in addition to excess expenditure of ₹ 79.99 crore in grants relating to 2006-07 to 2013-14.

(Para 2.3.4 & 2.3.5)

Supplementary grant amounting to ₹ 68.44 crore in two sub-heads was obtained in anticipation of higher/additional expenditure. However, the final expenditure was less than even the original grant/appropriation.

(Para 2.3.6)

Out of the savings of ₹ 5,598.47 crore under 10 grants and one appropriation (savings of ₹ one crore and above were indicated in each grant/appropriation), an amount of ₹ 3,320.93 crore (59.32 per cent of amount of savings) was not surrendered.

(Para 2.3.9)

There were persistent savings of more than ₹ one crore in 12 cases/sub-heads during the year 2012-13 to 2014-15 under the Grant No. 2- General Administration. In nine cases the lumpsum provision exceeding ₹ 10 lakh was obtained without giving complete break up of expenditure.

(Para 2.6)

Chapter 3 Financial reporting

There were delays in obtaining utilization certificates (UCs) from various grantee institutions for the grants released to them. Out of a total of 4211 grants amounting to ₹ 24,384.05 crore given till March 2014, 3761 UCs amounting to ₹ 17,720.49 crore were awaited from various departments at the end of March 2015. Out of 3761 UCs due, UCs for 2585 (68.73 *per cent*) involving ₹ 13,494.18 crore were outstanding for period ranging from two to ten years, while 1176 UCs (31.27 *per cent*) involving ₹ 4,226.31 crore were outstanding for more than 10 years.

(Para 3.1)

16 annual accounts due upto the year 2013-14 of three bodies/authorities were not submitted to audit as of 31 March 2015.

(Para 3.2)

Substantial balances amounting to ₹ 254.76 crore were outstanding under Suspense Heads as on 31 March 2015, requiring expeditious clearing and classification under appropriate heads of accounts.

(Para 3.6)