
CHAPTER-II
FINANCIAL MANAGEMENT AND
BUDGETARY CONTROL

2.1 Introduction

Appropriation Accounts are accounts of the expenditure, voted and charged, of the Government for each financial year compared with the amounts of the voted grants and appropriations charged for different purposes as specified in the schedules appended to the Appropriation Acts passed under Article 204 and 205 of the Constitution of India. These Accounts list the original budget estimate, supplementary grants, surrenders and re-appropriations distinctly and indicate actual Capital and Revenue Expenditure on various specified services *vis-à-vis* those authorised by the Appropriation Act in respect of both Charged and Voted items of budget. The Appropriation Accounts thus facilitate management of finances and monitoring of budgetary provision and are therefore, complementary to Finance Accounts.

Audit of appropriation by the Comptroller and Auditor General of India (CAG) seeks to ascertain whether expenditure actually incurred under various grants was within the authorisation given under the Appropriation Act and that the expenditure required to be charged under the provision of the Constitution was so charged.

2.2 Summary of Appropriation Accounts

The summarised position of actual expenditure during 2016-17 against 62 Grants/Appropriations was as given in **Table No. 2.1** below:

Table No. 2.1: Summarised position of Actual Expenditure *vis-à-vis* Original/Supplementary provision

(₹ in crore)

	Nature of expenditure	Original grant/ appropriation	Supplementary grant/ appropriation	Total	Actual expenditure
Voted	I. Revenue	9679.11	943.24	10622.35	8168.21
	II. Capital	4151.83	1459.80	5611.63	3335.01
	III. Loans and Advances	22.83	5.25	28.08	27.28
Total Voted		13853.77	2408.29	16262.06	11530.50
Charged	IV. Revenue	1023.81	7.14	1030.95	817.66
	V. Capital	-	-	-	-
	VI. Public Debt- Repayment	606.19	10.46	616.65	512.63
Total Charged		1630.00	17.60	1647.60	1330.29
Appropriation to Contingency Fund (if any)		-	-	-	-
Grand Total:		15483.77	2425.89	17909.66	12860.79¹

¹Inclusive of the amount of recoveries/reimbursable amount (₹ 172.18 crore) adjusted in the accounts of five Grants/Appropriations (13, 15, 27, 31 and 51) during 2016-17.

Table No. 2.1: Summarised position of Actual Expenditure vis-à-vis Original/ Supplementary provision (concl.)

(₹ in crore)

	Nature of expenditure	Savings (-)/ Excess (+)	Amount surrendered during March 2017	Percentage of savings surrendered during March 2017
Voted	I. Revenue	2454.14	1490.20	60.72
	II. Capital	2276.62	1239.02	54.42
	III. Loans and Advances	0.80	-	-
Total Voted		4731.56	2729.22	57.68
Charged	IV. Revenue	213.29	1.11	0.52
	V. Capital	-	-	-
	VI. Public Debt- Repayment	104.02	-	-
Total Charged		317.31	1.11	0.35
Appropriation to Contingency Fund (if any)		-	-	-
Grand Total:		5048.87	2730.33	54.08

During the year 2016-17, the actual expenditure was ₹ 12,860.79 crore against the total provision of ₹ 17,909.66 crore (Voted: ₹ 16,262.06 crore and Charged: ₹ 1,647.60 crore) in 62 Grants/Appropriations resulting in overall net savings of ₹ 5,048.87 crore after setting off the excess of ₹ 43.80 crore in four Voted and two Charged expenditure.

Against the overall savings of ₹ 5,048.87 crore during the year, only ₹ 2,730.33 crore (54 per cent) was surrendered by the controlling officers of 47 Grants/Appropriations holding 46 per cent un-utilised provision with them as on 31 March 2017. There was a net savings of ₹ 2,667.43 crore (Voted: ₹ 2,454.14 crore and Charged: ₹ 213.29 crore) in Revenue account and ₹ 2,380.64 crore in Capital account (Voted: ₹ 2,276.62 crore and Charged: ₹ 104.02 crore) during the year 2016-17. However, 54 per cent savings in Capital account and 61 per cent in Revenue account were surrendered during the month of March 2017.

2.3 Financial Accountability and Budget Management

2.3.1 Appropriation vis-à-vis Allocative Priorities

Audit of Appropriation Accounts 2016-17 revealed that in 53 Grants/Appropriation, there were 98 cases where an overall savings of ₹ 5,083.91 crore (Voted: ₹ 4,751.83 crore and Charged: ₹ 332.08 crore) occurred, the savings in each case was more than ₹ 20 lakh. Details are shown in **Appendix - 2.1**.

