



SUPREME AUDIT INSTITUTION OF INDIA  
लोकहितार्थ सत्यनिष्ठा  
Dedicated to Truth in Public Interest

# Report of the Comptroller and Auditor General of India on State Finances for the year 2022-23



Government of Himachal Pradesh  
Report No. 1 of 2024  
(State Finances Audit Report)



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Comptroller and Auditor General of India  
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## Preface

This Report is prepared for submission to the Governor of the State of Himachal Pradesh under Article 151 of the Constitution of India.

Chapter I provides an overview of the State, sectoral contribution to GSDP, structure of Government accounts and snapshot of the State's finances.

Chapters II and III of this Report contain audit observations on matters arising from examination of Finance Accounts and Appropriation Accounts respectively, of the State Government for the year ended 31 March 2023. Information has been obtained from the Government of Himachal Pradesh, wherever necessary.

Chapter IV on 'Quality of Accounts and Financial Reporting Practices' provides an overview and status of the State Government's compliance with various financial rules, procedures and directives relating to Financial Reporting during the current year.

Chapter V on 'State Public Sector Enterprises' contains audit observations on financial statements/performance of Government Companies (GCs), Government Controlled Other Companies (GCOCs) and Statutory Corporations (SCs) as per their accounts.

The Report containing the findings of Performance Audit and audit of transactions in various Departments and Report on State Revenues are presented separately.



# **EXECUTIVE SUMMARY**



## EXECUTIVE SUMMARY

### *About the Report*

*This Report of the CAG of India is on the State Finances for the year 2022-23. It provides an overview of the finances, budgetary management and quality of accounts, financial reporting practices and other matters relevant to State Finances.*

*This executive summary highlights the contents of this report and through snapshots of the important figures and aspects, provides insight into fiscal sustainability, performance against the budget intent, revenue and expenditure projection, the reasons for variations and its impact.*

Gross State Domestic Product (GSDP) (at current prices) grew at an average growth rate of 7.26 *per cent* from ₹ 1,48,383 crore in 2018-19 to ₹ 1,95,405 crore in 2022-23. Budget Outlay of the State grew at an average growth rate of 10.97 *per cent* from ₹ 46,984 crore in 2018-19 to ₹ 67,733 crore in 2022-23.

During 2022-23, there was 10.86 *per cent* growth in GSDP over 2021-22. The revenue receipts grew at 2.09 *per cent* only and the percentage of revenue receipts over GSDP decreased from 21.17 *per cent* in 2021-22 to 19.49 *per cent* in 2022-23. The tax revenue increased by 8.29 *per cent* during the period and the State's own tax revenue increased by 9.07 *per cent*. The total expenditure (revenue expenditure, capital expenditure and loans and advances) of the State of Himachal Pradesh increased from ₹ 42,602 crore in 2021-22 to ₹ 50,565 crore in 2022-23 increasing by 18.69 *per cent*. Of this, revenue expenditure showed 22.74 *per cent* increase from 2021-22. Revenue surplus (₹ 1,115 crore) of 2021-22 turned to Revenue deficit (₹ 6,336 crore) during 2022-23, while fiscal deficit increased from ₹ 5,245 crore in 2021-22 to ₹ 12,380 crore in 2022-23.

### *Receipt-Expenditure Mismatch*

The continuous mismatch between receipts and expenditure indicates rising fiscal stress. The State has different sources of receipts such as State Own Tax Revenue, Non-tax Revenue, Devolution of States' share in taxes, Grants in aid and transfers from the Union Government and non-debt capital receipts. The State Government's expenditure includes expenditure on revenue account as well as capital expenditure (assets creation, loans and advances, investments, etc.).

From 2018-19 to 2022-23, revenue receipts grew from ₹ 30,950.32 crore to ₹ 38,089.50 crore, with an average annual growth rate of 6.97 *per cent*. Capital receipts also increased from ₹ 1,784.70 crore to ₹ 12,331.41 crore during this period. The share of Grants-in-aid in revenue receipts ranged between 43.93 *per cent* and 55.06 *per cent* during 2018-23, indicating reliance on support from the Government of India. The State Government received ₹ 4,736.66 crore as Central share for the Centrally Sponsored Schemes (CSSs) in the year.

Revenue expenditure is incurred to maintain the current level of services and payment for past obligations. As such, it does not result in any addition to the State's infrastructure and service network. Between 2018-19 and 2022-23, revenue expenditure increased from ₹ 29,442.11 crore (19.84 *per cent* of GSDP) to ₹ 44,425.26 crore (22.73 *per cent* of GSDP). It consistently made up a significant portion (85 to 88 *per cent*) of the total expenditure during this period, growing at an average annual rate of 10.60 *per cent*.

### ***Result of expenditure beyond means***

The gap between revenue receipts and revenue expenditure results in revenue deficit. After experiencing revenue surplus during 2018-22 (except 2020-21), revenue surplus (₹ 1,114.76 crore) of 2021-22 turned to revenue deficit of ₹ 6,335.76 crore (3.24 *per cent* of GSDP) during 2022-23 due to substantial increase in revenue expenditure over the previous year.

The State Government spent ₹ 6,029 crore only on capital account. This was 11.92 *per cent* of the total expenditure in the year 2022-23. Capital expenditure was just 26.95 *per cent* of the total borrowings during 2022-23. Thus, the borrowed funds were being used mainly for meeting current consumption and repayment of borrowings instead of capital creation/ development activities.

The gap between total expenditure and total non-debt receipt of the State results in fiscal deficit. The fiscal deficit of the State increased to ₹ 12,380 crore (6.34 *per cent* of GSDP) in 2022-23 from ₹ 3,512 crore (2.37 *per cent* of GSDP) in 2018-19.

Under revenue expenditure, the quantum of committed expenditure constitutes the largest share. Committed expenditure has the first charge on resources and consists of interest payments, expenditure on salaries and wages and pensions. Committed expenditure on interest payments, salaries and pensions constituted 64-70 *per cent* of revenue expenditure between 2018-19 and 2022-2023.

In addition to committed expenditure, inflexible expenditure increased from 2.45 *per cent* to 4.55 *per cent* of revenue expenditure during 2018-19 to 2022-23, indicating a rising trend. The inflexible expenditure increased from ₹ 1,607 crore in 2021-22 to ₹ 2,020 crore in 2022-23 registering an increase of 25.70 *per cent*.

Taken together, committed and inflexible expenditure in 2022-23 was ₹ 31,983.03 crore; 71.99 *per cent* of the revenue expenditure. Upward trend on committed and inflexible expenditure leaves the Government with lesser flexibility for other priority sectors and capital creation.

### ***Subsidies take away major portion of non-committed expenditure***

Within non-committed expenditure, there is an increasing trend of subsidies, which increased from ₹ 1,282.60 crore in 2018-2019 to ₹ 1,973.32 crore in 2022-23 and constituted a share ranging between nine *per cent* and 14 *per cent* of the non-committed revenue expenditure during 2018-23. Power subsidies constituted a significant portion, ranging from 35 *per cent* to 53 *per cent* of the total subsidies during this period.

### ***Contingent Liabilities on account of Guarantees***

In 2022-23, the Government provided guarantees against borrowings of ₹ 643.61 crore. During the year, the Government did not invoke any amount against the guarantee.

### ***Fiscal sustainability***

Fiscal sustainability is examined in terms of macro-fiscal parameters such as deficits, level of debt and liabilities, guarantees, subsidies, etc. So far as revenue and expenditure mismatch is concerned, one of the important constraints is committed and inflexible expenditure, which includes salaries and wages, pension payments, interests, etc. and also other inflexible expenditure such as those arising out of commitment for centrally sponsored schemes, transfer to reserve funds, transfer to local bodies, etc.

### ***FRBM requirements and compliance with fiscal parameters***

The FRBM Act / Rules laid down targets for revenue deficit, fiscal deficit and debt as a certain percentage of the Gross State Domestic Product (GSDP) and guarantees provided have to be a certain percentage of revenue receipts of the previous year. In 2022-23, revenue deficit was 3.24 *per cent* as against the target of being revenue surplus; fiscal deficit was 6.34 *per cent* as against the target of six *per cent or less*; debt was 42.05 *per cent* as against the target of 40.49 *per cent* and guarantees given were 4.77 *per cent* as against the target of 40 *per cent*.

Further, the overall liability (which includes Public Debt and Public Account Liabilities) of the Government was 42.05 *per cent* of the GSDP. Going by the fiscal trends, the State finances are heavily stressed.

As per the debt stabilisation analysis, the public debt of the Government of Himachal Pradesh has grown at an average annual rate of 11.46 *per cent* between 2018-19 to 2022-23. Public debt-GSDP ratio has increased from 24.55 *per cent* in 2018-19 to 30.17 *per cent* in 2022-23.

Domar gap (g-r) was negative during 2020-21 (covid year). However, during post covid years 2021-22 and 2022-23, though the Domar gap (expressed as g-r) was positive due to high growth of GSDP (this may be seen with the reference to low base with reference to covid year), the primary deficit was not stable and increased sharply in 2022-23 over the previous year. Therefore, the trends of strong economic growth (expressed as g-r>0) by only observing the Domar gap in 2021-22 and 2022-23 cannot be conclusively generalised. Further, substantial proportion of public debt receipts was being used for repayment for borrowings, which ranged between 45.31 *per cent* and 74.11 *per cent* during the period 2018-2023. Thus, it becomes evident that depending solely on economic growth (expressed as g-r>0 from 2021-2023) would not suffice to cover the debt obligations of the State.

*Going by the analysis and results as discussed above, the finances of the State of Himachal Pradesh are stressed due to the continuous mismatch between receipt and*

*expenditure coupled with an increasing trend of liabilities (debt repayment, guarantees etc.,) which poses risk to the target of debt stabilisation and debt sustainability.*

### ***Budget performance***

#### ***Aggregate expenditure outturn***

Budget performance in terms of budgetary intent and budget implementation was examined to assess the extent to which the aggregate expenditure outturn reflects the amount originally approved both in terms of excess and saving. In the Revenue section, there was excess of 8.51 *per cent* compared with Budget Estimates (BE). This was due to the excess of actual over original provision in 26 Grants. In six grants, deviation was more than +50 *per cent*. In six other grants, there was a shortage of actual over original, where deviation ranged from -3.00 *per cent* to -24.58 *per cent*. In the Capital section, deviation in outturn compared with BE was +46.45 *per cent*. This was due to the excess of actual over original provision in 17 Grants. In six other grants, deviation was more than +100 *per cent*. Further, out of these six grants, four grants have deviation more than +400 *per cent*.

#### ***Expenditure composition outturn***

Budget performance also looks at the extent to which the re-allocation between the main budget categories during the execution have contributed to variance in expenditure composition. This measure indicates the extent of variation between the final budget and the actual expenditure. In the revenue section, deviation in outturn compared with RE was -3.96 *per cent*. This was due to shortage of actual over revised estimates in 25 grants, with the deviation ranging from -0.14 *per cent* to -24.58 *per cent*. In the Capital section, deviation in outturn compared with RE was -12.48 *per cent*. This was due to shortage of actual over revised estimates in 18 grants and in three grants deviation was more than -50 *per cent*.

It was noticed that supplementary provisions of ₹ 246.39 crore during the year 2022-23 in seven cases (more than ₹ one crore in each case) proved unnecessary, as the expenditure did not come up even to the level of original provisions.

*Overall Budget reliability assessment indicates that though the deviations between the actual expenditure and original budget as well as between the actual expenditure and the final budget ranged between 6 per cent to 16 per cent, there were deviations up to 400 per cent in different grants. Moreover, it was also noticed that in several cases, there were supplementary grants where expenditure was not even up to the original grant. A reliable budgetary practice is required to deal with such deviations.*

### ***Quality of Accounts and Financial Reporting***

Quality of accounts and financial reporting covers items, transactions and events which relate to gaps in compliance, regularity weaknesses and issues relating to delay in receipt of those accounting records or adjustment records which evidence the actual expenditure. It also highlights issues pertaining to the accounts and financial reporting

such as parking of funds outside the Government accounts, non/short – discharging of liabilities and misclassification of transactions and data gaps.

### ***Regularization of Excess over Grants/ Appropriations***

The State Government has to get excesses over grants/appropriations regularised by the State Legislature as per Articles 204 and 205 of the Constitution of India. It was observed that in 2022-23 there was excess expenditure of ₹ 662.14 crore under 16 grants and two appropriations which required regularisation. Further, excess disbursements of ₹ 10,600.63 crore pertaining to the period 2014-15 to 2021-22 were yet to be regularised.

### ***Compliance with IGAS***

As against the requirements of the Indian Government Accounting Standards (IGAS), the State Government did not make compliance partially with IGAS-2: Accounting and Classification of Grants-in-aid.

### ***Operation of PD Accounts***

Against the requirement of Treasury reconciling Personal Deposit (PD) Accounts with respective administrators, there was no reconciliation in two cases (out of 68).

### ***Funds to Single Nodal Agency***

The Government of India and the State Government have introduced system of Single Nodal Agency (SNA) for implementation and fund flow for each Centrally Sponsored Scheme (CSS). The share of the Government of India and the State Government is transferred to the Bank Account of the SNA lying outside the Government Account. As per information available on the PFMS portal, the State Government received ₹ 3,621.78 crore being the Central share during the year. The State Government transferred ₹ 4,078.23 crore (₹ 3,294.07 crore of Central share and State share of ₹ 784.16 crore) to the SNAs during 2022-23. As on 31 March 2023, ₹ 2,722.47 crore was lying unspent in the bank accounts of SNAs.

### ***Utilisation Certificates against conditional grants***

Despite the requirement of submitting Utilisation Certificates (UCs) against conditional grants within a stipulated time period, 4,106 outstanding UCs of ₹ 4,242.51 crore were pending as on 31 March 2023.

### ***DC bills against AC bills***

State Government w.e.f. October 2022, implemented a mechanism for identification/distinction and codification for drawing advances through AC bills and adjustments thereof through DC bills.

*Compliance with prevailing rules and codal provisions are meant to ensure control and accountability in accounting and financial reporting. Non-compliance and deviations*

*impact the quality of accounting and financial reporting adversely. Non-timely submission of UCs against conditional grants; and partial non-compliance with IGAS-2.*

***Working of State Public Sector Undertakings***

As on 31 March 2023, there were 30 (including two inactive and one under liquidation) State Public Sector Enterprises (SPSEs) in Himachal Pradesh. They included two Statutory Corporations and four Government Controlled Other Companies. The prescribed timelines regarding submission of financial statements were not adhered to by 27 SPSEs whose 73 accounts were in arrears. Out of the total profit of ₹ 20.21 crore earned by 13 working SPSEs, 69.32 per cent was contributed by three SPSEs only. Out of total loss of ₹ 604.94 crore incurred by eight working SPSEs, loss of ₹ 594.70 crore (98.31 per cent) was incurred by four SPSEs.

*The State Government may impress upon the managements of SPSEs to expedite the finalisation of their financial statements which are in arrears so that they remain within the oversight of State Legislature. The State Government may also analyse the reasons of losses of those SPSEs whose net worth had been eroded and initiate steps to make their operations efficient and profitable.*

\*\*\*

# **CHAPTER-I**

## **OVERVIEW**



## CHAPTER – I

### OVERVIEW

#### 1.1 Profile of the State

The State of Himachal Pradesh is located in the Himalayan region of the northern part of India. The altitude of the different areas of the State varies from 350 meters to 6,975 meters above the mean sea level, rendering the climate from humid sub-tropical to dry temperate alpine. Himachal Pradesh is the 17<sup>th</sup> largest State in terms of geographical area (55,673 sq. km.). It has been organised into 12 districts. The districts have further been divided into 3 Divisions (as per 2011 census), 74 Sub-divisions, 113 Tehsils, 73 Sub-Tehsils, 88 Blocks (as on 31<sup>st</sup> March 2022) and 17,882 inhabited villages (as per 2011 census).

Himachal Pradesh falls under the category of ‘North-Eastern and Himalayan States (NE&H States)’ and therefore, sharing pattern (GoI assistance with respect to the State share) for NE&H States is in the ratio of 90:10 (for core schemes) and 80:20 (for optional schemes), unlike General Category States which receive GoI assistance with respect to the State share in the ratio of 60:40 (for core schemes) and 50:50 (for optional schemes).

As per projections for India and States (2011-36) by the National Commission on Population (Ministry of Health and Family Welfare), the State’s population was 74.68 lakh (2023) which accounts for 0.54 *per cent* of the country’s population (138.82 crore) and ranked 20<sup>th</sup> among States/ Union Territories in terms of population. The population density of the State at 134 persons per sq. km. was lower than the national average of 422 persons per sq. km. The State’s literacy rate was 82.80 *per cent* (**Appendix 1.1**).

#### 1.1.1 Gross State Domestic Product of the State

Gross State Domestic Product (GSDP) is the value of all the goods and services produced within the boundaries of the State in a given period of time. Growth of GSDP is an important indicator of the State’s economy, as it denotes the extent of changes in the level of economic development of the State over a period of time.

Changes in sectoral contribution to GSDP is also important to understand the changing structure of economy. The economic activity is generally divided into primary, secondary and tertiary sectors, which correspond to the agriculture, industry and service sectors respectively.

Trends in GSDP compared to Gross Domestic Product (GDP) are shown in **Table 1.1** and sectoral contribution and sectoral growth in GSDP during the period 2018-19 to 2022-23 are depicted in **Chart 1.2**.

**Table 1.1: Trends in GSDP compared to the GDP (at current prices)**

(₹ in crore)

| Year   | 2018-19     | 2019-20                  | 2020-21                  | 2021-22                  | 2022-23                  |
|--|-------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>INDIA</b>   |             |                          |                          |                          |                          |
| GDP (2011-12 Series)                                     | 1,88,99,668 | 2,01,03,593 <sup>d</sup> | 1,98,29,927 <sup>c</sup> | 2,34,71,012 <sup>b</sup> | 2,72,40,712 <sup>a</sup> |
| Gross Value Added (GVA)                                  | 1,71,75,128 | 1,83,81,117 <sup>d</sup> | 1,81,88,780 <sup>c</sup> | 2,14,38,883 <sup>b</sup> | 2,47,42,871 <sup>a</sup> |
| Growth rate of GDP over the previous year (in per cent)  | 10.59       | 6.37                     | -1.36                    | 18.36                    | 16.06                    |
| Growth rate of GVA over the previous year (in per cent)  | 10.77       | 7.02                     | -1.05                    | 17.87                    | 15.41                    |
| Per Capita GDP (in ₹)                                    | 1,42,424    | 1,49,915                 | 1,46,301                 | 1,71,498                 | 1,96,983                 |
| <b>HIMACHAL PRADESH</b>                                  |             |                          |                          |                          |                          |
| GSDP (2011-12 Series)                                    | 1,48,383    | 1,59,164 <sup>d</sup>    | 1,55,251 <sup>c</sup>    | 1,76,269 <sup>b</sup>    | 1,95,405 <sup>a</sup>    |
| Gross State Value Added (GSVA)                           | 1,38,984    | 1,49,042 <sup>d</sup>    | 1,45,719 <sup>c</sup>    | 1,66,442 <sup>b</sup>    | 1,84,511 <sup>a</sup>    |
| Growth rate of GSDP over the previous year (in per cent) | 7.10        | 7.27                     | -2.46                    | 13.54                    | 10.86                    |
| Growth rate of GSVA over the previous year (in per cent) | 9.78        | 7.24                     | -2.23                    | 14.22                    | 10.86                    |
| Per Capita GSDP (in ₹)                                   | 2,03,823    | 2,17,229                 | 2,10,539                 | 2,37,720                 | 2,62,182                 |

Source: Provisional estimates released by the National Statistical Office (erstwhile CSO), Ministry of Statistics and Programme Implementation (MoSPI) and Department of Economics and Statistics, Himachal Pradesh.

a- Advance Estimate, b- First Revised Estimate, c- Second Revised Estimate, d- Third Revised Estimate.

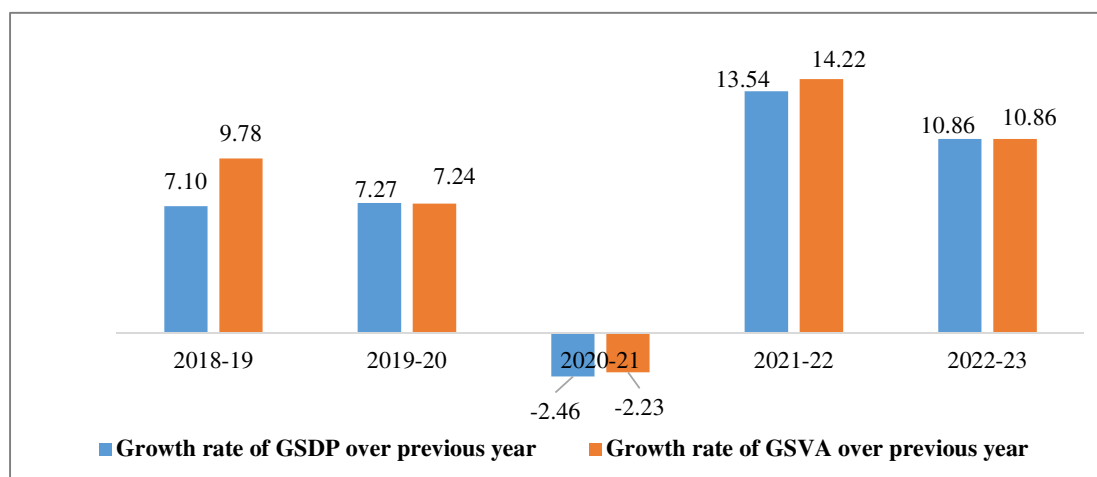
The Gross State Domestic Product (GSDP) in 2022-23 at current prices was ₹ 1,95,405 crore and the GDP of India was ₹ 2,72,40,712 crore. Further, the per capita GSDP of the State for the year 2022-23 was ₹ 2.62 lakh while that of the country was ₹ 1.97 lakh. However, the growth in per capita GSDP of the State (28.63 per cent) during the period 2018-19 to 2022-23 could not keep pace with the growth in per capita GDP of the country (38.31 per cent) during the same period. This is evidenced from the fact that the percentage of per capita GSDP of the State which was 43.11 per cent more than the per capita GDP of the country during 2018-19 had decreased to 33.10 per cent more than the per capita GDP of the country at the end of 2022-23.

Gross Value Added (GVA) is defined as the value of output less the value of intermediate consumption. It is used to measure the output or contribution of a particular sector. It is being used for economic analysis by GoI and international organisations like International Monetary Fund (IMF) and World Bank as it is considered a better indicator of economic growth compared to GDP as it ignores the impact of taxes and subsidies. While GDP can be and is also computed as the sum/ total of the various expenditures incurred in the economy including private consumption spending, government consumption spending and gross fixed capital formation or investment spending, reflecting essentially on the demand conditions in the economy, GVA represents the supply side. Both measures have differences in

treatment of net taxes as a result of which the inclusion of taxes in GDP may differ from the real output situation. From a policymaker's perspective, it is therefore vital to have a comparison of the GVA and GSVA data for better analysis and making policy interventions.

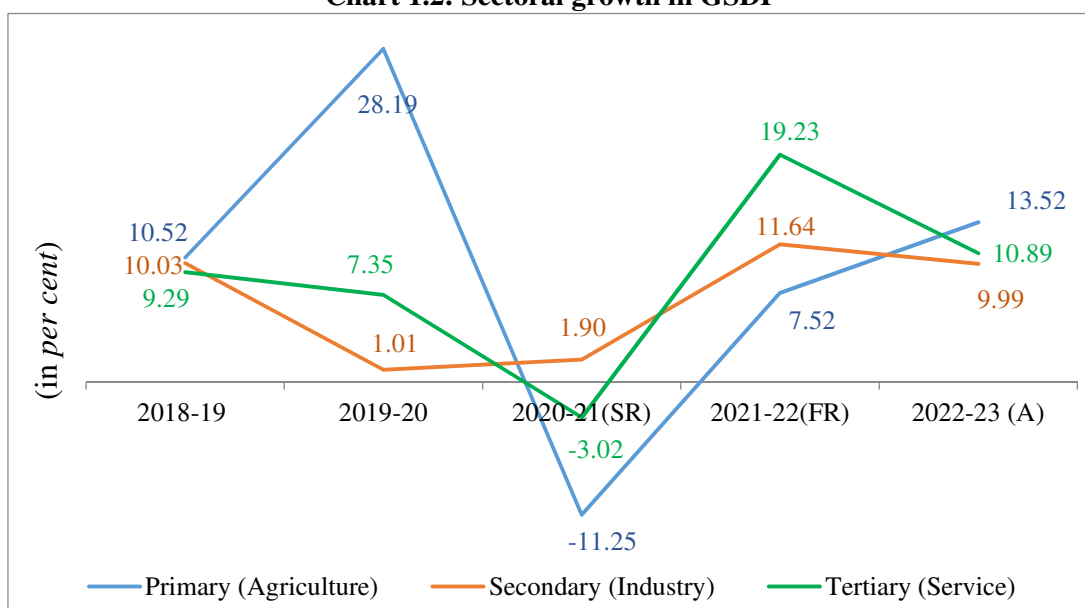
The trends of GSDP and GSVA for the period from 2018-19 to 2022-23 is indicated in the Chart below:

**Chart 1.1: Growth rate of GSDP vs GSVA (2018-19 to 2022-23)**



Source: Ministry of Statistics and Programme Implementation, GoI.

**Chart 1.2: Sectoral growth in GSDP**



Source: Department of Economics and Statistics, Himachal Pradesh.

SR- Second Revised Estimate, FR- First Revised Estimate, A- Advance Estimate.

**Chart 1.2** shows that during 2021-22, there was significant growth and “V” shape recovery in all the sectors contributing to GSDP viz., agriculture, industry and service activity, post Covid-19 pandemic. During 2021-22, the agriculture (primary) and industry (secondary) sector went through a substantial increase owing to mainly rise in crops, forestry and logging, manufacturing and other utility services sub-sectors.

However, during 2022-23, there was an increase of six *per cent* in primary sector (from 7.52 *per cent* to 13.52 *per cent*) which can be attributed to increase mainly in livestock (22.95 *per cent*), mining & quarrying (14.11 *per cent*) and crops (4.36 *per cent*). However, growth rate under secondary sector (9.99 *per cent*) and tertiary sector (10.89 *per cent*) decreased by 1.65 *per cent* and 8.34 *per cent* respectively as compared to the previous year. The decline under secondary sector was mainly due to decrease in manufacturing (6.54 *per cent*) and under tertiary sector was due to decrease in trade, repairs, hotel and restaurant (48.87 *per cent*) and transport, storage and communication (11.66 *per cent*) as compared to the previous year.

## **1.2 Basis and Approach to State Finances Audit Report**

In terms of Article 151 (2) of the Constitution of India, the reports of the Comptroller and Auditor General of India (CAG) relating to the accounts of a State are to be submitted to the Governor of the State, who shall cause them to be laid before the Legislature of the State. The State Finances Audit Report (SFAR) of Himachal Pradesh for the year ended 31 March 2023 has been prepared by the CAG for submission to the Governor of the State under Article 151 (2) of the Constitution of India.

The Principal Accountant General (Accounts & Entitlements) compiles the Finance Accounts and Appropriation Accounts of the State annually, from vouchers, challans and initial and subsidiary accounts rendered by the treasuries, offices and departments responsible for keeping of such accounts functioning under the control of the State Government, and statements received from the Reserve Bank of India. These accounts are audited independently by the Principal Accountant General (Audit), and certified by the CAG.

The Finance Accounts and Appropriation Accounts of the State for the year 2022-23 constitute the core data for this Report. Other sources include:

- Budget of the State for the year 2022-23: for assessing fiscal parameters and allocative priorities *vis-à-vis* projections, evaluating the effectiveness of budget implementation and compliance with the relevant rules and prescribed procedures,
- Results of audit carried out by the office of the Pr. Accountant General (Audit), Himachal Pradesh,
- Other data with departmental authorities and treasuries (accounting as well as MIS),
- GSDP data and State related other statistics; and
- Various Audit Reports of the CAG of India.

The analysis in this Report has also been carried out based on the recommendations of the Fourteenth and Fifteenth Finance Commissions, State Fiscal Responsibility and

Budget Management (FRBM) Act, 2005 and best practices and guidelines of the Government of India (GoI).

The audit analysis/ findings of Chapters I to V of the Report were sent to the State Government in November 2023 for obtaining their replies/views and to conduct an Exit Conference to discuss the Report. However, reply is yet to be received from the State Government as of January 2024.

### **1.3 Overview of Government Account Structure and Budgetary Processes**

The Accounts of the State Government are kept in three parts as described below:

#### **Part I: Consolidated Fund of the State (Article 266(1) of the Constitution of India)**

This Fund comprises all revenues received by the State Government, all loans raised by the State Government (market loans, bonds, loans from the Central Government, loans from financial institutions, special securities issued to National Small Savings Fund, etc.), Ways and Means Advances extended by the Reserve Bank of India and all moneys received by the State Government in repayment of loans. No moneys can be appropriated from this Fund except in accordance with law and for the purposes and in the manner provided by the Constitution of India. Certain categories of expenditure (e.g., salaries of constitutional authorities, loan repayments, etc.), constitute a charge on the Consolidated Fund of the State (Charged expenditure) and are not subject to vote by the Legislature. All other expenditure (Voted expenditure) is voted by the Legislature.

#### **Part II: Contingency Fund of the State (Article 267(2) of the Constitution of India)**

This Fund is in the nature of an imprest, established by the State Legislature by law, and placed at the disposal of the Governor to enable advances to be made for meeting unforeseen expenditure pending authorisation of such expenditure by the State Legislature. The fund is recouped by debiting the expenditure to the functional major head concerned relating to the Consolidated Fund of the State. In Himachal Pradesh, the corpus of this fund is ₹ 5.00 crore.

#### **Part III: Public Account of the State (Article 266 (2) of the Constitution of India)**

Apart from the above, all other public moneys received by or on behalf of the Government, where the Government acts as a banker or trustee, are credited to the Public Account. The Public Account includes repayable like Small Savings and Provident Funds, Deposits (bearing interest and not bearing interest), Advances, Reserve Funds (bearing interest and not bearing interest), Remittances and Suspense heads (both of which are transitory heads, pending final booking). The net cash balance available with the Government is also included under the Public Account. The Public Account is not subject to the vote of the Legislature.

## **Budget Document**

There is a constitutional requirement in India (Article 202) to present before the House or Houses of the Legislature of the State, a statement of estimated receipts and expenditures of the Government in respect of every financial year. This ‘Annual Financial Statement’ constitutes the main budget document. Further, the budget must distinguish expenditure on the revenue account from other expenditures.

**Revenue receipts** consist of tax revenue (Own tax revenue plus share of union taxes/duties), non-tax revenue and grants from Government of India.

**Revenue expenditure** consists of all those expenditures of the Government which do not result in creation of physical or financial assets. It relates to those expenses incurred for the normal functioning of the Government departments and various services, interest payments on debt incurred by the Government, and grants given to various institutions (even though some of the grants may be meant for creation of assets).

**Capital receipts** consist of:

- **Debt receipts:** Market loans, bonds, loans from financial institutions, net transaction under Ways and Means Advances, loans and advances from Central Government, etc., and
- **Non-debt receipts:** Proceeds from disinvestment, recoveries of loans and advances, etc.

**Capital expenditure** includes expenditure on the acquisition of land, building, machinery, equipment and investment by the Government in shares and loans and advances by the government to Public Sector Undertakings (PSU) and other parties.

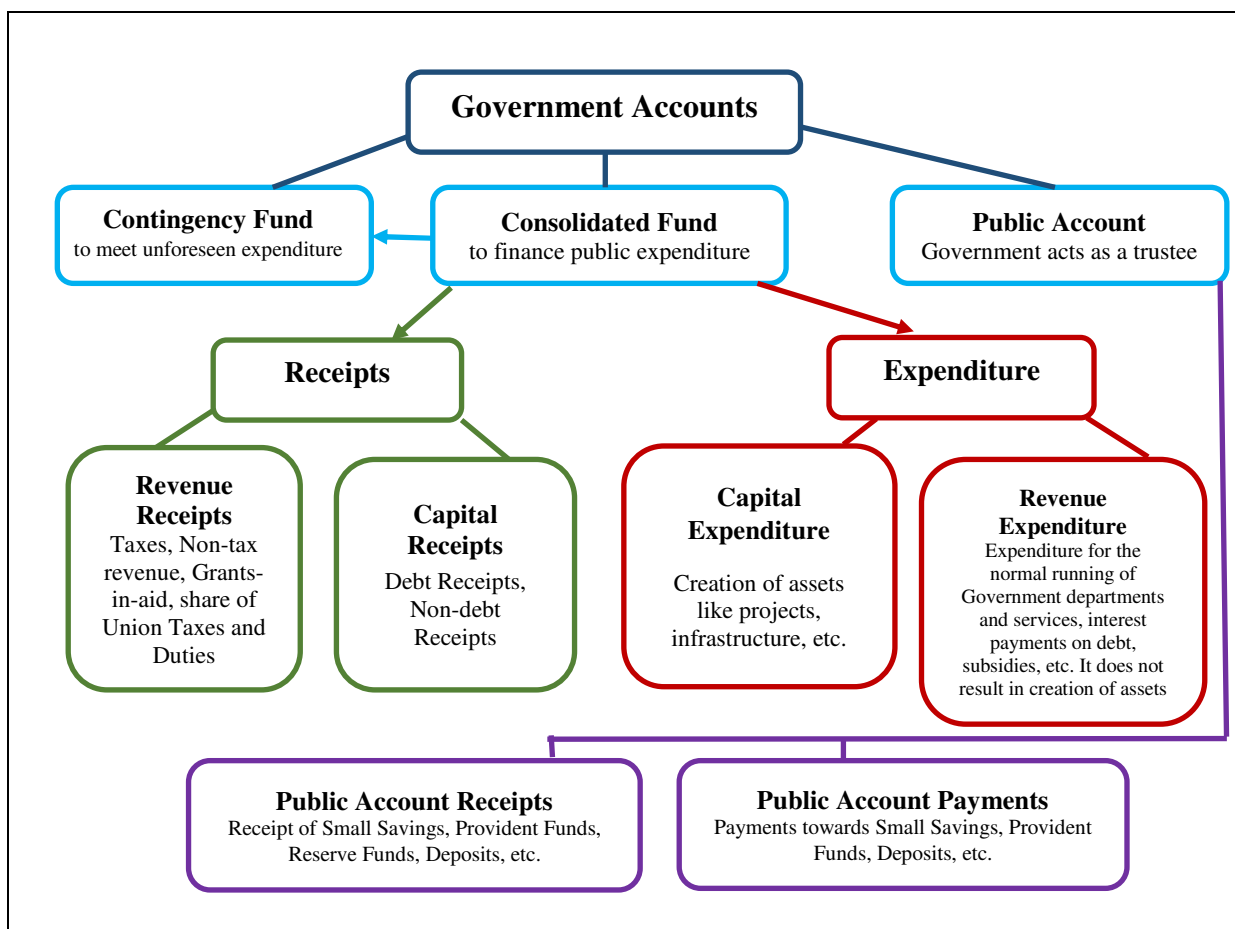
At present, there is an accounting classification system in Government that has both functional and economic dimensions.

| <b>Adopted by</b>                                    | <b>Attribute of transaction</b>                 | <b>Classification</b>                             |
|--|---|---|
| Standardised in List of Major and Minor Heads by CGA | Function - Education, Health, etc. / Department | Major Head under Grants (4-digit)                 |
|  | Sub-Function                                    | Sub Major Head (2-digit)                          |
|  | Programme                                       | Minor Head (3-digit)                              |
| Flexibility left for the States                      | Scheme  | Sub-Head (2-digit)                                |
|  | Sub-scheme                                      | Detailed Head (2-digit)                           |
|  | Economic nature/ Activity                       | Object Head - Salary, Minor Works, etc. (2-digit) |

The functional classification lets one know the department, function, scheme or programme, and object of the expenditure. Economic classification helps organise these payments as revenue, capital, debt, etc. Economic classification is achieved by the numbering logic embedded in the first digit of 4-digit Major Heads. For instance, 0 and 1 is for revenue receipts, 2 and 3 for revenue expenditure, etc. Economic classification is also achieved by an inherent definition and distribution of some object heads. For instance, generally “Salary” object head is revenue expenditure,

while “Construction” object head is capital expenditure. Object head is the primary unit of appropriation in the budget documents.

Chart 1.3: Structure of Government Accounts



Source: Finance Accounts.

**Public Debt and Public Liability:** In this Report, 'Public Debt' has been taken to comprise market borrowings, institutional loans, special securities issued to National Small Savings Fund (NSSF), loans given by the Central Government etc. For this purpose, the major heads 6003 and 6004-Public Debt have been taken into consideration.

Further, the transactions relating to ‘Small Savings, Provident Fund, etc.’, ‘Reserve Funds’ and ‘Deposit and Advances’ under Public Account are such that the Government incurs a liability to repay the moneys received or has a claim to recover the amounts paid. The transactions relating to 'Remittances' and 'Suspense' under Public Account, includes merely adjusting heads such as transactions as remittances of cash between treasuries and currency chests and transfer between different accounting circles.

In this Report, 'Public Liability' has been taken to include the transactions under major heads 8001 to 8554 relating to ‘Small Savings, Provident Fund, etc.’, ‘Reserve Funds’ and ‘Deposit and Advances’ along with the transactions under major heads 6003 and 6004.

## Budgetary Processes

In terms of Article 202 of the Constitution of India, the Governor of State causes to be laid before the State Legislature, a statement of the estimated receipts and expenditure of the State, in the form of an **Annual Financial Statement**. In terms of Article 203, the statement is submitted to the State Legislature in the form of Demands for Grants/Appropriations and after approval of these, the Appropriation Bill is passed by the Legislature under Article 204 to provide for appropriation of the required money out of the Consolidated Fund.

The State Budget Manual details the budget formulation process and guides the State Government in preparing its budgetary estimates and monitoring its expenditure activities. Results of audit scrutiny of budget and implementation of other budgetary initiatives of the State Government are detailed in Chapter-III of this Report.

### 1.3.1 Snapshot of Finances

**Table 1.2** shows the details of actual financial results for the years 2021-22 and 2022-23 vis-à-vis Budget Estimates (BE) and GSDP for the year 2022-23.

**Table 1.2: Snapshot of Finances**

(₹ in crore)

| Sl. No.    | Components                                     | 2021-22 (Actuals)           | 2022-23 (BE)      | 2022-23 (Actuals) | Percentage of Actuals 2022-23 to BE | Percentage of Actuals 2022-23 to GSDP |
|------------|--|-----------------------------|-------------------|-------------------|-------------------------------------|---------------------------------------|
| 1.         | Tax Revenue (i+ii)                             | 17,063.62                   | 17,659.58         | 18,479.24         | 104.64                              | 9.46                                  |
|            | (i) Own Tax Revenue                            | 9,714.58                    | 10,881.39         | 10,595.26         | 97.37                               | 5.42                                  |
|            | (ii) Share of Union taxes/ duties              | 7,349.04                    | 6,778.19          | 7,883.98          | 116.31                              | 4.03                                  |
| 2.         | Non-Tax Revenue                                | 2,612.36                    | 2,769.40          | 2,876.33          | 103.86                              | 1.47                                  |
| 3.         | Grants-in-aid and Contributions                | 17,633.32                   | 15,946.33         | 16,733.93         | 104.94                              | 8.56                                  |
| <b>4.</b>  | <b>Revenue Receipts (1+2+3)</b>                | <b>37,309.30</b>            | <b>36,375.31</b>  | <b>38,089.50</b>  | <b>104.71</b>                       | <b>19.49</b>                          |
| 5.         | Recovery of Loans and Advances                 | 40.73                       | 45.09             | 82.79             | 183.61                              | 0.04                                  |
| 6.         | Other Receipts                                 | 7.01                        | 0.00              | 12.59             | 0.00                                | 0.01                                  |
| 7.         | Net Borrowings and other liabilities*          | 5,244.85 <sup>§</sup>       | 9,602.35*         | 12,379.84         | 128.93                              | 6.34                                  |
| <b>8.</b>  | <b>Capital Receipts (5+6+7)</b>                | <b>5,292.59<sup>§</sup></b> | <b>9,647.44</b>   | <b>12,475.22</b>  | <b>129.31</b>                       | <b>6.38</b>                           |
| <b>9.</b>  | <b>Total Receipts (4+8)</b>                    | <b>42,601.89</b>            | <b>46,022.75</b>  | <b>50,564.72</b>  | <b>109.87</b>                       | <b>25.88</b>                          |
| 10.        | Revenue Expenditure                            | 36,194.54                   | 40,278.80         | 44,425.26         | 110.29                              | 22.74                                 |
| 11.        | Interest payments <sup>#</sup>                 | 4,640.79                    | 5,104.64          | 4,828.64          | 94.59                               | 2.47                                  |
| 12.        | Capital Expenditure                            | 6,029.38                    | 5,646.57          | 6,028.89          | 106.77                              | 3.09                                  |
| 13.        | Loans and advances                             | 377.97                      | 97.38             | 110.57            | 113.54                              | 0.06                                  |
| <b>14.</b> | <b>Total Expenditure (10+12+13)</b>            | <b>42,601.89</b>            | <b>46,022.75</b>  | <b>50,564.72</b>  | <b>109.87</b>                       | <b>25.88</b>                          |
| <b>15.</b> | <b>Revenue Deficit (-)/ Surplus (+) (4-10)</b> | <b>1,114.76</b>             | <b>-3,903.49</b>  | <b>-6,335.76</b>  | <b>162.31</b>                       | <b>-3.24</b>                          |
| <b>16.</b> | <b>Fiscal Deficit {(4+5+6)-14}</b>             | <b>-5,244.85</b>            | <b>-9,602.35</b>  | <b>-12,379.84</b> | <b>128.93</b>                       | <b>-6.34</b>                          |
| <b>17.</b> | <b>Primary Deficit (16-11)</b>                 | <b>-604.06</b>              | <b>-14,706.99</b> | <b>-7,551.20</b>  | <b>51.34</b>                        | <b>-8.81</b>                          |

Source: Finance Accounts.

\* Borrowings and other liabilities: Net (Receipts-Disbursements) of Public Debt + Net of Contingency Fund+Net (Receipts - Disbursements) of Public Account + Net of Opening and Closing Cash Balance.

§ Includes ₹ 2,695.22 crore as back-to-back loans from GoI in lieu of GST Compensation shortfall.

# Included in Revenue Expenditure shown at Sr. No. 10.

During the year 2022-23, the revenue receipts of the State increased marginally by 2.09 per cent over the previous year, and were above by 4.71 per cent than the budget estimates. During the current year, there was excess of revenue expenditure (₹ 44,425.26 crore) over revenue receipts (₹ 38,089.50 crore), thereby resulting in revenue deficit of ₹ 6,335.76 crore.

The State received compensation of ₹ 1,293.27 crore in lieu of shortfall in GST collection during the year 2022-23 as per the provisions envisaged in the GST (Compensation to States) Act, 2017.

### 1.3.2 Snapshot of Assets and Liabilities of the Government

Government accounts capture the financial liabilities of the Government and the assets created out of the expenditure incurred. **Appendix 1.2** gives an abstract of such liabilities and assets as on 31 March 2023, compared with the corresponding position of the previous year. The liabilities consist mainly of internal borrowings, loans and advances from GoI, receipts from public account and reserve funds, and the assets comprise mainly the capital expenditure and loans and advances given by the State Government and cash balances. Summarised position of assets and liabilities is depicted in **Table 1.3**.

**Table 1.3: Summarised position of Assets and Liabilities**

(₹ in crore)

| Liabilities              |                                      |                  |                            | Assets       |   |                                     |                            |                  |              |
|--------------------------|--------------------------------------|------------------|----------------------------|--------------|---|-------------------------------------|----------------------------|------------------|--------------|
| Components               | 2021-22                              | 2022-23          | Per cent increase/decrease | Components   | 2021-22   | 2022-23                             | Per cent increase/decrease |                  |              |
| <b>Consolidated Fund</b> |                                      |                  |                            |              |   |                                     |                            |                  |              |
| A                        | Internal Debt                        | 44,376.03        | 55,975.16                  | 26.14        | a   | Gross Capital Expenditure           | 55,459.49                  | 61,488.38        | 10.87        |
| B                        | Loans and Advances from GoI          | 6,751.41*        | 7,388.31*                  | 9.43         | b   | Loans and Advances                  | 8,024.83                   | 8,052.62         | 0.35         |
| <b>Contingency Fund</b>  |                                      | 5.00             | 5.00                       | --           | --  | --                                  | --                         | --               | --           |
| <b>Public Account</b>    |                                      |                  |                            |              |   |                                     |                            |                  |              |
| A                        | Small Savings, Provident Funds, etc. | 17,006.28        | 17,682.25                  | 3.97         | a   | Advances with Departmental officers | --                         | --               | --           |
| B                        | Deposits and Advances                | 3,426.66         | 3,608.49                   | 5.31         | b   | Remittances                         | --                         | --               | --           |
| C                        | Reserve Funds                        | 1,973.90         | 1,934.72                   | -1.98        | c   | Suspense and Miscellaneous          | --                         | --               | --           |
| D                        | Remittances                          | 653.50           | 493.96                     | -24.41       | <b>Cash balance (including investment in Earmarked Funds)</b> |                                     | 2,522.86                   | 3,556.04         | 40.95        |
| E                        | Suspense and Miscellaneous           | -292.98          | 224.94                     | 176.78       | <b>Total</b>  |                                     | <b>66,007.18</b>           | <b>73,097.04</b> | <b>10.74</b> |
|                          |                                      |                  |                            |              | <b>Deficit in Revenue Account</b>                             |                                     | 7,892.62                   | 14,215.79        | 80.11        |
| <b>Total</b>             |                                      | <b>73,899.80</b> | <b>87,312.83</b>           | <b>18.15</b> |   |                                     | <b>73,899.80</b>           | <b>87,312.83</b> | <b>18.15</b> |

Source: Finance Accounts.

\* This includes ₹ 4,412.22 crore (2020-21: ₹ 1,717 crore + 2021-22: ₹ 2,695.22 crore) as back-to-back loans to State from GoI in lieu of GST compensation shortfall.

#### **1.4 Fiscal Balance: Achievement of deficit and total debt targets**

When a Government spends more than it collects by way of revenue, it incurs a deficit. There are various measures that capture Government deficit.

Deficits are financed by borrowing, giving rise to Government debt. The concepts of deficits and debt are closely related. Deficits can be thought of as a flow which adds to the stock of debt. If the Government continues to borrow year after year, it leads to the accumulation of debt and the Government has to pay more and more by way of interest. These interest payments themselves contribute to the debt.

By borrowing, the Government entails the burden of reduced consumption on future generations. This is because it borrows by issuing bonds to the people living at present but may decide to pay off the bonds some twenty years later by raising taxes or reducing expenditure. Also, Government borrowing from the people reduces the savings available to the private sector. To the extent that this reduces capital formation and growth, debt acts as a 'burden' on future generations.

However, if Government deficits succeed in their goal of raising production, there will be more income and, therefore, more saving. In this case, both Government and industry can borrow more. Also, if the Government invests in infrastructure, future generations may be better off, provided the return on such investments is greater than the rate of interest. The actual debt could be paid off by the growth in output. The debt should not then be considered burdensome. The growth in debt will have to be judged by the growth of the economy (State GDP) as a whole.

Government deficit can be reduced by increase in taxes or reduction in expenditure. However, the major thrust has been towards reduction in Government expenditure. This could be achieved through making Government activities more efficient through better planning of programmes and better administration.

The Central and individual State Governments have passed Fiscal Responsibility and Budget Management (FRBM) Act with the objective of ensuring prudence in fiscal management by eliminating revenue deficit, reducing fiscal deficit and overall/outstanding debt to acceptable level, establishing improved debt management and improving transparency in a medium term framework. In this context, the Act provides quantitative targets to be adhered by the State with regard to deficit measures and debt level.

In April 2005, the State Government enacted the Himachal FRBM Act, 2005 to ensure long-term financial stability by achieving revenue surplus, containing fiscal deficit and prudent debt management. Subsequently, in March 2011, the State Government amended the FRBM Act on the recommendations of the Thirteenth Finance Commission (TFC) and enacted FRBM (Amendment) Act, 2011, on the basis of which fiscal targets up to the year 2014-15 were fixed.

The Fourteenth Finance Commission (14<sup>th</sup> FC) recommended that the State Government may amend its FRBM Act to provide for statutory flexible limits on fiscal deficit and also to provide a statutory ceiling on the sanction of new capital

works to an appropriate multiple of the annual budget provision for ensuring that liabilities of incomplete and ongoing capital projects do not accumulate.

The Fourteenth Finance Commission also recommended to the State Government to adopt a template for collating, analysing and annually reporting the total extended public debt in the budget, as a supplement to the budget, to assess the debt position of the State in the context of risks arising from guarantees, off-budget borrowings and accumulated losses from financially weak public sector enterprises. In order to accord greater sanctity and legitimacy to fiscal management legislation, the State Government was recommended to replace the existing FRBM Act with a Debt Ceiling and Fiscal Responsibility Legislation, specifically invoking Article 293(1) of the Constitution of India.

The Fifteenth Finance Commission (15<sup>th</sup> FC) recommended an additional one *per cent* conditional statutory flexible limit on fiscal deficit, above the limit fixed, subject to the reforms: (i) Implementation of One Nation One Ration Card System; (ii) Ease of doing business reforms; (iii) Urban Local body/utility reforms; and (iv) Power Sector reforms. The weightage of each reform was 0.25 *per cent* of GSDP totaling to one *per cent*.

Further, Ministry of Finance, GoI considering the centrality of the financial strength of DISCOMs to the soundness of State finances recommended an additional ceiling space of 0.5 *per cent* of GSDP for the State for four-year period 2021-22 to 2024-25. This is a conditional borrowing space in which power sector reforms include - (i) reduction in operational losses, (ii) reduction in revenue gap, (iii) reduction in payment of cash subsidy by adopting direct benefit transfer, and (iv) reduction in tariff subsidy as a percentage of revenue, etc.

As per the recommendations of the 15<sup>th</sup> FC, the State Government amended its FRBM Act in January 2023. The statutory flexible limit on fiscal deficit had been fixed at six *per cent* or less of GSDP in 2022-23 (against the prescribed limit of 3.5 *per cent* of the 15<sup>th</sup> FC), 3.5 *per cent* or less in 2023-24 and 2024-25 and to maintain thereafter at three *per cent* or less or as allowed by the GoI from time to time.

During 2022-23, the State Government operationalised the above conditions of reforms in power sector to some extent against the allowed additional borrowing ceiling of 0.50 *per cent* of the projected GSDP and hence was eligible for additional ceiling of only 0.15 *per cent* (₹ 251 crore) of the projected GSDP.

Further, the Medium Term Fiscal Plan Statement (MTFPS) as recommended under FRBM Act was prepared every year with three years rolling targets by the State Government. Compliance with the targets set in the HP-FRBM Act and MTFPS during the period 2018-19 to 2022-23 is shown in **Table 1.4 (a)**.

**Table 1.4 (a): Compliance with provisions of HP-FRBM Act**

| Fiscal Parameters  |   | Achievement <i>vis-à-vis</i> targets set in the HP-FRBM Act |            |             |             |             |
|--|---|---|------------|-------------|-------------|-------------|
|  |   | 2018-19   | 2019-20    | 2020-21     | 2021-22     | 2022-23     |
| Revenue Deficit (-) / Surplus (+)<br>(₹ in crore)                                  | T | Maintain Revenue Surplus                                    |            |             |             |             |
|  | A | 1,508<br>✓  | 12<br>✓    | - 97<br>✗   | 1,115<br>✓  | -6,336<br>✗ |
| Fiscal Deficit (-)/ Surplus (+)<br>(as per cent of GSDP)                           | T | 3% or less  |            |             |             | 6% or less  |
|  | A | -2.37<br>✓  | -3.52<br>✗ | - 3.67<br>✗ | - 2.98<br>✓ | -6.34<br>✗  |
| Ratio of total outstanding debt <sup>@</sup><br>to GSDP (in per cent) <sup>§</sup> | T | 35.00   | 34.04      | 33.62       | 40.26       | 40.49       |
|  | A | 36.59<br>✗  | 39.09<br>✗ | 43.26*<br>✗ | 39.21*<br>✓ | 42.05*<br>✗ |

<sup>@</sup> Total outstanding debt includes public debt plus other (Public Account) liabilities.

<sup>\*</sup> Calculated by excluding ₹ 1,717 crore during 2020-21 and ₹ 4,412.22 crore (2020-21: ₹ 1,717 crore + 2021-22: ₹ 2,695.22 crore) during 2021-22 received as back-to-back loan from GoI in lieu of GST compensation shortfall, as the Department of Expenditure, GoI has decided that it will not be treated as debt of the State Government for any norms which may be prescribed by the Finance Commission.

<sup>§</sup> Ratio of total outstanding debt to GSDP has been compared with the targets set in MTFPS, as the State Government did not specify the targets in the FRBM Act (after 2011 upto 2023, when amendments were made).

T - Target, A - Achievement.

The targets set by 15<sup>th</sup> FC and those projected in the State budget *vis-à-vis* achievements in respect of major fiscal aggregates with reference to GSDP during 2022-23 are given in **Table 1.4 (b)**.

**Table 1.4 (b): Targets *vis-à-vis* achievements in respect of major fiscal aggregates for the year 2022-23**

| Fiscal Variables                                    | Targets as prescribed by 15 <sup>th</sup> FC | Targets in the Budget | Actuals  | Percentage variation of actuals over |                   |
|---|--|-----------------------|----------|--------------------------------------|-------------------|
|   |  |                       |          | Targets of 15 <sup>th</sup> FC       | Targets in Budget |
| Revenue Surplus (+) or Deficit (-)/ GSDP (per cent) | 0.8  | (-) 2.03              | (-) 3.24 | 4.04                                 | 1.21              |
| Fiscal Deficit (-)/GSDP (per cent)                  | (-) 3.5                                      | (-) 4.98              | (-) 6.34 | 2.84                                 | 1.43              |
| Total outstanding liability/ GSDP (per cent)        | 37.8   | 40.49                 | 42.05*   | 4.25                                 | 1.56              |

Source: Recommendations of 15<sup>th</sup> FC (indicative deficit and debt path for award period 2021-26), Annual Financial Statements and Finance Accounts.

<sup>\*</sup> Excluding back-to-back loans of ₹ 4,412.22 crore received from GoI in lieu of GST Compensation shortfall during 2020-21 and 2021-22.

During the year 2022-23, the Government was unable to contain all the targets i.e., total outstanding debt-GSDP ratio, revenue deficit-GSDP and fiscal deficit-GSDP ratios within the targets prescribed by the 15<sup>th</sup> FC as well as targets set in its own budget estimates.

As per Himachal FRBM Act 2005, Medium Term Fiscal Plan Statement (MTFPS) shall set forth a three-year rolling target for prescribed fiscal indicators with specification of underlying assumptions. Actuals *vis-à-vis* projections made in MTFPS are shown in **Table 1.5**.

**Table 1.5: Actuals vis-à-vis projections in MTFPS for the year 2022-23**(*₹ in crore*)

| Sr. No. | Fiscal Variables                                     | Projection as per MTFPS | Actuals (2022-23)        | Variation (in per cent) |
|---------|--|-------------------------|--------------------------|-------------------------|
| 1.      | Tax Revenue (i) + (ii)                               | 17,659.58               | 18,479.24                | 4.64                    |
|         | (i) Own Tax Revenue                                  | 10,881.39               | 10,595.26                | -2.63                   |
|         | (ii) Share of Central Taxes and Duties               | 6,778.19                | 7,883.98                 | 16.31                   |
| 2.      | Non-Tax Revenue                                      | 2,769.41                | 2,876.33                 | 3.86                    |
| 3.      | Grants-in-aid from GoI                               | 15,946.33               | 16,733.93*               | 4.94                    |
| 4.      | <b>Revenue Receipts (1+2+3)</b>                      | <b>36,375.32</b>        | <b>38,089.50</b>         | 4.71                    |
| 5.      | <b>Revenue Expenditure</b>                           | <b>40,278.80</b>        | <b>44,425.26</b>         | 10.29                   |
| 6.      | <b>Revenue Deficit (-)/ Surplus (+) (4-5)</b>        | <b>-3,903.49</b>        | <b>-6,335.76</b>         | 62.31                   |
| 7.      | <b>Fiscal Deficit (-)/ Surplus (+)</b>               | <b>-9,602.35</b>        | <b>-12,379.84</b>        | 28.93                   |
| 8.      | <b>Debt-GSDP ratio (in per cent)</b>                 | <b>40.49</b>            | <b>42.05<sup>#</sup></b> | 1.56                    |
| 9.      | <b>GSDP growth rate at current prices (per cent)</b> | <b>10.00</b>            | <b>10.86</b>             | 0.86                    |

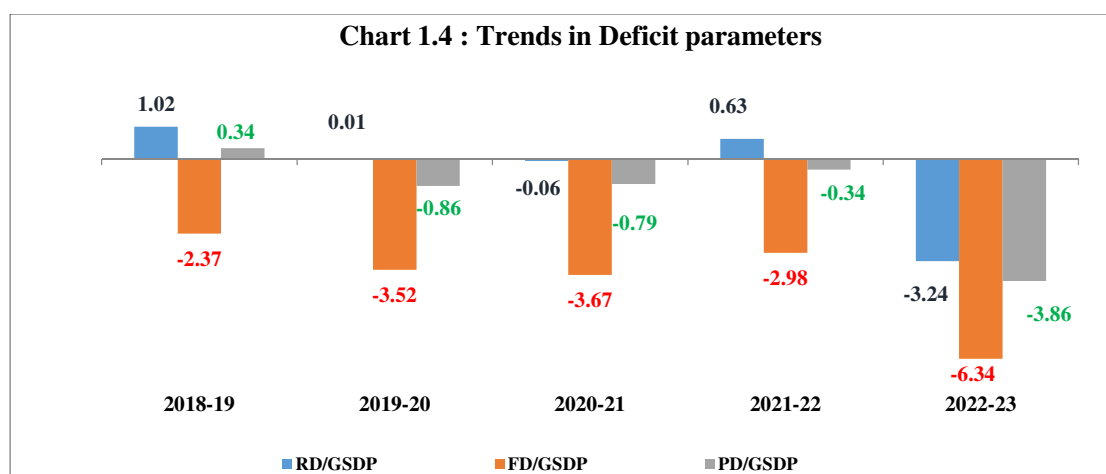
Source: Finance Accounts.

\* Includes post devolution revenue deficit grant of ₹ 9,377 crore recommended by 15<sup>th</sup> FC for the year 2022-23.

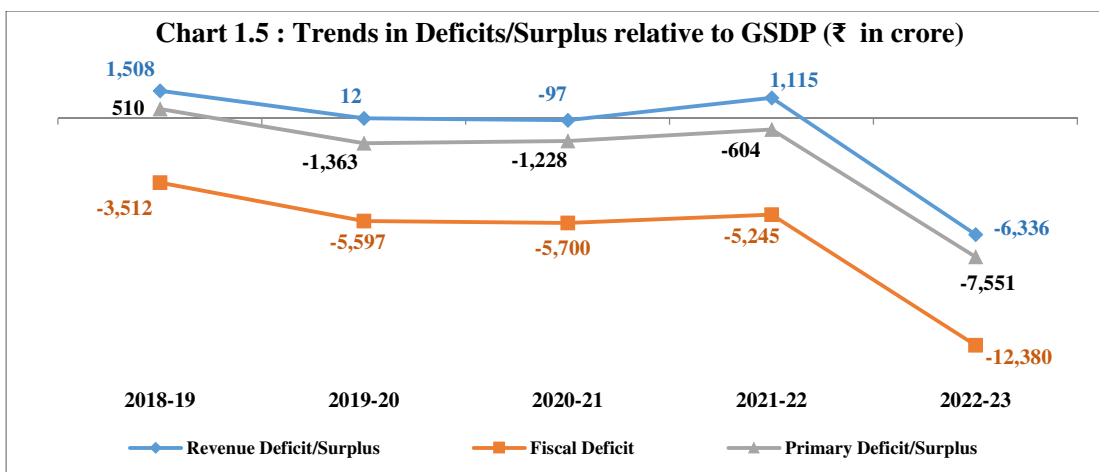
# Excluding back-to-back loan of ₹ 4,412.22 crore (2020-21: ₹ 1,717 crore + 2021-22: ₹ 2,695.22 crore) in lieu of GST compensation shortfall during 2020-22, which was not to be treated as debt of the State for any norms, as per the GoI guidelines (August 2020).

During the year 2022-23, the Government was unable to contain the revenue deficit within the level projected in the MTFPS even though there was an increase in all the components of revenue receipts, ranging between 3.86 per cent and 16.31 per cent except in own tax revenue which registered shortfall of 2.63 per cent, as there was substantive increase in revenue expenditure which registered 10.29 per cent hike over the projections. Consequently, the fiscal deficit also exceeded (by 28.93 per cent) the target projected in the MTFPS. Further, the debt-GSDP ratio (42.05 per cent) was much above the prescribed target of 15<sup>th</sup> FC (37.8 per cent) and projection of MTFPS (40.49 per cent).

Charts 1.4 and 1.5 present the trends in deficit parameters and trends relative to GSDP respectively over the period 2018-23.



Source: Finance Accounts.



Source: Finance Accounts.

**Revenue deficit** indicates the excess of revenue expenditure over revenue receipts. Revenue surplus helps to decrease the borrowings. As per the HP-FRBM Act 2005 (amended in 2011), the State was to eliminate revenue deficit by financial year 2011-12 and maintain revenue surplus thereafter. After experiencing revenue surplus during 2018-22 (except 2020-21), revenue surplus (₹ 1,115 crore) of 2021-22 turned to revenue deficit (₹ 6,336 crore) during 2022-23 due to slight decline in own tax revenue and substantial increase in revenue expenditure over the previous year.

**Fiscal deficit** represents the net incremental liabilities of the Government or its additional borrowings. The shortfall could be met either by additional public debt (internal or external) or by the use of surplus funds from Public Account. During 2022-23, fiscal deficit (₹ 12,380 crore) increased substantially by ₹ 7,135 crore over the previous year (₹ 5,245 crore). Fiscal deficit was 6.34 per cent of GSDP, which was much above the targets prescribed in the 15<sup>th</sup> FC (3.5 per cent) and target set in the HP-FRBM Act (6 per cent) as well as projections made in the budget estimates (4.98 per cent).

**Primary deficit**, which indicates fiscal deficit for the current year minus interest payments on previous borrowings, was ₹ 604 crore (0.34 per cent of GSDP) in 2021-22 which increased to ₹ 7,551 crore (3.86 per cent of GSDP) in 2022-23. In 2018-19, there was primary surplus of ₹ 510 crore and thereafter primary surplus turned to primary deficit during 2019-20, 2020-21, 2021-22 and 2022-23 of ₹ 1,363 crore, ₹ 1,228 crore, ₹ 604 crore and ₹ 7,551 crore respectively.

### 1.5 Performance of the State Government with respect to borrowings according to the limits fixed by Government of India

Article 293 (3) of the Constitution of India, *inter alia*, provides that a State may not raise any loan without the consent of Government of India (GoI), if any part of a loan which has been made to the State by GoI, is still outstanding.

The Department of Expenditure, Ministry of Finance, GoI fixed (March 2023) the net borrowing ceiling of the State Government for the financial year 2022-23 as ₹ 14,251 crore and instructed the State Government to ensure that its incremental

borrowings from all sources remained within this ceiling. Borrowing ceiling of ₹ 14,251 crore included additional ceiling of ₹ 251 crore (0.15 per cent of the projected GSDP) which was allowed to the State Government for performance in power sector.

As per Statement 6 of the Finance Accounts *viz.*, statement of borrowings and other liabilities, incremental borrowings and other liabilities of the State Government were ₹ 13,055 crore during the financial year 2022-23 which was within the borrowing ceiling of ₹ 14,251 crore. However, it was substantially higher than the borrowing target fixed/projected by the 15<sup>th</sup> FC i.e., ₹ 6,839 crore (3.65 per cent of estimated GSDP of ₹ 1,95,405 crore).

## 1.6 Deficits post examination by Audit

As per the FRBM Act, the State Government must ensure compliance with the targets fixed for the fiscal indicators such as deficits, ceiling on debt and on guarantees, etc. The revenue deficit and fiscal deficit as worked out for the State get impacted due to various circumstances such as misclassification of revenue expenditure as capital expenditure and off-budget fiscal operations. Besides, deferment of clear-cut liabilities, not depositing cess/ royalty to Consolidated Fund, etc., also impacts the revenue and fiscal deficit figures. In order to arrive at actual deficit figures, the effect of the above needs to be included and the impact of such irregularities needs to be reversed. Analysis of deficits after examination in audit is given in **Table 1.6**.

**Table 1.6: Revenue deficit and fiscal deficit, post examination by Audit**

(₹ in crore)

| Particulars  | Impact on Revenue Deficit (Understated (+) / overstated (-)) | Impact on Fiscal Deficit (Understated (+) / overstated (-)) | Paragraph Reference |
|--|--|---|---------------------|
| Non-discharge of liability in respect of interest towards balances lying under NPS | 1.02   | 1.02  | 2.4.1.2 (i)         |
| Non-provision/payment of interest on balances lying under SDRF                     | 3.73   | 3.73  | 2.5.2.2             |
| Non-transfer of contribution to State Disaster Mitigation Fund (SDMF)              | 47.60  | 47.60   | 2.5.2.3             |
| Non transfer of Grants to Central Road and Infrastructure Fund                     | 169.05   | 169.05  | 2.5.2.6             |
| Clearance of transactions from Objection Book Suspense Accounts                    | (-) 268.69   | (-) 448.61  | 2.5.3               |
| Short receipt of Guarantee fee and commitment charges                              | (-) 4.42   | (-) 4.42  | 2.7.2               |
| <b>Total</b>   | <b>-51.71</b>  | <b>-231.63</b>  | <b>--</b>           |

Source: Finance Accounts.

During 2022-23, the revenue deficit and fiscal deficit was ₹ 6,335.76 crore (3.24 per cent of GSDP) and ₹ 12,379.84 crore (6.34 per cent of GSDP) respectively, as shown in **Charts 1.4** and **1.5**. If the above transactions as shown in **Table 1.6** were taken into account, the actual revenue deficit and fiscal deficit would work out to ₹ 6,284.05 crore (3.22 per cent of GSDP) and ₹ 12,148.21 crore (6.22 per cent of

GSDP) respectively and the actual revenue deficit and fiscal deficit would have exceeded the MTFPS targets by ₹ 2,380.56 crore (60.99 per cent) and ₹ 2,545.86 crore (26.51 per cent) respectively.

### **1.7 Post Audit – Total Outstanding Debt**

As per the Himachal Pradesh Fiscal Responsibility and Budget Management Act, 2005, total liabilities mean the liabilities under the Consolidated Fund and the Public Account of the State referred to in Article 266 of the Constitution of India. The outstanding debt/liabilities can be split into various components as given in **Table 1.7**.

**Table 1.7: Components of outstanding debt/liabilities as on 31 March 2023**

| <i>(₹ in crore)</i>  |                   |
|--|-------------------|
| <b>Borrowings and other liabilities as per Finance Accounts</b>                        | <b>Amount</b>     |
| <b>Internal Debt (A)</b>   | <b>55,975.16</b>  |
| Market Loans bearing interest  | 46,002.10         |
| Market Loans not bearing interest  | 0.06              |
| Loan from Life Insurance Corporation of India  | 15.77             |
| Loan from NABARD   | 3,437.84          |
| Loan from National Cooperative Development Corporation                                 | 97.09             |
| Compensation and other Bonds   | 2,601.45          |
| Loans from other Institutions, etc.  | 0.19              |
| Special Securities issued to the National Small Savings Fund of the Central Government | 3,820.66          |
| <b>Loans and Advances from Central Government (B)</b>                                  | <b>7,388.31*</b>  |
| Non-plan Loans   | 1.50              |
| Loans for State Plan Schemes   | 3,061.65          |
| Others   | 4,325.16*         |
| <b>Liabilities upon Public Accounts (C)</b>  | <b>23,225.96</b>  |
| Small Savings, Provident Funds, etc.   | 17,682.25         |
| Deposits   | 3,609.00          |
| Reserve Funds  | 1,934.71          |
| <b>Total (A+B+C)</b>   | <b>86,589.43*</b> |

Source: Finance Accounts.

\* Includes back-to-back loans of ₹ 4,412.22 crore (₹ 1,717 crore in 2020-21 and ₹ 2,695.22 crore in 2021-22) from GoI in lieu of GST Compensation shortfall.

At the end of the year 2022-23, the overall outstanding debt/liabilities of the State was ₹ 86,589.43 crore. There were no cases of off-budget fiscal operations such as borrowings by State PSUs or Special Purpose Vehicles (SPVs) on behalf of the State Government where principal and/or interest are to be serviced out of the State budget; deployment of own funds by the State PSUs, SPVs, etc., for execution of deposit works of the State Government which was to be financed by the State Government through borrowings; or non-reimbursement of principal/ interest component by the State Government to State PSUs, SPVs, etc., of the loan taken by them on behalf of the State Government. As such, there was no impact of these on the overall outstanding debt/ liabilities of the State Government.

**CHAPTER-II**  
**FINANCES OF THE STATE**



**CHAPTER – II**  
**FINANCES OF THE STATE**

**2.1 Major changes in key fiscal aggregates in 2022-23 vis-à-vis 2021-22**

Major changes in key fiscal aggregates of the State during the financial year 2022-23, as compared with the previous year, are given in **Table 2.1**.

**Table 2.1: Changes in key fiscal aggregates in 2022-23 compared with 2021-22**

|                            |  |
|----------------------------|--|
| <b>Revenue Receipts</b>    | <ul style="list-style-type: none"> <li>• Revenue receipts of the State increased by 2.09 <i>per cent</i>.</li> <li>• Own Tax receipts of the State increased by 9.07 <i>per cent</i>.</li> <li>• Own Non-tax receipts of the State increased by 10.10 <i>per cent</i>.</li> <li>• State's Share of Union Taxes and Duties increased by 7.28 <i>per cent</i>.</li> <li>• Grants-in-Aid from Government of India decreased by 5.10 <i>per cent</i>.</li> </ul>                   |
| <b>Revenue Expenditure</b> | <ul style="list-style-type: none"> <li>• Revenue expenditure increased by 22.74 <i>per cent</i>.</li> <li>• Revenue expenditure on General Services increased by 27.80 <i>per cent</i>.</li> <li>• Revenue expenditure on Social Services increased by 25.40 <i>per cent</i>.</li> <li>• Revenue expenditure on Economic Services increased by 10.03 <i>per cent</i>.</li> <li>• Expenditure on Grants-in-Aid and contributions decreased by 21.01 <i>per cent</i>.</li> </ul> |
| <b>Capital Receipts</b>    | <ul style="list-style-type: none"> <li>• Debt capital receipts* increased by 236.94 <i>per cent</i>.</li> <li>• Non-debt capital receipts increased by 99.83 <i>per cent</i>.</li> </ul>   |
| <b>Capital Expenditure</b> | <ul style="list-style-type: none"> <li>• Capital expenditure decreased by 0.01 <i>per cent</i>.</li> <li>• Capital expenditure on General Services decreased by 23.68 <i>per cent</i>.</li> <li>• Capital expenditure on Social Services increased by 1.91 <i>per cent</i>.</li> <li>• Capital expenditure on Economic Services increased by 1.48 <i>per cent</i>.</li> </ul>  |
| <b>Loans and Advances</b>  | <ul style="list-style-type: none"> <li>• Disbursement of Loans and Advances decreased by 70.75 <i>per cent</i>.</li> <li>• Recoveries of Loans and Advances increased by 103.32 <i>per cent</i>.</li> </ul>  |
| <b>Public Debt</b>         | <ul style="list-style-type: none"> <li>• Public Debt Receipts* increased by 236.94 <i>per cent</i>.</li> <li>• Repayment of Public Debt increased by 131.03 <i>per cent</i>.</li> </ul>  |
| <b>Public Account</b>      | <ul style="list-style-type: none"> <li>• Public Account Receipts increased by 32.19 <i>per cent</i>.</li> <li>• Public Account Disbursements increased by 33.81 <i>per cent</i>.</li> </ul>  |
| <b>Cash Balance</b>        | <ul style="list-style-type: none"> <li>• Cash balance increased by 40.95 <i>per cent</i>.</li> </ul>   |

Source: Finance Accounts.

\*Excludes ₹ 2,695.22 crore (2021-22) as back-to-back loan from GoI in lieu of GST compensation shortfall which are not to be repaid by the State from its sources.

## 2.2 Sources and Application of Funds

Comparison of components of the sources and application of funds of the State during the current year with those of the previous year is given in **Table 2.2**.

**Table 2.2: Details of Sources and Application of funds during 2021-22 and 2022-23**

(₹ in crore)

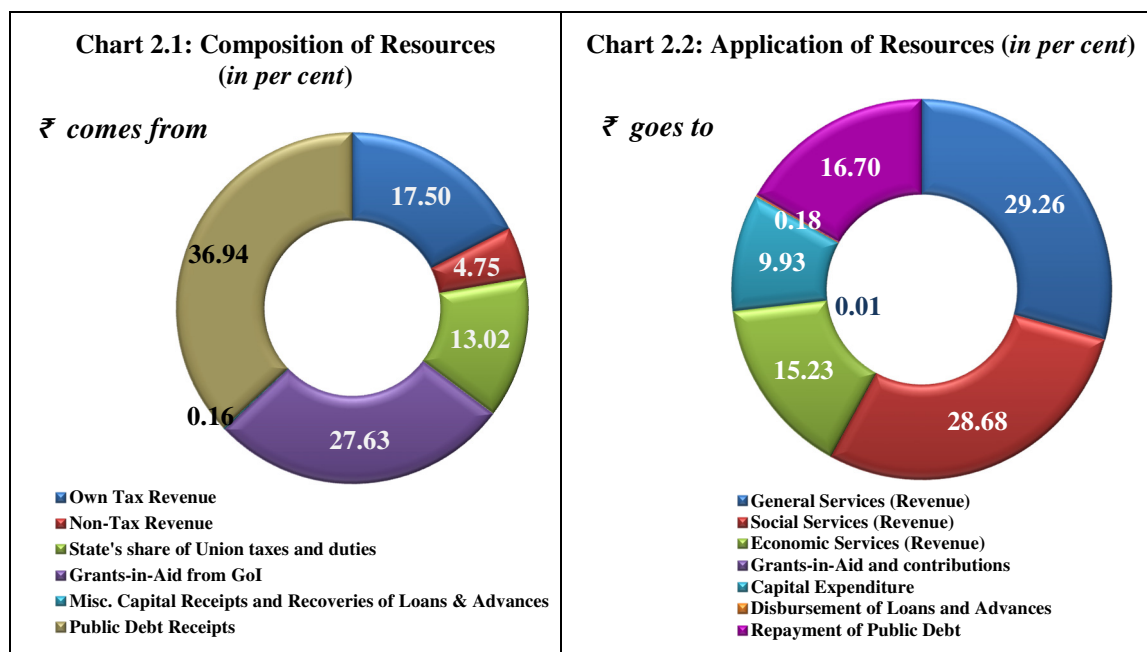
|                             | Particulars                        | 2021-22           | 2022-23          | Increase/Decrease |
|-----------------------------|------------------------------------|-------------------|------------------|-------------------|
| <b>Sources of funds</b>     | Opening Cash Balance with RBI      | 1,756.24          | 2,522.86         | 766.62            |
|                             | Revenue Receipts                   | 37,309.30         | 38,089.50        | 780.20            |
|                             | Miscellaneous Capital Receipts     | 7.01              | 12.59            | 5.58              |
|                             | Recoveries of Loans and Advances   | 40.72             | 82.79            | 42.07             |
|                             | Public Debt Receipts (Net)         | 4,947.69*         | 12,236.02        | 7,288.33          |
|                             | Public Account Receipts (Net)      | 1,063.79          | 1,176.99         | 113.20            |
|                             | <b>Total*</b>                      | <b>45,124.75*</b> | <b>54,120.75</b> | <b>8,996.00</b>   |
| <b>Application of funds</b> | Revenue Expenditure                | 36,194.54         | 44,425.26        | 8,230.72          |
|                             | Capital Expenditure                | 6,029.38          | 6,028.89         | -0.49             |
|                             | Disbursement of Loans and Advances | 377.97            | 110.57           | -267.40           |
|                             | Closing Cash Balance with RBI      | 2,522.86          | 3,556.03         | 1,033.17          |
|                             | <b>Total</b>                       | <b>45,124.75</b>  | <b>54,120.75</b> | <b>8,996.00</b>   |

Source: Finance Accounts.

\* Includes ₹ 2,695.22 crore as back-to-back loans to State from GoI in lieu of GST compensation shortfall during 2021-22.

**Appendix 2.1** provides details of receipts and disbursements and the overall fiscal position of the State during the current year as well as the previous year.

**Composition and application of resources in the Consolidated Fund** of the State during 2022-23 is given in **Charts 2.1** and **2.2**.



Source: Finance Accounts.

## 2.3 Resources of the State

The resources of the State are described below:

- 1. Revenue receipts** consist of tax revenue (Own tax revenue plus share of Union taxes/duties), non-tax revenue and Grants-in-aid from the Government of India (GoI).
- 2. Capital receipts** (debt and non-debt capital receipts) comprise miscellaneous capital receipts such as proceeds from disinvestments, recoveries of loans and advances, debt receipts from internal sources (market loans, borrowings from financial institutions/commercial banks) and loans and advances from GoI.

Both revenue and capital receipts form part of the Consolidated Fund of the State.

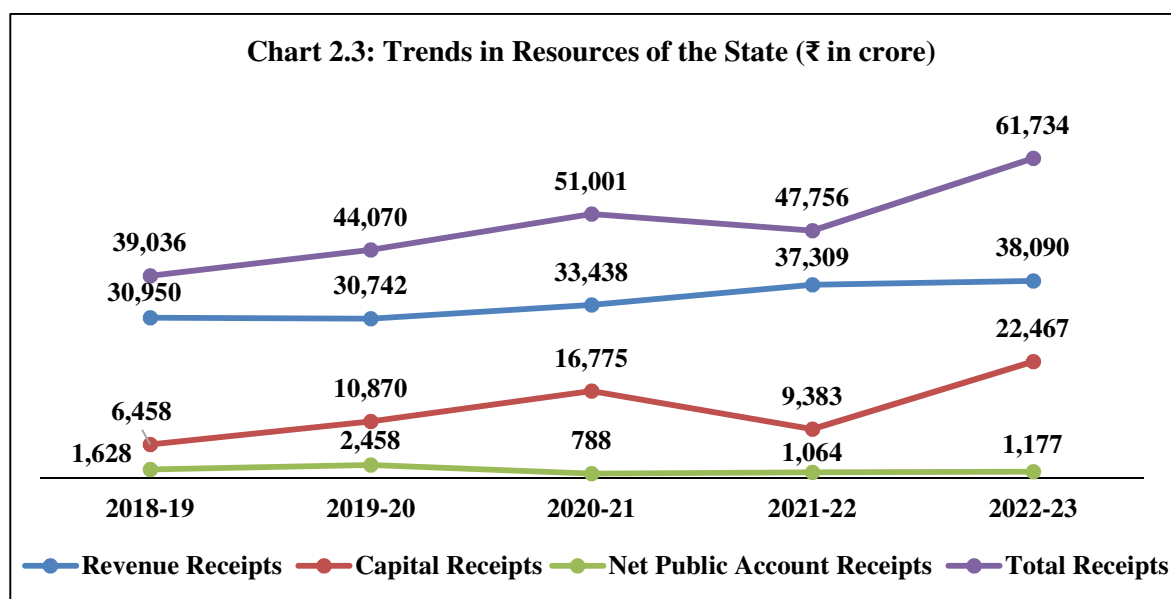
- 3. Net Public Accounts receipts:** There are receipts and disbursements in respect of certain transactions such as small savings, provident fund, reserve funds, deposits, suspense, remittances, etc., which do not form part of the Consolidated Fund.

These 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. Here, the Government acts as a banker. The balance after disbursements is the fund available with the Government for use.

### 2.3.1 Receipts of the State

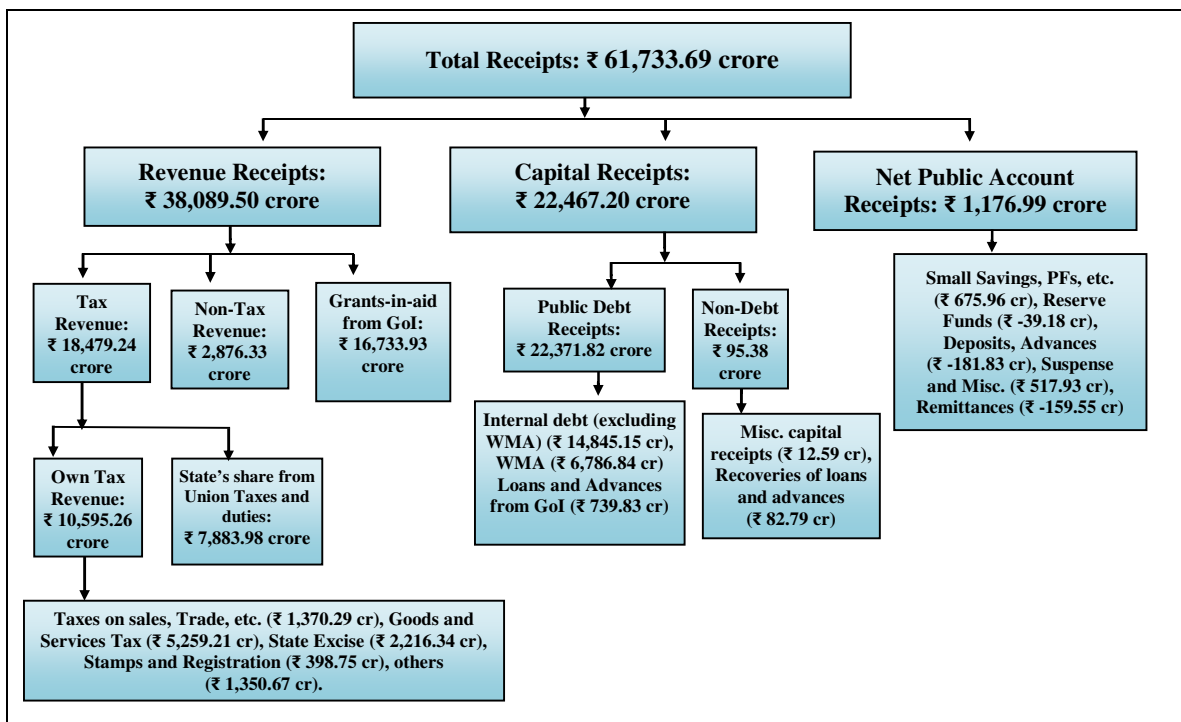
This paragraph provides the composition of the overall receipts. Besides Capital and Revenue Receipts, funds available in the Public Account (net of disbursements made from it) are also utilised by the Government to finance its deficit.

Trends in various components of the receipts of the State during 2018-23 are given in **Chart 2.3**, while composition of total receipts of the State during 2022-23 is depicted in **Chart 2.4**.



Source: Finance Accounts.

Chart 2.4: Composition of Receipts of the State during 2022-23



Source: Finance Accounts.

Out of the total resources of ₹ 61,733.69 crore of the State Government during the year 2022-23, Revenue Receipts (₹ 38,089.50 crore) constituted 61.70 per cent. Capital Receipts (₹ 22,467.20 crore) and net Public Account Receipts (₹ 1,176.99 crore) constituted 36.39 per cent and 1.91 per cent respectively of the total resources.

## 2.3.2 State's Revenue Receipts

### 2.3.2.1 Trends and growth of Revenue Receipts

Trends and growth of revenue receipts with respect to Gross State Domestic Product (GSDP) over the five-year period (2018-23) are shown in **Table 2.3**. The trends and composition of revenue receipts over the same period are presented in **Appendix 2.2**.

**Table 2.3: Trends in Revenue Receipts**

(₹ in crore)

| Parameters   | 2018-19          | 2019-20          | 2020-21          | 2021-22          | 2022-23          |
|--|------------------|------------------|------------------|------------------|------------------|
| <b>Revenue Receipts (RR)</b>   | <b>30,950.32</b> | <b>30,742.41</b> | <b>33,438.27</b> | <b>37,309.30</b> | <b>38,089.50</b> |
| Rate of growth of RR (per cent)                                      | 13.09            | -0.67            | 8.77             | 11.58            | 2.09             |
| <b>Tax Revenue (i+ii)</b>  | <b>13,002.58</b> | <b>12,301.38</b> | <b>12,837.24</b> | <b>17,063.62</b> | <b>18,479.24</b> |
| (i) Own Tax Revenue (OTR)  | 7,572.81         | 7,623.82         | 8,083.32         | 9,714.58         | 10,595.26        |
| Rate of growth of OTR (per cent)                                     | 6.54             | 0.67             | 6.03             | 20.18            | 9.07             |
| (ii) State's share of union taxes and duties                         | 5,429.77         | 4,677.56         | 4,753.92         | 7,349.04         | 7,883.98         |
| Rate of growth of State's share of union taxes and duties (per cent) | 13.09            | (-) 13.85        | 1.63             | 54.59            | 7.28             |
| <b>Non-Tax Revenue (NTR)</b>   | <b>2,830.07</b>  | <b>2,501.51</b>  | <b>2,188.46</b>  | <b>2,612.36</b>  | <b>2,876.33</b>  |
| Rate of growth of NTR (per cent)                                     | 19.72            | -11.61           | -12.51           | 19.37            | 10.10            |
| <b>Grants-in-Aid from GoI</b>  | <b>15,117.66</b> | <b>15,939.52</b> | <b>18,412.58</b> | <b>17,633.32</b> | <b>16,733.93</b> |
| Rate of growth of GIA from GoI (per cent)                            | 15.45            | 5.44             | 15.52            | -4.23            | -5.10            |
| State's Own Revenue (OTR + NTR)                                      | 10,402.88        | 10,125.33        | 10,271.78        | 12,326.94        | 13,471.59        |

| Parameters   | 2018-19  | 2019-20  | 2020-21               | 2021-22               | 2022-23               |
|--|----------|----------|-----------------------|-----------------------|-----------------------|
| Rate of growth of State's Own Revenue (OTR+NTR) (per cent) | 9.83     | -2.67    | 1.44                  | 20.01                 | 9.29                  |
| Gross State Domestic Product (2011-12 Series)              | 1,48,383 | 1,59,164 | 1,55,251 <sup>a</sup> | 1,76,269 <sup>b</sup> | 1,95,405 <sup>c</sup> |
| Rate of growth of GSDP (per cent)                          | 7.10     | 7.27     | -2.46                 | 13.54                 | 10.86                 |
| RR/GSDP (per cent)   | 20.86    | 19.31    | 21.54                 | 21.17                 | 19.49                 |
| <b>Buoyancy Ratios<sup>#</sup></b>                         |          |          |                       |                       |                       |
| Revenue Buoyancy w.r.t. GSDP                               | 1.85     | --*      | --*                   | 0.86                  | 0.19                  |
| State's Own Revenue Buoyancy w.r.t. GSDP                   | 1.37     | --*      | --*                   | 1.48                  | 0.86                  |

Source: Finance Accounts and Department of Economics and Statistics, Himachal Pradesh.

a - Second Revised Estimate, b - First Revised Estimate, c - Advance Estimate, w.r.t.- with respect to

# Buoyancy indicates the degree of responsiveness of a fiscal variable with respect to a given change in the base variable.

\* Buoyancy ratio was not calculated as GSDP growth was negative.

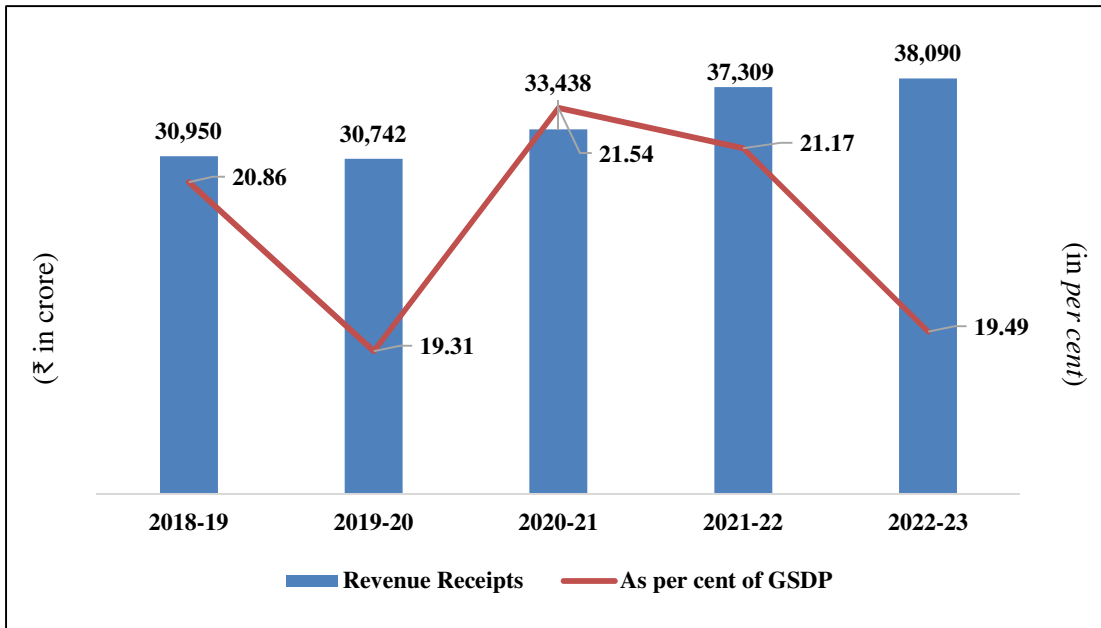
**Table 2.3** shows the following:

- While revenue receipts increased by 23.07 per cent from ₹ 30,950.32 crore in 2018-19 to ₹ 38,089.50 crore in 2022-23, the increase was only by ₹ 780.20 crore (2.09 per cent) during the current year (2022-23) over the previous year. During the period of the last five years 2018-23, it increased at an annual average growth rate of 6.97 per cent.
- Own tax revenue and non-tax revenue increased by ₹ 880.68 crore (9.07 per cent) and ₹ 263.97 crore (10.10 per cent) respectively in 2022-23 as compared to 2021-22.
- Revenue buoyancy with reference to GSDP decreased from 1.84 per cent in 2018-19 to 0.19 per cent in 2022-23. The State's own revenue buoyancy with reference to GSDP also decreased from 1.37 per cent in 2018-19 to 0.86 per cent in 2022-23.
- The sudden decline in State's own revenue buoyancy in 2022-23 over the previous year was primarily due to decrease in receipts under Taxes on Sales, Trades, etc. (VAT), Taxes and Duties on Electricity and Taxes on Goods and Passengers (under own tax revenue) and in interest receipts, Education, Sports, Arts and Culture, Forestry and Wildlife, etc. (under non-tax revenue). Trends in components of the State's own revenue (own tax revenue and non-tax revenue) are discussed in **Paragraphs 2.3.2.2 (i) and (ii)** respectively.
- On the other hand, Grants-in-aid from GoI increased by 10.69 per cent during the five year period from 2018-19 to 2022-23. It however, showed a decreasing trend from 2020-21 onwards. The decrease was by ₹ 779.26 crore (4.23 per cent) and ₹ 899.39 crore (5.10 per cent) in 2021-22 and 2022-23 respectively. The decrease during these periods over the previous year was mainly due to less receipts under Finance Commission Grants, as discussed in **Paragraph 2.3.2.3 (ii)**.

Increasing trend of grants-in-aid compared to own revenue buoyancy indicates more reliance, whereas a decreasing trend indicates less reliance on GoI support. Diversifying revenue sources and strengthening the local tax base are essential for sustainable fiscal stability and development.

Trends of revenue receipts are shown in **Chart 2.5**.

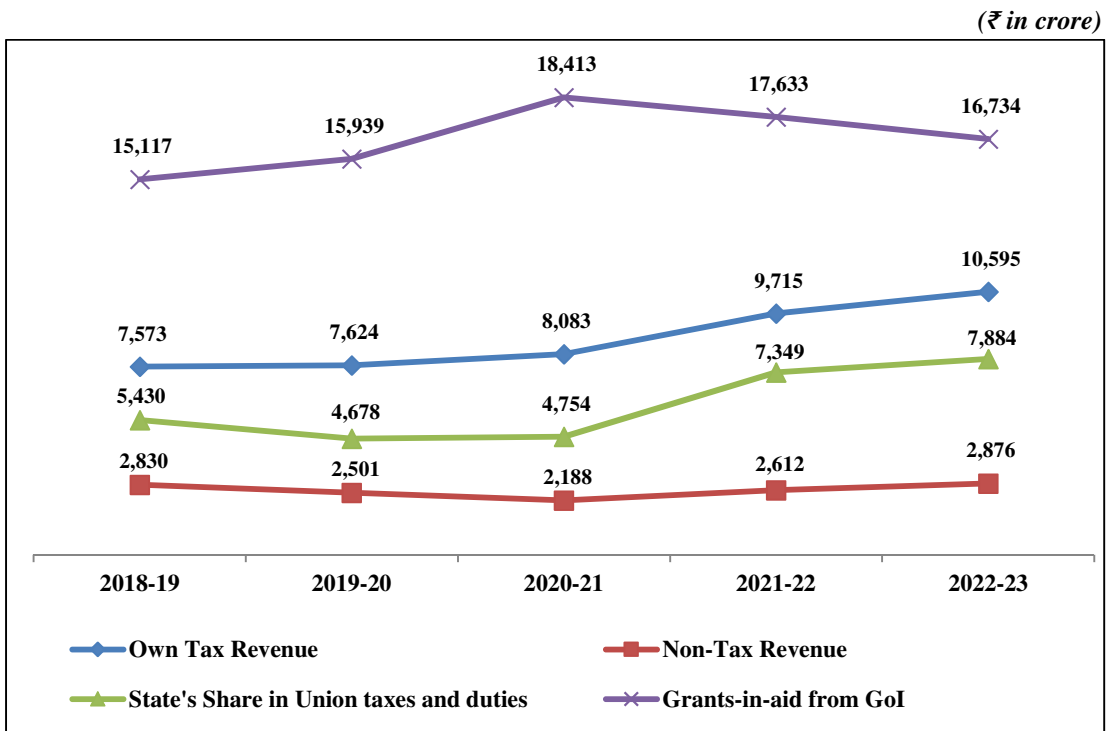
**Chart 2.5: Trends in Revenue Receipts as percentage of GSDP**



Source: Finance Accounts.

Trends in composition of revenue receipts are shown in **Chart 2.6**.

**Chart 2.6: Trend of components of Revenue Receipts**



Source: Finance Accounts.

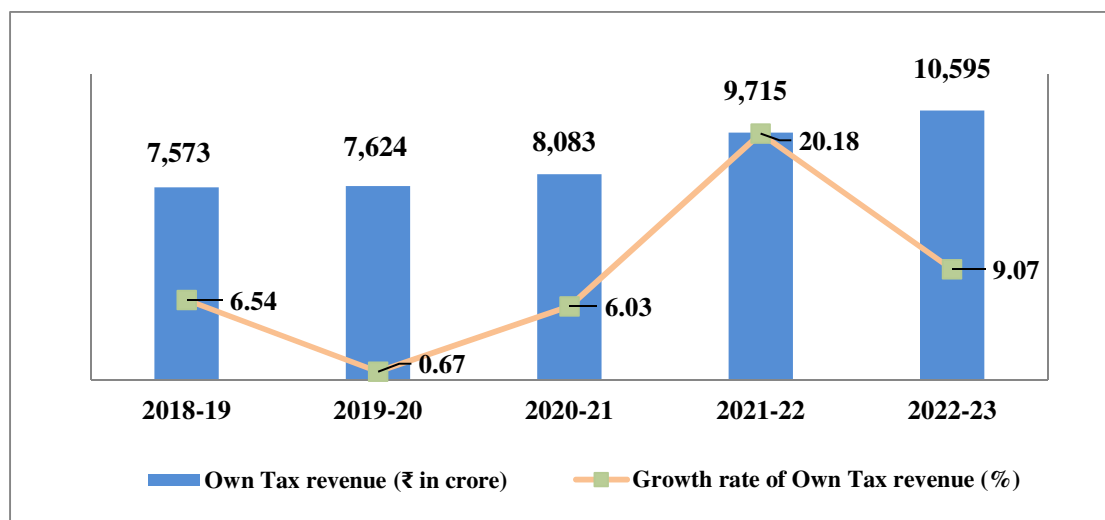
### 2.3.2.2 State's Own Resources

#### (i) Own Tax Revenue

Own tax revenue of the State consists of State Goods and Services Tax (SGST), State Excise, Taxes on Vehicles, Stamp Duty and Registration Fees, Land Revenue, Taxes on Goods and Passengers, etc.

Trends of own tax revenue and analysis of its components during the period 2018-23 are shown in **Chart 2.7** and **Table 2.4** respectively.

**Chart 2.7: Trends of Own Tax Revenue during 2018-23**



Source: Finance Accounts.

**Table 2.4: Components of State's Own Tax Revenue**

| Revenue Head                        | 2018-19         | 2019-20         | 2020-21         | 2021-22         | 2022-23          |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|------------------|
| State Goods and Services Tax (SGST) | 3,342.68        | 3,550.34        | 3,466.58        | 4,482.15        | 5,259.21         |
| Taxes on Sales, Trades, etc. (VAT)  | 1,185.43        | 1,169.53        | 1,630.11        | 1,592.24        | 1,370.29         |
| State Excise                        | 1,481.63        | 1,660.02        | 1,599.74        | 1,980.63        | 2,216.34         |
| Taxes on Vehicles                   | 408.01          | 465.52          | 380.20          | 510.03          | 675.17           |
| Stamp Duty and Registration Fees    | 250.55          | 259.58          | 253.36          | 318.60          | 398.75           |
| Taxes and Duties on Electricity     | 487.08          | 100.86          | 401.76          | 393.51          | 252.25           |
| Land Revenue                        | 8.39            | 4.79            | 6.95            | 4.81            | 8.22             |
| Taxes on Goods and Passengers       | 104.38          | 104.03          | 83.55           | 99.18           | 68.50            |
| Other Taxes                         | 304.66          | 309.15          | 261.07          | 333.43          | 346.53           |
| <b>Total Own Tax Revenue</b>        | <b>7,572.81</b> | <b>7,623.82</b> | <b>8,083.32</b> | <b>9,714.58</b> | <b>10,595.26</b> |

Source: Finance Accounts of the respective years.

The total own tax revenue increased by ₹ 880.68 crore (9.07 per cent) during the current year (2022-23) over the previous year. The major increase was in receipts under SGST (₹ 777.06 crore), State excise (₹ 235.71 crore), Taxes on Vehicles (₹ 165.14 crore) and Stamp Duty and Registration Fees (₹ 80.15 crore). The increase was partly counterbalanced by decrease in receipts under Sales, Trades, etc. (VAT)

(₹ 221.94 crore), Taxes and duties on electricity (₹ 141.26 crore) and Taxes on goods and passengers (₹ 30.68 crore).

The increase in –

- State Goods and Services Tax (SGST) - was mainly due to more receipts from tax, interest, input tax credit cross utilisation of SGST and IGST and increased enforcement by the Department such as e-invoice, e-way bill, monitoring of tax return, capacity building;
- State excise – was mainly on account of increase in receipts from sale of country spirits, foreign liquor and spirits on account of increasing of quota and license fees, etc.;
- Taxes on Vehicles – was mainly due to registration of larger number of vehicles, compounding fee on account of vehicles' challan, cess on taxes, etc.;
- Stamp duty and Registration Fees – was mainly due to sale of stamps, fees for registering documents, court fees realised from stamps/ stamp duty, etc.,

whereas decrease in –

- Taxes on Sales, Trades, etc. - was due to less receipts under value added tax (VAT) on petrol and diesel;
- Taxes and duties on electricity - was mainly due to less receipt from taxes on consumption and sale of electricity;
- Taxes on goods and passengers – was mainly due to less tax collection from goods and passengers.

#### **(a) State Goods and Services Tax (SGST)**

During 2022-23, as per the books of RBI and the Finance Accounts, the amount of SGST was ₹ 5,259.21 crore against the budget estimates of ₹ 5,129.79 crore.

#### **(b) Audit of GST Receipts**

The Government of India's decision to provide access to Pan-India data at GSTN premises was conveyed on 22 June 2020. In case of Himachal Pradesh, access to back-end application was provided to the Office of the Principal Accountant General (Audit), Himachal Pradesh in December 2020. However, the access provided to this office was limited and based on VPN connection to access the Department's internal web-based GSTN portal as the same is accessible only through Himachal State Wide Area Network (HIMSWAN). Remote access to GSTN portal is being used for conducting Performance/ Subject Specific Compliance Audits under GST.

#### **(c) Analysis of arrears of revenue and arrears of assessment**

The arrears of revenue indicate delayed realisation of revenue due to the Government. Similarly, arrears of assessment indicate potential revenue which is blocked due to delayed assessment. Both deprive the State of potential revenue receipts and ultimately affect the revenue deficit.

**Arrears of revenue**

As on 31 March 2023, the arrears of revenue in respect of principal heads of revenue were ₹ 5,026.98 crore, of which ₹ 2,993.32 crore (59.55 per cent) were outstanding for more than five years, as depicted in **Table 2.5**.

**Table 2.5: Arrears of revenue***(₹ in crore)*

| Sr. No.      | Head of revenue                      | Amount outstanding as on 31 March 2023 | Amount outstanding for more than five years as on 31 March 2023 |
|--------------|--------------------------------------|--|---|
| 1.           | 0006-Goods and Services Tax (GST)    | 425.46                                 | 0.00  |
| 2.           | 0039-State Excise                    | 285.52                                 | 187.74  |
| 3.           | 0040-Taxes/VAT on Sales, Trade, etc. | 4,206.64                               | 2,742.74  |
| 4.           | 0042-Passengers and Goods Tax        | 13.72                                  | 6.59  |
| 5.           | 0045-Other Tax and Duties            | 95.64                                  | 56.25   |
| <b>Total</b> |                                      | <b>5,026.98</b>                        | <b>2,993.32</b>   |

Source: Information supplied by State Taxes & Excise Department.

**Arrears in assessment**

The information on number of cases pending at the beginning of the year, cases becoming due for assessment, cases disposed during the year and number of cases pending for finalisation at the end of the year, as furnished by the Department of State Taxes & Excise in respect of Sales Tax/VAT is depicted in **Table 2.6**.

**Table 2.6: Arrears of assessment**

| Sr. No.      | Head of Revenue                  |     | Opening Balance | New cases due for assessment during 2022-23 | Total assessment due | Cases disposed during 2022-23 | Balance at the end of the year | No. of outstanding cases for more than five years | Percentage of disposal (column 6 to 5) |
|--------------|----------------------------------|-----|-----------------|---|----------------------|-------------------------------|--------------------------------|---|--|
| 1.           | 2.                               |     | 3.              | 4.  | 5.                   | 6.                            | 7.                             | 8.  | 9.                                     |
| 1.           | Taxes on Sales, Trade, etc./ VAT | CST | 41,880          | 5,653                                       | 47,533               | 26,656                        | 20,877                         | 18,044  | 56                                     |
|              |                                  | VAT | 48,979          | 7,560                                       | 56,539               | 32,888                        | 23,651                         | 20,042  | 58                                     |
| 2.           | Motor Spirit tax                 |     | 94              | 36  | 130                  | 80                            | 50                             | 0   | 62                                     |
| 3.           | Taxes on vehicle                 |     | 3,099           | 2,875                                       | 5,974                | 3,814                         | 2,160                          | 1,848   | 64                                     |
| 4.           | Luxury tax                       |     | 2,077           | 12  | 2,089                | 852                           | 1,237                          | 896   | 41                                     |
| <b>Total</b> |                                  |     | <b>96,129</b>   | <b>16,136</b>                               | <b>1,12,265</b>      | <b>64,290</b>                 | <b>47,975</b>                  | <b>40,830</b>                                     | <b>57</b>                              |

Source: Information supplied by State Taxes & Excise Department.

The number of pending cases of arrears of assessment decreased by 50 per cent from 96,129 cases of 2021-22 to 47,975 cases at the end of the year 2022-23. Rates of disposal in the year 2022-23 under various heads of revenue ranged between 41 per cent and 64 per cent.

**(c) Details of evasion of tax detected by the Department, refund cases, etc.**

The cases of evasion of tax detected, cases finalised and the demands for additional tax raised are important indicators of revenue collection efforts of the State Government.

Promptness in disposal of refund cases is an important indicator of performance of the Department concerned.

The details of cases of evasion of tax detected by the State Taxes & Excise Department, cases finalised and the demand for additional tax raised; and details of refund cases during the year 2022-23, are depicted in **Tables 2.7** and **2.8** respectively.

**Table 2.7: Evasion of tax detected**

| Sr. No.      | Head of revenue                                    | Cases pending as on 31 March 2022 | Cases detected during 2022-23 | Total         | No. of cases in which assessment / investigation completed and additional demand with penalty, etc. raised |                               | No. of cases pending for finalisation as on 31 March 2023 |
|--------------|--|-----------------------------------|-------------------------------|---------------|--|-------------------------------|---|
|              |  |                                   |                               |               | No. of cases   | Amount of demand (₹ in crore) |   |
| 1.           | Goods and Services Tax                             | 298                               | 4,835                         | 5,133         | 4,677  | 244.32                        | 456   |
| 2.           | State Excise                                       | 98                                | 1,130                         | 1,228         | 1,145  | 1.86                          | 83  |
| 3.           | Taxes on sales trade etc.                          | 64                                | 326                           | 390           | 338  | 12.58                         | 52  |
| 4.           | Passengers and goods tax                           | 13                                | 2,302                         | 2,315         | 2,302  | 3.79                          | 13  |
| 5.           | Other taxes and duties on commodities and services | 38                                | 1,133                         | 1,171         | 1,134  | 5.21                          | 37  |
| <b>Total</b> |  | <b>511</b>                        | <b>9,726</b>                  | <b>10,237</b> | <b>9,596</b>   | <b>267.76</b>                 | <b>641</b>  |

*Source: Information supplied by State Taxes & Excise Department.*

**Table 2.8: Details of refund cases**

*(₹ in crore)*

| Sr. No. | Particulars                                     | GST          |        | Sales Tax/VAT |        | State Excise |        |
|---------|---|--------------|--------|---------------|--------|--------------|--------|
|         |   | No. of cases | Amount | No. of cases  | Amount | No. of cases | Amount |
| 1.      | Claims outstanding at the beginning of the year | 212          | 15.69  | 63            | 19.20  | 16           | 0.23   |
| 2.      | Claims received during the year                 | 1,319        | 127.24 | 126           | 13.61  | 42           | 2.38   |
| 3.      | Refunds made during the year                    | 1,036        | 98.00  | 135           | 24.77  | 47           | 2.44   |
| 4.      | Refunds rejected during the year                | 256          | 27.33  | 2             | 0.04   | 1            | 0.003  |
| 5.      | Balance outstanding at the end of year          | 239          | 17.60  | 52            | 8.00   | 10           | 0.16   |

*Source: Information supplied by State Taxes & Excise Department.*

## **(ii) Non-Tax Revenue**

Non-tax revenue consists of interest receipts, dividends and profits, mining receipts, departmental receipts, etc. Trends in components of the State's non-tax revenue during 2018-23 are shown in **Table 2.9**.

Table 2.9: Components of State's Non-tax Revenue

| Revenue Head   | 2018-19         | 2019-20         | 2020-21         | 2021-22         | 2022-23         |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Interest receipts</b>                                 | <b>385.88</b>   | <b>245.36</b>   | <b>306.43</b>   | <b>173.95</b>   | <b>85.30</b>    |
| <b>Dividends and profits</b>                             | <b>181.92</b>   | <b>248.44</b>   | <b>245.43</b>   | <b>166.53</b>   | <b>180.90</b>   |
| <b>Other Non-tax receipts</b>                            | <b>2,262.27</b> | <b>2,007.72</b> | <b>1,636.60</b> | <b>2,271.88</b> | <b>2,610.13</b> |
| Miscellaneous General Services                           | 20.76           | 5.17            | 11.41           | 14.06           | 7.45            |
| Education, Sports, Arts and Culture                      | 214.59          | 238.59          | 196.08          | 257.70          | 161.78          |
| Forestry and Wildlife                                    | 76.32           | 83.61           | 49.56           | 106.28          | 81.79           |
| Other Administrative Services                            | 51.34           | 49.65           | 37.05           | 104.90          | 90.05           |
| Non-ferrous Mining and Metallurgical Industries          | 221.05          | 246.30          | 252.16          | 230.81          | 286.34          |
| Power  | 1,134.34        | 1,021.68        | 749.12          | 1,183.51        | 1,428.28        |
| Others or Miscellaneous                                  | 543.87          | 362.72          | 341.22          | 374.62          | 554.44          |
| <b>Total Non-tax Revenue</b>                             | <b>2,830.07</b> | <b>2,501.51</b> | <b>2,188.46</b> | <b>2,612.36</b> | <b>2,876.33</b> |
| <b>Percentage of Non-tax Revenue to Revenue Receipts</b> | <b>9.14</b>     | <b>8.14</b>     | <b>6.54</b>     | <b>7.00</b>     | <b>7.55</b>     |

Source: Finance Accounts.

During the year 2022-23, there was an increase of ₹ 263.97 crore (10.10 per cent) in total non-tax revenue over the previous year. This was mainly due to increase in receipts under Power (₹ 244.77 crore), others or miscellaneous (₹ 179.82 crore), Non-ferrous Mining and Metallurgical Industries (₹ 55.53 crore), dividends and profits (₹ 14.37 crore), etc. However, the increase was counterbalanced by decrease in receipts mainly under Education, Sports, Arts and Culture (₹ 95.92 crore), interest receipts (₹ 88.65 crore) and Forestry and Wildlife (₹ 24.49 crore), etc.

The increase under -

- *Power* – was mainly due to receipts from Central Public Sector Undertakings (other than Satluj Jal Vidyut Nigam Limited) and upfront premium;
- *Non-ferrous Mining and Metallurgical Industries* – was mainly due to more receipts under mineral concession fees, rents, and royalties, other receipts; and
- *Dividends and profits* – was mainly due to more dividends received from General Industries Corporation Limited and Himachal Pradesh State Cooperative Banks as compared to the previous year;

whereas decrease under -

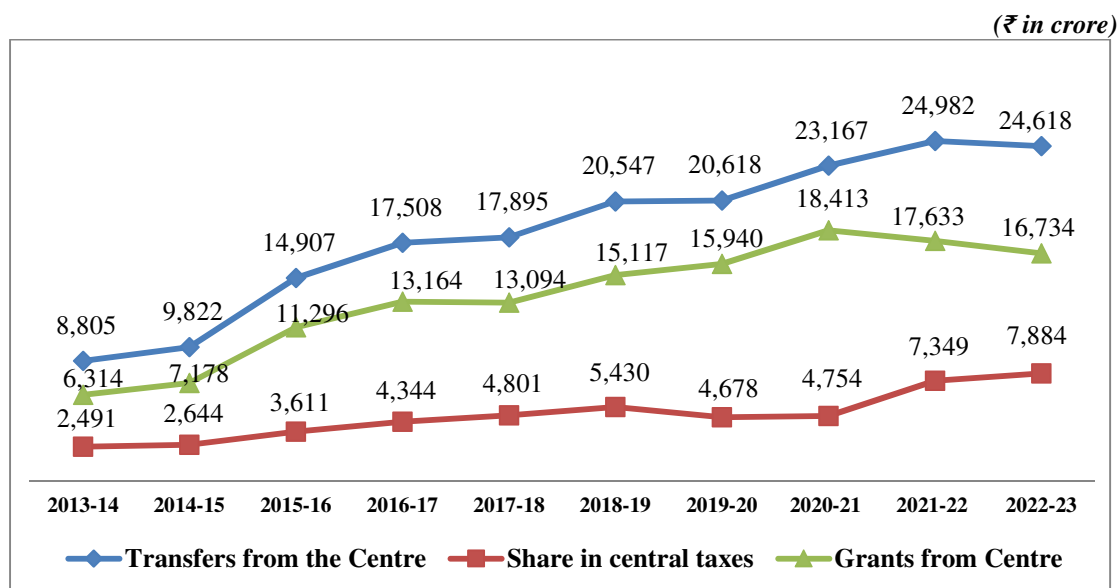
- *Education, Sports, Art and Culture* – was mainly due to non-reimbursement of salary of State Project Directors, *Sarva Siksha Abhiyan* and less receipt under miscellaneous heads;
- *Interest Receipts* – was mainly due to less receipts from interest accrued from loans to Cooperative societies and less interest realised on investment of cash balances; and
- *Forestry and Wildlife* – was mainly due to less receipt from timber and other forest produces and social and farm forestry, etc.

### 2.3.2.3 Transfers from the Centre

Transfers from the Centre mainly consists of tax devolution as per Finance Commission recommendations, Finance Commission grants, Central Government share in centrally

sponsored schemes etc. The trends in Central transfers over the last 10 years are shown in **Chart 2.8**.

**Chart 2.8: Trends in transfers from Centre**



Source: Finance Accounts.

The trends in the Central tax transfers i.e., share in Union taxes and duties and Grants-in-aid from GoI to State Government are discussed in the succeeding paragraphs.

#### (i) Share in Central taxes

The actual release of share in Union taxes and duties to the State Government vis-à-vis projections made by Fourteenth Finance Commission and Fifteenth Finance Commission during the period from 2015-16 to 2022-23 is tabulated in **Table 2.10**. During 15<sup>th</sup> FC (2020-23), the actual tax devolutions were well above the projections (except 2020-21) as service tax was included in the calculation of net proceeds of all shareable taxes as per the 15<sup>th</sup> FC recommendations.

**Table 2.10: State's share in Union taxes and duties: Actual devolution vis-à-vis Finance Commission projections**

(₹ in crore)

| Year    | Finance Commission projections  | Projections in FCR | Actual tax devolution | Difference   |
|---------|---|--------------------|-----------------------|--------------|
| 1.      | 2.  | 3.                 | 4.                    | 5. (4-3)     |
| 2015-16 |   | 3,743.71           | 3,611.17              | (-) 132.54   |
| 2016-17 | 0.713 per cent of net proceeds of all shareable taxes excluding service tax and 0.722 per cent of net proceeds of shareable service tax (as per recommendations of 14 <sup>th</sup> FC) | 4,074.67           | 4,343.70              | 269.03       |
| 2017-18 |   | 4,819.21           | 4,801.31              | (-) 17.90    |
| 2018-19 |   | 5,619.31           | 5,429.77              | (-) 189.54   |
| 2019-20 |   | 5,769.12           | 4,677.56              | (-) 1,091.56 |
| 2020-21 | 0.799 per cent of net proceeds of all shareable taxes including service tax (as per recommendations of 15 <sup>th</sup> FC)   | 6,265.60           | 4,753.92              | (-) 1,511.68 |
| 2021-22 | 0.830 per cent of net proceeds of all shareable taxes including service tax (as per recommendations of 15 <sup>th</sup> FC)   | 5,524.16           | 7,349.04              | 1,824.88     |
| 2022-23 |   | 6,778.19           | 7,883.98              | 1,105.79     |

Source: Reports of the 14<sup>th</sup> FC & 15<sup>th</sup> FC (FCRs), Finance Accounts and Annual Financial Statements.

It can be seen from the above table that during the first three years (2020-23) of the period of Fifteenth Finance Commission (2020-26), State's share in Union taxes and duties amounting to ₹ 19,986.94 crore was 87.42 per cent of the total share (₹ 22,863.51 crore) during the period of Fourteenth Finance Commission (2015-20).

Trends in components of Central tax transfers to the State during 2018-23 are given in **Table 2.11**.

**Table 2.11: Composition of Central Tax Transfers**

(₹ in crore)

| Components of Central Tax Transfers                                    | 2018-19         | 2019-20          | 2020-21         | 2021-22         | 2022-23         | Difference over the previous year |
|--|-----------------|------------------|-----------------|-----------------|-----------------|-----------------------------------|
| Central Goods and Services Tax (CGST)                                  | 1,340.15        | 1,327.34         | 1,419.55        | 2,105.41        | 2,227.15        | 121.74                            |
| Integrated Goods and Services Tax (IGST)                               | 107.00          | 0                | 0               | 0               | 0               | 0                                 |
| Corporation Tax  | 1,888.31        | 1,594.86         | 1,429.44        | 2,202.48        | 2,644.66        | 442.18                            |
| Taxes on Income other than Corporation Tax                             | 1,390.66        | 1,249.68         | 1,464.84        | 2,169.83        | 2,579.80        | 409.97                            |
| Customs  | 384.89          | 296.49           | 257.07          | 510.58          | 309.82          | -200.76                           |
| Union Excise Duties  | 255.78          | 206.16           | 160.44          | 265.82          | 97.22           | -168.60                           |
| Service Tax  | 49.66           | --               | 19.39           | 87.35           | 12.36           | -74.99                            |
| Other Taxes <sup>1</sup>   | 13.32           | 3.03             | 3.19            | 7.57            | 12.97           | 5.40                              |
| <b>Central Tax Transfers</b>   | <b>5,429.77</b> | <b>4,677.56</b>  | <b>4,753.92</b> | <b>7,349.04</b> | <b>7,883.98</b> | <b>534.94</b>                     |
| <b>Percentage of increase (+)/ decrease (-) over the previous year</b> | <b>13.09</b>    | <b>(-) 13.85</b> | <b>1.63</b>     | <b>54.59</b>    | <b>7.28</b>     | <b>--</b>                         |
| <b>Percentage of Central Tax Transfers to Revenue Receipts</b>         | <b>17.54</b>    | <b>15.22</b>     | <b>14.22</b>    | <b>19.70</b>    | <b>20.70</b>    | <b>--</b>                         |

Source: Finance Accounts.

**Table 2.11** shows that the percentage of change in the State Government's share in Union taxes and duties ranged between (-) 13.85 and 54.59 per cent during the last five years 2018-23. It increased by only ₹ 534.94 crore (7.28 per cent) during 2022-23 over the previous year. Share in Union taxes and duties constituted 14 per cent to 21 per cent of the revenue receipts of the State during 2018-23.

## (ii) Grants-in-aid from Government of India (GoI)

Trend of Grants-in-aid (GIA) from GoI and its components are shown in **Table 2.12**.

**Table 2.12: Grants-in-aid from Government of India**

(₹ in crore)

| Particulars   | 2018-19          | 2019-20          | 2020-21          | 2021-22          | 2022-23               |
|---|------------------|------------------|------------------|------------------|-----------------------|
| Centrally Sponsored Schemes   | 4,010.49         | 4,915.06         | 4,221.29         | 5,420.75         | 4,736.66              |
| Finance Commission Grants*  | 8,831.25         | 8,617.82         | 12,424.10        | 11,044.26        | 10,489.70             |
| Other Transfer/Grants to State/ Union Territories with Legislatures | 2,275.93         | 2,406.64         | 1,767.19         | 1,168.31         | 1,507.57 <sup>@</sup> |
| <b>Total</b>  | <b>15,117.66</b> | <b>15,939.52</b> | <b>18,412.58</b> | <b>17,633.32</b> | <b>16,733.93</b>      |

<sup>1</sup> Includes Taxes on Wealth, Other Taxes on Income and Expenditure, Other Taxes and Duties on commodities and Services.

| <b>Particulars</b>                                   | <b>2018-19</b> | <b>2019-20</b> | <b>2020-21</b> | <b>2021-22</b> | <b>2022-23</b> |
|--|----------------|----------------|----------------|----------------|----------------|
| Percentage increase /decrease over the previous year | 15.45          | 5.44           | 15.52          | -4.23          | -5.10          |
| Percentage of GIA to Revenue Receipts                | 48.84          | 51.85          | 55.06          | 47.26          | 43.93          |

Source: Finance Accounts for the respective years.

\* Finance Commission Grants include Post-Devolution Revenue Deficit Grant (₹ 9,377 crore), grants for Local Bodies (₹ 727.50 crore) and Grant-in-Aid for State Disaster Response Fund (₹ 342.40 crore); Grant-in-Aid for State Disaster Mitigation Fund (₹ 42.80 crore).

@ Includes ₹ 1,293.27 crore on account of compensation for loss of revenue arising out of implementation of GST.

**Table 2.12** shows that the grants-in-aid from GoI decreased consistently during the years 2021-22 (4.23 per cent) and 2022-23 (5.10 per cent) as compared to the respective previous years. The decrease in GIA during the current year over the previous year was mainly due to substantial decrease under Post-Devolution Revenue Deficit Grant by ₹ 872 crore (8.51 per cent) and under Centrally Sponsored Schemes towards Central Assistance/ Share by ₹ 702.07 crore (19.19 per cent).

#### **(a) Grants for Centrally Sponsored Schemes**

Out of the grants of ₹ 4,736.66 crore for Centrally Sponsored Schemes during 2022-23, the major amounts were given to:

- Pradhan Mantri Gram Sadak Yojana (PMGSY) - ₹ 624.76 crore. It increased by ₹ 107.31 crore (20.74 per cent) as compared to the previous year.
- Samagra Shiksha Abhiyan - ₹ 551.60 crore. It increased by ₹ 203.37 crore (58.40 per cent) over the previous year.
- Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) - ₹ 508.72 crore. It increased by ₹ 266.82 crore (110.30 per cent) as compared to the previous year.

#### **(b) Single Nodal Agency**

The Government of India, Ministry of Finance, Department of Expenditure, New Delhi vide Office Memorandum No. 1 (13)/ PFMS/ FCD/2020 dated 8 December 2021 provided that every State Government is required to designate a Single Nodal Agency (SNA) for implementing each Centrally Sponsored Scheme (CSS). The Single Nodal Agency will open a Single Nodal Account for each CSS at the State level in a Scheduled Commercial Bank authorised to conduct business by the State Government. Further, as per the procedure, the State Government is to transfer the Central share received in its accounts to the SNA account concerned along with corresponding State share. It is the responsibility of the State Government concerned to ensure that the entire unspent amount is returned by all the Implementing Agencies (IAs) to the Single Nodal Account of the Single Nodal Agency.

The State Government received ₹ 3,621.78 crore being the Central share during the year. As on 31 March 2023, the State Government transferred ₹ 3,294.07 crore of Central share and State share of ₹ 784.16 crore to the SNAs. As on 31 March 2023, ₹ 2,722.47 crore was lying in the bank accounts of SNAs.

**(c) Fifteenth Finance Commission Grants**

The Fifteenth Finance Commission (15<sup>th</sup> FC) grants were provided to the States for local bodies and State Disaster Response Fund (SDRF), post-devolution revenue deficit and health sector. Details of grants provided by GoI during 2022-23 are given in **Table 2.13**.

**Table 2.13: Recommended amount, actual release and transfers of Grant-in-aid***(₹ in crore)*

| Transfers |   | 2022-23                                   |                            |                             |        |
|-----------|---|---|----------------------------|-----------------------------|--------|
|           |   | Recommendation of the 15 <sup>th</sup> FC | Actual release by GoI      | Release by State Government |        |
| 1.        | <b>(i) Grants to PRIs</b>                             | <b>329.00</b>                             | <b>329.00<sup>@</sup></b>  | <b>329.00</b>               |        |
|           | (a) General Basic Grant (Untied)                      | 131.60                                    | 131.60                     | 131.60                      |        |
|           | (b) General Performance Grants (Tied)                 | 197.40                                    | 197.40                     | 197.40                      |        |
|           | <b>(ii) Grants to ULBs</b>                            | <b>162.00</b>                             | <b>159.00<sup>\$</sup></b> | <b>159.36<sup>*</sup></b>   |        |
|           | (a) General Basic Grant                               | 64.80                                     | 63.60                      | 63.75                       |        |
|           | (b) General Performance Grants                        | 97.20                                     | 95.40                      | 95.61                       |        |
|           | <b>(iii) Grant for health sector for local bodies</b> | <b>98.00</b>                              | <b>0.00</b>                | <b>0.00</b>                 |        |
|           | <b>Total Grants to Local Bodies (i+ii+iii)</b>        | <b>589.00</b>                             | <b>488.00</b>              | <b>488.36</b>               |        |
| 2.        | State Disaster Response Fund (SDRF)                   | Centre share                              | 342.40                     | 342.40                      | 342.40 |
|           |   | State share                               | 38.40                      | --                          | 38.40  |
|           | <b>Total for SDRF</b>                                 | <b>380.80</b>                             | <b>342.40</b>              | <b>380.80</b>               |        |
| 3.        | <b>Post-Devolution Revenue Deficit Grant</b>          | <b>9,377</b>                              | <b>9,377</b>               | <b>--</b>                   |        |

Source: 15<sup>th</sup> FC Report and information provided by the State Government departments.

<sup>@</sup> The amount (₹ 487.50 crore) as appearing in Finance Accounts is different from this amount (₹ 329.00 crore) due to 2<sup>nd</sup> instalment of an amount of ₹ 158.50 crore of 2021-22 released during 2022-23.

<sup>\$</sup> The amount (₹ 240 crore) as appearing in Finance Accounts is different from the amount (₹ 159.00 crore) due to 2<sup>nd</sup> instalment of ₹ 81 crore of 2022-23 received and released by State Government during 2023-24 as this amount was released by GoI on 31 March 2023.

<sup>\*</sup> Includes ₹ 0.36 crore accrued interest on account of delay in release of grant.

- As against the amount of ₹ 329 crore recommended by the 15<sup>th</sup> FC in respect of PRIs, GoI released the entire amount during 2022-23, and the same was released by GoHP during the same period.
- In respect of ULBs, against the recommended amount of ₹ 162.00 crore, GoI released ₹ 159.00 crore during 2022-23. Out of ₹ 159.00 crore released by GoI, the State Government released ₹ 159.36 crore (including interest) during 2022-23.
- In respect of SDRF, 15<sup>th</sup> FC recommended Central and State shares in the ratio of 90:10. As against the recommended share of ₹ 342.40 crore, GoI released ₹ 342.40 crore and the State released ₹ 380.80 crore (Central share: ₹ 342.40 crore and State's share ₹ 38.40 crore) during 2022-23.

**2.3.3 Capital Receipts**

Capital receipts comprise miscellaneous capital receipts such as proceeds from disinvestments, recoveries of loans and advances, debt receipts from internal sources (market loans, borrowings from financial institutions/commercial banks) and loans and advances from GoI.

Trends of capital receipts and its components during 2018-19 to 2022-23 are shown in Table 2.14.

**Table 2.14: Trends in growth and composition of capital receipts**

(₹ in crore)

| Sources of State's Receipts  | 2018-19         | 2019-20         | 2020-21          | 2021-22          | 2022-23          |
|--|-----------------|-----------------|------------------|------------------|------------------|
| <b>Capital Receipts (CR) (i+ii+iii)</b>                                | <b>1,784.70</b> | <b>4,169.72</b> | <b>3,917.07*</b> | <b>2,300.21*</b> | <b>12,331.41</b> |
| (i) Miscellaneous Capital Receipts                                     | 8.82            | 2.04            | 2.88             | 7.01             | 12.59            |
| (ii) Recoveries of Loans and Advances                                  | 21.83           | 21.04           | 23.02            | 40.73            | 82.79            |
| (iii) Net Public Debt Receipts   | 1,754.05        | 4,146.64        | 3,891.17*        | 2,252.47*        | 12,236.02        |
| - Internal Debt  | 1,771.71        | 4,164.59        | 3,390.44         | 1,457.82         | 11,599.12        |
| <i>Growth rate (per cent)</i>  | <i>-15.53</i>   | <i>135.06</i>   | <i>-18.59</i>    | <i>-57.00</i>    | <i>695.65</i>    |
| - Loans and advances from GoI  | -17.66          | -17.95          | 500.73*          | 794.65*          | 636.90           |
| <i>Growth rate (per cent)</i>  | <i>-690.64</i>  | <i>-1.64</i>    | <i>2,889.56</i>  | <i>58.70</i>     | <i>-19.85</i>    |
| <i>Rate of growth of net public debt receipts (per cent) (iii)</i>     | <i>-16.49</i>   | <i>136.40</i>   | <i>-6.16</i>     | <i>-42.11</i>    | <i>443.23</i>    |
| <i>Rate of growth of non-debt capital receipts (per cent) (i)+(ii)</i> | <i>-58.82</i>   | <i>-24.70</i>   | <i>12.22</i>     | <i>84.29</i>     | <i>99.83</i>     |
| <i>Rate of growth of Capital Receipts (per cent)</i>                   | <i>-17.94</i>   | <i>133.64</i>   | <i>6.06</i>      | <i>-41.28</i>    | <i>436.10</i>    |
| <i>Rate of growth of GSDP (per cent)</i>                               | <i>7.10</i>     | <i>7.27</i>     | <i>-2.46</i>     | <i>13.54</i>     | <i>10.86</i>     |

Source: Finance Accounts of the respective years.

\* Excludes ₹ 1,717 crore during 2020-21 and ₹ 2,695.22 during 2021-22 as back-to-back loans to State from GoI in lieu of GST compensation shortfall.

During the current year, the net public debt receipts increased substantially by ₹ 9,983.56 crore (443.23 per cent) over the previous year. This was due to drastic increase in internal debt by ₹ 10,141.31 crore (695.65 per cent) incurred by the State Government during 2022-23 over the previous year. Internal debt increased primarily due to substantial borrowings from the open market (₹ 12,230 crore) by the State Government. Application of these debt receipts/ borrowings has been discussed in Paragraph 2.7.1.

### 2.3.4 State's performance in mobilisation of resources

The State's performance in mobilisation of resources is assessed in terms of its own resources comprising own tax and non-tax sources.

The State's actual own tax and non-tax revenue for the year 2022-23 vis-à-vis assessment made by Fifteenth Finance Commission (15<sup>th</sup> FC) and Budget Estimates/ MTFPS are given in Table 2.15.

**Table 2.15: Tax and non-tax revenue vis-à-vis projections during 2022-23**

(₹ in crore)

| Particulars     | 15 <sup>th</sup> FC projections | Budget Estimates and MTFPS projection | Actual    | Percentage variation of actual over |                                       |
|-----------------|---------------------------------|---------------------------------------|-----------|-------------------------------------|---------------------------------------|
|                 |                                 |                                       |           | 15 <sup>th</sup> FC projections     | Budget estimates and MTFPS projection |
| Own Tax revenue | 11,026                          | 10,881.39                             | 10,595.26 | -3.91                               | -2.63                                 |
| Non-tax revenue | 4,235                           | 2,769.41                              | 2,876.33  | -32.08                              | 3.86                                  |

Source: Finance Accounts and Budget documents.

Actual own tax revenue of the State Government fell short from 15<sup>th</sup> FC projections and budget estimates by 3.91 *per cent* and 2.63 *per cent* respectively. Actual realisation of non-tax revenue also fell short by 32.08 *per cent* than the projections made by 15<sup>th</sup> FC but was higher by 3.86 *per cent* than the budget estimates.

## 2.4 Application of Resources

The State Government is vested with the responsibility of incurring expenditure within the framework of fiscal responsibility legislations, while at the same time ensuring that fiscal corrections/ consolidation processes are not at the cost of expenditure directed towards development. The application of resources is analysed in the succeeding paragraphs with regard to growth and composition of expenditure, revenue expenditure, committed expenditure and financial assistance to local bodies and other institutions.

### Growth and composition of expenditure

**Revenue Expenditure:** Charges on maintenance, repair, upkeep and working expenses, which are required to maintain the assets in a running order as also all other expenses incurred for the day-to-day running of the organisation, including establishment and administrative expenses shall be classified as revenue expenditure.

**Capital Expenditure:** All charges for the first construction of a project as well as charges for intermediate maintenance of the work while not opened for service and also charges for such further additions and improvements as may be sanctioned under the rules made by competent authority shall be classified as capital expenditure.

**Loans and Advances:** Loans and advances by the Government to Public Sector Undertakings (PSU) and other parties.

Trends of overall expenditure and its components are shown in **Table 2.16** and **Chart 2.9**.

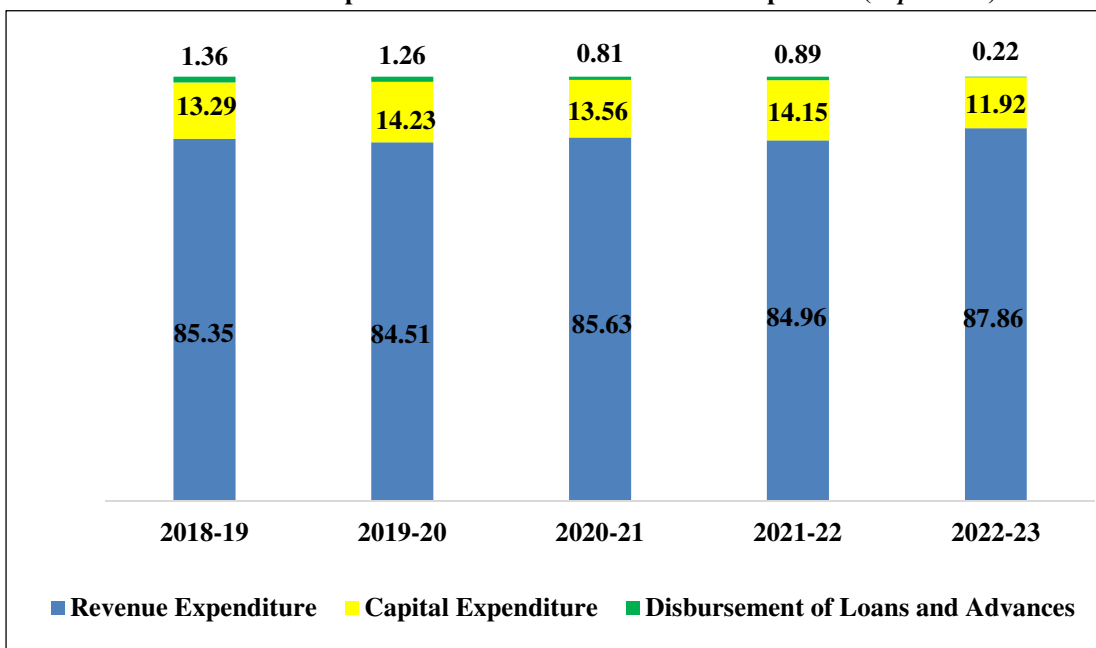
**Table 2.16: Total expenditure and its composition**

(₹ in crore)

| Parameters                     | 2018-19          | 2019-20          | 2020-21               | 2021-22               | 2022-23               |
|--------------------------------|------------------|------------------|-----------------------|-----------------------|-----------------------|
| <b>Total Expenditure (TE)</b>  | <b>34,493.50</b> | <b>36,362.55</b> | <b>39,164.26</b>      | <b>42,601.89</b>      | <b>50,564.72</b>      |
| Revenue Expenditure (RE)       | 29,442.11        | 30,730.43        | 33,534.93             | 36,194.54             | 44,425.26             |
| Capital Expenditure (CE)       | 4,583.41         | 5,173.91         | 5,309.21              | 6,029.38              | 6,028.89              |
| Loans and Advances disbursed   | 467.98           | 458.21           | 320.12                | 377.97                | 110.57                |
| GSDP at current prices         | 1,48,383         | 1,59,164         | 1,55,251 <sup>a</sup> | 1,76,269 <sup>b</sup> | 1,95,405 <sup>c</sup> |
| <b>As a percentage of GSDP</b> |                  |                  |                       |                       |                       |
| TE/GSDP                        | 23.25            | 22.85            | 25.23                 | 24.17                 | 25.88                 |
| RE/GSDP                        | 19.84            | 19.31            | 21.60                 | 20.53                 | 22.73                 |
| CE/GSDP                        | 3.09             | 3.25             | 3.42                  | 3.42                  | 3.09                  |
| Loans and Advances/ GSDP       | 0.32             | 0.29             | 0.21                  | 0.21                  | 0.06                  |

*a - Second Revised Estimate, b - First Revised Estimate, c - Advance Estimate.*

Chart 2.9: Total Expenditure: Trends in share of its components (in per cent)



**Table 2.16** shows that total expenditure increased by ₹ 16,071.22 crore (46.59 per cent) from ₹ 34,493.50 crore in 2018-19 to ₹ 50,564.72 crore in 2022-23, which ranged between 22.85 per cent and 25.88 per cent of GSDP during the period of five years. **Chart 2.9** shows that revenue expenditure constituted the dominant proportion (85 to 88 per cent) of total expenditure. Capital expenditure on the other hand, constituted between 12 per cent and 14 per cent of total expenditure.

During the year 2022-23, revenue expenditure increased by ₹ 8,230.72 crore (22.74 per cent) from the previous year. The increase was due to enhancement in expenditure on salary, pension, etc., on account of pay revision/ implementation of Himachal Pradesh 6<sup>th</sup> Pay Commission in the State as discussed in detail in **Paragraph 2.4.1.2**.

Relative share of various sectors of expenditure during 2018-23 is depicted in **Table 2.17** and **Chart 2.10**.

**Table 2.17: Relative share of various sectors of expenditure**

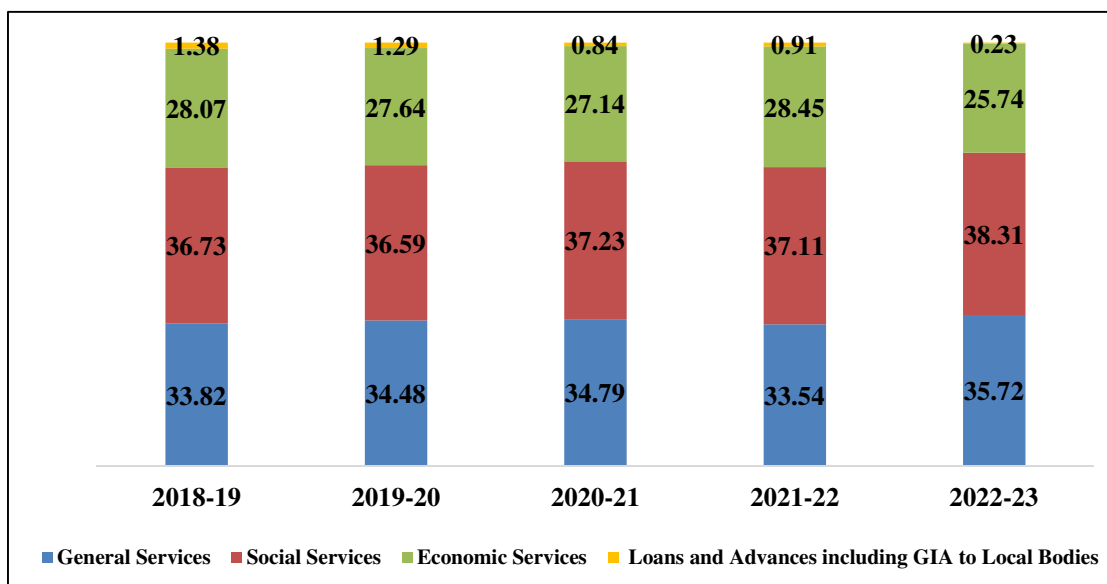
(₹ in crore)

| Parameters             | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|------------------------|---------|---------|---------|---------|---------|
| General Services       | 11,665  | 12,539  | 13,624  | 14,289  | 18,061  |
| Social Services        | 12,669  | 13,305  | 14,580  | 15,808  | 19,370  |
| Economic Services      | 9,681   | 10,050  | 10,631  | 12,119  | 13,017  |
| Grants to Local Bodies | 9.39    | 10.27   | 9.37    | 7.71    | 6.09    |
| Loans and Advances     | 467.98  | 458.21  | 320.12  | 377.97  | 110.57  |

Source: Finance Accounts.

Chart 2.10: Total expenditure - Expenditure by activities

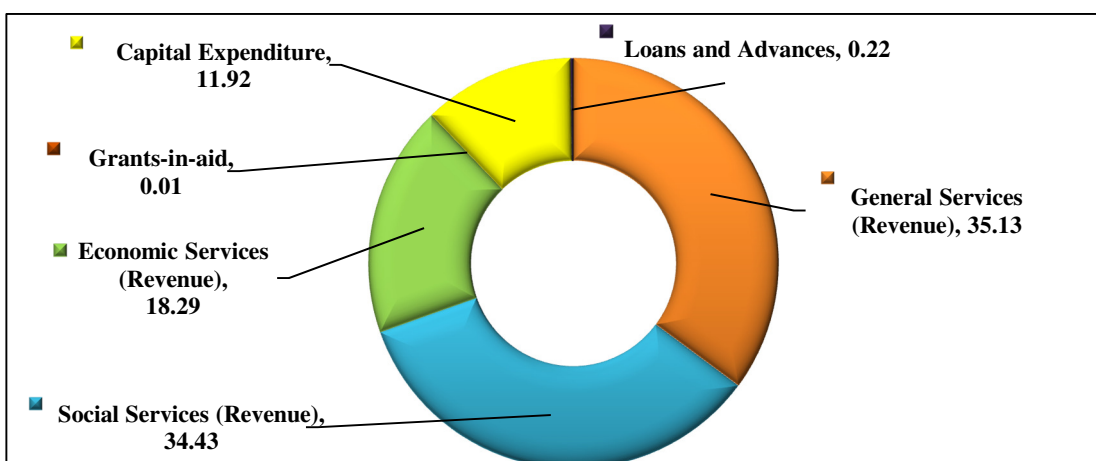
(in per cent)



Source: Finance Accounts.

**Chart 2.10** shows that the relative share of various components of expenditure in total expenditure fluctuated during the period 2018-23. The share of General Services and Social Services in total expenditure increased from 33.82 per cent and 36.73 per cent in 2018-19 to 35.72 per cent and 38.31 per cent respectively in 2022-23, while that of Economic Services decreased from 28.07 per cent to 25.74 per cent during the same period. Grants to local bodies and loans and advances also showed a decreasing trend except during 2021-22. **Chart 2.11** shows composition of expenditure by function.

Chart 2.11: Composition of expenditure by function during 2022-23 (in per cent)



Source: Finance Accounts.

#### 2.4.1 Revenue Expenditure

Revenue expenditure is incurred to maintain the current level of services and payments for past obligations. As such, it does not result in any addition to the State's infrastructure and service network. The overall revenue expenditure, its rate of growth, its ratio to total expenditure and its rate of growth *vis-à-vis* GSDP and revenue receipts during the period 2018-23 are indicated in **Table 2.18**.

**Table 2.18: Growth of revenue expenditure during 2018-23**

(₹ in crore)

| Particulars                                 | 2018-19     | 2019-20     | 2020-21                  | 2021-22                  | 2022-23                  |
|---|-------------|-------------|--------------------------|--------------------------|--------------------------|
| Total Expenditure (TE)                      | 34,493.50   | 36,362.55   | 39,164.25                | 42,601.89                | 50,564.72                |
| Revenue Expenditure (RE)                    | 29,442.11   | 30,730.43   | 33,534.93                | 36,194.54                | 44,425.26                |
| Rate of growth of RE<br>(per cent)          | 8.83        | 4.38        | 9.13                     | 7.93                     | 22.74                    |
| Revenue Expenditure as<br>percentage of TE  | 85.35       | 84.51       | 85.63                    | 84.96                    | 87.86                    |
| RE/GSDP (per cent)                          | 19.84       | 19.31       | 21.60                    | 20.53                    | 22.73                    |
| Revenue Receipts (RR)                       | 30,950.32   | 30,742.41   | 33,438.27                | 37,309.30                | 38,089.50                |
| Rate of growth of RR<br>(per cent)          | 13.09       | -0.67       | 8.77                     | 11.58                    | 2.09                     |
| RE as percentage of RR                      | 95.13       | 99.96       | 100.29                   | 97.01                    | 116.63                   |
| GSDP  | 1,48,383.27 | 1,59,164.02 | 1,55,251.20 <sup>a</sup> | 1,76,269.47 <sup>b</sup> | 1,95,404.59 <sup>c</sup> |
| Rate of growth of GSDP<br>(per cent)        | 7.10        | 7.27        | -2.46                    | 13.54                    | 10.86                    |
| <b>Buoyancy of Revenue expenditure with</b> |             |             |                          |                          |                          |
| GSDP (ratio)                                | 1.24        | 0.60        | --*                      | 0.59                     | 2.09                     |
| Revenue Receipts (ratio)                    | 0.67        | --*         | 1.04                     | 0.68                     | 10.88                    |

Source: Finance Accounts of the respective years.

a - Second Revised Estimate, b - First Revised Estimate, c - Advance Estimate.

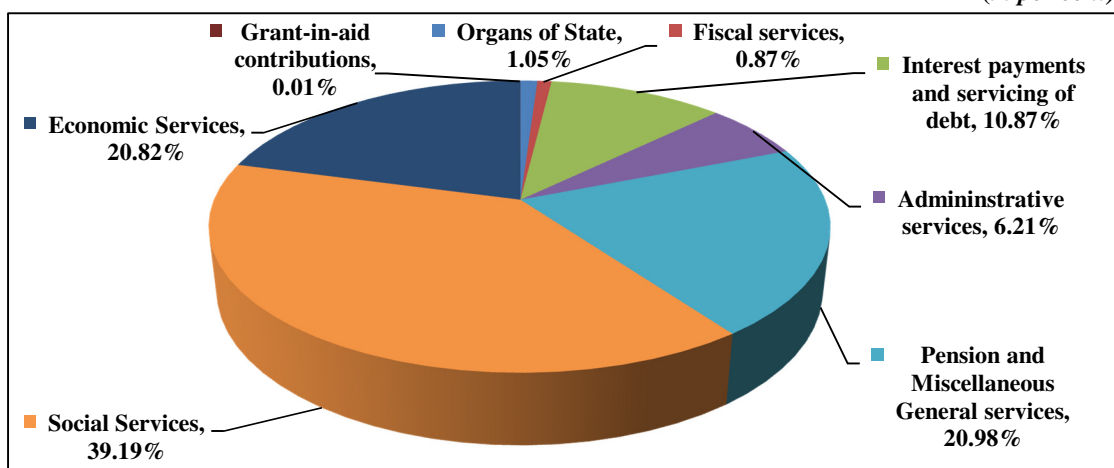
\* Buoyancy ratio was not calculated as growth rate of GSDP/RR was negative.

Revenue expenditure increased by ₹ 14,983.15 crore (50.89 per cent) during 2018-23 and by ₹ 8,230.72 crore (22.74 per cent) during 2022-23 over the previous year. On the other hand, revenue receipts of the State increased only by ₹ 780.20 crore (2.09 per cent) during the same period. The percentage of State's revenue receipts to GSDP (19.49 per cent) was lower than the percentage of revenue expenditure to GSDP (22.74 per cent) during 2022-23, which resulted in revenue deficit of ₹ 6,335.76 crore during 2022-23 which was 3.24 per cent of GSDP, against the target of 0.8 per cent revenue surplus prescribed by 15<sup>th</sup> FC. Buoyancy of revenue expenditure with reference to revenue receipts which had improved during 2021-22 (0.68 per cent), deteriorated during 2022-23 (10.88 per cent), mainly due to increase in revenue expenditure on account of revision of pay/family pension.

Revenue expenditure of ₹ 44,425.26 crore during 2022-23 was well above the projections made by the State in their Budget and MTFPS (₹ 40,278.80 crore) and normative assessment of 15<sup>th</sup> FC (₹ 32,020 crore).

The sector-wise distribution of revenue expenditure during 2022-23 is given in **Chart 2.12**.

**Chart 2.12: Sector-wise distribution of revenue expenditure during 2022-23**  
(in per cent)



Source: Finance Accounts.

#### 2.4.1.1 Major changes in Revenue Expenditure

Revenue expenditure increased substantially by ₹ 8,230.72 crore (22.74 per cent) from ₹ 36,194.54 crore in 2021-22 to ₹ 44,425.26 crore during 2022-23. Significant variations under Major Heads of Accounts with regard to revenue expenditure of the State during the current year as compared to the previous year are depicted in **Table 2.19**.

**Table 2.19: Significant variations in revenue expenditure during 2022-23 as compared to 2021-22**

| Major Heads of Account                       | 2022-23  | 2021-22  | Increase (+)/<br>Decrease (-) |
|--|----------|----------|-------------------------------|
| 2071-Pensions and Other Retirement Benefits  | 9,283.87 | 6,398.91 | 2,884.96                      |
| 2202-General Education                       | 8,494.47 | 6,592.01 | 1,902.47                      |
| 2210-Medical and Public Health               | 2,534.57 | 1,909.17 | 625.40                        |
| 2515-Other Rural Development Programmes      | 1,168.98 | 792.20   | 376.78                        |
| 2235-Social Securities and Welfare           | 1,870.56 | 1,505.29 | 365.26                        |
| 2245-Relief on Account of Natural Calamities | 685.86   | 363.00   | 322.86                        |
| 2055-Police                                  | 1,525.46 | 1,208.20 | 317.26                        |
| 2505-Rural Employment                        | 643.66   | 381.12   | 262.54                        |
| 2801-Power                                   | 1100.20  | 1,645.69 | -545.75                       |

Source: Finance Accounts of the respective years.

**Table 2.19** shows:

- increase of ₹ 2,884.96 crore under 'Pensions and Other Retirement Benefits', was mainly due to increase of ₹ 1,136.33 crore in 'Superannuation and Retirement Allowances', ₹ 390.89 crore in 'Gratuities' and ₹ 418.61 crore in 'Commuted Value of Pensions', ₹ 344.54 crore in 'Family Pensions', ₹ 211.14 crore in 'Leave Encashment Benefits' and ₹ 383.84 crore in 'Government Contribution for Defined Contribution'. This was attributed to revision of pay/family pension on account of implementation of Himachal Pradesh 6<sup>th</sup> Pay Commission;
- increase of ₹ 1,902.47 crore in 'General Education', which was primarily due to increase of ₹ 852.47 crore in 'Secondary Education', ₹ 887.84 crore in 'Elementary Education' and ₹ 138.18 crore in 'University and Higher Education';

- increase of ₹ 625.40 crore under 'Medical and Public Health', which was mainly due to increase of ₹ 184.36 crore in 'Rural Health Services - Allopathy', ₹ 168.27 crore in 'Medical Education, Training and Research', ₹ 132.03 crore in 'Public Health';
- increase of ₹ 376.78 crore under 'Other Rural Development Programmes', which was increased by ₹ 135.32 crore mainly due to more assistance to Gram Panchayats, increase of ₹ 94.73 crore in 'Special Component Plan for Scheduled Castes', increase of ₹ 53.29 crore in 'Assistance to Zila Parishad';
- increase of ₹ 365.26 crore under 'Social Security and Welfare', which was mainly due to increase of ₹ 172.22 crore in 'Pensions under Social Security Schemes', increase of ₹ 99.13 crore in 'Child Welfare', and ₹ 53.94 crore in 'Special Component plan for Scheduled Castes' which was due to revision of rates of pension to old age persons/ widows and destitute/handicapped persons;
- increase of ₹ 322.86 crore in 'Relief on account of Natural Calamities', which was primarily due to increase of ₹ 214.26 crore in 'Assistance to States from National Disaster Response Fund' and ₹ 17.80 crore in 'Transfer to Reserve Funds and Deposit Accounts- State Disaster Response Fund', which was partially offset by decrease of ₹ 94.19 crore in 'Gratuitous Relief' and ₹ 93.40 crore in 'Ex-gratia payments to bereaved families';
- increase of ₹ 317.26 crore in 'Police', which was primarily due to increase of ₹ 100.42 crore in 'State Headquarters Police', and ₹ 178.31 crore in 'District Police';
- increase of ₹ 262.54 crore under 'Rural Employment' which was mainly due to increase of ₹ 280.23 crore in 'National Rural Employment Guarantee Scheme' which was partially offset by decrease of ₹ 22.90 crore in 'Jawahar Gram Samridhi Yojana';
- decrease of ₹ 545.75 crore in Power, which was mainly due to decrease of ₹ 1,048.98 crore on clearance of 'General-800-Other Expenditure' which was partially offset by increase of ₹ 318.42 crore in 'Assistance to Electricity Boards', ₹ 156.90 crore in 'Special Component Plan for Scheduled Castes'.

#### **2.4.1.2 Committed expenditure**

The committed expenditure of the State Government on revenue account consists of interest payments; expenditure on salaries and wages and pensions. It has the first charge on Government resources.

Apart from the above, there are certain items of *inflexible expenditure* which cannot be ordinarily altered or varied or are statutorily required on an annual basis, unlike for variable transactions such as capital expenditure, etc. For example, the following items may be considered as inflexible expenditure:

- (i) Devolution to local bodies – statutory devolutions to local bodies for pay and allowances (devolution / transfer for capital expenditure).
- (ii) Statutory requirements of contribution to Reserve Funds – Contribution to Consolidated Sinking Fund (CSF), Guarantee Redemption Fund (GRF), State Disaster Mitigation / Response Fund (SDMF/SDRF), etc.

- (iii) Recoupment of Contingency Fund – Amount recouped within the year.
- (iv) Transfer of cess to reserve fund / other body, which are statutorily required.
- (v) Share contribution of CSS against the Central Fund received – Amount of State share to be transferred to SNAs / spent by the State.
- (vi) Payment of interest on the balances of the interest-bearing funds as if they could have been invested and payment of interest on public debt as charged expenditure – Interest payment.

The upward trend in committed expenditure leaves the Government with less flexibility in the development sector. Trend analysis of committed and inflexible expenditure and its components is depicted in **Table 2.20** and share of committed expenditure in revenue expenditure is shown in **Chart 2.13**.

**Table 2.20: Components of Committed and Inflexible Expenditure**

(₹ in crore)

| Components of Committed Expenditure   | 2018-19          | 2019-20          | 2020-21          | 2021-22          | 2022-23          |
|---|------------------|------------------|------------------|------------------|------------------|
| Salaries & Wages  | 11,210.42        | 11,742.23        | 11,903.67        | 12,192.52        | 15,850.87*       |
| Expenditure on Pensions   | 4,974.77         | 5,489.75         | 6,088.39         | 6,398.91         | 9,283.87         |
| Interest Payments   | 4,021.52         | 4,234.02         | 4,472.45         | 4,640.79         | 4,828.64         |
| <b>Total</b>  | <b>20,206.71</b> | <b>21,466.00</b> | <b>22,464.51</b> | <b>23,232.22</b> | <b>29,963.38</b> |
| <b>As a percentage of Revenue Receipts (RR)</b>   |                  |                  |                  |                  |                  |
| Salaries & Wages  | 36.22            | 38.20            | 35.60            | 32.68            | 41.61            |
| Expenditure on Pensions   | 16.07            | 17.86            | 18.21            | 17.15            | 24.37            |
| Interest Payments   | 12.99            | 13.77            | 13.38            | 12.44            | 12.68            |
| <b>Total</b>  | <b>65.28</b>     | <b>69.83</b>     | <b>67.19</b>     | <b>62.27</b>     | <b>78.67</b>     |
| <b>As a percentage of Revenue Expenditure (RE)</b>  |                  |                  |                  |                  |                  |
| Salaries & Wages  | 38.08            | 38.21            | 35.50            | 33.69            | 35.68            |
| Expenditure on Pensions   | 16.90            | 17.86            | 18.16            | 17.68            | 20.90            |
| Interest Payments   | 13.66            | 13.78            | 13.34            | 12.82            | 10.87            |
| <b>Total</b>  | <b>68.64</b>     | <b>69.85</b>     | <b>66.99</b>     | <b>64.19</b>     | <b>67.45</b>     |
| Non-committed RE  | 9,235.40         | 9,264.43         | 11,070.42        | 12,962.32        | 14,461.88        |
| As a percentage of RE   | 31.37            | 30.15            | 33.01            | 35.81            | 32.55            |
| As a percentage of TE   | 26.77            | 25.48            | 28.27            | 30.43            | 28.60            |
| <b>Components of Inflexible Expenditure</b>   |                  |                  |                  |                  |                  |
| Statutory devolution to local bodies  | 694.35           | 882.52           | 1,046.42         | 858.21           | 1,223.85         |
| Contribution to Reserve Funds   | 27.35            | 28.70            | 45.00            | 35.80            | 38.40            |
| Recoupment of Contingency Fund  | 0                | 0                | 0                | 0                | 0                |
| Transfer of cess to reserve fund / other body   | NA               | 116.53           | 105.71           | 132.16           | 174.94           |
| Share contribution of CSS against the Central Fund received   | NA               | NA               | NA               | 580.09           | 578.73           |
| Payment of interest on the balance of the interest-bearing funds as if they could have been invested and payment of interest on public debt as charged expenditure- Interest payment. | 0.15             | NA               | 0.06             | 0.47             | 3.73             |
| <b>Total Inflexible expenditure</b>   | <b>721.85</b>    | <b>1,027.75</b>  | <b>1,197.19</b>  | <b>1,606.73</b>  | <b>2,019.65</b>  |
| Inflexible expenditure as a percentage of Revenue Expenditure (RE)  | 2.45             | 3.34             | 3.57             | 4.44             | 4.55             |
| Subsidies   | 1,282.60         | 1,067.78         | 1,240.63         | 1,187.99         | 1,973.32         |
| Subsidies as percentage of non-committed expenditure  | 13.89            | 11.53            | 11.21            | 9.16             | 13.64            |

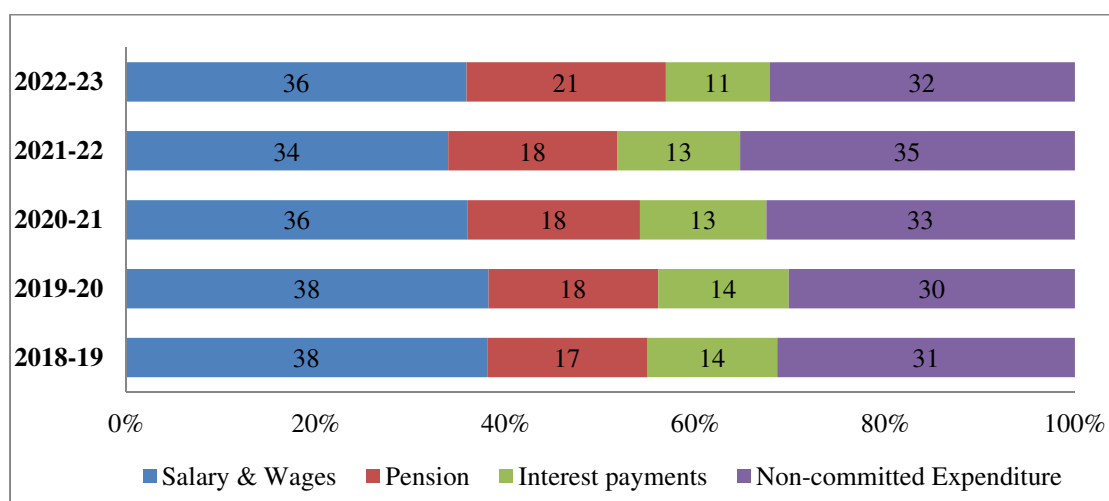
Source: Finance Accounts and SFAR of respective years, PFMS and information received from State Government.

\* Salary: ₹ 15,569.01 crore, Wages: ₹ 281.86 crore.

**Table 2.20** shows that there was a consistent rise in committed expenditure during the period 2018-23. There was a significant increase of ₹ 6,731.16 crore (28.97 per cent) during 2022-23 as compared to the previous year (2021-22). During the period 2018-19 to 2022-23, committed expenditure constituted a dominant share ranging between 64 and 70 per cent of revenue expenditure and between 62 and 79 per cent of revenue receipts. A dominant proportion of committed expenditure and subsidies from revenue expenditure and revenue receipts leaves the State Government with little flexibility for development activities.

In addition to the above, percentage of non-committed expenditure to revenue expenditure shows inter-year fluctuation ranging between 30 per cent and 35 per cent during 2018-23. Subsidies constituted a proportion ranging from nine per cent to 14 per cent of non-committed expenditure during the same period.

**Chart 2.13: Share of Committed expenditure in total Revenue Expenditure**



### Salaries and Wages

The expenditure on salaries and wages increased from ₹ 11,210.42 crore in 2018-19 to ₹ 15,850.87 crore in 2022-23. During 2022-23, it increased by ₹ 3,658.35 crore (30 per cent) over the previous year and consumed 41.61 per cent of revenue receipts and 35.68 per cent of revenue expenditure of the State. The substantial increase in salaries and wages during the current year was mainly due to revision of pay scales, pension/family pension and arrears on account of implementation of the HP 6<sup>th</sup> Pay Commission's recommendations w.e.f. 01.01.2016. The expenditure on salaries (₹ 15,569.01 crore) was substantially higher than the projections made in Medium Term Fiscal Plan Statement (MTFPS) (₹ 13,297.03 crore).

### Interest payments

Interest payments increased by 20.07 per cent from ₹ 4,021.52 crore in 2018-19 to ₹ 4,828.64 crore in 2022-23 and ₹ 187.85 crore (4.05 per cent) in 2022-23 over the previous year. Interest payments consumed 12.68 per cent of revenue receipts and 10.87 per cent of revenue expenditure. Interest on Market loans (₹ 2,671.46 crore), Small Savings, Provident Funds etc. (₹ 1,216.40 crore) continued to be the major

components of interest payments. However, interest payments were within the projections made in MTFPS (₹ 5,104.64 crore).

### **Pensions**

The expenditure on pension and other retirement benefits to State Government pensioners increased by 86.62 *per cent* from ₹ 4,974.77 crore in 2018-19 to ₹ 9,283.87 crore in 2022-23. It increased by ₹ 2,884.96 crore (45.09 *per cent*) during the current year (₹ 9,283.87 crore) over the previous year (₹ 6,398.91 crore). During 2022-23, salary and pension payments together accounted for 56.58 *per cent* of revenue expenditure. During the year, Superannuation and retirement allowances (₹ 4,662.02 crore) increased by ₹ 1,136.33 crore, Family Pensions (₹ 1,216.93 crore) increased by ₹ 344.54 crore and Commuted value of Pension (₹ 687.87 crore) increased by ₹ 418.61 crore from those in 2021-22. The expenditure on pension payments in the current year (₹ 9,283.87 crore) was substantially higher than that projected in the MTFPS (₹ 7,790.20 crore).

#### **(i) Undischarged liabilities in National Pension System**

The State Government employees recruited on or after 15<sup>th</sup> May 2003 are covered under the National Pension System (NPS) which is a Defined Contribution Pension Scheme. In terms of the Scheme, the employee contributes 10 *per cent* of his/her basic pay and dearness allowance, and 14 *per cent* (w.e.f. 01 April 2019) of basic pay and dearness allowance is contributed by the State Government; and the entire amount is to be transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/Trustee Bank.

As per the Finance Accounts 2022-23, during the year 2022-23, total contribution to the NPS was ₹ 1,782.50 crore (Employees' contribution ₹ 741.59 crore and Government's contribution: ₹ 1,040.88 crore and interest: ₹ 0.03 crore). The detailed information on government contribution is available in Statement No. 15 of the Finance Accounts. The Government contribution to Defined Contribution Pension Scheme shown under MH-8342-117 (₹ 1,040.88 crore) differs with the amount shown under Major Head 2071-01-117 (₹ 1,033.23 crore), which is due to deposit of employer share directly in Public Account by the Government on account of processing of employee work charged (EWC) cases due to court cases. The Government transferred ₹ 1,782.50 crore to the Public Account under Major Head 8342-117-Defined Contribution Pension scheme.

Further, the State Government is liable to pay interest on delayed transfer of NPS balances at the corresponding interest rates applicable to the General Provident Fund (GPF) subscribers. Thus, the State Government has created interest liability of ₹ 1.02 crore (interest calculated at the rate of 7.10 *per cent* as per interest payable to GPF) on the amount (₹ 14.30 crore on 1 April 2022 as per Finance Accounts) not transferred to NSDL; as a result, creating uncertainty in respect of benefits due, to the affected employees. This also resulted in understatement of revenue surplus and fiscal deficit to that extent, as commented in **Paragraph 1.6**.

As per the information received from the State Government, the details of the receipts from employees' share, Government's contribution, interest accrued thereon and investment in pension fund for the period 2010-23 are given in **Table 2.21**.

**Table 2.21: Details of contribution and investment under DCPS (period 2012-13 to 2022-23)**

(₹ in crore)

| Years        | Receipts         |                         |  |                 | Disbursements                 | Short transfer (-)/<br>Excess transfer (+)  |
|--------------|------------------|-------------------------|--|-----------------|-------------------------------|---|
|              | Employees' share | Government contribution | Interest   | Total           | (Transferred to Pension Fund) |   |
| 1.           | 2.               | 3.                      | 4.   | 5.<br>(2+3+4)   | 6.                            | 7.=6-5  |
| 2010-11      | 65.48            | 65.48                   | Employee and Employer contribution is invested by CRA-NSDL and there is no interest component in the investment as there is NAV on investment. | 130.96          | 130.96                        | --  |
| 2011-12      | 66.06            | 66.06                   |  | 132.12          | 132.12                        | --  |
| 2012-13      | 160.47           | 160.47                  |  | 320.94          | 320.94                        | --  |
| 2013-14      | 154.51           | 154.51                  |  | 309.02          | 309.02                        | --  |
| 2014-15      | 180.20           | 180.20                  |  | 360.40          | 360.40                        | --  |
| 2015-16      | 195.69           | 195.69                  |  | 391.38          | 391.38                        | --  |
| 2016-17      | 226.66           | 226.66                  |  | 453.32          | 453.32                        | --  |
| 2017-18      | 264.81           | 264.85                  |  | 529.66          | 529.66                        | Government contribution of ₹ 4,04,310 was paid to PRANs of NPS subscribers, as interest on legacy amount. |
| 2018-19      | 303.00           | 303.00                  |  | 606.00          | 606.00                        | --  |
| 2019-20      | 348.72           | 471.30                  |  | 820.02          | 820.02                        | --  |
| 2020-21      | 395.86           | 552.00                  |  | 947.86          | 947.86                        | --  |
| 2021-22      | 470.26           | 655.99                  |  | 1,126.25        | 1,126.25                      | --  |
| 2022-23      | 746.10           | 1,033.09                |  | 1,779.19        | 1,779.19                      | --  |
| <b>Total</b> | <b>3,577.82</b>  | <b>4,329.30</b>         | <b>7,907.12</b>  | <b>7,907.12</b> | <b>--</b>                     |   |

Source: Information received from the State Government.

During the period 2010-23, against total receipts of ₹ 7,907.12 crore (employees' share: ₹ 3,577.82 crore, State Government contribution: ₹ 4,329.30 crore), the entire amount was transferred to the pension fund.

However, Government of Himachal Pradesh has decided to withdraw from the defined contribution based National Pension System (NPS) and revert to the old pension scheme (OPS) with effect from 01.04.2023 vide Notification No. Fin (Pen) A (3)-1/2023, dated 04.05.2023, which provides a defined benefit.

### **Inflexible expenditure**

The components of Inflexible expenditure which include among others Statutory devolution to local bodies and contribution to Reserve Funds showed a continued increase during the period 2018-19 to 2022-23. As a percentage of revenue expenditure, the inflexible expenditure increased from 2.45 per cent to 4.55 per cent. Further, the inflexible expenditure (₹ 2,019.65 crore) increased by 25.70 per cent during 2022-23 over the previous year (₹ 1,606.73 crore).

#### **2.4.1.3 Subsidies**

**Table 2.22** depicts the expenditure on subsidies during the period 2018-23. The subsidies during the current year increased by ₹ 785.33 crore (66.71 per cent) from the previous year. The increase was mainly due to increase in subsidy of ₹ 624.04 crore given to Power projects.

**Table 2.22: Expenditure on subsidies during 2018-23**

| Particulars                                    | 2018-19  | 2019-20  | 2020-21  | 2021-22  | 2022-23  |
|--|----------|----------|----------|----------|----------|
| Subsidies (₹ in crore)                         | 1,282.60 | 1,067.78 | 1,240.63 | 1,187.99 | 1,973.32 |
| Power subsidy (₹ in crore)                     | 573.88   | 400.00   | 520.45   | 419.99   | 1,044.03 |
| Subsidies as percentage of Revenue Receipts    | 4.14     | 3.47     | 3.71     | 3.18     | 5.18     |
| Subsidies as percentage of Revenue Expenditure | 4.36     | 3.47     | 3.70     | 3.28     | 4.44     |
| Subsidies as percentage of Total Expenditure   | 3.72     | 2.94     | 3.17     | 2.79     | 3.90     |
| Subsidies as percentage to Revenue Deficit     | *        | *        | 1,283.50 | *        | 31.15    |
| Power subsidy as percentage to total subsidy   | 44.74    | 37.46    | 41.95    | 35.35    | 52.91    |

Source: Finance Accounts.

\* Not calculated as State had revenue surplus.

Power subsidy constituted major portion of the total subsidies ranging between 35.35 per cent and 52.91 per cent during the five-year period from 2018-19 to 2022-23. The total subsidies contributed 31.15 per cent to the revenue deficit during 2022-23.

#### 2.4.1.4 Financial assistance by the State Government to Local Bodies and Other Institutions

Assistance provided by way of grants to the local bodies and other institutions during the period 2018-19 to 2022-23 is presented in **Table 2.23**.

**Table 2.23: Financial assistance to Local Bodies and other institutions**

(₹ in crore)

| Financial Assistance to Institutions   | 2018-19  | 2019-20         | 2020-21         | 2021-22         | 2022-23         |
|--|--|-----------------|-----------------|-----------------|-----------------|
| <b>Local Bodies</b>  |  |                 |                 |                 |                 |
| Municipal Corporations and Municipalities                                    | 487.99   | 456.22          | 814.58          | 800.71          | 903.04          |
| Panchayati Raj Institutions  | 1,026.07   | 1,053.39        | 1,176.07        | 1,148.28        | 1,753.44        |
| <b>Total (A)</b>   | <b>1,514.06</b>                                  | <b>1,509.61</b> | <b>1,990.65</b> | <b>1,948.99</b> | <b>2,656.48</b> |
| <b>Others</b>  |  |                 |                 |                 |                 |
| Educational Institutions (Aided Schools, Aided Colleges, Universities, etc.) | 951.22   | 1,020.83        | 944.59          | 1,031.74        | 1,157.21        |
| Development Authorities  | 143.68   | 99.16           | 238.37          | 331.69          | 330.42          |
| Hospitals and Other Charitable Institutions                                  | 337.38   | 439.71          | 458.23          | 673.60          | 671.32          |
| Other Institutions   | 687.61   | 437.17          | 931.27          | 994.78          | 1031.51         |
| <b>Total (B)</b>   | <b>2,119.89</b>                                  | <b>1,996.87</b> | <b>2,572.46</b> | <b>3,031.81</b> | <b>3,190.46</b> |
| <b>Total (A+B)</b>   | <b>3,633.95</b>                                  | <b>3,506.48</b> | <b>4,563.11</b> | <b>4,980.80</b> | <b>5,846.94</b> |
| <b>GIA on Salary</b>   | 1,203.69   | 1,324.53        | 1,507.74        | 1,687.79        | 1,736.31        |
| <b>GIA for creation of Capital assets</b>                                    | 834.23   | 844.73          | 1,039.73        | 833.26          | 1,376.62        |
| <b>GIA for non-salary</b>  | 1,596.04   | 1,337.25        | 2,015.70        | 2,459.75        | 2,734.01        |
| <b>GIA given in kind</b>   | Information not provided by the State Government |                 |                 |                 |                 |
| Revenue Expenditure  | 29,442.11  | 30,730.43       | 33,534.93       | 36,194.54       | 44,425.26       |
| Financial assistance as percentage of Revenue Expenditure                    | 12.34  | 11.41           | 13.61           | 13.76           | 13.16           |

Source: Finance Accounts and information received from PAG (A&E).

During the current year, financial assistance to local bodies and other institutions increased by ₹ 866.14 crore (17.39 per cent) over the previous year. The increase was mainly due to increase in assistance to Panchayati Raj Institutions (₹ 605.16 crore: 52.70 per cent), Educational Institutions (Aided Schools, Aided Colleges, Universities,

etc.) (₹ 125.47 crore: 12.16 per cent), Municipal Corporations and Municipalities (₹ 102.33 crore: 12.78 per cent), etc.

The financial assistance given for creation of Capital assets, salary and non-salary purpose during 2022-23 increased over the previous year. It was further noted that assistance for creation of capital assets, salary and non-salary components had continuously shown an increasing trend during the last five years (except for the year 2019-20 under non-salary and 2021-22 under capital assets). The GIA for creation of capital assets increased (by ₹ 543.36 crore: 65.21 per cent) during 2022-23 over the previous year. Moreover, the average growth rate of financial assistance for creation of capital assets was highest (25.14 per cent) followed by non-salary (18.74 per cent) and salary (7.59 per cent) during 2018-23.

Major recipients of financial assistance are shown in **Table 2.24**.

**Table 2.24: Major recipients of financial assistance during the year 2022-23**

(₹ in crore)

| Recipients  | Name of schemes  | Amount |
|---|--|--------|
| Director, Rural Employment  | Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGA)      | 515.23 |
| Managing Director, Road Transport   | Assistance to Transport Services   | 336.29 |
| Director, Crop Husbandry  | Horticulture Development Project   | 248.97 |
| Director, Family Welfare  | Provision for NRHM under Major Head 2211                                 | 238.77 |
|   | India COVID-19 emergency response and health system preparedness package | 167.20 |
| Director, Secondary Education, Shimla                                     | Samagra Shiksha Abhiyan  | 231.96 |
| Director, Elementary Education, Shimla                                    | Samagra Shiksha Abhiyan  | 220.21 |
|   | Smart City Mission Dharamshala   | 201.00 |
|   | Strengthening teaching learning and results for state (stars project)    | 194.58 |
| Director, Other Rural Development Programme (Panchayati Raj Institutions) | Grants to Zila Parishads under 5 <sup>th</sup> State Finance Commission  | 193.40 |
|   | Performance grant to Panchayat Samitis under Central Finance Commission  | 190.18 |
| Project Director, Medical and Public Health                               | National Health Mission  | 168.16 |
| Managing Director, Labour Employment and Skill Development                | Himachal Pradesh Kaushal Vikas Nigam                                     | 166.29 |

## 2.4.2 Capital Expenditure

Capital expenditure is primarily expenditure on creation of fixed infrastructure assets such as roads, buildings, etc. Capital expenditure, in both the Centre and the State, is being met from budgetary support and extra budgetary resources/ off-budget borrowings. It also includes investments made by the State Government in companies/corporations. Trend of capital expenditure in the State over the last five years i.e., 2018-23, is given in **Chart 2.14**.

Chart 2.14: Trend of Capital Expenditure as per cent of Total Expenditure during 2018-23

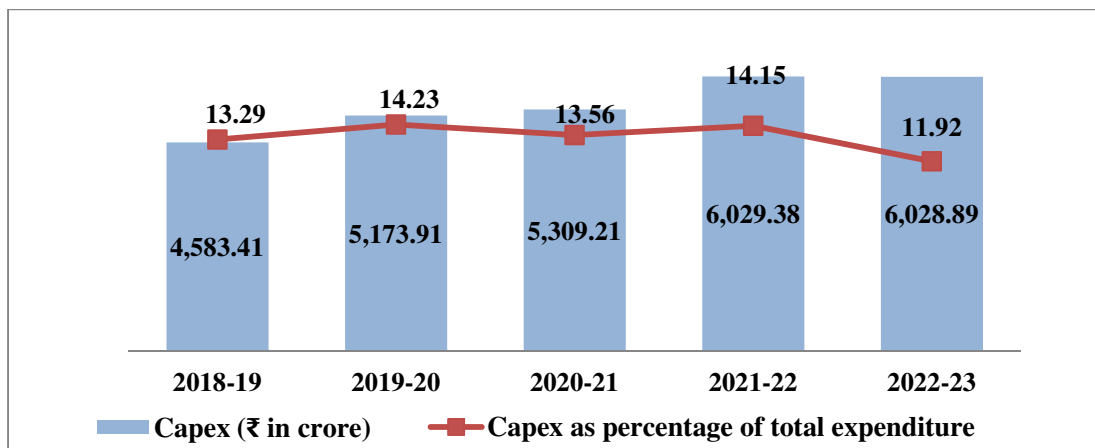


Chart 2.14 shows that capital expenditure fluctuated over the last five-year period. It increased by ₹ 1,445.48 crore (31.54 per cent) from ₹ 4,583.41 crore in 2018-19 to ₹ 6,028.89 crore in 2022-23. During the current year (2022-23), capital expenditure remained almost static over the previous year. Capex constituted 12 per cent to 14 per cent of total expenditure over the last five-year period (2018-23).