It was noticed that out of 98 cases (**Appendix - 2.1**), savings in 43 cases were more than ₹ 10 crore while in 12 Grants it was more than ₹ 100 crore each. Saving of more than ₹ 100 crore occurred in Revenue account in respect of (i) Tribal Welfare Department (₹ 345.20 crore), (ii) Welfare of Scheduled Castes Department (₹ 179.70 crore), (iii) Education (School) Department (₹ 103.42 crore), (iv) Home (Police) Department (₹ 147.51 crore), (v) Planning and Coordination (₹ 107.09 crore), (vi) Finance Department (₹ 1,063.72 crore) and (vii) Education (Elementary) Department (₹ 114.47 crore).

In Capital account, savings of more than ₹ 100 crore occurred in five cases in (i) Tribal Welfare Department (₹ 1089.08 crore), (ii) Welfare of Scheduled Castes Department (₹ 371.25 crore), (iii) Rural Development Department (₹ 227.81 crore), (iv) Family Welfare & Preventive Medicine (₹ 126.05 crore) and (v) Finance Department (₹ 118.87 crore). Abnormal savings indicated that the basis for assessment of budget provision as well as supplementary requirement during the year 2016-17 were not realistic.

Reasons for occurrence of such savings had not been intimated by the departments (September 2017).

2.3.2 Persistent Savings

During the last five years from 2012-13 to 2016-17, there were persistent savings of more than ₹ 1 crore each year in 24 cases (**Appendix - 2.2**). During 2016-17, out of the 24 cases, savings in four cases were more than ₹ 100 crore while in 11 other cases it was more than ₹ 10 crore each year.

The departments where the persistent savings of more than ₹ 100 crore each year occurred over the last five year period from 2012-13 to 2016-17 are (i) Tribal Welfare (Revenue and Capital) and (ii) Welfare of Scheduled Castes Department (Revenue and Capital) (**Appendix - 2.2**).

While analysing the trend of savings in Capital Heads, it was noticed that the persistent savings increased from ₹ 354.83 crore in 2012-13 to ₹ 1,089.08 crore in 2016-17 in respect of Tribal Welfare Department. Persistent savings over a period of five years indicated that the overall budget processing was not realistic and there was lack of proper assessment as well as prudent utilisation.

The trend of persistent savings in some departments over a period of five years are being pointed out every year in the Report of the CAG on State Finances, but no corrective measures had been taken by the departments concerned for minimising the savings as persistent savings continued in most of the departments during 2016-17.

2.3.3 Excess over provision relating to previous years requiring regularisation

As per Article 205 of the Constitution of India, it is mandatory for a State Government to get the excess over a Grant/Appropriation 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 (PAC). Summarised position of excess expenditure requiring regularisation for the last five years is given in the table below:

Table No. 2.2: Excess over provision relating to previous years requiring regularisation

(₹ in crore)

Year	Number of Grants/Appropriations	Excess over provision	Status of regularisation
2011-12	8 (16, 23, 24, 35, 36, 37, 43, 56)	69.76	Not regularised till 31 March 2017
2012-13	10 (10,12, 24, 25, 28, 30, 37, 42, 47, 56)	8.04	
2013-14	4 (12, 24, 28, 51)	11.97	
2014-15	4 (16, 51, 52, 61)	71.60	
2015-16	5 (2,16,43,45,51)	24.98	
Total:		186.35	

Expenditure incurred in excess of the budget provision under both Voted and Charged expenditure by various departments of the State Government were regularly featured in the Reports of the CAG on State Finances, Government of Tripura. As on 31 March 2016, there was an excess expenditure of ₹ 186.35 crore requiring regularisation under the provision of the Constitution of India.

Out of ₹ 186.35 crore incurred in excess of the Budget provision under both Voted and Charged expenditure by various departments of the State Government during 2011-12 and 2015-16 the State Government had considered for regularising expenditure of ₹ 77.80 crore pertaining to the year 2011-12 to 2012-13. The matter already featured in the Report of CAG on State Finances, Government of Tripura for the year 2014-15 and 2015-16, where the Government stated (October 2015) that necessary action had already been taken for regularisation of the excess expenditure of ₹ 77.80 crore. Subsequently, from the year 2013-14 to 2015-16, ₹ 108.55 crore excess expenditure had been incurred by various departments of the State Government over budget provision which were also required to be regularised. As on 31st March 2017, ₹ 186.35 crore excess expenditure incurred over five years period from 2011-12 to 2015-16 had not been regularised by the State Legislature.

The latest position of regularisation of excess expenditure by the State Legislature pertaining to the last five years had not been furnished (October 2017) by the Finance Department though called for (August 2017).

2.3.4 Excess expenditure over provision during 2016-17 requiring regularisation

During the year 2016-17, an expenditure of ₹ 43.80 crore was incurred in excess of the budget provisions (Voted: ₹ 28.44 crore, Charged: ₹ 15.36 crore) in Revenue and Capital accounts by the controlling officers of five Grants/Appropriations which were required to be regularised by the State Legislature as per Article 205 of the Constitution of India. The details of the Grants/Appropriation in which the excess expenditure occurred are shown in **Appendix - 2.3**.

2.3.5 Unnecessary/excessive/inadequate supplementary provision

Supplementary provision aggregating to ₹ 1,424.74 crore obtained in 40 cases (₹ 10 lakh and more in each case) during 2016-17 proved unnecessary as the expenditure was even less than the original provision as detailed in **Appendix - 2.4**. In 26 cases under Revenue (Voted) account, out of original provision of ₹ 5,584.65

crore, expenditure was ₹ 4,864.34 crore, resulting in savings of ₹ 720.31 crore during the year in those cases. But supplementary provision of ₹ 562.35 crore was obtained even though the original provision were not fully utilised during the year. Similarly, in 13 cases under Capital (Voted) account, the actual expenditure was ₹ 2,102.14 crore against the original provision of ₹ 2,946.38 crore resulting in saving of ₹ 844.24 crore, supplementary provision of ₹ 862.24 crore was obtained during the year which proved that the supplementary provision was unnecessary. Supplementary provision was also made in one case during 2016-17 in charged expenditure under Revenue even though the actual expenditure was lesser than the original provision.

Further, there were 25 cases where supplementary provision obtained either in excess or inadequate resulted in savings or excess of more than ₹ 10 lakh in each case during 2016-17. Out of 25 cases, in 4 cases (Revenue-1; Capital-3) the supplementary provision obtained was less than the actual requirement resulting in excess expenditure of more than ₹ 1 crore in each case. In 21 cases, the supplementary provision were obtained in excess of their requirement resulting in saving of more than ₹ 10 lakh in each case during 2016-17. The details of the cases where supplementary provision were in excess or inadequate are shown in **Appendix - 2.5**.

Further, it was seen that in 18 cases the supplementary grants obtained in excess of requirement by more than ₹ 1 crore during the year 2016-17 resulted in savings of ₹ 4.25 crore in those cases (**Appendix 2.6**).

2.3.6 Excessive/unnecessary or insufficient re-appropriation of funds

Re-appropriation is transfer of funds within a grant from one unit of appropriation to another unit where additional funds are needed.

Scrutiny of detailed Appropriation Accounts for the year 2016-17 revealed that in 48 Grants/Appropriations, there were 332 cases in various major heads where the amount of re-appropriation was in excess or less than the requirement resulting in savings or excess of more than ₹ 20 lakh in each case. The details of cases are shown in **Appendix - 2.7**.

Further, it was seen that in 309 major head of services there were savings of more than ₹ 20 lakh of which in 174 major heads, the savings were more than ₹ 1 crore in each case. On the other hand there were excess expenditure of more than ₹ 20 lakh in 23 services while in 11 cases it was more than ₹ 1 crore. Occurrence of saving/excess in various services were the result of excessive, unnecessary or insufficient reappropriation of funds during the year which indicated that the re-appropriation was done without assessing the actual requirement of funds for the year 2016-17.

2.3.7 Re-appropriation done without knowledge of the State Legislature

On scrutiny of re-appropriation accounts of 23 Grants/Appropriations, it was noticed that in some major heads of accounts, re-appropriation were done without the knowledge of the State Legislative Assembly instead of including the same in the

budget as a new service/instrument. The reasons for such re-appropriation were stated to be based on actual requirement. Details are given in **Appendix - 2.8**.

2.3.8 Unexplained re-appropriation

According to the Financial Rules, reasons for additional expenditure and savings should be explained with case specific comments and vague expressions such as “based on actual requirements”, “release/sanction of fund by the Government of India”, etc., should be avoided. Test-check of re-appropriation orders in respect of **Grant No. 19** issued by the Finance Department revealed that in all the cases of re-appropriation, the reasons for such re-appropriations were largely commented upon with expression like ‘based on actual requirement’ which was in violation of Financial Rules besides being arbitrary and vague.