Besides, the State Government also gave Grants-in-aid of ₹ 4,928.57 crore during the period 2018-23 for creation of assets which is considered as part of Revenue Expenditure (as shown in Table 2.23).

#### 2.4.2.1 Major changes in capital expenditure

Major changes in capital expenditure during 2022-23 compared to 2021-22 are depicted in Table 2.25.

Table 2.25: Capital expenditure during 2022-23 compared to 2021-22

(₹ in crore)

| Major Heads of Accounts                                   | 2021-22 | 2022-23 | Increase (+)/<br>Decrease (-) |
|---|---------|---------|-------------------------------|
| 4210-Capital Outlay on Medical and Public Health          | 293.80  | 551.64  | 257.83                        |
| 4217-Capital Outlay on Urban Development                  | 61.48   | 139.46  | 77.99                         |
| 4851-Capital Outlay on Village and Small Industries       | 122.73  | 198.28  | 75.55                         |
| 4202-Capital Outlay on Education, Sports, Art and Culture | 488.72  | 411.24  | -77.48                        |
| 5475-Capital Outlay on other General Economic Services    | 330.52  | 247.18  | -83.34                        |
| 4059-Capital Outlay on Public Works                       | 274.33  | 185.78  | -88.56                        |
| 4215-Capital Outlay on Water Supply and Sanitation        | 1011.89 | 812.04  | -199.85                       |

Capital expenditure remained almost static i.e., ₹ 6,029.38 crore in 2021-22 as compared to 2022-23 (₹ 6,028.89 crore). During the year 2022-23, capital expenditure decreased mainly on Water Supply and Sanitation (₹ 199.85 crore); Public Works (₹ 88.56 crore); other General Economic Services (₹ 83.34 crore), etc., and this decrease was counterbalanced by increase in Capital Outlay on Medical and Public Health (₹ 257.83 crore) and Urban Development (₹ 77.99 crore), etc.

#### 2.4.2.2 Quality of capital expenditure

This section presents an analysis of investments and other capital expenditure undertaken by the Government during the current year.

**(i) Quality of investments in the companies, corporations and other bodies**

Investments made and loans given to companies and corporations which are loss making and that where net worth has completely eroded, affect quality of capital expenditure. Return on investment in share capital invested in Public Sector Undertakings (PSUs) and history of repayment of loans given to various bodies are important determinants of quality of capital expenditure.

As per the latest financial accounts, total paid up capital of 27 working SPSEs stood at ₹ 5,242.51 crore at the end of 2022-23, of which the State Government's investment (equity) was ₹ 3,881.93 crore (74.05 per cent) (Appendix 2.3).

Twelve SPSEs (excluding two SPSEs i.e., one inactive and one under liquidation) in which the State Government held investment of ₹ 3,779.16 crore had aggregate accumulated losses of ₹ 4,901.51 crore (Appendix 2.4).

Of the above 12 SPSEs, net worth of seven SPSEs had completely eroded and had become negative. The net worth of these seven SPSEs was ₹ (-)1,867.35 crore against equity investment of ₹ 2,066.95 crore in them as on 31 March 2023. In two out of these seven SPSEs whose capital had eroded, Government loan outstanding as on 31 March 2023 amounted to ₹ 3,072.19 crore (Appendix 2.4).

**(ii) Investment and returns**

Trends of return on investment in companies, corporations, and cooperative banks and societies, difference between cost of Government borrowings and return on investments are depicted in Table 2.26.

**Table 2.26: Details of Investment and return on Investment**

| Investment/ Return/ cost of Borrowing   | 2018-19  | 2019-20  | 2020-21  | 2021-22  | 2022-23  |
|---|----------|----------|----------|----------|----------|
| Investments at the end of the year (₹ in crore)   | 3,848.83 | 4,261.06 | 4,562.40 | 4,913.00 | 5,333.57 |
| Return (₹ in crore)   | 181.91   | 248.44   | 245.43   | 166.53   | 180.90   |
| Return (per cent)   | 4.73     | 5.83     | 5.38     | 3.39     | 3.39     |
| Average rate of interest on government borrowings (per cent)  | 8.32     | 7.98     | 7.59     | 7.51     | 6.74     |
| Difference between interest rate and return (per cent)  | 3.59     | 2.15     | 2.21     | 4.12     | 3.35     |
| Notional loss due to difference between interest on Government borrowings and return on investment (₹ in crore) # | 138.31   | 91.59    | 100.86   | 202.42   | 178.58   |

Source: Finance Accounts.

# Investment at the end of year X Difference between interest rate and return.

During 2022-23, the return on investment was ₹ 180.90 crore (3.39 per cent). The return on these investments ranged between 3.39 per cent and 5.83 per cent during 2018-23, while the average rate of interest paid by the State Government on its borrowings was between 6.74 per cent and 8.32 per cent during the same period. Out of total investment of ₹ 5,333.57 crore as on 31 March 2023, investment of

₹ 4,617.53 crore (86.58 per cent) was in five<sup>2</sup> companies. During 2022-23, Satluj Jal Vidyut Nigam contributed more than 90 per cent (₹ 163.50 crore) of total return. Over the past five years, the difference between cost of Government borrowings and return on investments in PSUs was to the tune of ₹ 702.93 crore.

### (iii) Reconciliation of Government Investments with Accounts of Companies

The figures of Government investments as equity in State Public Sector Enterprises (SPSEs) should agree with those appearing in the accounts of SPSEs. Reconciliation of figures is necessary to figure out the differences in accounts of SPSEs and Finance Accounts of the State Government. Scrutiny of both the accounts revealed that as per Finance Accounts, Government investment as equity in 26 SPSEs was ₹ 4,047.26 crore whereas as per records of SPSEs it was ₹ 3,881.04 crore. There was a difference of ₹ 166.22 crore (Appendix 2.5). Reconciliation should be carried out in a time bound manner to explain the difference.

### (iv) Loans and advances by State Government

In addition to the investments in co-operative societies, corporations and companies, the State Government has also been providing loans and advances to many institutions/organisations. Table 2.27 presents the position of outstanding loans and advances as on 31 March 2023 and interest receipts vis-à-vis interest payments by the State Government on its borrowings during the last five years.

**Table 2.27: Quantum of loans disbursed and recovered during 2018-23**

(₹ in crore)

| Quantum of loans/interest receipts/ cost of borrowings  | 2018-19         | 2019-20         | 2020-21         | 2021-22         | 2022-23         |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| Opening Balance of the loans outstanding*   | 6,507.18        | 6,953.33        | 7,390.49        | 7,687.59        | 8,024.83        |
| Amount advanced during the year   | 467.98          | 458.21          | 320.12          | 377.97          | 110.57          |
| Amount recovered during the year  | 21.83           | 21.03           | 23.02           | 40.73           | 82.79           |
| <b>Closing Balance of the loans outstanding*</b>  | <b>6,953.33</b> | <b>7,390.49</b> | <b>7,687.59</b> | <b>8,024.83</b> | <b>8,052.61</b> |
| Net addition  | 446.15          | 437.17          | 297.09          | 337.24          | 27.78           |
| Interest received   | 272.15          | 135.11          | 248.98          | 97.72           | 15.44           |
| Interest rate on Loans and Advances given by the Government (per cent)                          | 4.18            | 1.94            | 3.37            | 1.24            | 0.19            |
| Interest payments as per cent to outstanding fiscal liabilities of the previous year (per cent) | 7.88            | 7.80            | 7.19            | 6.91            | 6.99            |
| Difference between the rate of interest paid and interest received (per cent)                   | 3.70            | 5.86            | 3.82            | 5.64            | 6.80            |

Source: Finance Accounts.

\* From 2016-17 onwards, closing and opening balance includes ₹ 2,890.50 crore of loans given to DISCOM under UDAY Scheme.

<sup>2</sup> Satluj Jal Vidyut Nigam Ltd. (₹ 1,098.14 crore), Himachal Pradesh Power Transmission Corporation Ltd. (₹ 422.50 crore), Himachal Pradesh Power Corporation (₹ 1,003.21 crore), Himachal Pradesh State Electricity Board Ltd. (₹ 869.64 crore) and Himachal Road Transport Corporation (₹ 1,224.07 crore).

During 2022-23, an amount of ₹ 110.57 crore was advanced as loans against ₹ 377.97 crore during the previous year. The major portion of loans amounting to ₹ 98.54 crore (98.12 per cent) was given to Power sector only. Loans amounting to ₹ 764.48 crore were outstanding at the beginning of the year against Power sector. Over the last 10 years, repayment of earlier loans was not made by the Public Sector and Other Undertakings under Power sector. However, further loans are being extended continuously to Power sector without recovery of earlier loans.

During the current year (2022-23), recovery of ₹ 82.79 crore was made, which was the highest in the last five years, mainly due to repayment of loans (₹ 76.25 crore) by Cooperative societies (Cooperation Department).

**(v) Capital locked in incomplete projects**

An assessment of trends in capital blocked in incomplete capital works would also indicate quality of capital expenditure. Blocking of funds in incomplete projects/ works impinges negatively on the quality of expenditure and deprives the State of the intended benefits for prolonged periods. Further, the funds borrowed for implementation of these projects during the respective years lead to extra burden in terms of servicing of debt and interest liabilities. Details of age-wise and department-wise incomplete projects, which were to be completed upto 2022-23 are shown in **Tables 2.28** and **2.29** respectively.

| Year of commencement | No. of incomplete projects | Estimated cost  | Expenditure (as on 31 March 2023) |
|----------------------|----------------------------|-----------------|-----------------------------------|
| Up to 2015           | 28                         | 780.05          | 700.73                            |
| 2016                 | 7                          | 160.11          | 142.45                            |
| 2017                 | 9                          | 94.92           | 46.97                             |
| 2018                 | 9                          | 55.89           | 40.97                             |
| 2019                 | 1                          | 5.44            | 2.69                              |
| 2021                 | 2                          | 22.63           | 1.41                              |
| 2022                 | 4                          | 34.18           | 13.28                             |
| 2023                 | 7                          | 122.34          | 5.34                              |
| <b>Total</b>         | <b>67</b>                  | <b>1,275.56</b> | <b>953.85</b>                     |

| Department            | No. of incomplete projects | Estimated cost  | Expenditure (as on 31 March 2023) |
|-----------------------|----------------------------|-----------------|-----------------------------------|
| I&PH                  | 39                         | 917.19          | 815.64                            |
| PWD (Bridges & Roads) | 28                         | 358.37          | 138.21                            |
| <b>Total</b>          | <b>67</b>                  | <b>1,275.56</b> | <b>953.85</b>                     |

Source: Finance Accounts.

The expenditure of ₹ 953.85 crore incurred on 67 incomplete projects was yet to yield the intended benefits. Out of 67 incomplete projects, 28 projects on which expenditure of ₹ 700.73 crore had been incurred till 31.03.2023, pertained to the period prior to the year 2015.

Delay in completion of projects not only adversely affected the quality of expenditure but also deprived the State of intended benefits and economic growth.

### 2.4.2.3 Resource availability of the State under Public Private Partnership Projects

Public Private Partnership (PPP) is an arrangement between the government or statutory entity and a private sector entity, to provide a framework that enables them to work together to meet the rising demand of the public for infrastructure development. Details of PPP projects (completed, ongoing and planned) as on 31 March 2023 are given in **Appendix 2.6**, and sector-wise details of PPP projects are given in **Table 2.30**.

**Table 2.30: Sector-wise details of PPP projects**

(₹ in crore)

| Sr. No.      | Sector               | Completed |                 | Ongoing   |                 | Planned   |                 |
|--------------|----------------------|-----------|-----------------|-----------|-----------------|-----------|-----------------|
|              |                      | Number    | Estimated Cost* | Number    | Estimated Cost* | Number    | Estimated Cost* |
| 1.           | Urban Infrastructure | 7         | 124.00          | 9         | 383.00          | 4         | --              |
| 2.           | Energy               | 33        | 141.01          | 13        | 50.72           | 49        | 53.13           |
| 3.           | Social               | 4         | 115.00          | 0         | 0               | 0         | 0               |
| 4.           | Tourism              | 3         | 177.00          | 6         | 680.00          | 2         | --              |
| 5.           | Others               | 0         | 0               | 2         | 13.00           | 2         | --              |
| <b>Total</b> |                      | <b>47</b> | <b>557.01</b>   | <b>30</b> | <b>1,126.72</b> | <b>57</b> | <b>53.13</b>    |

Source: Departmental figures.

\* Project(s) for which cost is not known has(have) not been included in the Estimated Cost.

### 2.4.3 Expenditure priorities

Enhancing human development levels requires the States to step up expenditure on key social services like education, health, etc. Low fiscal priority (ratio of expenditure under a category to aggregate expenditure) can be said to be attached to a particular sector if the allocation is below the respective national average. The higher the ratio of these components to total expenditure, the better the quantity of expenditure.

**Table 2.31** analyses expenditure priorities of the State Government in comparison with North Eastern & Himalayan (NE&H) States, with regard to aggregate expenditure, expenditure on Education and Health sectors and capital expenditure during 2022-23, taking 2018-19 as base year.

**Table 2.31: Expenditure priority of the State in 2018-19 and 2022-23**

(in per cent)

| Fiscal priority of the State                      | TE/ GSDP | CE/ TE | Education/ TE | Health/ TE |
|---|----------|--------|---------------|------------|
| North Eastern & Himalayan (NE&H) States (2018-19) | 27.30    | 16.11  | 17.70         | 6.48       |
| Himachal Pradesh (2018-19)                        | 23.25    | 14.64  | 17.48         | 6.49       |
| North Eastern & Himalayan (NE&H) States (2022-23) | 27.24    | 15.52  | 15.77         | 6.95       |
| Himachal Pradesh (2022-23)                        | 25.88    | 12.14  | 17.66         | 7.34       |

Note: TE-Total expenditure and CE-Capital Expenditure (includes Loans and advances disbursed).

**Table 2.31** shows that:

- The State Government's total expenditure as proportion of GSDP, increased from 23.25 per cent in 2018-19 to 25.88 per cent in 2022-23 whereas for North Eastern & Himalayan (NE&H) States (2018-19) it remained almost static during the same period.
- Capital expenditure facilitates asset creation which generates opportunities for higher growth. The ratio of capital expenditure to total expenditure decreased to

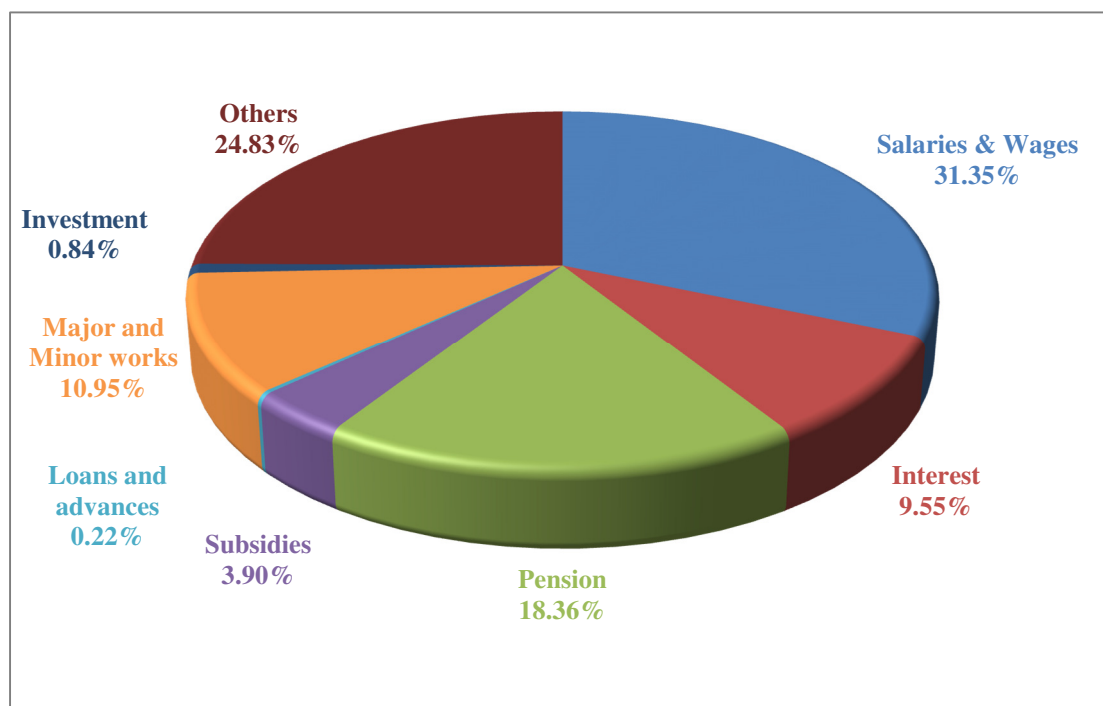
11.92 per cent in 2022-23 from 13.29 per cent in 2018-19. This ratio for NE&H States also decreased from 16.11 per cent to 15.52 per cent during the same period.

- The ratio of expenditure on education to total expenditure in Himachal Pradesh increased slightly from 17.48 per cent in 2018-19 to 17.66 per cent in 2022-23 whereas it decreased from 17.70 per cent to 15.77 per cent in the case of NE&H States during the same period.
- The ratio of expenditure on health to total expenditure in Himachal Pradesh increased slightly from 6.49 per cent in 2018-19 to 7.34 per cent in 2022-23 and in the case of NE&H States, it also increased slightly from 6.48 per cent to 6.95 per cent during the same period.

#### **2.4.4 Object head-wise expenditure**

Object head-wise expenditure gives information about the object/ purpose of the expenditure. Details of object head-wise expenditure for the year 2022-23 are provided in **Chart 2.15**.

**Chart 2.15: Object head-wise expenditure**



Source: Finance Accounts.

#### **2.5 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. The Government acts as a banker in respect of these. The balance after disbursements during the year is the fund available with the Government for use for various purposes.

### 2.5.1 Net Public Account balances

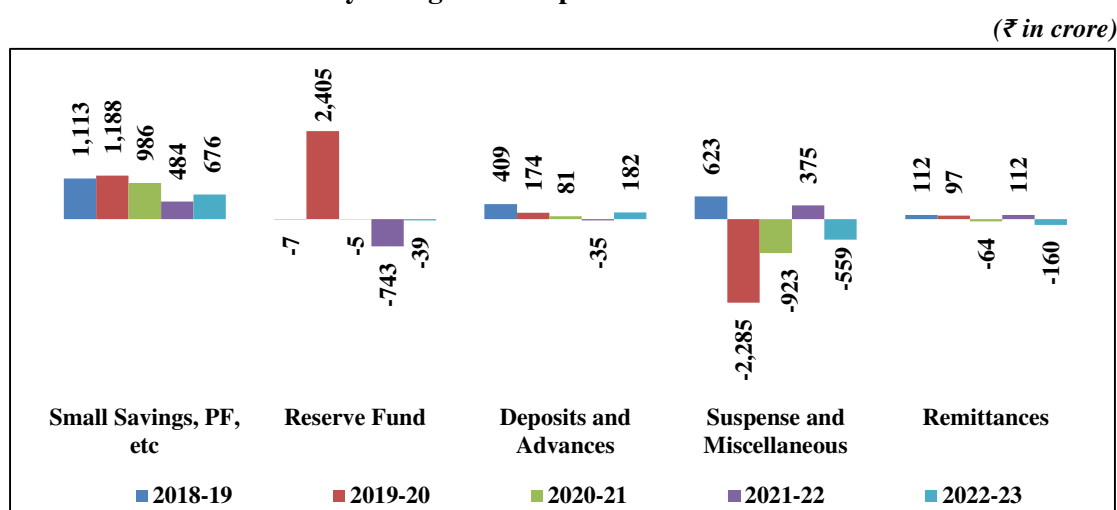
The component-wise net balances in Public Account of the State is given in **Table 2.32** and yearly changes in composition of Public Account balances are depicted in **Chart 2.16**.

**Table 2.32: Component-wise net balances in Public Account**

|  |  | (₹ in crore)     |                  |                  |                  |                  |
|--|--|------------------|------------------|------------------|------------------|------------------|
| Sector   | Sub-Sector   | 2018-19          | 2019-20          | 2020-21          | 2021-22          | 2022-23          |
| <b>I.-Small Savings, Provident Funds, etc.</b> | Small Savings, Provident Funds, etc.               | 14,349.53        | 15,537.13        | 16,522.64        | 17,006.28        | 17,682.25        |
|  | <b>Total (I)</b>                                   | <b>14,349.53</b> | <b>15,537.13</b> | <b>16,522.64</b> | <b>17,006.28</b> | <b>17,682.25</b> |
| <b>J.-Reserve Funds</b>                        | (a) Reserve Funds bearing Interest                 | 1.00             | 1,887.65         | 1,882.54         | 1,657.90         | 1,664.27         |
|  | (b) Reserve Funds not bearing Interest             | 316.60           | 834.66           | 834.66           | 316.00           | 270.44           |
|  | <b>Total (J)</b>                                   | <b>317.60</b>    | <b>2,722.31</b>  | <b>2,717.20</b>  | <b>1,973.90</b>  | <b>1,934.71</b>  |
| <b>K.-Deposits and Advances</b>                | (a) Deposits bearing Interest                      | -1.41            | -1.64            | 7.66             | 14.30            | 17.39            |
|  | (b) Deposits not bearing Interest                  | 3,208.52         | 3,382.45         | 3,454.50         | 3,412.87         | 3,591.61         |
|  | (c) Advances                                       | -0.53            | -0.51            | -0.51            | -0.51            | -0.51            |
|  | <b>Total (K)</b>                                   | <b>3,206.58</b>  | <b>3,380.30</b>  | <b>3,461.65</b>  | <b>3,426.66</b>  | <b>3,608.49</b>  |
| <b>L.-Suspense and Miscellaneous</b>           | (a) Suspense                                       | 74.12            | -1,330.44        | -1,539.83        | -292.98          | 224.94           |
|  | (b) Other Accounts                                 | -101.91          | -982.25          | -1,696.28        | -2,568.27        | -3,645.37        |
|  | (c) Accounts with Governments of Foreign Countries | --               | --               | --               | --               | --               |
|  | (d) Miscellaneous                                  | --               | --               | --               | --               | --               |
|  | <b>Total (L)</b>                                   | <b>-27.79</b>    | <b>-2,312.69</b> | <b>-3,236.11</b> | <b>-2,861.25</b> | <b>-3,420.43</b> |
| <b>M.-Remittances</b>                          | (a) Money Orders, and other Remittances            | 509.19           | 612.45           | 546.02           | 653.51           | 494.02           |
|  | (b) Inter-Governmental Adjustment Account          | 0.31             | -6.16            | -4.11            | -0.01            | -0.06            |
|  | <b>Total (M)</b>                                   | <b>509.50</b>    | <b>606.29</b>    | <b>541.91</b>    | <b>653.50</b>    | <b>493.96</b>    |
| <b>Grand Total</b>                             |  | <b>18,355.42</b> | <b>19,933.34</b> | <b>20,007.29</b> | <b>20,199.09</b> | <b>20,298.98</b> |

Source: Finance Accounts.

**Chart 2.16: Yearly changes in composition of Public Account balances**



Source: Finance Accounts of respective years.

## 2.5.2 Reserve Funds

Reserve Funds are created for specific and defined purposes under the Public Account of the State Government. These funds are met from contributions or grants from the Consolidated Fund or from outside agencies. It comprises interest bearing reserve funds and reserve funds not bearing interest.

Details of Reserve Funds are available in Statements 21 and 22 of the Finance Accounts. There were three interest bearing funds and four Reserve Funds not bearing interest as on 31 March 2023. The fund balances lying in these Reserve Funds as on 31 March 2023 are given in **Table 2.33**.

**Table 2.33: Details of Reserve Fund**

(₹ in crore)

| Sr. No.            | Name of Reserve Fund                      | Balance as on 31 March 2023 |
|--------------------|---|-----------------------------|
| <b>A</b>           | <b>Reserve Funds bearing Interest</b>     | <b>1,664.27</b>             |
| 1                  | State Disaster Response Fund              | 55.55                       |
| 2                  | State Compensatory Afforestation Fund     | 1,566.68                    |
| 3                  | State Disaster Mitigation Fund            | 42.04                       |
| <b>B</b>           | <b>Reserve Funds not bearing Interest</b> | <b>270.44</b>               |
| 1                  | Industrial Development Funds              | 0.16                        |
| 2                  | Electricity Development Funds             | 254.32                      |
| 3                  | National Disaster Response Fund           | 15.97                       |
| 4                  | Consumer Welfare                          | --*                         |
| <b>Grand Total</b> |   | <b>1,934.71</b>             |

Source: Finance Accounts.

\* ₹ 0.07 lakh only.

### 2.5.2.1 Consolidated Sinking Fund

In terms of the recommendations of the Twelfth Finance Commission, State Governments were required to create Consolidated Sinking Fund to be administered by the Reserve Bank of India for redemption of outstanding liabilities. As per model Consolidated Sinking Fund scheme, circulated by RBI's guidelines of 2006 for voluntary adoption by the States, the State Government was to make minimum annual contributions to the Fund at the rate of 0.5 per cent of the outstanding liabilities at the end of the previous financial year.

As per the above directions, by the end of the year 2022-23 the State Government was required to contribute 0.5 per cent of the outstanding liabilities as on 31 March 2022. The outstanding liabilities of the State Government, as of 31 March 2022, was ₹ 73,534.80 crore. Thus, the State Government was required to contribute a minimum amount of ₹ 367.67 crore (0.5 per cent of ₹ 73,534.80 crore) in 2022-23 into the fund.

However, the State Government had not created the Consolidated Sinking Fund so far.

### 2.5.2.2 State Disaster Response Fund

The Government of India (GoI) replaced the erstwhile Calamity Relief Fund with the State Disaster Response Fund (SDRF) with effect from 1 April 2010. In terms of the guidelines of SDRF (September 2010, July 2015 and January 2022), the Centre and the

State Governments are required to contribute to the Fund in the proportion of 90:10. The contributions are to be transferred under the Public Account to Major Head – 8121. Expenditure during the year is incurred by operating Major Head – 2245.

The State Governments are required to pay interest to the SDRF at the rate applicable to overdrafts under Overdraft Regulation Guidelines of the RBI. The interest is to be credited on a half yearly basis. The accretions to the SDRF together with the income earned on the investment of SDRF is to be invested in Central Government dated Securities, auctioned Treasury Bills and other interest earning deposits with Scheduled Commercial Banks.

The SDRF is to be used only for meeting expenditure for providing immediate relief to the victims of a disaster and provision for disaster preparedness, restoration, reconstruction and mitigation should not be a part of SDRF. Such expenditure has to be built into the normal budgetary heads/State Plan Funds, etc.

As per Finance Accounts, as on 1 April 2022, an amount of ₹ 49.79 crore was lying in the SDRF. During the year 2022-23, ₹ 380.80 crore (Central share: ₹ 342.40 crore, State share: ₹ 38.40 crore) were transferred to the SDRF under Major Head 8121-122. Out of the total amount of ₹ 430.59 crore, ₹ 375.04 crore was disbursed/ utilised during the current year leaving a balance of ₹ 55.55 crore at the end of the year. The entire balance of ₹ 55.55 crore in SDRF was lying un-invested as on 31 March 2023, in violation of GoI guidelines *ibid*.

The balances of 31 March 2022 of ₹ 49.79 crore under SDRF were also not invested by the State Government. Interest of ₹ 3.73 crore (interest calculated at the rate of 7.49 per cent by taking into account of average rate of overdraft during 2022-23) would have been earned had these balances been invested, which resulted in understatement of revenue surplus and fiscal deficit to that extent. Details of expenditure charged to SDRF during 2022-23 are given in **Table 2.34**.

**Table 2.34: Details of expenditure charged to SDRF during 2022-23**

| (₹ in crore)   |  |             |
|--|--|-------------|
| Major Head of Account  | Minor Head of Account  | Expenditure |
| <b>2245- Relief on Account of Natural Calamities 02- Floods, Cyclones, etc.</b>      | 101-Gratuitous Relief  | 20.76       |
|  | 102-Drinking Water Supply  | 3.00        |
|  | 104-Supply of Fodder   | 0.25        |
|  | 106-Repairs and restoration of damaged roads and bridges                         | 209.96      |
|  | 109-Repairs and restoration of damaged water supply, drainage and sewerage works | 143.74      |
|  | 111-Ex-gratia payments to bereaved families                                      | 72.41       |
|  | 113-Assistance for repairs/ reconstruction of Houses                             | 10.97       |
|  | 114-Assistance to Farmers for Purchase of Agri inputs                            | 1.00        |
|  | 193-Assistance to Local Bodies and other Non-Government Bodies/Institutions      | 61.97       |
|  | <b>Total</b>   |             |
| <b>2245- Relief on Account of Natural Calamities 05-State Disaster Response Fund</b> | 901- Deduct - Amount met from State Disaster Response Fund                       | -573.66     |
| Expenditure charged to SDRF in violation of SDRF guidelines                          |  | 552.90      |

Source: Finance Accounts.

As per the SDRF guidelines, only the amount booked under 2245-02-101 is admissible expenditure to be met from SDRF. Hence, expenditure of ₹ 552.90 crore out of ₹ 573.66 crore met from SDRF was in contravention of the guidelines.

### **2.5.2.3 State Disaster Mitigation Fund**

The State Disaster Mitigation Fund (SDMF) is to be constituted under Section 48 (1) (c) of the Disaster Management Act, 2005. This Fund is exclusively for the purpose of mitigation project in respect of disaster covered under State Disaster Response Fund (SDRF)/National Disaster Response Fund (NDRF) guidelines and the State specific local disaster notified by the State Government from time to time. The State Government has created the SDMF (under Major Head- '8121 General and Other Reserve Funds' which is under interest bearing section) vide Notification No. Fin-G-C (2) 05/2022, dated 27.02.2023.

During the year 2022-23, the State Government received ₹ 42.80 crore from the Central Government (received on 31 March 2023). The State share during the year was ₹ 4.80 crore. During 2022-23, the State Government transferred ₹ 90.80 crore (Central Share ₹ 81.80 crore and State Share ₹ 9.00 crore) pertaining to the year 2021-22 in the designated fund under Major Head 8121-130 (SDMF). However, the State Government did not transfer the amount of ₹ 47.60 crore (Central share: ₹ 42.80 crore and State share: ₹ 4.80 crore) received during 2022-23 to the designated fund/ head under Public Account. This resulted in understatement of revenue and fiscal deficits.

### **2.5.2.4 Guarantee Redemption Fund**

Guarantee Redemption Fund is to be constituted for meeting payment obligations arising out of guarantees issued by the Government in respect of bonds and other borrowings by State Public Sector Undertakings or other Bodies and invoked by beneficiaries. The accumulations in the Fund are to be utilised only towards payment of guarantees issued by the Government and not paid by the institutions on whose behalf guarantee was issued. The Reserve Bank of India circulated a draft scheme (August 2001) for voluntary adoption by States, as per which the State Government was to contribute an amount equivalent to at least 0.5 *per cent* of the outstanding guarantees at the end of the second financial year preceding the current financial year as reflected in the books of accounts maintained by the Pr. Accountant General (A&E). The State Government, however, had not set up a Guarantee Redemption Fund so far.

The outstanding amount of guarantees at the close of the financial year 2022-23 was ₹ 1,780.64 crore. In case of default, by a PSU or other body, the State Government will have to bear the expenditure from other available resources in absence of Guarantee Redemption Fund, putting more stress on the finances. However, the outstanding guarantee accounted for five *per cent* of the total revenue receipts of the previous year (2021-22) of the State, which was within the limit of the target 40 *per cent* of the total revenue receipts of the previous year as prescribed in the FRBM Act.

### 2.5.2.5 State Compensatory Afforestation Fund

State Compensatory Afforestation Fund (SCAF) was required to be created for administering amounts received and utilising monies collected for undertaking compensatory afforestation, assisted natural regeneration, conservation and protection of forests, infrastructure development, wildlife conservation and protection and other related activities and for matters connected therewith or incidental thereto. Detailed guidelines for accounting under this Fund have been issued by Ministry of Environment, Forest and Climate Change, Government of India in November 2018.

During the year 2022-23, the State Government received ₹ 0.01 crore (no amount was received in the previous year) from the user agencies and remitted to the National fund. The Government also had not received any amount from National Compensatory Afforestation Deposit during 2021-22 and 2022-23. The State Government credited total interest of ₹ 53.87 crore under Major Head 8121 on balances available under SCAF along with interest of ₹ 1.71 crore on unspent money lying with *Ad hoc* CAMPA. The total balance in the State Compensatory Afforestation Fund as on 31 March 2023 was ₹ 1,566.68 crore.

### 2.5.2.6 Central Road and Infrastructure Fund

The erstwhile Central Road Fund (CRF) has been renamed as the Central Road and Infrastructure Fund (CRIF) vide GoI's Gazette notification dated 31.03.2018. The CRIF will be used for development and maintenance of National Highways, Railway projects, improvement of safety in Railways, State and Rural roads and other infrastructure, etc.

In terms of the extant accounting procedure, the grants received by the State from the Centre are to be initially booked as revenue receipts under Major Head 1601. Thereafter, the amount so received is to be transferred by the State Government to the Public Account under Major Head 8449-103- Subventions from Central Road and Infrastructure Fund through functional Major Head(s).

During the year 2022-23, the State Government received grants of ₹ 169.05 crore towards CRIF. Since the State Government has not created "Subventions from Central Road and Infrastructure Fund", hence no fund was transferred from the functional Major Head(s) to the designated fund so far.

### 2.5.3 Suspense and Miscellaneous

During 2022-23, an amount of ₹ 0.20 crore (Capital Expenditure: ₹ 0.20 crore) has been kept in Suspense Account in the books of the Pr. Accountant General (A&E) as the expenditure has been incurred without notifying the scheme in the Budget. Thus, the said amount has not been taken into account as capital expenditure in the Finance Accounts and actual expenditure in the Appropriation Accounts for the year 2022-23.

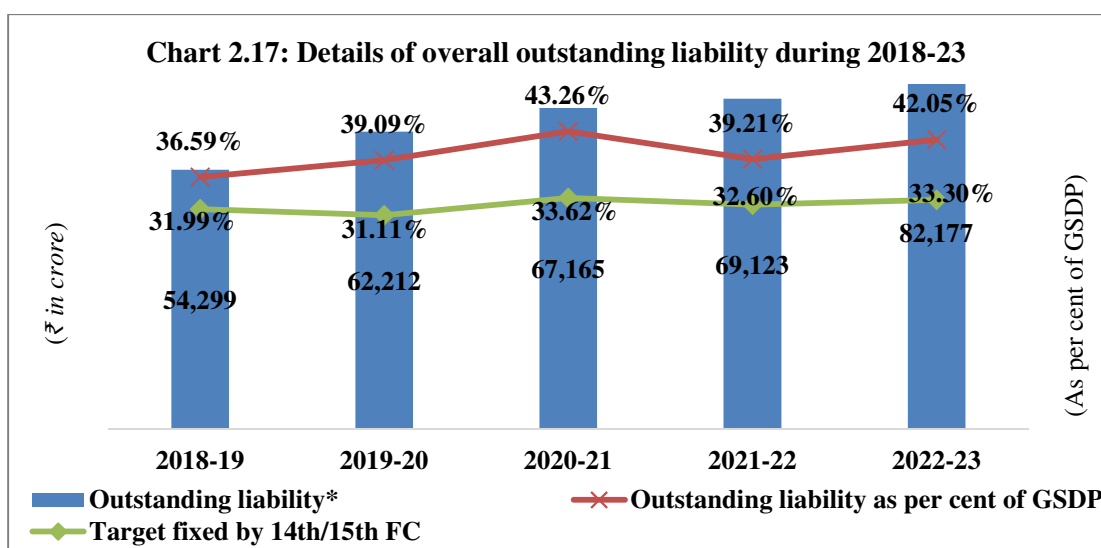
Further, an amount of ₹ 448.61 crore of OB suspense of previous years (₹ 157.51 crore of 2019-20, ₹ 212.64 crore of 2020-21 and ₹ 78.46 crore of 2021-22) has been cleared during 2022-23 and booked under respective head of accounts (Revenue Expenditure: ₹ 268.69 crore and Capital Expenditure: ₹ 179.92 crore). Thus, revenue expenditure/capital expenditure in the Finance Accounts and actual expenditure in the Appropriation

Accounts against the budget provisions for the year 2022-23 are overstated to that extent.

## 2.6 Public Liability Management

Management of public liability is the process of establishing and executing a strategy for managing the Government's liabilities in order to raise the required amount of funding, achieve its risk and cost objectives, and to meet any other sovereign debt management goals that the Government may have set through enactment or budget announcements.

The year-wise position of overall outstanding liability for the period 2018-19 to 2022-23 is given in **Chart 2.17**.



\* Total outstanding liabilities and ratio of total outstanding debt to GSDP excludes ₹ 1,717 crore for the year 2020-21 and ₹ 4,412.22 crore (2020-21: ₹ 1,717 crore and 2021-22: ₹ 2,695.22 crore) for the years 2021-22 and 2022-23 as back-to-back loans to State from GoI in lieu of GST compensation shortfall.

### 2.6.1 Liability profile: Components

Total liability of the State Government consists of Internal Debt of the State (Market Loans, Ways and Means Advances from RBI, Special Securities issued to National Small Savings Fund and Loans from Financial Institutions, etc.), Loans and Advances from the Central Government, and Public Account Liabilities. The outstanding fiscal liabilities of the State for the year 2022-23 are presented in **Chart 2.18**. The component-wise liability trends of the State for the five-year period from 2018-19 to 2022-23 are shown in **Table 2.35**.

**Table 2.35: Component-wise liability trends**

|         |   | (₹ in crore)     |                  |                  |                  |                  |
|---------|---|------------------|------------------|------------------|------------------|------------------|
| Sr. No. | Components of fiscal liability                                | 2018-19          | 2019-20          | 2020-21          | 2021-22          | 2022-23          |
|         | <b>Outstanding Total Liability* as of 31 March 2023 (1+2)</b> | <b>54,299.19</b> | <b>62,211.84</b> | <b>67,164.75</b> | <b>69,122.58</b> | <b>82,177.21</b> |
| 1.      | <b>Public Debt</b>  |                  |                  |                  |                  |                  |
|         | (a) Internal Debt   | 35,363.18        | 39,527.77        | 42,918.21        | 44,376.03        | 55,975.16        |
|         | (b) Loans from GoI  | 1,061.77         | 1,043.81         | 1,544.54         | 2,339.19         | 2,976.09         |
| 2.      | <b>Public Account Liabilities</b>                             | <b>17,874.24</b> | <b>21,640.26</b> | <b>22,702.00</b> | <b>22,407.36</b> | <b>23,225.96</b> |
|         | Small Savings, Provident Funds, etc.                          | 14,349.53        | 15,537.13        | 16,522.64        | 17,006.28        | 17,682.25        |

| Sr. No.  | Components of fiscal liability                             | 2018-19   | 2019-20   | 2020-21               | 2021-22               | 2022-23               |
|--|--|-----------|-----------|-----------------------|-----------------------|-----------------------|
|  | Outstanding Total Liability* as of 31 March 2023 (1+2)     | 54,299.19 | 62,211.84 | 67,164.75             | 69,122.58             | 82,177.21             |
|  | Reserve Funds bearing Interest                             | 1.00      | 1,887.65  | 1,882.54              | 1,657.90              | 1,664.27              |
|  | Reserve Funds not bearing Interest                         | 316.60    | 834.66    | 834.66                | 316.00                | 270.44                |
|  | Deposits bearing Interest                                  | -1.41     | -1.63     | 7.66                  | 14.30                 | 17.39                 |
|  | Deposits not bearing Interest                              | 3,208.52  | 3,382.45  | 3,454.50              | 3,412.88              | 3,591.61              |
| 3.   | Rate of growth of outstanding total liability (percentage) | 6.41      | 14.57     | 7.96                  | 2.91                  | 18.89                 |
| 4.   | Gross State Domestic Product (GSDP)                        | 1,48,383  | 1,59,164  | 1,55,251 <sup>a</sup> | 1,76,269 <sup>b</sup> | 1,95,405 <sup>c</sup> |
| 5.   | Total liability/GSDP (per cent)                            | 36.59     | 39.09     | 43.26                 | 39.21                 | 42.05                 |
| <b>Borrowings and Other Liabilities (as per Statement 6 of Finance Accounts)</b> |  |           |           |                       |                       |                       |
| 6.   | Total Public Debt Receipts                                 | 6,427.41  | 10,847.39 | 15,032.21             | 6,639.75              | 22,371.82             |
| 7.   | Total Public Debt Repayments                               | 4,673.34  | 6,700.75  | 11,141.05             | 4,387.28              | 10,135.80             |
| 8.   | Net funds available (6-7)                                  | 1,754.07  | 4,146.64  | 3,891.16              | 2,252.47              | 12,236.02             |
| 9.   | Repayments/ Receipts (per cent) (7/6)                      | 72.71     | 61.77     | 74.11                 | 66.08                 | 45.31                 |
| 10.  | Net Public Account Receipts                                | 1,514.64  | 3,766.01  | 1,061.75              | -294.64               | 818.61                |
| 11.  | Total Debt Available (8+10)                                | 3,268.71  | 7,912.65  | 4,952.91              | 1,957.83              | 13,054.63             |
| 12.  | Total Expenditure against Budget                           | 42,469    | 45,528    | 53,139                | 50,130                | 63,463                |
| 13.  | Repayment as a percentage of Budget                        | 11.00     | 14.72     | 20.97                 | 8.75                  | 15.97                 |

Source: Finance Accounts of the respective years.

\* Excludes ₹ 1,717 crore (2020-21) and ₹ 4,412.22 crore (2020-21: ₹ 1,717 crore and 2021-22: ₹ 2,695.22 crore) for the year 2021-22 and 2022-23 as back-to-back loans to State from GoI in lieu of GST compensation shortfall.

a - Second Revised Estimate, b - First Revised Estimate, c - Advance Estimate.

The outstanding total liability of the State increased by ₹ 27,878.02 crore from ₹ 54,299.19 crore in 2018-19 to ₹ 82,177.21 crore (excluding ₹ 4,412.22 crore as back-to-back loan in 2020-22 from GoI to State in lieu of GST compensation shortfall) in 2022-23 registering an increase of 51.34 per cent during 2018-23. Over the period of five years (2018-23), Internal debt of the State (which mainly included outstanding long term loans raised from open market, bonds issued for clearing debts of State Power Corporation Limited in compliance with the implementation of Ujwal Discom Assurance Yojna (UDAY)) during 2016-17 increased by ₹ 20,611.98 crore (58 per cent); Loans from GoI (which mainly included Block loans) increased by ₹ 1,914.32 crore (180 per cent); and Public Account Liability (which mainly included Small Savings, Provident Funds, Reserve Funds, Deposits, etc.) increased by ₹ 5,351.72 crore (30 per cent).

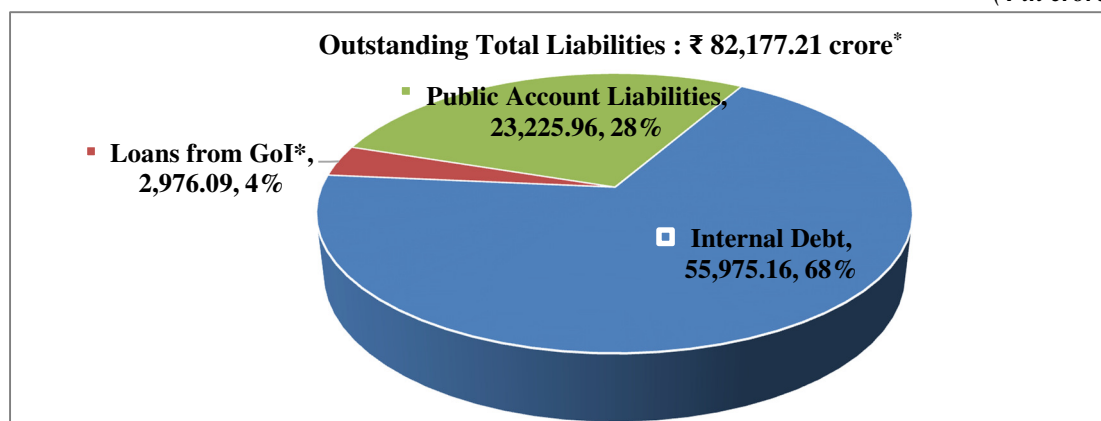
As shown in the table above, the percentage of debt repayments to debt receipts ranged between 45.31 per cent to 74.11 per cent. During the period 2018-23, an average of 64 per cent of debt receipt was used for repayment. This means that the State Government used only 36 per cent (average) of debt receipts on developmental activities except in 2022-23 when it was used for revenue expenditure as well. During 2018-23, the percentage of debt repayments to budget provision ranged between 8.75 per cent and 20.97 per cent (average rate of 14.28 per cent). Details of utilisation of borrowed funds is shown in **Paragraph 2.7.1**.

During 2022-23, total liability increased by 18.89 per cent as compared to 2.91 per cent in the previous year. The ratio of total liability to GSDP increased from 36.59 per cent in 2018-19 to 42.05 per cent in 2022-23 and increased by 2.84 per cent during 2022-23 over the previous year (39.21 per cent in 2021-22). The total liability/ GSDP ratio (42.05 per cent) was substantially higher than that of 15<sup>th</sup> FC projections (33.30 per cent) and targets set by State Government in its Budget/ MTFPS (40.49 per cent). Debt receipts ranging from 45.31 per cent to 74.11 per cent were used for making repayment of past obligations during the period 2018-19 to 2022-23.

Break-up of outstanding total liabilities at the end of 2022-23 is shown in **Chart 2.18**.

**Chart 2.18: Break-up of outstanding total liabilities at the end of 31 March 2023**

(₹ in crore)

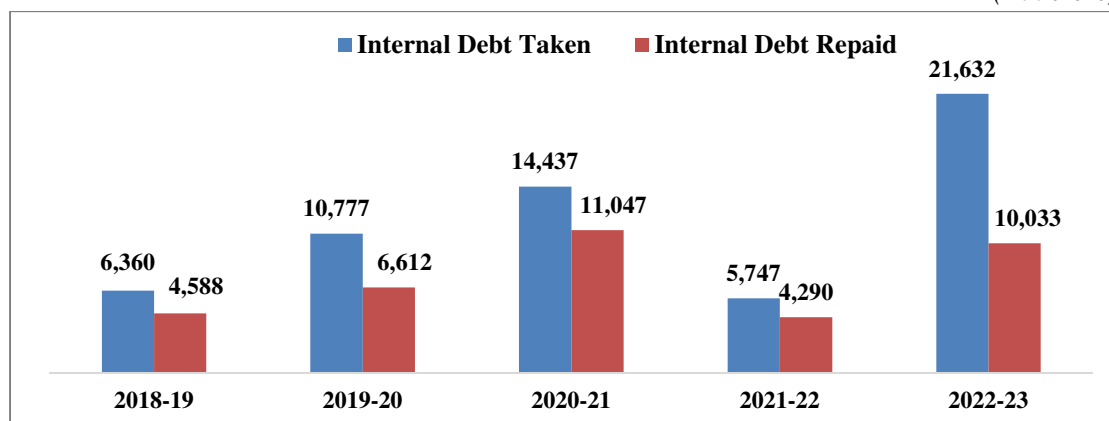


\* Excludes ₹ 1,717 crore (2020-21) and ₹ 4,412.22 crore (2020-21: ₹ 1,717 crore and 2021-22: ₹ 2,695.22 crore) for the years 2020-22 as back-to-back loans to State from GoI in lieu of GST compensation shortfall.

**Chart 2.19** depicts the quantum of internal debt taken vis-à-vis repaid during the period of five years i.e. 2018-23.

**Chart 2.19: Year-wise details of internal debt taken vis-à-vis repaid**

(₹ in crore)



Source: Finance Accounts of the respective years.

Internal debt of the State Government (yearly) increased by ₹ 15,272 crore (240.13 per cent) from ₹ 6,360 crore in 2018-19 to ₹ 21,632 crore in 2022-23. It increased by ₹ 15,885 crore (276.41 per cent) during 2022-23 over the previous year mainly due to substantial increase in market borrowings. An amount of ₹ 3,476.91 crore was paid toward interest on internal debt during 2022-23.

**Table 2.36** depicts financing pattern of the fiscal deficit during 2018-23 and the financing of fiscal deficit during 2022-23 is expressed through a chart (**Chart 2.20**).

**Table 2.36: Components of fiscal deficit and its financing pattern**

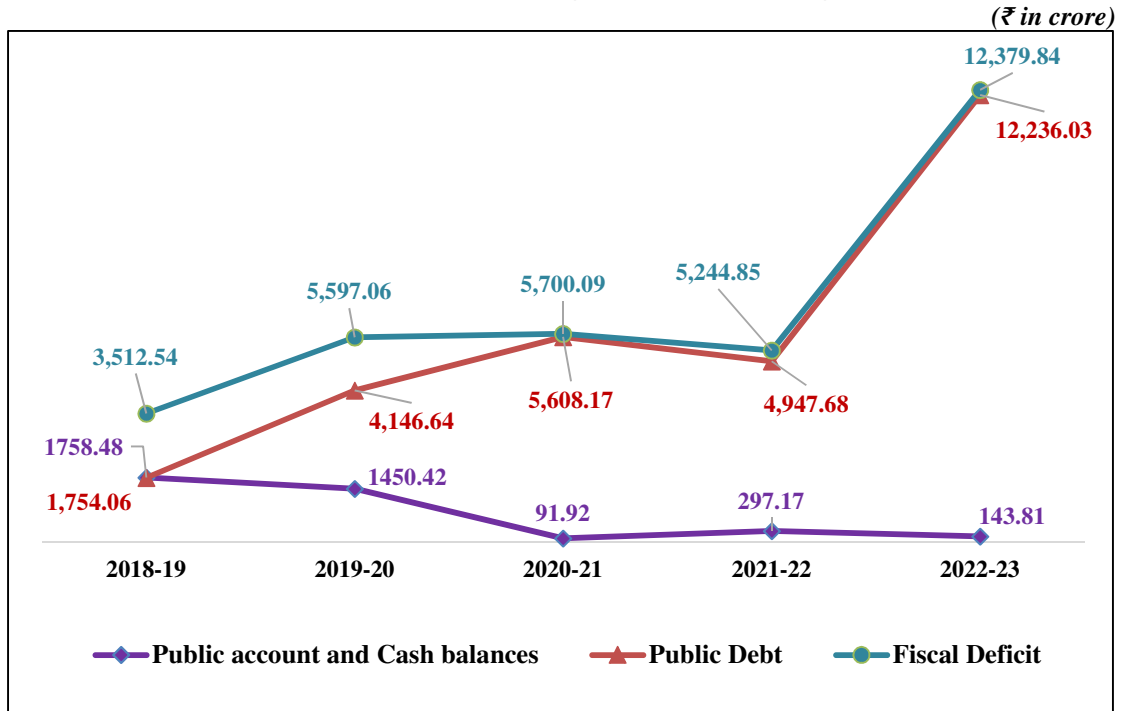
| Particulars                                 |  | (₹ in crore)    |                 |                 |                 |                  |
|---|--|-----------------|-----------------|-----------------|-----------------|------------------|
| Composition of Fiscal Deficit               |  | 2018-19         | 2019-20         | 2020-21         | 2021-22         | 2022-23          |
| A   | Revenue surplus (+)/deficit (-)              | 1,508.21        | 11.98           | -96.66          | 1,114.76        | -6,335.76        |
| B   | Net Capital Expenditure                      | -4,574.59       | -5,171.87       | -5,306.33       | -6,022.37       | -6,016.30        |
| C   | Net Loans and Advances                       | -446.16         | -437.17         | -297.10         | -337.24         | -27.78           |
| <b>Financing Pattern of Fiscal Deficit*</b> |  |                 |                 |                 |                 |                  |
| 1   | Market Borrowings                            | 2,108.10        | 4,460.00        | 3,755.00        | 1,874.99        | 12,230.00        |
| 2   | Loans from GoI                               | -17.65          | -17.95          | 2,217.73*       | 3,489.87*       | 636.90           |
| 3   | Special Securities Issued to NSSF            | -538.25         | -569.10         | -569.10         | -569.10         | -569.10          |
| 4   | Loans from Financial Institutions            | 201.86          | 273.69          | 204.54          | 151.92          | -61.78           |
| 5   | Small Savings, Provident Fund, etc.          | 1,113.14        | 1,187.60        | 985.51          | 483.65          | 675.96           |
| 6   | Deposits and Advances                        | 408.91          | 173.71          | 81.35           | -34.99          | 181.83           |
| 7   | Suspense and Miscellaneous                   | 1.08            | -1,404.92       | -209.39         | 1,246.84        | 517.94           |
| 8   | Remittances                                  | 112.25          | 96.80           | -64.38          | 111.59          | -159.55          |
| 9   | Reserve Fund                                 | -7.43           | 2,404.71        | -5.11           | -743.30         | -39.18           |
| 10  | <b>Overall Deficit</b>                       | <b>3,382.01</b> | <b>6,604.54</b> | <b>6,396.15</b> | <b>6,011.47</b> | <b>13,413.02</b> |
| 11  | Increase (-) / Decrease (+) in cash balances | 130.53          | -1,007.48       | -696.06         | -766.62         | -1,033.18        |
| 12  | <b>Gross Fiscal Deficit</b>                  | <b>3,512.54</b> | <b>5,597.06</b> | <b>5,700.09</b> | <b>5,244.85</b> | <b>12,379.84</b> |

Source: Finance Accounts.

All these figures are net of disbursements/outflows during the year.

\* Includes ₹ 1,717 crore (2020-21) and ₹ 2,695.22 crore (2021-22) as back-to-back loans to State from GoI in lieu of GST compensation shortfall.

**Chart 2.20: Trends of financing fiscal deficit during 2018-23**



The fiscal deficit of ₹ 12,379.84 crore in 2022-23 was largely financed through public debt which included market borrowings, loans from financial institutions and through public account including Small Savings, etc. as depicted in **Table 2.37**.

**Table 2.37: Receipts and Disbursements under components financing the fiscal deficit**  
(₹ in crore)

| Particulars                           | Receipt          | Disbursement     | Net              |
|---------------------------------------|------------------|------------------|------------------|
| 1 Market Borrowings                   | 14,000.00        | 1,770.00         | 12,230.00        |
| 2 Loans from GOI                      | 739.83           | 102.93           | 636.90           |
| 3 Special Securities issued to NSSF   | 0                | 569.10           | -569.10          |
| 4 Loans from Financial Institutions   | 845.15           | 906.93           | -61.78           |
| 5 Small Savings, PF, etc.             | 3,633.27         | 2,957.31         | 675.96           |
| 6 Deposits and Advances               | 5,946.22         | 5,764.39         | 181.83           |
| 7 Suspense and Miscellaneous          | 1,569.93         | 1,052.00         | 517.94           |
| 8 Remittances                         | 8,178.73         | 8,338.28         | -159.55          |
| 9 Reserve Fund                        | 741.45           | 780.63           | -39.18           |
| <b>10 Overall Deficit</b>             | <b>35,654.58</b> | <b>22,241.57</b> | <b>13,413.02</b> |
| 11 Increase/ Decrease in cash balance | 2,522.86         | 3,556.04         | -1,033.18        |
| <b>12 Gross Fiscal Deficit</b>        | <b>38,177.44</b> | <b>25,797.61</b> | <b>12,379.84</b> |

Source: Finance Accounts.

## 2.6.2 Debt profile: Maturity and Repayment

Debt maturity and repayment profile indicates commitment on the part of the Government for debt repayment or debt servicing. Debt maturity profile of the State is depicted in **Table 2.38** and **Chart 2.21**.

**Table 2.38: Maturity Profile of repayment of Public debt of the State**

| Period of repayment (Years) | Amount (₹ in crore)     |                  |  | Percentage (w.r.t. Total Public Debt) |
|-----------------------------|-------------------------|------------------|--|---------------------------------------|
|                             | Public Debt (Principal) | Interest #       | Total Public Debt (Principal + Interest) |                                       |
| 0-1                         | 3,480.83                | 4,340.13         | 7,820.96                                 | 8.75                                  |
| 1-3                         | 8,239.62                | 7,848.19         | 16,087.81                                | 18.01                                 |
| 3-5                         | 9,071.31                | 6,535.89         | 15,607.20                                | 17.47                                 |
| 5-7                         | 8,988.85                | 5,157.26         | 14,146.11                                | 15.83                                 |
| 7-10                        | 14,031.17               | 5,085.95         | 19,117.12                                | 21.40                                 |
| Above 10                    | 13,071.00               | 3,497.00         | 16,568.00                                | 18.54                                 |
| <b>Total</b>                | <b>56,882.78*</b>       | <b>32,464.42</b> | <b>89,347.20</b>                         |                                       |

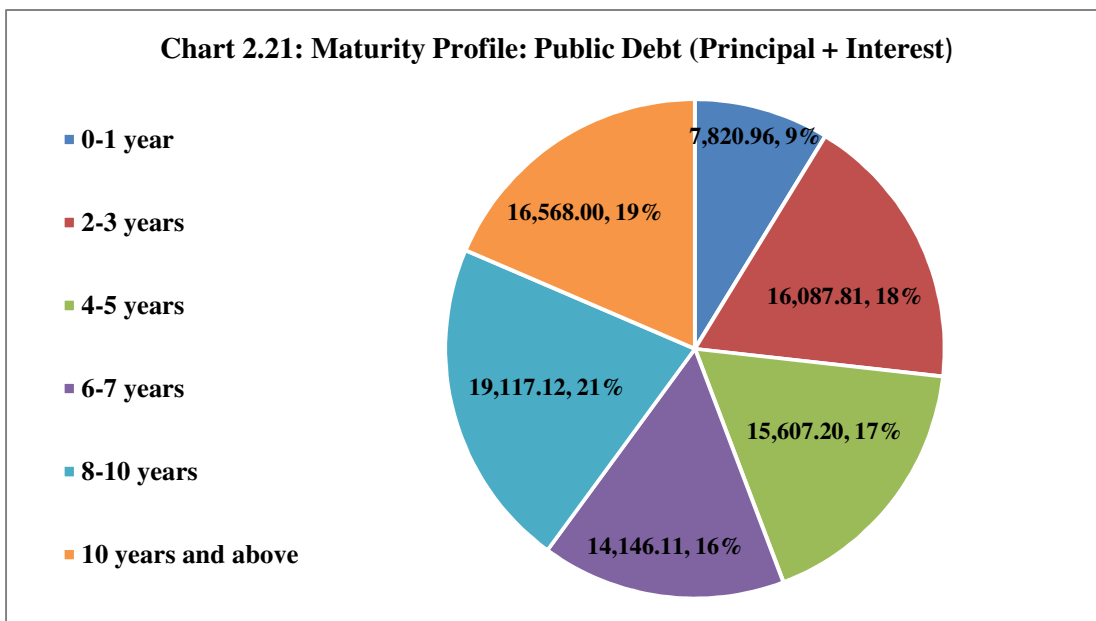
Source: Finance Accounts

\* This amount excludes ₹ 4,412.22 crore received during 2020-21 and 2021-22 as back-to-back loans from GoI in lieu of GST compensation shortfall, ₹ 1,417.96 crore {₹ 1,333 crore (Loan for Centrally Sponsored Schemes), ₹ 0.13 crore (Pre-1984-85 loans), ₹ 84.77 crore and ₹ 5.80 lakh (whose maturity is uncertain)}, ₹ 650 crore (special assistance as loan to State for capital investment).

# Approximate interest calculated at an average interest rate of 7.63 per cent (average of interest rates for the last five years as given in Table 2.39).

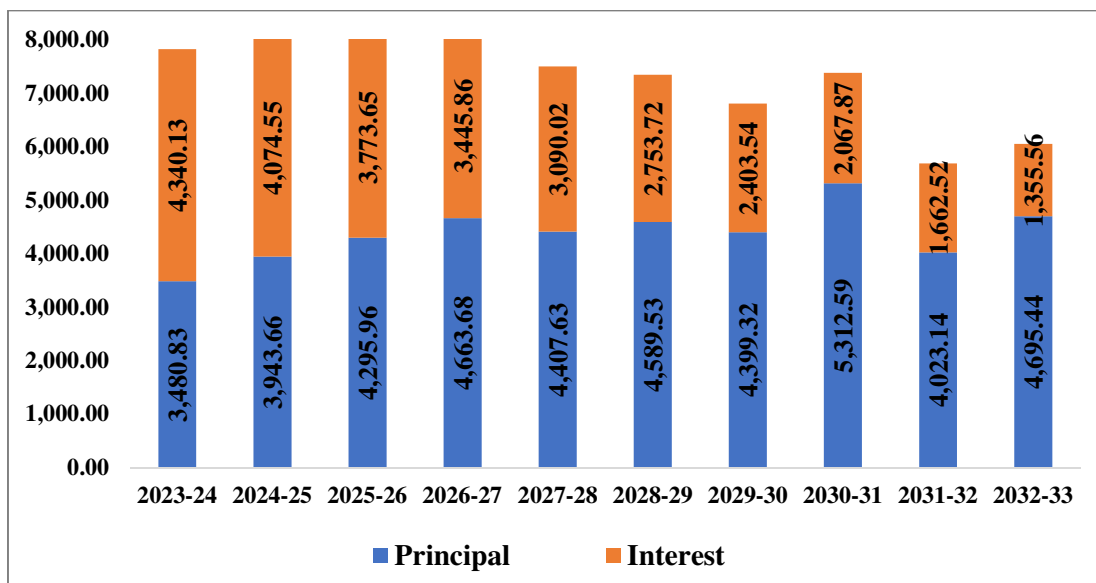
It can be seen from the above table that as of March 2023, out of total outstanding public debt along with interest of ₹ 89,347.20 crore (principal: ₹ 56,882.78 crore and interest: ₹ 32,464.42 crore), 8.75 per cent (₹ 7,820.96 crore) is payable in the next one year; 18.01 per cent (₹ 16,087.81 crore) is payable in the next one to three years (upto 2025-26); 17.47 per cent (₹ 15,607.20 crore) is payable in the next three to five years (upto 2027-28); 15.83 per cent (₹ 14,146.11 crore) is payable in the next five to seven years (upto 2029-30); 21.40 per cent (₹ 19,117.12 crore) is payable in the next seven to 10 years (upto 2032-33), while the remaining 18.54 per cent (₹ 16,568.00 crore) is to be paid after 10 years. Annual outgo on public debt repayment and interest will be approximately ₹ 7,903.19 crore during the next five years up to 2027-28 whereas

current (2022-23) annual repayment of public debt (principal) including interest is ₹ 6,902.66 crore (excluding ways and means advances) which would fall short of meeting the debt liabilities.



Year-wise repayment schedule of Public Debt (including interest) during the next 10 years i.e. up to 2032-33 is given in **Chart 2.22**.

**Chart 2.22: Year-wise Repayment schedule of Public Debt (including interest) during the next 10 years i.e. up to 2032-33 (₹ in crore)**

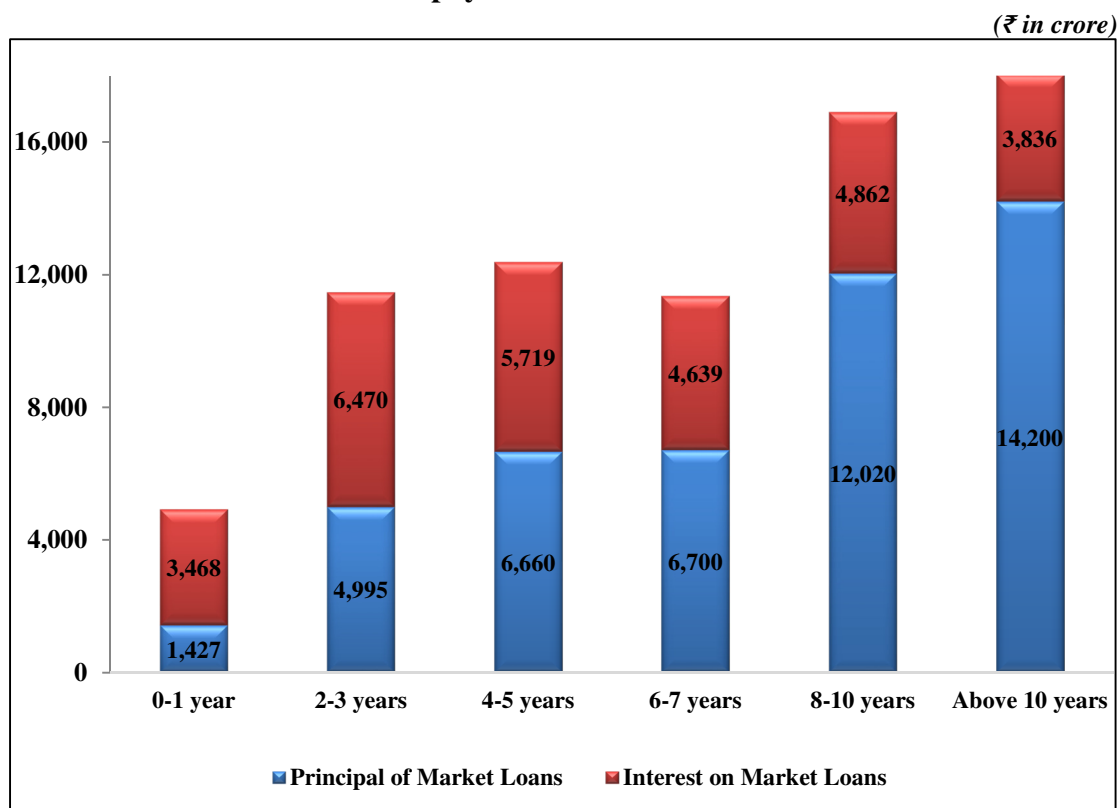


The above **Chart 2.22** shows that on an average, the State will have to repay public debt of ₹ 7,277.92 crore annually till 2032-33. In addition to the debt outstanding at the end of 2022-23, the State would have to resort to further borrowings every year to cover the resource gap.

### Market Borrowings / Loans

The repayment schedule of market loans and interest to be paid thereon is detailed in Chart 2.23.

**Chart 2.23: Repayment schedule of market loans**



Source: Finance Accounts.

Note: The maturity profile has been evolved for outstanding market loans as on 31 March 2023 and interest has been calculated upto the financial year in which the loans are going to retire.

Out of total outstanding market loans along with interest of ₹ 74,996 crore (principal: ₹ 46,002 crore and interest: ₹ 28,994 crore), the State will have to repay ₹ 6,422 crore of principal of market loans and interest of ₹ 9,938 crore in the next three financial years *i.e.*, up to 2025-26. In the next two years up to 2027-28, ₹ 6,660 crore principal and interest of ₹ 5,719 crore will be payable. Thus, the annual outgo on market loan repayment and interest will be approximately ₹ 5,748 crore during the next five years up to 2027-28. Current annual repayment of market loans including interest is ₹ 6,718 crore.

During the period 2028-29 to 2032-33, market loans of ₹ 18,720 crore and interest of ₹ 9,501 crore will be payable. As such, the State will have to repay approximately ₹ 5,644 crore annually during that period.

### 2.7 Debt Sustainability Analysis (DSA)

Debt sustainability analysis has been carried out on the basis of fiscal and debt parameters; Domar approach and compliance of macro-fiscal parameters to the

respective FRBM targets. The results of the analysis are given in the following paragraphs:

(A) Debt sustainability refers to the ability of the State to service its debt obligations now and in the future. Analysis of variations for a period of five years from 2018-19 to 2022-23 in debt sustainability indicators is given in **Table 2.39** and **Chart 2.24**.

**Table 2.39: Trends in Debt Sustainability indicators**

| Indicators of Debt Sustainability   | 2018-19       | 2019-20       | 2020-21                   | 2021-22                   | 2022-23                   |
|---|---------------|---------------|---------------------------|---------------------------|---------------------------|
| <b>Outstanding Public Debt* (₹ in crore)<br/>(as on 31<sup>st</sup> March of the year)</b>                        | <b>36,425</b> | <b>40,572</b> | <b>44,463<sup>§</sup></b> | <b>46,715<sup>§</sup></b> | <b>58,951<sup>§</sup></b> |
| Rate of Growth of Outstanding Public Debt<br>(in per cent)  | 5.06          | 11.39         | 9.59                      | 5.07                      | 26.19                     |
| GSDP (₹ in crore)   | 1,48,383      | 1,59,164      | 1,55,251 <sup>a</sup>     | 1,76,269 <sup>b</sup>     | 1,95,405 <sup>c</sup>     |
| Rate of Growth of GSDP (in per cent)  | 7.10          | 7.27          | -2.46                     | 13.54                     | 10.86                     |
| Public Debt/GSDP (in per cent)  | 24.55         | 25.49         | 28.64                     | 26.50                     | 30.17                     |
| Debt maturity profile of repayment of State<br>debt including default history, if any                             | 3,181         | 3,257         | 3,399                     | 3,147                     | 3,347                     |
| Average Interest Rate on Public Debt<br>(Interest paid/ OB of Public Debt + CB of<br>Public Debt/2) (in per cent) | 8.32          | 7.98          | 7.59                      | 7.51                      | 6.74                      |
| Interest payments on Public Debt (₹ in crore)   | 2,958         | 3,071         | 3,228                     | 3,422                     | 3,558                     |
| Revenue deficit (-) /surplus (+) without<br>Interest payments   | 4,466         | 3,082         | 3,131                     | 4,537                     | -2,777                    |
| Percentage of Interest Payments to Revenue<br>deficit (-) / surplus (+)   | 196.14        | 25,634.31     | 3,339.11                  | 307.01                    | 56.16                     |
| Percentage of Interest Payments to Revenue<br>Receipts  | 9.56          | 9.99          | 9.65                      | 9.17                      | 9.34                      |
| Percentage of Public Debt repayments to<br>Public Debt Receipts   | 72.71         | 61.77         | 74.11                     | 66.08                     | 45.31                     |
| Net Public Debt Available to the State <sup>#</sup> (₹ in<br>crore)   | -1,204        | 1,076         | 664                       | -1,170                    | 8,678                     |
| Net Public Debt available as per cent to<br>Public Debt Receipts  | -18.73        | 9.92          | 4.41                      | -17.62                    | 38.79                     |
| Primary deficit (-)/ Primary surplus (+)  | 510           | -1,363        | -1,228                    | -604                      | -7,551                    |
| Debt Stabilisation (Quantum spread <sup>@</sup> +<br>Primary Deficit) (₹ in crore)                                | 64.27         | -1,653        | -5,696                    | 2,212                     | -5,125                    |

Source: State Finance Accounts of the respective years.

\* Outstanding Public Debt is the sum of outstanding balances under the heads 6003-Internal Debt and 6004- Loans and Advances from the Central Government.

§ Excludes ₹ 1,717 crore (2020-21) and ₹ 4,412.12 crore (2020-21: ₹ 1,717 crore + 2021-22: ₹ 2,695.22 crore) in 2021-22 and 2022-23 as back-to-back loans to State from GoI in lieu of GST compensation shortfall.

a - Second Revised Estimate, b - First Revised Estimate, c - Advance Estimate

# Net Debt available to the State Government is calculated as excess of Public Debt receipts over Public Debt repayment and Interest payment on Public Debt.

@ Quantum spread = Debt stock × (GSDP growth rate - average interest rate)/100

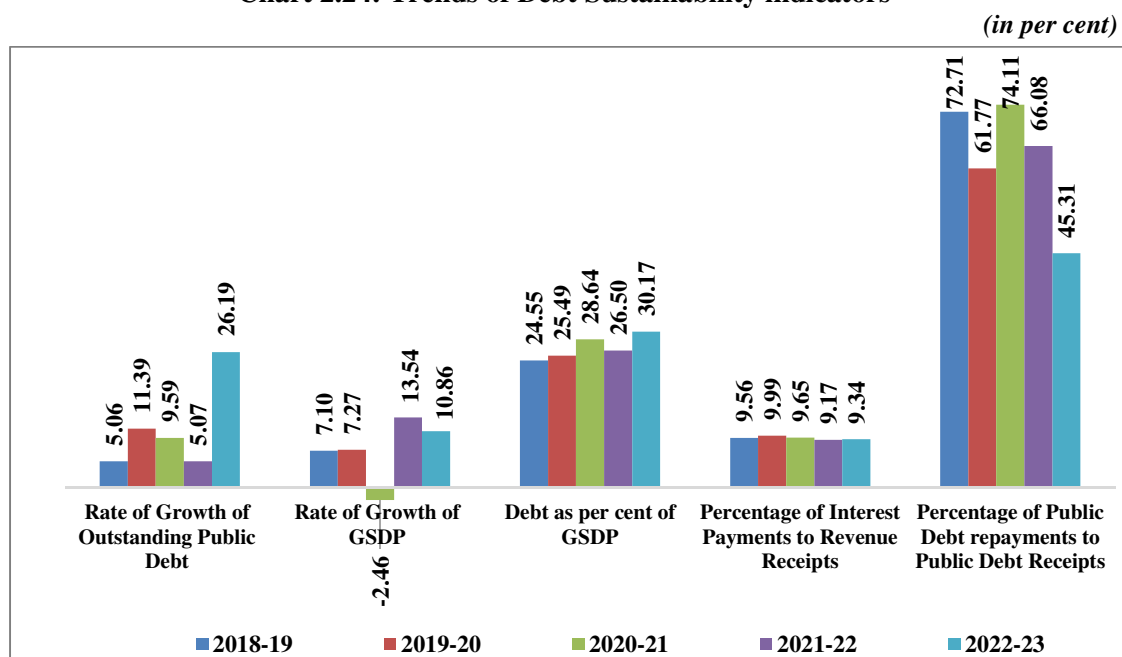
A necessary condition for debt stability states that if the rate of growth of GSDP exceeds the interest rate of public debt, the debt-GSDP ratio is likely to fall eventually and become stable provided primary balances are either zero or positive or moderately

negative. Thus, if quantum spread together with primary deficit turns out to be negative, debt-GSDP ratio would eventually be rising, if it is positive, debt-GSDP ratio would be declining.

In the five-year period from 2018-19 to 2022-23, the ratio of public debt to GSDP was ranging between 24.55 per cent to 30.17 per cent. The debt-GSDP is showing an increasing trend during 2018-23 (except in year 2021-22) and recorded highest ratio of 30.17 per cent during 2022-23. In the year 2022-23, GSDP increased by 10.86 per cent, whereas public debt grew substantially by 26.19 per cent.

Trends in debt sustainability indicators for the five-year period from 2018-19 to 2022-23 are shown in **Chart 2.24**.

**Chart 2.24: Trends of Debt Sustainability indicators**



During the period 2018-19 to 2022-23, public debt of the State Government increased from ₹ 36,425 crore to ₹ 58,951 crore (excluding ₹ 4,412.22 crore i.e., ₹ 1,717 crore during 2020-21 and ₹ 2,695.22 crore during 2021-22 as back-to-back loans to State from GoI in lieu of GST compensation shortfall during 2022-23), registering an increase of 61.84 per cent. The burden of interest payment ranged from 9.17 to 9.99 per cent of revenue receipts during the period 2018-19 to 2022-23. Debt receipts were in the range of 61.77 per cent to 74.11 per cent for discharging existing liabilities in the period of four years (2018-19 to 2021-22). But in the year 2022-23, only 45.31 per cent of public receipts were used for discharging existing liabilities.

- A falling debt-GSDP ratio can be considered as leading towards stability. Debt-GSDP ratio rose from 24.55 per cent in 2018-19 to 30.17 per cent in 2022-23 which cannot be considered as leading towards stability. In 2021-22, however, it went down marginally to 26.50 per cent. Also, debt stabilisation condition states that if quantum spread together with primary deficit is zero, debt-GSDP ratio would tend to be constant, or debt would stabilise eventually. On the other hand, if primary deficit together with quantum spread turns out to be negative, debt-GSDP ratio

would be rising and in case it is positive, debt-GSDP ratio would eventually be falling. **Table 2.39** shows that this trend had been mixed as debt stabilisation was positive in 2018-19 and in 2021-22, but in three years (2019-20, 2020-21 and 2022-23), it was negative.

- The ratio of interest payments to revenue receipts is also a good measure of debt sustainability. This ratio ranged between 9.17 *per cent* and 9.99 *per cent* during the period 2018-23.
- The higher the percentage of public debt repayments to public debt receipts, the greater the proportion of debt utilised for debt servicing rather than productively. Ratio of public debt repayments to public debt receipts ranged between 61.77 *per cent* and 74.11 *per cent* during the period 2018-23, which means that most of the public borrowings were used for repayment of earlier borrowings, leaving less space to use them productively.
- During the current year (2022-23), the ratio of public debt repayment to public debt receipts decreased to 45.31 *per cent*, which meant that the debt money had been used on other than past obligations. **Paragraph 2.7.1 (Table 2.42)**, clearly shows that public borrowings which is meant for development activities, creation of assets and increasing productivity of the State, were used for meeting current consumption to reduce revenue deficits.

**(B)** An analysis on debt sustainability was carried out based on a study by E.D. Domar<sup>3</sup> [Domar, 1944]. The Domar model states that the necessary premise for ensuring stability of public indebtedness is that the interest rates for government loans should not exceed the growth rate of GDP.

The dynamics of public debt depending on the interest rate, growth rate of GSDP and the primary budget balance are as follows:

| <b>g-r (g - real economic growth rate; r - real interest rate)</b> | <b>s&lt;0 (primary deficit)</b>   | <b>s&gt; 0 (primary surplus)</b>  |
|--|---|---|
| <b>g-r&gt;0 (strong economic growth)</b>                           | Public debt as percentage of GSDP should converge to a stable level greater than zero.                | Public debt as percentage of GSDP should converge to a stable level less than zero leading to public savings. |
| <b>g-r&lt;0 (slow economic growth)</b>                             | Public debt as percentage of GSDP should increase indefinitely, without converging to a stable level. | Undefined situation.  |

The results of applying the above parameters in the case of Himachal Pradesh, are shown in **Table 2.40**.

<sup>3</sup> Domar model does not take into account maturity profile, composition, cost and risk characteristics of debt stock.

**Table 2.40: Debt sustainability analysis based on Domar Model**

| Year    | Real Growth rate (g) | Real Interest rate (r) | g-r (Domar gap) | Primary Deficit (-)/ Surplus(+) (s) (₹ in crore) | Remarks   |
|---------|----------------------|------------------------|-----------------|--|---|
| 2018-19 | 6.41                 | 9.62                   | -3.21           | +510   | g-r<0 and s>0; Undefined situation.   |
| 2019-20 | 4.10                 | 1.82                   | 2.28            | -1,363   | As g-r> 0 and s<0; Public debt as percentage of GSDP should converge to a stable level greater than zero.               |
| 2020-21 | -3.00                | 2.61                   | -5.61           | -1,228   | As g-r<0 and s<0; Public debt as percentage of GSDP should increase indefinitely, without converging to a stable level. |
| 2021-22 | 7.55                 | 1.19                   | 6.36            | -604   | As g-r> 0 and s<0; Public debt as percentage of GSDP should converge to a stable level greater than zero.               |
| 2022-23 | 6.44                 | 2.78                   | 3.66            | -7,551   | As g-r> 0 and s<0; Public debt as percentage of GSDP should converge to a stable level greater than zero.               |

Note: Real Growth rate calculated for GSDP at constant prices.

Real Interest rate is the nominal interest rate adjusted for inflation.

In the initial year of the subject period i.e., 2018-19, the State had primary surplus, which later turned to primary deficit in the last four years i.e., 2019-23. The Domar gap (g-r) remained positive during the years 2019-20, 2021-22 and 2022-23 and it was negative during the covid years 2018-19 and 2020-21. However, in post covid years Domar gap turned positive due to high growth in GSDP. Positive Domar gap due to high growth rate in post covid years may also be seen with reference to low base for comparison during covid. However, primary deficit has increased sharply during the same period thereby implying that economic growth is not robust enough to service the debt. Thus, it becomes evident that depending solely on economic growth (expressed as g-r>0 from 2021-23) would not suffice to cover the debt obligations of the State.

(C) Details of the achievements vis-à-vis targets set in the HP-FRBM Act are shown in **Table 2.41**:

**Table 2.41: Achievements vis-à-vis targets set in the HP-FRBM Act**

| Fiscal Parameters   | Achievement vis a vis targets set in the HP-FRBM Act |   |         |         |         |            |
|---|--|---|---------|---------|---------|------------|
|   | 2018-19  | 2019-20   | 2020-21 | 2021-22 | 2022-23 |            |
| Revenue Deficit (-) / Surplus (+) (₹ in crore)                                  | T  | Maintain Revenue Surplus  |         |         |         |            |
|   | A  | 1.02  | 0.01    | -0.06   | 0.63    | -3.24      |
| Fiscal Deficit (-)/ Surplus (+) (as per cent of GSDP)                           | T  | 3% or less  |         |         |         | 6% or less |
|   | A  | -2.37   | -3.52   | -3.67   | -2.98   | -6.34      |
| Ratio of total outstanding debt <sup>@</sup> to GSDP (in per cent) <sup>§</sup> | T  | 35.00   | 34.04   | 33.62   | 40.26   | 40.49      |
|   | A  | 36.59   | 39.09   | 43.26*  | 39.21*  | 42.05*     |
| Guarantees in terms of percentage of Revenue Receipts of previous year          | T  | 40 per cent of total revenue receipt in the preceding financial year. |         |         |         |            |
|   | A  | 15.75   | 6.29    | 6.97    | 5.64    | 4.77       |

<sup>@</sup> Total outstanding debt includes public debt plus other (public accounts) liabilities.

<sup>\*</sup> Calculated by excluding ₹ 1,717 crore during 2020-21 and ₹ 4,412.22 crore (2020-21: ₹ 1,717 crore + 2021-22: ₹ 2,695.22 crore) during 2020-22 received as back-to-back loan from GoI in lieu of GST compensation shortfall, as the Department of Expenditure, GoI has decided that it will not be treated as debt of the State Government for any norms which may be prescribed by the Finance Commission.

<sup>§</sup> Ratio of total outstanding debt to GSDP has been compared with the targets set in MTFPS, as the State Government did not specify the targets in the FRBM Act (after 2011 upto 2023, when amendments were made).

T- Target, A- Achievement.

Revenue surplus of 1.02 *per cent* of 2018-19 decreased to 0.01 *per cent* in 2019-20 and turned to revenue deficit (-0.06 *per cent*) during 2020-21 which again turned to revenue surplus in 2021-22 (0.63 *per cent*) and to revenue deficit (-3.24 *per cent*) during 2022-23. Ratio of fiscal deficit (FD) to GSDP increased from 2.37 *per cent* to 6.34 *per cent* and outstanding debt-GSDP ratio from 36.59 *per cent* to 42.05 *per cent* during 2018-23. Although the FD-GSDP ratio remained within the target fixed in the FRBM Act during 2018-19 and 2021-22, the Government was unable to meet the targets of FD-GSDP ratio during 2019-20, 2020-21 and 2022-23. Similarly, outstanding debt-GSDP ratio was also above the limits prescribed in the FRBM Act during 2018-23 except 2021-22. However, the guarantees given by the State Government was within the limits prescribed in the FRBM Act during 2018-23.

Revenue deficit of ₹ 6,336 crore was the result of an increase of ₹ 8,230.72 crore (22.74 *per cent*) in revenue expenditure against the slight increase of ₹ 780.20 crore (2.09 *per cent*) in revenue receipts during 2022-23 over the previous year. This was mainly due to increase in salary and pension because of pay revision on account of implementation of Himachal Pradesh 6<sup>th</sup> Pay Commission recommendations. The expenditure on salary increased to ₹ 15,569 crore in 2022-23 from ₹ 11,990 crore in 2021-22. Similarly, the expenditure on pensions increased to ₹ 9,284 crore in 2022-23 from ₹ 6,399 crore in 2021-22.

Further, there has been an increase in the committed expenditure as a percentage of the revenue receipts from 65 *per cent* in 2018-19 to 79 *per cent* in 2022-23, thereby showing the limited availability of revenue resources for other purposes including debt servicing (**Table 2.20**).

Breaching the levels of the fiscal indicators continuously may lead to the risk of the fiscal situation becoming unmanageable especially when the State Government is yet to contribute to mandatory reserve funds like Guarantee Redemption fund, payment of implicit subsidies, etc.

On the basis of analysis of fiscal sustainability (**Table 2.39**) and Domar model analysis (**Table 2.40**), it is inferred that the State fiscal sustainability has risks in the short to medium term unless remedial measures are taken to rationalise expenditure, explore further sources, expand revenue base, and invest in revenue generating assets.

### 2.7.1 Utilisation of borrowed funds

Borrowed funds should ideally be used to fund capital creation and developmental activities. Using borrowed funds for meeting current consumption and repayment of interest on outstanding loans is not sustainable. Trend in utilisation of borrowed funds during the past five years is shown in **Table 2.42**.

**Table 2.42: Utilisation of borrowed funds**

(₹ in crore)

| Sr. No. | Year   | 2018-19             | 2019-20             | 2020-21                 | 2021-22                | 2022-23              |
|---------|--|---------------------|---------------------|-------------------------|------------------------|----------------------|
| 1       | Total Borrowings   | 6,427.40            | 10,847.39           | 15,032.21 <sup>\$</sup> | 6,639.75 <sup>\$</sup> | 22,371.82            |
| 2       | Repayment of earlier borrowings (Principal)                                  | 4,673.35<br>(72.71) | 6,700.75<br>(61.77) | 11,141.04<br>(74.11)    | 4,387.28<br>(66.08)    | 10,135.80<br>(45.31) |
| 3       | Net Capital Expenditure*   | 1,754.05<br>(27.29) | 4,146.64<br>(38.23) | 3,891.17<br>(25.89)     | 2,252.47<br>(33.92)    | 6,016.30<br>(26.89)  |
| 4       | Loans and Advances disbursed   | --                  | --                  | --                      | --                     | 110.57<br>(0.49)     |
| 5       | Portion of total borrowings utilised towards Revenue expenditure {1-(2+3+4)} | --                  | --                  | --                      | --                     | 6,109.16<br>(27.31)  |
| 6       | Total budget of the State  | 46,984              | 53,708              | 61,597                  | 55,715                 | 67,733               |
| 7       | Expenditure against total budget   | 42,469              | 45,528              | 53,139                  | 50,130                 | 63,463               |
| 8       | Repayment of borrowings to total expenditure (per cent)                      | 11.00               | 14.72               | 20.97                   | 8.75                   | 15.97                |

<sup>\$</sup> Excludes ₹ 1,717 crore (2020-21) and ₹ 2,695.22 crore (2021-22) as back-to-back loans to State from GoI in lieu of GST compensation shortfall.

\* Net Capital Expenditure = Total Capital Expenditure-Misc. Capital Receipts  
 Figures in brackets indicate percentage utilisation of borrowed funds.

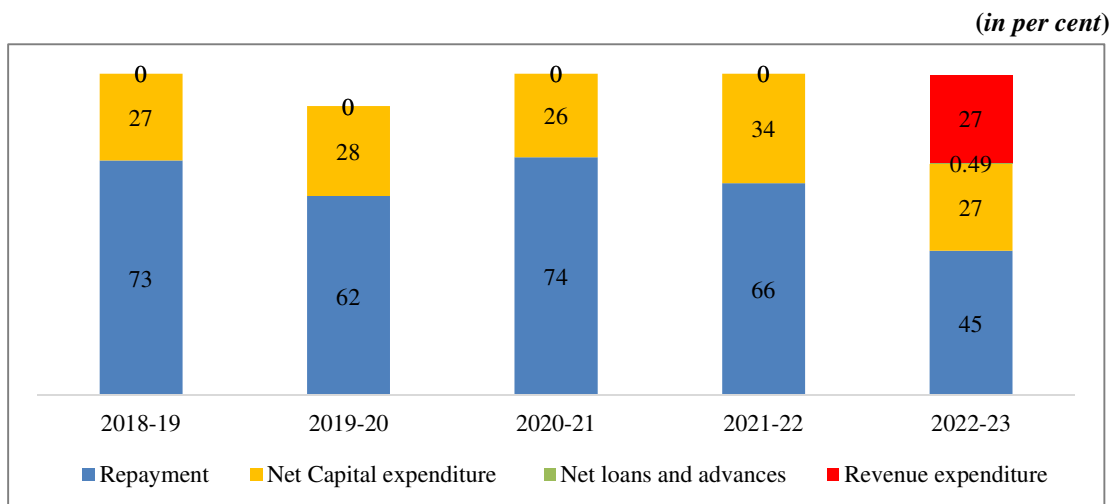
**Table 2.42** shows that the repayment of borrowings (principal) to total expenditure of the State ranged between nine *per cent* and 21 *per cent* during the period 2018-23. Over the last four years' period i.e., 2018-19 to 2021-22, utilisation of borrowed funds mainly used for repayment of previous borrowings (principal) ranged between 45 *per cent* and 74 *per cent*, and for capital expenditure between 26 *per cent* and 38 *per cent*. But in the year 2022-23, repayments towards past obligations reduced from 66 *per cent* to 45 *per cent* and capital expenditure from 34 *per cent* to 27 *per cent* over the previous year.