2.3.9 Insufficient surrender

As per Rule, anticipated savings are required to be surrendered as soon as these have occurred. Scrutiny of Appropriation Accounts 2016-17 revealed that there were substantial savings (more than ₹ 25 lakh) in 26 Grants/Appropriations under Revenue Heads where more than 50 *per cent* of the savings were not surrendered. Similarly, in Capital Heads, more than 50 *per cent* savings were not surrendered in 8 Grants/Appropriations as on 31 March 2017. The details of cases where more than ₹ 25 lakh savings occurred but more than 50 *per cent* savings was not surrendered are shown in **Appendix - 2.9**.

2.3.10 Anticipated savings not surrendered

As per Financial Rules, the departments incurring expenditure are required to surrender the Grants/Appropriations or portion thereof to the Finance Department as and when the savings are anticipated. At the close of the year 2016-17, there were 36 Grants/Appropriations in which savings occurred (₹ 20 lakh and above in each case) but no amount was surrendered by the departments concerned. The amount involved in those cases was ₹ 744.14 crore (**Appendix - 2.10**). Out of 36 cases, the savings in 22 cases were more than ₹ 1 crore while in 4 cases there were savings of more than ₹ 100 crore. The Departments involved were (i) Education (School) Department, (ii) Finance Department and (iii) Family Welfare and Preventive Medicine.

2.3.11 Rush of Expenditure

In order to utilise the total resources at the disposal of the Government to the best advantage, the departmental heads/Controlling Officers at whose disposal a grant is placed are required to keep constant watch over the progress of expenditure under different units of appropriation so that timely action can be taken to surrender funds that cannot be utilised instead of spending them hastily or in an ill-considered manner at the close of the financial year. According to the Financial Rules and principle of prudent financial management, the expenditure in the closing month of the financial year should be avoided.

As per information furnished by the Accountant General (Accounts & Entitlement) {AG (A&E)} office, the State Government incurred an expenditure of ₹ 172.64 crore (Revenue: ₹ 42.05 crore and Capital: ₹ 130.59 crore) in 15 Major Heads under 9 Grants/Appropriations during the month of March 2017 constituting more than 50 per cent of total expenditure incurred during the year in contravention of the Financial Rules. Major Head-wise expenditure are given in **Appendix - 2.11**.

2.4 Expenditure Controls

2.4.1 Pendency in submission of Detailed Countersigned Contingent Bills against Abstract Contingent Bills

As per Sub-Rules 11 (ii) and 14 of Rule 27 of the Delegation of Financial Powers Rules, Tripura, 2011, drawal of the amount in Abstract Contingent (AC) Bills should be adjusted in Detailed Countersigned Contingent (DCC) Bills by submitting to the countersigning officer within 60 days from the date of the drawal of the amount and the Head of the Department shall countersign all DCC Bills and forward them to the AG (A&E), Tripura within 90 days from the date of the drawal of the AC Bill. The second drawal of the amount should be made only after exhausting the money drawn in previous AC Bills.

As on 31 March 2016, there were 14,314 unadjusted AC Bills involving ₹ 167.98 crore. As on 31 March 2017, it decreased to 7,632 bills for ₹ 111.17 crore including 289 AC Bills drawn during the year 2016-17 involving ₹ 24.21 crore and remained pending for adjustment by DCC Bills. The position of outstanding DCC Bills as on 31 March 2017 is shown in **Table No. 2.3**.

Table No. 2.3: Year-wise break-up of outstanding DCC Bills as on 31 March 2017 compared to 31 March 2016

(₹ in crore)

Year	Outstanding DCC Bills as on 31 March 2016		Outstanding DCC Bills as on 31 March 2017	
	No. of Bills	Amount	No. of Bills	Amount
Upto 2014-15	12,594	116.81	6214	59.31
2015-16	1,720	51.17	1129	27.65
2016-17	-	-	289	24.21
Total	14,314	167.98	7632	111.17

Source: Information furnished by the AG (A&E)

As per information furnished by the AG (A&E) office, ₹ 33.71 crore was drawn during the year 2016-17 through AC Bills by various Controlling Offices of which ₹ 15.36 crore was drawn during March 2017. Outstanding DCC Bills for the year 2016-17 stood at 7,632 involving ₹ 111.17 crore. Out of 6,214 outstanding AC Bills up to 2014-15, 3,732 bills involving ₹ 18.14 crore were outstanding prior to 2014-15. However, it was noticed that the outstanding AC Bills of previous years had been reduced by adjustment of 6,971 DDC Bills during the year. Drawal of funds in the month of March indicates that funds were drawn to avoid lapse of budget. However, the amount drawn in March 2017 was due for adjustment by DCC Bills in June 2017.