As per the Finance Commission, States are being given revenue deficit grants to reduce and ultimately eliminate revenue deficit and to enable all borrowings to be used for capital expenditure. Up to the year 2021-22, no portion of debt receipts was used for meeting revenue expenditure. In 2022-23, which is the second year of the 15<sup>th</sup> Finance Commission period, a substantial portion of public borrowings i.e. 27 *per cent* (₹ 6,109.16 crore) had been utilised for meeting their current expenses.

Thus, the State Government has not been able to maintain revenue surplus and has borrowed to meet its revenue deficit.

Trends of utilisation of borrowed funds during the period 2018-23 is depicted in **Chart 2.25**.

Chart 2.25: Trends in Utilisation of borrowed funds



The State Government needs to take steps to reduce revenue deficit so that borrowed funds could be utilised in development activities and for creation of concrete assets.

### 2.7.2 Status of Guarantees – Contingent Liabilities

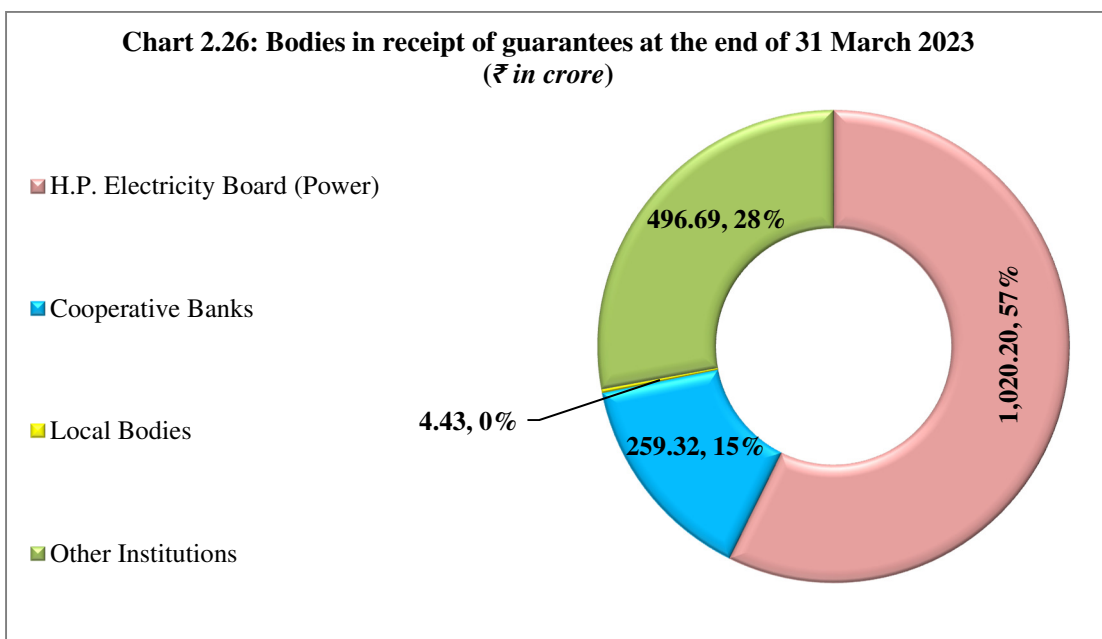
Guarantees are liabilities contingent on the Consolidated Fund of the State in case of default by the borrower for whom the guarantee has been extended. As per Statement-9 and 20 of the Finance Accounts, the maximum amount for which guarantees were given by the State and outstanding guarantees for the last five years are given in **Table 2.43**. Details of recipients/bodies which have received guarantees from the State Government at the end of 31 March 2023 are given in **Chart 2.26**.

Table 2.43: Guarantees given by the State Government

(₹ in crore)

| Guarantees   | 2018-19   | 2019-20         | 2020-21         | 2021-22         | 2022-23         |
|--|---|-----------------|-----------------|-----------------|-----------------|
| <b>Outstanding amount of guarantees</b>  | <b>4,309.21</b>   | <b>1,947.07</b> | <b>2,141.76</b> | <b>1,884.61</b> | <b>1,780.64</b> |
| Additions during the year  | 74.28   | 639.70          | 418.03          | 289.46          | 643.61          |
| Deletions during the year  | 158.72  | 3,001.84*       | 165.60          | 283.09          | 747.58          |
| Invoked during the year  | --  | --              | --              | --              | --              |
| Ceiling applicable to the outstanding amount of guarantees including interest (criterion)                | 40 per cent of total revenue receipt in the preceding financial year. |                 |                 |                 |                 |
| Percentage of outstanding amount of guarantees to total revenue receipts in the preceding financial year | 15.75   | 6.29            | 6.97            | 5.64            | 4.77            |

\* Includes an amount of ₹ 2,890.50 crore (loans to DISCOM) and ₹ 13.18 crore (interest charged on guaranteed amount) deleted from figures in the Finance Accounts 2019-20 as these amounts were included inadvertently, as intimated by the department. The same is indicated in Statement No. 20 of Finance Accounts of the Government of Himachal Pradesh for the year 2019-20.



No amount of guarantee was invoked during 2022-23. As of 31 March 2023, outstanding amount of guarantees was ₹ 1,780.64 crore as per the Finance Accounts. However, it is to be noted that the accounts of most PSUs were not current, and the PSUs and State Government had not reconciled differences in figures. During 2022-23, an amount of ₹ 643.61 crore was extended to various bodies on the guarantees of State Government. The main recipients of guarantees from the State Government during the year were Himachal Pradesh Power Corporation Limited (₹ 276.96 crore), Himachal Pradesh Road Transport Corporation (₹ 198.16 crore) and Himachal Pradesh State Cooperative Agriculture and Rural Development Bank Limited (₹ 100.03 crore). The outstanding amount of guarantee (₹ 1,780.64 crore) at the close of 2022-23 accounted for five *per cent* of total revenue receipts of previous year of the State, which was within the target of 40 *per cent* prescribed in the FRBM Act.

In addition, as per Himachal Pradesh Financial Rules 2009 and Government instructions (6 March 1992), the guarantee fees (*one per cent*) and commitment charges (*0.2 per cent*) are to be levied from the borrowers at the time of approval of the guarantee. The State Government did not have information about the receivable amount of guarantee fees and commitment charges due from the bodies/ entities. Over the last 10 years (up to 2018-19), no amount of guarantee fees and commitment charges had been received/ levied by the State Government. However, amounts of guarantee fees and commitment charges of ₹ 0.72 lakh (in 2019-20), ₹ 2.16 crore (in 2020-21), ₹ 3.00 crore (in 2021-22) and ₹ 3.31 crore during 2022-23, were received. During the current year ₹ 3.31 crore were received against the ₹ 7.73 crore (guarantee fee: ₹ 6.44 crore + commitment charge: ₹ 1.29 crore) which resulted in short-receipt of ₹ 4.42 crore.

### 2.7.3 Management of Cash Balances

As per an agreement with the Reserve Bank of India (RBI), State Governments have to maintain a minimum daily cash balance with the Bank. If the balance falls below the agreed minimum on any day, the deficiency is made good by taking ordinary Ways and

Means Advances (WMA) / Special Ways and Means Advances (SWMA) / Overdrafts (OD) from time to time. The limit for ordinary WMA to the State Government is revised by the RBI from time to time.

The State Government has to maintain minimum Cash balance of ₹ 0.55 crore with the Reserve Bank of India. The limit for ordinary WMA to the State Government is ₹ 880 crore from 17 April 2020 to 31 March 2022 and ₹ 656 crore with effect from 1<sup>st</sup> April 2022. RBI also gives SWMA to the State Government against pledging of government securities.

During 2022-23, the State Government could maintain minimum daily cash balance for 295 days. The Government had to take a total of ₹ 4,042.99 crore of ordinary / special WMA on 51 occasions and ₹ 2,743.85 crore overdraft on 19 occasions from RBI which were repaid during the year. There were no outstanding ways and means advances and overdrafts at the end of the year 2022-23. Against these, an amount of ₹ 4.66 crore was paid as interest during the year. **Table 2.44** depicts the cash balances and investments made out of these by the State Government during the year.

**Table 2.44: Cash Balances and their investment**

(₹ in crore)

| Particulars   | Opening balance as on 1 April 2022 | Closing balance on 31 March 2023 | Increase (+)/ Decrease (-) |
|---|------------------------------------|----------------------------------|----------------------------|
| <b>(a) General cash balance</b>   |                                    |                                  |                            |
| Cash in treasuries  | 0                                  | 0                                | 0                          |
| Remittance in transit-Local   | 0                                  | 0                                | 0                          |
| Deposits with RBI   | -45.41                             | -89.33                           | -43.92                     |
| <b>Total</b>  | <b>-45.41</b>                      | <b>-89.33</b>                    | <b>-43.92</b>              |
| Investments held in cash balance Investment account   | 2,568.08                           | 3,645.18                         | 1,077.10                   |
| <b>Total (a)</b>  | <b>2,522.67</b>                    | <b>3,555.85</b>                  | <b>1,033.18</b>            |
| <b>(b) Other cash balances and investments</b>  |                                    |                                  |                            |
| Cash with departmental officers viz., Public Works Department Officers, Forest Department Officers, District Collectors | 0.16                               | 0.16                             | 0                          |
| Permanent advances for contingent expenditure with departmental officers  | 0.03                               | 0.03                             | 0                          |
| Investment of earmarked funds   | 0                                  | 0                                | 0                          |
| <b>Total (b)</b>  | <b>0.19</b>                        | <b>0.19</b>                      | <b>0</b>                   |
| <b>Total (a+b)</b>  | <b>2,522.86</b>                    | <b>3,556.04</b>                  | <b>1,033.18</b>            |

Cash balances of the State Government at the year-end increased by ₹ 1,033.18 crore from ₹ 2,522.86 crore in 2021-22 to ₹ 3,556.04 crore in 2022-23. The investments made out of cash balances also increased from ₹ 2,568.08 crore to ₹ 3,645.18 crore.

State Government invests its surplus cash balances in short and long-term GoI Securities and Treasury Bills. The profits derived from such investments are credited as receipts under the head '0049-Interest Receipts'.

The cash balance investments of the State during the five-year period 2018-19 to 2022-23 are given in **Table 2.45**.

**Table 2.45: Cash Balance Investment Account (Major Head-8673)**

(₹ in crore)

| Year    | Opening Balance | Closing Balance | Increase (+) / decrease (-) | Interest earned |
|---------|-----------------|-----------------|-----------------------------|-----------------|
| 2018-19 | 723.72          | 102.09          | (-) 621.63                  | 66.90           |
| 2019-20 | 102.09          | 982.06          | 879.97                      | 55.02           |
| 2020-21 | 982.06          | 1,696.09        | 714.03                      | 31.88           |
| 2021-22 | 1,696.09        | 2,568.08        | 871.99                      | 55.50           |
| 2022-23 | 2,568.08        | 3,645.18        | 1,077.10                    | 20.91           |

Source: Finance Accounts.

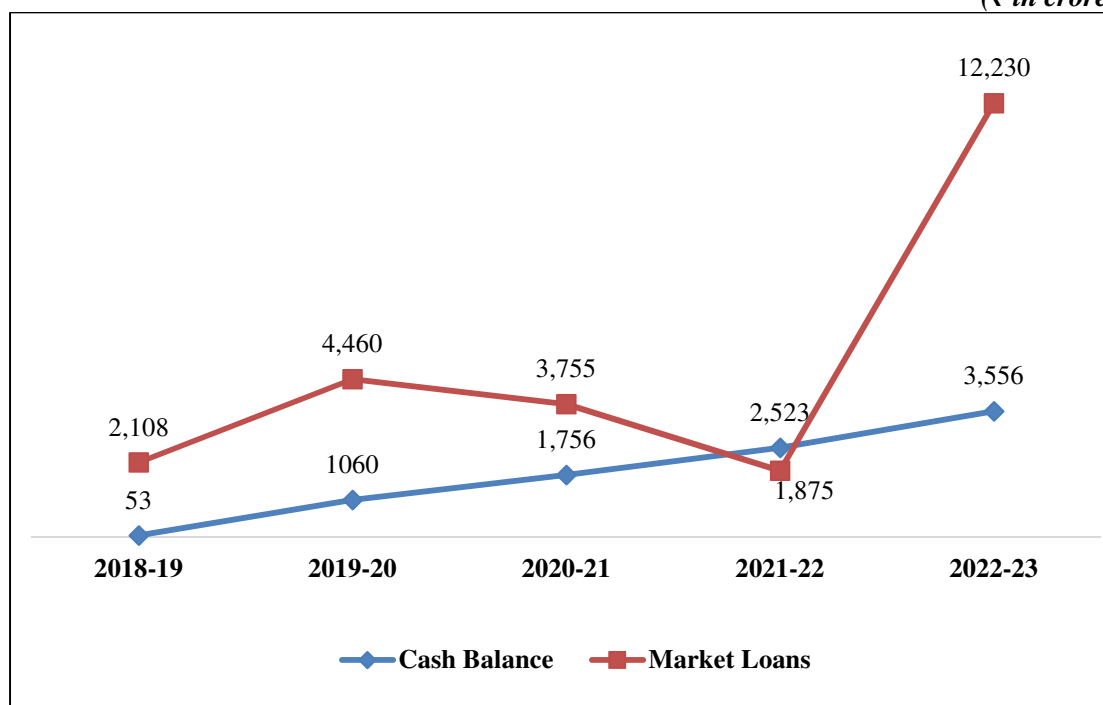
Analysis of the trend in cash balance investment of the State Government during the period 2018-19 to 2022-23 revealed that the balances in the Cash Balance Investment Account have increased over the years.

Large cash balances at the year-end indicated sub-optimal cash management by the State Government which had taken market loans despite having large cash balances which were not put to productive use.

**Chart 2.27** compares the Cash Balances and the Market Loans taken by the State during the period 2018-23. Market Loans were taken at higher interest rates whereas investment in Treasury Bills yielded interest at lower rates.

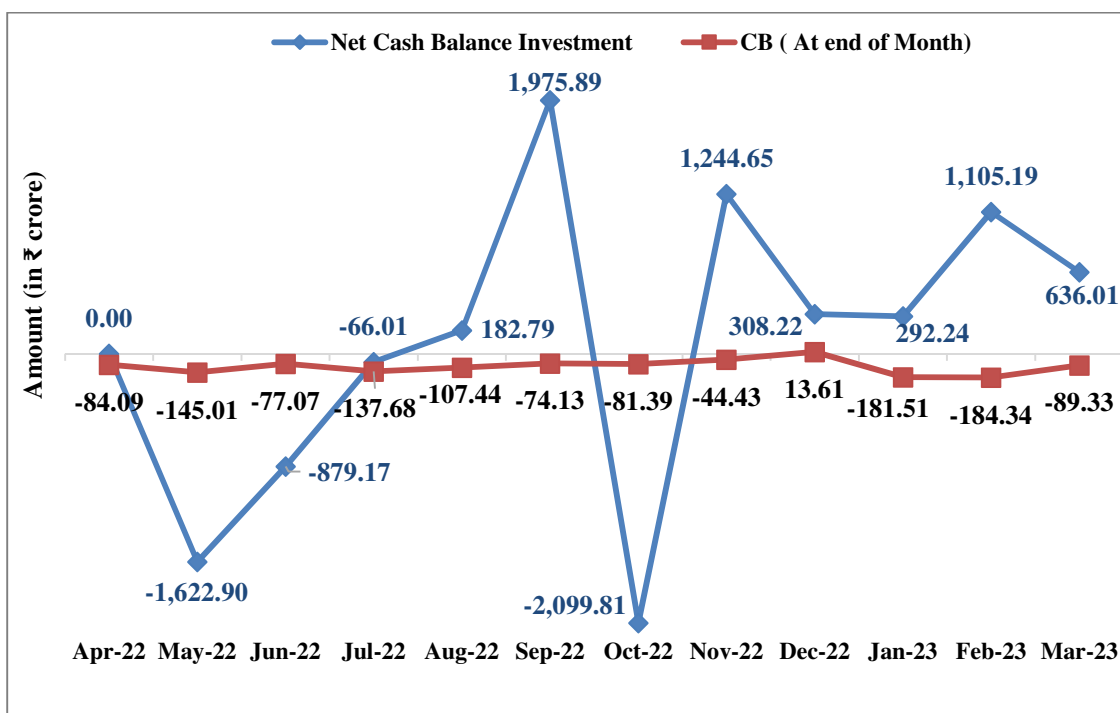
**Chart 2.27: Market loans vis-à-vis Cash Balance**

(₹ in crore)



**Chart 2.28** compares the month-wise Cash Balance Investment Account with the Cash Balances during 2022-23.

**Chart 2.28: Month-wise movement of Cash Balances and net cash balance investments during 2022-23**



Source: Monthly Civil Accounts.

The State Government had taken recourse to market loans during the year despite having cash balances which were not being put to productive use. During the year 2022-23, the State Government raised ₹ 12,230 crore from the market despite the fact that there were adequate cash balances, and the borrowing was avoidable to that extent.

## 2.8 Salient features

Deficit indicators, revenue augmentation and expenditure management are major yardsticks for judging the fiscal performance of the Government. Comparison of key parameters of State Finances during 2022-23 with that of the previous year i.e., 2021-22 is summarised in **Table 2.46**.

**Table 2.46: Key parameters**

| Positive indicators   | Parameters requiring close watch  |
|---|---|
| ↑ Increase in Own Non-tax receipts by 10.10 per cent              | ↑ Increase in Revenue expenditure by 22.74 per cent   |
| ↑ Increase in Recoveries of Loans and Advances by 103.32 per cent | ↑ Increase in Debt receipts by 236.94 per cent  |
|   | ↑ Utilisation of debt receipts towards repayment of past obligations and meeting Government's current expenses or to reduce revenue deficit |
|   | ↑ Increase in Cash balances by 40.95 per cent   |
|   | ↑ Increase in revenue deficit, fiscal deficit and outstanding debt liabilities  |

## **2.9 Conclusion**

Revenue surplus of 2018-19 (₹ 1,508 crore) decreased to ₹ 12 crore in 2019-20 and turned to revenue deficit (₹97 crore) during 2020-21 which turned to revenue surplus in 2021-22 (₹1,115 crore) and to revenue deficit again in (₹ 6,336 crore) during 2022-23.

Subsidies constituted 3 per cent to 4 per cent of revenue expenditure. Power subsidy constituted the major portion of total subsidies ranging between 35 per cent and 52 per cent. Subsidies contributed 31 per cent to the revenue deficit during 2022-23.

Fiscal deficit of the State was ₹ 12,379 crore during 2022-23 which was 6.34 per cent of the GSDP. The fiscal deficit was mainly financed through market borrowings.

Revenue receipts increased by ₹ 780.20 crore (2.09 per cent) during the current year over the previous year whereas revenue expenditure grew by ₹ 8,230.72 crore (22.74 per cent). Further, the State's own revenue registered a positive growth of 9.07 per cent over the previous year.

The State incurred 67 per cent of the total revenue expenditure on committed liabilities like salaries and wages, pensions, interest payments, leaving only 33 per cent for priority sector expenditure.

There was a difference of ₹ 166.22 crore in equity investment figures as per State Finance Accounts and as per the accounts of 26 PSUs.

The State Government earned 3.39 per cent return on its total investment (₹ 5,333.57 crore) in Statutory Corporations, Government Companies and Co-operatives up to 31 March 2023.

The State Government received ₹ 15 crore (0.04 per cent) as interest on outstanding loans during 2022-23 while it paid interest at 7.17 per cent on outstanding debt.

Total outstanding liabilities including public debt and public account liabilities were 42.05 per cent of GSDP. The total liability grew by 18.89 per cent over the previous year.

The State Government had not invested funds of ₹ 55.55 crore available under State Disaster Response Fund.

As many as 67 projects scheduled for completion up to 31 March 2023 were incomplete. The expenditure of ₹ 953.85 crore incurred on these incomplete projects was yet to yield the intended benefits.

## **2.10 Recommendations**

- 1. The State Government should make efforts for augmentation of its own revenues. It should settle pending tax claims in time, settle arrears in assessment of taxes, recover arrears of revenue and improve non-tax revenues for better resource mobilisation;*
- 2. The State Government may consider forming a committee to assess the reasons for insufficient return on investment from statutory corporations, Government companies, cooperative banks and societies and to suggest the remedial measures;*
- 3. The State may ensure time bound completion of the incomplete projects;*
- 4. The State Government should mobilise its resources to minimise dependence on borrowings.*

**CHAPTER-III**  
**BUDGETARY MANAGEMENT**



## CHAPTER – III

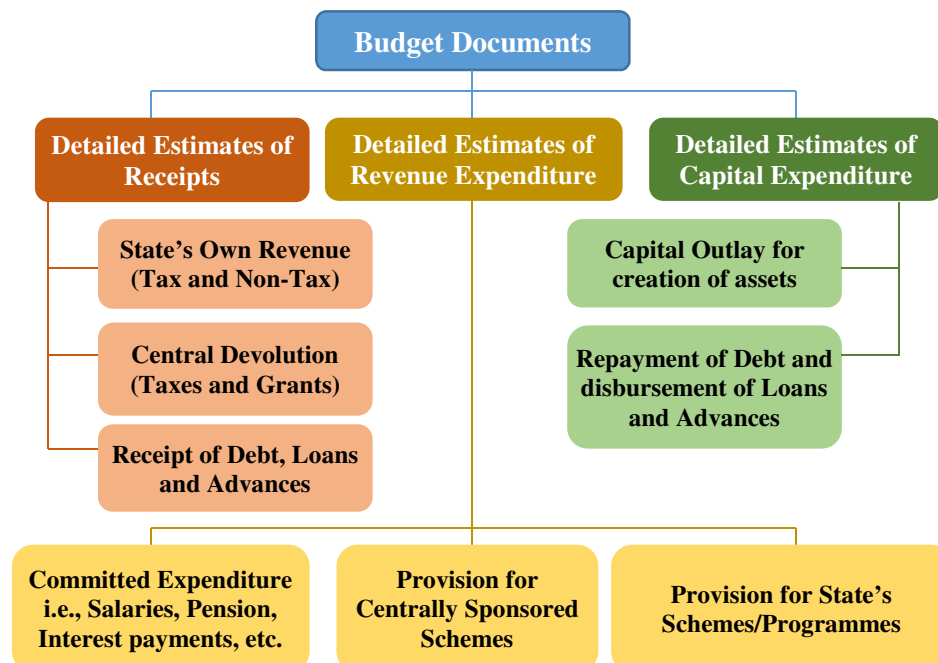
### BUDGETARY MANAGEMENT

#### 3.1 Budget Process

In compliance with Article 202 of the Constitution of India, in respect of every financial year, the Governor shall cause to be laid before the State Legislature, a statement of the estimated receipts and expenditure of the State for that year, called “the Annual Financial Statement (Budget)”. The estimates of the expenditure show ‘Charged’ and ‘Voted’ items<sup>1</sup> of expenditure separately and distinguish expenditure on revenue account from other expenditure. Legislative authorisation is necessary before incurring any expenditure by the State Government. Glossary of important budget related terms is given in **Appendix 3.1**.

As per the Himachal Pradesh Financial Rules, the Finance Department is responsible for preparation of the annual budget by obtaining estimates from various departments. The departmental estimates of receipts and expenditure are prepared by Controlling Officers on the advice of the heads of departments and submitted to the Finance Department on prescribed dates. The Finance Department consolidates the estimates and prepares the Detailed Estimates called ‘Demand for Grants’. The State budget comprises the following documents and components as given in **Chart 3.1**.

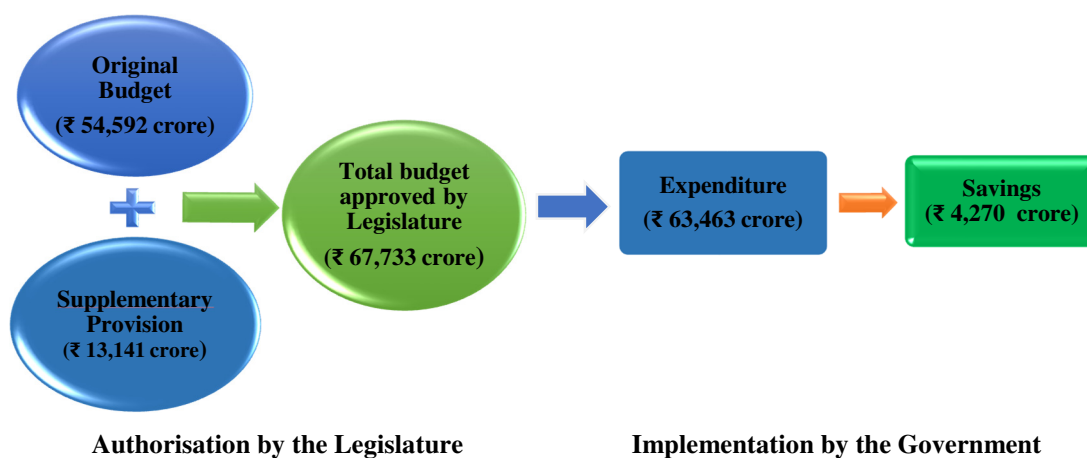
**Chart 3.1: Details of State Budget Documents and Components**



<sup>1</sup> **Charged expenditure:** Certain categories of expenditure (e.g., salaries of Constitutional authorities, loan repayments, etc.), constitute a charge on the Consolidated Fund of the State and are not subject to vote by the Legislature. **Voted expenditure:** All other expenditure are voted by the Legislature.

A summary of the budget implementation for the year 2022-23 is depicted in **Chart 3.2** below:

**Chart 3.2: Summary of budget implementation for the year 2022-23**



Source: Appropriation Accounts.

### 3.1.1 Gender Budgeting

Gender Budgeting is a tool that can be used to address gender sensitive vulnerabilities. It uses the budget as an entry point to apply a gender lens to the entire policy of the government. It also recognizes that the budget is a powerful tool that can reduce the vulnerabilities of women and girls and transform their position and life. Gender budgeting further recognizes that if gender disparities are to be addressed, it is not enough to only formulate gender sensitive legislations, programmes and schemes but to provide adequate monetary allocations for the achievement of desired outcomes. Usually, governments express commitments to gender equality and gender mainstreaming, but often there is a gap between policy statements and the ways in which governments raise and spend money.

Hence, Gender Responsive Budget initiative can help to bridge these gaps by ensuring that public money is raised and spent more effectively. Working on this idea, the Government of India firstly, integrated Gender Responsive Budgeting in India's Budgeting Process in 2005-06 and since then it has been preparing and publishing the Gender Based Statements (GBSs) every year. Gender Budget Statement of the Government of India is divided into two parts - Part A i.e., Expenditure on 100 per cent Women-specific programmes and Part B i.e., Expenditure on programmes where at least 30 per cent women are covered.

The promotion of gender equality is also at the heart of the social as well as economic policies of the Government of Himachal Pradesh. In order to mainstream Gender Responsive Budgeting in legislations, policies and programmes, the State Government also envisages preparing Gender Budget Statements (Financial and Physical) annually starting from financial year 2022-23 so that a reporting mechanism is developed and adopted to review the progress of departmental schemes from a gender lens/ perspective. Schemes targeting only women beneficiaries, or

100 per cent women-oriented schemes have been placed in Category-1 and schemes with less than 100 per cent women beneficiaries are in Category-2.

In Category 1, there are 28 women-oriented schemes, in which 20 are State schemes (SSs) and eight are Centrally Sponsored Schemes (CSSs). Out of 28 schemes, for nine schemes, no budget provision was made. The total budget allotted in the balance 19 schemes (both CSSs and SSs) was ₹ 134.82 crore, out of which ₹ 134.46 crore was utilised. The details of these schemes are given in **Appendix 3.2**.

### 3.1.2 Summary of total provisions, actual disbursements and savings during the financial year

The total budget provision for expenditure in 2022-23 was ₹ 67,733 crore. The actual expenditure during the year was ₹ 63,463 crore<sup>2</sup> (94 per cent). This resulted in savings of ₹ 4,270 crore (six per cent). The summarised position of actual expenditure vis-à-vis budgetary provisions during 2022-23 for all 32 grants/appropriations is given in **Table 3.1**.

**Table 3.1: Budget provision, actual disbursement and savings/excess during financial year 2022-23**

(₹ in crore)

| Total Budget provision |         | Disbursements |         | Saving (-)/ Excess (+) |         |
|------------------------|---------|---------------|---------|------------------------|---------|
| Voted                  | Charged | Voted         | Charged | Voted                  | Charged |
| 51,164                 | 16,569  | 48,390        | 15,073  | -2,774                 | -1,496  |

Source: Appropriation Accounts.

### 3.1.3 Charged and Voted disbursements

The position of total budget and disbursements categorised as Charged and Voted during the last five years (2018-23) is given in **Table 3.2**.

**Table 3.2: Disbursement and savings/excess during 2018-19 to 2022-23**

(₹ in crore)

| Year    | Total Budget Provision |         | Disbursements |         | Saving (-)/ Excess (+) |         |
|---------|------------------------|---------|---------------|---------|------------------------|---------|
|         | Voted                  | Charged | Voted         | Charged | Voted                  | Charged |
| 2018-19 | 37,936                 | 9,048   | 33,620        | 8,849   | -4,316                 | -199    |
| 2019-20 | 42,255                 | 11,453  | 34,507        | 11,021  | -7,748                 | -432    |
| 2020-21 | 45,157                 | 16,440  | 37,440        | 15,699  | -7,717                 | -741    |
| 2021-22 | 45,270                 | 10,445  | 41,020        | 9,110   | -4,250                 | -1,335  |
| 2022-23 | 51,164                 | 16,569  | 48,390        | 15,073  | -2,774                 | -1,496  |

Source: Appropriation Accounts.

It can be seen from **Table 3.2** that there were savings in both segments viz., Voted and Charged. There was a decreasing trend in savings (Voted) from the year 2019-20 onwards, while there was an increasing trend in savings (Charged) from the year 2018-19 onwards. Cases of substantial and persistent savings have been highlighted in **Paragraph 3.3.5**.

<sup>2</sup> The expenditure includes ₹ 448.61 crore on account of clearance of amounts kept under Objection Book Suspense for the year 2019-20 (₹ 157.51 crore), 2020-21 (₹ 212.64 crore) and 2021-22 (₹ 78.46 crore).

### 3.1.4 Budget marksmanship

#### Aggregate Budget Outturn

Aggregate Budget Outturn measures the extent to which the aggregate budget expenditure outturn/actual expenditure reflects the amount originally approved, both in terms of less than approved and in excess of approved. For the year 2022-23 Aggregate Budget Outturn is given in **Table 3.3**.

**Table 3.3: Aggregate Budget Outturn**

(₹ in crore)

| Description  | Original Approved Budget (BE) | Actual Outturn (Expenditure) | Difference between Actual and BE* |
|--------------|-------------------------------|------------------------------|-----------------------------------|
| Revenue      | 43,455.11                     | 47,153.12                    | (+) 3,698.01                      |
| Capital      | 11,136.92                     | 16,310.23                    | (+) 5,173.31                      |
| <b>Total</b> | <b>54,592.03</b>              | <b>63,463.35</b>             | <b>(+) 8,871.32</b>               |

\* Excess of actual over original provision is denoted as (+) figures and shortage of actuals over original is denoted as (-) figures.

In the Revenue section, deviation in outturn compared with BE was +8.51 per cent. This was due to the excess of actual over original provision in 26 Grants. In six grants, deviation was more than +50 per cent. In six other grants, there was a shortage of actual over original, where deviation ranged from -3.00 per cent to -24.58 per cent.

In the Capital section, deviation in outturn compared with BE was +46.45 per cent. This is due to the excess of actual over original provision in 17 Grants. In six other grants, deviation was more than +100 per cent. Further, out of these six grants, four grants have deviation more than +400 per cent.

#### Expenditure Composition Outturn

Expenditure Composition Outturn measures the extent to which re-allocations between the main budget categories during execution have contributed to variance in expenditure composition. The Expenditure Composition Outturn for the year 2022-23 is given in **Table 3.4**.

**Table 3.4: Expenditure Composition Outturn**

(₹ in crore)

| Description  | Original Approved Budget Estimate (BE) | Revised Estimate (RE) | Actual Outturn (Expenditure) | Difference between RE and BE | Difference between Actual and RE* |
|--------------|--|-----------------------|------------------------------|------------------------------|-----------------------------------|
| Revenue      | 43,455.11                              | 49,096.21             | 47,153.12                    | 5,641.10                     | -1,943.09                         |
| Capital      | 11,136.92                              | 18,636.89             | 16,310.23                    | 7,499.97                     | -2,326.66                         |
| <b>Total</b> | <b>54,592.03</b>                       | <b>67,733.10</b>      | <b>63,463.35</b>             | <b>13,141.07</b>             | <b>-4,269.75</b>                  |

\* Excess of actual over revised estimate is denoted as (+) figures and shortage of actuals over revised estimate is denoted as (-) figures.

In the revenue section, deviation in outturn compared with RE was -3.96 per cent. This was due to shortage of actual over revised estimates in 25 grants, with the deviation ranging from -0.14 per cent to -24.58 per cent.

In the Capital section, deviation in outturn compared with RE was -12.48 per cent. This was due to shortage of actual over revised estimates in 18 grants and in three grants deviation was more than -50 per cent.

### 3.2 Appropriation Accounts

Appropriation Accounts are accounts of the expenditure of the Government for each financial year, compared with the amounts of grants voted and appropriations charged for different purposes. These Accounts depict the original budget provision, 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. Appropriation Accounts, thus, facilitate understanding of utilisation of funds, management of finances and monitoring of budgetary provisions, and are, therefore, complementary to the Finance Accounts.

Audit of appropriations by the CAG seeks to ascertain whether the expenditure actually incurred under various grants is in accordance with the authorisation given under the Appropriation Act and that the expenditure required to be charged under the provisions of the Constitution (Article 202) is so charged. It also seeks to ascertain whether the expenditure incurred is in conformity with relevant laws, rules, regulations and instructions.

### 3.3 Comments on integrity of budgetary and accounting process

#### 3.3.1 Expenditure incurred without authority of law

No money shall be withdrawn from the Consolidated Fund of the State except under appropriation made by law passed in accordance with the provisions of Article 204 of the Constitution. Further, expenditure should not be incurred on a scheme/service without provision of funds or after obtaining additional funds by re-appropriation, supplementary grant or appropriation or an advance from the Contingency Fund of the State.

**Table 3.5** shows the summarised position of expenditure incurred without any budget provision in nine cases covering seven grants. This is a breach of constitutional provisions. State government must avoid these expenditures. If under any circumstance expenditure is inevitable, the Finance Department must follow the provisions under Articles 205 and 206.

**Table 3.5: Summary of expenditure without Budget Provision**

| Grant/<br>Appropriation | Heads of Account    | Expenditure<br>(in ₹) | Name of Schemes/ Sub-Heads                    |
|-------------------------|---------------------|-----------------------|---|
| <b>Voted</b>            |                     |                       |   |
| 07                      | 2056-00-001-01-C00N | 117                   | Headquarter Staff                             |
| 09                      | 2210-05-105-07-S10N | 3,90,000              | National Mission on Extension and Technology  |
|                         | 4210-03-105-13-S10N | 41,82,000             | Upgradation of Government Medical Colleges    |
| 31                      | 4210-03-796-11-S10N | 10,78,000             | Upgradation of Government Medical Colleges    |
| 32                      | 2401-00-789-51-C90N | 4,11,300              | National Project on Soil Health and Fertility |
|                         | 4210-03-789-09-S10N | 17,90,000             | Upgradation of Government Medical Colleges    |

| Grant/ Appropriation | Heads of Account    | Expenditure (in ₹)                     | Name of Schemes/ Sub-Heads                         |
|----------------------|---------------------|--|--|
| <b>Charged</b>       |                     |  |  |
| 08                   | 2202-01-101-03-S00N | 20,00,000                              | Middle Schools                                     |
| 29                   | 2049-01-101-18-S00N | 23,27,99,000                           | 7.76% Himachal Pradesh State Development Loan 2030 |
|                      | 2049-01-101-19-S00N | 15,63,99,000                           | 7.82% Himachal Pradesh State Development Loan 2032 |
| <b>Total</b>         |                     | <b>39,90,49,417</b><br>(₹ 39.90 crore) |  |

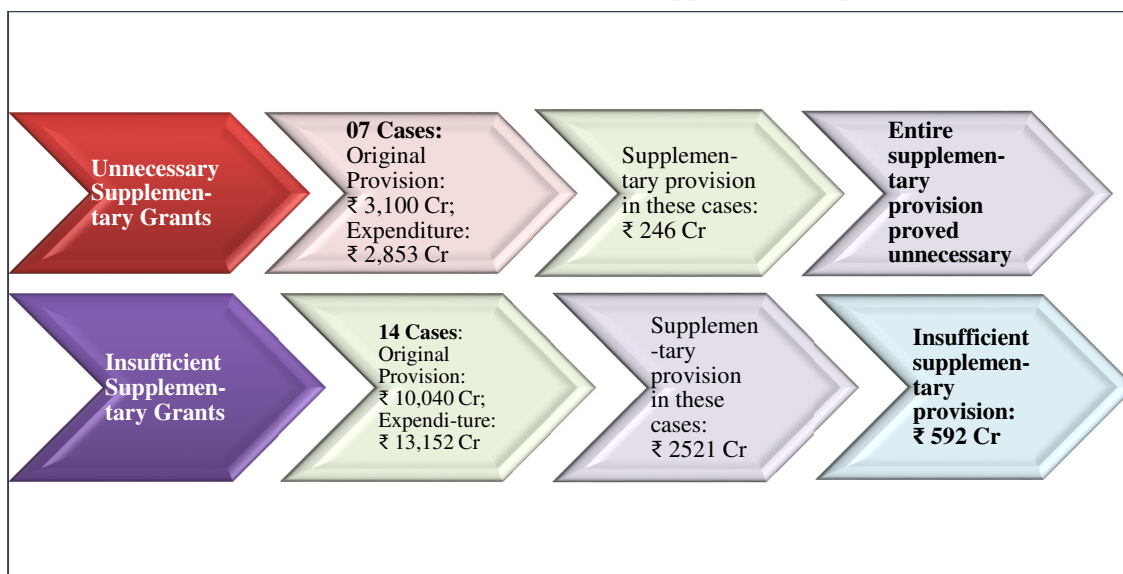
Source: Appropriation Accounts.

### 3.3.2 Unnecessary or insufficient supplementary grants

As per Article 205 of the Constitution, a Supplementary or Additional Grant or Appropriation over the provision made by the Appropriation Act for the year can be made during the current financial but not after the expiry of the current financial year. When such additional expenditure is found to be inevitable and there is no possibility of effecting savings within the grant to cover the excess by re-appropriation, the Secretary in the Department concerned proposes to the Finance Department for supplementary or additional grant or appropriation.

During 2022-23, there were seven cases (₹ one crore or more in each case) under six grants (Revenue/Capital-Voted) where supplementary provision of ₹ 246.39 crore proved unnecessary as expenditure did not reach the level of original provision itself (Table 3.6), while in 14 cases (Table 3.7) supplementary provision of ₹ 2,520.66 crore proved insufficient as it was not adequate to meet the requirement, leaving aggregate uncovered excess expenditure of ₹ 591.52 crore (Chart 3.3).

**Chart 3.3: Unnecessary and insufficient supplementary provisions**



Source: Appropriation Accounts.

**Table 3.6: Details of cases where supplementary provision (₹ one crore or more in each case) proved unnecessary**

(₹ in crore)

| Sr. No.              | Name of the Grant   | Original        | Supplementary | Actual expenditure | Saving out of original provisions |
|----------------------|---|-----------------|---------------|--------------------|-----------------------------------|
| <b>Revenue-Voted</b> |   |                 |               |                    |                                   |
| 1                    | 11-Agriculture  | 410.09          | 44.14         | 397.80             | 12.29                             |
| 2                    | 16-Forest and Wildlife                                      | 760.70          | 48.59         | 720.21             | 40.49                             |
| 3                    | 31-Tribal Development                                       | 1,720.18        | 25.22         | 1,538.47           | 181.71                            |
| <b>Capital-Voted</b> |   |                 |               |                    |                                   |
| 4                    | 3-Administration of Justice                                 | 11.90           | 10.63         | 10.80              | 1.10                              |
| 5                    | 16- Forest and Wildlife                                     | 10.22           | 1.76          | 10.21              | 0.01                              |
| 6                    | 19-Social Justice and Empowerment                           | 5.28            | 58.83         | 1.69               | 3.59                              |
| 7                    | 28-Urban Development, Town and Country Planning and Housing | 181.85          | 57.22         | 173.51             | 8.34                              |
| <b>Total</b>         |   | <b>3,100.22</b> | <b>246.39</b> | <b>2,852.69</b>    | <b>247.53</b>                     |

Source: Appropriation Accounts.

Although the demand for supplementary grants was made by the State Government on the reasoning that additional expenditure was to be incurred in various schemes under the respective grants, the final expenditure was less than even the original provisions in the seven cases as indicated above.

**Table 3.7: Details of cases where supplementary provision (₹ one crore or more in each case) proved insufficient**

(₹ in crore)

| Sr. No.              | Name of the Grant  | Original provision | Supplementary   | Total provision  | Actual expenditure | Excess        |
|----------------------|--|--------------------|-----------------|------------------|--------------------|---------------|
| <b>Revenue-Voted</b> |  |                    |                 |                  |                    |               |
| 1.                   | 14-Animal Husbandry, Dairy Development and Fisheries         | 418.52             | 31.81           | 450.33           | 453.41             | 3.08          |
| 2.                   | 17-Election  | 83.53              | 19.35           | 102.88           | 105.57             | 2.69          |
| 3.                   | 18-Industries, Minerals, Supplies and Information Technology | 140.25             | 81.01           | 221.26           | 225.18             | 3.92          |
| 4                    | 22-Food and Civil Supplies                                   | 192.37             | 74.62           | 266.99           | 332.07             | 65.08         |
| 5                    | 25-Road and Water Transport                                  | 245.75             | 171.11          | 416.86           | 417.00             | 0.14          |
| 6                    | 28-Urban Development, Town and Country Planning and Housing  | 595.60             | 162.58          | 758.18           | 833.60             | 75.42         |
| 7                    | 29-Finance   | 7,912.59           | 1,286.29        | 9,198.88         | 9,400.77           | 201.89        |
| 8                    | 30-Miscellaneous General Services                            | 118.60             | 27.15           | 145.75           | 146.60             | 0.85          |
| <b>Capital-Voted</b> |  |                    |                 |                  |                    |               |
| 9                    | 05-Land Revenue and District Administration                  | 13.68              | 48.68           | 62.36            | 72.64              | 10.28         |
| 10                   | 09-Health and Family Welfare                                 | 90.42              | 238.26          | 328.68           | 485.86             | 157.18        |
| 11                   | 18-Industries, Minerals, Supplies and Information Technology | 32.75              | 152.72          | 185.47           | 187.33             | 1.86          |
| 12                   | 25-Road And Water Transport                                  | 93.44              | 208.74          | 302.18           | 363.55             | 61.37         |
| 13                   | 27-Labour Employment and Training                            | 63.51              | 13.13           | 76.64            | 82.94              | 6.30          |
| 14                   | 30-Miscellaneous General Services                            | 38.76              | 5.21            | 43.97            | 45.43              | 1.46          |
| <b>Total</b>         |  | <b>10,039.77</b>   | <b>2,520.66</b> | <b>12,560.43</b> | <b>13,151.95</b>   | <b>591.52</b> |

As seen from the above, the supplementary provisions were insufficient as the actual expenditure was more than the total budget provisions (original + supplementary).

Both the above incidents indicate that the Administrative Departments could not realistically assess/estimate the actual requirement of funds for the remaining period of financial year due to poor monitoring of expenditure.

### **3.3.3 Re-appropriations requiring prior legislative authorisation**

‘Re-appropriation’ refers to the transfer, by a competent authority, of savings from one unit of appropriation to meet additional expenditure under another unit within the same grant or charged appropriation. The Government is allowed to re-appropriate provisions from one unit of appropriation to another within the same Grant, thus altering the destination of an original provision for one purpose to another, subject to the limits and restrictions laid down. No re-appropriation should be made for any purpose whatsoever from Supplementary Grants voted by the Assembly for a definite purpose, so as to ensure that a Supplementary Grant shall be used for the purpose for which it is voted and for no other.

During the year 2022-23, there was no case of re-appropriation from one grant to another or from supplementary grants.

Cases of unnecessary/insufficient re-appropriation within grants are detailed below.

### **3.3.4 Unnecessary, inappropriate and insufficient re-appropriations**

Re-appropriation is the transfer of funds within a grant from one unit of appropriation, where savings are anticipated, to another unit where additional funds are needed. During the year 2022-23, there were 96 cases (**Appendix 3.3**), where re-appropriation proved unnecessary, as the expenditure did not reach the level of budget provision. In 23 cases (**Appendix 3.4**), re-appropriations were made inappropriately from those accounts where actual expenditure resulted in excess. In 54 cases (**Appendix 3.5**) re-appropriation proved insufficient, as actual expenditure resulted in excess even after making re-appropriation. Substantial cases (saving/excess more than ₹ 10 crore) are depicted in **Tables 3.8** and **3.9** given below.

**Table 3.8: Unnecessary re-appropriations resulting in savings**

(₹ in crore)

| Sr. No.              | Grant                                      | Heads of account    | Original | Supplementary | Re-appropriation | Total  | Actual | Final Saving |
|----------------------|--|---------------------|----------|---------------|------------------|--------|--------|--------------|
| <b>Revenue-Voted</b> |  |                     |          |               |                  |        |        |              |
| 1                    | 3-Administration of Justice                | 2014-00-105-01-S00N | 149.03   | 36.30         | 0.0001           | 185.33 | 161.13 | -24.20       |
| 2                    | 5-Land Revenue and District Administration | 2245-02-111-01-S00N | 32.00    | 3.00          | 0.75             | 35.75  | 24.85  | -10.90       |
| 3                    | 5-Land Revenue and District Administration | 2245-02-111-02-S00N | 47.00    | 9.96          | 2.61             | 59.57  | 46.17  | -13.40       |
| 4                    | 5-Land Revenue and District Administration | 2245-08-101-01-S00N | 0.00     | 90.80         | 95.20            | 186.00 | 48.76  | -137.24      |
| 5                    | 7-Police and Allied Organizations          | 2055-00-108-05-S00N | 332.40   | 1.87          | 0.43             | 334.70 | 322.71 | -11.99       |
| 6                    | 8-Education                                | 2202-01-112-01-C90N | 88.37    | 0.00          | 1.10             | 89.47  | 64.01  | -25.46       |

| Sr. No.              | Grant   | Heads of account    | Original | Supplementary | Re-appropriation | Total  | Actual | Final Saving |
|----------------------|---|---------------------|----------|---------------|------------------|--------|--------|--------------|
| <b>Revenue-Voted</b> |   |                     |          |               |                  |        |        |              |
| 7                    | 9-Health and Family Welfare                                 | 2210-01-110-03-S00N | 296.80   | 8.59          | 9.18             | 314.57 | 296.50 | -18.07       |
| 8                    | 10-Public Works - Roads, Bridges and Buildings              | 3054-04-105-02-S00N | 326.43   | 0.00          | 3.39             | 329.82 | 298.18 | -31.64       |
| 9                    | 19-Social Justice and Empowerment                           | 2235-02-104-01-S00N | 0.00     | 33.68         | 7.32             | 41.00  | 0.00   | -41.00       |
| 10                   | 32-Scheduled Caste Sub Plan                                 | 2202-03-789-04-C60N | 0.00     | 0.00          | 26.40            | 26.40  | 0.00   | -26.40       |
| <b>Capital-Voted</b> |   |                     |          |               |                  |        |        |              |
| 11                   | 19-Social Justice and Empowerment                           | 4235-02-104-01-S00N | 0.00     | 58.43         | 1.57             | 60.00  | 0.00   | -60.00       |
| 12                   | 28-Urban Development, Town and Country Planning and Housing | 4215-02-106-02-S00N | 134.66   | 12.22         | 0.40             | 147.28 | 57.27  | -90.01       |
| 13                   | 31-Tribal Development                                       | 5002-03-796-01-S00N | 0.00     | 0.00          | 10.00            | 10.00  | 0.00   | -10.00       |
| 14                   | 32-Scheduled Caste Sub Plan                                 | 5054-04-789-01-S00N | 91.94    | 0.00          | 2.39             | 94.33  | 77.30  | -17.03       |

Source: Appropriation Accounts.

**Table 3.9: Inappropriate / insufficient re-appropriations resulting in excess**

(₹ in crore)

| Sr. No.              | Grant   | Heads of account    | Original | Supplementary | Re-appropriation | Total    | Actual   | Excess |
|----------------------|---|---------------------|----------|---------------|------------------|----------|----------|--------|
| <b>Revenue-Voted</b> |   |                     |          |               |                  |          |          |        |
| 1                    | 8-Education   | 2202-02-109-01-S00N | 2,606.99 | 139.41        | 11.74            | 2,758.14 | 2,792.85 | 34.71  |
| 2                    | 22-Food and Civil Supplies                                  | 2408-01-102-13-C75N | 0.01     | 0.00          | 0.26             | 0.27     | 65.67    | 65.40  |
| 3                    | 28-Urban Development, Town and Country Planning and Housing | 2217-80-191-63-C90N | 0.00     | 86.20         | 49.95            | 136.15   | 184.66   | 48.51  |
| 4                    | 28-Urban Development, Town and Country Planning and Housing | 2217-80-191-64-C90N | 0.00     | 53.00         | 33.66            | 86.66    | 133.16   | 46.50  |
| 5                    | 29-Finance  | 2071-01-101-03-S00N | 4,341.19 | 200.06        | 20.82            | 4,562.07 | 4,662.02 | 99.95  |
| 6                    | 31-Tribal Development                                       | 3054-04-796-02-S00N | 113.27   | 0.00          | -4.52            | 108.75   | 137.62   | 28.87  |
| <b>Capital-Voted</b> |   |                     |          |               |                  |          |          |        |
| 7                    | 7-Police and Allied Organisations                           | 4055-00-211-03-S00N | 31.59    | 0.15          | 0.40             | 32.14    | 52.53    | 20.39  |
| 8                    | 25-Road and Water Transport                                 | 5002-03-115-01-S00N | 18.48    | 128.71        | 1.52             | 148.71   | 211.66   | 62.95  |

As per Rule 44 (2) of Himachal Pradesh Financial Rules, 2009, re-appropriation of funds may be made with the approval of the Finance Department only when it is known or anticipated that the appropriation for the unit from which funds are to be transferred will not be utilised in full or that savings can be effected in the appropriation for the said unit.

### 3.3.5 Savings

The golden rule for all Estimating Officers should be to provide in the budget for everything that can be foreseen and to provide only as much as is necessary. Complete accuracy of estimates may not always be possible; but where the omission or inaccuracy is the result of lack of forethought, neglect of the obvious or slipshod estimating, remedial actions may be needed. The Administrative and Finance Departments should, in checking the estimates, apply unrelentingly the proven and well-tried check of average of previous actuals with known or reasonably foreseeable facts which may modify that average.

When the need for surrender manifests itself, the Controlling Officers should carefully estimate the amounts that they can surrender. The aim should be to surrender as much as they can so as to keep the expenditure just within the modified Grant.

Budgetary allocations based on unrealistic proposals, poor expenditure monitoring mechanism, weak scheme implementation capacities/ weak internal controls promote release of funds towards the end of the financial year and increase the propensity of the Departments to retain huge balances outside the Government account in Bank Accounts. Excessive savings also deprive other departments of the funds which they could have utilised.

#### (i) Savings vis-à-vis allocations

Analysis of appropriations showed that savings occurred in 51 cases relating to 26 grants during the year, as detailed in **Appendix 3.6**. Against the total provision of ₹ 54,946.43 crore under these cases, there was an overall savings of ₹ 4,269.75 crore which was the net result of saving of ₹ 4,931.89 crore offset by excess of ₹ 662.14 crore in various grants. Out of overall savings of ₹ 4,269.75 crore, substantial savings (₹ 100 crore and more in each case) were observed in 13 cases relating to 10 grants, details of which are given in **Table 3.10**.

**Table 3.10: List of grants having large savings (above ₹ 100 crore) during the year**  
(₹ in crore)

| Sr. No.              | Number and Name of Grant/ Appropriation        | Original | Supplementary | Actual   | Savings |
|----------------------|--|----------|---------------|----------|---------|
| <b>Revenue-Voted</b> |  |          |               |          |         |
| 1                    | 5-Land Revenue and District Administration     | 1,360.47 | 672.01        | 1,757.30 | -275.18 |
| 2                    | 8-Education                                    | 7,451.77 | 440.13        | 7,770.30 | -121.60 |
| 3                    | 9-Health and Family Welfare                    | 2,494.16 | 453.79        | 2,740.42 | -207.53 |
| 4                    | 10-Public Works - Roads, Bridges and Buildings | 3,432.64 | 0.00          | 2,879.87 | -552.77 |
| 5                    | 20-Rural Development                           | 1,252.90 | 518.98        | 1,651.86 | -120.02 |
| 6                    | 31-Tribal Development                          | 1,720.18 | 25.22         | 1,538.47 | -206.93 |
| 7                    | 32-Scheduled Caste Sub Plan                    | 2,219.57 | 398.22        | 2,423.89 | -193.90 |
| <b>Capital-Voted</b> |  |          |               |          |         |
| 8                    | 15-Planning and Backward Area Sub Plan         | 493.74   | 0.00          | 325.15   | -168.59 |
| 9                    | 26-Tourism and Civil Aviation                  | 581.26   | 0.00          | 86.15    | -495.11 |

| Sr. No.                | Number and Name of Grant/Appropriation | Original | Supplementary | Actual    | Savings   |
|------------------------|--|----------|---------------|-----------|-----------|
| 10                     | 31-Tribal Development                  | 539.63   | 0.00          | 386.50    | -153.13   |
| 11                     | 32-Scheduled Caste Sub Plan            | 1,418.15 | 0.00          | 1,096.37  | -321.78   |
| <b>Revenue-Charged</b> |  |          |               |           |           |
| 12                     | 29-Finance                             | 5,104.64 | 0.00          | 4,828.69  | -275.95   |
| <b>Capital-Charged</b> |  |          |               |           |           |
| 13                     | 29-Finance                             | 5,342.02 | 6,006.94      | 10,135.79 | -1,213.17 |

Source: Appropriation Accounts.

Savings were noticed under both the sectors i.e., social and infrastructure. Major savings were noticed in Public Works, Education, Finance, Tribal Development, Health and Family Welfare departments, etc. under social sector due to non-filling up of vacant posts, non-conversion of work-charged staff into regular in primary/secondary schools and university and higher education, less expenditure on maintenance of various schemes/ works, etc. Savings were also noticed in Tourism and Civil Aviation, under economic/ infrastructure sector mainly due to non utilisation of funds relating to development of airports/ heliports and non-implementation of various developmental works.

**Chart 3.4** categorises grants / appropriations according to percentage of savings against budget allocations. It can be noted from the chart that in 10 grants, there were savings of ₹ 3,145.03 crore (five to 15 per cent in each grant) during the year.



\*Note: Amount shown less than zero (0) denotes excess.

No object is served by keeping back savings which should ideally be surrendered in time. For this reason, appropriations which are likely to remain unspent must be reported for surrender as early as possible. As can be seen from the test-checked departments (refer **Paragraph 3.5.1 (v)** and **3.5.2 (iii)**), there were delays ranging between 16 and 70 days in submission of statements of excess and surrender. In the absence of surrender of savings, other spending departments are deprived of the funds which they could have utilised and thus demands for supplementary grants by such departments can be avoided. Surrenders are being made generally in the month of March, and a careful study of figures of expenditure incurred and keeping a watch

over the progress of the previous month's expenditure can enable a Controlling Officer to arrive at his final requirements with a reasonable degree of exactness and accuracy.

**(ii) Persistent Savings**

During the last five years, there were 21 cases (₹ one crore or more in each case) relating to 15 grants where persistent savings occurred (details given in **Appendix 3.7**), out of which eight cases (₹ 100 crore or more in each case) are depicted below in **Table 3.11**.

**Table 3.11: Details of persistent savings cases (₹ 100 crore or more in each case)**

(₹ in crore)

| Sr. No.                 | Grant Number | Name of Grant/ Appropriation                | 2018-19 | 2019-20   | 2020-21   | 2021-22   | 2022-23 |
|-------------------------|--------------|---|---------|-----------|-----------|-----------|---------|
| <b>Revenue- Voted</b>   |              |   |         |           |           |           |         |
| 1                       | 08           | Education                                   | -955.16 | -1,110.61 | -1,362.09 | -1,096.43 | -121.60 |
| 2                       | 09           | Health and Family Welfare                   | -330.83 | -377.72   | -489.64   | -243.85   | -207.53 |
| 3                       | 10           | Public Works - Roads, Bridges and Buildings | -269.04 | -736.83   | -963.02   | -1,194.46 | -552.77 |
| 4                       | 20           | Rural Development                           | -383.93 | -351.17   | -163.47   | -134.10   | -120.02 |
| 5                       | 31           | Tribal Development                          | -325.72 | -371.39   | -415.69   | -403.42   | -206.93 |
| 6                       | 32           | Scheduled Caste Sub Plan                    | -390.87 | -513.37   | -264.69   | -141.50   | -193.90 |
| <b>Capital- Voted</b>   |              |   |         |           |           |           |         |
| 7                       | 32           | Scheduled Caste Sub Plan                    | -154.08 | -231.62   | -149.75   | -390.46   | -321.78 |
| <b>Revenue- Charged</b> |              |   |         |           |           |           |         |
| 8                       | 29           | Finance                                     | -238.48 | -315.99   | -459.44   | -376.78   | -275.95 |

Source: Appropriation Accounts.

The substantial persistent savings in the grants above indicated that budgetary controls in these departments were not effective as they are unable to spend the allocated funds. The departments need to improve their capacity to spend as these are all social sector departments and even the previous years' trends were not being taken into account while allocating funds. This had also been pointed out in the previous State Finance Audit Reports too.

**(iii) Details of surrenders of funds in excess of ₹ 10 crore**

Instances of surrender of funds in excess of ₹ 10 crore in each case at the end of March are given in **Table 3.12**.

**Table 3.12: Details of surrender of funds in excess of ₹ 10 crore at the end of March 2023**

(₹ in crore)

| Sr. No.              | Grant Number | Original | Supplemen- tary | Total Provision | Actual expenditure | Savings | Amount Surrendered |
|----------------------|--------------|----------|-----------------|-----------------|--------------------|---------|--------------------|
| <b>Revenue-Voted</b> |              |          |                 |                 |                    |         |                    |
| 1                    | 8            | 7,451.77 | 440.13          | 7,891.90        | 7,770.30           | -121.60 | -242.27            |
| 2                    | 9            | 2,494.16 | 453.79          | 2,947.95        | 2,740.42           | -207.53 | -35.54             |
| 3                    | 10           | 3,432.64 | 0.00            | 3,432.64        | 2,879.87           | -552.77 | -83.67             |
| 4                    | 11           | 410.09   | 44.14           | 454.23          | 397.80             | -56.43  | -55.88             |
| 5                    | 13           | 2,681.86 | 21.47           | 2,703.33        | 2,696.81           | -6.52   | -16.92             |
| 6                    | 16           | 760.70   | 48.59           | 809.29          | 720.21             | -89.08  | -77.95             |
| 7                    | 31           | 1,720.18 | 25.22           | 1,745.40        | 1,538.47           | -206.93 | -40.32             |
| 8                    | 32           | 2,219.57 | 398.22          | 2,617.79        | 2,423.89           | -193.90 | -119.33            |

| Sr. No.                | Grant Number | Original         | Supplementary   | Total Provision  | Actual expenditure | Savings          | Amount Surrendered |
|------------------------|--------------|------------------|-----------------|------------------|--------------------|------------------|--------------------|
| <b>Capital-Voted</b>   |              |                  |                 |                  |                    |                  |                    |
| 9                      | 15           | 493.74           | 0.00            | 493.74           | 325.15             | -168.59          | -80.80             |
| 10                     | 26           | 581.26           | 0.00            | 581.26           | 86.15              | -495.11          | -483.88            |
| 11                     | 28           | 181.85           | 57.22           | 239.07           | 173.51             | -65.56           | -70.79             |
| 12                     | 31           | 539.63           | 0.00            | 539.63           | 386.50             | -153.13          | -63.29             |
| 13                     | 32           | 1,418.15         | 0.00            | 1,418.15         | 1,096.37           | -321.78          | -220.64            |
| <b>Revenue-Charged</b> |              |                  |                 |                  |                    |                  |                    |
| 14                     | 29           | 5,104.64         | 0.00            | 5,104.64         | 4,828.69           | -275.95          | -319.90            |
| <b>Total</b>           |              | <b>29,490.24</b> | <b>1,488.78</b> | <b>30,979.02</b> | <b>28,064.14</b>   | <b>-2,914.88</b> | <b>-1,911.18</b>   |

Source: Appropriation Accounts.

As given in the above table, in 14 cases, there was surrender of amounts (₹ 10 crore or more in each case) totaling ₹ 1,911.18 crore (6.48 per cent of original budget allocation) in the month of March 2023.

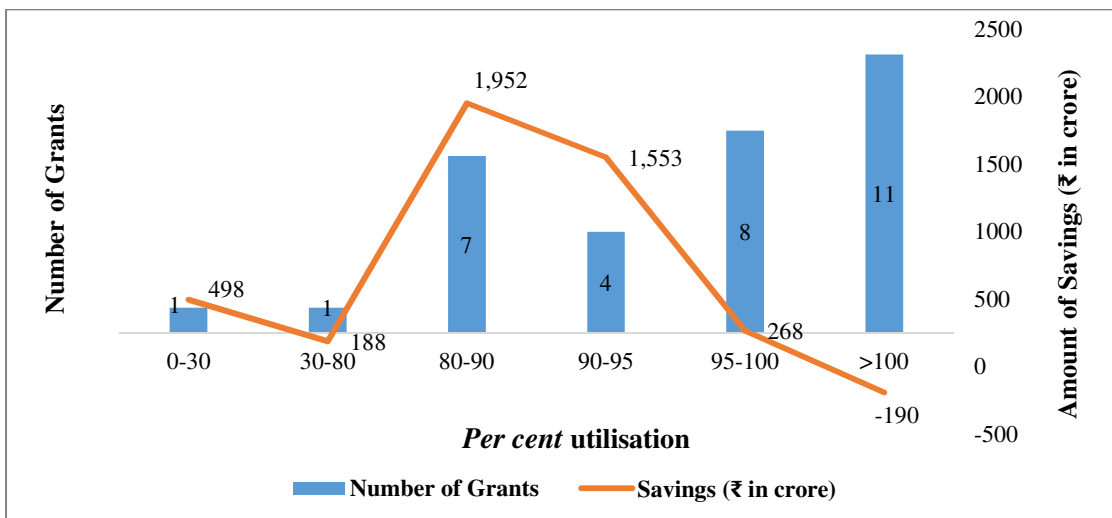
As per Rule 41 of Himachal Pradesh Financial Rules 2009, saving as well as provisions that cannot be profitably utilised should be surrendered to Government immediately when they are foreseen, without waiting till the end of the year. No savings should be held in reserve for possible future excesses.

During checking/scrutiny of all surrender orders, it was noticed that surrender orders were made on the last day (i.e., 31<sup>st</sup> March) of the year. The surrender of funds at the end of the year indicated poor monitoring of expenditure, weak financial controls, and meant that funds could not be utilised for other purposes.

#### (iv) Distribution of the number of Grants/ Appropriations grouped by percentage of utilisation

The distribution of the number of Grants/ Appropriations grouped by percentage of utilisation is given in **Chart 3.5**.

**Chart 3.5: Distribution of the number of Grants/Appropriations grouped by percentage of utilisation**



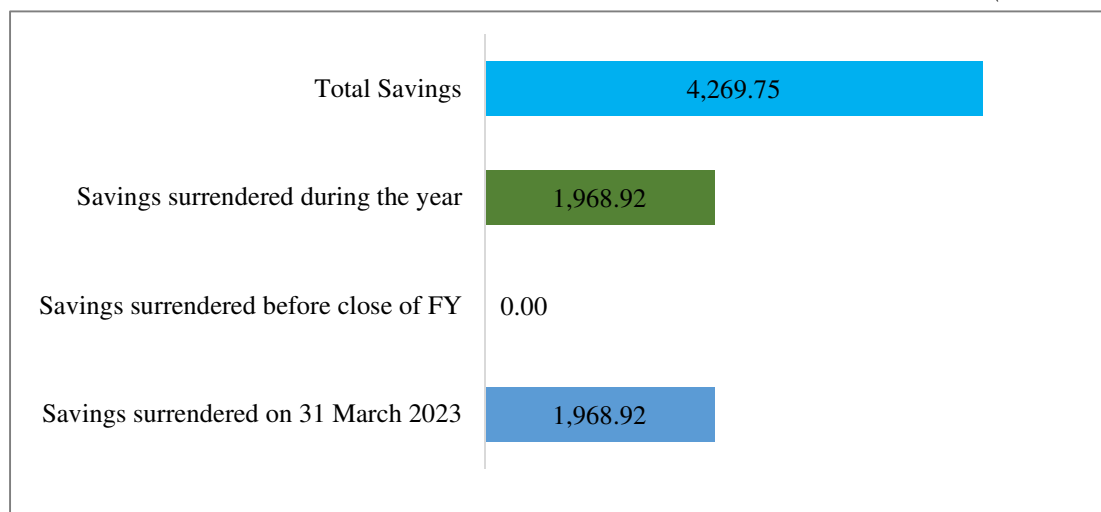
Note: Amount shown as less than zero (0) denotes excess.

In one grant (Grant No. 26 - Tourism and Civil Aviation), utilisation was only 18 *per cent* of the available funds, resulting in savings of ₹ 498.42 crore. In the previous year also, the Department utilised only 24 *per cent* of the available grant.

In 11 Grants, utilisation was more than 100 *per cent*, particularly in Grant No. 22 (Food and Civil Supplies) utilisation was 124.36 *per cent*, resulting in excess of ₹ 65.08 crore.

**Chart 3.6: Savings and surrenders before close/ last day of financial year 2022-23**

(₹ in crore)



Analysis of **Chart 3.6** revealed that only 46.11 *per cent* of savings were surrendered. All the surrenders (₹ 1,968.92 crore) were made on 31<sup>st</sup> March 2023. This indicated poor management of funds resulting in sub-optimal utilisation of financial resources.

### **3.3.6 Excess expenditure and its regularisation**

As per Article 204 of the Constitution of India, no money shall be withdrawn from Consolidated Fund of the State except under appropriation made by law passed in accordance with the provisions of the Article. Further, 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.

#### **3.3.6.1 Excess expenditure**

Excess expenditure over budget provision is not only in contravention of provisions requiring legislative sanction, but also indicative of poor planning. It can be avoided by keeping track of expenditure progression with reference to budgetary outlays. Details of excess expenditure over the budget provision for the financial year 2022-23 are given in **Table 3.13**.

**Table 3.13: Summary of excess disbursements over grants/appropriations during 2022-23**  
(in ₹)

| Sr. No.            | Number and Name of Grant                                     | Voted                 |                       | Charged          |              |
|--------------------|--|-----------------------|-----------------------|------------------|--------------|
|                    |  | Revenue               | Capital               | Revenue          | Capital      |
| 1.                 | 5-Land Revenue and District Administration                   | --                    | 10,27,59,700          | --               | --           |
| 2.                 | 7-Police and Allied Organisations                            | --                    | 25,82,14,574          | --               | --           |
| 3.                 | 8-Education  | --                    | --                    | 20,00,000        | --           |
| 4.                 | 9-Health and Family Welfare                                  | --                    | 1,57,18,03,145        | --               | --           |
| 5.                 | 12-Horticulture  | --                    | 2,23,49,267           | --               | --           |
| 6.                 | 13-Irrigation, Water Supply and Sanitation                   | --                    | --                    | --               | 1,276        |
| 7.                 | 14-Animal Husbandry, Dairy Development and Fisheries         | 3,08,53,938           | --                    | --               | --           |
| 8.                 | 17-Election  | 2,69,97,672           | --                    | --               | --           |
| 9.                 | 18-Industries, Minerals, Supplies and Information Technology | 3,91,22,878           | 1,85,98,571           | --               | --           |
| 10.                | 20-Rural Development   | --                    | 34,74,140             | --               | --           |
| 11.                | 21-Co-Operation  | --                    | 5,25,24,000           | --               | --           |
| 12.                | 22-Food and Civil Supplies                                   | 65,07,85,490          | --                    | --               | --           |
| 13.                | 23-Power Development   | --                    | 36,76,35,000          | --               | --           |
| 14.                | 25-Road and Water Transport                                  | 14,99,380             | 61,36,55,000          | --               | --           |
| 15.                | 27-Labour Employment and Training                            | --                    | 6,30,05,754           | --               | --           |
| 16.                | 28-Urban Development, Town and Country Planning and Housing  | 75,41,13,479          | --                    | --               | --           |
| 17.                | 29-Finance   | 2,01,89,18,637        | --                    | --               | --           |
| 18.                | 30-Miscellaneous General Services                            | 85,01,905             | 1,46,28,245           | --               | --           |
| <b>Total</b>       |  | <b>3,53,07,93,379</b> | <b>3,08,86,47,396</b> | <b>20,00,000</b> | <b>1,276</b> |
| <b>Grand Total</b> |  | <b>₹ 662.14 crore</b> |                       |                  |              |

Source: Appropriation Accounts.

As seen from the above, in 21 cases (relating to 18 grants), excess expenditure of ₹ 662.14 crore over budget provision was incurred in 2022-23, which requires regularisation by the State Legislature. Details of Major-Head wise excess is given in **Appendix 3.8** and cases (more than ₹ 50 crore) of Major-Heads where excess over budget were substantial are given in **Table 3.14**.

**Table 3.14: Major-Head-wise disbursement over the authorisation during 2022-23**  
(₹ in crore)

| Sr. No. | Grant Number  | Major Head  | Original | Supplementary | Actual Expenditure | Excess |
|---------|---|---|----------|---------------|--------------------|--------|
| 1       | 29-Finance  | 2071-Pensions and Other Retirement Benefits             | 7,790.20 | 1,260.65      | 9,283.87           | 233.02 |
| 2       | 9-Health and Family Welfare                                 | 4210-Capital Outlay on Medical and Public Health        | 90.42    | 238.26        | 485.86             | 157.18 |
| 3       | 13-Irrigation, Water Supply and Sanitation                  | 2215-Water Supply and Sanitation                        | 1,860.02 | 21.31         | 2,001.94           | 120.61 |
| 4       | 28-Urban Development, Town and Country Planning and Housing | 2217-Urban Development                                  | 577.45   | 162.58        | 817.41             | 77.38  |
| 5       | 22-Food and Civil Supplies                                  | 2408-Food Storage and Warehousing                       | 172.76   | 53.93         | 291.68             | 64.99  |
| 6       | 25-Road and Water Transport                                 | 5002-Capital Outlay on Indian Railways-Commercial Lines | 18.48    | 128.71        | 211.66             | 64.47  |
| 7       | 23-Power Development  | 6801-Loans for Power Projects                           | 36.19    | 0.00          | 97.04              | 60.85  |

Source: Appropriation Accounts.

### 3.3.6.2 Persistent excesses in certain grants

During the five-year period from 2018-19 to 2022-23, there were no cases of persistent excesses in any grants.

### 3.3.6.3 Regularisation of excess expenditure of previous financial years

Excess expenditure remaining un-regularised for extended periods dilutes legislative control over the executive.

Excess expenditure of ₹ 10,600.63 crore under 20 grants and 11 appropriations incurred during the years 2014-15 to 2021-22 was yet to be regularised by the State Legislature as of September 2023. An age-wise analysis shows that out of excess expenditure of ₹ 10,600.63 crore pertaining to the period 2014-22, ₹ 7,858.49 crore (74.13 per cent) of excess expenditure pertained to the period before 2017-18.

In addition to the above, excess expenditure of ₹ 662.14 crore incurred over authorisation made in 16 grants and two appropriations during the financial year 2022-23 also required regularisation.

The year-wise summary of excess expenditure pending regularisation is given in **Table 3.15:**

**Table 3.15: Excess expenditure relating to the previous years (2014-22) requiring regularisation**

| Year         | Number of Grants/ Appropriations | Grant/ Appropriation numbers  | Amount of excess required to be regularised as commented in the Appropriation Accounts (Figures in ₹) | Status of regularisation  |
|--------------|----------------------------------|---|---|---|
| 2014-15      | 10 Grants<br>6 Appropriations    | 1, 2, 6, 11, 12, 13, 18, 19, 23 (Revenue)<br>23 (Capital) and<br>1, 10, 19, 29 (Revenue), 29, 31 (Capital)      | 15,85,69,18,458   | Memorandums/<br>suo-moto<br>replies were<br>sent by the<br>Finance<br>Department to<br>HP Vidhan<br>Sabha, but<br>excess is yet to<br>be regularised<br>by the Public<br>Accounts<br>Committee<br>(PAC) |
| 2015-16      | 7 Grants<br>4 Appropriations     | 5, 8, 10, 13, 19, 23, 28 (Revenue) and<br>13, 16, 29 (Revenue) 29 (Capital)                                     | 28,48,43,38,113   |   |
| 2016-17      | 5 Grants<br>3 Appropriations     | 2, 13 (Revenue) 3, 10, 23 (Capital) and<br>1, 16 (Revenue) 29 (Capital)   | 30,37,60,82,471   |   |
| 2017-18      | 2 Grants<br>1 Appropriation      | 5, 10 (Revenue) and<br>10 (Capital)   | 3,86,76,41,211  |   |
| 2018-19      | 6 Grants<br>5 Appropriations     | 05, 13, 22 (Revenue), 03, 10, 12 (Capital)<br>and<br>07, 20, 25 (Revenue), 10, 29 (Capital)                     | 8,21,37,16,840  |   |
| 2019-20      | 4 Grants<br>3 Appropriations     | 22 (Revenue), 13, 21, 28 (Capital) and<br>05 (Revenue), 13, 29 (Capital)  | 49,91,20,218  |   |
| 2020-21      | 3 Grants<br>2 Appropriations     | 28 (Revenue), 10, 25 (Capital)<br>13 (Revenue), 31 (Capital)  | 88,69,12,706  |   |
| 2021-22      | 13 Grants<br>2 Appropriations    | 05,12,23 (Revenue), 05, 06, 07, 08, 09, 17,<br>18, 20, 23, 25, 27, 30 (Capital) and<br>07(Rvenue), 13 (Capital) | 17,82,16,59,142   | Under process   |
| <b>Total</b> |                                  |   | <b>1,06,00,63,89,159</b>  |   |

Source: Appropriation Accounts.

### 3.3.7 Grants-in-aid for creation of capital assets

As per IGAS-2, grants-in-aid disbursed by a grantor to a grantee shall be classified and accounted for as revenue expenditure irrespective of the purpose for which the funds disbursed as grants-in-aid are to be spent by the grantee, except in cases where it has been specifically authorised by the President on the advice of the Comptroller and Auditor General of India.

During 2022-23, an amount of ₹ 1,376.62 crore was extended as grants-in-aid for capital assets and the whole amount was booked under revenue heads and classified as revenue expenditure in the accounts in compliance with IGAS-2.

### 3.4 Effectiveness of budgetary and accounting process

#### 3.4.1 Budget projection and gap between expectation and actual

Efficient management of tax administration/other receipts and public expenditure holds the balance for achievement of various fiscal indicators. Budgetary allocations based on unrealistic proposals, poor expenditure monitoring mechanism, weak scheme implementation capacities and weak internal controls lead to sub-optimal allocation among various developmental needs. Excessive savings in some departments deprive other departments of the funds, which they could have utilised.

The summarised position of original and supplementary provisions *vis-à-vis* actual expenditure during 2022-23 in respect of 32 grants/ appropriations is given in Table 3.16.

**Table 3.16: Summarised position of Budget (Original/ Supplementary) provisions *vis-à-vis* Actual Expenditure during 2022-23**

(₹ in crore)

|                    | Nature of expenditure       | Original Grant/ Appropriation | Supplementary Grant/ Appropriation | Total Budget     | Actual Expenditure | Net Savings (-)  | Surrender during March |              |
|--------------------|-----------------------------|-------------------------------|------------------------------------|------------------|--------------------|------------------|------------------------|--------------|
|                    |                             |                               |                                    |                  |                    |                  | Amount                 | Per cent     |
| Voted              | I. Revenue                  | 38,267.33                     | 5,632.60                           | 43,899.93        | 42,239.74          | -1,660.19        | 709.71                 | 1.62         |
|                    | II. Capital                 | 5,697.53                      | 1,467.37                           | 7,164.90         | 6,039.61           | -1,125.29        | 934.48                 | 13.04        |
|                    | III. Loans and Advances     | 97.38                         | 1.41                               | 98.79            | 110.57             | 11.78            | 0.02                   | 0.02         |
|                    | <b>Total</b>                | <b>44,062.24</b>              | <b>7,101.38</b>                    | <b>51,163.62</b> | <b>48,389.92</b>   | <b>-2,773.70</b> | <b>1,644.21</b>        | <b>14.68</b> |
| Charged            | I. Revenue                  | 5,187.77                      | 8.50                               | 5,196.27         | 4,913.38           | -282.89          | 324.71                 | 6.25         |
|                    | II. Capital                 | 0.00                          | 24.26                              | 24.26            | 24.26              | 0.00             | 0.00                   | 0.00         |
|                    | III. Public Debt repayments | 5,342.01                      | 6,006.94                           | 11,348.95        | 10,135.79          | -1,213.16        | 0.00                   | 0.00         |
| <b>Total</b>       | <b>10,529.78</b>            | <b>6,039.70</b>               | <b>16,569.48</b>                   | <b>15,073.43</b> | <b>-1,496.05</b>   | <b>324.71</b>    | <b>6.25</b>            |              |
| <b>Grand Total</b> | <b>54,592.02</b>            | <b>13,141.08</b>              | <b>67,733.10</b>                   | <b>63,463.35</b> | <b>-4,269.75</b>   | <b>1,968.92</b>  | <b>20.93</b>           |              |

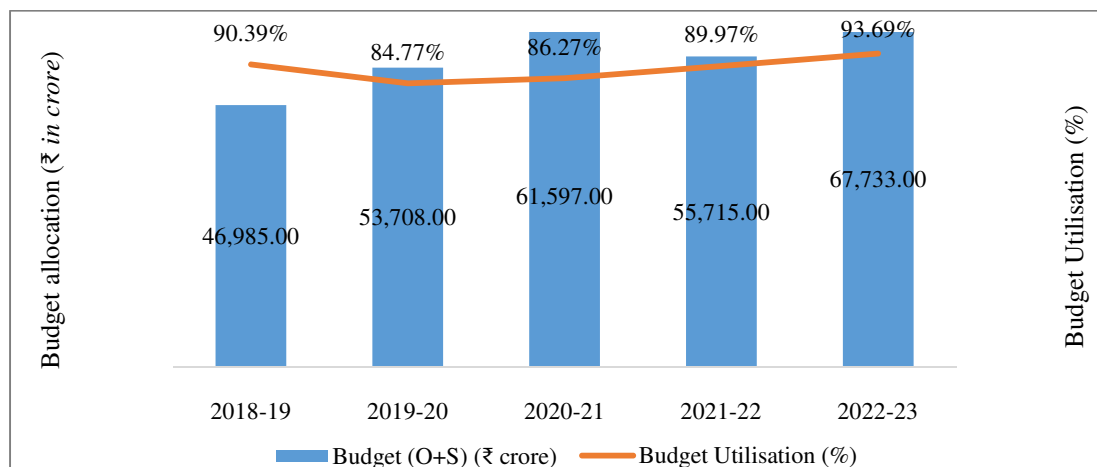
Source: Appropriation Accounts.

As shown in the above table, the total provision for expenditure in 2022-23 was ₹ 67,733.10 crore. The actual gross expenditure during the year was

₹ 63,463.35 crore. There was an overall saving of ₹ 4,269.75 crore which was the net result of saving of ₹ 4,931.89 crore in 26 grants and eight appropriations offset by excess of ₹ 662.14 crore in 16 grants and two appropriations. Out of net savings of ₹ 4,269.75 crore, only ₹ 1,968.92 crore (46.11 per cent) was surrendered. All the surrenders were made on the last day of the financial year i.e., 31 March 2023.

The position of budget utilisation during the five years is given in **Chart 3.7**.

**Chart 3.7: Trend of budget utilisation**



As can be seen from the above table, the percentage of budget utilisation against total allocation showed a declining trend during 2018-19 to 2019-20 whereas it showed an increasing trend over the last three-year period i.e., 2020-23.

The details of original budget, revised estimates, and actual expenditure during the five-year period from 2018-19 to 2022-23 are given in **Table 3.17**.

**Table 3.17: Original Budget, Revised Estimate and Actual Expenditure during 2018-23**

(₹ in crore)

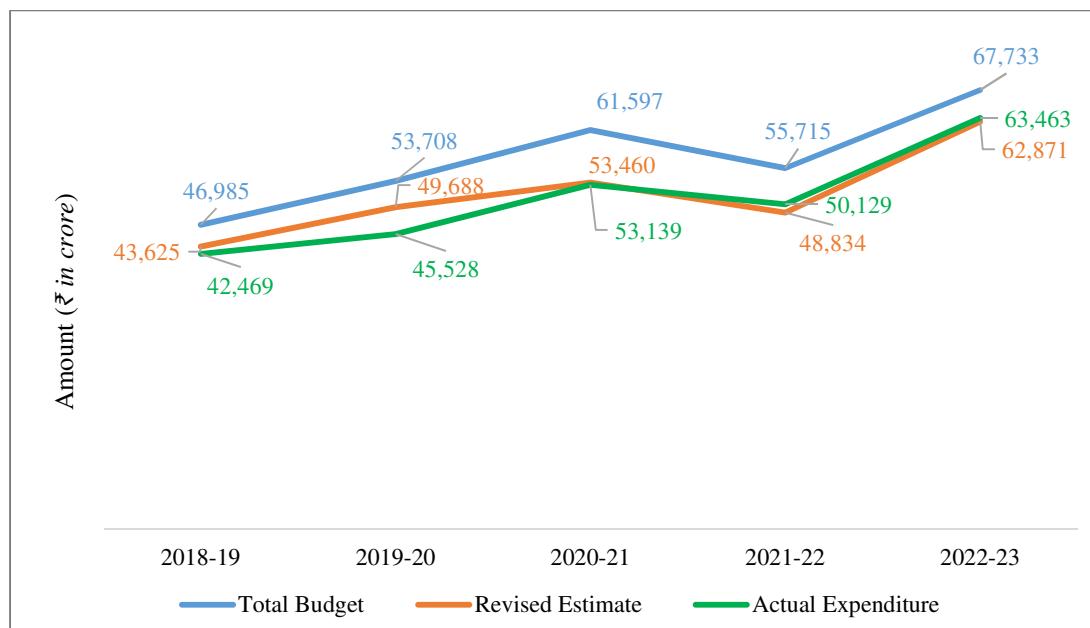
| Particulars   | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|---|---------|---------|---------|---------|---------|
| <b>Original Budget</b>  | 43,842  | 46,971  | 52,472  | 53,485  | 54,592  |
| <b>Supplementary Budget</b>   | 3,143   | 6,737   | 9,125   | 2,230   | 13,141  |
| <b>Total Budget (TB)</b>  | 46,985  | 53,708  | 61,597  | 55,715  | 67,733  |
| <b>Revised Estimate (RE)</b>  | 43,625  | 49,688  | 53,460  | 48,834  | 62,871  |
| <b>Actual Expenditure (AE)</b>                                      | 42,469  | 45,528  | 53,139  | 50,129  | 63,463  |
| <b>Saving (-)/ Excess (+)</b>                                       | -4,516  | -8,180  | -8,458  | -5,585  | -4,270  |
| <b>Percentage of supplementary to the original provision</b>        | 7.17    | 14.34   | 17.39   | 4.17    | 24.07   |
| <b>Percentage of overall saving/excess to the overall provision</b> | -9.61   | -15.23  | -13.73  | -10.03  | -6.30   |
| <b>TB-RE</b>  | 3,360   | 4,020   | 8,137   | 6,881   | 4,862   |
| <b>RE-AE</b>  | 1,156   | 4,160   | 321     | -1,295  | -592    |
| <b>(TB-RE) as a % of TB</b>   | 7.15    | 7.48    | 13.21   | 12.35   | 7.18    |
| <b>(RE-AE) as a % of TB</b>   | 2.46    | 7.75    | 0.52    | -2.32   | -0.87   |

Source: Appropriation Accounts and Budget documents of the respective years.

**Table 3.17** shows that supplementary provisions of ₹ 13,141 crore during the year 2022-23 constituted 24.07 per cent of the original provision as against 4.17 per cent in the previous year.

The trend of budget estimates, revised estimates and utilisation there against is depicted in **Chart 3.8**.

**Chart 3.8: Trend showing BE, RE and Actuals**



Source: Appropriation Accounts.

From the above chart, it can be seen that Total Budget (TB) was always higher than the Revised Estimate (RE) and Actual Expenditure (AE) in five years (2018-19 to 2022-23). The Revised Estimates were closer to actual expenditure, except in the year 2019-20.

In terms of percentage, RE was lower than TB by 7.15 per cent to 13.21 per cent during 2018-23. Further, the percentage of AE during 2018-19, 2019-20 and 2020-21 was lower than RE by 2.46 per cent, 7.75 per cent, 0.52 per cent respectively. In the last two years i.e., 2021-22 and 2022-23, AE was higher than RE by 2.23 per cent and 0.87 per cent respectively (as shown in **Table 3.17**). As such, the supplementary provisions during 2018-19, 2019-20 and 2021-22 proved unnecessary since the actual expenditure did not come up even to the level of original budget provisions.

This reflects that budgetary allocations were based on unrealistic proposals as budget estimates of the State were always inflated and the actual expenditure was less than the budgetary provisions.

### 3.4.2 Supplementary budget

While obtaining legislative authorisation for supplementary provisions, departments sometimes report large additional requirements for different purposes under various schemes/activities but are unable to spend not only the entire supplementary provision or parts thereof but also the original budget provision. Details of unutilised funds under 'Capital-Voted' section are given in **Table 3.18**.

**Table 3.18: Details of unutilised funds under ‘Capital-Voted’ section**

(₹ in crore)

| Sl. No.              | Name of the Grant   | Original allocation | Supplementary | Total           | Actual expenditure | Unutilised funds |
|----------------------|---|---------------------|---------------|-----------------|--------------------|------------------|
| <b>Capital-Voted</b> |   |                     |               |                 |                    |                  |
| 1                    | 1-Vidhan Sabha  | 3.05                | 1.41          | 4.46            | 4.36               | -0.10            |
| 2                    | 3-Administration Of Justice                                 | 11.90               | 10.63         | 22.53           | 10.80              | -11.73           |
| 3                    | 4-General Administration                                    | 9.23                | 0.00          | 9.23            | 8.17               | -1.06            |
| 4                    | 8-Education   | 87.38               | 77.02         | 164.40          | 163.79             | -0.61            |
| 5                    | 10-Public Works - Roads, Bridges and Buildings              | 1,294.54            | 319.17        | 1,613.71        | 1,550.57           | -63.14           |
| 6                    | 11-Agriculture  | 65.18               | 0.00          | 65.18           | 65.00              | -0.18            |
| 7                    | 13-Irrigation, Water Supply and Sanitation                  | 537.17              | 259.08        | 796.25          | 726.64             | -69.61           |
| 8                    | 14-Animal Husbandry, Dairy Development and Fisheries        | 13.28               | 0.34          | 13.62           | 12.69              | -0.93            |
| 9                    | 15-Planning and Backward Area Sub Plan                      | 493.74              | 0.00          | 493.74          | 325.15             | -168.59          |
| 10                   | 16-Forest and Wildlife                                      | 10.22               | 1.76          | 11.98           | 10.21              | -1.77            |
| 11                   | 19-Social Justice and Empowerment                           | 5.28                | 58.83         | 64.11           | 1.69               | -62.42           |
| 12                   | 22-Food and Civil Supplies                                  | 0.09                | 0.00          | 0.09            | 0.08               | -0.01            |
| 13                   | 24-Printing and Stationery                                  | 0.30                | 1.00          | 1.30            | 1.22               | -0.08            |
| 14                   | 26-Tourism and Civil Aviation                               | 581.26              | 0.00          | 581.26          | 86.15              | -495.11          |
| 15                   | 28-Urban Development, Town and Country Planning and Housing | 181.85              | 57.22         | 239.07          | 173.51             | -65.56           |
| 16                   | 29-Finance  | 7.28                | 15.12         | 22.40           | 15.83              | -6.57            |
| 17                   | 31-Tribal Development                                       | 539.63              | 0.00          | 539.63          | 386.50             | -153.13          |
| 18                   | 32-Scheduled Caste Sub Plan                                 | 1,418.15            | 0.00          | 1,418.15        | 1,096.37           | -321.78          |
| <b>Total</b>         |   | <b>5,259.53</b>     | <b>801.58</b> | <b>6,061.11</b> | <b>4,638.73</b>    | <b>-1,422.38</b> |

Source: Appropriation Accounts.

### 3.4.3 Major policy pronouncements in budget and actual provision/expenditure

The Government announces several new policies/ schemes for implementation through the Budget Speech and other budget documents which are either for that particular financial year (one-time activity) or the subsequent financial years (of recurring nature).

Some of the major policies were pronounced in the Budget but no budget provisions were provided thereagainst. Details are given in **Table 3.19**.

**Table 3.19: Major policy pronouncements in Budget and actual provision during 2022-23**

(₹ in crore)

| Sr. No. | Name of the Scheme                         | Budget Provisions |
|---------|--|-------------------|
| 1       | Mukhya Mantri Asahaya Bal Punarvas Yojna   | Nil               |
| 2       | Shreshta Shiksha Gunvatta Protsahan Yojna  |                   |
| 3       | Bal Pratibha Scholarship Yojna             |                   |
| 4       | Mukhya Mantri Shodh Protsahan Yojna        |                   |
| 5       | Kaushal Aapke Dwar                         |                   |
| 6       | Mukhya Mantri Mobile Clinic (M3C)          |                   |
| 7       | Governance and Reform using Drones (GARUD) |                   |

Source: Budget Document.

### 3.4.4 Schemes and their actual funding for ensuring implementation

Several policy initiatives of the Government are partially executed or not executed due to non-approval of scheme guidelines/ modalities, non-commencement of works for want of administrative sanctions, non-release of budget, etc. This deprives beneficiaries of the intended benefits. Savings in such schemes deprive other departments of funds which could have been utilised.

During 2022-23, there were 77 schemes where budget provision (₹ one crore and above) was made but no expenditure was incurred (details given in **Appendix 3.9**). Details of seven major schemes (₹ 50 crore and above provision in each case) are depicted in **Table 3.20**.

**Table 3.20: Details of some schemes for which substantial provision (₹ 50 crore and above in each case) was made but no expenditure was incurred**

(₹ in crore)

| Sr. No. | Grant No. | Name of Scheme   | Approved outlay | Remarks   |
|---------|-----------|--|-----------------|---|
| 1       | 32        | Development of Airports/Heliports  | 278.65          | No expenditure was incurred on these schemes during the year. |
| 2       | 5         | Expenditure on Natural Disaster Contingency Plans in Disaster Prone Areas      | 95.20           |   |
| 3       | 31        | Development Airports and Heliports   | 81.50           |   |
| 4       | 28        | Smart City Mission   | 74.80           |   |
| 5       | 20        | Health Assistance to Gram Panchayats Under 15 <sup>th</sup> Finance Commission | 64.81           |   |
| 6       | 19        | Construction of Sukh Ashray Bhawan   | 58.43           |   |
| 7       | 19        | Pensioners Funds Reserve with Finance Department (Medical reimbursement)       | 57.61           |   |

Source: Appropriation Accounts.

It was further noted that out of these 77 schemes, there were 51 schemes in which the entire budget provision was removed either by re-appropriation or by surrender in the revised outlay. The details of these schemes are given in **Appendix 3.10**.

Non-utilisation of funds on sanctioned schemes shows that the State Government departments had either not adequately planned for launching such schemes or did not have the capacity for their implementation. Poor scheme implementation capacities increase the tendency of departments to retain cash balances outside the Government Account in bank accounts or surrender funds at the end of the year, thereby depriving other departments of funds which could have been utilised.

### 3.4.5 Rush of expenditure

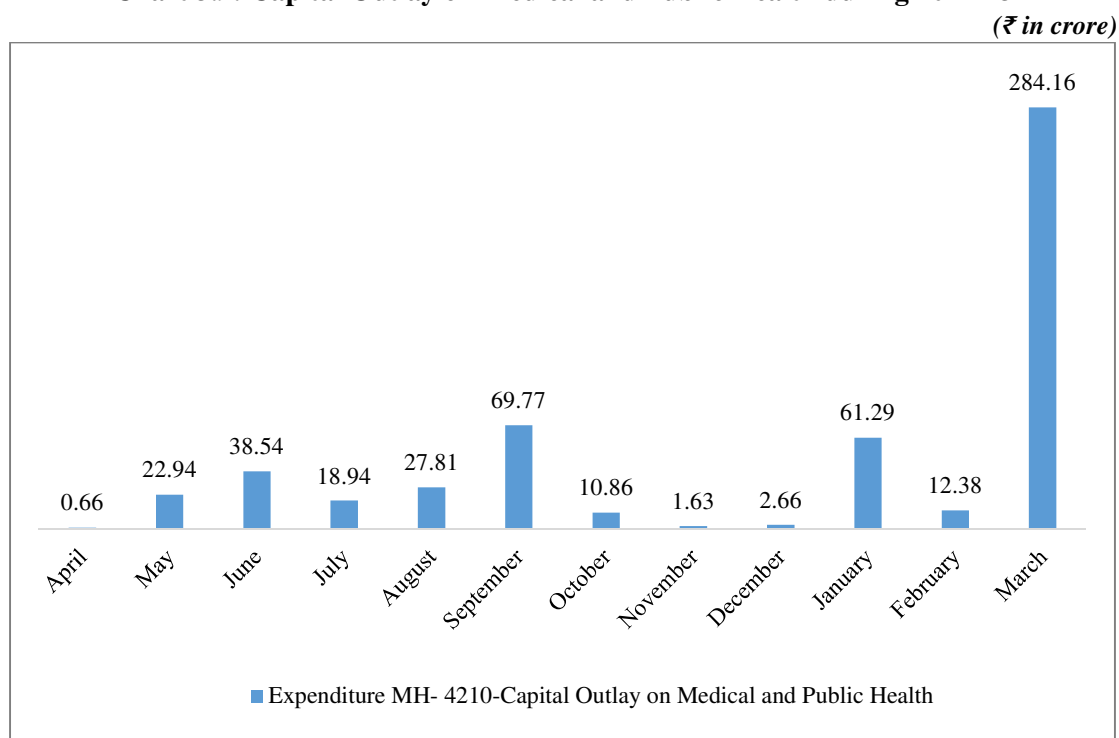
Government funds should be spent evenly throughout the year. Maintaining a steady pace of expenditure is a crucial component of sound public financial management, as it obviates fiscal imbalances and temporary cash crunches arising out of unanticipated heavy expenditure.

The State Government prescribed (September 1995) quarter-wise percentages (1<sup>st</sup> Quarter-20 per cent; 2<sup>nd</sup> Quarter-25 per cent; 3<sup>rd</sup> Quarter-30 per cent; 4<sup>th</sup> Quarter-25 per cent) for incurring expenditure during the year, with the aim of regulating the expenditure in a phased manner.

During scrutiny, it was found that during 2022-23 under 22 Major Heads, more than 50 *per cent* of expenditure was incurred in the last quarter of the year against the target of 25 *per cent*. In 12 cases, more than 50 *per cent* of total expenditure was incurred in March alone. The details are given in **Appendix 3.11**.

It was also observed that under Major Head- 4210 (Capital Outlay on Medical and Public Health), out of total expenditure of ₹ 551.64 crore, ₹ 357.83 crore (64.87 *per cent*) was incurred in the last quarter while ₹ 284.16 crore (51.51 *per cent*) was incurred in March 2023. Month-wise expenditure under Major Head 4210 - Capital Outlay on Medical and Public Health during 2022-23 is depicted in **Chart 3.9**.

**Chart 3.9: Capital Outlay on Medical and Public Health during 2022-23**



Government funds should be spent evenly throughout the year. Maintaining a steady pace of expenditure is a crucial component of sound public financial management, as it obviates fiscal imbalances and temporary cash crunches arising out of unanticipated heavy expenditure. The quarterly details of expenditures incurred across all Grants are shown in **Appendix 3.12**.

It is evident from the appendix that in case of 26 grants, compliance to the quarterly expenditure limits could not be ensured during the year. The details of grants where expenditure incurred was more than 40 *per cent* in the last quarter is given in **Table 3.21**.

**Table 3.21: Details of grants where expenditure incurred more than 40 per cent in the last quarter during 2022-23***(₹ in crore)*

| Sr. No. | Description  | Allocation during 2022-23 | Expenditure |                      |                      |                      |          | Total expenditure during 2022-23 | Expenditure in 4 <sup>th</sup> Quarter as percentage of total expenditure | Expenditure in March 2023 as percentage of total expenditure |
|---------|--|---------------------------|-------------|----------------------|----------------------|----------------------|----------|----------------------------------|---|--|
|         |  |                           | 1st qtr.    | 2 <sup>nd</sup> qtr. | 3 <sup>rd</sup> qtr. | 4 <sup>th</sup> qtr. | In March |                                  |   |  |
| 1       | 10 Public Works - Roads, Bridges and Buildings               | 5,046.35                  | 763.02      | 886.20               | 873.53               | 1,907.68             | 1,228.65 | 4,430.43                         | 43.06   | 27.73  |
| 2       | 17 Election  | 103.62                    | 9.62        | 20.57                | 24.46                | 51.67                | 32.86    | 106.32                           | 48.60   | 30.91  |
| 3       | 18 Industries, Minerals, Supplies and Information Technology | 406.73                    | 28.37       | 77.49                | 29.54                | 277.11               | 241.83   | 412.51                           | 67.18   | 58.62  |
| 4       | 21 Cooperation   | 45.42                     | 9.20        | 9.03                 | 11.09                | 21.30                | 15.55    | 50.61                            | 42.08   | 30.72  |
| 5       | 24 Printing and Stationery                                   | 41.14                     | 9.89        | 7.68                 | 6.29                 | 16.81                | 11.41    | 40.68                            | 41.34   | 28.04  |
| 6       | 25 Road and Water Transport                                  | 719.03                    | 164.75      | 143.14               | 134.00               | 338.66               | 125.93   | 780.55                           | 43.39   | 16.13  |
| 7       | 28 Urban Development, Town and Country Planning and Housing  | 998.88                    | 28.18       | 369.18               | 103.22               | 508.15               | 407.34   | 1,008.73                         | 50.38   | 40.38  |

Rush of expenditure during the last quarter, especially during the month of March, showed non-adherence to financial rules. The State Government may consider devising suitable mechanism to avoid rush of expenditure in the last quarter/month of the financial year.

### 3.5 Review of Selected Grants

A review of budgetary procedure and control over expenditure in respect of two grants viz., Grant No. 10 - 'Public Works Roads, Bridges and Buildings' and Grant No. 26 - Tourism and Civil Aviation for the period 2020-21 to 2022-23 revealed the following:

#### 3.5.1 Grant No. 10 – Public Works-Roads, Bridges and Buildings

The Grant is administered by Public Works Department and includes Major Heads: 2059-Public Works, 2216-Housing, 3054-Roads and Bridges, 4059-Capital Outlay on Public Works, 4216-Capital Outlay on Housing and 5054-Capital Outlay on Roads and Bridges.

##### (i) Budget and Expenditure

The overall position of funds allotted and expenditure incurred under Grant No. 10 during the financial years 2020-23, as detailed in **Table 3.22**.

**Table 3.22: Budget provision, expenditure, excess/savings***(₹ in crore)*

| Year    | Budget   |         | Expenditure |         | Savings (-)/Excess (+) |             |
|---------|----------|---------|-------------|---------|------------------------|-------------|
|         | Voted    | Charged | Voted       | Charged | Voted                  | Charged     |
| 2020-21 | 5,186.88 | 18.05   | 4,285.96    | 12.63   | -900.92 (17%)          | -5.42 (30%) |
| 2021-22 | 5,221.58 | 0.20    | 3,981.80    | 0.19    | -1,239.78 (24%)        | -0.01(5%)   |
| 2022-23 | 5,046.35 | 0.00    | 4,430.43    | 0.00    | -615.92 (12%)          | 0.00        |

It can be seen from the above table that there were persistent savings during 2020-21 to 2022-23 ranging from 12 per cent to 24 per cent under Voted and five per cent to 30 per cent under Charged section.

### (ii) Insufficient Re-appropriation

Table 3.23 shows there are five cases under Grant no. 10 where re-appropriation proved insufficient, as it was not adequate to meet the requirements.

**Table 3.23: Insufficient re-appropriation to meet expenditure**

(₹ in crore)

| Sr. No. | Heads of account       | Budget | Re-appropriation | Actual Expenditure | Excess |
|---------|------------------------|--------|------------------|--------------------|--------|
| 1       | 2059-80-053-04-S00N-02 | 0.09   | 0.54             | 1.29               | 0.66   |
| 2       | 3054-04-105-02-S00N-02 | 3.50   | 2.88             | 8.00               | 1.62   |
| 3       | 3054-04-105-15-S00N-21 | 44.89  | 1.50             | 51.48              | 5.09   |
| 4       | 3054-04-105-17-S00N-21 | 25.37  | 2.11             | 31.01              | 3.53   |
| 5       | 4059-80-051-03-S00N-37 | 27.12  | 0.67             | 28.04              | 0.25   |

Re-appropriation is the transfer of funds within a grant from one unit of appropriation, where savings are anticipated, to another unit where additional funds are needed. As can be seen from the table in the next paragraph, there were huge savings in many heads, which could have been re-appropriated to meet the excess in cases where re-appropriation proved insufficient.

### (iii) Savings

Table 3.24 shows that there were 14 cases in Grant No. 10, where savings were more than ₹ 10 crore in each case (including ₹ 100 crore in two cases) were noticed.

**Table 3.24: List of cases having savings of more than ₹ 10 crore**

(₹ in crore)

| Sr. No. | Heads of Account       | Total budget provision | Actual Expenditure | Savings |
|---------|------------------------|------------------------|--------------------|---------|
| 1       | 3054-04-105-06-S00N-21 | 693.35                 | 487.87             | -205.48 |
| 2       | 3054-04-105-20-S00N-21 | 299.75                 | 189.93             | -109.82 |
| 3       | 3054-04-105-07-S00N-01 | 691.13                 | 617.65             | -73.48  |
| 4       | 2059-80-799-01-S00N-79 | 118.80                 | 50.99              | -67.81  |
| 5       | 3054-04-105-02-S00N-21 | 322.93                 | 289.78             | -33.15  |
| 6       | 5054-04-337-02-S00N-37 | 264.12                 | 234.44             | -29.68  |
| 7       | 2059-80-053-06-S00N-21 | 100.84                 | 79.11              | -21.73  |
| 8       | 5054-04-101-01-S00N-37 | 62.86                  | 48.33              | -14.53  |
| 9       | 3054-04-105-28-S00N-21 | 50.00                  | 37.50              | -12.50  |
| 10      | 3054-04-105-22-S00N-01 | 86.80                  | 74.76              | -12.04  |
| 11      | 3054-04-105-21-S00N-01 | 89.43                  | 77.60              | -11.83  |
| 12      | 3054-04-337-06-S00N-21 | 27.19                  | 16.47              | -10.72  |
| 13      | 3054-04-105-23-S00N-01 | 122.75                 | 112.43             | -10.32  |
| 14      | 3054-04-105-29-S00N-21 | 10.00                  | 0.00               | -10.00  |

Rule 31 (4) of Himachal Pradesh Financial Rules (HPFR), 2009 stipulates that budget estimates for expenditures, after being scrutinised and approved by the administrative department concerned, shall be forwarded to the Finance Department in such manner and form as may be prescribed.

Considering persistent savings in Grant No. 10 for the last five years, it appears that the Department did not consider last year's savings while preparing budget estimates. The Department should be more careful while preparing the budget estimates so that funds can be utilised elsewhere and do not end up in huge savings.

The Deputy Controller (F&A), Public Works Department stated that savings occurred due to non-preparation of DPRs, non-adjustments of transfer entries by office of Pr. Accountant General (A&E) and slow execution of works by the Divisions.

#### (iv) Excess expenditure over and above the budget provision

As per Rule 37 (3) of HPFR 2009, no expenditure shall be incurred which may have the effect of exceeding the total grant or appropriation authorised by State legislature by law for a financial year except after obtaining a supplementary grant or appropriation or an advance from the Contingency Fund.

There were ten cases where expenditure was more than the approved budget, resulting in excess. The details are given in **Table 3.25**.

**Table 3.25: Details of excess expenditure over budget provision**

(₹ in crore)

| Sr. No. | Heads of Account       | Total Budget provision | Actual Expenditure | Excess |
|---------|------------------------|------------------------|--------------------|--------|
| 1       | 2059-80-799-03-S00N-79 | 60.50                  | 124.23             | 63.73  |
| 2       | 3054-04-105-15-S00N-21 | 46.39                  | 51.48              | 5.09   |
| 3       | 3054-04-105-17-S00N-21 | 27.48                  | 31.01              | 3.53   |
| 4       | 5054-04-337-26-S00N-37 | 0.00                   | 1.97               | 1.97   |
| 5       | 3054-04-105-02-S00N-02 | 6.38                   | 8.00               | 1.62   |
| 6       | 5054-04-337-19-S00N-37 | 373.67                 | 375.19             | 1.52   |
| 7       | 2059-80-053-04-S00N-02 | 0.63                   | 1.29               | 0.66   |
| 8       | 5054-04-337-10-S00N-37 | 21.93                  | 22.36              | 0.43   |
| 9       | 4059-80-051-03-S00N-37 | 27.79                  | 28.04              | 0.25   |
| 10      | 3054-04-105-14-S00N-02 | 0.017                  | 0.019              | 0.002  |

These cases clearly indicate that the Department had not made budget provision on realistic basis and further where extra expenditure seemed unavoidable, the Department did not follow the rules and instructions issued by the State Government/ Finance Department.

In reply, the Deputy Controller (F&A), Public Works Department stated that the final excess and surrender was sent to the State Government/ Finance Department for approval.

#### (v) Delay in submission of statements of Excess and Surrender

As per Himachal Pradesh Budget Manual, the Head of Department is required to submit budget estimates and the statement of excesses and surrenders to the Finance Department by 1<sup>st</sup> October and 15<sup>th</sup> January or well before the close of the financial year respectively.

Further, the Finance Department, Government of Himachal Pradesh issues instructions every year stipulating the dates of submission of statement of Excess and Surrender by all departments.

Scrutiny of statements of excess and surrender for the years 2020-21, 2021-22 and 2022-23 revealed that the Public Works Department submitted the 1<sup>st</sup> and 2<sup>nd</sup> statement of excess and surrender to Finance Department with delays ranging from 16 to 70 days. The details are given in **Table 3.26**.

**Table 3.26: Delay in submission of excess and surrender statements**

| Year                 | Required date of submission of Excess and surrender statements as per letter issued by the Finance Department | Actual date of submission of Excess and surrender statements | Delay (in days) |
|----------------------|---|--|-----------------|
| 2020-21*             | 01-12-2020 (1 <sup>st</sup> )   | 04-02-2021   | 68              |
|                      | 15-01-2021 (2 <sup>nd</sup> )   | 04-02-2021   | 21              |
|                      | 15-03-2021 (Final)  | --   | --              |
| 2021-22 <sup>#</sup> | 31-10-2021 (1 <sup>st</sup> )   | 08-02-2022   | 70              |
|                      | 31-01-2022 (2 <sup>nd</sup> )   | 08-02-2022   | 24              |
|                      | 15-03-2022 (Final)  | --   | --              |
| 2022-23 <sup>§</sup> | 31-10-2022 (1 <sup>st</sup> )   | 31-01-2023   | 62              |
|                      | 31-01-2023 (2 <sup>nd</sup> )   | 31-01-2023   | 16              |
|                      | 15-03-2023 (Final)  | --   | --              |

\* Instructions issued vide letter No. Fin-A-C(6)1/2020 dated 01.09.2020.

# Instructions issued vide letter No. Fin-A-C(3)-1/2021-II dated 27.08.2021.

§ Instructions issued vide letter No. Fin-A-C(6)1/2022 dated 23.08.2022.

This showed that the prescribed time schedule for submission of statement of excess and surrender was not followed by the Department (except on three occasions).

The Deputy Controller (F&A) of Public Works Department stated (July 2023) that the delay in submission of budgetary estimates and returns were due to delays in receipt of data from the field offices and its consolidation at headquarters level. The reply is not acceptable because instructions issued by Finance Department are to be mandatorily followed and the Department should have instructed its regional/field offices to adhere to the timelines.

### **3.5.2 Grant No. 26 – Tourism and Civil Aviation**

The Grant is administered by Tourism and Civil Aviation Department and includes Major Heads: 2059-Public Works, 3053-Civil Aviation, 3452-Tourism, 5053-Capital Outlay on Civil Aviation, 5452-Capital Outlay on Tourism.

#### **(i) Budget and Expenditure**

The overall position of funds allotted, and expenditure incurred under Grant No. 26 during the financial years 2020-23, is detailed in **Table 3.27**.

**Table 3.27: Budget provision, expenditure, excess/savings**

(₹ in crore)

| Year    | Budget provision |         | Expenditure |         | Savings (-)/ Excess (+) |         |
|---------|------------------|---------|-------------|---------|-------------------------|---------|
|         | Voted            | Charged | Voted       | Charged | Voted                   | Charged |
| 2020-21 | 1,112.20         | 0.00    | 165.63      | 0.00    | (-) 946.57 (85%)        | 0       |
| 2021-22 | 720.87           | 0.00    | 176.21      | 0.00    | (-) 544.66 (76%)        | 0       |
| 2022-23 | 609.23           | 0.16    | 110.82      | 0.16    | (-) 498.42 (82%)        | 0       |

Source: Appropriation Accounts.

From the above table it can be seen that there were 76 to 85 *per cent* savings during 2020-23, resulting in issues regarding supplementary provision, re-appropriation of

fund from one head to another head of account, lapse/surrender of budget, unnecessary budget provisions, etc. as discussed in the succeeding paragraphs. This indicated that either the budget had not been prepared on a realistic basis or expenditure was not incurred as per the provisions of financial rules.

While confirming the facts and figures, the Additional Director, Tourism and Civil Aviation Department stated (August 2023) that budget had been proposed to the Finance Department by keeping in mind the previous expenditure, pending liabilities and expected expenditure. But due to Corona pandemic, non-completion of Nagchala Airport preliminaries and by keeping some vouchers of the Department in objection book (OB) suspense account by office of the Pr. AG (A&E), less expenditure was incurred.

The reply of the Department is not justified because the expenditure in the last two years was only 15 to 24 *per cent* as compared to budget provision. The substantial persistent savings in the above grant indicated that budgetary controls in the Department were not effective.

**(ii) Budget provision of ₹ 100 crore without demand/proposals**

During test-check/analysis of budget figures of the Tourism and Civil Aviation Department, it was noticed that budget provision of an amount of ₹ 100 crore was made in the annual Budget for the years 2020-21 and 2021-22 under Head of Account 3053-02-Airports, 102-Aerodromes, 02-Rehabilitation & Operation/ Maintenance of Airports/ Heliports, 20- Other Charges by the Finance Department.

It was further noticed that the provision of such a huge amount was made without any demand or proposals submitted by the Tourism Department. Due to non-finalisation of proposals, the entire amount (₹ 100 crore) was surrendered during 2020-21 while during 2021-22, after incurring only ₹ 2.38 crore, the balance amount of ₹ 97.62 crore was again surrendered, that too at the fag end of the year, on 28.03.2022.

While confirming the facts and figures, the Additional Director, Tourism and Civil Aviation Department stated (August 2023) that the Department had not made any demand for the amount in question. But construction of airport at Nagchala, District Mandi was among the topmost priority of the Government and adequate budgetary provision under Civil Aviation Head was kept. But due to non-completion of codal preliminary formalities, the Department had to surrender the entire budget provision.

**(iii) Delay in submission of statements of Excess and Surrender**

As per Himachal Pradesh Budget Manual, the Head of Department is required to submit budget estimates and the statement of excesses and surrenders to the Finance Department by 1<sup>st</sup> October and 15<sup>th</sup> January or well before the close of the financial year respectively.

Further, the Finance Department, Government of Himachal Pradesh issues instructions every year stipulating the dates of submission of statement of Excess and Surrender by all departments.

Scrutiny of statements of excess and surrender for the years 2020-21, 2021-22 and 2022-23 revealed that the Department of Tourism and Civil Aviation submitted 1<sup>st</sup>, 2<sup>nd</sup> and final statement of excess and surrender to Finance Department with delays ranging from 22 to 59 days. The details are given in **Table 3.28**.

**Table 3.28: Delay in submission of excess and surrender statements**

| Year                 | Required date of submission of Excess and surrender Statements as per letter issued by the Finance Department | Actual date of submission of excess and surrender Statements | Delay (in days) |
|----------------------|---|--|-----------------|
| 2020-21*             | 01-12-2020 (1 <sup>st</sup> )   | 28-01-21   | 59              |
|                      | 15-01-2021 (2 <sup>nd</sup> )   | 08-02-21   | 25              |
|                      | 15-03-2021 (Final)  | 28-04-21   | 45              |
| 2021-22 <sup>#</sup> | 31-10-2021 (1 <sup>st</sup> )   | 20-11-21   | 21              |
|                      | 31-01-2022 (2 <sup>nd</sup> )   | 31-01-22   | -               |
|                      | 15-03-2022 (Final)  | 05-04-22   | 22              |
| 2022-23 <sup>§</sup> | 31-10-2022 (1 <sup>st</sup> )   | 31-10-22   | -               |
|                      | 31-01-2023 (2 <sup>nd</sup> )   | 13-01-23   | -               |
|                      | 15-03-2023 (Final)  | 24-04-23   | 41              |

\* Instructions issued vide letter No. Fin-A-C(6)1/2020 dated 01.09.2020.

# Instructions issued vide letter No. Fin-A-C(3)-1/2021-II dated 27.08.2021.

§ Instructions issued vide letter No. Fin-A-C(6)1/2022 dated 23.08.2022.

This showed that the prescribed time schedule of submission of statement of excess and surrender was not followed by the Department (except on three occasions).

While confirming the facts and figures, the Additional Director (Tourism & Civil Aviation) stated (August 2023) that in order to submit realistic position of the excess and surrender, the information is collected from field offices and submission of excess and surrender report depends upon the information received from the regional field offices. This process takes a lot of time and after detailed discussions with the authorities, consolidated information was sent to the Finance Department. The reply is not acceptable because instructions issued by Finance Department are to be mandatorily followed and the Department should have instructed its regional/field offices to adhere to the timelines.

### **3.6 Conclusion**

The overall utilisation of budget was 93.69 *per cent* of total grants and appropriations during 2022-23.

Expenditure of ₹ 39.90 crore was incurred in nine cases under six grants during the year 2022-23 without having any provision in the original budget estimates/ supplementary demands and without issuing any re-appropriation orders to this effect.

Supplementary provisions were also not on a realistic basis as in seven cases, the supplementary provisions of ₹ 246.39 crore proved unnecessary as the expenditure did not come up even to the level of the original provisions. Budgetary allocations were based on unrealistic proposals as in 13 cases pertaining to 10 grants, savings excluding surrenders were more than ₹ 100 crore.

The excess expenditure of ₹ 10,600.63 crore the period 2014-22 and ₹ 662.14 crore for the current year 2022-23 was required to be regularised by the State Legislature.

During 2022-23, there were 77 schemes where budget provision (₹ one crore and above) was made but no expenditure was incurred. Further, under 51 schemes the entire budget provision was fully withdrawn through re-appropriation or by surrender.

There was rush of expenditure at fag end of the year. In 12 major heads, more than 50 per cent of the expenditure under each major head was incurred in the month of March 2023.

### **3.7 Recommendations**

- 1. The State Government should be accurate in its assumptions for preparing budget estimates.*
- 2. Government should ensure strict compliance with budget manual in preparation of supplementary provisions and ensure transparency in estimation for avoiding unnecessary supplementary provisions.*
- 3. Government may consider formulating strategies for actual execution of major policy decisions in the State at the time of preparing budgetary estimates.*
- 4. The State Government should ensure regular monitoring to ascertain the progress of expenditure with reference to the stipulated quarterly targets and assess anticipated savings/ excess. Surrenders of anticipated savings should be made well before the close of the financial year so that they can be utilised for other schemes. Excess expenditure over authorisation approved by the Legislature must be avoided.*



**CHAPTER-IV**  
**QUALITY OF ACCOUNTS AND**  
**FINANCIAL REPORTING PRACTICES**



## CHAPTER – IV

### QUALITY OF ACCOUNTS AND FINANCIAL REPORTING PRACTICES

A sound internal financial reporting system with relevant and reliable information significantly contributes to efficient and effective governance by the State Government. Compliance with financial rules, procedures and directives as well as the timeliness and quality of reporting on the status of such compliance 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.

#### Issues related to completeness of accounts

#### 4.1 Non-discharge of liability in respect of interest towards interest bearing deposits/ Reserve Funds

The Government has a liability to provide and pay interest on the amounts in the Interest-bearing Deposits/Reserve Funds.

Audit observed that ₹ 4.75 crore were required to be paid as interest on the balance of ₹ 64.09 crore lying under interest bearing deposits/Reserve Funds as on 1 April 2022 as shown in **Table 4.1**. Non-payment of interest liability has resulted in understatement of revenue deficit and fiscal deficit to that extent.

**Table 4.1: Details of non-discharge of liability in respect of interest towards interest bearing deposits/Reserve Funds**

(₹ in crore)

| Sr. No.      | Name/Head of the interest bearing deposit                    | Opening Balance as on 1 April 2022 | Basis for calculation of interest  | Amount of interest not provisioned |
|--------------|--|------------------------------------|--|------------------------------------|
| 1.           | Defined Contribution Pension Scheme for Government Employees | 14.30                              | Interest calculated at the rate of 7.10 per cent as per interest notified by the Government/ General Provident Fund. | 1.02                               |
| 2.           | State Disaster Response Fund                                 | 49.79                              | Interest calculated at the rate of 7.49 per cent taking into account of average rate of overdraft during 2022-23.    | 3.73                               |
| <b>Total</b> |  | <b>64.09</b>                       |  | <b>4.75</b>                        |

Source: Finance Accounts.

#### 4.2 Funds transferred directly to State implementing agencies

The Government of India (GoI) has been transferring sizeable funds directly to the State implementing agencies for implementation of various schemes. GoI decided to route these funds through the State Budget from 2014-15 onwards. However, during the year 2022-23, ₹ 2,938.36 crore under 39 Central Schemes (including Centrally Sponsored Schemes) as detailed in **Appendix 4.1** was transferred directly to the implementing agencies in the State bypassing the Consolidated Fund of the State. This constituted

7.71 per cent and 17.56 per cent of total revenue receipts (₹ 38,089.50 crore) and Grants-in-Aid (₹ 16,733.93 crore) respectively. During the year 2022-23, Centrally Sponsored Schemes, where funds transferred directly exceeded ₹ 500 crore were Jal Jeevan Mission (JJM) (₹ 1,345.34 crore) and Mahatma Gandhi National Rural Employment Guarantee Programme (MGNREGP) (₹ 662.32 crore).

The State Government accounts for the year 2022-23 depicts only ₹ 4,736.66 crore under Central share of Centrally Sponsored Schemes. Besides contracting the budget and expenditure of the State Government to the extent of ₹ 2,938.36 crore, the assets created and expenditure for the public were out of the State Government accounts making them incomplete.

### Issues related to transparency

#### 4.3 Delay in submission of Utilisation Certificates

Rule 157 of HPFR 2009 prescribes that institutions or organisations receiving grants shall furnish audited utilisation certificate to the Government after utilisation of grants-in-aid. Utilisation Certificates (UCs) outstanding beyond the specified periods indicate absence of assurance on utilisation of the grants for intended purposes and the expenditure shown in the accounts to that extent cannot be treated as final. A total number of 4,106 UCs amounting to ₹ 4,242.51 crore were pending as of March 2023 (Appendix 4.2). The age-wise and year-wise arrears in submission of UCs are summarised in Tables 4.2 and 4.3.

Table 4.2: Age-wise arrears in submission of Utilisation Certificates

(₹ in crore)

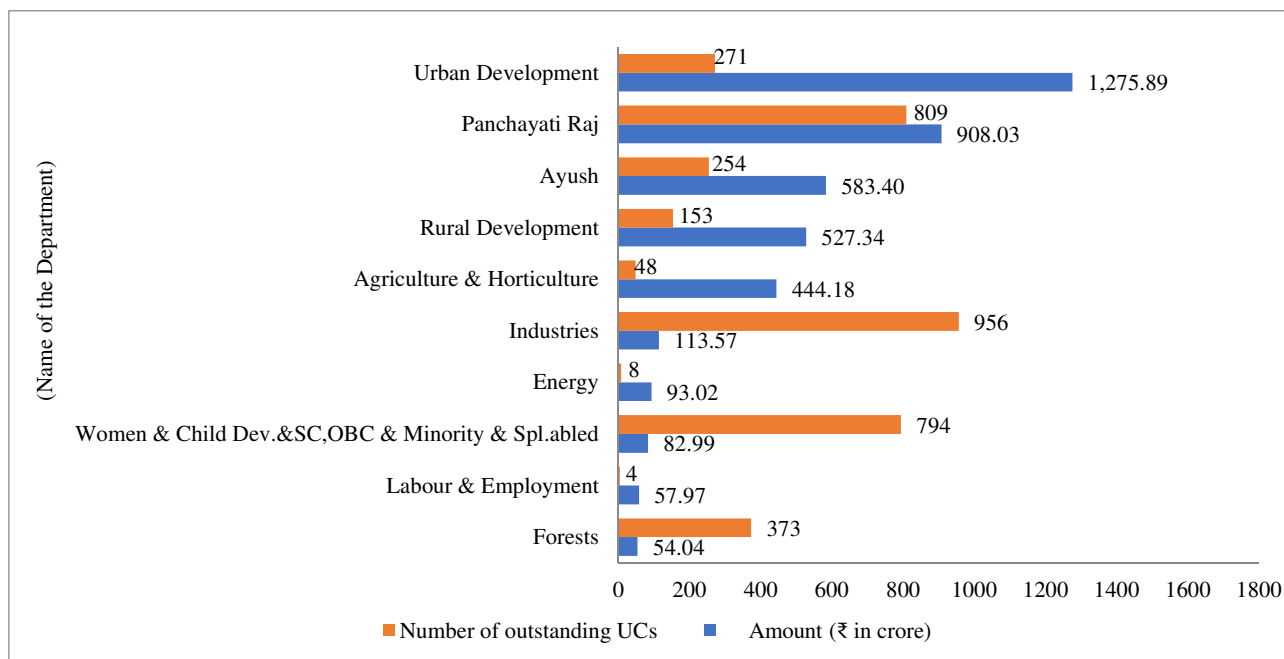
| Year          | Opening Balance |                 | Clearance     |                 | Due for submission |                 |
|---------------|-----------------|-----------------|---------------|-----------------|--------------------|-----------------|
|               | No. of UCs      | Amount          | No. of UCs    | Amount          | No. of UCs         | Amount          |
| Up to 2020-21 | 1,796           | 2,359.16        | 755           | 1,722.97        | 1,041              | 636.19          |
| 2021-22       | 1,823           | 2,392.99        | 604           | 1,340.26        | 1,219              | 1,052.73        |
| 2022-23       | 17,267          | 4,980.79        | 15,421        | 2,427.20        | 1,846              | 2,553.59        |
| <b>Total</b>  | <b>20,886</b>   | <b>9,732.94</b> | <b>16,780</b> | <b>5,490.43</b> | <b>4,106</b>       | <b>4,242.51</b> |

Source: Compiled from the information provided by the PAG (A&E), Himachal Pradesh.

Note: UCs for GIA disbursed during 2021-22 become due only during 2022-23 i.e., the year mentioned above relates to "Due year" i.e., after 12 months of actual withdrawal.

Table 4.3: Year-wise break-up of outstanding UCs

| Year in which GIA transferred | Number of outstanding UCs | Amount (₹ in crore) |
|-------------------------------|---------------------------|---------------------|
| 2016-17                       | 80                        | 31.15               |
| 2017-18                       | 153                       | 80.13               |
| 2018-19                       | 400                       | 269.74              |
| 2019-20                       | 408                       | 255.17              |
| 2020-21                       | 1,219                     | 1,052.73            |
| 2021-22                       | 1,846                     | 2,553.59            |
| <b>Total</b>                  | <b>4,106</b>              | <b>4,242.51</b>     |

**Chart 4.1: Outstanding UCs in respect of 10 major departments as on 31 March 2023**

From **Chart 4.1**, it is evident that ₹ 3,738.84 crore i.e., 88.13 *per cent* of the total outstanding UCs (₹ 4,242.51 crore) pertains to five departments viz., - Urban Development (30.07 *per cent*, ₹ 1,275.89 crore), Panchayati Raj (21.40 *per cent*, ₹ 908.03 crore), Ayush (13.75 *per cent*, ₹ 583.40 crore), Rural Development (12.43 *per cent*, ₹ 527.34 crore) and Agriculture & Horticulture departments (10.47 *per cent*, ₹ 444.18 crore). However, out of the total 4,106 outstanding UCs for grants of ₹ 4,242.51 crore, 2,260 UCs for grants of ₹ 1,688.92 crore pertained to the period from 2016-17 to 2020-21.

Out of 2,253 UCs amounting to ₹ 2,498.27 crore outstanding as of August 2023 under the following seven departments, 601 UCs amounting to ₹ 1,426.53 crore (37.15 *per cent*) were selected for substantive audit/ test-check during 2022-23:

- (i) Urban Development (81 UCs - ₹ 744.54 crore),
- (ii) Panchayati Raj (91 UCs - ₹ 491.24 crore),
- (iii) Rural Development (75 UCs - ₹ 101.23 crore),
- (iv) Health and Family Welfare (41 UCs - ₹ 41.18 crore),
- (v) Women and Child Development (State Women's Commission) (265 UCs - ₹ 18.77 crore),
- (vi) Horticulture (12 UCs - ₹ 18.10 crore) and
- (vii) Language, Art and Culture (36 UCs - ₹ 11.47 crore).

During test-check of these seven departments, it was noticed that out of 601 UCs amounting to ₹ 1,426.53 crore, 387 UCs amounting to ₹ 323.24 crore had been fully or partially utilised with supporting documents (i.e., sub-vouchers, bills etc.). The remaining 214 UCs amounting to ₹ 1,103.29 crore were also partially/fully utilised/adjusted but supporting documents were not available with the department. The UCs to the extent of the utilised amount were being sent by the grantees (implementing/

executing agencies) to the Heads of Department (HoDs) as and when the work got completed. However, at the HoDs level, the UCs and amount of grant utilised by the grantees are not being reconciled/ co-related with the sanctioned grant. Further, in these cases the HoDs did not forward the UCs to the Pr. Accountant General (A&E), as a result of which these UCs are shown as outstanding in the Accounts. This is also due to lack of monitoring and reconciliation of position of grants at various levels.

In addition to the above, following points also emerged from the substantive/ test-check of records of the above departments:

- There is no provision mentioned in the HPFR, 2009 that the UCs should, after verification, be sent to Pr. Accountant General (A&E).
- Sanctions were found incomplete to the extent that in the test-checked UCs which had the supporting documents, the sanction orders did not have mention of (i) whether the UCs were required to be submitted or not, (ii) periodicity of submission of UCs, and (iii) whether grants were recurring or non-recurring.
- Lack of correlation/ reconciliation was noticed between the total grants extended to the grantees (implementing/executing agencies) and the UCs of partial grant utilised as received in the department. This is due to submission of UCs for partial grant without any supporting documents.

The status of outstanding UCs should be monitored closely by the Heads of Departments (HoDs) and the same reconciled with the office of the Pr. Accountant General (A&E), to ensure submission of UCs in a time bound manner.

#### **4.4 Abstract Contingent bills**

Rule 183(3)(V) of Himachal Pradesh Treasury Rules 2017 envisages that no moneys should be drawn from government treasury unless it is required for immediate disbursement. In emergent circumstances, Drawing and Disbursing Officers (DDOs) are authorised to draw sums of money through bills by debiting Service Heads. Rule 187 further provides that advance withdrawals shall be permitted for emergent circumstances on Abstract Contingent (AC) bills to be drawn by DDOs as specified by the Finance Department for reasons to be recorded in writing. At a time, only one advance can be granted/ passed by District Treasury Officer / Treasury Officer (DTO/TO). It shall be the responsibility of the DDO concerned to get the advance adjusted during the same financial year in which it is drawn. The DTO/TO shall enter advances separately in the advance register. They shall monitor that these are accounted for within the same financial year through Detailed Contingent (DC) bills to Principal Accountant General (A&E). The advance payment register shall be operated continuously and shall be maintained till all advances entered in it are fully recovered/ adjusted. Delayed submission or prolonged non-submission of DC bills may affect the completeness and correctness of accounts.

After repeated correspondence with the State Government, the State Government w.e.f. October 2022, implemented a mechanism for distinct identification and codification for drawing advances through AC bills and adjustments thereof through DC bills.

It has been observed that a total of 245 AC bills amounting to ₹ 13.77 crore were drawn during 2022-23 (from October 2022), out of which 49 AC bills (20 per cent) amounting to ₹ 0.15 crore were drawn in March 2023. Out of total bills drawn in March 2023, four AC bills amounting to ₹ 0.16 lakh were drawn on the last day of March. One AC bill amounting to ₹ 0.02 crore drawn by office of Modern Central Jail, Nahan, (District Sirmour), Himachal Pradesh which was pending for adjustment/ DC bill as on 31 March 2023, has been adjusted/ settled as of August 2023.

#### 4.5 Personal Ledger/Deposit Accounts

Rules 69 and 70 of the Himachal Pradesh Financial Rules 2009 provide that the Personal Ledger Account shall be authorised to be opened by an order of the Finance Department in consultation with the Accountant General. Such special order or permission shall be issued or granted by the Finance Department after it is satisfied that the initial accounts of the moneys to be held in a Personal Ledger Account and disbursed are maintained properly and the same are subject to audit. Every Personal Ledger Account so authorised to be opened shall form part of the Public Account of the Government.

As at the end of 2022-23, an amount of ₹ 1.76 crore remained as unspent balance in 68 Personal Deposit (PD) Accounts (**Appendix 4.3**). The status of PD accounts at the close of the financial year 2022-23 is depicted in **Table 4.4** below:

**Table 4.4: Status of PD accounts (MH 8443-106) as on 31 March 2023**

(₹ in crore)

| PD Accounts as on 01.4.2022 |        | Additions during the year |        | Close/ withdrawal during the year |        | Closing balance as on 31.03.2023 |        | Operative Accounts |        | Inoperative Accounts |        |
|-----------------------------|--------|---------------------------|--------|-----------------------------------|--------|----------------------------------|--------|--------------------|--------|----------------------|--------|
| No.                         | Amount | No.                       | Amount | No.                               | Amount | No.                              | Amount | No.                | Amount | No.                  | Amount |
| 106                         | 1.74   | 1                         | 0.65*  | 39**                              | 0.63** | 68                               | 1.76   | 64                 | 1.61   | 4                    | 0.15   |

\* Out of total receipts of deposit of ₹ 1.01 crore (including one new account having amount ₹ 4,900/-), ₹ 0.36 crore were lapsed deposits.

\*\* Deposit accounts pertaining to Major Head 8448-109-Panchayat Bodies Funds (38 PD accounts: ₹ 0.03 crore) & 8448-106 Funds of ICAR (1 PD account: Nil amount) amounting to ₹ 0.03 crore have been separated from the list of PDAs and maintained in a separate list as they do not fall under the category/ classification of PD accounts. In addition, ₹ 0.60 crore were utilised/withdrawn during the year.

Out of a total of 68 PD accounts, 64 PD accounts were operative whereas four PD accounts were inoperative for more than three years. Further, one PD account was opened, and 39 PD accounts were closed during the year as these PD accounts did not fall under the category/ classification of PD accounts.

Further, Rule 200(4) of Himachal Pradesh Treasury Rules 2017 provides that a certificate from the Administrator of every Personal Deposit/ Ledger Account to the effect that the balances claimed are of the same amount and agree with the treasury figures, shall be obtained at the closing of the year. In compliance with the above rule, out of 68 Administrators, 66 Administrators had reconciled and verified their balances with the Treasury and furnished annual verification certificates to the Treasury Officer/

Pr. Accountant General (A&E) whereas two Administrators (Assistant Commissioner to District Commissioner, Kangra and Sub-Divisional Officer, Dodra Kwar) had not reconciled and verified their balances with the treasury figures. However, both these accounts have nil balances.

Unspent balances lying in PD Accounts meant that there was overstatement of expenditure to the extent of the balances. Non-reconciliation of Personal Deposit Accounts periodically and unspent balances lying in Personal Deposit Accounts, entails the risk of misuse of public funds.

#### **4.6 Indiscriminate use of Minor Head-800**

Minor Head-800 relating to Other Receipts and Other Expenditure is intended to be operated only when the appropriate minor head has not been provided in the accounts. Routine operation of Minor Head-800 is to be discouraged since it renders the accounts opaque. Classification of large amounts under the omnibus Minor Head-800 affects transparency in financial reporting and distorts proper analysis of allocative priorities and quality of expenditure.

It was observed that during 2022-23, the expenditure booked under the Minor Head-800-Other Expenditure had decreased to ₹ 654.61 crore, constituting 1.30 *per cent* (5.34 *per cent* during 2021-22) of the total revenue and capital expenditure (₹ 50,454.15 crore), under 28 Major Heads of account from ₹ 2,255.53 crore under 41 Major Heads during 2021-22 (**Appendix 4.4**), out of which substantial expenditure (20 *per cent* and above) had been booked under Minor Head-800-Other Expenditure under 11 Major Heads of account. Further, in terms of amount, 62 *per cent* bookings have been made in the following four Major Heads - MH-2230: ₹ 138.89 crore, MH-2235: ₹ 99.05 crore, MH-4851: ₹ 111.86 crore and MH-5452: ₹ 58.88 crore).

However, during 2022-23, the booking of receipts under 800 - Other Receipts under 46 Major Heads of Account had increased to ₹ 2,289.91 crore from ₹ 1,957.37 crore over the previous year (**Appendix 4.5**). This constituted 6.01 *per cent* (5.25 *per cent* during 2021-22) of the total revenue and capital receipts (₹ 38,102.09 crore). Out of these 46 Major Heads, substantial receipts (20 *per cent* and above) had been booked under the Minor Head 800-Other Receipts in 30 Major Heads. Further, in terms of amount, 84 *per cent* had been booked under the following four Major Heads – MH-0039: ₹ 107.46 crore, MH-0045: ₹ 220.53 crore, MH-0801: ₹ 1,428.28 crore and MH-1054: ₹ 169.53 crore. MH-0801 - Power alone accounts for 62 *per cent* of such bookings.

#### **Issues related to measurement**

#### **4.7 Outstanding balances under major Suspense and DDR heads**

The Finance Accounts reflect the net balances under Suspense and Remittance Heads. The outstanding balances under these heads are worked out by aggregating the outstanding debit and credit balances separately under various heads. Significant suspense items have been shown as gross debit and credit balances for the last three years, in **Table 4.5**.

Table 4.5: Balances under Suspense and Remittance Heads

₹ in crore)

| Head of Account |  | 2020-21             |          | 2021-22           |        | 2022-23           |        |
|-----------------|--|---------------------|----------|-------------------|--------|-------------------|--------|
|                 |  | Dr.                 | Cr.      | Dr.               | Cr.    | Dr.               | Cr.    |
| <b>8658</b>     | <b>Suspense Account</b>  |                     |          |                   |        |                   |        |
| 101             | Pay and Accounts Office-Suspense   | 138.83              | 66.53    | 133.69            | 87.07  | 138.84            | 82.14  |
|                 | <b>Net Debit (Dr.) / Credit (Cr.)</b>  | <b>72.30 Dr.</b>    |          | <b>46.62 Dr.</b>  |        | <b>56.70 Dr.</b>  |        |
| 102             | Suspense Account-(Civil)   | 1,854.36            | 223.31   | 767.15            | 271.88 | 373.26            | 338.42 |
|                 | <b>Net Debit (Dr.) / Credit (Cr.)</b>  | <b>1,631.05 Dr.</b> |          | <b>495.27 Dr.</b> |        | <b>34.84 Dr.</b>  |        |
| 109             | Reserve Bank Suspense-(Headquarters)   | 0.42                | 00.37    | 00.05             | 00.00  | 00.05             | 00.00  |
|                 | <b>Net Debit (Dr.) / Credit (Cr.)</b>  | <b>0.05 Dr.</b>     |          | <b>00.05 Dr.</b>  |        | <b>00.05 Dr.</b>  |        |
| 110             | Reserve Bank Suspense (Central Accounts Office)  | 2.24                | 2.26     | 26.53             | 00.00  | 27.32             | 00.00  |
|                 | <b>Net Debit (Dr.) / Credit (Cr.)</b>  | <b>0.02 Cr.</b>     |          | <b>26.53 Dr.</b>  |        | <b>27.32 Dr.</b>  |        |
| 112             | Tax Deducted at Source (TDS) Suspense  | 471.25              | 497.83   | 00.03             | 41.60  | 00.00             | 81.72  |
|                 | <b>Net Debit (Dr.) / Credit (Cr.)</b>  | <b>26.58 Cr.</b>    |          | <b>41.57 Cr.</b>  |        | <b>81.72 Cr.</b>  |        |
| 123             | A.I.S Officers' Group Insurance Scheme   | 0.73                | 0.04     | 00.81             | 00.03  | 00.84             | 00.03  |
|                 | <b>Net Debit (Dr.) / Credit (Cr.)</b>  | <b>0.69 Dr.</b>     |          | <b>00.78 Dr.</b>  |        | <b>00.81 Dr.</b>  |        |
| 129             | Material Purchase Settlement Suspense Account  | 81.69               | 219.46   | 00.00             | 234.90 | 00.00             | 263.05 |
|                 | <b>Net Debit (Dr.) / Credit (Cr.)</b>  | <b>137.77 Cr.</b>   |          | <b>234.90 Cr.</b> |        | <b>263.05 Cr.</b> |        |
| <b>8782</b>     | <b>Cash Remittance and adjustments between officers rendering account to the same Accounts Officer</b> |                     |          |                   |        |                   |        |
| 102             | Public Works Remittances   | 6,841.07            | 7,372.10 | 00.00             | 637.47 | 00.00             | 477.98 |
|                 | <b>Net Debit (Dr.) / Credit (Cr.)</b>  | <b>531.03 Cr.</b>   |          | <b>637.47 Cr.</b> |        | <b>477.98 Cr.</b> |        |
| 103             | Forest Remittances   | 0.03                | 16.81    | 00.00             | 16.67  | 00.00             | 16.67  |
|                 | <b>Net Debit (Dr.) / Credit (Cr.)</b>  | <b>16.78 Cr.</b>    |          | <b>16.67 Cr.</b>  |        | <b>16.67 Cr.</b>  |        |
| <b>8793</b>     | <b>Inter-State Suspense Account</b>  |                     |          |                   |        |                   |        |
| 101             | Inter-State Suspense Account   | 4.14                | 0.02     | 00.03             | 00.00  | 00.08             | 00.00  |
|                 | <b>Net Debit (Dr.) / Credit (Cr.)</b>  | <b>4.12 Dr.</b>     |          | <b>00.03 Dr.</b>  |        | <b>00.08 Dr.</b>  |        |

Source: Finance Accounts.

The Suspense balances (Debit/Credit) under the Minor heads 101-PAO Suspense, 102-Suspense Account (Civil) and 110-Reserve Bank Suspense-Central Accounts Office under Major Head 8658-Suspense Account appearing in the Finance Accounts for the year 2022-23 are detailed below:

**Pay and Accounts Office – Suspense (Minor Head 101):** This Minor Head is operated for the settlement of inter-departmental and inter-governmental transactions arising in the books of PAOs under the Union Government, PAOs of the Union Territories and the Accountants General. Outstanding debit balance under this Head means that payments have been made by the PAO on behalf of other PAO(s), which are yet to be recovered. The outstanding debit balance (31 March 2023) under this Head increased to ₹ 56.70 crore from ₹ 46.62 crore debit balance of the previous year.

**Material Purchase Settlement Suspense Account (Minor Head 129):** There was an outstanding credit balance of ₹ 263.05 crore under this minor head as of 31 March 2023. This was on account of pending adjustment in respect of value of material received in advance by the divisions, but the payment is yet to be made. On clearance/ settlement of this amount, the cash balances of the State will increase.

**Public Works Remittances (Minor Head 102):** There was net credit balance of ₹ 477.98 crore under this head as of 2022-23. On clearance/settlement, the cash

balances of the State Government will increase. The remittances relate to cheques deposited by PWD into Treasury.

**Forest Remittances (Minor Head 103):** The net credit balance under this head was ₹ 16.67 crore. On clearance/settlement, the cash balance of the State Government will decrease. The remittances relate to cheques issued by Forest Division to the parties.

Huge balances under these Heads (Public Account) at the end of the year distorts the financial position of the State Government to that extent, as these expenditure(s)/ receipt(s) could not be booked to their final heads of account and remained outside the Consolidated Fund of the State.

#### **4.8 Reconciliation of Cash Balances**

The Cash Balance of the State Government as on 31 March 2023 as per Accounts of the Principal Accountant General (A&E) was ₹ 89.33 crore (Credit) while the same was reported as ₹ 89.35 crore (Debit) by the Reserve Bank of India (RBI). As such, there was a net un-reconciled difference of ₹ 0.02 crore (Debit).

The difference was mainly due to incorrect reporting of transactions and non-reconciliation of figures by the Agency Banks with the RBI.

#### **4.9 Unspent amount lying with divisional officers**

As per Codal provisions, funds received by Public Works Divisions towards Deposit Works from Non-Government Agencies are required to be credited under Minor Head 108 - Public Works Deposits below Major Head 8443 - Civil Deposits. The expenditure for related Deposit Works is also met from the same head of account. In the Monthly Divisional Accounts, un-remitted amount of such deposits are classified under Major Head 8671 -Departmental Balances, 101 - Civil, by the PW Divisions, under Public Account of the State and then form part of the Government Accounts. However, the funds received towards Deposit Works are being kept in the bank accounts of Divisional Officers operated by Public Works Divisions instead of remitting them into Government Account and are thus not forming part of cash balance of the State with Reserve Bank of India.

As on 31 March 2023, as per Finance Accounts, a small amount of ₹ 0.16 crore was lying under Major Head 8671 (Public Accounts).

### **Issues related to disclosure**

#### **4.10 Compliance with Accounting Standards**

As per Article 150 of the Constitution of India, the President of India may, on the advice of the Comptroller and Auditor General of India (CAG), prescribe the form of accounts of the Union and of the States. On the advice of the CAG, the President of India has so far notified three Indian Government Accounting Standards (IGASs). Compliance to these Accounting Standards by Government of Himachal Pradesh as well as deficiencies therein during 2022-23 is detailed in **Table 4.6**.

**Table 4.6: Compliance to Accounting Standards**

| Sr. No. | Accounting Standards | Essence of IGAS  | Compliance by State Government                           | Deficiency   |
|---------|----------------------|--|--|--|
| 1.      | IGAS-1               | Guarantees given by the Government - Disclosure requirements | Complied<br>(Statements 9 and 20 of Finance Accounts)    | Sector wise details are disclosed in the Statements 9 and 20 of the Finance Accounts.                          |
| 2.      | IGAS-2               | Accounting and Classification of Grants-in-aid               | Partially complied<br>(Statement 10 of Finance Accounts) | Information regarding the total value of Grants-in-aid given in kind was not provided by the State Government. |
| 3.      | IGAS-3               | Loans and Advances made by the Government                    | Complied<br>(Statements 7 and 18 of Finance Accounts)    | Details of Loans and Advances made by Government are disclosed in Statements 7 and 18.                         |

Source: Finance Accounts.

#### 4.11 Submission of accounts of Autonomous Bodies

Several autonomous bodies have been set up by the State Government in the fields of Education, Welfare, Law and Justice, Health, etc. Audit of accounts in respect of 18 autonomous bodies/authorities in the State has been entrusted to the Comptroller and Auditor General of India. Audit of these 18 bodies is conducted under section 19(3) of the C&AG's DPC Act and Separate Audit Reports are prepared for the same (**Appendix 4.6**). Details of bodies/authorities whose accounts are in arrears are given in **Table 4.7**.

**Table 4.7: Arrears of accounts of Autonomous Bodies as on 31 March 2023**

| Sr. No.      | Name of Body or Authority   | Accounts pending since | No. of Accounts pending |
|--------------|---|------------------------|-------------------------|
| 1.           | HP Khadi and Village Industries Board                                     | 2013-14                | 9                       |
| 2.           | Compensatory Afforestation Fund Management and Planning Authority (CAMPA) | 2019-20                | 3                       |
| <b>Total</b> |   |                        | <b>12</b>               |

Source: Departmental data/information.

It can be seen from the above table that accounts of two bodies/authorities (out of 18) were in arrears for periods ranging between three years and nine years.

Delay in finalisation of accounts carries the risk of financial irregularities going undetected and, therefore, the accounts need to be finalised and submitted to Audit at the earliest. The State Government may consider evolving a system to expedite the process of compilation and submission of annual accounts by autonomous bodies and departmentally run undertakings in order to assess their financial position.

#### 4.12 Non-submission of details of grants/loans given to bodies and authorities

In order to identify institutions that attract audit under Section 14 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) 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, purpose for which such assistance was granted, and the total expenditure of the institutions.

Further, Para 88 of Regulations on Audit and Accounts (Amendments) 2020 provides that the Government and Heads of Departments which sanction grants and/or loans to bodies or authorities shall furnish to the Audit Office, by the end of July every year, a statement of such bodies and authorities to which grants and/or loans aggregating to ₹ 10 lakh or more were paid during the preceding year indicating (a) the amount of assistance, (b) the purpose for which the assistance was sanctioned, and (c) the total expenditure of the body or authority.

The State Government did not furnish information pertaining to grants aggregating to ₹ 10 lakh or more extended to Autonomous Bodies/Authorities in the State of Himachal Pradesh. However, information was sought (September, 2023) by Audit from the bodies/authorities concerned and only two<sup>1</sup> bodies/authorities (out of 35), furnished the information to Audit (**Appendix 4.6**).

Non-furnishing of information by the State Government/Heads of the Department to Audit was in violation of Regulations on Audit and Accounts (Amendments) 2020.

#### **4.13 Departmental Commercial Undertakings/Corporations/Companies**

According to Sections 394 and 395 of the Companies Act, 2013, Annual Report on the working and affairs of a Government Company is to be prepared within three months of its Annual General Meeting (AGM). As soon as may be after such preparation, the Annual Report should be laid before the State Legislature together with a copy of the Audit Report and any comments upon or supplement to the Audit Report, made by the CAG. Almost, similar provisions exist in the respective Acts regulating Statutory Corporations. The above mechanism provides the necessary legislative control over the utilisation of public funds invested in the companies and corporations from the Consolidated Fund of the State.

It was observed that 16 Public Sector Undertakings (PSU)/ Corporations whose accounts (46) were in arrears as on 31 March 2023 (one company namely Himachal Worsted Mills Limited, which is under liquidation is not included) were not received upto 30 September 2023, of which six<sup>2</sup> were loss making (as per their latest/ last accounts). Further, audit noticed that a budgetary support of ₹143.72 crore was provided to two SPSEs during the last three years, despite their accounts being in arrears as detailed in **Table 4.8**.

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<sup>1</sup> (i) HP State Milkfed Co-operative, Totu, Shimla (ii) HP State Council for Science, Technology and Environment, Kasumpti, Shimla.

<sup>2</sup> (i) H.P. State Forest Development Corporation Ltd.; (ii) H.P. Minorities Finance and Development Corporation; (iii) HP Agro-Industrial Packaging India Ltd.; (iv) HP Tourism Development Corporation Ltd; (v) H.P. Power Corporation Ltd and (vi) Sri Naina Devi Ji and Sri Anandpur Sahib ji Ropeway Company Limited.

**Table 4.8: Year wise details of Budgetary support to loss making Commercial Undertakings/ Corporations/Companies**(*₹ in crore*)

| Sr. No.            | Name of the Company                                      | Budgetary Support |             |              |             |              |             | Total         |             | Grand Total   |
|--------------------|--|-------------------|-------------|--------------|-------------|--------------|-------------|---------------|-------------|---------------|
|                    |  | 2020-21           |             | 2021-22      |             | 2022-23      |             | Equity        | Loan        |               |
|                    |  | Equity            | Loan        | Equity       | Loan        | Equity       | Loan        |               |             |               |
| 1                  | Himachal Pradesh Power Corporation Limited               | 62.21             | 0.00        | 11.00        | 0.58        | 67.35        | 0.58        | 140.56        | 1.16        | 141.72        |
| 2                  | Himachal Pradesh Tourism Development Corporation Limited | 0.00              | 0.00        | 2.00         | 0.00        | 0.00         | 0.00        | 2.00          | 0.00        | 2.00          |
| <b>Grand Total</b> |  | <b>62.21</b>      | <b>0.00</b> | <b>13.00</b> | <b>0.58</b> | <b>67.35</b> | <b>0.58</b> | <b>142.56</b> | <b>1.16</b> | <b>143.72</b> |

Source: Information provided by the PSUs.

Age profile of PSUs/ Corporations having accounts in arrears is given in **Table 4.9**.

**Table 4.9: Age-profile of PSUs/Corporations having accounts in arrear**

| Range in years | Number of PSUs/Corporations |
|----------------|-----------------------------|
| 0-1            | 4                           |
| 2-3            | 7                           |
| 4-5            | 4                           |
| > 5            | 1                           |
| <b>Total</b>   | <b>16</b>                   |

Source: Information supplied by the PSUs.

**Table 4.9** shows that accounts in respect of one SPSE (which is an inactive company) were in arrears for more than five years. In the absence of timely finalisation of accounts, results of investments of the Government remain outside the purview of State Legislature and escape scrutiny by audit. Consequently, corrective measures, if any, required for ensuring accountability and improving efficiency cannot be taken in time. Risk of fraud and mis-utilisation of public money cannot be ruled out.

It is recommended that the State Government should evolve a system and direct the authorities of the SPSEs to complete its up-to date accounts (i.e., last preceding year), for making them eligible for financial support of the State Government, if required.

### Other Issues

#### 4.14 Misappropriations, losses, thefts, etc.

Rules 23 and 24 of Himachal Pradesh Financial Rules 2009 provide that a detailed enquiry by the authority concerned on the cause of loss of moveable and immoveable property, as the case may be, shall be conducted, and after a detailed enquiry has been completed, the detailed report shall be sent by the authority concerned to the Government through proper channels for appropriate action with a copy to the Accountant General. Rule 145 (5) stipulates that in case goods become unserviceable

due to negligence, fraud or mischief on the part of the Government servant, responsibility for the same shall be fixed.

There were 31 cases of misappropriation, losses, theft, etc., involving ₹ 52.32 lakh as of 31 March 2022. Out of this, an amount of ₹ 2.76 lakh (i.e., one case of ₹ 1.10 lakh relating to Forest Department: and partial amount of ₹ 1.66 lakh relating to Land Revenue Department) were settled/ cleared during the year 2022-23. However, 30 cases involving ₹ 49.56 lakh were still pending as on 31 March 2023. The department-wise break-up of pending cases is given in **Table 4.10**.

**Table 4.10: Department-wise break up of pending cases and reasons for pendency of action in cases of misappropriation, losses, theft, etc.**

| Name of Department            | Cases of misappropriation/ losses/ theft of Government material |                    | Reasons for the delay in final disposal of pending cases of misappropriation, losses, theft, etc. | Number of cases | Amount (₹ in lakh) |
|-------------------------------|---|--------------------|---|-----------------|--------------------|
|                               | Number of cases   | Amount (₹ in lakh) |   |                 |                    |
| Education                     | 3   | 2.95               | Awaiting departmental and criminal investigation  | 19              | 15.84              |
| Land Revenue                  | 1   | 0.91               | Awaiting orders for recovery or write off   | 1               | 0.91               |
| Horticulture                  | 3   | 2.89               |   |                 |                    |
| Police                        | 1   | 0.08               |   |                 |                    |
| Municipal Corporation, Chamba | 1   | 0.42               | Pending in the courts of Law  | 3               | 25.43              |
| Home Guard                    | 2   | 25.37              |   |                 |                    |
| Public Health (Medical)       | 1   | 0.95               | Recovery made/ written off but awaiting final disposal from PAC                                   | 6               | 6.96               |
| Forests                       | 3   | 4.82               |   |                 |                    |
| Public Works                  | 15  | 11.17              | Others  | 1               | 0.42               |
| <b>Total</b>                  | <b>30</b>   | <b>49.56</b>       | <b>Total</b>  | <b>30</b>       | <b>49.56</b>       |

Source: Information received from departments and compiled by Audit.

The State Government may devise an effective mechanism to ensure speedy and time-bound settlement of cases relating to misappropriation/loss, theft, etc.

The age-profile of the pending cases and the number of cases pending in each category- theft and misappropriation/ loss of Government material is summarised in **Table 4.11**.

**Table 4.11: Profile of misappropriation, losses, defalcations, etc.**

(₹ in lakh)

| Age-profile of the pending cases |                 |                 | Nature of the pending cases                   |                 |                 |
|----------------------------------|-----------------|-----------------|---|-----------------|-----------------|
| Range in years                   | Number of cases | Amount involved | Nature  | Number of cases | Amount involved |
| 0-5                              | 1               | 0.40            | Theft cases                                   | 6               | 3.78            |
| 5-10                             | 2               | 4.41            |   |                 |                 |
| 10-15                            | 5               | 4.81            | Misappropriation/ loss of Government material | 24              | 45.78           |
| 15-20                            | 2               | 1.01            |   |                 |                 |
| 20-25                            | 7               | 31.01           |   |                 |                 |
| 25 and above                     | 13              | 7.92            |   |                 |                 |
| <b>Total</b>                     | <b>30</b>       | <b>49.56</b>    | <b>Total pending cases</b>                    | <b>30</b>       | <b>49.56</b>    |

Out of the total 30 cases of misappropriation, losses, theft etc., 80 *per cent* cases were related to misappropriation/ loss of Government material and the remaining 20 *per cent* were theft cases. Out of these 30 cases, 63.33 *per cent* (19 cases) were pending due to delays in finalising/ initiating departmental and criminal investigation. It was further noticed that all 30 cases were more than five years old, including 20 cases, which were more than 20 years old.

The Government may consider preparing a time bound framework for taking prompt action to ensure speedy settlement of above cases relating to theft, misappropriation, losses, etc., so that accountability can be fixed.

#### **4.15 Follow up action on State Finances Audit Report**

In the State of Himachal Pradesh, the Public Accounts Committee (PAC)/ Finance Department require the line departments to provide Action Taken Notes (ATNs)/ *suo-motu* Explanatory Note (EN) on the paragraphs featuring in the Audit Reports within three months of placing the Reports in the Legislature. The line departments are also required to provide a copy (in triplicate) of the same to the Accountant General for vetting and further observations thereon, if any, and onward transmission to the PAC.

In Himachal Pradesh, State Finances Audit Report (SFAR) is being prepared separately and presented to the State Legislature from the year 2008-09 onwards. The State Government had submitted ATNs/ *suo motu* explanatory notes for SFARs up to 2019-20. The ATNs/ *suo motu* explanatory notes for the years 2020-21 and 2021-22 were still awaited (November 2023) from the State Government. The SFARs from the year 2008-09 up to 2019-20 are yet to be taken up for discussion by Public Accounts Committee (PAC) of the State Legislature as of date.

#### **4.16 Implementation of Recommendations of Sixth Himachal Pradesh Finance Commission on fiscal devolution**

The Sixth Himachal Pradesh Finance Commission was constituted (August 2020) by the State Government under Articles 243-I and Y of the Constitution of India, read with section 98 (1) of the Himachal Pradesh Panchayati Raj Act 1994 (Act No. 4 of 1994). The Commission submitted its interim report for the year 2022-23 in February 2022 and final report upto 31<sup>st</sup> March 2027, in October 2022. The Commission recommended –

- Gap filling grants may be devolved rather than specifying any share in the State's own revenues;
- five *per cent* annual hike in the committed liabilities, taking into account the resources availability with the State Government;
- grants may be devolved by giving a weight of 90 *per cent* to population and 10 *per cent* to the area or as per the actual requirement of a local body;
- funds may be divided into 90 *per cent* as Basic Grants and 10 *per cent* as Performance Grants.

The Department stated that the above recommendations have been implemented (except the first one).

#### **4.17 Conclusion**

Utilisation Certificates (UCs) amounting to ₹ 4,242.51 crore (4,106 UCs) were awaited which indicates lack of internal control by the administrative departments and tendency on the part of the Government to disburse fresh grants without ascertaining proper utilisation of earlier grants. Two autonomous bodies and 16 Public Sector Undertakings/Corporations did not submit their final accounts for considerable periods. As a result, their financial position could not be assessed and results of investments of the Government remained outside the purview of the State Legislature. Further, in 30 cases of theft, misappropriation and loss of Government material, departmental action was pending for long periods.

#### **4.18 Recommendations**

- 1. The Government should ensure timely submission of utilisation certificates by the departments in respect of the grants released for specific purposes.*
- 2. The Finance Department should put in place a system to expedite the process of compilation and submission of annual accounts by autonomous bodies and departmentally run undertakings in order to assess their financial position.*
- 3. The Government may consider preparing a time bound framework for taking prompt action in cases of misappropriation, loss, theft, etc. and strengthening the internal control system to prevent recurrence of such cases.*

**CHAPTER-V**  
**STATE PUBLIC SECTOR**  
**ENTERPRISES**



## CHAPTER – V

### STATE PUBLIC SECTOR ENTERPRISES

This chapter discusses the financial performance of Government Companies (GCs), Statutory Corporations (SCs) and Government Controlled Other Companies (GCOCs). Impact of significant comments issued as a result of supplementary audit of the financial statements of these State Public Sector Enterprises (SPSEs) conducted by the Comptroller and Auditor General (CAG) of India for the year 2022-23 (or of earlier years which were finalised during the current year) has also been discussed.

#### 5.1 Definition of Government Companies

A Government Company is defined in Section 2(45) of the Companies Act, 2013 as a company in which not less than 51 *per cent* of the paid-up share capital is held by Central Government, or by any State Government or Governments, or partly by the Central Government and partly by one or more State Governments and includes a company which is a subsidiary of a Government Company.

Besides, any other company<sup>1</sup> owned or controlled, directly or indirectly, by the Central Government, or by any State Government or Governments, or partly by the Central Government and partly by one or more State Governments are referred to in this Report as Government Controlled Other Companies.

#### 5.2 Mandate of Audit

Audit of Government Companies and Government Controlled Other Companies is conducted by the CAG of India under the provisions of Section 143(5) to 143(7) of the Companies Act, 2013 read with Section 19 of the CAG's (Duties, Powers and Conditions of Service) Act, 1971 and the Regulations made there under. Under the Companies Act, 2013, the CAG appoints Chartered Accountants as Statutory Auditors for Companies and gives directions on the manner in which the accounts are to be audited. In addition, CAG has the right to conduct a supplementary audit of the Company's financial statements. The statutes governing some Statutory Corporations require their accounts to be audited only by CAG.

#### 5.3 SPSEs and their contribution to the GSDP of the State

SPSEs consist of State Government Companies and Statutory Corporations. SPSEs are established to carry out activities of commercial nature keeping in view the welfare of people and occupy an important place in the State economy. As on 31 March 2023, there were 30 SPSEs in Himachal Pradesh under the jurisdiction

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<sup>1</sup> Companies (Removal of Difficulties) Seventh Order, 2014 issued by Ministry of Corporate Affairs vide Gazette Notification dated 4 September 2014.

of CAG. They included 26 Government Companies (including two<sup>2</sup> statutory Corporations) and four<sup>3</sup> Government Controlled Other Companies (GCOC).

Out of the aforementioned Government and Government Controlled Other Companies, there are three inactive<sup>4</sup> SPSEs (including one under liquidation) in the State. These inactive SPSEs have investment of ₹ 79.79 crore (Capital ₹ 19.64 crore - State Government: ₹17.75 crore and others: ₹1.89 crore; State Government loans: ₹ 60.15 crore). This is a critical area and the Government may like to take an early decision to liquidate the inactive SPSEs, as these investments do not contribute to the economic growth of the State.

The ratio of turnover of SPSEs to the Gross State Domestic Product (GSDP) shows the extent of activities of these SPSEs in the State economy. The details of turnover of working SPSEs are given in **Appendix 5.2**. Turnover of working SPSEs and GSDP of the State for a period of three years ending 31 March 2023 are given in **Table 5.1**.

**Table 5.1: Details of turnover of working SPSEs vis-a-vis GSDP**

(₹ in crore)

| Particulars  | 2020-21          | 2021-22         | 2022-23          |
|--|------------------|-----------------|------------------|
| <b>Turnover</b>  |                  |                 |                  |
| Power sector SPSEs                                     | 6,758.43         | 6,732.16        | 7,335.16         |
| Services sector SPSEs                                  | 2,805.45         | 2,427.27        | 2,792.64         |
| Other SPSEs  | 495.51           | 473.46          | 529.30           |
| <b>Total</b>   | <b>10,059.39</b> | <b>9,632.89</b> | <b>10,657.10</b> |
| GSDP of Himachal Pradesh                               | 1,55,251         | 1,76,269        | 1,95,404         |
| <b>Percentage of Turnover of working SPSEs to GSDP</b> |                  |                 |                  |
| Power sector SPSEs                                     | 4.35             | 3.82            | 3.75             |
| Services sector SPSEs                                  | 1.81             | 1.38            | 1.43             |
| Other SPSEs  | 0.32             | 0.27            | 0.27             |
| <b>Total</b>   | <b>6.48</b>      | <b>5.47</b>     | <b>5.45</b>      |

Source: Compilation based on turnover figures of SPSEs as per their latest finalised accounts and GSDP figures at current and constant prices as supplied by Government of Himachal Pradesh.

The contribution of SPSEs to GSDP of the State was on a declining trend from 2020-21 to 2022-23. It stood at 6.48 per cent in 2020-21, 5.47 per cent in 2021-22 and was marginally lower at 5.45 per cent in 2022-23. The contribution of Power sector SPSEs to GSDP was 3.75 per cent while Services Sector SPSEs contributed 1.43 per cent in the year 2022-23.

Though the contribution of all other sector SPSEs to GSDP was low (from 0.27 per cent to 0.32 per cent), they were having staff of 1,794 employees (permanent/ deputation/ contract basis). As on 31 March 2023, State Government

<sup>2</sup> Himachal Pradesh Financial Corporation and Himachal Road Transport Corporation.

<sup>3</sup> Dharamshala Smart City Limited, Himachal Consultancy Organisation Limited, Shimla Jal Prabandhan Nigam Limited and Himachal Worsteds Mills Limited (under liquidation).

<sup>4</sup> Inactive SPSEs are those which have ceased to carry out their operations. – Agro Industrial Packaging India Limited and Himachal Pradesh Beverages Limited are the two inactive SPSEs and Himachal Pradesh Worsteds Mills Limited (a GCOC) is under liquidation.

investment in these other sectors SPSE was ₹ 350.83 crore (equity: ₹ 276.21 crore and long term loans: ₹ 74.62 crore). In addition, ₹ 118.74 crore of grants and subsidies were provided to three<sup>5</sup> of these SPSEs by Government of Himachal Pradesh during the period 2020-23.

## 5.4 Investment in SPSEs and Budgetary Support

### 5.4.1 Equity holding and Loans in SPSEs

The sector wise Total Equity, Equity contribution by State Government and Long Term Loans including the loans given by the State Government in 27 working SPSEs as on 31 March 2023 is given below in **Table 5.2**.

**Table 5.2: Sector-wise investment in SPSEs**

| Name of Sector        | Investment <sup>6</sup> (₹ in crore) |                         |                       |                        |                                  | Percentage of Total Equity and Long term loans to Total |
|-----------------------|--------------------------------------|-------------------------|-----------------------|------------------------|----------------------------------|---|
|                       | Total Equity                         | State Government Equity | Total Long Term Loans | State Government Loans | Total Equity and Long Term Loans |   |
| Power Sector SPSEs    | 4,073.35                             | 2,346.72                | 12,524.64             | 7,648.65               | 16,597.99                        | 90  |
| Services Sector SPSEs | 1,275.20                             | 1,259.00                | 161.29                | 0.00                   | 1,436.49                         | 8   |
| Other SPSEs           | 292.56                               | 276.21                  | 159.53                | 74.62                  | 452.09                           | 2   |
| <b>Total</b>          | <b>5,641.11</b>                      | <b>3,881.93</b>         | <b>12,845.46</b>      | <b>7,723.27</b>        | <b>18,486.57</b>                 | <b>100</b>  |

Source: Information provided by the SPSEs.

The thrust of SPSEs investment was mainly on power sector. It received as much as 90 per cent (₹ 16,597.99 crore) of total investment of ₹ 18,486.57 crore as on 31 March 2023. The State Government share was 62.78 per cent (₹ 11,605.20 crore) of total investment of ₹ 18,486.57 crore (**Appendix 5.1**).

### 5.4.2 Market Capitalisation of equity investment in SPSEs

Market Capitalisation represents market value of shares of companies which are listed. As on 31 March 2023 shares of only one SPSE (Himachal Pradesh General Industries Corporation Limited) was listed<sup>7</sup> on the Bombay Stock Exchange (BSE). This SPSE has a total equity investment of ₹ 7.16 crore.

The Himachal Pradesh State Electricity Board Limited is the other listed Government Company whose debts are listed on the BSE.

### 5.4.3 Disinvestment, Restructuring and Privatisation

During the year 2022-23, there was no case of disinvestment/ restructuring and privatisation of working as well as inactive SPSEs.

<sup>5</sup> Dharamshala Smart City Limited: ₹ 5.00 crore, Himachal Pradesh Road & Other Infrastructure Development Corporation Limited: ₹ 110.00 crore and Shimla Smart City Limited: ₹ 3.74 crore

<sup>6</sup> Investment includes equity and long-term loans.

<sup>7</sup> The shares of the Company have now been delisted. The Bombay Stock Exchange informed (1 February 2022) the Company that its name has been removed from the Dissemination Board. Accordingly, Govt of Himachal Pradesh notified (13 April 2023) that the delisted shares have been issued in the name of the Principal Secretary (Industries). – Source: Audited annual accounts of the Company for the year 2022-23.

## 5.5 Returns from SPSEs

### 5.5.1 Profit earned by SPSEs

Of the 27 working SPSEs, the number of SPSEs that earned profit, as per their latest finalised financial statements, stood at 13 in 2022-23 as compared to 10 SPSEs in 2021-22. However, the profit earned decreased marginally to ₹ 20.21 crore in 2022-23 from ₹ 21.47 crore in 2021-22.

The top three SPSEs which contributed maximum profit are summarised in **Table 5.3**.

**Table 5.3: Top three SPSEs which contributed maximum to profit**

| Name of SPSEs   | Net Profit<br>(₹ in crore) | Percentage of profit to<br>total profit of SPSEs |
|---|----------------------------|--|
| Himachal Pradesh State Industrial Development Corporation Limited                   | 7.68                       | 38.00  |
| Himachal Pradesh General Industries Corporation Limited                             | 3.44                       | 17.02  |
| Himachal Pradesh Horticultural Produce Marketing and Processing Corporation Limited | 2.89                       | 14.30  |
| <b>Total</b>  | <b>14.01</b>               | <b>69.32</b>                                     |

Source: Latest financial statements of SPSEs.

Net profit ratio<sup>8</sup> of SPSEs is depicted in **Table 5.4** below:

**Table 5.4: Net Profit ratio of SPSEs<sup>9</sup>**

| Sector                | Net Profit     | Turnover         | Net Profit ratio (in per cent) |
|-----------------------|----------------|------------------|--------------------------------|
| Power sector SPSEs    | (-) 461.52     | 7,335.16         | -                              |
| Services sector SPSEs | (-) 132.30     | 2,792.64         | -                              |
| Other SPSEs           | 18.53          | 1,073.27         | 1.73                           |
| <b>Total</b>          | <b>-575.29</b> | <b>11,201.07</b> |                                |

Source: Latest financial statements of SPSEs.

### 5.5.2 Dividend paid by SPSEs

The Thirteenth Finance Commission had recommended (December 2009) that a minimum dividend of five *per cent* on government equity should be paid by all public sector enterprises. The State Government adopted the recommendation and directed (July 2011) all its SPSEs (except those in welfare and utility sector) to ensure a minimum return of five *per cent* on the funds invested by the State Government subject to a ceiling of 50 *per cent* of profit after tax. The dividend paid in the last three years by SPSEs is shown in **Table 5.5**.

<sup>8</sup> Net Profit/Turnover\*100

<sup>9</sup> Including turnover and net profit of the three inactive SPSEs

**Table 5.5: Dividend Payout by SPSEs***(₹ in crore)*

| Year    | Particulars          | Number of SPSEs which declared dividend | Paid up Capital | Net Profit   | Dividend declared |
|---------|----------------------|---|-----------------|--------------|-------------------|
| 2020-21 | Power Sector SPSEs   | -                                       | -               | -            | -                 |
|         | Service Sector SPSEs | 1                                       | 3.51            | 1.18         | 0.35              |
|         | Other SPSEs          | 2                                       | 37.98           | 14.75        | 1.90              |
|         | <b>Total</b>         | <b>3</b>                                | <b>41.49</b>    | <b>15.93</b> | <b>2.25</b>       |
| 2021-22 | Power Sector SPSEs   | -                                       | -               | -            | -                 |
|         | Service Sector SPSEs | 1                                       | 3.51            | 1.18         | 0.35              |
|         | Other SPSEs          | 1                                       | 7.16            | 3.36         | 0.36              |
|         | <b>Total</b>         | <b>2</b>                                | <b>10.67</b>    | <b>4.54</b>  | <b>0.71</b>       |
| 2022-23 | Power Sector SPSEs   | -                                       | -               | -            | -                 |
|         | Service Sector SPSEs | -                                       | -               | -            | -                 |
|         | Other SPSEs          | 1                                       | 7.16            | 3.44         | 0.36              |
|         | <b>Total</b>         | <b>1</b>                                | <b>7.16</b>     | <b>3.44</b>  | <b>0.36</b>       |

Source: Latest financial statements of SPSEs.

During 2022-23, out of 13 SPSEs which earned profit, as per their latest finalised accounts, only one SPSE (Himachal Pradesh General Industries Corporation Limited) declared dividend, four SPSEs<sup>10</sup> were not required to declare dividend (being in welfare and utility sector) while eight SPSEs<sup>11</sup> which earned aggregate profit of ₹14.88 crore had not declared/ paid dividend.

## 5.6 Debt servicing

### 5.6.1 Interest Coverage Ratio

Interest Coverage Ratio is used to determine the ability of a Company to pay interest on outstanding debt and is calculated by dividing a company's Earnings before Interest and Taxes (EBIT) by interest expenses of the same period. The lower the ratio, the lesser will be the ability of the Company to pay interest on debt. An interest coverage ratio of below one indicates that the Company was not generating sufficient revenues to meet its expenses on interest. The details of interest coverage ratio in SPSEs which had interest burden are given below in **Table 5.6**.

<sup>10</sup> (i) Himachal Backward Classes, Finance and Development Corporation, (ii) Himachal Pradesh Mahila Vikas Nigam (iii) Himachal Pradesh Kaushal Vikas Nigam and (iv) Himachal Consultancy Organisation Limited.

<sup>11</sup> (i) Himachal Pradesh State Civil Supply Corporation Limited, (ii) Himachal Pradesh State Industrial Development Corporation Limited, (iii) Himachal Pradesh State Forest Development Corporation Limited, (iv) Himachal Pradesh Handicrafts and Handlooms Corporation Limited (v) Himachal Pradesh State Electronics Corporation Limited, (vi) Himachal Pradesh Agro Industries Corporation Limited, (vii) Himachal Pradesh Horticultural Produce Marketing and Processing Corporation Limited and (viii) Himachal Pradesh Road & Other Infrastructure Development Corporation Limited.

**Table 5.6: Interest coverage ratio of SPSEs**

| Year    | Particulars           | Interest<br>(₹ in crore) | Earnings<br>before<br>interest<br>and tax<br>(EBIT)<br>(₹ in crore) | Number of<br>SPSEs having<br>liability of<br>loans | Number of<br>companies<br>having interest<br>coverage ratio<br>more than one | Number of<br>companies<br>having<br>interest<br>coverage ratio<br>less than one |
|---------|-----------------------|--------------------------|---|--|--|---|
| 2020-21 | Power sector SPSEs    | 617.06                   | 270.45  | 3  | 0  | 3   |
|         | Services sector SPSEs | 16.44                    | -118.88   | 2  | 1  | 1   |
|         | Other SPSEs           | 13.14                    | 13.08   | 6  | 3  | 3   |
|         | <b>Total</b>          | <b>646.64</b>            | <b>164.65</b>   | <b>11</b>  | <b>4</b>   | <b>7</b>  |
| 2021-22 | Power sector SPSEs    | 717.54                   | 271.92  | 3  | 0  | 3   |
|         | Services sector SPSEs | 9.70                     | -29.62  | 2  | 0  | 2   |
|         | Other SPSEs           | 12.58                    | 28.98   | 6  | 2  | 4   |
|         | <b>Total</b>          | <b>739.82</b>            | <b>271.28</b>   | <b>11</b>  | <b>2</b>   | <b>9</b>  |
| 2022-23 | Power sector SPSEs    | 792.22                   | 330.70  | 3  | 0  | 3 <sup>12</sup>   |
|         | Services sector SPSEs | 6.33                     | -124.89   | 4  | 2  | 2 <sup>13</sup>   |
|         | Other SPSEs           | 12.31                    | 26.76   | 7  | 5  | 2 <sup>14</sup>   |
|         | <b>Total</b>          | <b>810.86</b>            | <b>232.57</b>   | <b>14</b>  | <b>7</b>   | <b>7</b>  |

Source: Latest financial statement of SPSEs.

### 5.6.2 Age-wise analysis of interest outstanding on State Government Loans on power sector companies

Interest liability of ₹ 3,268.81 crore<sup>15</sup> had accrued on the long-term loans provided by the State Government in respect of three power sector SPSEs (except Beas Valley Power Corporation Limited which is a subsidiary of Himachal Pradesh Power Corporation Limited) as per latest finalised accounts as on 30 September 2023. The age-wise analysis of interest accrued on State Government loans is given in **Table 5.7**.

**Table 5.7: Outstanding interest on State Government loans**

(₹ in crore)

| Sr. No.      | Name of SPSEs | Outstanding interest on State Government Loans | Interest on State Government loans outstanding for less than one year | Interest on State Government loans outstanding for more than one year |
|--------------|---------------|--|---|---|
| 1            | HPSEBL        | 430.56   | 227.78  | 202.78  |
| 2            | HPPCL         | 2,203.26                                       | 242.96  | 1,960.30  |
| 3            | HPPTCL        | 634.99   | 22.79   | 612.20  |
| <b>Total</b> |               | <b>3,268.81</b>                                | <b>493.53</b>   | <b>2,775.28</b>   |

Source: Information as per latest finalised accounts of Power Sector SPSEs and provided by the SPSEs.