The year-wise and department-wise break-up of substantial number of AC Bills drawn by eight departments involving 6,469 AC Bills amounting to ₹ 90.83 crore which remained un-adjusted as on 31 March 2017 are given below:

Table No. 2.4: Year-wise break-up of AC Bills outstanding in respect of some major departments

(₹ in crore)

Sl. No.	Name of Department	Year	No. of AC Bills	Amount of AC Bills outstanding as on 31 March 2017
1.	Revenue Department	Upto 2012-13	16	0.04
		2013-14	721	1.23
		2014-15	582	3.45
		2015-16	94	0.73
		2016-17	31	0.18
Total:			1444	5.63
2.	Tribal Welfare Department	Upto 2012-13	64	0.50
		2013-14	1137	3.10
		2014-15	470	7.30
		2015-16	351	2.56
		2016-17	74	5.91
Total:			2096	19.37
3.	Welfare of Minorities Department	Upto 2012-13	3	0.01
		2013-14	110	0.52
		2014-15	217	1.54
		2015-16	95	0.60
		2016-17	2	0.25
Total:			427	2.92
4.	Education (Social) Department	2013-14	42	0.21
		2014-15	180	4.54
		2015-16	1	2.34
Total:			223	7.09
5.	Rural Development Department	Upto 2012-13	9	0.07
		2013-14	127	0.61
		2014-15	278	1.59
		2015-16	149	0.74
Total:			563	3.01
6.	Welfare of Scheduled Castes Department	Upto 2012-13	48	0.30
		2013-14	898	3.80
		2014-15	308	5.05
		2015-16	121	1.26
		2016-17	38	0.79
Total:			1413	11.20
7.	Home (Police) Department	Upto 2012-13	47	0.09
		2013-14	10	0.15
		2014-15	74	1.17
		2015-16	11	4.31
		2016-17	22	7.42
Total:			164	13.14

Table No. 2.4: Year-wise break-up of AC Bills outstanding in respect of some major departments

(₹ in crore)

Sl. No.	Name of Department	Year	No. of AC Bills	Amount of AC Bills outstanding as on 31 March 2017
8.	Relief and Rehabilitation Department	Upto 2012-13	11	0.01
		2013-14	33	1.27
		2014-15	43	9.40
		2015-16	31	9.75
		2016-17	21	8.04
Total:			139	28.47
Grand Total:			6469	90.83

Non-adjustment of AC Bills for long periods and failure of controlling authority in enforcing strict financial discipline is fraught with the risk of misappropriation of funds.

2.5 Review of Selected Grants- Education (School) Department

2.5.1 Introduction

A separate Education (School) Department was created with the aim of enhancing the academic scenario and to ensure education of equitable quality. With the vision of Education for all, the State Government launched the free and compulsory education policy under the Right to Education Act, 2009 (Amended in 2012) to provide free and compulsory education to children in the age group of 6 to 14 years of age.

2.5.2 Organisational set up

The Principal Secretary is the head of the Education (School) Department. He is assisted by the Director, Joint Director and Deputy Directors.

The Education (School) Department was divided into two Directorates during the year 2015-16 namely (i) Elementary Education and (ii) Secondary Education to improve the Management of the education system in Tripura. The Department was to ensure quality education through implementation of various schemes in the State.

2.5.3 Financial position

The budget provision and the actual expenditure of the Education (School) Department under Grant No. 40 for the year 2016-17 are given below:

Table No.2.5: Budget and actual expenditure during 2016-17

(₹ in crore)

Head of Account	Budget			Actual expenditure	savings
	Original	Supplementary	Total		
Revenue	750.15	148.10	898.25	794.83	103.42
Capital	5.74	17.12	22.86	17.47	5.39
Total	755.89	165.22	921.11	812.30	108.81

Source: Appropriation Accounts 2016-17

Scrutiny of Grant No. 40 revealed that, against the budget provision of ₹ 898.25 crore in respect of the Revenue account, an expenditure of ₹ 794.83 crore was

incurred during 2016-17 which resulted in savings of ₹ 103.42 crore. On the other hand, in Capital account, against the total provision of ₹ 22.86 crore, expenditure was only ₹ 17.47 crore resulting in savings of ₹ 5.39 crore. The overall saving in Grant No. 40 during the year stood at ₹ 108.81 crore due to obtaining of excess supplementary provision than the actual requirement. No amount of the anticipated savings of ₹ 108.81 crore was surrendered during the year 2016-17.