<sup>12</sup> (i) Himachal Pradesh State Electricity Board Limited; (ii) Himachal Pradesh Power Corporation Limited; and (iii) Himachal Pradesh Power Transmission Corporation Limited

<sup>13</sup> (i) Himachal Pradesh Tourism Development Corporation; and (ii) Himachal Road Transport Corporation

<sup>14</sup> (i) Himachal Pradesh Minorities Finance & Development Corporation; and (ii) Himachal Pradesh Financial Corporation

<sup>15</sup> As per information collected from SPSEs. Interest liability on SPSEs functioning in other sectors was insignificant in comparison to Power sector companies, hence they were not analysed.

## 5.7 Financial Performance of State Public Sector Enterprises

### 5.7.1 Return on Capital Employed of SPSEs

Return on Capital Employed (RoCE) is a ratio that measures a company's profitability and the efficiency with which its capital is employed. RoCE is calculated by dividing a company's Earnings before Interest and Taxes (EBIT) by the Capital Employed<sup>16</sup>. The details of RoCE during the period from 2020-21 to 2022-23 is given in **Table 5.8**.

**Table 5.8: Return on Capital Employed**

| Year    | Particulars          | EBIT<br>(₹ in crore) | Capital Employed<br>(₹ in crore) | RoCE<br>(in per cent) |
|---------|----------------------|----------------------|----------------------------------|-----------------------|
| 2020-21 | Power Sector SPSEs   | 270.45               | 11,791.00                        | 2.29                  |
|         | Service Sector SPSEs | -104.61              | -543.76                          | 0                     |
|         | Other SPSEs          | 13.03                | 203.26                           | 6.40                  |
|         | <b>Total</b>         | <b>178.87</b>        | <b>11,450.50</b>                 | <b>1.56</b>           |
| 2021-22 | Power Sector SPSEs   | 271.92               | 12,941.45                        | 2.10                  |
|         | Service Sector SPSEs | -15.35               | -561.40                          | 0                     |
|         | Other SPSEs          | 28.93                | 218.15                           | 13.26                 |
|         | <b>Total</b>         | <b>285.50</b>        | <b>12,598.20</b>                 | <b>2.27</b>           |
| 2022-23 | Power Sector SPSEs   | 330.70               | 11,057.96                        | 2.99                  |
|         | Service Sector SPSEs | -110.62              | -574.42                          | 0                     |
|         | Other SPSEs          | 26.71                | 224.80                           | 11.88                 |
|         | <b>Total</b>         | <b>246.79</b>        | <b>10,708.34</b>                 | <b>2.30</b>           |

Source: Latest financial statement of SPSEs.

It was observed that RoCE was positive during 2020-21 to 2022-23. The overall RoCE increased in 2022-23 as compared to 2021-22 due to decrease in capital employed in power sector. The losses incurred by Himachal Road Transport Corporation contributed significantly to the overall Service sector EBIT remaining negative.

### 5.7.2 Return on Equity by State Public Sector Enterprises

Return on Equity<sup>17</sup> (RoE) is a measure of financial performance to assess how effectively a company's assets are being used to create profit. RoE is calculated by dividing net income (*i.e.*, net profit after taxes) by shareholders' fund. It is expressed as a percentage and can be calculated for any company if net income and shareholders' fund are both positive numbers.

Shareholders' fund is calculated by adding paid up capital and free reserves minus accumulated losses and deferred revenue expenditure and reveals how much would be left for a company's stakeholders if all assets were sold and all debts paid. A positive shareholder's fund reveals that the company has enough assets to cover its liabilities while negative shareholder equity means liabilities exceed assets.

The Return on Equity of the profit earning 13 working SPSEs stood at 14.32 *per cent* in 2022-23. As the net income of all the 27 working SPSEs during the period 2022-23 was negative, the RoE could not be calculated.

<sup>16</sup> Capital employed = Paid up share capital + Free reserves and surplus + Long term loans – Accumulated losses - Deferred revenue expenditure.

<sup>17</sup> Return on equity=(Net profit after tax/share holder's equity)X100 where share holder's equity = paid up capital + free reserves – accumulated losses – deferred revenue expenditure.

The details of Shareholders' Fund and RoE relating to working SPSEs are given below in **Table 5.9**.

**Table 5.9: Return on Equity relating to SPSEs**

| Year    | Particulars          | Net income (₹ in crore) | Shareholders' Fund (₹ in crore) | RoE (Per cent) |
|---------|----------------------|-------------------------|---------------------------------|----------------|
| 2020-21 | Power Sector SPSEs   | (-)346.61               | 1,466.71                        | -              |
|         | Service Sector SPSEs | (-)137.24               | (-)629.97                       | -              |
|         | Other SPSEs          | (-)6.52                 | (-)17.16                        | -              |
|         | <b>Total</b>         | <b>(-)490.37</b>        | <b>819.58</b>                   |                |
| 2021-22 | Power Sector SPSEs   | (-)445.62               | 1486.20                         | -              |
|         | Service Sector SPSEs | (-)40.42                | (-)611.43                       | -              |
|         | Other SPSEs          | 9.01                    | 0.02                            | -              |
|         | <b>Total</b>         | <b>(-)477.03</b>        | <b>874.79</b>                   |                |
| 2022-23 | Power Sector SPSEs   | (-)461.52               | 1124.34                         | -              |
|         | Service Sector SPSEs | (-)132.30               | (-)602.92                       | -              |
|         | Other SPSEs          | 9.09                    | 7.22                            | 125.95         |
|         | <b>Total</b>         | <b>(-)584.73</b>        | <b>528.63</b>                   |                |

Source: Latest financial statement of SPSEs.

During the period 2020-21 to 2022-23, the overall RoE could not be calculated as the net income of all SPSEs remained negative.

### 5.7.3 Rate of Return on the basis of Present Value of Investment

In order to bring the historical cost of investments to its present value at the end of each year up to 31 March 2023, the past investments / year-wise funds infused by the GoHP in the SPSEs have been compounded at the year-wise average rate of interest on Government borrowings which is considered as the minimum cost of funds to the Government, for the concerned year. Therefore, PV of the State Government investment was computed where funds had been infused by the State Government in the shape of equity, interest-free loans and grants/subsidies for operational and management expenses, if any, less disinvestments since inception of these Companies till 31 March 2023.

The PV of the State Government investment in SPSEs was computed on the basis of following assumptions:

- Interest-free loans have been considered as investment infusion by the State Government. Further, in those cases where interest-free loans given to the SPSEs were later converted into equity, the amount of loan converted into equity has been deducted from the amount of interest free loans and added to the equity of that year.
- The average rate of interest on Government borrowings for the concerned financial year<sup>18</sup> was adopted as compounded rate for arriving at the PV since these represent the cost incurred by the Government towards investment of funds for the year and therefore is considered as the minimum expected rate of return on investments made by the Government.

<sup>18</sup> Calculation for the average rate for interest paid = Interest Payment/ [(Amount of previous year's Fiscal Liabilities + Current year's Fiscal Liabilities)/2]\*100.

- Disinvestment has been deducted while calculating total investment at the end of the year.

SPSE wise position of State Government investment in 26 SPSEs (other than GCOCs) in the form of equity and interest-free loan on historical cost basis during the period 1999-2000 to 2022-23 have been given in **Appendix 5.3**. The consolidated position of PV of the State Government investment and total earnings relating to 26 SPSEs for the same period is indicated below in **Table 5.10**.

**Table 5.10: Year-wise details of investment by the State Government and present value (PV) of Government funds from 1999-2000 to 2022-23**

(₹ in crore)

| Year           | Present value of total investment at the beginning of the year | Equity infused by the State Government during the year | Net Interest free loans given by the State Government during the year | Interest free loans converted into equity during the year | Grants/subsidies given by State Government for operational and administrative expenditure | Disinvestment by the State Government during the year at face value | Total investment during the year | Total investment at the end of the year | Weighted Average rate of interest on Government borrowings (in per cent) | Present value of total investment at the end of the year | Minimum expected return to recover cost of funds for the year | Total earnings for the year | Return on Investment |
|----------------|--|--|---|---|---|---|----------------------------------|---|--|--|---|-----------------------------|----------------------|
| A              | B  | C  | D   | E   | F   | G   | H                                | I                                       | J  | K  | L   | M                           | N                    |
|                |  |  |   |   |   |   | H=C+D+E+F+G                      | I=B+H                                   |  | K=I*(1+J/100)  | L=K-I   |                             | N=M/K*100            |
| Upto 1999-2000 | 0.00   | 300.04   | 0.49  | 0.00  | 0.00  | 0.00  | 300.53                           | 300.53                                  | 8.83   | 327.07   | 26.54   | 0.00                        | -                    |
| 2000-01        | 327.07   | 32.48  | 1.51  | 0.00  | 0.00  | 0.00  | 33.99                            | 361.06                                  | 10.15  | 397.70   | 36.65   | -49.50                      | -                    |
| 2001-02        | 397.70   | 13.01  | 0.00  | 0.00  | 0.00  | 0.00  | 13.01                            | 410.71                                  | 11.06  | 456.14   | 45.42   | -36.70                      | -                    |
| 2002-03        | 456.14   | 12.43  | 0.00  | 0.00  | 0.00  | 0.00  | 12.43                            | 468.57                                  | 10.37  | 517.16   | 48.59   | -29.19                      | -                    |
| 2003-04        | 517.16   | 28.60  | 0.00  | 0.00  | 0.00  | 0.00  | 28.60                            | 545.76                                  | 10.98  | 605.68   | 59.92   | -31.10                      | -                    |
| 2004-05        | 605.68   | 16.06  | 0.00  | 0.00  | 0.00  | 0.00  | 16.06                            | 621.74                                  | 10.60  | 687.65   | 65.90   | -43.44                      | -                    |
| 2005-06        | 687.65   | 13.59  | 0.15  | 0.00  | 0.00  | 0.00  | 13.74                            | 701.39                                  | 9.20   | 765.92   | 64.53   | -30.72                      | -                    |
| 2006-07        | 765.92   | 14.30  | 0.00  | 0.00  | 0.00  | 0.00  | 14.30                            | 780.22                                  | 9.40   | 853.56   | 73.34   | -62.08                      | -                    |
| 2007-08        | 853.56   | 118.42   | 2.25  | 0.00  | 0.00  | 0.00  | 120.67                           | 974.23                                  | 9.09   | 1,062.78   | 88.56   | -46.66                      | -                    |
| 2008-09        | 1,062.78   | 306.29   | -0.10   | 0.00  | 0.00  | 0.00  | 306.19                           | 1,368.97                                | 9.19   | 1,494.78   | 125.81  | -33.88                      | -                    |
| 2009-10        | 1,494.78   | 405.28   | 0.00  | 0.00  | 0.00  | 0.00  | 405.28                           | 1,900.06                                | 8.59   | 2,063.27   | 163.22  | -55.92                      | -                    |
| 2010-11        | 2,063.27   | 506.89   | 0.00  | 0.00  | 0.00  | 0.00  | 566.89                           | 2,630.16                                | 7.78   | 2,834.78   | 204.63  | -190.77                     | -                    |
| 2011-12        | 2,834.78   | 124.99   | 9.50  | 0.00  | 0.00  | 645.85  | -511.36                          | 2,323.42                                | 7.80   | 2,504.65   | 181.23  | -224.68                     | -                    |
| 2012-13        | 2,504.65   | 303.72   | 5.00  | 0.00  | 0.00  | 0.00  | 308.72                           | 2,813.37                                | 8.08   | 3,040.69   | 227.32  | -404.40                     | -                    |
| 2013-14        | 3,040.69   | 287.24   | 2.54  | 0.00  | 0.00  | 0.00  | 289.78                           | 3,330.47                                | 7.71   | 3,587.25   | 256.78  | -625.17                     | -                    |
| 2014-15        | 3,587.25   | 339.21   | 14.54   | 0.00  | 0.00  | 550.00  | -196.25                          | 3,391.00                                | 7.91   | 3,643.53   | 268.23  | -455.69                     | -                    |
| 2015-16        | 3,643.53   | 217.30   | 3.55  | 0.00  | 0.00  | 0.00  | 220.85                           | 3,864.38                                | 8.37   | 4,187.83   | 323.45  | -332.71                     | -                    |
| 2016-17        | 4,187.83   | 250.82   | 6.52  | 0.00  | 0.00  | 0.00  | 257.34                           | 4,445.17                                | 8.13   | 4,806.56   | 361.39  | -105.47                     | -                    |
| 2017-18        | 4,806.56   | 233.67   | 8.00  | 0.00  | 0.00  | 0.00  | 241.67                           | 5,048.23                                | 8.41   | 5,472.79   | 424.56  | -123.81                     | -                    |
| 2018-19        | 5,472.79   | 313.90   | 10.00   | 0.00  | 0.00  | 0.00  | 323.90                           | 5,796.69                                | 8.32   | 6,296.58   | 482.28  | -183.99                     | -                    |
| 2019-20        | 6,296.58   | 335.91   | 0.00  | 0.00  | 114.89  | 0.00  | 450.80                           | 6,747.38                                | 7.98   | 7,285.82   | 538.44  | -270.79                     | -                    |
| 2020-21        | 7,285.82   | 263.25   | 0.90  | 0.00  | 236.84  | 0.00  | 500.99                           | 7,786.81                                | 7.59   | 8,377.83   | 591.02  | -480.93                     | -                    |
| 2021-22        | 8,377.83   | 272.12   | 0.00  | 0.00  | 153.33  | 0.00  | 425.45                           | 8,803.28                                | 7.33   | 9,448.56   | 645.28  | -467.18                     | -                    |
| 2022-23        | 9,448.56   | 305.35   | -2.83   | 0.00  | 110.12  | 0.00  | 412.64                           | 9,861.20                                | 6.74   | 10,525.85  | 664.64  | -575.29                     | -                    |
|                |  | <b>5,074.87</b>  | <b>62.02</b>  | <b>0.00</b>   | <b>615.18</b>   | <b>1,195.85</b>   | <b>4,556.22</b>                  |   |  |  |   |                             |                      |

Source: Statistical information received from SPSEs in respect of Column nos. C, D, E, F and G.

The balance of the investment by the State Government in the SPSEs at the end of the year 2022-23 increased to ₹9,861.20 crore in 2022-23 from ₹ 300.53 crore at the end of 1999-2000. The State Government made further investment in the shape of equity (₹ 5,074.87 crore) and grants/subsidies for operational and management expenses (₹ 615.18 crore) during the period 2000-01 to 2022-23. The PV of funds infused by the State Government up to 31<sup>st</sup> March 2023 amounted to ₹ 10,525.85 crore. During the years 2000-01 to 2022-23, total earnings always remained below the minimum expected return to recover the cost of funds infused in these SPSEs.

## **5.8 SPSEs incurring losses**

### **5.8.1 Losses incurred**

There were eight working SPSEs that incurred losses as per their latest finalised accounts. The losses incurred by SPSEs increased to ₹ 604.94 crore as per their latest finalised accounts from ₹ 518.60 crore in 2021-22. Major loss incurring SPSEs were Himachal Pradesh Power Corporation Limited, Himachal Pradesh Power Transmission Corporation Limited and Himachal Pradesh State Electricity Board Limited and Himachal Road Transport Corporation. The position of loss incurring SPSEs during 2022-23 is given below in **Table 5.11**.

**Table 5.11: Number of SPSEs that incurred losses during 2020-21 to 2022-23**

(₹ in crore)

| Year    | Particulars          | No. of loss making SPSEs | Net loss for the year | Accumulated loss | Net worth     |
|---------|----------------------|--------------------------|-----------------------|------------------|---------------|
| 2020-21 | Power Sector SPSEs   | 3                        | 346.61                | 2,036.28         | 1,166.71      |
|         | Service sector SPSEs | 1                        | 146.43                | 1,533.70         | (-)674.83     |
|         | Other SPSEs          | 6                        | 25.56                 | 383.72           | (-)224.36     |
|         | <b>Total</b>         | <b>10</b>                | <b>518.60</b>         | <b>3,953.70</b>  | <b>267.52</b> |
| 2021-22 | Power Sector SPSEs   | 3                        | 445.62                | 2,296.57         | 1,186.20      |
|         | Service sector SPSEs | 3                        | 42.69                 | 1,598.47         | (-)662.52     |
|         | Other SPSEs          | 6                        | 10.24                 | 356.73           | (-)169.56     |
|         | <b>Total</b>         | <b>12</b>                | <b>498.55</b>         | <b>4,251.77</b>  | <b>354.12</b> |
| 2022-23 | Power Sector SPSEs   | 3                        | 461.52                | 2,757.59         | 824.34        |
|         | Service sector SPSEs | 3                        | 135.97                | 1,734.42         | (-)658.00     |
|         | Other SPSEs          | 2                        | 7.45                  | 186.69           | (-)75.78      |
|         | <b>Total</b>         | <b>8</b>                 | <b>604.94</b>         | <b>4,678.70</b>  | <b>90.56</b>  |

Source: Latest financial statement of SPSEs

### **5.8.2 Erosion of net worth of SPSEs**

As on 31 March 2023, there were 14 SPSEs with accumulated losses of ₹ 4,985.18 crore (**Appendix 5.4**). Of these, 10 SPSEs incurred losses amounting to ₹ 604.99 crore as per latest finalised accounts as of 30 September 2023.

The net worth of nine SPSEs, out of these 14 SPSEs, had been completely eroded by their accumulated losses and their net worth was negative. The net worth of these nine SPSEs was (-) ₹ 1,932.38 crore against equity investment of ₹ 2,085.59 crore as on 31 March 2023. Out of these nine SPSEs whose capital had eroded, three had earned profit of ₹ 4.88 crore as per their latest financial statements finalised during 2022-23. Out of nine, three SPSEs (including one inactive) had outstanding Government loans of ₹ 3,132.34 crore as on 31 March 2023 as detailed in **Table 5.12**.

**Table 5.12: Details of SPSEs whose net worth has eroded as per their latest finalised accounts**  
(₹ in crore)

| Sl. No             | Name of the Company   | Latest year of Account finalised | Total Paid-up Capital | Net Profit/Loss after interest, tax & dividend | Accumulated Losses (-) | Net Worth        | Period since when Net worth has remained negative | State Government equity as on 31 March 2023 | State Government loans as on 31 March 2023 |
|--------------------|---|----------------------------------|-----------------------|--|------------------------|------------------|---|---|--|
| 1                  | 2   | 3                                | 4                     | 5  | 6                      | 7                | 8   | 9   | 10   |
| 1.                 | Himachal Pradesh State Electricity Board Limited                                    | 2021-22                          | 832.23                | -103.69  | -1,809.61              | -977.38          | 2010-11   | 882.23                                      | 3,012.10                                   |
| 2.                 | Himachal Pradesh Horticultural Produce Marketing and Processing Corporation Limited | 2021-22                          | 38.77                 | 2.89   | -83.87                 | -45.1            | 1983-84   | 31.2  | 60.09                                      |
| 3.                 | Himachal Pradesh State Forest Development Corporation Limited                       | 2018-19                          | 11.71                 | 0.98   | -113.04                | -101.33          | 2002-03   | 11.71                                       | 0  |
| 4.                 | Himachal Pradesh Financial Corporation  | 2021-22                          | 99.57                 | -7.16  | -180.97                | -81.40           | 1996-97   | 106.59                                      | 0  |
| 5.                 | Himachal Pradesh State Handicrafts and Handloom Corporation Limited                 | 2020-21                          | 9.25                  | 1.01   | -12.42                 | -3.17            | 1989-90   | 9.22  | 0  |
| 6.                 | Himachal Pradesh Tourism Development Corporation Limited                            | 2017-18                          | 12.3                  | -2.76  | -27.27                 | -14.97           | NA  | 14.3  | 0  |
| 7.                 | Himachal Road Transport Corporation   | 2021-22                          | 1,063.12              | -133.18  | -1,707.12              | -644.00          | 1999-2000   | 1,227.68                                    | 0  |
| 8.                 | Agro Industrial Packaging India Limited   | 2013-14                          | 17.72                 | -0.04  | -78.23                 | -60.51           | Inactive  | 16.75                                       | 60.15                                      |
| 9.                 | Himachal Worsteds Mills Limited   | 2000-01                          | 0.92                  | -0.01  | -5.44                  | -4.52            | Under liquidation                                 | 0   | 0  |
| <b>Grand Total</b> |   |                                  | <b>2,085.59</b>       | <b>-241.96</b>                                 | <b>-4,017.97</b>       | <b>-1,932.38</b> |   | <b>2,299.68</b>                             | <b>3,132.34</b>                            |

\* Figures in the Column 9 and 10 are unaudited figures.

## 5.9 Audit of State Public Sector Enterprises

Comptroller & Auditor General of India (CAG) appoints the Statutory Auditors of a Government Company and Government Controlled Other Company under Section 139 (5) and (7) of the Companies Act, 2013. CAG has a right to conduct a supplementary audit and issue comments upon or supplement the Audit Report of the statutory auditor. Statutes governing some Corporations require that their accounts be audited by the CAG and a report be submitted to the Legislature.

### 5.10 Submission of accounts by State SPSEs

#### 5.10.1 Need for timely submission

According to Section 394 of the Companies Act 2013, Annual Report on the working and affairs of a Government Company, is to be prepared within three months of its Annual General Meeting (AGM) and as soon as may be after such preparation laid before the legislature together with a copy of the Audit Report and any comments upon or supplement to the Audit Report, made by the CAG. Almost similar provisions exist in the respective Acts regulating Statutory Corporations. This mechanism provides the necessary legislative control over the utilisation of public funds invested in the companies from the Consolidated Fund of the State.

Section 96 of the Companies Act, 2013 requires every Company to hold AGM of the shareholders once in every calendar year. It is also stated that not more than 15 months shall elapse between the date of one AGM and that of the next. Further,

Section 129 of the Companies Act, 2013 stipulates that the audited Financial Statement for the financial year has to be placed in the said AGM for consideration.

Section 129 (7) of the Companies Act, 2013 also provides for levy of penalty like fine and imprisonment on the persons including Directors of the Company responsible for non-compliance with the provisions of Section 129 of the Companies Act, 2013.

The annual accounts of various SPSEs were pending as on 30 September 2023, as detailed in the following paragraph.

### **5.10.2 Timeliness in preparation of accounts by SPSEs**

As of 31 March 2023, there were 27 SPSEs<sup>19</sup> under the purview of CAG's audit. No SPSEs submitted their accounts for the financial year 2022-23 for audit by CAG by 30 September 2023. Seventy three accounts of 27 SPSEs were in arrears as detailed in **Appendix 5.5**. They included 22 accounts of six SPSEs<sup>20</sup> whose net worth had been eroded. Details of arrears in submission of accounts of SPSEs are given in **Table 5.13**:

**Table 5.13: Details of arrears in submission of accounts**

| Particulars  |                                 | SPSEs     | Number of accounts |
|--|---------------------------------|-----------|--------------------|
| Total number of working Companies under the purview of CAG's audit as on 31 March 2023                                 |                                 | 27        |                    |
| Number of Companies from which accounts for 2022-23 were due   |                                 | 27        | 27                 |
| Number of Companies which presented the accounts for the year 2022-23 for CAG audit by 30 <sup>th</sup> September 2023 |                                 | 0         | 0                  |
| <b>Number of accounts in arrears</b>   |                                 | <b>27</b> | <b>73</b>          |
| Breakup of arrears   | (i) Under liquidation           | 1         | 0                  |
|  | (ii) Inactive                   | 2         | 15                 |
|  | (iii) Others                    | 25        | 58                 |
| Age-wise analysis of arrears against Others' category  | One year (2022-23)              | 11        | 11                 |
|  | Two years (2021-22 and 2022-23) | 4         | 8                  |
|  | Three years and more            | 10        | 39                 |

Source: Compiled on the basis of annual accounts received in the office of the PAG (Audit) Himachal Pradesh.

The names of companies and number of accounts in arrear as of 30 September 2023 are indicated in **Appendix 5.5**.

### **5.10.3 Timeliness in preparation of accounts by Statutory Corporation**

Audit of two<sup>21</sup> Statutory Corporations is conducted by the CAG and out of these, for one<sup>22</sup> Statutory Corporation, CAG is the sole Auditor. Neither of the two Statutory Corporation's presented their accounts for the year 2022-23 for audit before 30 September 2023. As on 30 September 2023, two accounts of the two Statutory Corporations were pending.

<sup>19</sup> Excluding two Statutory Corporations discussed in paragraph 5.10.3 and one company under liquidation.

<sup>20</sup> 1. Himachal Pradesh State Electricity Board Limited (1 year); 2. Himachal Pradesh Horticultural Produce Marketing and Processing Corporation Limited (1 year); 3. Himachal Pradesh State Forest Development Corporation Limited (4 years); 4. Himachal Pradesh State Handicrafts and Handloom Corporation Limited (2 years); 5. Himachal Pradesh Tourism Development Corporation Limited (5 years); and 6. Agro Industrial Packaging India Limited (9 years).

<sup>21</sup> Himachal Pradesh Financial Corporation and Himachal Road Transport Corporation.

<sup>22</sup> Himachal Road Transport Corporation.

## **5.11 CAG's oversight - Audit of Accounts and supplementary audit**

### **5.11.1 Financial Reporting Framework**

Companies are required to prepare the financial statements in the format laid down in Schedule III of the Companies Act and in adherence to the mandatory Accounting Standards prescribed by the Central Government, in consultation with National Advisory Committee on Accounting Standards renamed as National Financial Reporting Authority. The Statutory Corporations are required to prepare their accounts in the format prescribed under the rules framed in consultation with the CAG and any other specific provisions relating to accounts in Act governing such specifications.

### **5.11.2 Audit of accounts of Government Companies by Statutory Auditors**

The Statutory Auditors appointed by the CAG under Section 139 of the Companies Act 2013, conduct audit of accounts of the Government Companies and submit their report thereon in accordance with Section 143 of the Companies Act, 2013.

The CAG plays an oversight role by monitoring the performance of the Statutory Auditors in audit of State Public Sector Enterprises with the overall objective that the Statutory Auditors discharge the functions assigned to them properly and effectively. This function is discharged by exercising the power:

- to issue directions to the Statutory Auditors under Section 143 (5) of the Companies Act, 2013; and
- to supplement or comment upon the Statutory Auditor's report under Section 143 (6) of the Companies Act, 2013.

### **5.11.3 Supplementary Audit of accounts of Government Companies**

The prime responsibility for preparation of financial statements in accordance with the financial reporting framework prescribed under the Companies Act, 2013 or other relevant Act is of the management of an entity.

The Statutory Auditors appointed by the CAG under Section 139 of the Companies Act, 2013 are responsible for expressing an opinion on the financial statements under Section 143 of the Companies Act, 2013 based on independent audit in accordance with the Standard Auditing Practices of the Institute of Chartered Accountants of India (ICAI) and sub directions given by the CAG. The Statutory Auditors are required to submit the Audit Report to the CAG under Section 143 of the Companies Act, 2013.

The certified accounts of selected Government Companies along with the report of the Statutory Auditors are reviewed by CAG by carrying out a supplementary audit. Based on such review, significant audit observations, if any, are reported under Section 143 (6) of the Companies Act, 2013 to be placed before the Annual General Meeting.

## **5.12 Result of CAG's Oversight Role**

### **5.12.1 Audit of accounts of SPSEs**

Twenty two financial statements for the year 2021-22 and the previous years were received from 17 companies from 1 October 2022 to 30 September 2023.

Twenty one financial statements of 16 companies were reviewed in audit by the CAG (**Appendix 5.6**) and Non-Review Certificate was issued to one account of one SPSE (Himachal Pradesh General Industries Corporation Limited for the year 2021-22). The important results of the review are detailed below:

**Table 5.14: Significant comment issued on financial statements**

| Sr. No.                               | Name of the SPSE   | Comments  |
|---------------------------------------|--|---|
| <b>Comments on Profitability</b>      |  |   |
| 1.                                    | Himachal Pradesh State Electronics Development Corporation Limited (2021-22) | Employee Benefits expenses were understated by ₹ 161.28 lakh (estimated expenditure of pay revision arrear for the period January 2016 to March 2022) resulting in overstatement of profit by ₹ 161.28 lakh.  |
| 2.                                    | Himachal Pradesh State Electricity Board Limited (2021-22)                   | Current liability was understated by ₹ 90.75 crore on account of non-provision for arrear of 6th pay commission revision for the period 1 January 2022 to 31 March 2022. This resulted into understatement of Employee benefit expenses and 'Loss for the year' as well as 'Current Liabilities-Provisions' by ₹ 90.75 crore.   |
| <b>Comments on Financial Position</b> |  |   |
| 3.                                    | Himachal Pradesh State Electricity Board Limited (2021-22)                   | <p>There was overstatement of "Current Liabilities-Provisions" and understatement of "Other Current Liabilities" by ₹ 24.59 crore as they were definite liabilities and not the estimated amounts which was a non-observance of the guidance of Para 10 of IND AS-37.</p> <p>As per State Hydro Policy 2006, 1.5 per cent of the final cost of project above 5 MW has to be contributed to a Local Area Development Fund (LADF). Total expenditure of UHL Stage-III Hydro Electric Project of Beas Valley Power Corporation Limited was ₹ 2276.50 crore (as on 31 March 2022) and accordingly proportional contribution towards LADF should have been at ₹ 34.15 crore. However, BVPCL had expended ₹ 16.69 crore and kept a provision of ₹ 15.93 crore towards LADF as on 31 March 2022 resulting in understatement of Current Liabilities and Capital Work in Progress by ₹ 1.53 crore.</p> <p>Property Plant and equipment did not include ₹ 12.05 crore being the value of self executed works by various consumers in Electrical Division (ED) of Nahan, Paonta Sahib, Rajgarh, Kangra, Nagrota Bagwan, Karsog and Hamirpur, which become property of the company at the time of release of connections to that particular consumer. There was, thus, understatement of Property Plant and equipment as well as Other Non-Current Liability –Consumer contribution towards cost of capital by ₹ 12.05 crore.</p> |

Sources: Comments finalised and issued by CAG.

### **5.12.2 Amendment of financial statements**

During 2022-23, there was no case of Government Companies or Government Controlled Other Companies revising their financial statements on the basis of comments of CAG.

### **5.12.3 Revision of Auditors Report**

During 2022-23, there was no case of revision of statutory auditors' report as a result of supplementary audit of the financial statements conducted by the CAG.

### **5.13 Conclusion**

As on 31 March 2023, there were 30 SPSEs including two Statutory Corporations under the purview of CAG audit. Of these 30 SPSEs, three were inactive.

Twenty-two financial statements for the year 2021-22 and the previous years were received from 17 companies. Twenty one financial statements of 16 companies were reviewed in audit by the CAG.

Thirteen SPSEs earned net profit of ₹ 20.21 crore as per their financial statements. This was in comparison to 10 SPSEs reporting profit of ₹ 21.47 crore in 2021-22. Out of 13 SPSEs which earned profit, only one SPSE declared dividend. Four SPSEs did not earn enough profit to declare dividend and the remaining eight SPSEs which earned aggregate profit of ₹ 14.88 crore had not declared/paid dividend.

SPSEs did not adhere to the prescribed timeline for submission of their financial statements. Seventy three accounts of 27 SPSEs were in arrears.

#### 5.14 Recommendations

*The State Government may:*


- 1. Impress upon the managements of SPSEs to expedite finalisation of their financial statements which are in arrears and ensure their timely submission so that they remain within the oversight of the State Legislature; and*
- 2. Analyse the reasons for losses in those SPSEs whose net worth had been eroded and initiate steps to make their operations efficient and profitable.*

Shimla  
Dated: 29 October 2024

  
(SUSHIL THAKUR)  
Principal Accountant General (Audit)  
Himachal Pradesh

*Countersigned*

New Delhi:  
Dated: 06 November 2024

  
(GIRISH CHANDRA MURMU)  
Comptroller and Auditor General of India



# **APPENDICES**



## Appendix-1.1

(Reference: Paragraph 1.1)

### State Profile

| Sr. No. | Particulars   | Figures                                  |          |
|---------|---|--|----------|
| 1.      | Area  | 55,673 sq km                             |          |
| 2.      | Population  |  |          |
|         | A As per Census (2011)  | 0.69 crore                               |          |
|         | B As per 2023 (Projected)   | 0.75 crore                               |          |
| 3.      | (a) Density of Population (2011)<br>(All India density)                                   | 123 persons/sq km<br>(368 persons/sq km) |          |
|         | (b) Density of Population 2023 (Projected)<br>(All India average)                         | 134 persons/sq km<br>(422 persons/sq km) |          |
| 4.      | Population below poverty line (2023)<br>(All India average)                               | 8.06 %<br>(21.92 %)                      |          |
| 5.      | Literacy (2023)<br>(All India average)  | 82.80 %<br>(73.00 %)                     |          |
| 6.      | (a) Infant Mortality Rate (IMR per 1000 live births) (2023)<br>(All India IMR)            | 17<br>(28)                               |          |
|         | (b) Life Expectancy at Birth (2023)<br>(All India average)                                | 73.5<br>(70.00)                          |          |
| 7.      | Gross State Domestic Product (GSDP) 2022-23 at current prices (₹ in crore)                | 1,95,405                                 |          |
| 8.      | Per Capita GSDP (2022-23) (in ₹)  | Himachal Pradesh                         | 2,62,182 |
|         |   | North Eastern & Himalayan (NE&H) States  | 1,43,331 |
| 9.      | GSDP Compound Annual Growth Rate (CAGR) (2013-14 to 2022-23) at current prices            | Himachal Pradesh                         | 8.37     |
|         |   | North Eastern & Himalayan (NE&H) States  | 10.14    |
|         |   | All India                                | 10.34    |
| 10.     | Per capita GSDP Compound Annual Growth Rate (CAGR) (2013-14 to 2022-23) at current prices | Himachal Pradesh                         | 7.66     |
|         |   | North Eastern & Himalayan (NE&H) States  | 8.83     |
|         |   | All India                                | 9.12     |
| 11.     | Population Growth (2013 to 2023)  | Himachal Pradesh                         | 6.96     |
|         |   | North Eastern & Himalayan (NE&H) States  | 12.77    |
|         |   | All India                                | 11.68    |

Source: *Population projections for India and States (2011-36) by National Commission on Population, Ministry of Health and Family Welfare, Census of India (2011), Economics and Statistics Department of Himachal Pradesh and Central Statistical Office.*

**Appendix-1.2**

(Reference: Paragraph 1.3.2)

**Summarised financial position of the Government of Himachal Pradesh  
as on 31 March 2022 and 2023**

(₹ in crore)

| <b>Liabilities</b>  | <b>As on 31.03.2022</b> | <b>As on 31.03.2023</b> |
|---|-------------------------|-------------------------|
| <b>Internal Debt -</b>  | <b>44,376.03</b>        | <b>55,975.16</b>        |
| Market Loans bearing interest                                     | 33,772.10               | 46,002.10               |
| Market Loans not bearing interest                                 | 0.06                    | 0.06                    |
| Loans from Life Insurance Corporation of India                    | 18.68                   | 15.77                   |
| Loans from NABARD   | 3,164.12                | 3,437.84                |
| Loans from National Co-operative Development Corporation          | 120.43                  | 97.09                   |
| Compensation and other Bonds                                      | 2,890.50                | 2,601.45                |
| Loans from other Institutions                                     | 20.38                   | 0.19                    |
| Ways and Means Advances and Overdrafts from Reserve Bank of India | 0                       | 0                       |
| Special Securities issued to NSSF                                 | 4,389.76                | 3,820.66                |
| <b>Loans and Advances from Central Government-</b>                | <b>6,751.41*</b>        | <b>7,388.31</b>         |
| Non-Plan Loans  | 1.94                    | 1.51                    |
| Loans for State Plan Schemes                                      | 3,162.03                | 3,061.65                |
| Pre 1984-85 Loans   | 0.13                    | 0.13                    |
| Other loans for State   | 3,587.31                | 4,325.03                |
| <b>Contingency Fund</b>   | <b>5.00</b>             | <b>5.00</b>             |
| <b>Small Savings, Provident Funds, etc.</b>                       | <b>17,006.28</b>        | <b>17,682.25</b>        |
| <b>Deposits and Advances</b>                                      | <b>3,426.66</b>         | <b>3,608.49</b>         |
| <b>Reserve Funds</b>  | <b>1,973.90</b>         | <b>1,934.72</b>         |
| <b>Suspense and Miscellaneous Balances</b>                        | <b>- 292.98</b>         | <b>224.94</b>           |
| <b>Remittance Balances</b>  | <b>653.50</b>           | <b>493.96</b>           |
| <b>Total</b>  | <b>73,899.80</b>        | <b>87,312.83</b>        |
| <b>Assets</b>   |                         |                         |
| <b>Gross Capital Outlay on Fixed Assets -</b>                     | <b>55,459.49</b>        | <b>61,488.38</b>        |
| Investments in shares of Companies, Corporations, etc.            | 4,913.00                | 5,333.57                |
| Other Capital Expenditure   | 50,546.49               | 56,154.81               |
| <b>Loans and Advances -</b>                                       | <b>8,024.83</b>         | <b>8,052.62</b>         |
| Loans for Power Projects  | 7,644.83                | 7,743.37                |
| Other Development Loans   | 354.51                  | 283.16                  |
| Loans to Government servants and miscellaneous loans              | 25.49                   | 26.09                   |
| <b>Advances with Departmental Officers</b>                        | <b>0</b>                | <b>0</b>                |
| <b>Remittance Balances</b>  | <b>0</b>                | <b>0</b>                |
| <b>Cash</b>   | <b>2,522.86</b>         | <b>3,556.04</b>         |
| Cash in Treasuries and local remittances                          | 0                       | 0                       |
| Departmental Cash Balance   | 0.16                    | 0.16                    |
| Permanent Advances/Cash Imprest                                   | 0.03                    | 0.03                    |
| Cash Balance Investments  | 2,568.08                | 3,645.18                |
| Deposits with Reserve Bank of India                               | -45.41                  | -89.33                  |
| Investments from Earmarked Funds                                  | 0                       | 0                       |
| <b>Suspense and Miscellaneous Balances</b>                        | <b>0</b>                | <b>0</b>                |
| <b>Add difference on account of rounding-off</b>                  | <b>0</b>                | <b>0</b>                |
| <b>Deficit on Government Account</b>                              | <b>7,892.62</b>         | <b>14,215.79</b>        |
| <b>Total</b>  | <b>73,899.80</b>        | <b>87,312.83</b>        |

Source: Finance Accounts.

\* Includes ₹ 4,412.22 crore (2020-21: ₹ 1,717 crore + 2021-22: ₹ 2,695.22 crore) as back-to-back loans to State from GoI in lieu of GST compensation Shortfall.

## Appendix-2.1

(Reference: Paragraphs 2.2 and 2.4.1)

## Time Series Data on the State Government Finances

(₹ in crore)

| Particulars  | 2018-19           | 2019-20           | 2020-21           | 2021-22            | 2022-23            |
|--|-------------------|-------------------|-------------------|--------------------|--------------------|
| <b>Part-A: Receipts</b>  |                   |                   |                   |                    |                    |
| <b>1. Revenue Receipts</b>                                       | <b>30,950</b>     | <b>30,742</b>     | <b>33,438</b>     | <b>37,309</b>      | <b>38,090</b>      |
| <b>(i) Tax Revenue (a+b)</b>                                     | <b>13,003</b>     | <b>12,302</b>     | <b>12,837</b>     | <b>17,064</b>      | <b>1,8479</b>      |
| <b>(a) Own Tax Revenue</b>                                       | <b>7,573(24)</b>  | <b>7,624(25)</b>  | <b>8,083(24)</b>  | <b>9,715 (26)</b>  | <b>10,595 (28)</b> |
| States Goods and Services Tax (SGST)                             | 3,343(44)         | 3,550(47)         | 3,467 (43)        | 4,482 (46)         | 5,259 (50)         |
| Taxes on Sales, Trade, etc.                                      | 1,185(16)         | 1,170(15)         | 1,630 (20)        | 1,592 (16)         | 1,370 (13)         |
| State Excise   | 1,482(20)         | 1,660(22)         | 1,600 (20)        | 1,981 (20)         | 2,216 (21)         |
| Taxes on Vehicles  | 408(5)            | 466(6)            | 380 (5)           | 510 (5)            | 675 (6)            |
| Stamps and Registration fees                                     | 251(3)            | 260(4)            | 253 (3)           | 318 (3)            | 399 (4)            |
| Taxes and Duties on electricity                                  | 487(7)            | 101(1)            | 402 (5)           | 394 (4)            | 252 (2)            |
| Land Revenue   | 8(-)              | 5(-)              | 7 (-)             | 5 (-)              | 8 (-)              |
| Taxes on Goods and Passengers                                    | 104(1)            | 104(1)            | 84 (1)            | 99 (1)             | 69 (1)             |
| Other Taxes  | 305(4)            | 308(4)            | 261 (3)           | 333 (4)            | 347 (3)            |
| <b>(b) State's share of Union taxes and duties</b>               | <b>5,430(18)</b>  | <b>4,678(15)</b>  | <b>4,754 (14)</b> | <b>7,349 (20)</b>  | <b>7,884 (21)</b>  |
| <b>(ii) Non Tax Revenue</b>                                      | <b>2,830(9)</b>   | <b>2,501(8)</b>   | <b>2,188 (7)</b>  | <b>2,612 (7)</b>   | <b>2,876 (7)</b>   |
| <b>(iii) Grants-in-aid from Government of India</b>              | <b>15,117(49)</b> | <b>15,939(52)</b> | <b>18,413(55)</b> | <b>17,633 (47)</b> | <b>16,734 (44)</b> |
| <b>2. Miscellaneous Capital Receipts</b>                         | <b>9</b>          | <b>2</b>          | <b>3</b>          | <b>7</b>           | <b>13</b>          |
| <b>3. Recoveries of Loans and Advances</b>                       | <b>22</b>         | <b>21</b>         | <b>23</b>         | <b>40</b>          | <b>83</b>          |
| <b>4. Total Revenue and Non debt capital receipts (1+2+3)</b>    | <b>30,981</b>     | <b>30,765</b>     | <b>33,464</b>     | <b>37,356</b>      | <b>38,186</b>      |
| <b>5. Public Debt Receipts</b>                                   | <b>6,427</b>      | <b>10,847</b>     | <b>16,749</b>     | <b>9,335</b>       | <b>22,372</b>      |
| Internal Debt (excluding Ways and Means Advances and Overdrafts) | 4,864 (76)        | 7,333 (67)        | 6,693 (40)        | 4,704 (51)         | 14,845 (66)        |
| Ways and Means Advances and Overdrafts                           | 1,496 (23)        | 3,444 (32)        | 7,744 (46)        | 1,043 (11)         | 6,787 (31)         |
| Loans and Advances from Government of India                      | 67 (1)            | 70 (1)            | 2,312 (14)        | 3,587 (38)         | 740 (3)            |
| <b>6. Total Receipts in the Consolidated Fund (4+5)</b>          | <b>37,408</b>     | <b>41,612</b>     | <b>50,213</b>     | <b>46,692</b>      | <b>60,558</b>      |
| <b>7. Contingency Fund Receipts</b>                              | <b>-</b>          | <b>-</b>          | <b>-</b>          | <b>-</b>           | <b>-</b>           |
| <b>8. Public Account Receipts</b>                                | <b>16,121</b>     | <b>22,569</b>     | <b>15,445</b>     | <b>15,183</b>      | <b>20,070</b>      |
| <b>9. Total Receipts of the State (6+7+8)</b>                    | <b>53,529</b>     | <b>64,181</b>     | <b>65,658</b>     | <b>61,875</b>      | <b>80,628</b>      |
| <b>Part-B: Expenditure/disbursement</b>                          |                   |                   |                   |                    |                    |
| <b>10. Revenue Expenditure</b>                                   | <b>29,442</b>     | <b>30,730</b>     | <b>33,535</b>     | <b>36,195</b>      | <b>44,425</b>      |
| Plan   | 4,263 (14)        | 4,028 (13)        | 4,983 (15)        | -                  | -                  |
| Non-Plan   | 25,179 (86)       | 26,702 (87)       | 28,552 (85)       | -                  | -                  |
| General Services (including interest payments)                   | 11,438 (39)       | 12,335 (40)       | 13,454 (40)       | 13,900 (39)        | 17,763 (40)        |
| Social Services  | 11,482 (39)       | 12,047 (39)       | 12,844 (38)       | 13,882 (38)        | 17,408 (39)        |
| Economic Services  | 6,512 (22)        | 6,338 (21)        | 7,227 (22)        | 8,405 (23)         | 9,247 (21)         |
| Grants-in-aid and contributions                                  | 10 (-)            | 10 (-)            | 9 (-)             | 8 (-)              | 6 (-)              |
| <b>11. Capital Expenditure</b>                                   | <b>4,583</b>      | <b>5,174</b>      | <b>5,309</b>      | <b>6,029</b>       | <b>6,029</b>       |
| Plan   | 4,102 (90)        | 4,820 (93)        | 5,033 (95)        | -                  | -                  |
| Non-Plan   | 481 (10)          | 354 (7)           | 276 (5)           | -                  | -                  |
| General Services   | 227 (5)           | 204 (4)           | 170 (3)           | 390 (6)            | 297 (5)            |
| Social Services  | 1,187 (26)        | 1,258 (24)        | 1,736 (33)        | 1,925 (32)         | 1,962 (32)         |
| Economic Services  | 3,169 (69)        | 3,712 (72)        | 3,403 (64)        | 3,715 (62)         | 3,769 (63)         |
| <b>12 Disbursement of Loans and Advances</b>                     | <b>468</b>        | <b>458</b>        | <b>320</b>        | <b>378</b>         | <b>111</b>         |
| <b>13. Total Expenditure (10+11+12)</b>                          | <b>34,493</b>     | <b>36,362</b>     | <b>39,164</b>     | <b>42,602</b>      | <b>50,565</b>      |
| <b>14. Repayments of Public Debt</b>                             | <b>4,673</b>      | <b>6,701</b>      | <b>11,141</b>     | <b>4,387</b>       | <b>10,136</b>      |

*Audit Report on State Finances for the year 2022-23*

| <b>Particulars</b>  | <b>2018-19</b>   | <b>2019-20</b>   | <b>2020-21</b>   | <b>2021-22</b>   | <b>2022-23</b>    |
|---|------------------|------------------|------------------|------------------|-------------------|
| Internal Debt (excluding Ways and Means Advances and Overdrafts)  | 3,092            | 3,169            | 3,302            | 3,216            | 3,246             |
| Ways and Means Advances and Overdrafts                            | 1,496            | 3,444            | 7,744            | 1,043            | 6,787             |
| Loans and Advances from Government of India                       | 85               | 88               | 94               | 98               | 103               |
| <b>15. Appropriation to Contingency Fund</b>                      | -                | -                | -                | -                | -                 |
| <b>16. Total disbursement out of Consolidated Fund (13+14+15)</b> | <b>39,166</b>    | <b>43,063</b>    | <b>49,210</b>    | <b>46,989</b>    | <b>60,701</b>     |
| <b>17. Contingency Fund disbursements</b>                         | -                | -                | -                | -                | -                 |
| <b>18. Public Account disbursements</b>                           | <b>14,493</b>    | <b>20,111</b>    | <b>14,657</b>    | <b>14,119</b>    | <b>18,893</b>     |
| <b>19. Total disbursement by the State (16+17+18)</b>             | <b>53,659</b>    | <b>63,174</b>    | <b>63,867</b>    | <b>59,967</b>    | <b>79,594</b>     |
| <b>Part-C: Deficit/ Surplus</b>                                   |                  |                  |                  |                  |                   |
| <b>20. Revenue Deficit(-)/Revenue Surplus (+) (1-10)</b>          | <b>1,508</b>     | <b>12</b>        | <b>(-) 97</b>    | <b>1,115</b>     | <b>(-) 6,336</b>  |
| <b>21. Fiscal Deficit (-)/Fiscal Surplus (+) (4-13)</b>           | <b>(-) 3,512</b> | <b>(-) 5,597</b> | <b>(-) 5,700</b> | <b>(-) 5,245</b> | <b>(-) 12,380</b> |
| <b>22. Primary Deficit (-)/Surplus (+) (21+23)</b>                | <b>510</b>       | <b>(-) 1,363</b> | <b>(-) 1,228</b> | <b>(-) 604</b>   | <b>(-) 7,551</b>  |
| <b>Part-D: Other data</b>   |                  |                  |                  |                  |                   |
| <b>23. Interest Payments (included in revenue expenditure)</b>    | <b>4,022</b>     | <b>4,234</b>     | <b>4,472</b>     | <b>4,641</b>     | <b>4,829</b>      |
| <b>24. Financial Assistance to local Bodies etc.</b>              | <b>3,634</b>     | <b>3,506</b>     | <b>4,563</b>     | <b>4,981</b>     | <b>5,847</b>      |
| <b>25. Ways and Means Advances/Overdraft availed (days)</b>       | <b>19</b>        | <b>38</b>        | <b>63</b>        | <b>16</b>        | <b>70</b>         |
| Ways and Means Advances availed (days)                            | 19               | 25               | 51               | 16               | 70                |
| Overdrafts availed (days)   | -                | 13               | 12               | 0                | 0                 |
| <b>26. Interest on Ways and Means Advances/ Overdrafts</b>        | <b>- (0.96)</b>  | <b>3.61</b>      | <b>6.12</b>      | <b>0.25</b>      | <b>4.66</b>       |
| <b>27. Gross State Domestic Product (GSDP)</b>                    | <b>1,48,383</b>  | <b>1,59,164</b>  | <b>1,55,251</b>  | <b>1,76,269</b>  | <b>1,95,404</b>   |
| <b>28. Outstanding Fiscal liabilities (year end)</b>              | <b>54,299</b>    | <b>62,212</b>    | <b>68,882</b>    | <b>73,535</b>    | <b>86,589</b>     |
| <b>29. Outstanding guarantees (yearend) (including interest)</b>  | <b>4,309</b>     | <b>1,947</b>     | <b>2,142</b>     | <b>1,885</b>     | <b>1,781</b>      |
| <b>30. Maximum amount guaranteed (year end)</b>                   | <b>5,181</b>     | <b>640</b>       | <b>2,299</b>     | <b>2,035</b>     | <b>3,158</b>      |
| <b>31. Number of incomplete projects</b>                          | <b>10</b>        | <b>13</b>        | <b>78</b>        | <b>74</b>        | <b>67</b>         |
| <b>32. Capital blocked in incomplete projects</b>                 | <b>181</b>       | <b>268</b>       | <b>1,014</b>     | <b>968</b>       | <b>953</b>        |

## Appendix-2.2

(Reference: Paragraph 2.3.2.1)

## Abstract of Receipts and Disbursements for the year 2022-23

(` in crore)

| Particulars  | 2021-22          | 2022-23          | Particulars  | 2021-22          | 2022-23          |
|--|------------------|------------------|--|------------------|------------------|
| <b>Section-A: Revenue</b>  |                  |                  |  |                  |                  |
| I- Revenue Receipts  | 37,309.30        | 38,089.50        | I- Revenue Expenditure   | 36,194.54        | 44,425.26        |
| (i) Tax revenue  | 9,714.58         | 10,595.26        | <b>General services</b>  | <b>13,899.76</b> | <b>17,763.27</b> |
| (ii) Non-tax revenue   | 2,612.36         | 2,876.33         | <b>Social Services</b>   | <b>13,882.41</b> | <b>17,408.48</b> |
| (iii) State's share of Union Taxes and Duties  | 7,349.04         | 7,883.98         | Education, Sports, Art and Culture                                       | 6,708.29         | 8,645.50         |
| (iv) Grants for Central Sponsored Plan Schemes   | 5,420.75         | 4,736.66         | Health and Family Welfare  | 2,577.27         | 3,161.46         |
| (v) Finance commission Grants  | 11,044.26        | 10,489.70        | Water Supply, Sanitation, Housing and Urban Development                  | 2,140.40         | 2,348.01         |
| (vi) Other transfer/Grants to State/Union territories with legislatures                  | 1,168.31         | 1,507.57         | Information and Broadcasting   | 58.71            | 92.93            |
|  |                  |                  | Welfare of Scheduled Castes, Scheduled Tribes and Other backward Classes | 155.79           | 136.94           |
|  |                  |                  | Labour and Labour Welfare  | 261.83           | 380.11           |
|  |                  |                  | Social Welfare and Nutrition   | 1,956.45         | 2,620.14         |
|  |                  |                  | Others   | 23.67            | 23.39            |
|  |                  |                  | <b>Economic Services</b>   | <b>8,404.66</b>  | <b>9,247.42</b>  |
|  |                  |                  | Agriculture and Allied Activities  | 2,568.72         | 2,948.57         |
|  |                  |                  | Rural Development  | 1,286.06         | 1,999.62         |
|  |                  |                  | Irrigation and Flood Control   | 394.51           | 462.57           |
|  |                  |                  | Energy   | 1,649.91         | 1,105.40         |
|  |                  |                  | Industry and Minerals  | 194.64           | 264.14           |
|  |                  |                  | Transport  | 2,124.55         | 2,341.07         |
|  |                  |                  | Science, Technology and Environment                                      | 15.96            | 12.82            |
|  |                  |                  | General Economic Services  | 170.31           | 113.23           |
|  |                  |                  | <b>Grants-in-aid and Contributions</b>                                   | <b>7.71</b>      | <b>6.09</b>      |
| <b>Total</b>   | <b>37309.30</b>  | <b>38,089.50</b> | <b>Total</b>   | <b>36,194.54</b> | <b>44,425.26</b> |
| <b>II-Revenue Deficit carried over to Section -B</b>                                     | <b>-</b>         | <b>6,335.76</b>  | <b>II-Revenue surplus carried over to Section-B</b>                      | <b>1,114.76</b>  | <b>-</b>         |
| <b>Total:</b>  | <b>37,309.30</b> |                  | <b>Total:</b>  | <b>37,309.30</b> |                  |
| <b>Section-B: Capital</b>  |                  |                  |  |                  |                  |
| <b>III-Opening cash balance including Permanent Advances and Cash Balance Investment</b> | <b>1,756.24</b>  | <b>2,522.86</b>  | <b>III- Opening overdraft from Reserve Bank of India</b>                 | <b>-</b>         | <b>-</b>         |
| <b>IV- Misc. Capital</b>   | <b>7.01</b>      | <b>12.59</b>     | <b>IV- Capital Outlay</b>  | <b>6,029.38</b>  | <b>6,028.89</b>  |
|  |                  |                  | <b>General Services</b>  | <b>389.63</b>    | <b>297.38</b>    |
|  |                  |                  | <b>Social Services</b>   | <b>1,925.31</b>  | <b>1,962.02</b>  |
|  |                  |                  | Education, Sports, Art and Culture                                       | 488.72           | 411.24           |
|  |                  |                  | Health and Family Welfare  | 293.80           | 551.64           |
|  |                  |                  | Water Supply, Sanitation, Housing and Urban Development                  | 1,113.09         | 985.59           |
|  |                  |                  | Information and Broadcasting   | 0.63             | 0.72             |
|  |                  |                  | Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes | 12.67            | 6.44             |
|  |                  |                  | Social Welfare and Nutrition   | 14.39            | 5.25             |
|  |                  |                  | Others   | 2.01             | 1.15             |
|  |                  |                  | <b>Economics Services</b>  | <b>3,714.44</b>  | <b>3,769.47</b>  |
|  |                  |                  | Agriculture and Allied Activities  | 89.89            | 90.37            |
|  |                  |                  | Other Rural Development Programmes                                       | 38.52            | 41.71            |
|  |                  |                  | Irrigation and Flood Control   | 312.50           | 338.28           |
|  |                  |                  | Energy   | 128              | 100.35           |
|  |                  |                  | Industry and Minerals  | 122.73           | 198.28           |
|  |                  |                  | Transport  | 2,602.47         | 2,664.22         |
|  |                  |                  | General Economic Services  | 420.33           | 336.26           |
|  |                  |                  | <b>Total</b>   | <b>6,029.38</b>  | <b>6,028.89</b>  |

**Audit Report on State Finances for the year 2022-23**

| <b>Particulars</b>  | <b>2021-22</b>   | <b>2022-23</b>   | <b>Particulars</b>  | <b>2021-22</b>   | <b>2022-23</b>   |
|---|------------------|------------------|---|------------------|------------------|
| <b>V-Recoveries of Loans and Advances</b>                       | <b>40.73</b>     | <b>82.79</b>     | <b>V- Loans and Advances disbursed</b>                          | <b>377.97</b>    | <b>110.57</b>    |
| From Power Projects   | 0                | 0                | To Power Projects   | 370.40           | 98.54            |
| From Government Servants  | 5.67             | 6.16             | To Government Servants  | 2.82             | 6.76             |
| From Co-operations  | 34.88            | 76.24            | To Co-operations  | 4.00             | 5.27             |
| From Others   | 0.18             | 0.39             | To Others   | 0.75             | 0.00             |
| <b>VI-Revenue surplus brought down</b>                          | <b>1,114.76</b>  |                  | <b>VI-Revenue deficit brought down</b>                          |                  | <b>6,335.76</b>  |
| <b>VII-Public Debt Receipts</b>                                 | <b>9,334.97</b>  | <b>22,371.82</b> | <b>VII-Repayment of Public Debt</b>                             | <b>4,387.28</b>  | <b>10,135.80</b> |
| Internal Debt other than Ways and Means Advances and Overdrafts | 4,703.98         | 14,845.16        | Internal debt other than Ways and Means Advances and Overdrafts | 3,246.16         | 3,246.03         |
| Ways and Means Advances including Overdrafts                    | 1,043.49         | 6,786.83         | Ways and Means Advances and Overdrafts                          | 1,043.49         | 6,786.83         |
| Loans and Advances from the Central Government                  | 3,587.50         | 739.83           | Repayment of Loans and Advances to Central Government           | 97.64            | 102.93           |
| <b>VIII-Appropriation to Contingent Fund</b>                    | <b>0</b>         |                  | <b>VIII-Appropriation to Contingent Fund</b>                    | <b>0</b>         |                  |
| <b>IX- Amount transferred to Contingent Fund</b>                | <b>0</b>         |                  | <b>IX-Expenditure from Contingent Fund</b>                      | <b>0</b>         |                  |
| <b>X- Public Account Receipts</b>                               | <b>15,182.79</b> | <b>20,069.60</b> | <b>X- Public Account disbursements</b>                          | <b>14,119.00</b> | <b>18,892.61</b> |
| Small Savings and Provident Funds                               | 3,562.18         | 3,633.27         | Small Savings and Provident Funds                               | 3,078.54         | 2,957.31         |
| Reserve Funds   | 417.15           | 741.45           | Reserve Funds   | 1,160.45         | 780.63           |
| Deposits and Advances   | 3,566.08         | 5,946.22         | Deposits and Advances   | 3,601.06         | 5,764.39         |
| Suspense and Miscellaneous                                      | 1,063.49         | 1,569.93         | Suspense and Miscellaneous                                      | -183.35          | 1,052.01         |
| Remittances   | 6,573.89         | 8,178.73         | Remittances   | 6,462.30         | 8,338.28         |
| <b>XI- Closing overdraft from Reserve Bank of India</b>         |                  |                  | <b>XI-Cash Balance at end</b>                                   | <b>2,522.86</b>  | <b>3,556.03</b>  |
|   |                  |                  | Cash in Treasuries and Local Remittances                        | 0                | 0                |
|   |                  |                  | Departmental Cash Balance including Permanent Advances          | 0.19             | 0.19             |
|   |                  |                  | Deposits with Reserve Bank                                      | -45.41           | -89.33           |
|   |                  |                  | Cash Balance investment   | 2,568.08         | 3,645.18         |
| <b>Total</b>  | <b>27,436.50</b> | <b>45,059.66</b> |   | <b>27,436.50</b> | <b>45,059.66</b> |

## Appendix-2.3

(Reference: Paragraph 2.4.2.2 (i))

## No. of SPSEs in which the State Government's investment (Equity) were made

(₹ in crore)

| Sr. No.                         | Name of the SPSEs   | Year of Account                      | Year in which finalised | Paid-up Capital | HP Government equity |
|---------------------------------|---|--------------------------------------|-------------------------|-----------------|----------------------|
| <b>A</b>                        | <b>Working Government Companies</b>   |                                      |                         |                 |                      |
| 1                               | Himachal Pradesh Agro Industries Corporation Limited                                | 2021-22                              | 2023-24                 | 18.85           | 16.89                |
| 2                               | Himachal Pradesh Horticultural Produce Marketing and Processing Corporation Limited | 2021-22                              | 2023-24                 | 38.77           | 31.20                |
| 3                               | Himachal Pradesh State Forest Development Corporation Limited                       | 2018-19                              | 2022-23                 | 11.71           | 11.71                |
| 4                               | Himachal Backward Classes Finance & Development Corporation                         | 2018-19                              | 2023-24                 | 14.22           | 17.22                |
| 5                               | Himachal Pradesh Mahila Vikas Nigam   | 2016-17                              | 2022-23                 | 9.94            | 14.90                |
| 6                               | Himachal Pradesh Minorities Finance & Development Corporation                       | 2016-17                              | 2022-23                 | 11.34           | 14.84                |
| 7                               | Himachal Pradesh Road & Other Infrastructure Development Corporation Limited        | 2021-22                              | 2023-24                 | 25.00           | 25.00                |
| 8                               | Himachal Pradesh State Industrial Development Corporation Limited                   | 2020-21                              | 2022-23                 | 30.82           | 30.82                |
| 9                               | Dharamshala Smart City Limited  | 2019-20                              | 2022-23                 | 0.00            | 0.00001              |
| 10                              | Shimla Smart City Limited   | 2019-20                              | 2022-23                 | 0.01            | 0.0035               |
| 11                              | Himachal Pradesh General Industries Corporation Limited                             | 2021-22                              | 2023-24                 | 7.16            | 7.04                 |
| 12                              | Himachal Pradesh State Civil Supplies Corporation Limited                           | 2019-20                              | 2023-24                 | 3.51            | 3.52                 |
| 13                              | Himachal Pradesh State Electronics Development Corporation Limited                  | 2021-22                              | 2023-24                 | 3.72            | 3.72                 |
| 14                              | Himachal Pradesh State Handicrafts & Handloom Corporation Limited                   | 2020-21                              | 2023-24                 | 9.25            | 9.22                 |
| 15                              | Himachal Pradesh Tourism Development Corporation                                    | 2017-18                              | 2023-24                 | 12.30           | 14.30                |
| 16                              | Himachal Pradesh Kaushal Vikas Nigam  | 2019-20                              | 2022-23                 | 0.01            | 0.007                |
| 17                              | Himachal Consultancy Organisation Limited   | 2021-22                              | 2022-23                 | 0.18            | 0.00                 |
| 18                              | Shimla Jal Prabandhan Nigam Limited   | 2021-22                              | 2022-23                 | 0.10            | 0.050                |
| 19                              | Ropeway and Rapid Transport System Development Corporation HP Limited               | 2020-21                              | 2022-23                 | 0.01            | 0.005                |
| 20                              | Sri Naina Devi Ji & Sri Anandpur Sahib Ji Ropeway Limited                           | 2019-20                              | 2022-23                 | 1.00            | 0.50                 |
| 21                              | Mandi International Airport Limited   | 1 <sup>st</sup> Account not received |                         | 0.00            | 0.00                 |
| <b>Total A</b>                  |   |                                      |                         | <b>197.89</b>   | <b>200.95</b>        |
| <b>B</b>                        | <b>Statutory Corporations</b>   |                                      |                         |                 |                      |
| 1                               | Himachal Pradesh Financial Corporation  | 2021-22                              | 2023-24                 | 99.57           | 106.59               |
| 2                               | Himachal Road Transport Corporation   | 2021-22                              | 2022-23                 | 1,063.12        | 1,227.68             |
| <b>Total B</b>                  |   |                                      |                         | <b>1,162.69</b> | <b>1,334.27</b>      |
| <b>C</b>                        | <b>Power Sector</b>   |                                      |                         |                 |                      |
| 1                               | Himachal Pradesh State Electricity Board Limited                                    | 2021-22                              | 2022-23                 | 832.23          | 882.23               |
| 2                               | Himachal Pradesh Power Transmission Corporation Limited                             | 2021-22                              | 2023-24                 | 561.99          | 461.29               |
| 3                               | Himachal Pradesh Power Corporation Limited  | 2020-21                              | 2022-23                 | 2,187.71        | 1,003.20             |
| 4                               | Beas Valley Power Corporation Limited   | 2021-22                              | 2022-23                 | 300.00          | 0.00                 |
| <b>Total C</b>                  |   |                                      |                         | <b>3,881.93</b> | <b>2,346.72</b>      |
| <b>Grand total of All SPSEs</b> |   |                                      |                         | <b>5,242.51</b> | <b>3,881.93</b>      |

**Appendix-2.4**

(Reference: Paragraph 2.4.2.2 (i))

**No. of SPSEs in which aggregated accumulated losses of the State Government's investment occurred**

(₹ in crore)

| Sr. No.                                 | Name of the SPSEs   | Year of Account | Year in which finalised | HP State Government investment | Paid-up Capital | Accumulated Profit (+)/ Loss (-) | Net worth      | State Govt. loans | Total Govt. loans GOI and State |
|---|---|-----------------|-------------------------|--------------------------------|-----------------|----------------------------------|----------------|-------------------|---------------------------------|
| <b>A Working Government Companies</b>   |   |                 |                         |                                |                 |                                  |                |                   |                                 |
| 1                                       | Himachal Pradesh Agro-Industries Corporation Limited                                | 2021-22         | 2023-24                 | 16.89                          | 18.85           | -13.48                           | 5.37           | 11.56             | 11.96                           |
| 2                                       | Himachal Pradesh Horticultural Produce Marketing and Processing Corporation Limited | 2021-22         | 2023-24                 | 31.20                          | <u>38.77</u>    | -83.87                           | -45.10         | 60.09             | 60.09                           |
| 3                                       | Himachal Pradesh State Forest Development Corporation Limited                       | 2018-19         | 2022-23                 | 11.71                          | <u>11.71</u>    | -113.04                          | -101.33        | --                | --                              |
| 4                                       | Himachal Pradesh Minorities Finance & Development Corporation                       | 2016-17         | 2022-23                 | 14.84                          | 11.34           | -5.72                            | 5.62           | --                | --                              |
| 5                                       | Himachal Pradesh State Handicrafts & Handloom Corporation Limited                   | 2020-21         | 2023-24                 | 9.22                           | <u>9.25</u>     | -12.42                           | -3.17          | --                | --                              |
| 6                                       | Himachal Pradesh Tourism Development Corporation                                    | 2017-18         | 2023-24                 | 14.30                          | <u>12.30</u>    | -27.27                           | -14.97         | --                | --                              |
| 7                                       | Sri Naina Devi Ji & Sri Anandpur Sahib Ji Ropeway Limited                           | 2019-20         | 2022-23                 | 0.005                          | 1.00            | -0.03                            | 0.97           | --                | --                              |
| <b>Total A</b>                          |   |                 |                         | <b>98.165</b>                  | <b>103.22</b>   | <b>-255.83</b>                   | <b>-152.61</b> | <b>71.65</b>      | <b>72.05</b>                    |
| <b>B Statutory Corporations</b>         |   |                 |                         |                                |                 |                                  |                |                   |                                 |
| 1                                       | Himachal Pradesh Financial Corporation  | 2021-22         | 2023-24                 | 106.59                         | <u>99.57</u>    | -180.97                          | -81.40         | --                | --                              |
| 2                                       | Himachal Road Transport Corporation   | 2021-22         | 2022-23                 | 1,227.68                       | <u>1,063.12</u> | -1,707.12                        | -644.00        | --                | --                              |
| <b>Total B</b>                          |   |                 |                         | <b>1,334.27</b>                | <b>1,162.69</b> | <b>-1,888.09</b>                 | <b>-725.40</b> | <b>--</b>         | <b>--</b>                       |
| <b>C Power Sector</b>                   |   |                 |                         |                                |                 |                                  |                |                   |                                 |
| 1                                       | Himachal Pradesh State Electricity Board Limited                                    | 2021-22         | 2022-23                 | 882.23                         | <u>832.23</u>   | -1,809.61                        | -977.38        | 3,012.10          | 3,029.42                        |
| 2                                       | Himachal Pradesh Power Transmission Corporation Limited                             | 2021-22         | 2023-24                 | 461.29                         | 561.99          | -395.91                          | 166.08         | 2,101.06          | 2,101.06                        |
| 3                                       | Himachal Pradesh Power Corporation Limited  | 2020-21         | 2022-23                 | 1,003.20                       | 2,187.71        | -552.07                          | 1,635.64       | 2,535.49          | 2,535.49                        |
| <b>Total C</b>                          |   |                 |                         | <b>2,346.72</b>                | <b>3,581.93</b> | <b>-2,757.59</b>                 | <b>824.34</b>  | <b>7,648.65</b>   | <b>7,665.97</b>                 |
| <b>Grand total of All SPSEs (A+B+C)</b> |   |                 |                         | <b>3,779.16</b>                | <b>4,847.84</b> | <b>-4,901.51</b>                 | <b>-53.67</b>  | <b>7,720.30</b>   | <b>7,738.02</b>                 |

Note: Figures of HP State Government investment and State Government loans were taken from the information provided by the respective companies as on 31.03.2023 while rest of the figures were taken from the latest audited financial statement of the company

|   |           |
|---|-----------|
| Net worth eroded by seven companies       | -1,867.35 |
| State Government Loans                    | 3,072.19  |
| Paid up capital eroded by seven companies | 2,066.95  |

## Appendix-2.5

(Reference: Paragraph 2.4.2.2 (iii))

## Statement showing the details of investment made by the State Government in State PSUs as on 31.03.2023

(₹ in crore)

| Sr. No. | Name of the company  | Particulars of difference Equity Investment up-to | Figures as per Finance Accounts | Figures as per record/ accounts available in SPSUs as on 31.03.2023 | Difference |
|---------|--|---|---------------------------------|---|------------|
| 1       | Himachal Pradesh Financial Corporation   | 31.03.2023  | 2,197.79                        | 10,658.92   | 8,461.13   |
| 2       | Himachal Road Transport Corporation  | 31.03.2023  | 1,22,407.74                     | 1,22,767.88   | 360.14     |
| 3       | Himachal Pradesh State Industrial Development Corporation Limited                  | 31.03.2022  | 3,432.58                        | 3,082.43  | -350.15    |
| 4       | Himachal Pradesh Agro-Industries Corporation                                       | 31.03.2022  | 984.08                          | 1,689.17  | 705.09     |
| 5       | Himachal Pradesh State Handicrafts and Handloom Corporation                        | 31.03.2022  | 922.45                          | 922.46  | 0.01       |
| 6       | Himachal Pradesh State Forest Development Corporation Limited                      | 31.03.2022  | 1,171.12                        | 1,171.12  | 0.00       |
| 7       | Himachal Pradesh Tourism Development Corporation Limited                           | 31.03.2022  | 1,229.86                        | 1,429.86  | 200.00     |
| 8       | HP State Electronics Development Corporation Limited                               | 31.03.2022  | 371.67                          | 371.67  | 0.00       |
| 9       | HP State Civil Supplies Corporation Limited  | 31.03.2022  | 351.50                          | 351.50  | 0.00       |
| 10      | HP Agro Industrial Packaging India Limited   | 31.03.2022  | 1,675.00                        | 1,675.00  | 0.00       |
| 11      | Himachal Pradesh Horticulture Produce Marketing and Processing Corporation Limited | 31.03.2022  | 3,119.70                        | 3,119.70  | 0.00       |
| 12      | HP General Industries Corporation Limited  | 31.03.2022  | 988.57                          | 703.96  | -284.61    |
| 13      | HP Mahila Vikas Nigam Limited  | 2021-2022   | 1,490.40                        | 1,490.40  | 0.00       |
| 14      | Himachal Backward Classes Finance and Development Corporation Limited              | 31.03.2023  | 2,187.50                        | 1,721.50  | -466.00    |
| 15      | Himachal Pradesh Minorities Finance and Development Corporation Limited            | 31.03.2022  | 1,127.04                        | 1,484.34  | 357.30     |
| 16      | HP Road and Other Infrastructure Development Corporation Limited                   | 31.03.2022  | 2,500.00                        | 2,500.00  | 0.00       |
| 17      | Himachal Pradesh Kaushal Vikas Nigam   | 31.03.2022  | 0.00                            | 0.70  | 0.70       |

| Sr. No.                | Name of the company   | Particulars of difference Equity Investment up-to | Figures as per Finance Accounts | Figures as per record/ accounts available in SPSUs as on 31.03.2023 | Difference          |
|------------------------|---|---|---------------------------------|---|---------------------|
| 18                     | Himachal Pradesh Beverages Limited                                  | 31.03.2021  | 0.00                            | 100.00  | 100.00              |
| 19                     | Dharmshala Smart City Limited                                       | 31.03.2021  | 0.00                            | 0.00  | 0.00                |
| 20                     | Shimla Smart City Limited   | 31.03.2021  | 0.00                            | 0.35  | 0.35                |
| 21                     | Shimla Jal Prabandhan Nigam Limited                                 | 31.03.2023  | 30,004.90                       | 4.90  | -30,000.00          |
| 22                     | Sri Naina Devi Ji and Sri Anandpur Sahib Ji Ropeway Company Limited | 31.03.2021  | 0.00                            | 50.00   | 50.00               |
| 23                     | Ropeways and Rapid Transport System Development Corporation Limited | 31.03.2023  | 1,915.50                        | 0.50  | -1,915.00           |
| 24                     | Himachal Pradesh State Electricity Board Limited                    | 31.03.2023  | 86,963.74                       | 88,222.74   | 1,259.00            |
| 25                     | HP Power Corporation Limited  | 31.03.2023  | 97,625.09                       | 98,455.21   | 830.12              |
| 26                     | HP Power Transmission Corporation Limited                           | 31.03.2023  | 42,059.30                       | 46,129.31   | 4,070.01            |
|                        |   |   | <b>4,04,725.53</b>              | <b>3,88,103.62</b>  | <b>-16,621.91</b>   |
| <b>Companies Total</b> |   |   | <b>4,047.26 crore</b>           | <b>3,881.04 crore</b>   | <b>166.22 crore</b> |

## Appendix-2.6

(Reference paragraph 2.4.2.3)

## Details of Public Private Partnership (PPP) projects as on 31 March 2023

(` in lakh)

| Sr. No.                                | Name of the Project                                     | Estimated Cost     |
|--|---|--------------------|
| <b>Projects — Completed</b>            |   |                    |
| <b>Urban Infrastructure</b>            |   |                    |
| 1                                      | Kangra Bus Stand  | 1,000.00           |
| 2                                      | ISBT Shimla   | 1,500.00           |
| 3                                      | Chintpurni Bus Stand and Parking-cum-Commercial Complex | 3,200.00           |
| 4                                      | Una Bus Stand and Parking -cum-Commercial Complex       | 3,000.00           |
| 5                                      | Kullu Bus Stand and Parking -cum-Commercial Complex     | 2,200.00           |
| 6                                      | Parking Complex, Bilaspur                               | 1,500.00           |
| 7                                      | Parking -Cum-Commercial Complex, Tutikandi              | -NA-               |
| <b>Total:</b>                          |   | <b>12,400.00</b>   |
| <b>Energy</b>                          |   |                    |
| 1                                      | Malana-I  | 34,191.00          |
| 2                                      | Baspa-II  | 94,923.00          |
| 3                                      | Toss  | 2,659.81           |
| 4                                      | Patikari  | 12,590.00          |
| 5                                      | Allain Duhangun   | 92,235.50          |
| 6                                      | Sarbari-II  | 4,600.00           |
| 7                                      | Upper Joiner  | 7,225.00           |
| 8                                      | Karchham Wangtoo  | 5,90,959.00        |
| 9                                      | Sumez   | 7,117.23           |
| 10                                     | Beas Kund   | 7,584.00           |
| 11                                     | Malana-II   | 63,347.00          |
| 12                                     | Budhil  | 68,877.80          |
| 13                                     | Neogal  | 15,270.00          |
| 14                                     | Jogini  | 8,813.00           |
| 15                                     | Nanti   | 8,836.00           |
| 16                                     | Kurmi   | 6,849.00           |
| 17                                     | Baragaon  | 17,481.00          |
| 18                                     | Baner-II  | 5,459.50           |
| 19                                     | Brua  | 7,018.00           |
| 20                                     | Chanju-I  | 29,509.00          |
| 21                                     | Upper Nanti   | 11,450.00          |
| 22                                     | Balargarh   | 7,768.00           |
| 23                                     | Kut   | 19,219.00          |
| 24                                     | Jeori   | 7,416.00           |
| 25                                     | Raura   | 9,491.00           |
| 26                                     | Kuwarsi-II  | 9,579.00           |
| 27                                     | Salun   | 8,842.00           |
| 28                                     | Rala  | 14,850.00          |
| 29                                     | Wanger Homte  | 27,450.00          |
| 30                                     | Chanju-II   | 18,300.00          |
| 31                                     | Sorang  | 12,000.00          |
| 32                                     | Bajoli Holi   | 1,69,693.00        |
| 33                                     | Rajpur  | 8,502.00           |
| <b>Total:</b>                          |   | <b>1,41,014.84</b> |
| <b>Social (Health Department/NRHM)</b> |   |                    |
| 1                                      | Emergency Medical Transport Services in H.P.            | 10,000.00          |

| Sr. No.   | Name of the Project  | Estimated Cost     |
|---|--|--------------------|
| 2   | Mobile Diagnostic Units in H.P.  | 500.00             |
| 3   | Haemodialysis Units in H.P.  | 500.00             |
| 4   | Operation and Maintenance of JSSK  | 500.00             |
| <b>Total:</b>                                     |  | <b>11,500.00</b>   |
| <b>Tourism &amp; Civil Aviation Department</b>    |  |                    |
| 1   | Ropeway-cum-ski Centre, Solan  | 1,500.00           |
| 2   | Shiwalik Hotel-Jakhu Ropeway   | 1,200.00           |
| 3   | Dharmashala-Mcleodganj Ropeway   | 15,000.00          |
| <b>Total:</b>                                     |  | <b>17,700.00</b>   |
| <b>Ongoing (Awarded and Under Implementation)</b> |  |                    |
| <b>Urban Infrastructure</b>                       |  |                    |
| 1   | Mcleodganj Bus Stand   | 800.00             |
| 2   | Dharamshala Bus Stand and Parking -cum-Commercial Complex  | 2,500.00           |
| 3   | Tourist Information Centre (TIC)-Lift-The Mall Shimla Ropeway  | 20,000.00          |
| 4   | Operation and Maintenance of a High-End Café on the ground Floor of Town Hall, The Mall, Shimla                            | -NA-               |
| 5   | Parking complex, Sanjauli  | 2,500.00           |
| 6   | Parking complex, Chhota Shimla   | 1,500.00           |
| 7   | Parking complex, Lift  | 4,500.00           |
| 8   | Parking complex, Rohru   | 1,000.00           |
| 9   | Parking -Cum-Commercial Complex Mandi, U-Block   | 5,500.00           |
| <b>Total:</b>                                     |  | <b>38,300.00</b>   |
| <b>Energy</b>                                     |  |                    |
| 1   | Fozal  | 4,916.92           |
| 2   | Lambadug   | 21,423.00          |
| 3   | Tidong-I   | 1,33,900.00        |
| 4   | Tangnu Romai-I   | 25,500.00          |
| 5   | Tangnu Romai-II  | 3,150.00           |
| 6   | Paudital Lassa   | 21,000.00          |
| 7   | Roura-II   | 16,621.00          |
| 8   | Selti Masarang   | 24,311.00          |
| 9   | Holi-II  | 6,490.00           |
| 10  | Kutehr   | 2,13,967.00        |
| 11  | Chirchand-II   | 14,300.00          |
| 12  | Kuwarsi  | 9,426.00           |
| 13  | Gramang  | 12,160.00          |
| <b>Total:</b>                                     |  | <b>5,07,164.92</b> |
| <b>Tourism and Civil Aviation Department</b>      |  |                    |
| 1   | Himani-Chamunda Ropeway  | 25,000.00          |
| 2   | Palchan-Rohtang Ropeway  | 34,000.00          |
| 3   | Kullu Bye Pass-Bijli Mahadev Ropeway   | 9,000.00           |
| 4   | Upgradation and operation & Maintenance of Tourism Project (Cultural Centre at Janjheli (Mandi))                           | -NA-               |
| 5   | Upgradation and operation & Maintenance of Tourism Project (Cultural Centre at Badagran (Manali, Kullu))                   | -NA-               |
| 6   | Upgradation and operation & Maintenance of Tourism Project (Convention Centre at Mandi)                                    | -NA-               |
| <b>Total:</b>                                     |  | <b>68,000.00</b>   |
| <b>Other</b>                                      |  |                    |
| 1   | Solid Waste Management Plant, Baddi  | 1,300.00           |
| 2   | Operation, Management & Maintenance of Centre for Science, Learning and Creativity (CSLC) at Anandpur, Shoghi Near Shimla. | -NA-               |
| <b>Total:</b>                                     |  | <b>1,300.00</b>    |

| Sr. No.   | Name of the Project  | Estimated Cost |
|---|--|----------------|
| <b>Planned / Projected (under bidding / in pipelines)</b> |  |                |
| <b>Urban Infrastructure</b>                               |  |                |
| 1   | Bus Stand-cum-Car Parking Complex, Hamirpur  | -NA-           |
| 2   | Bus Stand and Car Parking-cum-Shopping Complex at Bilaspur   | -NA-           |
| 3   | Operation & Management of Book Café's constructed/under constructions Chaura Maidan and New Shimla H.P.      | -NA-           |
| 4   | Upgradation operation Management and maintenance of Food court in front of vending complex near lift Shimla. | -NA-           |
| <b>Energy</b>   |  |                |
| 1   | Uhl  | 14,573.00      |
| 2   | Sarsadi-II   | 6,246.00       |
| 3   | Palcham Bhang  | 9,640.00       |
| 4   | Umli   | 9,962.00       |
| 5   | Shirikhand   | 4,590.00       |
| 6   | Uhl Khad   | 11,500.00      |
| 7   | Rupin  | 39,261.00      |
| 8   | Bharmour Stage-I   | 25,420.00      |
| 9   | Bharmour Stage-II  | 16,750.00      |
| 10  | Harsar Stage -I  | -NA-           |
| 11  | Harsar Stage -II   | 21,230.00      |
| 12  | Harsar Stage -III  | -NA-           |
| 13  | Chango-Yangthang   | 2,07,729.00    |
| 14  | Sharni   | 8,702.00       |
| 15  | Sarsadi  | 8,830.00       |
| 16  | Kurhed-II  | 5,827.00       |
| 17  | Parbati  | -NA-           |
| 18  | Nesang   | -NA-           |
| 19  | Jobrie   | -NA-           |
| 20  | Young Thang Khab   | -NA-           |
| 21  | Shangling  | -NA-           |
| 22  | Telling  | -NA-           |
| 23  | Tinget   | -NA-           |
| 24  | Tidong-II  | -NA-           |
| 25  | Jari   | 10,579.00      |
| 26  | Bharari  | 4,162.00       |
| 27  | Lower Mahal  | -NA-           |
| 28  | Upper Mahal  | -NA-           |
| 29  | Dunali-I & II  | -NA-           |
| 30  | Sundrali   | -NA-           |
| 31  | Tundah-II  | 22,350.00      |
| 32  | Bujling  | -NA-           |
| 33  | Rupin-II   | -NA-           |
| 34  | Makori   | -NA-           |
| 35  | Janglik  | -NA-           |
| 36  | Jai Banni Mata   | 25,245.00      |
| 37  | Kalah Khol   | 8,930.00       |
| 38  | Melan  | 8,061.00       |
| 39  | Nargani  | -NA-           |
| 40  | Pandar   | -NA-           |
| 41  | Pursore  | 9,706.00       |
| 42  | Tundan   | -NA-           |
| 43  | Kot Dogri  | 7,560.00       |

| <b>Sr. No.</b>                                 | <b>Name of the Project</b>   | <b>Estimated Cost</b> |
|--|--|-----------------------|
| 44   | Upper Kurmi  | 6,220.00              |
| 45   | Toral Kundli   | 12,338.00             |
| 46   | Chatte Ka Nallah   | 6,900.00              |
| 47   | Choned   | 1,147.00              |
| 48   | Choned-I   | -NA-                  |
| 49   | Soladan  | 7,556.00              |
| <b>Total:</b>                                  |  | <b>5,31,339.00</b>    |
| <b>Tourism &amp; Civil Aviation Department</b> |  |                       |
| 1  | Development of Shri Anandpur Sahib Ji to Shri Naina Devi Ji Passenger Ropeway Project from Village Rampur, Distt. Rupnagar in Punjab to Naina Devi Ji Temple District Bilaspur | -NA-                  |
| 2  | Starting of Heli Taxi Service in the State of H.P.   | -NA-                  |
| <b>Others</b>                                  |  |                       |
| 1  | Operation & management of Shree Chintpurni Sadan Block-C   | -NA-                  |
| 2  | Operation & Management of Visitor Facilities in Markandeya Temple precinct, Distt. Bilaspur  | -NA-                  |

NA: Not available.

### Appendix-3.1

(Reference: Paragraph 3.1)

#### Glossary of important Budget related terms

1. **'Accounts' or 'actuals' of a year** - are the amounts of receipts and disbursements for the financial year beginning on *April 1<sup>st</sup>* and ending on *March 31<sup>st</sup>* following, as finally recorded in the accounting authority's books (as audited by C&AG). Provisional Accounts refers to the unaudited accounts.
2. **'Administrative approval' of a scheme, proposal or work** - is the formal acceptance thereof by the competent authority for the purpose of incurring expenditure. Taken with the provision of funds in the budget, it operates as a financial sanction to the work during that particular year in which the Administrative Approval is issued.
3. **'Annual financial statement'** - Also referred to as Budget means the statement of estimated receipts and expenditure of the Central/State Government for each financial year, laid before the Parliament /State Legislature.
4. **'Appropriation'** - means the amount authorised by the Parliament/State Legislature for expenditure under different primary unit of appropriation or part thereof placed at the disposal of a disbursing officer.
5. **'Charged Expenditure'** - means such expenditure as is not to be submitted to the vote of the Legislature under the provisions of the Constitution.
6. **'Consolidated Fund of India/ State'** - All revenues of the Union/State Government, loans raised by it and all moneys received in repayment of loans form the Consolidated Fund of India/ State. No moneys out of this Fund can be appropriated except in accordance with the law and for the purposes and in the manner provided in the Constitution.
7. **'Contingency Fund'** is in the nature of an imprest. The Contingency Fund is intended to provide advances to the executive /Government to meet unforeseen expenditure arising in the course of a year pending its authorisation by the Parliament/State Legislature. The amounts drawn from the Contingency Fund are recouped after the Parliament/State Legislature approves it through the Supplementary Demands.
8. **'Controlling Officer (budget)'** - means an officer entrusted by a department with the responsibility of controlling the incurring of expenditure and/or the collection of revenue. The term includes the Heads of Department and also the Administrators.
9. **'Drawing and Disbursing Officer' (DDO)** – means a Head of Office and also any other Officer so designated by the Finance Department of the State Government, to draw bills and make payments on behalf of the State Government. The term shall also include a Head of Department where he himself discharges such function.
10. **'Excess Grant'** – Excess grant means the amount of expenditure over and above the provision allowed through the original/supplementary grant, that requires regularisation by obtaining excess grant from the Parliament /State Legislature under Article 115/205 of the Constitution.
11. **'New Service'** – As appearing in Article 115(1)(a)/205(1)(a) of the Constitution, New Service means expenditure arising out of a new policy decision, not brought to the notice

of Parliament/State Legislature earlier, including a new activity or a new form of investment.

12. **'New Instrument of Service'** - means relatively large expenditure arising out of important expansion of an existing activity.
13. **'Public Accounts'** - means the Public Account referred to in Article 266(2) of the Constitution. The receipts and disbursements such as deposits, reserve funds, remittances, etc. which do not form part of the Consolidated Fund are included in the Public Account. Disbursements from the Public Account are not subject to vote by the Parliament/State Legislature, as they are not moneys issued out of the Consolidated Fund of India/State.
14. **'Re-appropriation'** - means the transfer, by a competent authority, of savings from one unit of appropriation to meet additional expenditure under another unit within the same grant or charged appropriation.
15. **'Revised Estimate'** - is an estimate of the probable receipts or expenditure for a financial year, framed in the course of that year, with reference to the transactions already recorded and anticipation for the remainder of the year in the light of the orders already issued.
16. **'Supplementary Demands for Grants'** - means the statement of supplementary demands laid before the legislature, showing the estimated amount of further expenditure necessary in respect of a financial year over and above the expenditure authorised in the Annual Financial Statement for that year. The demand for supplementary may be token, technical or substantive/cash.
  - a) **Cash Supplementary** is over and above the original budget provisions and results in enhancement of the allocation for the Demand/Grant. It should be obtained as a last resort and after proper due diligence. Presently, this method is followed by the State.
  - b) There are four Sections in each Demand i.e., Revenue Voted, Revenue Charged, Capital Voted and Capital Charged. **Technical Supplementary**, after obtaining the approval of the State Legislature, allows to utilise the savings of one of the Sections for any other Section.
  - c) **Token Supplementary** allows to utilise the savings within the same section of the grant.
17. **'Major Head'** - means a Major Head of account for the purpose of recording and classifying the receipts and disbursements of the State. A Major Head, particularly the one falling within the Consolidated Fund, generally corresponds to a 'function' of Government such as Agriculture, Education, Health, etc.
18. **"Sub-Major Head"** - means an intermediate head of account introduced between a Major Head and the Minor Heads under it, when the Minor Heads are numerous and can conveniently be grouped together under such intermediate Head.
19. **'Minor Head'** - means a head subordinate to a Major Head or a Sub-Major Head. A Minor Head subordinate to a Major Head identifies a "programme" undertaken to achieve the objectives of the function represented by the Major Head.
20. **"Sub-Head"** - means a unit of account next subordinate to a Minor Head which normally denotes the scheme or organisation under that Minor Head or programme.

21. **‘Major Work’** - means an original work, the estimated cost of which exclusive of departmental charges exceeds the amount as notified by the Government from time to time.
22. **‘Minor Work’** - means an original work, the estimated cost of which exclusive of departmental charges does not exceed the amount as notified by the Government from time to time.
23. **“Modified Grant or Appropriation”** - means the sum allotted to any Sub-Head of Appropriation as it stands after Re-Appropriation or the sanction of an Additional or Supplementary Grant by competent authority.
24. **“Supplementary or Additional Grant or Appropriation”** - means a provision included in an Appropriation Act, during the course of a financial year, to meet expenditure in excess of the amount previously included in an Appropriation Act for that year.
25. **“Schedule of New Expenditure”** - means a statement of items of new expenditure proposed for inclusion in the Budget for the ensuing year.
26. **“Token demand”** - means a demand made to the Assembly for a nominal or token sum when, for example, it is proposed to meet the entire expenditure on a new service from savings out of the sanctioned budget grant.

**Appendix-3.2**

(Reference: Paragraph 3.1.1)

**Category-I Schemes (100 % Women beneficiaries)**

| Sr. No.                            | Name of the Scheme / Programme   | Objective of the Scheme  | Total budget | Actual expenditure |
|------------------------------------|--|--|--------------|--------------------|
| <b>Centrally Sponsored Schemes</b> |  |  |              |                    |
| 1                                  | Janani Suraksha Yojna  | To reduce maternal & neonatal mortality by promoting institutional delivery among poor pregnant women  | 0            | 0                  |
| 2                                  | Setting up of Women Help Desks in the Police Stations under Nirbhaya Fund  | To provide Police assistance to Women in each Police Station and build confidence in women towards police  | 0            | 0                  |
| 3                                  | HP Rural Livelihood Mission  | Women Empowerment, Economic & Social Development of women against Dowry, Land Rights and Gender based Violence.  | 42,00,21,530 | 55,89,46,310       |
| 4                                  | Swadhar Greh   | To provide temporary shelter, maintenance, legal and rehabilitative services to women and girls rendered homeless due to family discord, crime, violence, mental stress etc. | 12,00,000    | 0                  |
| 5                                  | Pradhan Mantri Matru Vandana Yojna   | To provide partial compensation for the wage loss of Pregnant women and Lactating Mother & improvement in their health seeking behaviour for first living child.             | 15,00,00,000 | 2,56,56,265        |
| 6                                  | Mahila Shakti Kendra   | To empower rural women through community participation and to create an environment in which they realize their full potential.  | 60,00,000    | 32,94,370          |
| 7                                  | IGNWPS   | To provide security by way of grant of pension to those having no means of subsistence and having none to support them.  | 9,25,00,000  | 9,18,09,000        |
| 8                                  | Special Central Assistance under ESOMSA                                    |  | 0            | 0                  |
| <b>State Schemes</b>               |  |  |              |                    |
| 9                                  | Indira Gandhi Balika Suraksha Yojana                                       | Incentive to Female Child  | 84,00,000    | 31,55,000          |
| 10                                 | C/o Women Police Stations building under Police Housing                    | To deal with the cases related to crime against women  | 0            | 0                  |
| 11                                 | Reward to best performing Mahila Mandal under Swachh Bharat Mission-Gramin | Reward to best Mahila Mandals  | 53,00,000    | 53,00,000          |
| 12                                 | Maharishi Valmiki Chatravriti Yojna  | To provide financial encouragement to the students for completing their study.   | 0            | 0                  |
| 13                                 | Kalpana Chawla Chatravriti Yojna   | To provide financial encouragement to the students for completing their study.   | 3,75,00,000  | 5,87,00,000        |

| Sr. No.      | Name of the Scheme / Programme   | Objective of the Scheme  | Total budget          | Actual expenditure    |
|--------------|--|--|-----------------------|-----------------------|
| 14           | Beti Hai Anmol Yojna   | To change the negative attitude of the family and community towards the girl child at birth and towards her mother, to improve enrolment and retention of the girls in schools         | 13,00,00,000          | 14,52,68,964          |
| 15           | Mukhya Mantri Kanya dan Yojna  | To provide financial assistance to the parents/ guardians of the destitute girls who have no source of income and are above of 18 years of age   | 11,70,00,000          | 7,74,05,000           |
| 16           | SHAGUN   | To provide financial assistance to the parents/guardians or the girls herself if her parents are not alive or traceable for marriage of their girls who are above the age of 18 years. | 0                     | 0                     |
| 17           | Mother Teresa Asahaya Matri Sambal Yojna   | To provide financial assistance to the helpless women for maintenance of their children  | 7,48,00,000           | 8,89,22,267           |
| 18           | Self-Employment to Women   | To provide financial assistance to the poor women for establishing self-employment ventures  | 0                     | 0                     |
| 19           | Widow Remarriage   | To help the rehabilitation of widows by encouraging men to enter into wedlock with widows by providing some monetary incentive for the same  | 70,00,000             | 62,40,000             |
| 20           | Vishesh Mahila Utthan Yojna  | To provide vocational training to women in moral danger to make them self-dependent  | 34,00,000             | 24,74,100             |
| 21           | Nari Sewa Sadan, Mashobra  | To provide shelter, food clothing, skill training or with any other social and economic support etc. to young widows and destitute women in moral danger.                              | 0                     | 0                     |
| 22           | Shashakt Mahila Yojna  | To empower women legally, socially, and economically   | 9,00,000              | 5,53,700              |
| 23           | Vo Din Yojna   | To make aware society about menstrual hygiene, Anaemia & First 1000 days of a child  | 3,23,00,000           | 1,56,87,250           |
| 24           | Widow Pension  | To provide social security by way of grant of pension to those having no means of subsistence and having none to support the women.  | 5,19,00,000           | 5,11,88,000           |
| 25           | Special school for Hearing Impaired & visually Impaired girl children at Sunder Nagar (ICSA Sundernagar) | To provide education to the especially abled children  | 0                     | 0                     |
| 26           | Himachal Grihini Suvridha Yojna  | To provide smoke free fuel for women empowerment and environment protection  | 21,00,00,000          | 21,00,00,000          |
| 27           | Raksha Bandhan & Bhaiya Dooj   | Free travelling facility in the State  | 0                     | 0                     |
| 28           | Eid-ul-Adha Bakrid   | Free travelling facility in the State  | 0                     | 0                     |
| <b>Total</b> |  |  | <b>1,34,82,21,530</b> | <b>1,34,46,00,226</b> |

**Appendix-3.3**

(Reference: Paragraph 3.3.4)

**Unnecessary re-appropriations resulting in savings**

(in ₹)

| Sl. No.              | Grant  | Heads of account                  | Original            | Supplementary | Reappropriation | Total          | Actual         | Final savings   |
|----------------------|--|-----------------------------------|---------------------|---------------|-----------------|----------------|----------------|-----------------|
| <b>Revenue-Voted</b> |  |                                   |                     |               |                 |                |                |                 |
| 1                    | 3-Administration of Justice                    | 2014-00-105-01-S00N               | 1,49,03,07,000      | 36,29,94,053  | 1,000           | 1,85,33,02,053 | 1,61,13,39,753 | -24,19,62,300   |
| 2                    | 5-Land Revenue and District Administration     | 2029-00-103-01-S00N               | 2,04,68,000         | 9,113         | 3,51,000        | 2,08,28,113    | 1,91,94,240    | -16,33,873      |
| 3                    |  | 2053-00-093-01-S00N               | 1,70,46,50,000      | 14,03,70,130  | 13,15,000       | 1,84,63,35,130 | 1,82,51,06,809 | -2,12,28,321    |
| 4                    |  | 2245-02-111-01-S00N               | 32,00,00,000        | 3,00,00,000   | 74,59,000       | 35,74,59,000   | 24,85,31,122   | -10,89,27,878   |
| 5                    |  | 2245-02-111-02-S00N               | 47,00,00,000        | 9,95,83,000   | 2,61,17,000     | 59,57,00,000   | 46,16,53,706   | -13,40,46,294   |
| 6                    |  | 2245-08-101-01-S00N               | 0                   | 90,80,00,000  | 95,20,00,000    | 1,86,00,00,000 | 48,75,74,869   | -1,37,24,25,131 |
| 7                    |  | 7-Police and Allied Organisations | 2055-00-001-01-S00N | 20,10,88,000  | 4,87,60,151     | 14,80,129      | 25,13,28,280   | 24,07,29,233    |
| 8                    | 2055-00-101-01-S00N                            |                                   | 57,94,31,000        | 2,01,90,000   | 23,92,000       | 60,20,13,000   | 59,78,60,228   | -41,52,772      |
| 9                    | 2055-00-108-05-S00N                            |                                   | 3,32,39,54,000      | 1,86,57,000   | 42,62,800       | 3,34,68,73,800 | 3,22,71,21,818 | -11,97,51,982   |
| 10                   | 2055-00-111-03-S00N                            |                                   | 2,81,95,000         | 5,54,191      | 95,000          | 2,88,44,191    | 2,83,51,288    | -4,92,903       |
| 11                   | 2055-00-114-01-S00N                            |                                   | 28,66,27,000        | 32,02,000     | 56,83,000       | 29,55,12,000   | 27,88,35,594   | -1,66,76,406    |
| 12                   | 2055-00-116-01-S00N                            |                                   | 9,08,90,000         | 1,21,98,975   | 1,000           | 10,30,89,975   | 10,28,08,678   | -2,81,297       |
| 13                   | 2070-00-107-01-S00N                            |                                   | 1,84,81,000         | 55,74,179     | 5,44,821        | 2,46,00,000    | 2,40,22,906    | -5,77,094       |
| 14                   | 2070-00-108-01-S00N                            |                                   | 91,77,000           | 6,27,115      | 1,02,000        | 99,06,115      | 97,39,876      | -1,66,239       |
| 15                   | 8-Education                                    | 2202-01-112-01-C90N               | 88,37,00,000        | 0             | 1,10,05,000     | 89,47,05,000   | 64,00,81,000   | -25,46,24,000   |
| 16                   |  | 2202-01-112-01-S10N               | 6,28,00,000         | 0             | 12,34,000       | 6,40,34,000    | 5,83,03,000    | -57,31,000      |
| 17                   |  | 2202-80-800-01-S00N               | 6,06,42,000         | 37,10,000     | 26,90,000       | 6,70,42,000    | 6,20,37,700    | -50,04,300      |
| 18                   | 9-Health and Family Welfare                    | 2210-01-001-02-S00N               | 14,53,46,000        | 0             | 93,08,000       | 15,46,54,000   | 14,02,92,203   | -1,43,61,797    |
| 19                   |  | 2210-01-110-03-S00N               | 2,96,79,53,000      | 8,59,02,000   | 9,18,18,000     | 3,14,56,73,000 | 2,96,49,65,621 | -18,07,07,379   |
| 20                   |  | 2210-06-001-01-S00N               | 1,81,28,000         | 95,74,000     | 9,000           | 2,77,11,000    | 2,74,34,941    | -2,76,059       |
| 21                   | 10-Public Works - Roads, Bridges and Buildings | 2059-80-053-03-S00N               | 1,41,73,75,000      | 0             | 1,17,87,000     | 1,42,91,62,000 | 1,37,94,50,864 | -4,97,11,136    |
| 22                   |  | 2059-80-053-04-S00N               | 35,77,75,000        | 0             | 53,74,000       | 36,31,49,000   | 31,06,29,400   | -5,25,19,600    |
| 23                   |  | 3054-04-105-02-S00N               | 3,26,43,40,000      | 1,000         | 3,38,82,303     | 3,29,82,23,303 | 2,98,17,90,932 | -31,64,32,371   |
| 24                   |  | 3054-04-105-13-S00N               | 5,95,74,000         | 0             | 31,60,000       | 6,27,34,000    | 4,61,23,192    | -1,66,10,808    |

| Sl. No. | Grant  | Heads of account                                     | Original            | Supplementary  | Reappropriation | Total        | Actual         | Final savings  |
|---------|--|--|---------------------|----------------|-----------------|--------------|----------------|----------------|
| 25      |  | 3054-80-001-01-S00N                                  | 56,19,73,000        | 0              | 17,35,000       | 56,37,08,000 | 53,07,22,148   | -3,29,85,852   |
| 26      |  | 3054-80-001-05-S00N                                  | 5,60,30,000         | 0              | 1,58,700        | 5,61,88,700  | 5,55,48,675    | -6,40,025      |
| 27      | 11-Agriculture   | 2402-00-102-01-S00N                                  | 23,91,31,000        | 0              | 5,55,000        | 23,96,86,000 | 23,80,90,420   | -15,95,580     |
| 28      |  | 2402-00-102-55-S00N                                  | 9,87,00,000         | 0              | 6,58,00,000     | 16,45,00,000 | 9,86,99,999    | -6,58,00,001   |
| 29      |  | 2402-00-103-01-C90N                                  | 5,92,00,000         | 5,94,00,000    | 1,32,50,000     | 13,18,50,000 | 7,24,50,000    | -5,94,00,000   |
| 30      |  | 2402-00-103-01-S10N                                  | 66,00,000           | 66,00,000      | 14,50,000       | 1,46,50,000  | 80,50,000      | -66,00,000     |
| 31      |  | 14-Animal Husbandry, Dairy Development and Fisheries | 2403-00-101-01-S00N | 3,03,57,69,000 | 24,91,86,579    | 33,000       | 3,28,49,88,579 | 3,24,56,18,998 |
| 32      |  | 2403-00-113-01-C00N                                  | 0                   | 4,000          | 19,96,000       | 20,00,000    | 0              | -20,00,000     |
| 33      | 15-Planning and Backward Area Sub Plan                       | 3451-00-101-02-S00N                                  | 6,85,00,000         | 0              | 12,75,000       | 6,97,75,000  | 5,28,16,725    | -1,69,58,275   |
| 34      | 17-Election  | 2015-00-108-01-S00N                                  | 2,00,00,000         | 18,38,000      | 1,000           | 2,18,39,000  | 1,96,83,655    | -21,55,345     |
| 35      | 18-Industries, Minerals, Supplies and Information Technology | 2851-00-102-13-S00N                                  | 19,94,57,000        | 1,15,13,000    | 23,45,000       | 21,33,15,000 | 21,03,46,157   | -29,68,843     |
| 36      |  | 2851-00-111-01-S00N                                  | 34,79,00,000        | 44,91,76,000   | 8,24,000        | 79,79,00,000 | 79,48,37,882   | -30,62,118     |
| 37      |  | 2852-80-102-09-S00N                                  | 7,48,00,000         | 19,99,98,000   | 2,000           | 27,48,00,000 | 27,45,30,835   | -2,69,165      |
| 38      | 19-Social Justice and Empowerment                            | 2235-02-102-05-S00N                                  | 13,43,01,000        | 27,22,00,000   | 3,32,64,000     | 43,97,65,000 | 38,82,02,650   | -5,15,62,350   |
| 39      |  | 2235-02-102-25-S00N                                  | 0                   | 2,000          | 3,29,03,000     | 3,29,05,000  | 0              | -3,29,05,000   |
| 40      |  | 2235-02-103-17-S00N                                  | 7,92,00,000         | 0              | 1,64,000        | 7,93,64,000  | 7,55,85,000    | -37,79,000     |
| 41      |  | 2235-02-103-18-S00N                                  | 46,00,000           | 0              | 13,80,000       | 59,80,000    | 42,90,000      | -16,90,000     |
| 42      |  | 2235-02-104-01-S00N                                  | 0                   | 33,67,90,313   | 7,32,09,687     | 41,00,00,000 | 0              | -41,00,00,000  |
| 43      | 24-Printing and Stationery                                   | 2058-00-101-01-S00N                                  | 4,54,03,000         | 5,55,46,865    | 2,039           | 10,09,51,904 | 10,09,38,402   | -13,502        |
| 44      | 25-Road and Water Transport                                  | 2235-60-200-28-S00N                                  | 0                   | 7,99,98,000    | 2,000           | 8,00,00,000  | 57,74,477      | -7,42,25,523   |
| 45      |  | 3055-00-001-01-S00N                                  | 13,37,27,000        | 24,99,500      | 4,93,000        | 13,67,19,500 | 13,53,51,896   | -13,67,604     |
| 46      | 27-Labour Employment and Training                            | 2230-02-101-07-S00N                                  | 15,79,00,000        | 0              | 6,00,000        | 15,85,00,000 | 15,72,78,723   | -12,21,277     |
| 47      | 29-Finance   | 2054-00-095-01-S00N                                  | 9,31,69,000         | 0              | 26,00,000       | 9,57,69,000  | 8,04,74,065    | -1,52,94,935   |
| 48      |  | 2054-00-097-01-S00N                                  | 40,14,23,000        | 9,53,053       | 51,447          | 40,24,27,500 | 37,19,77,203   | -3,04,50,297   |
| 49      |  | 2054-00-098-01-S00N                                  | 10,55,02,000        | 1,000          | 8,53,000        | 10,63,56,000 | 9,65,45,062    | -98,10,938     |
| 50      | 31-Tribal Development  | 2029-00-796-01-S00N                                  | 5,99,57,000         | 0              | 2,00,000        | 6,01,57,000  | 5,26,86,252    | -74,70,748     |
| 51      |  | 2053-00-796-02-S00N                                  | 2,39,50,000         | 0              | 23,20,000       | 2,62,70,000  | 1,97,82,022    | -64,87,978     |
| 52      |  | 2054-00-796-01-S00N                                  | 4,34,78,000         | 0              | 5,75,000        | 4,40,53,000  | 4,08,87,403    | -31,65,597     |

| Sl. No. | Grant               | Heads of account            | Original            | Supplementary | Reappropriation | Total        | Actual       | Final savings |           |
|---------|---------------------|-----------------------------|---------------------|---------------|-----------------|--------------|--------------|---------------|-----------|
| 53      |                     | 2202-03-796-02-S00N         | 8,25,85,000         | 0             | 92,000          | 8,26,77,000  | 8,17,30,347  | -9,46,653     |           |
| 54      |                     | 2205-00-796-02-S00N         | 75,00,000           | 0             | 15,00,000       | 90,00,000    | 72,38,476    | -17,61,524    |           |
| 55      |                     | 2210-06-796-07-S00N         | 6,34,000            | 0             | 48,000          | 6,82,000     | 5,44,462     | -1,37,538     |           |
| 56      |                     | 2210-06-796-11-S00N         | 26,21,000           | 0             | 1,50,000        | 27,71,000    | 23,05,957    | -4,65,043     |           |
| 57      |                     | 2210-06-796-12-C00N         | 38,00,000           | 0             | 2,00,000        | 40,00,000    | 35,79,791    | -4,20,209     |           |
| 58      |                     | 2211-00-796-03-C00N         | 7,00,00,000         | 0             | 40,50,000       | 7,40,50,000  | 6,81,32,643  | -59,17,357    |           |
| 59      |                     | 2225-02-796-01-S00N         | 1,63,78,000         | 0             | 5,72,000        | 1,69,50,000  | 1,47,56,829  | -21,93,171    |           |
| 60      |                     | 2235-02-796-21-S10N         | 9,00,000            | 0             | 85,000          | 9,85,000     | 1,51,100     | -8,33,900     |           |
| 61      |                     | 2235-02-796-29-S00N         | 0                   | 2,000         | 1,25,93,000     | 1,25,95,000  | 0            | -1,25,95,000  |           |
| 62      |                     | 2235-02-796-30-C00N         | 0                   | 3,000         | 2,97,000        | 3,00,000     | 0            | -3,00,000     |           |
| 63      |                     | 2235-02-796-31-C00N         | 0                   | 4,000         | 3,96,000        | 4,00,000     | 0            | -4,00,000     |           |
| 64      |                     | 2235-02-796-32-C00N         | 0                   | 1,000         | 99,000          | 1,00,000     | 0            | -1,00,000     |           |
| 65      |                     | 2402-00-796-02-S00N         | 5,50,00,000         | 0             | 96,33,000       | 6,46,33,000  | 5,22,51,177  | -1,23,81,823  |           |
| 66      |                     | 2402-00-796-11-C90N         | 81,00,000           | 1,000         | 62,99,000       | 1,44,00,000  | 63,00,000    | -81,00,000    |           |
| 67      |                     | 2402-00-796-11-S10N         | 9,00,000            | 1,000         | 2,99,000        | 12,00,000    | 7,00,000     | -5,00,000     |           |
| 68      |                     | 2403-00-796-05-S00N         | 93,00,000           | 0             | 5,27,000        | 98,27,000    | 84,48,417    | -13,78,583    |           |
| 69      |                     | 2406-01-796-02-S00N         | 4,91,25,000         | 0             | 24,58,760       | 5,15,83,760  | 3,84,34,199  | -1,31,49,561  |           |
| 70      |                     | 2501-06-796-07-C90N         | 6,22,00,000         | 0             | 5,77,50,000     | 11,99,50,000 | 5,59,80,000  | -6,39,70,000  |           |
| 71      |                     | 2501-06-796-07-S10N         | 69,00,000           | 0             | 64,16,000       | 1,33,16,000  | 62,83,000    | -70,33,000    |           |
| 72      |                     | 2515-00-796-01-S00N         | 15,30,97,000        | 0             | 2,00,000        | 15,32,97,000 | 14,45,76,344 | -87,20,656    |           |
| 73      |                     | 2515-00-796-16-S10N         | 19,00,000           | 0             | 41,00,000       | 60,00,000    | 0            | -60,00,000    |           |
| 74      |                     | 2702-80-796-06-S00N         | 7,76,48,000         | 0             | 15,00,000       | 7,91,48,000  | 7,30,59,010  | -60,88,990    |           |
| 75      |                     | 32-Scheduled Caste Sub Plan | 2202-01-789-13-C90N | 0             | 1,000           | 99,000       | 1,00,000     | 0             | -1,00,000 |
| 76      |                     |                             | 2202-01-789-13-S10N | 0             | 1,000           | 6,64,000     | 6,65,000     | 0             | -6,65,000 |
| 77      | 2202-01-789-26-C90N |                             | 0                   | 1,000         | 99,000          | 1,00,000     | 0            | -1,00,000     |           |
| 78      | 2202-01-789-26-S10N |                             | 0                   | 1,000         | 99,000          | 1,00,000     | 0            | -1,00,000     |           |
| 79      | 2202-03-789-04-C60N |                             | 0                   | 1,000         | 26,39,99,000    | 26,40,00,000 | 0            | -26,40,00,000 |           |
| 80      | 2210-03-789-01-S00N |                             | 16,74,08,000        | 65,25,000     | 1,00,000        | 17,40,33,000 | 14,42,99,547 | -2,97,33,453  |           |
| 81      | 2235-02-789-07-S00N |                             | 3,00,00,000         | 0             | 6,22,000        | 3,06,22,000  | 2,79,66,000  | -26,56,000    |           |
| 82      | 2235-02-789-13-S00N |                             | 2,52,00,000         | 0             | 7,13,000        | 2,59,13,000  | 2,45,05,735  | -14,07,265    |           |

| Sl. No.                | Grant   | Heads of account    | Original       | Supplementary | Reappropriation | Total          | Actual       | Final savings |
|------------------------|---|---------------------|----------------|---------------|-----------------|----------------|--------------|---------------|
| <b>Capital-Voted</b>   |   |                     |                |               |                 |                |              |               |
| 83                     | 3-Administration of Justice                                 | 4059-01-051-36-S00N | 13,00,000      | 62,56,000     | 16,75,000       | 92,31,000      | 40,24,943    | -52,06,057    |
| 84                     | 19-Social Justice and Empowerment                           | 4235-02-104-01-S00N | 0              | 58,43,00,000  | 1,57,00,000     | 60,00,00,000   | 0            | -60,00,00,000 |
| 85                     | 28-Urban Development, Town and Country Planning and Housing | 4215-02-106-02-S00N | 1,34,66,00,000 | 12,22,00,000  | 40,00,000       | 1,47,28,00,000 | 57,27,18,943 | -90,00,81,057 |
| 86                     | 31-Tribal Development                                       | 4215-01-796-02-S00N | 18,00,000      | 0             | 4,70,000        | 22,70,000      | 15,05,401    | -7,64,599     |
| 87                     |   | 5002-03-796-01-S00N | 0              | 1,000         | 9,99,99,000     | 10,00,00,000   | 0            | -10,00,00,000 |
| 88                     |   | 5054-04-796-11-S00N | 3,60,00,000    | 0             | 50,00,000       | 4,10,00,000    | 2,81,76,132  | -1,28,23,868  |
| 89                     |   | 5054-04-796-14-S00N | 50,00,000      | 0             | 1,28,82,000     | 1,78,82,000    | 0            | -1,78,82,000  |
| 90                     | 32-Scheduled Caste Sub Plan                                 | 4702-00-789-02-S00N | 2,33,00,000    | 0             | 1,19,88,000     | 3,52,88,000    | 2,31,33,815  | -1,21,54,185  |
| 91                     |   | 4702-00-789-03-S00N | 1,20,00,000    | 0             | 42,80,000       | 1,62,80,000    | 1,15,12,354  | -47,67,646    |
| 92                     |   | 4711-01-789-01-S00N | 3,00,00,000    | 0             | 72,20,000       | 3,72,20,000    | 2,86,86,780  | -85,33,220    |
| 93                     |   | 5054-04-789-01-S00N | 91,94,00,000   | 0             | 2,39,35,000     | 94,33,35,000   | 77,29,51,233 | -17,03,83,767 |
| 94                     |   | 5054-04-789-04-S00N | 19,14,00,000   | 0             | 2,15,10,000     | 21,29,10,000   | 18,17,36,223 | -3,11,73,777  |
| 95                     |   | 5054-04-789-16-S00N | 12,60,00,000   | 0             | 12,00,000       | 12,72,00,000   | 7,98,02,032  | -4,73,97,968  |
| <b>Revenue-Charged</b> |   |                     |                |               |                 |                |              |               |
| 96                     | 29-Finance  | 2071-01-104-03-S00N | 0              | 1,000         | 11,57,403       | 11,58,403      | 0            | -11,58,403    |

**Appendix-3.4**

(Reference: Paragraph 3.3.4)

**Inappropriate re-appropriation resulting in excess**

(in ₹)

| Sl. No.              | Grant                                      | Heads of account    | Original       | Supplementary | Reappropriation | Total          | Actual         | Excess      |
|----------------------|--|---------------------|----------------|---------------|-----------------|----------------|----------------|-------------|
| <b>Revenue-Voted</b> |  |                     |                |               |                 |                |                |             |
| 1                    | 4-General Administration                   | 2075-00-800-14-S00N | 17,00,00,000   | 0             | -4,55,55,974    | 12,44,44,026   | 18,06,66,426   | 5,62,22,400 |
| 2                    | 6-Excise and Taxation                      | 2040-00-101-01-S00N | 2,85,48,000    | 6,99,27,000   | -3,000          | 9,84,72,000    | 11,04,23,261   | 1,19,51,261 |
| 3                    |  | 2045-00-104-01-S00N | 7,99,05,000    | 1,17,47,000   | -2,01,000       | 9,14,51,000    | 9,64,53,079    | 50,02,079   |
| 4                    | 8-Education                                | 2202-02-101-01-S00N | 21,92,71,000   | 41,00,000     | -2,00,000       | 22,31,71,000   | 23,35,53,467   | 1,03,82,467 |
| 5                    |  | 2202-03-103-01-S00N | 3,75,29,41,000 | 31,82,93,017  | -5,60,000       | 4,07,06,74,017 | 4,16,80,95,999 | 9,74,21,982 |
| 6                    |  | 2202-05-103-01-S00N | 6,78,78,000    | 19,89,732     | -1,00,000       | 6,97,67,732    | 7,14,42,627    | 16,74,895   |
| 7                    | 9-Health and Family Welfare                | 2210-05-105-04-S00N | 23,22,02,000   | 22,46,000     | -1,000          | 23,44,47,000   | 24,32,64,433   | 88,17,433   |
| 8                    | 13-Irrigation, Water Supply and Sanitation | 2701-15-101-01-S00N | 3,07,40,000    | 0             | -1,10,000       | 3,06,30,000    | 3,13,48,812    | 7,18,812    |
| 9                    | 15-Planning And Backward Area Sub Plan     | 2210-04-101-02-S00B | 14,40,20,000   | 0             | -3,50,000       | 14,36,70,000   | 15,03,75,818   | 67,05,818   |
| 10                   | 19-Social Justice and Empowerment          | 2235-02-103-19-S10N | 99,00,000      | 0             | -10,39,000      | 88,61,000      | 1,25,33,029    | 36,72,029   |
| 11                   | 25-Road and Water Transport                | 2041-00-001-01-S00N | 10,32,31,000   | 17,29,000     | -1,50,88,000    | 8,98,72,000    | 18,37,77,011   | 9,39,05,011 |
| 12                   | 30-Miscellaneous General Services          | 2205-00-103-01-S00N | 2,99,00,000    | 2,00,00,000   | -41,20,000      | 4,57,80,000    | 7,32,65,276    | 2,74,85,276 |
| 13                   | 31-Tribal Development                      | 2053-00-796-03-S00N | 2,85,59,000    | 0             | -10,07,000      | 2,75,52,000    | 6,96,40,092    | 4,20,88,092 |
| 14                   |  | 2202-02-796-02-S00N | 62,72,31,000   | 0             | -54,74,000      | 62,17,57,000   | 63,62,06,810   | 1,44,49,810 |
| 15                   |  | 2202-02-796-03-S00N | 75,81,44,000   | 0             | -10,00,000      | 75,71,44,000   | 78,79,34,404   | 3,07,90,404 |
| 16                   |  | 2202-02-796-18-C90N | 1,20,00,000    | 0             | -40,98,000      | 79,02,000      | 1,62,93,500    | 83,91,500   |
| 17                   |  | 2210-04-796-04-S00N | 13,04,25,000   | 0             | -3,55,000       | 13,00,70,000   | 13,11,17,114   | 10,47,114   |
| 18                   |  | 2402-00-796-06-A00S | 1,00,000       | 0             | -1,00,000       | 0              | 25,00,000      | 25,00,000   |

| Sl. No.              | Grant  | Heads of account    | Original       | Supplementary | Reappropriation | Total          | Actual         | Excess       |
|----------------------|--|---------------------|----------------|---------------|-----------------|----------------|----------------|--------------|
| 19                   |  | 3054-04-796-02-S00N | 1,13,26,73,000 | 0             | -4,52,05,000    | 1,08,74,68,000 | 1,37,62,24,809 | 28,87,56,809 |
| 20                   | 32-Scheduled Caste Sub Plan                    | 2216-03-789-04-S00N | 5,80,00,000    | 0             | -1,00,000       | 5,79,00,000    | 5,93,25,000    | 14,25,000    |
| <b>Capital-Voted</b> |  |                     |                |               |                 |                |                |              |
| 21                   | 7-Police and Allied Organisations              | 4055-00-211-03-C90N | 7,04,00,000    | 0             | -2,00,000       | 7,02,00,000    | 8,16,00,000    | 1,14,00,000  |
| 22                   | 10-Public Works - Roads, Bridges and Buildings | 5054-04-337-19-S00N | 3,73,80,00,000 | 0             | -12,89,000      | 3,73,67,11,000 | 3,75,19,25,787 | 1,52,14,787  |
| 23                   | 20-Rural Development                           | 4515-00-103-02-S00N | 49,00,000      | 0             | -19,00,000      | 30,00,000      | 65,00,000      | 35,00,000    |

Appendix-3.5

(Reference: Paragraph 3.3.4)

Insufficient re-appropriation resulting in excess

(in ₹)

| Sl. No.              | Grant   | Heads of account    | Original        | Supplementary  | Reappropriation | Total           | Actual          | Final Excess |
|----------------------|---|---------------------|-----------------|----------------|-----------------|-----------------|-----------------|--------------|
| <b>Revenue-Voted</b> |   |                     |                 |                |                 |                 |                 |              |
| 1                    | 4-General Administration                                    | 2053-00-800-05-S00N | 1,000           | 20,19,94,060   | 96,73,523       | 21,16,68,583    | 21,68,08,784    | 51,40,201    |
| 2                    | 5-Land Revenue and District Administration                  | 2029-00-102-03-S00N | 20,62,01,000    | 16,21,000      | 9,000           | 20,78,31,000    | 21,40,05,412    | 61,74,412    |
| 3                    | 7-Police and Allied Organisations                           | 2056-00-101-01-S00N | 35,42,71,000    | 3,98,81,966    | 52,26,568       | 39,93,79,534    | 40,01,01,738    | 7,22,204     |
| 4                    | 8-Education   | 2202-02-109-01-S00N | 26,06,98,73,000 | 1,39,40,87,000 | 11,74,34,000    | 27,58,13,94,000 | 27,92,84,72,851 | 34,70,78,851 |
| 5                    |   | 2202-80-107-19-S00N | 71,00,000       | 0              | 70,15,000       | 1,41,15,000     | 2,01,15,000     | 60,00,000    |
| 6                    | 9-Health and Family Welfare                                 | 2210-01-200-01-S00N | 56,41,07,000    | 6,60,10,000    | 1,50,000        | 63,02,67,000    | 63,37,52,583    | 34,85,583    |
| 7                    |   | 2210-05-105-06-S00N | 1,44,85,12,000  | 7,92,96,000    | 11,77,85,000    | 1,64,55,93,000  | 1,64,59,00,927  | 3,07,927     |
| 8                    | 9-Health and Family Welfare                                 | 2210-05-105-15-S00N | 74,71,99,000    | 20,90,16,000   | 88,47,000       | 96,50,62,000    | 96,90,68,391    | 40,06,391    |
| 9                    | 10-Public Works - Roads, Bridges and Buildings              | 3054-04-105-15-S00N | 44,89,22,000    | 1,000          | 11,49,99,000    | 56,39,22,000    | 61,41,16,616    | 5,01,94,616  |
| 10                   |   | 3054-04-105-17-S00N | 25,37,34,000    | 0              | 2,10,83,000     | 27,48,17,000    | 31,00,73,993    | 3,52,56,993  |
| 11                   | 11-Agriculture  | 2407-01-016-01-S00N | 97,37,000       | 1,000          | 34,88,000       | 1,32,26,000     | 1,37,71,808     | 5,45,808     |
| 12                   | 17-Election   | 2015-00-103-01-S00N | 8,50,00,000     | 3,28,00,000    | 14,000          | 11,78,14,000    | 15,31,47,928    | 3,53,33,928  |
| 13                   | 19-Social Justice and Empowerment                           | 2235-02-102-13-S00N | 9,15,00,000     | 0              | 61,26,000       | 9,76,26,000     | 11,60,30,645    | 1,84,04,645  |
| 14                   |   | 2235-02-102-15-C90N | 12,44,00,000    | 0              | 13,29,55,304    | 25,73,55,304    | 25,73,84,412    | 29,108       |
| 15                   | 22-Food And Civil Supplies                                  | 2408-01-102-13-C75N | 1,00,000        | 0              | 26,35,974       | 27,35,974       | 65,67,23,798    | 65,39,87,824 |
| 16                   | 23-Power Development  | 2801-80-001-01-S00N | 4,63,69,000     | 27,31,02,174   | 1,000           | 31,94,72,174    | 32,00,28,975    | 5,56,801     |
| 17                   | 27-Labour Employment and Training                           | 2230-02-101-03-S00N | 11,56,000       | 0              | 81,000          | 12,37,000       | 12,43,077       | 6,077        |
| 18                   | 28-Urban Development, Town and Country Planning and Housing | 2217-80-191-63-C90N | 0               | 86,19,58,000   | 49,94,84,532    | 1,36,14,42,532  | 1,84,66,00,000  | 48,51,57,468 |
| 19                   |   | 2217-80-191-64-C90N | 0               | 53,00,00,000   | 33,66,00,000    | 86,66,00,000    | 1,33,16,00,000  | 46,50,00,000 |
| 20                   | 29-Finance  | 2071-01-101-03-S00N | 43,41,18,64,000 | 2,00,06,24,000 | 20,81,75,000    | 45,62,06,63,000 | 46,62,02,04,409 | 99,95,41,409 |

| Sl. No.              | Grant  | Heads of account    | Original       | Supplementary  | Reappropriation | Total          | Actual         | Final Excess |
|----------------------|--|---------------------|----------------|----------------|-----------------|----------------|----------------|--------------|
| 21                   | 31-Tribal Development                                | 2015-00-796-02-S00N | 31,19,000      | 0              | 4,54,000        | 35,73,000      | 46,15,328      | 10,42,328    |
| 22                   |  | 2053-00-796-10-C90N | 13,50,00,000   | 0              | 5,09,00,000     | 18,59,00,000   | 21,01,50,000   | 2,42,50,000  |
| 23                   |  | 2070-00-796-01-S00N | 1,49,15,000    | 1,000          | 1,54,23,000     | 3,03,39,000    | 3,06,66,650    | 3,27,650     |
| 24                   |  | 2202-02-796-01-S00N | 2,03,43,000    | 0              | 10,00,000       | 2,13,43,000    | 2,27,31,160    | 13,88,160    |
| 25                   |  | 2215-01-796-01-S00N | 6,17,03,000    | 0              | 40,32,000       | 6,57,35,000    | 6,97,01,663    | 39,66,663    |
| 26                   |  | 2230-03-796-03-S00N | 0              | 1,000          | 20,75,000       | 20,76,000      | 24,14,092      | 3,38,092     |
| 27                   |  | 2405-00-796-02-S00N | 74,67,000      | 0              | 7,43,200        | 82,10,200      | 82,22,036      | 11,836       |
| 28                   |  | 2515-00-796-02-S00N | 6,64,45,000    | 0              | 7,33,000        | 6,71,78,000    | 8,15,29,646    | 1,43,51,646  |
| 29                   |  | 2851-00-796-02-S00N | 99,37,000      | 0              | 1,02,000        | 1,00,39,000    | 1,14,38,344    | 13,99,344    |
| 30                   |  | 3054-04-796-01-S00N | 15,01,80,000   | 0              | 29,59,000       | 15,31,39,000   | 17,63,89,579   | 2,32,50,579  |
| 31                   | 32-Scheduled Caste Sub Plan                          | 2202-02-789-02-S00N | 17,81,88,000   | 6,03,38,000    | 48,53,000       | 24,33,79,000   | 24,98,08,553   | 64,29,553    |
| 32                   |  | 2225-01-789-02-S00N | 3,72,70,000    | 8,50,000       | 50,000          | 3,81,70,000    | 7,18,76,292    | 3,37,06,292  |
| 33                   |  | 2225-01-789-08-C00N | 1,00,000       | 8,50,000       | 50,000          | 10,00,000      | 1,88,10,000    | 1,78,10,000  |
| <b>Capital-Voted</b> |  |                     |                |                |                 |                |                |              |
| 34                   | 4-General Administration                             | 4235-02-800-03-S00N | 0              | 1,000          | 25,65,000       | 25,66,000      | 1,20,44,000    | 94,78,000    |
| 35                   | 7-Police and Allied Organisations                    | 4055-00-207-03-S00N | 0              | 0              | 36,74,000       | 36,74,000      | 4,20,88,068    | 3,84,14,068  |
| 36                   |  | 4055-00-211-03-S00N | 31,59,00,000   | 14,69,000      | 40,26,000       | 32,13,95,000   | 52,53,33,931   | 20,39,38,931 |
| 37                   | 10-Public Works - Roads, Bridges and Buildings       | 4059-80-051-03-S00N | 6,54,00,000    | 20,57,82,000   | 67,13,000       | 27,78,95,000   | 28,03,85,162   | 24,90,162    |
| 38                   | 13-Irrigation, Water Supply and Sanitation           | 4215-01-102-16-S00N | 1,35,00,00,000 | 0              | 3,04,56,000     | 1,38,04,56,000 | 1,39,89,36,746 | 1,84,80,746  |
| 39                   | 14-Animal Husbandry, Dairy Development and Fisheries | 4403-00-101-01-S00N | 9,86,99,000    | 33,96,000      | 1,00,000        | 10,21,95,000   | 10,61,95,000   | 40,00,000    |
| 40                   | 25-Road and Water Transport                          | 5002-03-115-01-S00N | 18,48,00,000   | 1,28,71,00,000 | 1,52,00,000     | 1,48,71,00,000 | 2,11,65,55,000 | 62,94,55,000 |
| 41                   | 27-Labour Employment and Training                    | 4202-02-105-01-S00N | 24,50,00,000   | 0              | 3,48,45,000     | 27,98,45,000   | 30,58,75,000   | 2,60,30,000  |
| 42                   |  | 4202-02-105-03-S00N | 17,96,00,000   | 13,12,94,646   | 5,45,67,000     | 36,54,61,646   | 40,26,38,046   | 3,71,76,400  |
| 43                   | 29-Finance   | 7610-00-201-02-S00N | 50,00,000      | 0              | 48,50,000       | 98,50,000      | 1,01,11,250    | 2,61,250     |

| Sl. No.                | Grant                       | Heads of account    | Original     | Supplementary | Reappropriation | Total        | Actual       | Final Excess |
|------------------------|-----------------------------|---------------------|--------------|---------------|-----------------|--------------|--------------|--------------|
| 44                     | 31-Tribal Development       | 4059-01-796-12-S00N | 95,00,000    | 0             | 52,00,000       | 1,47,00,000  | 1,53,95,000  | 6,95,000     |
| 45                     |                             | 5452-01-796-01-S00N | 4,50,00,000  | 0             | 80,00,000       | 5,30,00,000  | 5,67,75,000  | 37,75,000    |
| 46                     |                             | 5452-80-796-01-S00N | 1,00,00,000  | 0             | 3,10,000        | 1,03,10,000  | 2,02,84,000  | 99,74,000    |
| 47                     | 32-Scheduled Caste Sub Plan | 4202-02-789-06-S00N | 0            | 1,000         | 8,99,99,000     | 9,00,00,000  | 9,53,28,300  | 53,28,300    |
| 48                     |                             | 4210-03-789-02-S00N | 4,53,00,000  | 0             | 3,25,00,000     | 7,78,00,000  | 8,34,55,000  | 56,55,000    |
| <b>Revenue-Charged</b> |                             |                     |              |               |                 |              |              |              |
| 49                     | 29-Finance                  | 2049-01-101-J1-S00N | 0            | 1,000         | 15,13,99,000    | 15,14,00,000 | 15,14,00,001 | 1            |
| 50                     |                             | 2049-01-101-J2-S00N | 0            | 1,000         | 19,72,49,000    | 19,72,50,000 | 19,72,50,001 | 1            |
| 51                     |                             | 2049-01-101-J3-S00N | 0            | 1,000         | 22,28,99,000    | 22,29,00,000 | 22,29,00,002 | 2            |
| 52                     |                             | 2049-01-101-J5-S00N | 0            | 1,000         | 18,72,49,000    | 18,72,50,000 | 18,72,50,001 | 1            |
| 53                     |                             | 2049-01-115-01-S00N | 1,000        | 0             | 2,99,99,000     | 3,00,00,000  | 3,05,84,922  | 5,84,922     |
| 54                     |                             | 2049-03-108-01-S00N | 22,00,00,000 | 0             | 1,20,00,000     | 23,20,00,000 | 23,43,41,607 | 23,41,607    |

## Appendix-3.6

(Reference: Paragraph 3.3.5(i))

## List of grants having Savings

(in ₹)

| Sl. No.              | Grant Code  | Original                 | Supplementary          | Actual                   | Savings                 |
|----------------------|---|--------------------------|------------------------|--------------------------|-------------------------|
| <b>Revenue-Voted</b> |   |                          |                        |                          |                         |
| 1                    | 1-Vidhan Sabha  | 43,16,41,000             | 2,26,51,765            | 44,37,23,311             | -1,05,69,454            |
| 2                    | 2-Governor and Council of Ministers                   | 16,83,85,000             | 5,04,30,000            | 21,68,57,230             | -19,57,770              |
| 3                    | 3-Administration of Justice                           | 2,01,28,06,000           | 57,26,13,447           | 2,27,76,96,941           | -30,77,22,506           |
| 4                    | 4-General Administration                              | 2,37,53,50,000           | 58,48,27,795           | 2,95,10,55,583           | -91,22,212              |
| 5                    | 5-Land Revenue and District Administration            | 13,60,46,56,000          | 6,72,00,85,378         | 17,57,30,48,119          | -2,75,16,93,259         |
| 6                    | 6-Excise and Taxation                                 | 1,02,35,90,000           | 39,40,64,515           | 1,28,71,52,559           | -13,05,01,956           |
| 7                    | 7-Police and Allied Organisations                     | 16,14,37,53,000          | 59,96,36,777           | 16,50,04,13,028          | -24,29,76,749           |
| 8                    | 8-Education   | 74,51,77,37,000          | 4,40,12,55,466         | 77,70,30,38,867          | -1,21,59,53,599         |
| 9                    | 9-Health And Family Welfare                           | 24,94,15,67,000          | 4,53,79,33,219         | 27,40,41,83,182          | -2,07,53,17,037         |
| 10                   | 10-Public Works - Roads, Bridges and Buildings        | 34,32,63,74,000          | 3,000                  | 28,79,86,56,527          | -5,52,77,20,473         |
| 11                   | 11-Agriculture  | 4,10,09,45,000           | 44,14,14,500           | 3,97,79,67,196           | -56,43,92,304           |
| 12                   | 12-Horticulture                                       | 3,76,26,06,000           | 2,20,93,31,226         | 5,96,10,26,042           | -1,09,11,184            |
| 13                   | 13-Irrigation, Water Supply and Sanitation            | 26,81,86,41,000          | 21,46,72,000           | 26,96,80,53,769          | -6,52,59,231            |
| 14                   | 15-Planning and Backward Area Sub Plan                | 79,97,38,000             | 1,000                  | 60,31,50,967             | -19,65,88,033           |
| 15                   | 16-Forest and Wildlife                                | 7,60,69,80,000           | 48,58,78,530           | 7,20,21,30,726           | -89,07,27,804           |
| 16                   | 19-Social Justice and Empowerment                     | 13,49,29,02,000          | 1,74,69,98,763         | 14,59,56,42,725          | -64,42,58,038           |
| 17                   | 20-Rural Development                                  | 12,52,90,28,000          | 5,18,97,50,341         | 16,51,86,06,796          | -1,20,01,71,545         |
| 18                   | 21-Co-operation                                       | 36,74,49,000             | 8,65,84,809            | 45,33,83,009             | -6,50,800               |
| 19                   | 23-Power Development                                  | 3,38,14,81,000           | 3,97,32,60,636         | 7,31,62,16,745           | -3,85,24,891            |
| 20                   | 24-Printing and Stationery                            | 26,28,54,000             | 13,55,28,070           | 39,45,13,076             | -38,68,994              |
| 21                   | 26-Tourism and Civil Aviation                         | 27,97,47,000             | 1,000                  | 24,67,12,033             | -3,30,35,967            |
| 22                   | 27-Labour Employment and Training                     | 3,25,56,41,000           | 1,18,55,84,020         | 4,23,87,34,220           | -20,24,90,800           |
| 23                   | 31-Tribal Development                                 | 17,20,18,10,000          | 25,22,18,015           | 15,38,46,85,222          | -2,06,93,42,793         |
| 24                   | 32-Scheduled Caste Sub Plan                           | 22,19,56,70,000          | 3,98,22,24,260         | 24,23,88,78,990          | -1,93,90,15,270         |
|                      | <b>Total</b>  | <b>2,85,60,13,51,000</b> | <b>37,78,69,48,532</b> | <b>3,03,25,55,26,863</b> | <b>-20,13,27,72,669</b> |
| <b>Capital-Voted</b> |   |                          |                        |                          |                         |
| 25                   | 1-Vidhan Sabha  | 3,05,00,000              | 1,41,23,000            | 4,36,22,691              | -10,00,309              |
| 26                   | 3-Administration of Justice                           | 11,90,00,000             | 10,62,56,000           | 10,80,30,144             | -11,72,25,856           |
| 27                   | 4-General Administration                              | 9,23,00,000              | 1,000                  | 8,16,97,731              | -1,06,03,269            |
| 28                   | 8- Education  | 87,38,01,000             | 77,02,28,000           | 1,63,78,66,935           | -61,62,065              |
| 29                   | 10-Public Works - Roads, Bridges and Buildings        | 12,94,54,00,000          | 3,19,17,41,000         | 15,50,56,69,208          | -63,14,71,792           |
| 30                   | 11- Agriculture                                       | 65,17,95,000             | 0                      | 65,00,33,508             | -17,61,492              |
| 31                   | 13-Irrigation, Water Supply and Sanitation            | 5,37,17,00,000           | 2,59,07,91,000         | 7,26,64,01,205           | -69,60,89,795           |
| 32                   | 14- Animal Husbandry, Dairy Development and Fisheries | 13,28,09,000             | 33,96,000              | 12,69,38,273             | -92,66,727              |
| 33                   | 15-Planning and Backward Area Sub Plan                | 4,93,74,00,000           | 0                      | 3,25,14,89,062           | -1,68,59,10,938         |

| Sl. No.                | Grant Code  | Original                 | Supplementary            | Actual                   | Savings                 |
|------------------------|---|--------------------------|--------------------------|--------------------------|-------------------------|
| 34                     | 16-Forest and Wild Life                                     | 10,22,00,000             | 1,75,50,000              | 10,20,89,342             | -1,76,60,658            |
| 35                     | 19-Social Justice and Empowerment                           | 5,28,00,000              | 58,82,57,000             | 1,68,56,810              | -62,42,00,190           |
| 36                     | 22-Food and Civil Supplies                                  | 9,00,000                 | 0                        | 7,99,998                 | -1,00,002               |
| 37                     | 24-Tourism and Civil Aviation                               | 30,00,000                | 1,00,00,000              | 1,22,42,881              | -7,57,119               |
| 38                     | 26-Tourism and Civil Aviation                               | 5,81,26,00,000           | 0                        | 86,14,57,236             | -4,95,11,42,764         |
| 39                     | 28-Urban Development, Town and Country Planning and Housing | 1,81,85,00,000           | 57,22,00,000             | 1,73,51,31,290           | -65,55,68,710           |
| 40                     | 29-Finance  | 7,27,51,000              | 15,11,72,090             | 15,83,11,936             | -6,56,11,154            |
| 41                     | 31-Tribal Development                                       | 5,39,62,50,000           | 8,000                    | 3,86,49,72,835           | -1,53,12,85,165         |
| 42                     | 32-Scheduled Caste Sub Plan                                 | 14,18,15,00,000          | 6,000                    | 10,96,36,83,093          | -3,21,78,22,907         |
|                        | <b>Total</b>  | <b>52,59,52,06,000</b>   | <b>8,01,57,29,090</b>    | <b>46,38,72,94,178</b>   | <b>-14,22,36,40,912</b> |
| <b>Revenue-Charged</b> |   |                          |                          |                          |                         |
| 43                     | 1-Vidhan Sabha  | 1,22,51,000              | 4,00,000                 | 1,19,77,303              | -6,73,697               |
| 44                     | 2-Governor and Council of Ministers                         | 8,72,38,000              | 23,75,000                | 8,59,43,985              | -36,69,015              |
| 45                     | 3-Administration of Justice                                 | 58,09,56,000             | 7,44,86,900              | 60,31,05,824             | -5,23,37,076            |
| 46                     | 4-General Administration                                    | 15,08,62,000             | 0                        | 13,63,91,339             | -1,44,70,661            |
| 47                     | 13-Irrigation, Water Supply and Sanitation                  | 0                        | 11,53,263                | 9,92,314                 | -1,60,949               |
| 48                     | 16-Forest and Wildlife                                      | 0                        | 31,76,001                | 31,37,619                | -38,382                 |
| 49                     | 29-Finance  | 51,04,64,01,000          | 11,000                   | 48,28,69,15,008          | -2,75,94,96,992         |
|                        | <b>Total</b>  | <b>51,87,77,08,000</b>   | <b>8,16,02,164</b>       | <b>49,12,84,63,392</b>   | <b>-2,83,08,46,772</b>  |
| <b>Capital-Voted</b>   |   |                          |                          |                          |                         |
| 50                     | 28-Urban Development, Town and Country Planning and Housing | 0                        | 1,62,19,307              | 1,62,19,000              | -307                    |
| 51                     | 29-Finance  | 53,42,01,56,000          | 60,06,93,73,700          | 1,01,35,79,23,392        | -12,13,16,06,308        |
|                        | <b>Total</b>  | <b>53,42,01,56,000</b>   | <b>60,08,55,93,007</b>   | <b>1,01,37,41,42,392</b> | <b>-12,13,16,06,615</b> |
| <b>Grand Total</b>     |   | <b>4,43,49,44,21,000</b> | <b>1,05,96,98,72,793</b> | <b>5,00,14,54,26,826</b> | <b>-49,31,88,66,967</b> |

## Appendix-3.7

(Reference: Paragraph 3.3.5(ii))

## Persistent Savings more than one crore

(₹ in crore)

| Sl. No.                | Grant Name                                     | 2018-19 | 2019-20  | 2020-21  | 2021-22  | 2022-23 |
|------------------------|--|---------|----------|----------|----------|---------|
| <b>Revenue-Voted</b>   |  |         |          |          |          |         |
| 1                      | 3-Administration of Justice                    | -25.20  | -34.57   | -44.56   | -22.81   | -30.77  |
| 2                      | 6-Excise and Taxation                          | -13.79  | -14.32   | -17.53   | -12.32   | -13.05  |
| 3                      | 7-Police and Allied Organisations              | -143.83 | -212.47  | -305.45  | -244.75  | -24.30  |
| 4                      | 8-Education                                    | -955.16 | -1110.61 | -1362.09 | -1096.43 | -121.60 |
| 5                      | 9-Health and Family Welfare                    | -330.83 | -377.72  | -489.64  | -243.85  | -207.53 |
| 6                      | 10-Public Works - Roads, Bridges and Buildings | -269.04 | -736.83  | -963.02  | -1194.46 | -552.77 |
| 7                      | 11-Agriculture                                 | -72.67  | -33.44   | -78.98   | -37.92   | -56.44  |
| 8                      | 15-Planning and Backward Area Sub Plan         | -30.57  | -22.69   | -21.90   | -17.44   | -19.66  |
| 9                      | 16-Forest and Wildlife                         | -130.31 | -145.25  | -170.51  | -134.39  | -89.07  |
| 10                     | 19-Social Justice and Empowerment              | -28.84  | -99.25   | -64.74   | -46.38   | -64.43  |
| 11                     | 20-Rural Development                           | -383.93 | -351.17  | -163.47  | -134.10  | -120.02 |
| 12                     | 27-Labour Employment and Training              | -39.93  | -39.28   | -116.39  | -26.09   | -20.25  |
| 13                     | 31-Tribal Development                          | -325.72 | -371.39  | -415.69  | -403.42  | -206.93 |
| 14                     | 32-Scheduled Caste Sub Plan                    | -390.87 | -513.37  | -264.69  | -141.50  | -193.90 |
| <b>Capital-Voted</b>   |  |         |          |          |          |         |
| 15                     | 15-Planning and Backward Area Sub Plan         | -1.33   | -115.34  | -218.07  | -53.64   | -168.59 |
| 16                     | 19-Social Justice and Empowerment              | -3.48   | -14.48   | -4.94    | -3.76    | -62.42  |
| 17                     | 29-Finance                                     | -6.27   | -6.35    | -7.74    | -5.85    | -6.56   |
| 18                     | 31-Tribal Development                          | -82.25  | -94.04   | -75.44   | -130.10  | -153.13 |
| 19                     | 32-Scheduled Caste Sub Plan                    | -154.08 | -231.62  | -149.75  | -390.46  | -321.78 |
| <b>Revenue-Charged</b> |  |         |          |          |          |         |
| 20                     | 3-Administration of Justice                    | -7.94   | -11.36   | -7.33    | -5.90    | -5.23   |
| 21                     | 29-Finance                                     | -238.48 | -315.99  | -459.44  | -376.78  | -275.95 |

Appendix-3.8

(Reference: Paragraph 3.3.6.1)

Major Head wise excess

(in ₹)

| Sl. No.              | Grant  | Major Head  | Original        | Supplementary | Actual Expenditure | Excess         |
|----------------------|--|---|-----------------|---------------|--------------------|----------------|
| <b>Revenue-Voted</b> |  |   |                 |               |                    |                |
| 1                    | 2-Governor and Council of Ministers                          | 2013-Council of Ministers                               | 15,41,51,000    | 2,89,30,000   | 18,46,48,974       | 15,67,974      |
| 2                    | 4-General Administration                                     | 2051-Public Service Commission                          | 8,06,38,000     | 82,63,256     | 10,38,74,759       | 1,49,73,503    |
| 3                    |  | 2053-District Administration                            | 50,01,000       | 20,19,94,060  | 27,11,65,494       | 6,41,70,434    |
| 4                    |  | 2059-Public Works                                       | 5,55,31,000     | 4,01,91,652   | 9,69,70,723        | 12,48,071      |
| 5                    |  | 2075-Miscellaneous General Services                     | 28,16,09,000    | 2,72,55,443   | 38,14,50,869       | 7,25,86,426    |
| 6                    |  | 2029-Land Revenue                                       | 1,96,19,78,000  | 20,04,17,113  | 2,19,19,44,882     | 2,95,49,769    |
| 7                    | 5-Land Revenue and District Administration                   | 2040-Taxes on Sales, Trade Etc.                         | 20,40,76,000    | 9,31,51,292   | 31,13,91,151       | 1,41,63,859    |
| 8                    |  | 2045-Other Taxes and Duties on Commodities and Services | 58,92,13,000    | 6,23,47,000   | 65,37,58,429       | 21,98,429      |
| 9                    | 7-Police and Allied Organisations                            | 2056-Jails  | 41,81,75,000    | 8,59,39,293   | 50,42,62,636       | 1,48,343       |
| 10                   | 9-Health and Family Welfare                                  | 2216-Housing  | 63,18,000       | 0             | 2,60,12,466        | 1,96,94,466    |
| 11                   | 11-Agriculture   | 2407-Plantations  | 97,37,000       | 1,000         | 1,37,71,808        | 40,33,808      |
| 12                   | 13-Irrigation, Water Supply and Sanitation                   | 2215-Water Supply and Sanitation                        | 18,60,02,23,000 | 21,30,77,000  | 20,01,93,52,739    | 1,20,60,52,739 |
| 13                   | 14-Animal Husbandry, Dairy Development and Fisheries         | 2403-Animal Husbandry                                   | 3,70,61,44,000  | 28,69,89,061  | 4,02,18,91,636     | 2,87,58,575    |
| 14                   |  | 2404-Dairy Development                                  | 20,45,46,000    | 2,63,16,000   | 23,32,30,624       | 23,68,624      |
| 15                   | 15-Planning and Backward Area Sub Plan                       | 2216-Housing  | 0               | 1,000         | 5,94,000           | 5,93,000       |
| 16                   | 16-Forest and Wild Life                                      | 2402-Soil and Water Conservation                        | 6,65,33,000     | 0             | 10,36,53,418       | 3,71,20,418    |
| 17                   | 17-Election  | 2015-Elections  | 83,52,63,000    | 19,34,60,700  | 1,05,57,22,372     | 2,69,98,672    |
| 18                   | 18-Industries, Minerals, Supplies and Information Technology | 2852-Industries   | 13,94,44,000    | 21,74,67,000  | 45,65,90,023       | 9,96,79,023    |
| 19                   |  | 2853-Non-Ferrous Mining and Metallurgical Industries    | 12,34,10,000    | 73,24,000     | 13,12,44,246       | 5,10,246       |
| 20                   | 20-Rural Development   | 2216-Housing  | 27,62,00,000    | 1,95,04,020   | 35,29,75,742       | 5,72,71,722    |
| 21                   | 22-Food and Civil Supplies                                   | 2408-Food Storage and Warehousing                       | 1,72,76,14,000  | 53,92,97,994  | 2,91,68,14,631     | 64,99,02,637   |
| 22                   |  | 3456-Civil Supplies                                     | 16,44,12,000    | 20,08,33,596  | 36,63,89,417       | 11,43,821      |
| 23                   | 25-Road and Water Transport                                  | 2041-Taxes on Vehicles                                  | 10,32,31,000    | 11,55,74,000  | 31,27,10,011       | 9,39,05,011    |
| 24                   |  | 3452-Tourism  | 18,50,36,000    | 0             | 21,24,55,724       | 2,74,19,724    |

| Sl. No. | Grant   | Major Head  | Original        | Supplementary   | Actual Expenditure | Excess         |
|---------|---|---|-----------------|-----------------|--------------------|----------------|
| 25      | 27-Labour Employment and Training                           | 2059-Public Works   | 57,77,000       | 0               | 67,75,000          | 9,98,000       |
| 26      |   | 2203-Technical Education  | 86,51,62,000    | 9,59,27,000     | 97,84,83,542       | 1,73,94,542    |
| 27      |   | 2225-Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities | 70,00,000       | 0               | 1,03,38,000        | 33,38,000      |
| 28      | 28-Urban Development, Town and Country Planning and Housing | 2217-Urban Development  | 5,77,45,43,000  | 1,62,58,15,526  | 8,17,41,25,265     | 77,37,66,739   |
| 29      | 29-Finance  | 2071-Pensions and Other Retirement Benefits   | 77,90,20,01,000 | 12,60,64,77,000 | 92,83,86,86,379    | 2,33,02,08,379 |
| 30      | 30-Miscellaneous General Services                           | 2059-Public Works   | 12,34,000       | 0               | 17,34,000          | 5,00,000       |
| 31      |   | 2202-General Education  | 4,44,96,000     | 6,78,000        | 4,87,71,780        | 35,97,780      |
| 32      |   | 2205-Art and Culture  | 13,21,48,000    | 4,06,63,000     | 19,40,79,343       | 2,12,68,343    |
| 33      |   | 2220-Information and Publicity  | 69,06,70,000    | 21,43,11,134    | 90,59,98,942       | 10,17,808      |
| 34      | 31-Tribal Development                                       | 2014-Administration of Justice  | 3,74,59,000     | 1,000           | 3,81,90,798        | 7,30,798       |
| 35      |   | 2015-Elections  | 1,80,06,000     | 1,000           | 4,73,03,314        | 2,92,96,314    |
| 36      |   | 2045-Other Taxes and Duties on Commodities and Services                                   | 1,21,64,000     | 0               | 1,31,30,847        | 9,66,847       |
| 37      |   | 2053-District Administration  | 34,65,31,000    | 1,000           | 48,33,90,574       | 13,68,58,574   |
| 38      |   | 2055-Police   | 79,59,79,000    | 1,000           | 79,72,64,735       | 12,84,735      |
| 39      |   | 2062-Vigilance  | 1,97,81,000     | 1,000           | 2,40,69,171        | 42,87,171      |
| 40      |   | 2070-Other Administrative Services  | 4,05,99,000     | 1,000           | 7,82,38,059        | 3,76,38,059    |
| 41      |   | 2216-Housing  | 4,74,60,000     | 0               | 7,73,82,703        | 2,99,22,703    |
| 42      |   | 2220-Information and Publicity  | 1,64,90,000     | 0               | 2,02,59,139        | 37,69,139      |
| 43      |   | 2225-Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities | 6,28,78,000     | 0               | 7,71,52,119        | 1,42,74,119    |
| 44      |   | 2404-Dairy Development  | 2,82,00,000     | 0               | 3,17,00,000        | 35,00,000      |
| 45      |   | 2405-Fisheries  | 2,12,49,000     | 0               | 3,51,06,443        | 1,38,57,443    |
| 46      |   | 2408-Food Storage and Warehousing   | 24,34,04,000    | 0               | 24,47,12,670       | 13,08,670      |
| 47      |   | 2425-Co-Operation   | 1,75,57,000     | 0               | 1,81,37,009        | 5,80,009       |
| 48      |   | 2501-Special Programmes for Rural Development   | 17,41,00,000    | 2,000           | 22,06,91,112       | 4,65,89,112    |
| 49      |   | 2515-Other Rural Development Programmes   | 48,38,42,000    | 4,34,11,000     | 60,43,94,979       | 7,71,41,979    |
| 50      | 2801-Power  | 63,24,00,000  | 20,87,39,015    | 1,11,19,33,000  | 27,07,93,985       |                |

| Sl. No.              | Grant  | Major Head  | Original       | Supplementary  | Actual Expenditure | Excess         |
|----------------------|--|---|----------------|----------------|--------------------|----------------|
| 51                   |  | 2851-Village and Small Industries                   | 10,93,97,000   | 0              | 11,15,71,363       | 21,74,363      |
| 52                   |  | 3055-Road Transport                                 | 27,65,00,000   | 0              | 48,84,00,000       | 21,19,00,000   |
| 53                   |  | 3452-Tourism  | 1,15,88,000    | 0              | 5,37,83,987        | 4,21,95,987    |
| 54                   |  | 3454-Census Surveys and Statistics                  | 56,58,000      | 0              | 57,39,882          | 81,882         |
| 55                   |  | 3475-Other General Economic Services                | 8,38,000       | 0              | 10,41,106          | 2,03,106       |
| 56                   | 32-Scheduled Caste Sub Plan                                  | 2205-Art and Culture                                | 2,51,00,000    | 0              | 3,64,97,556        | 1,13,97,556    |
| 57                   |  | 2404-Dairy Development                              | 7,71,00,000    | 97,88,464      | 8,70,76,000        | 1,87,536       |
| 58                   |  | 2405-Fisheries                                      | 3,20,00,000    | 0              | 4,52,15,626        | 1,32,15,626    |
| 59                   |  | 2801-Power  | 1,28,47,10,000 | 1,33,96,07,000 | 2,62,69,60,000     | 26,43,000      |
| <b>Capital-voted</b> |  |   |                |                |                    |                |
| 60                   | 4-General Administration                                     | 4235-Capital Outlay on Social Security and Welfare  | 0              | 1,000          | 1,20,44,000        | 1,20,43,000    |
| 61                   | 5-Land Revenue and District Administration                   | 4059-Capital Outlay on Public Works                 | 13,68,00,000   | 48,20,09,000   | 72,15,68,700       | 10,27,59,700   |
| 62                   | 7-Police and Allied Organisations                            | 4055-Capital Outlay on Police                       | 44,59,82,000   | 14,69,000      | 70,56,69,209       | 25,82,18,209   |
| 63                   | 9-Health and Family Welfare                                  | 4210-Capital Outlay on Medical and Public Health    | 90,42,00,000   | 2,38,26,39,000 | 4,85,86,42,145     | 1,57,18,03,145 |
| 64                   | 10-Public Works - Roads, Bridges and Buildings               | 4059-Capital Outlay on Public Works                 | 20,98,00,000   | 21,86,27,000   | 49,46,95,229       | 6,62,68,229    |
| 65                   | 11-Agriculture   | 4402-Capital Outlay on Soil and Water Conservation  | 12,55,00,000   | 0              | 13,28,95,055       | 73,95,055      |
| 66                   | 12-Horticulture  | 4401-Capital Outlay on Crop Husbandry               | 7,43,10,000    | 0              | 9,66,61,267        | 2,23,51,267    |
| 67                   | 13-Irrigation, Water Supply And Sanitation                   | 4215-Capital Outlay on Water Supply and Sanitation  | 2,46,90,00,000 | 2,43,81,50,000 | 5,10,31,81,013     | 19,60,31,013   |
| 68                   |  | 4711-Capital Outlay on Flood Control Projects       | 11,99,00,000   | 8,19,21,000    | 21,26,91,676       | 1,08,70,676    |
| 69                   | 14-Animal Husbandry, Dairy Development and Fisheries         | 4403-Capital Outlay on Animal Husbandry             | 9,88,00,000    | 33,96,000      | 10,61,95,000       | 39,99,000      |
| 70                   | 15-Planning and Backward Area Sub Plan                       | 4702-Capital Outlay on Minor Irrigation             | 60,00,000      | 0              | 80,67,740          | 20,67,740      |
| 71                   |  | 5054-Capital Outlay on Roads and Bridges            | 40,00,00,000   | 0              | 45,81,36,160       | 5,81,36,160    |
| 72                   | 18-Industries, minerals, Supplies and Information Technology | 4851-Capital Outlay on Village and Small Industries | 32,75,00,000   | 1,52,72,00,000 | 1,87,32,98,571     | 1,85,98,571    |

| Sl. No. | Grant   | Major Head  | Original     | Supplementary  | Actual Expenditure | Excess       |
|---------|---|---|--------------|----------------|--------------------|--------------|
| 73      | 20-Rural Development  | 4216-Capital Outlay on Housing                            | 0            | 31,44,000      | 50,44,000          | 19,00,000    |
| 74      |   | 4515-Capital Outlay on Other Rural Development Programme  | 14,85,00,000 | 0              | 15,00,74,140       | 15,74,140    |
| 75      | 21-Cooperation  | 6425-Loans for Co-Operation                               | 1,99,000     | 0              | 5,27,23,000        | 5,25,24,000  |
| 76      | 23-Power Development  | 6801-Loans for Power Projects                             | 36,19,00,000 | 0              | 97,03,70,000       | 60,84,70,000 |
| 77      | 25-Road And Water Transport                                 | 5002-Capital Outlay on Indian Railways-Commercial Lines   | 18,48,00,000 | 1,28,71,00,000 | 2,11,65,55,000     | 64,46,55,000 |
| 78      | 26-Tourism And Civil Aviation                               | 5452-Capital Outlay on Tourism                            | 34,91,00,000 | 0              | 67,11,95,892       | 32,20,95,892 |
| 79      | 27-Labour Employment and Training                           | 4202-Capital Outlay on Education, Sports, Art and Culture | 62,48,00,000 | 13,12,94,646   | 81,91,00,400       | 6,30,05,754  |
| 80      | 28-Urban Development, Town and Country Planning and Housing | 4217-Capital Outlay on Urban Development                  | 47,19,00,000 | 45,00,00,000   | 1,16,24,12,347     | 24,05,12,347 |
| 81      | 30-Miscellaneous General Services                           | 4202-Capital Outlay on Education, Sports, Art and Culture | 37,80,00,000 | 5,20,84,000    | 44,56,13,662       | 1,55,29,662  |
| 82      | 31-Tribal Development                                       | 4059-Capital Outlay on Public Works                       | 8,02,00,000  | 0              | 12,64,55,341       | 4,62,55,341  |
| 83      |   | 4202-Capital Outlay on Education, Sports, Art and Culture | 15,21,00,000 | 1,000          | 32,82,44,800       | 17,61,43,800 |
| 84      |   | 4210-Capital Outlay on Medical and Public Health          | 17,27,50,000 | 4,000          | 20,80,52,900       | 3,52,98,900  |
| 85      |   | 4235-Capital Outlay on Social Security and Welfare        | 24,00,000    | 1,000          | 3,80,00,000        | 3,55,99,000  |
| 86      |   | 4403-Capital Outlay on Animal Husbandry                   | 1,37,00,000  | 0              | 1,37,82,881        | 82,881       |
| 87      |   | 4406-Capital Outlay on forestry and Wild Life             | 4,00,00,000  | 0              | 6,71,83,683        | 2,71,83,683  |
| 88      |   | 4425-Capital Outlay on Co-Operation                       | 2,00,000     | 0              | 4,50,000           | 2,50,000     |
| 89      |   | 4515-Capital Outlay on Other Rural Development Programme  | 10,90,00,000 | 0              | 19,86,31,000       | 8,96,31,000  |
| 90      |   | 4711-Capital Outlay on Flood Control Projects             | 5,30,00,000  | 0              | 6,66,07,980        | 1,36,07,980  |
| 91      |   | 4851-Capital Outlay on Village and Small Industries       | 10,50,000    | 0              | 14,50,000          | 4,00,000     |
| 92      |   | 5055-Capital Outlay on Road Transport                     | 8,32,00,000  | 0              | 22,49,79,000       | 14,17,79,000 |
| 93      |   | 5452-Capital Outlay on Tourism                            | 5,50,00,000  | 1,000          | 9,20,59,000        | 3,70,58,000  |

| Sl. No.                | Grant                                      | Major Head  | Original       | Supplementary | Actual Expenditure | Excess       |
|------------------------|--|---|----------------|---------------|--------------------|--------------|
| 94                     | 32-Scheduled Caste Sub Plan                | 4202-Capital Outlay on Education, Sports, Art and Culture   | 65,94,00,000   | 1,000         | 71,19,84,300       | 5,25,83,300  |
| 95                     |  | 4210-Capital Outlay on Medical and Public Health  | 38,18,00,000   | 4,000         | 40,60,25,328       | 2,42,21,328  |
| 96                     |  | 4215-Capital Outlay on Water Supply and Sanitation  | 1,71,61,00,000 | 0             | 2,07,06,38,902     | 35,45,38,902 |
| 97                     |  | 4217-Capital Outlay on Urban Development  | 15,11,00,000   | 0             | 23,22,00,000       | 8,11,00,000  |
| 98                     |  | 4225-Capital Outlay on Welfare Of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities | 4,04,00,000    | 0             | 5,00,77,000        | 96,77,000    |
| 99                     |  | 4401-Capital Outlay on Crop Husbandry   | 3,90,00,000    | 0             | 4,06,00,000        | 16,00,000    |
| 100                    |  | 5055-Capital Outlay on Road Transport   | 29,07,00,000   | 0             | 54,76,02,500       | 25,69,02,500 |
| <b>Revenue-Charged</b> |  |   |                |               |                    |              |
| 101                    | 8-Education                                | 2202-General Education  | 0              | 22,77,651     | 42,77,651          | 20,00,000    |
| 102                    | 29-Finance                                 | 2054-Treasury and Accounts Administration   | 0              | 1,000         | 5,13,434           | 5,12,434     |
| <b>Capital-Charged</b> |  |   |                |               |                    |              |
| 103                    | 13-Irrigation, Water Supply and Sanitation | 4215-Capital Outlay on Water Supply and Sanitation  | 0              | 6,58,000      | 6,58,365           | 365          |
| 104                    |  | 4711-Capital Outlay on Flood Control Projects   | 0              | 22,41,01,000  | 22,41,01,911       | 911          |

## Appendix-3.9

(Reference: Paragraph 3.4.4)

## Major scheme wise budget and utilisation

(in ₹)

| Sl. No. | Grant No. | Name of Scheme  | Original     | Supplementary | Actual Expenditure |
|---------|-----------|---|--------------|---------------|--------------------|
| 1       | 5         | Expenditure on Natural Disaster Contingency Plans in Disaster Prone Areas                             | 95,20,00,000 | 0             | 0                  |
| 2       | 6         | Revenue Enhancement and Capacity Augmentation Project   | 0            | 2,00,00,000   | 0                  |
| 3       | 8         | Atal School Vardi Yojna   | 9,87,00,000  | 0             | 0                  |
| 4       | 8         | Scholarship For Economically Backward Classes General Students  | 2,45,00,000  | 0             | 0                  |
| 5       | 8         | Swaran Jayanti Digital Initiatives/Vidyarthi Anushikshan Yojana                                       | 3,29,00,000  | 0             | 0                  |
| 6       | 8         | Swaran Jayanti Super 100 Yojna  | 3,29,00,000  | 0             | 0                  |
| 7       | 8         | Swasth Bachpan  | 2,20,00,000  | 0             | 0                  |
| 8       | 10        | Swaran Jayanti Gram Sadak Rakh Rakhav   | 10,00,00,000 | 0             | 0                  |
| 9       | 11        | Paramparagat Krishi Vikas Yojna   | 10,07,00,000 | 0             | 0                  |
| 10      | 11        | Rashtriya Krishi Vikas Yojna  | 18,23,00,000 | 0             | 0                  |
| 11      | 12        | Anti Hail Net Structure   | 8,40,00,000  | 0             | 0                  |
| 12      | 12        | Pradhan Mantri Krishi Sinchayee Yojna (PMKSY)   | 9,60,00,000  | 0             | 0                  |
| 13      | 12        | Sub-Mission on Agriculture Mechanization  | 7,33,00,000  | 0             | 0                  |
| 14      | 12        | Swaran Jayanti Samridh Bagwaan  | 3,75,00,000  | 0             | 0                  |
| 15      | 13        | Diversion Scheme F.I.S. Under in Various Distt. Pradhan Mantri Krishi (AIBP)                          | 35,99,60,000 | 0             | 0                  |
| 16      | 13        | Pw Misc. Advance  | 1,87,17,000  | 0             | 0                  |
| 17      | 15        | Atal Vardi Yojna  | 6,12,00,000  | 0             | 0                  |
| 18      | 15        | District Innovation Fund Under Thirteenth Finance Commission  | 3,00,00,000  | 0             | 0                  |
| 19      | 16        | Collection and Removal of Chil Pine from Forest & Investment Subsidy for Pine Needle Based Industries | 1,87,00,000  | 0             | 0                  |
| 20      | 16        | Implementation of National Afforestation Programme by State Forest Development Agency                 | 3,30,00,000  | 0             | 0                  |
| 21      | 19        | Construction of Sukh Ashray Bhawan  | 0            | 58,43,00,000  | 0                  |
| 22      | 19        | Grant for Mukhya Mantri Sukh Ashray Kosh  | 0            | 33,67,90,313  | 0                  |
| 23      | 19        | Pensioners of Funds Reserve with Finance Department   | 57,61,00,000 | 0             | 0                  |
| 24      | 20        | Health Assistance to Gram Panchayat Under 15 <sup>th</sup> Finance Commission                         | 64,80,60,000 | 0             | 0                  |
| 25      | 20        | Health Assistance to Panchayat Samitis Under 15 <sup>th</sup> Finance Commission                      | 13,88,70,000 | 0             | 0                  |
| 26      | 20        | Health Assistance to Zila Parishads under 15 <sup>th</sup> Finance Commission                         | 13,88,70,000 | 0             | 0                  |

| Sl. No. | Grant No. | Name of Scheme   | Original     | Supplementary | Actual Expenditure |
|---------|-----------|--|--------------|---------------|--------------------|
| 27      | 25        | Construction of Regional Transport Officer Buildings   | 1,50,00,000  | 0             | 0                  |
| 28      | 25        | Construction of Driving Training Test Track  | 3,50,00,000  | 0             | 0                  |
| 29      | 28        | Health Assistance to Nagar Nigams Under 15 <sup>th</sup> Finance Commission                        | 2,43,30,000  | 0             | 0                  |
| 30      | 28        | Health Assistance to Nagar Palika Under 15 <sup>th</sup> Finance Commission                        | 2,36,52,000  | 0             | 0                  |
| 31      | 28        | Smart City Mission   | 74,80,00,000 | 0             | 0                  |
| 32      | 31        | Anti Hail Net (Horticulture)   | 1,45,00,000  | 0             | 0                  |
| 33      | 31        | Atal School Vardi Yojna  | 1,35,00,000  | 0             | 0                  |
| 34      | 31        | Atal Vardi Yojna   | 3,05,00,000  | 0             | 0                  |
| 35      | 31        | Construction of General Pool Accommodation of General Administrative Department                    | 1,17,00,000  | 0             | 0                  |
| 36      | 31        | Construction of Railway Lines  | 10,00,00,000 | 1,000         | 0                  |
| 37      | 31        | Construction of Roads Under Central Road Fund  | 9,90,00,000  | 0             | 0                  |
| 38      | 31        | Development Airports and Heliports   | 81,50,00,000 | 0             | 0                  |
| 39      | 31        | Expenditure on Minor Irrigation Scheme (A.I.B.P.)  | 4,30,00,000  | 0             | 0                  |
| 40      | 31        | Grants Under Article 275 (1) of the Constitution   | 15,00,00,000 | 0             | 0                  |
| 41      | 31        | Helicopter Facility to Tribal Areas  | 6,75,00,000  | 0             | 0                  |
| 42      | 31        | Integrated Development Project for Source Sustainability and Climate Resilient Rainfed Agriculture | 1,73,00,000  | 0             | 0                  |
| 43      | 31        | Loan to Hp Transmission and Distribution Corporation   | 28,63,00,000 | 0             | 0                  |
| 44      | 31        | Mukhya Mantri Aashirwad Yojna  | 1,35,00,000  | 0             | 0                  |
| 45      | 31        | Mukhya Mantri Khet Sanrakshan Yojna  | 3,60,00,000  | 0             | 0                  |
| 46      | 31        | National Mission for Green India   | 1,71,00,000  | 0             | 0                  |
| 47      | 31        | National Rurban Mission  | 2,55,00,000  | 0             | 0                  |
| 48      | 31        | Post Metric Scholarship to Scheduled Tribes Students   | 7,50,00,000  | 0             | 0                  |
| 49      | 31        | Pradhan Mantri Sinchayee Yojana-Har Khet Ko Pani   | 8,01,00,000  | 0             | 0                  |
| 50      | 31        | Rashtriya Krishi Vikas Yojna (Krishi)  | 2,49,00,000  | 0             | 0                  |
| 51      | 31        | Rashtriya Uchhtar Shiksha Abhiyan  | 1,89,00,000  | 0             | 0                  |
| 52      | 31        | Rashtriya Gram Swaraj Abhiyan (RGSA)   | 1,93,00,000  | 0             | 0                  |
| 53      | 31        | World Bank Assisted Integrated Financial Management System (Eap)                                   | 1,62,00,000  | 0             | 0                  |
| 54      | 32        | Anti Hail Net Structure  | 1,59,00,000  | 0             | 0                  |
| 55      | 32        | Atal School Vardi Yojna  | 3,78,00,000  | 0             | 0                  |
| 56      | 32        | Atal Vardi Yojna   | 8,53,00,000  | 0             | 0                  |
| 57      | 32        | Compensatory Afforestation (Cost and Payment of Net Present Value of Forest Dept.)                 | 5,04,00,000  | 0             | 0                  |
| 58      | 32        | Construction of Pooled Government Residential Accommodation of General Administration Department   | 3,27,00,000  | 0             | 0                  |

| Sl. No. | Grant No. | Name of Scheme   | Original       | Supplementary | Actual Expenditure |
|---------|-----------|--|----------------|---------------|--------------------|
| 59      | 32        | Construction of Driving Training Test Track                        | 1,50,00,000    | 0             | 0                  |
| 60      | 32        | Development of Airports/Heliports                                  | 2,78,65,00,000 | 0             | 0                  |
| 61      | 32        | Investment In Scheduled Caste Corporation                          | 4,00,00,000    | 0             | 0                  |
| 62      | 32        | Krishi Kosh  | 1,26,00,000    | 0             | 0                  |
| 63      | 32        | Krishi Utpadan Sanrakshan Yojna (Anti Hail Net Structure)          | 2,52,00,000    | 0             | 0                  |
| 64      | 32        | Mahatma Gandhi National Rural Employment Guarantee Scheme (MNREGA) | 12,60,00,000   | 0             | 0                  |
| 65      | 32        | Mukhya Mantri Khet Sanrakshan Yojna                                | 10,08,00,000   | 0             | 0                  |
| 66      | 32        | National Afforestation Programme (NAP)                             | 1,26,00,000    | 0             | 0                  |
| 67      | 32        | National Mission for Green India                                   | 4,78,00,000    | 0             | 0                  |
| 68      | 32        | National Rurban Mission  | 7,13,00,000    | 0             | 0                  |
| 69      | 32        | Pradhan Mantri Scheduled Castes Abhudya Yojna                      | 19,64,00,000   | 0             | 0                  |
| 70      | 32        | Rashtriya Krishi Vikas Yojna (Agriculture)                         | 6,98,00,000    | 0             | 0                  |
| 71      | 32        | Rashtriya Uchtar Shiksha Abhiyan (RUSA)                            | 5,29,00,000    | 0             | 0                  |
| 72      | 32        | Sawaran Jayanti Samridh Bagwan                                     | 1,25,00,000    | 0             | 0                  |
| 73      | 32        | Smart City Mission   | 25,20,00,000   | 0             | 0                  |
| 74      | 32        | State Mission for Food Processing Industry                         | 1,75,00,000    | 0             | 0                  |
| 75      | 32        | Sub Mission on Agriculture Mechanization (SMAM)                    | 2,80,00,000    | 0             | 0                  |
| 76      | 32        | Swaran Jayanti Digital Initiative/ Vidyarathi Anushikshan Yojna    | 1,26,00,000    | 0             | 0                  |
| 77      | 32        | Uttam Chara Utpadan Yojna  | 2,39,00,000    | 0             | 0                  |

**Appendix-3.10**

(Reference: Paragraph 3.4.4)