Out of the savings of ₹ 103.42 crore in Revenue account during 2016-17, maximum savings was in NPRE for Human Development under Major Head-2202: General Education. Under the Major Head-2202-02-104-41: Human Development, there was maximum savings amounting to ₹ 66.53 crore under Non-plan against the provision of ₹ 616.99 crore during the year 2016-17. In Plan Revenue Expenditure, major savings occurred under Major Head-2202-02-109-91: Central Assistance to State Plan amounting to ₹ 12.82 crore due to obtaining Supplementary Provision of ₹ 7.13 crore though the actual expenditure was only ₹ 6.18 crore against the Original Provision of ₹ 11.87 crore. Reasons for such savings was stated to be due to non drawal of funds by the DDOs and Implementing Agencies during the year.

In Capital Head, maximum savings was in Major Head-4202-01-202-91: Central Assistance to State Plan amounting to ₹ 2.98 crore which was stated to be due to non incurring of expenditure by the implementing Agencies during the year 2016-17.

Thus, obtaining supplementary provision even when the original provision could not be utilised fully resulted in savings and this indicated that the budget estimates of the Department was unrealistic. The position of budget and actual expenditure under Grant No. 40 for the last five year period from 2012-13 to 2016-17 are given below.

Table No.2.6: Budget and actual expenditure during 2012-17

(₹ in crore)

Year	Total budget Provision (BE)				Actual expenditure	Savings (-)/ Excess (+) (per cent)
	Non-plan	Plan	CASP/CSS	Total (per cent)*		
2012-13	781.84	124.00	54.08	959.92 (11.59)	871.93 (90.83)	(-) 87.99
2013-14	904.69	145.00	36.41	1,086.10 (11.26)	1,010.22 (93.01)	(-) 75.88
2014-15	968.95	110.53	158.66	1,238.14 (9.99)	1,262.15 (101.94)	(+) 24.01
2015-16	1,073.01	213.71	198.17	1,484.89 (11.43)	1,400.45 (94.31)	(-) 84.44
2016-17	750.39	134.67	36.05	921.11 (6.16)	812.30 (88.19)	(-) 108.81
Total	4,477.88	727.91	483.37	5,690.16	5,357.05	333.11

Source: Annual Financial Statements (* Percentage to the total Budget of the State for the year)

During the last five year period, the budget provision of the Department was between 6 and 12 per cent of the total Budget Estimates of the State. The Department was unable to utilise the total budget provision in four out of five years resulting in savings ranging between 9 and 12 per cent during the period. In 2014-15, there was an excess expenditure of ₹ 24.01 crore which was required to be regularised by the Legislative Assembly under Article 205 of the Constitution of India.

The Department should take necessary steps to utilise the budgeted funds for successful implementation of the scheme to ensure education of equitable quality to the school going children.

2.6 Conclusion and Recommendations

The overall savings of ₹ 5,048.87 crore was the result of savings of ₹ 5,092.67 crore in 62 Grants/Appropriations offset by excess of ₹ 43.80 crore in four Voted and two Charged expenditure. The excess expenditure of ₹ 43.80 crore over provision in 2016-17 requires regularisation by the Legislature under Article 205 of the Constitution of India. Rush of expenditure was also observed in 15 Major head of Accounts under 9 Grants/Appropriations where more than 50 *per cent* of total expenditure during the year 2016-17 was incurred in the month of March 2017. There was persistent savings of more than ₹ 1 crore each year in 24 cases, of which in four cases the savings were more than ₹ 100 crore every year during the period from 2012-13 to 2016-17. In 26 Grants/Appropriations, there were savings of more than ₹ 25 lakh each but more than 50 *per cent* of the savings were not surrendered till the end of the year. The AC Bills were not adjusted for long periods which invite the risk of fraud and misappropriation. These indicate absence of a rigorous monitoring mechanism over the State Finances.

Budgetary controls should be strengthened in all the Government departments, specially where savings/excess persisted for the last five years. A close and rigorous monitoring mechanism should be put in place to adjust the amounts drawn in AC Bills by submission of DDC Bills within sixty days from the date of drawal of the amount as required under the extant Rules.