**Diversion of entire Budget Provisions**

(in ₹)

| Sl. No. | Grant No. | Name of Schemes   | Total Provision | Reappropriation | Surrender     | Revised outlay |
|---------|-----------|---|-----------------|-----------------|---------------|----------------|
| 1       | 5         | Expenditure on Natural Disaster Contingency Plans in Disaster Prone Areas                             | 95,20,00,000    | -95,20,00,000   | 0             | 0              |
| 2       | 8         | Atal School Vardi Yojna   | 9,87,00,000     | -4,80,28,000    | -5,06,72,000  | 0              |
| 3       | 8         | Scholarship for Economically Backward Classes General Students  | 2,45,00,000     | -2,45,00,000    | 0             | 0              |
| 4       | 8         | Swaran Jayanti Digital Initiatives/Vidyarthi Anushikshan Yojana                                       | 3,29,00,000     | -3,29,00,000    | 0             | 0              |
| 5       | 8         | Swaran Jayanti Super 100 Yojna  | 3,29,00,000     | 0               | -3,29,00,000  | 0              |
| 6       | 8         | Swasth Bachpan  | 2,20,00,000     | -2,20,00,000    | 0             | 0              |
| 7       | 10        | Swaran Jayanti Gram Sadak Rakh Rakhav   | 10,00,00,000    | 0               | -10,00,00,000 | 0              |
| 8       | 11        | Paramparagat Krishi Vikas Yojna   | 10,07,00,000    | 0               | -10,07,00,000 | 0              |
| 9       | 11        | Rashtriya Krishi Vikas Yojna  | 18,23,00,000    | -3,49,18,000    | -14,73,82,000 | 0              |
| 10      | 12        | Anti Hail Net Structure   | 8,40,00,000     | -8,40,00,000    | 0             | 0              |
| 11      | 12        | Pradhan Mantri Krishi Sinchayee Yojna (PMKSY)   | 9,60,00,000     | -9,60,00,000    | 0             | 0              |
| 12      | 12        | Sub-Mission on Agriculture Mechanization  | 7,33,00,000     | -7,33,00,000    | 0             | 0              |
| 13      | 12        | Swaran Jayanti Samridh Bagwaan  | 3,75,00,000     | -3,75,00,000    | 0             | 0              |
| 14      | 15        | Atal Vardi Yojna  | 6,12,00,000     | 0               | -6,12,00,000  | 0              |
| 15      | 16        | Collection and Removal of Chil Pine from Forest & Investment Subsidy for Pine Needle Based Industries | 1,87,00,000     | -96,16,812      | -90,83,188    | 0              |
| 16      | 16        | Implementation of National Afforestation Programme by State Forest Development Agency                 | 3,30,00,000     | 0               | -3,30,00,000  | 0              |
| 17      | 19        | Pensioners of Funds Reserve with Finance Department   | 57,61,00,000    | -57,61,00,000   | 0             | 0              |
| 18      | 25        | Construction of Regional Transport officer Buildings  | 1,50,00,000     | -1,50,00,000    | 0             | 0              |
| 19      | 28        | Smart City Mission  | 74,80,00,000    | -74,80,00,000   | 0             | 0              |
| 20      | 31        | Anti Hail Net (Horticulture)  | 1,45,00,000     | -1,45,00,000    | 0             | 0              |

| Sl. No. | Grant No. | Name of Schemes  | Total Provision | Reappropriation | Surrender      | Revised outlay |
|---------|-----------|--|-----------------|-----------------|----------------|----------------|
| 21      | 31        | Atal School Vardi Yojna  | 1,35,00,000     | 0               | -1,35,00,000   | 0              |
| 22      | 31        | Atal Vardi Yojna   | 3,05,00,000     | 0               | -3,05,00,000   | 0              |
| 23      | 31        | Construction of General Pool Accommodation of General Administrative Department                    | 1,17,00,000     | 0               | -1,17,00,000   | 0              |
| 24      | 31        | Construction of Roads Under Central Road Fund  | 9,90,00,000     | 0               | -9,90,00,000   | 0              |
| 25      | 31        | Development Airports and Heliports   | 81,50,00,000    | -81,50,00,000   | 0              | 0              |
| 26      | 31        | Grants Under Article 275 (1) of The Constitution   | 15,00,00,000    | -15,00,00,000   | 0              | 0              |
| 27      | 31        | Helicopter Facility to Tribal Areas  | 6,75,00,000     | -6,75,00,000    | 0              | 0              |
| 28      | 31        | Integrated Development Project for Source Sustainability and Climate Resilient Rainfed Agriculture | 1,73,00,000     | -1,73,00,000    | 0              | 0              |
| 29      | 31        | Mukhya Mantri Khet Sanrakshan Yojna  | 3,60,00,000     | -3,60,00,000    | 0              | 0              |
| 30      | 31        | National Rurban Mission  | 2,55,00,000     | -2,55,00,000    | 0              | 0              |
| 31      | 31        | Post Metric Scholarship to Scheduled Tribes Students   | 7,50,00,000     | -7,50,00,000    | 0              | 0              |
| 32      | 32        | Anti Hail Net Structure  | 1,59,00,000     | -1,59,00,000    | 0              | 0              |
| 33      | 32        | Atal School Vardi Yojna  | 3,78,00,000     | -3,78,00,000    | 0              | 0              |
| 34      | 32        | Atal Vardi Yojna   | 8,53,00,000     | -8,53,00,000    | 0              | 0              |
| 35      | 32        | Compensatory Afforestation (Cost and Payment of Net Present Value of Forest Dept.)                 | 5,04,00,000     | -5,04,00,000    | 0              | 0              |
| 36      | 32        | Construction of Pooled Government Residential Accommodation of General Administration Department   | 3,27,00,000     | -25,00,000      | -3,02,00,000   | 0              |
| 37      | 32        | Development of Airports/Heliports  | 2,78,65,00,000  | -78,09,03,100   | 2,00,55,96,900 | 0              |
| 38      | 32        | Investment in Scheduled Caste Corporation  | 4,00,00,000     | -4,00,00,000    | 0              | 0              |
| 39      | 32        | Krishi Kosh  | 1,26,00,000     | -1,26,00,000    | 0              | 0              |
| 40      | 32        | Krishi Utpadan Sanrakshan Yojna (Anti Hail Net Structure)  | 2,52,00,000     | -2,52,00,000    | 0              | 0              |
| 41      | 32        | Mahatma Gandhi National Rural Employment Guarantee Scheme (MNREGA)                                 | 12,60,00,000    | -1,43,95,000    | -11,16,05,000  | 0              |
| 42      | 32        | Mukhya Mantri Khet Sanrakshan Yojna  | 10,08,00,000    | -10,08,00,000   | 0              | 0              |

| <b>Sl. No.</b> | <b>Grant No.</b> | <b>Name of Schemes</b>  | <b>Total Provision</b> | <b>Reappropriation</b> | <b>Surrender</b> | <b>Revised outlay</b> |
|----------------|------------------|---|------------------------|------------------------|------------------|-----------------------|
| 43             | 32               | National Afforestation Programme (NAP)                          | 1,26,00,000            | 0                      | -1,26,00,000     | 0                     |
| 44             | 32               | National Mission for Green India                                | 4,78,00,000            | 0                      | -4,78,00,000     | 0                     |
| 45             | 32               | National Rurban Mission   | 7,13,00,000            | -7,13,00,000           | 0                | 0                     |
| 46             | 32               | Rashtriya Krishi Vikas Yojna (Agriculture)                      | 6,98,00,000            | 0                      | -6,98,00,000     | 0                     |
| 47             | 32               | Swaran Jayanti Samridh Bagwan                                   | 1,25,00,000            | -1,25,00,000           | 0                | 0                     |
| 48             | 32               | Smart City Mission  | 25,20,00,000           | -25,20,00,000          | 0                | 0                     |
| 49             | 32               | Sub Mission on Agriculture Mechanization (SMAM)                 | 2,80,00,000            | -2,54,05,000           | -25,95,000       | 0                     |
| 50             | 32               | Swaran Jayanti Digital Initiative/ Vidharathi Anushikshan Yojna | 1,26,00,000            | -1,26,00,000           | 0                | 0                     |
| 51             | 32               | Uttam Chara Utpadan Yojna                                       | 2,39,00,000            | -2,39,00,000           | 0                | 0                     |

## Appendix-3.11

(Reference: Paragraph 3.4.5)

## Rush of expenditure Major-Head-wise

(in ₹)

| Sr. No. | Major - Head | Description  | Expenditure of 4 <sup>th</sup> Quarter | Total expenditure during 2022-23 | Expenditure during March 2023 | Expenditure in 4 <sup>th</sup> Quarter as percentage of total expenditure | Expenditure in March 2023 as percentage of total expenditure |
|---------|--------------|--|--|----------------------------------|-------------------------------|---|--|
| 1       | 2040         | Taxes on Sales, Trade Etc.   | 19,51,22,730                           | 31,13,91,151                     | 6,44,85,747                   | 62.66   | 20.71  |
| 2       | 2043         | Collection Charges Under States Goods and Services Tax   | 2,75,74,576                            | 4,37,79,222                      | 2,69,18,304                   | 62.99   | 61.49  |
| 3       | 2405         | Fisheries  | 17,79,10,182                           | 34,88,39,539                     | 14,41,69,767                  | 51.00   | 41.33  |
| 4       | 2852         | Industries   | 26,75,40,041                           | 48,45,18,940                     | 25,79,46,703                  | 55.22   | 53.24  |
| 5       | 3053         | Civil Aviation   | 1,90,87,670                            | 3,42,56,309                      | 1,07,54,873                   | 55.72   | 31.40  |
| 6       | 3056         | Inland Water Transport   | 2,18,496                               | 2,18,496                         | 55,529                        | 100.00  | 25.41  |
| 7       | 4058         | Capital Outlay on Printing and Stationery  | 1,06,18,318                            | 1,22,42,881                      | 1,06,18,318                   | 86.73   | 86.73  |
| 8       | 4070         | Capital Outlay on Other Administrative Services  | 11,16,03,880                           | 16,96,93,466                     | 9,41,23,080                   | 65.77   | 55.47  |
| 9       | 4210         | Capital Outlay on Medical and Public Health  | 3,57,83,41,655                         | 5,51,63,53,080                   | 2,84,16,18,076                | 64.87   | 51.51  |
| 10      | 4216         | Capital Outlay on Housing  | 22,65,46,521                           | 34,08,40,113                     | 17,12,32,335                  | 66.47   | 50.24  |
| 11      | 4217         | Capital Outlay on Urban Development  | 78,34,88,706                           | 1,39,46,12,347                   | 71,16,21,484                  | 56.18   | 51.03  |
| 12      | 4225         | Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities | 6,25,77,000                            | 6,44,33,810                      | 5,00,38,500                   | 97.12   | 77.66  |
| 13      | 4235         | Capital Outlay on Social Security and Welfare  | 3,93,47,000                            | 5,25,44,000                      | 3,93,47,000                   | 74.88   | 74.88  |
| 14      | 4402         | Capital Outlay on Soil and Water Conservation  | 13,63,19,566                           | 19,15,09,560                     | 9,53,54,041                   | 71.18   | 49.79  |
| 15      | 4406         | Capital Outlay on Forestry and Wildlife  | 12,67,22,259                           | 19,67,60,681                     | 10,42,61,451                  | 64.40   | 52.99  |
| 16      | 4408         | Capital Outlay on Food Storage and Warehousing   | 8,04,998                               | 12,35,998                        | 5,56,998                      | 65.13   | 45.06  |
| 17      | 4425         | Capital Outlay on Co-Operation   | 8,02,000                               | 15,62,000                        | 5,73,000                      | 51.34   | 36.68  |
| 18      | 4702         | Capital Outlay on Minor Irrigation   | 1,07,86,89,911                         | 2,08,55,16,332                   | 77,79,73,274                  | 51.72   | 37.30  |
| 19      | 4711         | Capital Outlay on Flood Control Projects   | 35,00,61,049                           | 55,71,32,943                     | 27,01,07,107                  | 62.83   | 48.48  |

| <b>Sr. No.</b> | <b>Major - Head</b> | <b>Description</b>                                 | <b>Expenditure of 4<sup>th</sup> Quarter</b> | <b>Total expenditure during 2022-23</b> | <b>Expenditure during March 2023</b> | <b>Expenditure in 4<sup>th</sup> Quarter as percentage of total expenditure</b> | <b>Expenditure in March 2023 as percentage of total expenditure</b> |
|----------------|---------------------|--|--|---|--------------------------------------|---|---|
| 20             | 4851                | Capital Outlay on Village and Small Industries     | 1,77,76,31,242                               | 1,98,28,49,031                          | 1,76,85,97,467                       | 89.65   | 89.19   |
| 21             | 5002                | Capital Outlay on Indian Railways-Commercial Lines | 1,93,17,55,000                               | 2,33,16,55,000                          | 62,94,55,000                         | 82.85   | 27.00   |
| 22             | 6425                | Loans for Co-Operation                             | 5,27,23,000                                  | 5,27,23,000                             | 5,27,23,000                          | 100.00  | 100.00  |

## Appendix-3.12

(Reference: Paragraph 3.4.5)

## The quarterly details of expenditures incurred across all Grants

(` in crore)

| Grant No.  | Allocation during 2022-23 | 1 <sup>st</sup> Quarter | 2 <sup>nd</sup> Quarter | 3 <sup>rd</sup> Quarter | 4 <sup>th</sup> Quarter | In March | Total expenditure during 2022-23 | Expenditure in 4 <sup>th</sup> Quarter as percentage of total expenditure | Expenditure in March 2023 as percentage of total expenditure |
|--|---------------------------|-------------------------|-------------------------|-------------------------|-------------------------|----------|----------------------------------|---|--|
| 01 Vidhan Sabha  | 51.16                     | 12.71                   | 13.02                   | 10.41                   | 13.79                   | 6.34     | 49.93                            | 27.63   | 12.69  |
| 02 Governor and Council of Ministers                         | 30.84                     | 7.31                    | 7.00                    | 7.46                    | 8.52                    | 4.78     | 30.28                            | 28.14   | 15.79  |
| 03 Administration of Justice                                 | 346.61                    | 64.75                   | 59.73                   | 83.09                   | 91.31                   | 30.89    | 298.88                           | 30.55   | 10.34  |
| 04 General Administration                                    | 320.33                    | 56.57                   | 66.03                   | 111.16                  | 83.16                   | 36.08    | 316.91                           | 26.24   | 11.38  |
| 05 Land Revenue and District Administration                  | 2,094.84                  | 205.04                  | 965.84                  | 269.41                  | 389.66                  | 229.38   | 1,829.94                         | 21.29   | 12.53  |
| 06 Excise and Taxation                                       | 145.77                    | 23.98                   | 27.02                   | 34.14                   | 47.57                   | 20.12    | 132.72                           | 35.84   | 15.16  |
| 07 Police and Allied Organisations                           | 1,740.53                  | 444.77                  | 401.45                  | 450.98                  | 444.85                  | 177.30   | 1,742.05                         | 25.54   | 10.18  |
| 08 Education   | 8,056.53                  | 1,717.36                | 1,780.21                | 2,274.70                | 2,162.24                | 959.93   | 7,934.52                         | 27.25   | 12.10  |
| 09 Health and Family Welfare                                 | 3,276.68                  | 793.52                  | 726.21                  | 662.26                  | 1,044.35                | 535.63   | 3,226.33                         | 32.37   | 16.60  |
| 10 Public Works - Roads, Bridges and Buildings               | 5,046.35                  | 763.02                  | 886.20                  | 873.53                  | 1,907.68                | 1,228.65 | 4,430.43                         | 43.06   | 27.73  |
| 11 Agriculture   | 519.42                    | 90.12                   | 97.78                   | 112.22                  | 162.67                  | 60.62    | 462.80                           | 35.15   | 13.10  |
| 12 Horticulture  | 604.62                    | 154.93                  | 113.71                  | 110.58                  | 226.54                  | 140.90   | 605.77                           | 37.40   | 23.26  |
| 13 Irrigation, Water Supply and Sanitation                   | 3,522.17                  | 668.40                  | 634.72                  | 806.50                  | 1,336.40                | 818.39   | 3,446.02                         | 38.78   | 23.75  |
| 14 Animal Husbandry, Dairy Development and Fisheries         | 463.94                    | 110.37                  | 106.35                  | 128.91                  | 120.47                  | 47.08    | 466.10                           | 25.85   | 10.10  |
| 15 Planning and Backward Area Sub Plan                       | 573.71                    | 81.32                   | 184.13                  | 69.94                   | 50.07                   | 35.17    | 385.46                           | 12.99   | 9.12   |
| 16 Forest and Wildlife                                       | 821.58                    | 112.32                  | 170.61                  | 171.23                  | 276.57                  | 154.42   | 730.74                           | 37.85   | 21.13  |
| 17 Election  | 103.62                    | 9.62                    | 20.57                   | 24.46                   | 51.67                   | 32.86    | 106.32                           | 48.60   | 30.91  |
| 18 Industries, Minerals, Supplies and Information Technology | 406.73                    | 28.37                   | 77.49                   | 29.54                   | 277.11                  | 241.83   | 412.51                           | 67.18   | 58.62  |
| 19 Social Justice and Empowerment                            | 1,588.10                  | 318.37                  | 377.75                  | 367.68                  | 397.46                  | 123.34   | 1,461.25                         | 27.20   | 8.44   |
| 20 Rural Development   | 1,787.10                  | 436.10                  | 354.19                  | 462.46                  | 414.67                  | 316.79   | 1,667.43                         | 24.87   | 19.00  |
| 21 Co-Operation  | 45.42                     | 9.20                    | 9.03                    | 11.09                   | 21.30                   | 15.55    | 50.61                            | 42.08   | 30.72  |
| 22 Food and Civil Supplies                                   | 267.08                    | 68.37                   | 38.26                   | 94.21                   | 131.31                  | 119.48   | 332.15                           | 39.53   | 35.97  |

**State Finances Audit Report for the year ended 31 March 2023**

| Grant No.   | Allocation during 2022-23 | 1 <sup>st</sup> Quarter | 2 <sup>nd</sup> Quarter | 3 <sup>rd</sup> Quarter | 4 <sup>th</sup> Quarter | In March         | Total expenditure during 2022-23 | Expenditure in 4 <sup>th</sup> Quarter as percentage of total expenditure | Expenditure in March 2023 as percentage of total expenditure |
|---|---------------------------|-------------------------|-------------------------|-------------------------|-------------------------|------------------|----------------------------------|---|--|
| 23 Power Development  | 845.20                    | 142.76                  | 274.90                  | 217.26                  | 243.20                  | 228.53           | 878.12                           | 27.70   | 26.03  |
| 24 Printing and Stationery                                  | 41.14                     | 9.89                    | 7.68                    | 6.29                    | 16.81                   | 11.41            | 40.68                            | 41.34   | 28.04  |
| 25 Road and Water Transport                                 | 719.03                    | 164.75                  | 143.14                  | 134.00                  | 338.66                  | 125.93           | 780.55                           | 43.39   | 16.13  |
| 26 Tourism and Civil Aviation                               | 609.40                    | 24.64                   | 29.58                   | 39.21                   | 17.54                   | 6.00             | 110.98                           | 15.81   | 5.40   |
| 27 Labour Employment and Training                           | 520.76                    | 128.71                  | 88.44                   | 190.60                  | 99.05                   | 44.79            | 506.81                           | 19.54   | 8.84   |
| 28 Urban Development, Town and Country Planning and Housing | 998.88                    | 28.18                   | 369.18                  | 103.22                  | 508.15                  | 407.34           | 1,008.73                         | 50.38   | 40.38  |
| 29 Finance  | 25,674.86                 | 3,429.47                | 8,893.91                | 6,158.88                | 5,898.83                | 3,152.61         | 24,381.08                        | 24.19   | 12.93  |
| 30 Miscellaneous General Services                           | 189.72                    | 22.90                   | 43.43                   | 55.63                   | 70.07                   | 51.09            | 192.03                           | 36.49   | 26.61  |
| 31 Tribal Development                                       | 2,285.03                  | 427.50                  | 474.65                  | 484.32                  | 538.51                  | 361.39           | 1,924.97                         | 27.97   | 18.77  |
| 32 Scheduled Caste Sub Plan                                 | 4,035.94                  | 602.39                  | 908.93                  | 849.24                  | 1,159.69                | 755.66           | 3,520.26                         | 32.94   | 21.47  |
| <b>Grand total</b>  | <b>67,733.10</b>          | <b>11,157.70</b>        | <b>18,351.13</b>        | <b>15,404.61</b>        | <b>18,549.91</b>        | <b>10,480.28</b> | <b>63,463.35</b>                 | <b>29.23</b>  | <b>16.51</b>   |

## Appendix-4.1

(Reference: Paragraph 4.2)

## Funds transferred by GoI directly to State implementing agencies

| Sr. No. | Govt. of India Scheme   | Implementing Agency  | GoI releases (in ₹) |
|---------|---|--|---------------------|
| 1       | Transport/Freight Subsidy Scheme                                      | Himachal Pradesh State Industrial Development Corporation LTD  | 87,88,934           |
| 2       | Works under Roads Wing  | Sub Divisional Officer (Civil)-Cum-Competent Authority for Land Acquisition, Bhoranj                         | 11,96,37,889        |
|         |   | Sub Divisional Magistrate and Competent Authority for Land Acquisition Mandi                                 | 21,22,22,572        |
|         |   | Competent Authority for Land Acquisition Sarkaghat   | 21,83,53,413        |
|         |   | SDM Paonta Sahib cum Competent Authority for Land Acquisition (CALA)   | 19,28,57,781        |
|         |   | Competent Authority for Land Acquisition (CALA) Cum SDO (Civil) Nahan & Executive Engineer NH Division Nahan | 16,65,588           |
| 3       | Research Training and Studies and Other Road Safety Schemes           | Directorate of Transport Himachal Pradesh  | 2,00,00,000         |
| 4       | Schemes for differently Abled persons                                 | Director, Empowerment of SC's, OBC's, Minorities and the Specially Abled (ESOMSA)                            | 4,56,666            |
| 5       | Capacity Building for Service Providers                               | State Institute of Hotel Management, Dharamshala   | 16,09,028           |
| 6       | National Hydrology Project  | Himachal Pradesh Irrigation and Public Health Department   | 13,77,50,000        |
| 7       | Research and Development and Implementation of National Water Mission | Dr. Y.S. Parmar University of Horticulture and Forestry  | 7,55,744            |
| 8       | Member of Parliament Local Area Development Scheme (MPLAD)            | Deputy Commissioner Bilaspur   | 2,50,00,000         |
|         |   | Deputy Commissioner Hamirpur   | 2,00,00,000         |
|         |   | Deputy Commissioner Kangra   | 2,50,00,000         |
|         |   | Deputy Commissioner Mandi  | 2,50,00,000         |
|         |   | Deputy Commissioner Shimla   | 5,00,00,000         |
|         |   | Deputy Commissioner Sirmour  | 2,50,00,000         |
| 9       | Land Records Modernization Programme                                  | Himachal Pradesh Project Management Unit   | 1,04,44,000         |
|         |   | Himachal Pradesh Project Management Unit   | 6,25,000            |
| 10      | Incentivisation of Panchayat  | Block Bilaspur Sadar   | 25,00,000           |
|         |   | Block Nadaun   | 25,00,000           |
|         |   | Gram Panchayat Daruhi  | 13,00,000           |
|         |   | Gram Panchayat Bhadrena  | 18,00,000           |
|         |   | Gram Panchayat Kalwari   | 8,00,000            |

| Sr. No. | Govt. of India Scheme  | Implementing Agency  | GoI releases (in ₹) |
|---------|--|--|---------------------|
|         |  | Gram Panchayat Chamukha  | 5,00,000            |
|         |  | Secretary Zila Parishad Una  | 50,00,000           |
| 11      | Science and Technology Institutional and Human Capacity Building                     | CSK Himachal Pradesh Krishi Vishwavidyalaya, Palampur                | 40,000              |
|         |  | Dr. Y.S. Parmar University of Horticulture and Forestry, Nauni Solan | 8,57,480            |
|         |  | Himachal Pradesh University, Shimla                                  | 8,70,960            |
| 12      | Training Schemes-PPG&P   | Director, Center for Management Studies, HIPA, Fairlawn, Shimla -12  | 4,50,000            |
| 13      | Atal Innovation Mission(AIM) including Self Employment and Talent Utilisation (SETU) | Government Boys Senior Secondary School, Chamba                      | 12,00,000           |
|         |  | Government Model Senior Secondary School, Sihunta- Chamba            | 12,00,000           |
|         |  | Government Boys Senior Secondary School, Nadaun                      | 2,00,000            |
|         |  | Government Senior Secondary School, Fatehpur                         | 2,00,000            |
|         |  | Government Senior Secondary School, Sainj                            | 2,00,000            |
|         |  | Government Senior Secondary School, Chauntra                         | 2,00,000            |
|         |  | Government Senior Secondary School, Nagwain                          | 2,00,000            |
|         |  | Government Senior Secondary School, Seoh, District-Mandi, HP         | 12,00,000           |
|         |  | Principal Government Senior Secondary School, Rajgarh                | 2,00,000            |
|         |  | Principal Government Senior Secondary School, Dharampur              | 2,00,000            |
| 14      | Sugar Subsidy Payable Under PDS  | Himachal Pradesh State Civil Supplies Corporation Ltd.               | 3,45,37,650         |
| 15      | Khelo India  | Himachal Pradesh Sport Council                                       | 5,12,50,000         |
| 16      | Family Welfare Schemes   | Himachal Pradesh University, Shimla                                  | 22,70,658           |
| 17      | Integrated Management of Public Distribution System                                  | Director, Food Civil Supplies & Consumer Affairs Department          | 69,12,000           |
| 18      | Rashtriya Gram Swaraj Abhiyan (RGSA)   | Himachal Pradesh Government  | 22,78,614           |
| 19      | Pradhan Mantri Kisan Samman NIDHI (PM-Kisan)   | Department of Revenue, Himachal Pradesh                              | 4,61,58,26,000      |
| 20      | Ayushman Bharat - Pradhan Mantri Jan Arogya Yojana (PMJAY)                           | Himachal Pradesh Swasthya Bima Yojana Society                        | 64,32,31,607        |
| 21      | Grants to Other Institutions   | CSK Himachal Pradesh Krishi Vishwavidyalaya                          | 10,54,586           |
|         |  | Government College Shimla  | 1,00,000            |
| 22      | PM Formalisation of Micro Food Processing Enterprises PM-FME                         | Directorate of Industries  | 1,99,06,000         |

| Sr. No. | Govt. of India Scheme  | Implementing Agency  | GoI releases (in ₹) |
|---------|--|--|---------------------|
| 23      | National Digital Health Mission  | Himachal Pradesh Swasthya Bima Yojana Society                                | 25,85,100           |
| 24      | SAMBAL (Beti Bachao Beti Padhao One Stop Centre Mahila Police Volunteer Women helpline Nari Adalat etc),   | Deputy Commissioner Hamirpur   | 50,000              |
|         |  | District Magistrate, Beti Bachao Beti Padhao Scheme (BBBP) Shimla            | 50,000              |
| 25      | SAMARTHYA (Shakti Sadan (Swadhar Ujjawala Widow Home) Shakhi Niwas Palna PMMVY National Hub for Women Empowerment Gender Budgeting Research Skilling Training Media, etc.) | Directorate of Women and Child Development                                   | 13,86,66,640        |
| 26      | Conservation Development and Sustainable Management of Medicinal Plants  | Research Institute(R.I.) in Indian System of Medicines (ISM), Joginder Nagar | 1,46,94,750         |
| 27      | Pradhan Mantri Ayushman Bharat Health Infrastructure Mission (PM-ABHIM)  | State Health & Family Welfare Society  | 47,15,000           |
| 28      | National Handicrafts Development Programme (NHDP)  | Himachal Pradesh State Handicrafts & Handloom Corporation Ltd.               | 69,96,887           |
| 29      | Blood Transfusion Services   | Himachal Pradesh State AIDS Control Society                                  | 1,11,00,000         |
| 30      | Promotion of Bulk Drug parks   | Himachal Pradesh Bulk Drug Park Infrastructure Limited                       | 2,25,00,00,000      |
| 31      | Infrastructure Development and Capacity Building   | HIMUDA   | 1,84,09,000         |
| 32      | Agriculture Census and Statistics  | CSK Himachal Pradesh Krishi Vishwavidyalaya- Palampur                        | 2,52,885            |
|         |  | Dr. Y.S. Parmar University of Horticulture and Forestry, Nauni-Solan         | 6,19,022            |
|         |  | Department of Revenue, Himachal Pradesh                                      | 1,19,61,000         |
|         |  | Directorate of Agriculture, Himachal Pradesh                                 | 92,10,000           |
|         |  | Himachal Pradesh University  | 3,49,00,000         |
| 33      | Agriculture Marketing  | Himachal Pradesh State Agricultural Marketing Board                          | 2,10,00,000         |
|         |  | CSK Himachal Pradesh Krishi Vishwavidyalaya- Palampur                        | 15,00,000           |
| 34      | Rashtriya Krishi Vikas Yojna   | CSK Himachal Pradesh Krishi Vishwavidyalaya- Palampur                        | 65,60,000           |
| 35      | National Programme for Dairy Development   | Himachal Pradesh State Co-operative Milk Producer Federation Ltd.            | 8,62,85,000         |

| Sr. No.      | Govt. of India Scheme  | Implementing Agency  | GoI releases (in ₹)             |
|--------------|--|--|---------------------------------|
| 36           | Jal Jeevan Mission(JJM)/<br>National Rural Drinking<br>Water Mission | State Water and Sanitation Mission,<br>Communication and Capacity<br>Development Unit (CCDU) State<br>Training Centre, Mandi (H.P) | 33,55,050                       |
|              |  | Institute for Integrated Rural<br>Development  | 6,34,636                        |
|              |  | Engineer-in-Chief Irrigation and<br>Public Health Department   | 94,14,58,000<br>12,50,79,37,000 |
| 37           | Mahatma Gandhi National<br>Rural Employment<br>Guarantee Programme   | Himachal Pradesh Rural Development<br>and Employment Guarantee Society   | 6,62,32,11,819                  |
| 38           | National Service Scheme  | State National Social Services Cell  | 6,87,75,000                     |
| 39           | National AIDS and STD<br>Control Programme                           | Himachal Pradesh State AIDS Control<br>Society   | 12,45,31,000                    |
| <b>Total</b> |  |  | <b>29,38,36,09,959</b>          |

## Appendix-4.2

(Reference: Paragraph 4.3)

## Outstanding Utilisation Certificates as on 31 March 2023

| Sr. No.      | Head of Account                         | Year                   | Utilisation Certificates Due |                       | Utilisation Certificates Outstanding/Closing Balance |                       |
|--------------|---|------------------------|------------------------------|-----------------------|--|-----------------------|
|              |   |                        | No. of Items                 | Amount                | No. of Items   | Amount                |
| 1            | 2                                       | 3                      | 4                            | 5                     | 6  | 7                     |
| 1            | <b>Urban Development</b>                |                        |                              |                       |  |                       |
|              | 2217-Urban Development                  | 2016-17                | 15                           | 15,02,35,000          | 12   | 12,48,15,000          |
|              |   | 2017-18                | 22                           | 36,89,59,460          | 11   | 18,84,60,000          |
|              |   | 2018-19                | 49                           | 1,68,40,10,015        | 27   | 92,87,48,000          |
|              |   | 2019-20                | 55                           | 3,46,50,95,902        | 30   | 61,43,50,000          |
|              |   | 2020-21                | 67                           | 5,67,62,49,429        | 50   | 3,45,42,97,158        |
|              | 2021-22                                 | 0                      | 0                            | 141                   | 7,44,82,36,376                                       |                       |
| <b>Total</b> |   | <b>208</b>             | <b>1,13,445,49,806</b>       | <b>271</b>            | <b>12,75,89,06,534</b>                               |                       |
| 2            | <b>Panchayati Raj</b>                   |                        |                              |                       |  |                       |
|              | 4216-Capital Outlay on Housing          | 2016-17                | 1                            | 13,07,900             | 1  | 13,07,900             |
|              |   | <b>Total</b>           | <b>1</b>                     | <b>13,07,900</b>      | <b>1</b>   | <b>13,07,900</b>      |
|              | 2515-Other Rural Development Programmes | 2015-16                | 14                           | 25,76,36,510          | 0  | 0                     |
|              |   | 2016-17                | 56                           | 37,66,21,394          | 47   | 16,12,92,556          |
|              |   | 2017-18                | 94                           | 2,36,88,74,295        | 56   | 34,22,05,803          |
|              |   | 2018-19                | 196                          | 3,14,43,75,774        | 105  | 53,04,39,023          |
|              |   | 2019-20                | 184                          | 5,81,92,99,129        | 176  | 88,76,81,213          |
|              |   | 2020-21                | 208                          | 3,83,22,03,860        | 201  | 3,77,77,43,511        |
|              | 2021-22                                 | 0                      | 0                            | 223                   | 3,37,96,19,815                                       |                       |
| <b>Total</b> | <b>752</b>                              | <b>15,79,90,10,962</b> | <b>808</b>                   | <b>9,07,89,81,921</b> |  |                       |
| <b>Total</b> |   | <b>753</b>             | <b>15,80,03,18,862</b>       | <b>809</b>            | <b>9,08,02,89,821</b>                                |                       |
| 3            | <b>Ayurveda (Ayush)</b>                 |                        |                              |                       |  |                       |
|              | 2210-Medical & Public Health            | 2016-17                | 13                           | 2,01,84,806           | 13   | 1,36,87,186           |
|              |   | 2017-18                | 19                           | 23,69,81,300          | 10   | 16,25,13,000          |
|              |   | 2018-19                | 13                           | 23,80,04,000          | 9  | 16,96,30,000          |
|              |   | 2019-20                | 51                           | 72,13,13,200          | 32   | 37,29,55,878          |
|              |   | 2020-21                | 67                           | 48,06,01,656          | 52   | 40,90,43,445          |
|              |   | 2021-22                | 0                            | 0                     | 90   | 1,08,06,28,233        |
|              | <b>Total</b>                            | <b>163</b>             | <b>1,69,70,84,962</b>        | <b>206</b>            | <b>2,20,84,57,742</b>                                |                       |
|              | 2211-Family Health                      | 2019-20                | 62                           | 2,19,73,17,651        | 0  | 0                     |
|              |   | 2020-21                | 68                           | 2,48,54,00,840        | 0  | 0                     |
|              |   | 2021-22                | 0                            | 0                     | 48   | 3,62,55,75,418        |
| <b>Total</b> | <b>130</b>                              | <b>4,68,27,18,491</b>  | <b>48</b>                    | <b>3,62,55,75,418</b> |  |                       |
| <b>Total</b> |   | <b>293</b>             | <b>6,37,98,03,453</b>        | <b>254</b>            | <b>5,83,40,33,160</b>                                |                       |
| 4            | <b>Rural Development</b>                |                        |                              |                       |  |                       |
|              | 2216-Housing                            | 2018-19                | 2                            | 2,77,90,000           | 0  | 0                     |
|              |   | 2020-21                | 78                           | 17,43,57,500          | 10   | 1,94,81,000           |
|              |   | 2021-22                | 0                            | 0                     | 45   | 64,76,39,700          |
|              |   | <b>Total</b>           | <b>80</b>                    | <b>20,21,47,500</b>   | <b>55</b>  | <b>66,71,20,700</b>   |
|              | 2505-Rural Employment                   | 2020-21                | 34                           | 3,39,24,40,680        | 1  | 1,29,01,680           |
|              |   | 2021-22                | 0                            | 0                     | 22   | 3,60,28,26,500        |
|              |   | <b>Total</b>           | <b>34</b>                    | <b>3,39,24,40,680</b> | <b>23</b>  | <b>3,61,57,28,180</b> |
|              | 2501-Special Programme                  | 2018-19                | 7                            | 16,88,75,347          | 1  | 70,84,659             |
|              |   | 2019-20                | 9                            | 11,06,05,559          | 8  | 11,06,00,000          |
|              |   | 2020-21                | 113                          | 1,30,01,75,121        | 9  | 16,19,78,000          |
|              |   | 2021-22                | 0                            | 0                     | 57   | 71,08,70,483          |
| <b>Total</b> | <b>129</b>                              | <b>1,57,96,56,027</b>  | <b>75</b>                    | <b>99,05,33,142</b>   |  |                       |
| <b>Total</b> |   | <b>243</b>             | <b>5,17,42,44,207</b>        | <b>153</b>            | <b>5,27,33,82,022</b>                                |                       |

| Sr. No.      | Head of Account   | Year                | Utilisation Certificates Due |                       | Utilisation Certificates Outstanding/Closing Balance |                       |
|--------------|---|---------------------|------------------------------|-----------------------|--|-----------------------|
|              |   |                     | No. of Items                 | Amount                | No. of Items   | Amount                |
| 1            | 2   | 3                   | 4                            | 5                     | 6  | 7                     |
| 5&6          | <b>Agriculture and Horticulture</b>                               |                     |                              |                       |  |                       |
|              | 2401-Crop Husbandry   | 2018-19             | 7                            | 90,54,00,000          | 5  | 88,51,00,000          |
|              |   | 2019-20             | 2                            | 2,30,00,000           | 0  | 0                     |
|              |   | 2020-21             | 11                           | 1,75,98,00,000        | 6  | 1,49,03,00,000        |
|              |   | 2021-22             | 0                            | 0                     | 18   | 1,86,46,00,000        |
|              |   | <b>Total</b>        | <b>20</b>                    | <b>2,68,82,00,000</b> | <b>29</b>  | <b>4,24,00,00,000</b> |
|              | 2415-Agriculture Research & Education                             | 2018-19             | 1                            | 2,00,00,000           | 1  | 2,00,00,000           |
|              |   | 2019-20             | 3                            | 5,38,02,500           | 3  | 5,38,02,500           |
|              |   | 2020-21             | 9                            | 61,40,000             | 9  | 61,40,000             |
|              |   | 2021-22             | 0                            | 0                     | 6  | 12,18,48,391          |
| <b>Total</b> |   | <b>13</b>           | <b>7,99,42,500</b>           | <b>19</b>             | <b>20,17,90,891</b>                                  |                       |
| <b>Total</b> |   | <b>33</b>           | <b>2,76,81,42,500</b>        | <b>48</b>             | <b>4,44,17,90,891</b>                                |                       |
| 7            | <b>Industry</b>   |                     |                              |                       |  |                       |
|              | 2851-Village & Small Scale Industries                             | 2016-17             | 24                           | 10,31,26,140          | 7  | 1,04,27,369           |
|              |   | 2017-18             | 26                           | 8,42,79,634           | 15   | 4,24,85,810           |
|              |   | 2018-19             | 13                           | 5,03,37,421           | 13   | 5,03,37,421           |
|              |   | 2019-20             | 22                           | 16,86,84,668          | 14   | 14,62,90,668          |
|              |   | 2020-21             | 450                          | 55,98,82,525          | 448  | 55,12,19,775          |
|              |   | 2021-22             | 0                            | 0                     | 459  | 33,49,46,510          |
| <b>Total</b> | <b>535</b>  | <b>96,63,10,388</b> | <b>956</b>                   | <b>1,13,57,07,553</b> |  |                       |
| 8            | <b>Energy Department</b>  |                     |                              |                       |  |                       |
|              | 2810-Non-Conventional Source of Energy                            | 2017-18             | 3                            | 16,00,000             | 3  | 16,00,000             |
|              |   | 2018-19             | 4                            | 20,00,000             | 4  | 20,00,000             |
|              | 2801-Power  | 2021-22             | 0                            | 0                     | 1  | 92,66,00,000          |
| <b>Total</b> |   | <b>7</b>            | <b>36,00,000</b>             | <b>8</b>              | <b>93,02,00,000</b>                                  |                       |
| 9&10         | <b>Women &amp; Child Development &amp; SC, OBC and Minorities</b> |                     |                              |                       |  |                       |
|              | 2225-Welfare of SC, ST & Other Backward Classes                   | 2017-18             | 1                            | 3,00,000              | 1  | 3,00,000              |
|              |   | 2020-21             | 2                            | 31,16,00,000          | 2  | 31,16,00,000          |
|              |   | 2021-22             | 0                            | 0                     | 2  | 15,20,00,000          |
|              |   | <b>Total</b>        | <b>3</b>                     | <b>31,19,00,000</b>   | <b>5</b>   | <b>46,39,00,000</b>   |
|              | 2235-Social Security & Welfare                                    | 2016-17             | 1                            | 34,10,040             | 0  | 0                     |
|              |   | 2017-18             | 59                           | 5,72,61,520           | 43   | 4,91,68,520           |
|              |   | 2018-19             | 248                          | 14,72,97,597          | 204  | 55,403,044            |
|              |   | 2019-20             | 290                          | 15,16,58,592          | 38   | 5,85,12,596           |
|              |   | 2020-21             | 260                          | 1,502,40,672          | 217  | 5,38,35,046           |
| 2021-22      |   | 0                   | 0                            | 287                   | 14,91,00,955   |                       |
| <b>Total</b> | <b>858</b>  | <b>50,98,68,421</b> | <b>789</b>                   | <b>36,60,20,161</b>   |  |                       |
| <b>Total</b> |   | <b>861</b>          | <b>82,17,68,421</b>          | <b>794</b>            | <b>82,99,20,161</b>                                  |                       |
| 11           | <b>Labour &amp; Employment</b>                                    |                     |                              |                       |  |                       |
|              | 2230-Labour & Employment  | 2020-21             | 1                            | 1,360,89,846          | 0  | 0                     |
|              |   | 2021-22             | 0                            | 0                     | 4  | 57,96,66,765          |
| <b>Total</b> |   | <b>1</b>            | <b>13,60,89,846</b>          | <b>4</b>              | <b>57,96,66,765</b>                                  |                       |
| 12           | <b>Forests</b>  |                     |                              |                       |  |                       |
|              | 2406-Forestry and Wild Life                                       | 2018-19             | 2                            | 32,49,000             | 0  | 0                     |
|              |   | 2019-20             | 20                           | 4,20,90,859           | 19   | 4,15,85,859           |
|              |   | 2020-21             | 186                          | 34,48,07,471          | 99   | 9,98,35,175           |
|              |   | 2021-22             | 0                            | 0                     | 255  | 39,90,25,338          |
| <b>Total</b> | <b>208</b>  | <b>39,01,47,330</b> | <b>373</b>                   | <b>54,04,46,372</b>   |  |                       |

| Sr. No.                | Head of Account   | Year       | Utilisation Certificates Due |                     | Utilisation Certificates Outstanding/Closing Balance |                     |
|------------------------|---|------------|------------------------------|---------------------|--|---------------------|
|                        |   |            | No. of Items                 | Amount              | No. of Items   | Amount              |
| 1                      | 2   | 3          | 4                            | 5                   | 6  | 7                   |
| 13                     | <b>Education</b>  |            |                              |                     |  |                     |
|                        | 2202-General Education  | 2019-20    | 2                            | 19,49,98,000        | 1  | 19,49,88,000        |
|                        |   | 2020-21    | 52                           | 1,95,99,52,576      | 0  | 0                   |
|                        |   | 2021-22    | 0                            | 0                   | 1  | 502,000             |
| <b>Total</b>           |   | <b>54</b>  | <b>2,15,49,50,576</b>        | <b>2</b>            | <b>19,54,90,000</b>                                  |                     |
| 14                     | <b>Language Art and Culture</b>                                   |            |                              |                     |  |                     |
|                        | 2205-Art and Culture  | 2019-20    | 103                          | 7,02,78,389         | 69   | 5,83,95,564         |
|                        |   | 2020-21    | 78                           | 8,97,39,657         | 52   | 3,20,89,500         |
|                        |   | 2021-22    | 0                            | 0                   | 67   | 9,32,96,100         |
|                        | <b>Total</b>  |            | <b>181</b>                   | <b>16,00,18,046</b> | <b>188</b>   | <b>18,37,81,164</b> |
|                        | 2250-Other Social Community Services                              | 2020-21    | 1                            | 59,712              | 0  | 0                   |
| <b>Total</b>           |   | <b>1</b>   | <b>59,712</b>                | <b>0</b>            | <b>0</b>   |                     |
| <b>Total</b>           |   | <b>182</b> | <b>16,00,77,758</b>          | <b>188</b>          | <b>18,37,81,164</b>                                  |                     |
| 15                     | <b>Animal Husbandry</b>   |            |                              |                     |  |                     |
|                        | 2403-Animal Husbandry   | 2017-18    | 6                            | 25,20,000           | 2  | 5,00,000            |
|                        |   | 2018-19    | 17                           | 3,58,58,600         | 12   | 3,18,38,600         |
|                        |   | 2019-20    | 10                           | 5,87,61,000         | 3  | 25,41,000           |
|                        |   | 2020-21    | 36                           | 20,99,32,000        | 11   | 1,03,01,000         |
|                        |   | 2021-22    | 0                            | 0                   | 14   | 11,93,91,000        |
|                        | <b>Total</b>  |            | <b>69</b>                    | <b>30,70,71,600</b> | <b>42</b>  | <b>16,45,71,600</b> |
| 2404-Dairy Development | 2020-21   | 5          | 6,89,40,000                  | 0                   | 0  |                     |
|                        | <b>Total</b>  | <b>5</b>   | <b>6,89,40,000</b>           | <b>0</b>            | <b>0</b>   |                     |
| <b>Total</b>           |   | <b>74</b>  | <b>37,60,11,600</b>          | <b>42</b>           | <b>16,45,71,600</b>                                  |                     |
| 16                     | <b>Excise and Taxation Department</b>                             |            |                              |                     |  |                     |
|                        | 2040-Other Taxes & Duties   | 2020-21    | 2                            | 6,69,11,964         | 0  | 0                   |
|                        |   | 2021-22    | 0                            | 0                   | 1  | 9,36,43,245         |
| <b>Total</b>           |   | <b>2</b>   | <b>6,69,11,964</b>           | <b>1</b>            | <b>9,36,43,245</b>                                   |                     |
| 17                     | <b>Tribal Development</b>   |            |                              |                     |  |                     |
|                        | 2251-Secretariat Social Services                                  | 2018-19    | 2                            | 24,45,689           | 2  | 24,45,689           |
|                        |   | 2019-20    | 5                            | 94,10,121           | 4  | 79,10,121           |
|                        |   | 2020-21    | 2                            | 53,95,000           | 1  | 50,00,000           |
|                        |   | 2021-22    | 0                            | 0                   | 5  | 6,73,60,000         |
| <b>Total</b>           |   | <b>9</b>   | <b>1,72,50,810</b>           | <b>12</b>           | <b>8,27,15,810</b>                                   |                     |
| 18                     | <b>Transport</b>  |            |                              |                     |  |                     |
|                        | 3075-Other Transport Services                                     | 2020-21    | 2                            | 5,00,00,000         | 2  | 5,00,00,000         |
|                        |   | 2021-22    | 0                            | 0                   | 3  | 2,75,00,000         |
| <b>Total</b>           |   | <b>2</b>   | <b>5,00,00,000</b>           | <b>5</b>            | <b>7,75,00,000</b>                                   |                     |
| 19                     | <b>Sainik Welfare</b>   |            |                              |                     |  |                     |
|                        | 2075-Miscellaneous General Services                               | 2018-19    | 3                            | 89,710              | 0  | 0                   |
|                        |   | 2019-20    | 3                            | 13,61,165           | 0  | 0                   |
|                        |   | 2020-21    | 9                            | 6,09,51,533         | 3  | 6,04,64,533         |
| <b>Total</b>           |   | <b>15</b>  | <b>6,24,02,408</b>           | <b>3</b>            | <b>6,04,64,533</b>                                   |                     |
| 20                     | <b>Himachal Pradesh Institute of Public Administration (HIPA)</b> |            |                              |                     |  |                     |
|                        | 2070-Other Administrative Service                                 | 2020-21    | 16                           | 6,12,00,000         | 0  | 0                   |
|                        |   | 2021-22    | 0                            | 0                   | 15   | 5,00,00,000         |
| <b>Total</b>           |   | <b>16</b>  | <b>6,12,00,000</b>           | <b>15</b>           | <b>5,00,00,000</b>                                   |                     |

|                    |   |              |                     |                        |                  |                        |
|--------------------|---|--------------|---------------------|------------------------|------------------|------------------------|
| 21                 | <b>Planning</b>                           |              |                     |                        |                  |                        |
|                    | 3451-Secretariat<br>Economics<br>Services | 2017-18      | 1                   | 84,24,396              | 1                | 84,24,396              |
|                    |   | 2020-21      | 15                  | 1,68,66,621            | 15               | 1,68,66,621            |
|                    |   | 2021-22      | 0                   | 0                      | 23               | 1,74,14,365            |
|                    | <b>Total</b>                              |              | <b>16</b>           | <b>2,52,91,017</b>     | <b>39</b>        | <b>4,27,05,382</b>     |
| 22                 | <b>Youth Services and Sports</b>          |              |                     |                        |                  |                        |
|                    | 2204-Sports &<br>Youth Services           | 2019-20      | 2                   | 19,94,419              | 0                | 0                      |
|                    |   | 2020-21      | 4                   | 20,75,000              | 2                | 75,000                 |
|                    |   | 2021-22      | 0                   | 0                      | 9                | 2,08,00,000            |
|                    | <b>Total</b>                              |              | <b>6</b>            | <b>40,69,419</b>       | <b>11</b>        | <b>2,08,75,000</b>     |
| 23                 | <b>Revenue Department</b>                 |              |                     |                        |                  |                        |
|                    | 2029-Land<br>Revenue                      | 2017-18      | 15                  | 74,89,000              | 9                | 48,97,000              |
|                    |   | 2018-19      | 19                  | 1,64,46,000            | 14               | 1,16,46,000            |
|                    | <b>Total</b>                              |              | <b>34</b>           | <b>2,39,35,000</b>     | <b>23</b>        | <b>1,65,43,000</b>     |
| 24                 | <b>Environment Science and Technology</b> |              |                     |                        |                  |                        |
|                    | 3435-Ecology<br>Environment               | 2020-21      | 2                   | 40,00,000              | 0                | 0                      |
|                    |   | 2021-22      | 0                   | 0                      | 2                | 1,05,75,000            |
|                    | <b>Total</b>                              |              | <b>2</b>            | <b>40,00,000</b>       | <b>2</b>         | <b>1,05,75,000</b>     |
| 25                 | <b>Co-operation</b>                       |              |                     |                        |                  |                        |
|                    | 2408-Food<br>Storage & Ware<br>Housing    | 2019-20      | 3                   | 8,00,000               | 3                | 8,00,000               |
|                    |   | 2020-21      | 9                   | 16,17,724              | 9                | 16,17,724              |
|                    |   | 2021-22      | 0                   | 0                      | 12               | 15,50,000              |
|                    |   | <b>Total</b> | <b>12</b>           | <b>24,17,724</b>       | <b>24</b>        | <b>39,67,724</b>       |
|                    | 2425-Co-<br>operation                     | 2019-20      | 6                   | 4,40,000               | 6                | 4,40,000               |
|                    |   | 2020-21      | 19                  | 23,14,500              | 19               | 23,14,500              |
|                    |   | 2021-22      | 0                   | 0                      | 29               | 23,25,000              |
|                    |   | <b>Total</b> | <b>25</b>           | <b>27,54,500</b>       | <b>54</b>        | <b>50,79,500</b>       |
|                    | <b>Total</b>                              |              | <b>37</b>           | <b>51,72,224</b>       | <b>78</b>        | <b>90,47,224</b>       |
| 26                 | <b>Tourism</b>                            |              |                     |                        |                  |                        |
|                    | 3452-Tourism                              | 2015-16      | 1                   | 2,90,000               | 0                | 0                      |
|                    |   | 2016-17      | 1                   | 5,00,000               | 0                | 0                      |
|                    |   | 2017-18      | 2                   | 7,40,000               | 2                | 7,40,000               |
|                    |   | 2018-19      | 3                   | 3,00,000               | 2                | 2,00,000               |
|                    |   | 2019-20      | 3                   | 8,50,000               | 2                | 8,00,000               |
|                    |   | 2020-21      | 17                  | 71,99,98,000           | 1                | 2,00,000               |
|                    |   | 2021-22      | 0                   | 0                      | 5                | 32,99,120              |
| <b>Total</b>       |   | <b>27</b>    | <b>72,26,78,000</b> | <b>12</b>              | <b>52,39,120</b> |                        |
| 27                 | <b>Technical Education</b>                |              |                     |                        |                  |                        |
|                    | 2203-Technical<br>Education               | 2021-22      | 0                   | 0                      | 2                | 51,00,000              |
|                    | <b>Total</b>                              |              | <b>0</b>            | <b>0</b>               | <b>2</b>         | <b>51,00,000</b>       |
| 28                 | <b>Police</b>                             |              |                     |                        |                  |                        |
|                    | 2055-Police                               | 2018-19      | 1                   | 25,45,891              | 1                | 25,45,891              |
|                    | <b>Total</b>                              |              | <b>1</b>            | <b>25,45,891</b>       | <b>1</b>         | <b>25,45,891</b>       |
| <b>Grand Total</b> |   |              | <b>3,619</b>        | <b>47,52,14,71,480</b> | <b>4,106</b>     | <b>42,42,51,40,248</b> |

## Appendix-4.3

(Reference: Paragraph 4.5)

## Statement showing unspent balances in PDAs as on 31 March 2023

(in ₹)

| Sr. No. | Major Head | Name of Head | Treasury/DDO's Name                                   | Unspent Balance |
|---------|------------|--------------|---|-----------------|
| 1       | 8443       | 106          | Civil Judge Junior Division, Bilaspur                 | 73,595.00       |
| 2       | 8443       | 106          | Civil Judge Senior Division, Bilaspur                 | 11,977.17       |
| 3       | 8443       | 106          | District and Session Judge, Bilaspur                  | 1,64,910.00     |
| 4       | 8443       | 106          | Civil Judge Court No-1, Ghumarwin                     | 2,04,582.45     |
| 5       | 8443       | 106          | Civil Judge Court No-2, Ghumarwin                     | 72,180.00       |
| 6       | 8443       | 106          | Civil Judge Court No-3, Ghumarwin                     | 89,720.00       |
| 7       | 8443       | 106          | Chief Judicial Magistrate, Chamba                     | 3,61,046.62     |
| 8       | 8443       | 106          | Chief Judicial Magistrate, Dalhousie                  | 98,680.00       |
| 9       | 8443       | 106          | Sub Judge, Hamirpur                                   | 6,84,642.00     |
| 10      | 8443       | 106          | Sub Judge, Barasar                                    | 1,87,055.00     |
| 11      | 8443       | 106          | Sub Judge, Nadaun                                     | 45,620.00       |
| 12      | 8443       | 106          | Sub Judge, Nurpur                                     | 51,615.00       |
| 13      | 8443       | 106          | Chief Judicial Magistrate, Dharamshala                | 3,35,830.00     |
| 14      | 8443       | 106          | Sub Judge 2 <sup>nd</sup> , Kangra                    | 74,231.00       |
| 15      | 8443       | 106          | Sub Judge, Baijnath                                   | 99,053.00       |
| 16      | 8443       | 106          | Sub Judge, Indora                                     | 53,840.00       |
| 17      | 8443       | 106          | Sub Judge 1 <sup>st</sup> , Kangra                    | 1,07,594.00     |
| 18      | 8443       | 106          | Sub Judge 1 <sup>st</sup> , Dehra                     | 1,47,802.60     |
| 19      | 8443       | 106          | Sub Judge 2 <sup>nd</sup> , Dehra                     | 96,161.00       |
| 20      | 8443       | 106          | Sub Judge, Palampur                                   | 1,70,955.00     |
| 21      | 8443       | 106          | Sub Judge, Jawali                                     | 1,12,350.00     |
| 22      | 8443       | 106          | District and Session Judge Kangra at Dharamshala      | 69,360.00       |
| 23      | 8443       | 106          | Civil Judge, Jaisinghpur- Kangra                      | 8,000.00        |
| 24      | 8443       | 106          | Addl. Commissioner to Deputy Commissioner Dharamshala | 0               |
| 25      | 8443       | 106          | Chief Judicial Magistrate, Kullu                      | 6,61,644.00     |
| 26      | 8443       | 106          | Sub Judge, Banjar                                     | 75,670.00       |
| 27      | 8443       | 106          | Chief Judicial Magistrate, Anni                       | 68,644.00       |
| 28      | 8443       | 106          | Sub Judge, Manali                                     | 1,38,833.00     |
| 29      | 8443       | 106          | Senior Sub Judge, Kalpa                               | 1,30,784.00     |
| 30      | 8443       | 106          | Senior Sub Judge, Sundernagar                         | 1,94,273.00     |
| 31      | 8443       | 106          | Senior Sub Judge, Jogindernagar                       | 95,075.20       |
| 32      | 8443       | 106          | Senior Sub Judge, Karsog                              | 1,46,944.00     |
| 33      | 8443       | 106          | Senior Sub Judge, Sarkaghat                           | 2,11,351.00     |
| 34      | 8443       | 106          | Senior Sub Judge, Gohar                               | 1,25,080.00     |
| 35      | 8443       | 106          | Senior Sub Judge, Mandi                               | 8,11,810.00     |

| Sr. No.      | Major Head | Name of Head | Treasury/DDO's Name                                 | Unspent Balance     |
|--------------|------------|--------------|---|---------------------|
| 36           | 8443       | 106          | Director Technical Education, Sundernagar           | 5,000.00            |
| 37           | 8443       | 106          | Civil Judge, Thunag Mandi                           | 42,600.00           |
| 38           | 8443       | 106          | District and Session Judge, Shimla                  | 3,26,113.00         |
| 39           | 8443       | 106          | District and Session Judge, Kinnaur at Rampur       | 70,431.00           |
| 40           | 8443       | 106          | Senior Sub Judge, Shimla                            | 5,39,846.00         |
| 41           | 8443       | 106          | Sub Judge, Theog                                    | 1,56,635.00         |
| 42           | 8443       | 106          | Sub Judge, Jubbal                                   | 1,23,395.00         |
| 43           | 8443       | 106          | Sub Judge, Rampur                                   | 79,420.00           |
| 44           | 8443       | 106          | Sub Judge, Chopal                                   | 67,050.00           |
| 45           | 8443       | 106          | Sub Judge, Rohru                                    | 3,30,629.00         |
| 46           | 8443       | 106          | Addl. District and Session Judge, Kinnaur at Rampur | 40,050.86           |
| 47           | 8443       | 106          | SDO Civil, Dodra Kwar                               | 0.10                |
| 48           | 8443       | 106          | Deputy Director, Youth Services and Sports, Shimla  | 26,66,607.00        |
| 49           | 8443       | 106          | Himachal Pradesh High Court at Shimla               | 24,32,751.00        |
| 50           | 8443       | 106          | Indira Gandhi Medical College, Shimla               | 15,39,049.00        |
| 51           | 8443       | 106          | District and Session Judge, Nahan                   | 54,672.00           |
| 52           | 8443       | 106          | Civil Judge Junior Division, Poanta                 | 2,19,831.00         |
| 53           | 8443       | 106          | Addl. District and Session Judge, Nahan             | 62,949.00           |
| 54           | 8443       | 106          | Civil Judge Senior Division, Nahan                  | 1,73,631.00         |
| 55           | 8443       | 106          | Civil Judge Junior Division, Rajgarh                | 65,864.00           |
| 56           | 8443       | 106          | Civil Judge, Shilai                                 | 49,670.00           |
| 57           | 8443       | 106          | Addl. District and Session Judge, Poanta            | 4,900.00            |
| 58           | 8443       | 106          | Civil Judge Junior Division, Solan                  | 2,40,308.00         |
| 59           | 8443       | 106          | Civil Judge, Nalagarh                               | 2,98,541.00         |
| 60           | 8443       | 106          | Civil Judge Senior Division, Solan                  | 2,00,320.00         |
| 61           | 8443       | 106          | Civil Judge Junior Division, Kasauli                | 37,210.00           |
| 62           | 8443       | 106          | Add. District and Session Judge, Solan              | 64,365.00           |
| 63           | 8443       | 106          | District and Session Judge, Solan                   | 64,978.00           |
| 64           | 8443       | 106          | Civil Judge Junior Division, Arki                   | 54,279.00           |
| 65           | 8443       | 106          | Civil Judge Junior Division, Kandaghat              | 62,951.00           |
| 66           | 8443       | 106          | Civil Judge Senior Division, Kasauli                | 78,839.00           |
| 67           | 8443       | 106          | Senior Sub Judge, Una                               | 8,94,422.00         |
| 68           | 8443       | 106          | Junior Sub Judge Amb                                | 5,48,972.00         |
| <b>Total</b> |            |              |   | <b>34,77,328.00</b> |

## Appendix-4.4

(Reference: Paragraph 4.6)

## Details of expenditure booked under Minor Head-800-Other expenditure

(` in crore)

| Sr. No.      | Major Head  | Expenditure under Minor Head 800 | Total Expenditure | Percentage  |
|--------------|---|----------------------------------|-------------------|-------------|
| 1.           | 2075-Miscellaneous General Services   | 28.60                            | 38.15             | 74.96       |
| 2.           | 5452-Capital Outlay on Tourism  | 58.88                            | 89.09             | 66.10       |
| 3.           | 4701-Capital Outlay on Medium Irrigation  | 10.97                            | 17.00             | 64.49       |
| 4.           | 4851-Capital Outlay on Village and Small Industries   | 111.86                           | 198.28            | 56.41       |
| 5.           | 4070-Capital Outlay on Other Administrative Services  | 9.16                             | 16.97             | 53.98       |
| 6.           | 2041-Taxes on Vehicles  | 12.89                            | 31.27             | 41.23       |
| 7.           | 2230-Labour, Employment and Skill Development   | 138.89                           | 380.11            | 36.54       |
| 8.           | 4711-Capital Outlay on Flood Control Projects   | 18.41                            | 55.71             | 33.04       |
| 9.           | 4401-Capital Outlay on Crop Husbandry   | 7.92                             | 32.42             | 24.43       |
| 10.          | 4235-Capital Outlay on Social Security and Welfare  | 1.20                             | 5.25              | 22.92       |
| 11.          | 2852-Industry   | 10.24                            | 48.45             | 21.14       |
| 12.          | 2501-Special Programmes for Rural Development   | 28.83                            | 185.01            | 15.58       |
| 13.          | 2053-District Administration  | 23.10                            | 282.82            | 8.17        |
| 14.          | 5475-Capital Outlay on other General Economic Services  | 15.49                            | 247.18            | 6.27        |
| 15.          | 2235-Social Security and Welfare  | 99.05                            | 1,870.56          | 5.30        |
| 16.          | 2851- Village and Small Industries  | 10.09                            | 202.01            | 4.99        |
| 17.          | 2408-Food Storage and Warehousing   | 17.58                            | 379.38            | 4.63        |
| 18.          | 2401-Crop Husbandry   | 26.16                            | 896.39            | 2.92        |
| 19.          | 4225-Capital Outlay on Welfare of Scheduled Castes Scheduled Tribes other Backward Classes and Minorities | 0.19                             | 6.44              | 2.88        |
| 20.          | 2216-Housing  | 3.26                             | 117.70            | 2.77        |
| 21.          | 2012-President, Vice-President/Governor, Administrator of Union Territories                               | 0.20                             | 9.24              | 2.21        |
| 22.          | 4216-Capital Outlay on Housing  | 0.50                             | 34.08             | 1.48        |
| 23.          | 2204-Sports and Youth Services  | 0.13                             | 22.35             | 0.58        |
| 24.          | 5054-Capital Outlay on Roads and Bridges  | 8.85                             | 2,178.22          | 0.41        |
| 25.          | 2202-General Education  | 11.72                            | 8,494.47          | 0.14        |
| 26.          | 2702-Minor Irrigation   | 0.39                             | 439.28            | 0.09        |
| 27.          | 2225-Welfare of Scheduled Castes, Scheduled Tribes, other Backward Classes and Minorities                 | 0.05                             | 136.94            | 0.04        |
| 28.          | 2070-Other Administrative Services  | 0.00                             | 170.91            | 0.00        |
| <b>Total</b> |   | <b>654.61</b>                    | <b>16,585.69</b>  | <b>3.95</b> |

## Appendix-4.5

(Reference: Paragraph 4.6)

## Details of receipts booked under Minor Head-800-Other Receipts

(₹ in crore)

| Sr. No. | Major Head   | Receipts under Minor Head 800 | Total Receipts | Percentage |
|---------|--|-------------------------------|----------------|------------|
| 1.      | 0852- Industries   | 16.93                         | 16.93          | 100.00     |
| 2.      | 0057- Supplies and Disposals                             | 0.02                          | 0.02           | 100.00     |
| 3.      | 0217- Urban Development                                  | 2.52                          | 2.52           | 100.00     |
| 4.      | 0250- Other Social Services                              | 0.09                          | 0.09           | 100.00     |
| 5.      | 0407- Plantations  | 0.01                          | 0.01           | 100.00     |
| 6.      | 0408- Food Storage and Warehousing                       | 0.18                          | 0.18           | 100.00     |
| 7.      | 0575- Other Special Areas Programmes                     | 0.12                          | 0.12           | 100.00     |
| 8.      | 0801- Power  | 1,428.28                      | 1,428.28       | 100.00     |
| 9.      | 1055- Road Transport                                     | 0.07                          | 0.07           | 100.00     |
| 10.     | 1425- Other Scientific Research                          | 0.04                          | 0.04           | 100.00     |
| 11.     | 1456- Civil Supplies                                     | 0.99                          | 0.99           | 100.00     |
| 12.     | 4000- Miscellaneous Capital Receipts                     | 12.59                         | 12.59          | 100.00     |
| 13.     | 1054- Roads and Bridges                                  | 169.53                        | 169.73         | 99.88      |
| 14.     | 1452- Tourism  | 2.5                           | 2.65           | 94.27      |
| 15.     | 0851- Village and Small Industries                       | 5.07                          | 5.61           | 90.38      |
| 16.     | 0056- Jails  | 0.22                          | 0.26           | 84.77      |
| 17.     | 0425- Cooperation  | 4.99                          | 6.08           | 82.04      |
| 18.     | 0029- Land Revenue                                       | 6.52                          | 8.22           | 79.37      |
| 19.     | 0401- Crop Husbandry                                     | 9.44                          | 12.35          | 76.43      |
| 20.     | 0070- Other Administrative Services                      | 64.81                         | 90.05          | 71.97      |
| 21.     | 0230- Labour and Employment                              | 6.85                          | 9.88           | 69.32      |
| 22.     | 0235- Social Security and Welfare                        | 12.54                         | 20.03          | 62.63      |
| 23.     | 0049- Interest Receipts                                  | 53.31                         | 85.3           | 62.49      |
| 24.     | 0403- Animal Husbandry                                   | 0.93                          | 1.52           | 61.41      |
| 25.     | 0045- Other Taxes and Duties on Commodities and Services | 220.53                        | 359.5          | 61.35      |
| 26.     | 0515- Other Rural Development Programmes                 | 3.89                          | 7.53           | 51.76      |
| 27.     | 0406- Forestry and Wild-Life                             | 29.68                         | 81.79          | 36.29      |
| 28.     | 0211- Family Welfare                                     | 0.01                          | 0.02           | 33.65      |
| 29.     | 1475- Other General Economic Services                    | 1.99                          | 6.37           | 31.24      |
| 30.     | 0059- Public Works                                       | 21.86                         | 70.07          | 31.20      |
| 31.     | 0853- Non-ferrous Mining and Metallurgical Industries    | 47.94                         | 286.34         | 16.74      |
| 32.     | 0220- Information and Publicity                          | 0.09                          | 0.73           | 12.96      |

| Sr. No.      | Major Head                                | Receipts under<br>Minor Head 800 | Total<br>Receipts | Percentage   |
|--------------|---|----------------------------------|-------------------|--------------|
| 33.          | 0075- Miscellaneous General Services      | 0.92                             | 7.45              | 12.29        |
| 34.          | 0051- Public Service Commission           | 1.11                             | 9.21              | 12.03        |
| 35.          | 0055- Police                              | 6.04                             | 73.71             | 8.19         |
| 36.          | 0210- Medical and Public Health           | 1.72                             | 26.47             | 6.49         |
| 37.          | 0700- Major Irrigation                    | 0                                | 0                 | 6.12         |
| 38.          | 0042-Taxes on Goods and Passengers        | 3.35                             | 68.5              | 4.89         |
| 39.          | 0039- State Excise                        | 107.46                           | 2,216.34          | 4.85         |
| 40.          | 0041- Taxes on Vehicles                   | 32.63                            | 675.17            | 4.83         |
| 41.          | 0405- Fisheries                           | 0.11                             | 3.08              | 3.58         |
| 42.          | 0202- Education, Sports, Art and Culture  | 3.95                             | 161.78            | 2.44         |
| 43.          | 0030- Stamps and Registration Fees        | 6.64                             | 398.75            | 1.67         |
| 44.          | 0215- Water Supply and Sanitation         | 0.86                             | 64.6              | 1.33         |
| 45.          | 0043- Taxes and Duties on Electricity     | 0.49                             | 252.25            | 0.19         |
| 46.          | 0006- State Goods and Services Tax (SGST) | 0.08                             | 5259.21           | 0.00         |
| <b>Total</b> |   | <b>2,289.90</b>                  | <b>11,902.39</b>  | <b>19.24</b> |

**Appendix 4.6**

(Reference: Paragraphs 4.11 and 4.12)

**List of Autonomous Bodies/Authorities/ Institutions**

| Sr. No. | Name of the body/authority   | Status of submission of Accounts/ information | Section in which audit conducted  |
|---------|--|---|---|
| 1       | HP Khadi and Village Industries Board  | Not Received                                  | Audit conducted under Section 19 (2), (3) and 20(1) and SARs are prepared and issued. |
| 2       | Compensatory Afforestation Fund Management and Planning Authority (CAMPA)      |   |   |
| 3       | Himachal Pradesh Building and Other Construction Workers Welfare Board, Shimla | Received                                      |   |
| 4       | HP City Transport and Bus Stand Management and Development Authority           |   |   |
| 5       | HP State Electricity Regulatory Commission                                     |   |   |
| 6       | Himachal Pradesh State Veterinary Council, Shimla                              |   |   |
| 7       | Himachal Pradesh Legal Service Authority, Shimla                               |   |   |
| 8       | District Legal Service Authority, Hamirpur                                     |   |   |
| 9       | District Legal Service Authority, Bilaspur                                     |   |   |
| 10      | District Legal Service Authority, Nahan  |   |   |
| 11      | District Legal Service Authority, Una  |   |   |
| 12      | District Legal Service Authority, Shimla                                       |   |   |
| 13      | District Legal Service Authority, Kinnaur at Rampur                            |   |   |
| 14      | District Legal Service Authority, Mandi  |   |   |
| 15      | District Legal Service Authority, Kullu  |   |   |
| 16      | District Legal Service Authority, Dharamshala at Kangra                        |   |   |
| 17      | District Legal Service Authority, Solan  |   |   |
| 18      | District Legal Service Authority, Chamba                                       |   |   |
| 19      | Controller, CSK, HPKVV, Palampur   | Not Received                                  | Audit conducted under Section 14 & 15 and IRs are prepared and issued.                |
| 20      | Dr. Y.S. Parmar Horticulture University, Nauni, Solan                          |   |   |
| 21      | Seed and Organic Produce Certification Agency, Boileauganj, Shimla             |   |   |
| 22      | Livestock & Poultry Development Board, Boileauganj, Shimla                     | Received                                      |   |
| 23      | HP State Milkfed Co-operative, Totu, Shimla                                    |   |   |
| 24      | HP State Cooperative Marketing and Consumers Federation Ltd. (HIMFED)          |   |   |
| 25      | HP State Council for Science, Technology and Environment, Kasumpti, Shimla     |   |   |
| 26      | District Rural Development Authority, Hamirpur                                 |   |   |
| 27      | District Rural Development Authority, Bilaspur                                 |   |   |
| 28      | District Rural Development Authority, Nahan                                    |   |   |
| 29      | District Rural Development Authority, Una                                      |   |   |
| 30      | District Rural Development Authority, Shimla                                   |   |   |

| Sr. No. | Name of the body/authority                                  | Status of submission of Accounts/ information | Section in which audit conducted |
|---------|---|---|----------------------------------|
| 31      | District Rural Development Authority, Kinnaur               | Not Received                                  |                                  |
| 32      | District Rural Development Authority, Mandi                 |   |                                  |
| 33      | District Rural Development Authority, Kullu                 |   |                                  |
| 34      | District Rural Development Authority, Dharamshala at Kangra |   |                                  |
| 35      | District Rural Development Authority, Solan                 |   |                                  |
| 36      | District Rural Development Authority, Chamba                |   |                                  |
| 37      | District Rural Development Authority, Keylong               |   |                                  |
| 38      | AIDS Control Society  |   |                                  |
| 39      | HP Nursing Reg. Council                                     |   |                                  |
| 40      | National Rural Health Mission (NRHM), Shimla                |   |                                  |
| 41      | Academy of Language, Art and Culture                        |   |                                  |
| 42      | SC/ST Corporation, Solan                                    |   |                                  |
| 43      | Social Welfare Board, Shimla                                |   |                                  |
| 44      | Council of Child Welfare, Shimla                            |   |                                  |
| 45      | Sarva Shiksha Abhiyan, Shimla                               |   |                                  |
| 46      | Himachal Pradesh University                                 |   |                                  |
| 47      | Rin Chen Zen Po Society, Kangra                             |   |                                  |
| 48      | State Water & Sanitation Mission (HP)                       |   |                                  |
| 49      | Rashtriya Madhyamik Shiksha Abhiyan (RMSA)                  |   |                                  |
| 50      | Employees State Insurance Society, Shimla                   |   |                                  |
| 51      | Rashtriya Uchchatar Shiksha Abhiyan (RUSA)                  |   |                                  |
| 52      | State Disaster Management Authority                         |   |                                  |
| 53      | HP Ayurveda and Unani Practitioner Board                    |   |                                  |

**Appendix-5.1**

(Reference: Paragraph 5.4.1)

**Statement showing the investment of equity and long-term loans made by the State Government/Others in SPSEs as on 31 March 2023**

(₹ in crore)

| Sr. No.  | Name of the SPSEs   | Detail of investment of equity and loan |               |                |             |                 |                |               |              |             |               | Investment of GoHP (Equity + Loans) | Investment others (Equity + Loans) | Total equity plus loans | Total equity    | Total loans   |
|--|---|---|---------------|----------------|-------------|-----------------|----------------|---------------|--------------|-------------|---------------|-------------------------------------|------------------------------------|-------------------------|-----------------|---------------|
|  |   | Equity                                  |               |                |             |                 | Long term loan |               |              |             |               |                                     |                                    |                         |                 |               |
|  |   | GOHP                                    | Central Govt. | CG/SG PSUs     | Others      | Total           | GOHP           | Central Govt. | CG/SG PSUs   | Others      | Total         |                                     |                                    |                         |                 |               |
| 1.   | 2.  | 3.                                      | 4.            | 5.             | 6.          | 7.              | 8.             | 9.            | 10.          | 11.         | 12.           | 13.                                 | 14.                                | 15.                     | 16.             |               |
| <b>STATE PUBLIC SECTOR ENTERPRISES (Other than Power Sector)</b> |   |   |               |                |             |                 |                |               |              |             |               |                                     |                                    |                         |                 |               |
| <b>Agriculture and Allied</b>                                    |   |   |               |                |             |                 |                |               |              |             |               |                                     |                                    |                         |                 |               |
| 1  | Himachal Pradesh Agro Industries Corporation Limited                                | 16.89                                   | 1.96          | 0.00           | 0.00        | <b>18.85</b>    | 11.56          | 0.40          | 0.00         | 0.00        | <b>11.96</b>  | 28.45                               | 2.36                               | 30.81                   | 18.85           | 11.96         |
| 2  | Himachal Pradesh Horticultural Produce Marketing and Processing Corporation Limited | 31.20                                   | 1.50          | 6.07           | 0.00        | <b>38.77</b>    | 60.09          | 0.00          | 0.00         | 0.00        | <b>60.09</b>  | 91.29                               | 7.57                               | 98.86                   | 38.77           | 60.09         |
| 3  | Himachal Pradesh State Forest Development Corporation Limited                       | 11.71                                   | 0.00          | 0.00           | 0.00        | <b>11.71</b>    | 0.00           | 0.00          | 0.00         | 0.00        | <b>0.00</b>   | 11.71                               | 0.00                               | 11.71                   | 11.71           | 0.00          |
| 4  | Agro Industrial Packaging India Limited   | 16.75                                   | 0.00          | 0.00           | 0.97        | <b>17.72</b>    | 60.15          | 0.00          | 0.00         | 0.00        | <b>60.15</b>  | 76.90                               | 0.97                               | 77.87                   | 17.72           | 60.15         |
| <b>Total</b>   |   | <b>76.55</b>                            | <b>3.46</b>   | <b>6.07</b>    | <b>0.97</b> | <b>87.05</b>    | <b>131.80</b>  | <b>0.40</b>   | <b>0.00</b>  | <b>0.00</b> | <b>132.20</b> | <b>208.35</b>                       | <b>10.90</b>                       | <b>219.25</b>           | <b>87.05</b>    | <b>132.20</b> |
| <b>Financing</b>   |   |   |               |                |             |                 |                |               |              |             |               |                                     |                                    |                         |                 |               |
| 5  | Himachal Backward Classes Finance & Development Corporation                         | 17.22                                   | 0.00          | 0.00           | 0.00        | <b>17.22</b>    | 0.00           | 0.00          | 0.00         | 0.00        | <b>0.00</b>   | 17.22                               | 0.00                               | 17.22                   | 17.22           | 0.00          |
| 6  | Himachal Pradesh Mahila Vikas Nigam   | 14.90                                   | 0.10          | 0.00           | 0.00        | <b>15.00</b>    | 0.00           | 0.00          | 0.00         | 0.00        | <b>0.00</b>   | 14.90                               | 0.10                               | 15.00                   | 15.00           | 0.00          |
| 7  | Himachal Pradesh Minorities Finance & Development Corporation                       | 14.84                                   | 0.00          | 0.00           | 0.00        | <b>14.84</b>    | 0.00           | 0.00          | 56.24        | 0.00        | <b>56.24</b>  | 14.84                               | 56.24                              | 71.08                   | 14.84           | 56.24         |
| 8  | Himachal Pradesh Financial Corporation  | 106.59                                  | 0.00          | 0.00           | 6.59        | <b>113.18</b>   | 0.00           | 0.00          | 28.27        | 0.00        | <b>28.27</b>  | 106.59                              | 34.86                              | 141.45                  | 113.18          | 28.27         |
| <b>Total</b>   |   | <b>153.55</b>                           | <b>0.10</b>   | <b>0.00</b>    | <b>6.59</b> | <b>160.24</b>   | <b>0.00</b>    | <b>0.00</b>   | <b>84.51</b> | <b>0.00</b> | <b>84.51</b>  | <b>153.55</b>                       | <b>91.20</b>                       | <b>244.75</b>           | <b>160.24</b>   | <b>84.51</b>  |
| <b>Infrastructure</b>  |   |   |               |                |             |                 |                |               |              |             |               |                                     |                                    |                         |                 |               |
| 9  | Himachal Pradesh Road & Other Infrastructure Development Corporation Limited        | 25.00                                   | 0.00          | 0.00           | 0.00        | <b>25.00</b>    | 0.00           | 0.00          | 0.00         | 0.00        | <b>0.00</b>   | 25.00                               | 0.00                               | 25.00                   | 25.00           | 0.00          |
| 10   | Himachal Pradesh State Industrial Development Corporation Limited                   | 30.82                                   | 0.00          | 0.00           | 0.00        | <b>30.82</b>    | 0.00           | 0.00          | 0.00         | 0.00        | <b>0.00</b>   | 30.82                               | 0.00                               | 30.82                   | 30.82           | 0.00          |
| 11   | Dharamshala Smart City Limited  | 0.00001                                 | 0.00          | 0.00033        | 0.00        | <b>0.00034</b>  | 0.00           | 0.00          | 0.00         | 0.00        | <b>0.00</b>   | 0.00001                             | 0.00                               | 0.00034                 | 0.00034         | 0.00          |
| 12   | Shimla Smart City Limited   | 0.0035                                  | 0.00          | 0.00           | 0.0035      | <b>0.007</b>    | 0.00           | 0.00          | 0.00         | 0.00        | <b>0.00</b>   | 0.0035                              | 0.00                               | 0.007                   | 0.007           | 0.00          |
| <b>Total</b>   |   | <b>55.82351</b>                         | <b>0.00</b>   | <b>0.00033</b> | <b>0.00</b> | <b>55.82734</b> | <b>0.00</b>    | <b>0.00</b>   | <b>0.00</b>  | <b>0.00</b> | <b>0.00</b>   | <b>55.82351</b>                     | <b>0.00</b>                        | <b>55.82734</b>         | <b>55.82734</b> | <b>0.00</b>   |

| 1.  | 2.  | 3.               | 4.           | 5.            | 6.              | 7.              | 8.              | 9.           | 10.             | 11.             | 12.              | 13.              | 14.             | 15.              | 16.              |                  |
|---|---|------------------|--------------|---------------|-----------------|-----------------|-----------------|--------------|-----------------|-----------------|------------------|------------------|-----------------|------------------|------------------|------------------|
| <b>Manufacture</b>  |   |                  |              |               |                 |                 |                 |              |                 |                 |                  |                  |                 |                  |                  |                  |
| 13  | Himachal Pradesh General Industries Corporation Limited               | 7.04             | 0.00         | 0.08          | 0.04            | <b>7.16</b>     | 2.97            | 0.00         | 0.00            | 0.00            | <b>2.97</b>      | 10.01            | 0.12            | 10.13            | 7.16             | 2.97             |
| 14  | Himachal Worsteds Mills Limited                                       | 0.00             | 0.00         | 0.00          | 0.92            | <b>0.92</b>     | 0.00            | 0.00         | 0.00            | 0.00            | <b>0.00</b>      | 0.00             | 0.92            | 0.92             | 0.92             | 0.00             |
| <b>Total</b>  |   | <b>7.04</b>      | <b>0.00</b>  | <b>0.08</b>   | <b>0.96</b>     | <b>8.08</b>     | <b>2.97</b>     | <b>0.00</b>  | <b>0.00</b>     | <b>0.00</b>     | <b>2.97</b>      | <b>10.01</b>     | <b>1.04</b>     | <b>11.05</b>     | <b>8.08</b>      | <b>2.97</b>      |
| <b>Services</b>   |   |                  |              |               |                 |                 |                 |              |                 |                 |                  |                  |                 |                  |                  |                  |
| 15  | Himachal Pradesh State Civil Supplies Corporation Limited             | 3.52             | 0.00         | 0.00          | 0.00            | <b>3.52</b>     | 0.00            | 0.00         | 0.00            | 0.00            | <b>0.00</b>      | 3.52             | 0.00            | 3.52             | 3.52             | 0.00             |
| 16  | Himachal Pradesh State Handicrafts & Handloom Corporation Limited     | 9.22             | 0.03         | 0.00          | 0.00            | <b>9.25</b>     | 0.00            | 0.00         | 0.00            | 0.00            | <b>0.00</b>      | 9.22             | 0.03            | 9.25             | 9.25             | 0.00             |
| 17  | Himachal Pradesh Tourism Development Corporation                      | 14.30            | 0.00         | 0.00          | 0.00            | <b>14.30</b>    | 0.00            | 0.00         | 0.00            | 7.35            | <b>7.35</b>      | 14.30            | 7.35            | 21.65            | 14.30            | 7.35             |
| 18  | Himachal Pradesh Kaushal Vikas Nigam                                  | 0.007            | 0.00         | 0.00          | 0.00            | <b>0.007</b>    | 0.00            | 0.00         | 0.00            | 0.00            | <b>0.00</b>      | 0.007            | 0.00            | 0.007            | 0.007            | 0.00             |
| 19  | Shimla Jal Prabandhan Nigam Limited                                   | 0.05             | 0.00         | 0.00          | 0.05            | <b>0.10</b>     | 0.00            | 0.00         | 0.00            | 0.00            | <b>0.00</b>      | 0.05             | 0.05            | 0.10             | 0.10             | 0.00             |
| 20  | Himachal Consultancy Organisation Limited                             | 0.00             | 0.00         | 0.03          | 0.15            | <b>0.18</b>     | 0.00            | 0.00         | 0.00            | 0.00            | <b>0.00</b>      | 0.00             | 0.18            | 0.18             | 0.18             | 0.00             |
| 21  | Sri Naina Devi Ji& Sri Anandpur Sahib Ji Ropeway Limited              | 0.50             | 0.00         | 0.00          | 0.50            | <b>1.00</b>     | 0.00            | 0.00         | 0.00            | 0.00            | <b>0.00</b>      | 0.50             | 0.50            | 1.00             | 1.00             | 0.00             |
| 22  | Ropeway and Rapid Transport System Development Corporation HP Limited | 0.005            | 0.00         | 0.00          | 0.00            | <b>0.005</b>    | 0.00            | 0.00         | 0.00            | 0.00            | <b>0.00</b>      | 0.005            | 0.00            | 0.005            | 0.005            | 0.00             |
| 23  | Himachal Pradesh State Electronics Development Corporation Limited    | 3.72             | 0.00         | 0.00          | 0.00            | <b>3.72</b>     | 0.00            | 0.00         | 0.00            | 0.00            | <b>0.00</b>      | 3.72             | 0.00            | 3.72             | 3.72             | 0.00             |
| 24  | Himachal Road Transport Corporation                                   | 1,227.68         | 15.44        | 0.00          | 0.00            | <b>1,243.12</b> | 0.00            | 0.00         | 0.00            | 154.74          | <b>154.74</b>    | 1227.68          | 170.18          | 1,397.86         | 1,243.12         | 154.74           |
| 25  | Himachal Pradesh Beverage Limited                                     | 1.00             | 0.00         | 0.00          | 0.00            | <b>1.00</b>     | 0.00            | 0.00         | 0.00            | 0.00            | <b>0.00</b>      | 1.00             | 0.00            | 1.00             | 1.00             | 0.00             |
| 26  | Mandi International Airport Limited                                   |                  |              |               |                 |                 |                 |              |                 |                 |                  |                  |                 |                  |                  |                  |
| <b>Sector total</b>   |   | <b>1,260.002</b> | <b>15.47</b> | <b>0.03</b>   | <b>0.70</b>     | <b>1,276.20</b> | <b>0.00</b>     | <b>0.00</b>  | <b>0.00</b>     | <b>161.29</b>   | <b>161.29</b>    | <b>1,260.002</b> | <b>177.44</b>   | <b>1,437.492</b> | <b>1,276.202</b> | <b>161.29</b>    |
| <b>Total (Government Companies - Other than Power Sector)</b> |   | <b>1,552.97</b>  | <b>19.03</b> | <b>6.18</b>   | <b>9.22</b>     | <b>1,587.40</b> | <b>134.77</b>   | <b>0.40</b>  | <b>84.51</b>    | <b>162.09</b>   | <b>381.77</b>    | <b>1,687.74</b>  | <b>281.43</b>   | <b>1,969.17</b>  | <b>1,587.40</b>  | <b>381.77</b>    |
| <b>STATE PUBLIC SECTOR ENTERPRISES (Power Sector)</b>         |   |                  |              |               |                 |                 |                 |              |                 |                 |                  |                  |                 |                  |                  |                  |
| 1   | Himachal Pradesh State Electricity Board Limited                      | 882.23           | 0.00         | 0.00          | 0.00            | <b>882.23</b>   | 3,012.10        | 17.32        | 0.00            | 2,566.59        | <b>5,596.01</b>  | 3,894.33         | 2,583.91        | 6,478.24         | 882.23           | 5,596.01         |
| 2   | Beas Valley Power Corporation Limited                                 | 0.00             | 0.00         | 300.00        | 0.00            | <b>300.00</b>   | 0.00            | 0.00         | 1,949.11        | 0.00            | <b>1,949.11</b>  | 0.00             | 2,249.11        | 2,249.11         | 300.00           | 1,949.11         |
| 3   | Himachal Pradesh Power Corporation Limited                            | 1,003.20         | 0.00         | 130.78        | 1,187.15        | <b>2,321.13</b> | 2,535.49        | 0.00         | 181.48          | 0.00            | <b>2,716.97</b>  | 3,538.69         | 1,499.41        | 5,038.10         | 2,321.13         | 2,716.97         |
| 4   | Himachal Pradesh Power Transmission Corporation Limited               | 461.29           | 0.00         | 0.00          | 108.70          | <b>569.99</b>   | 2,101.06        | 0.00         | 0.00            | 161.49          | <b>2,262.55</b>  | 2,562.35         | 270.19          | 2,832.54         | 569.99           | 2,262.55         |
| <b>Sector Total</b>   |   | <b>2,346.72</b>  | <b>0.00</b>  | <b>430.78</b> | <b>1,295.85</b> | <b>4,073.35</b> | <b>7,648.65</b> | <b>17.32</b> | <b>2,130.59</b> | <b>2,728.08</b> | <b>12,524.64</b> | <b>9,995.37</b>  | <b>6,602.62</b> | <b>16,597.99</b> | <b>4,073.35</b>  | <b>12,524.64</b> |
| <b>Grand total of All SPSEs</b>                               |   | <b>3,899.68</b>  | <b>19.03</b> | <b>436.96</b> | <b>1,305.07</b> | <b>5,660.75</b> | <b>7,783.42</b> | <b>17.72</b> | <b>2,215.10</b> | <b>2,890.17</b> | <b>12,906.41</b> | <b>11,683.11</b> | <b>6,884.05</b> | <b>18,567.17</b> | <b>5,660.75</b>  | <b>12,906.41</b> |

**Appendix-5.2**

(Reference: Paragraph 5.3)

**Summarised financial results of SPSEs for the latest year for which accounts were finalised as of 30 September 2023**

(₹ in crore)

| Sr. No.                               | Name of the SPSEs   | Year of Account | Year in which finalised | Paid-up Capital | Long-term loans outstanding | Total Assets    | Turnover      | Accumulated Profit (+)/ Loss (-) | Net Profit (+)/ Loss (-) after interest & Tax | Interest    | Income Tax  | Profit (+)/ Loss (-) before interest & Tax | Net worth        | Capital Employed | Manpower     |
|---------------------------------------|---|-----------------|-------------------------|-----------------|-----------------------------|-----------------|---------------|----------------------------------|---|-------------|-------------|--|------------------|------------------|--------------|
| 1.                                    | 2.  | 3.              | 4.                      | 5.              | 6.                          | 7.              | 8.            | 9.                               | 10.   | 11          | 12          | 13   | 14               | 15               | 16           |
| <b>A Working Government Companies</b> |   |                 |                         |                 |                             |                 |               |                                  |   |             |             |  |                  |                  |              |
| <b>Agriculture and Allied</b>         |   |                 |                         |                 |                             |                 |               |                                  |   |             |             |  |                  |                  |              |
| 1                                     | Himachal Pradesh Agro Industries Corporation Limited                                | 2020-21         | 2022-23                 | 18.85           | 13.16                       | 38.70           | 67.18         | (-) 13.81                        | 0.22  | 0.07        | 0.00        | 0.29                                       | 5.04             | 18.20            | 16           |
|                                       |   | 2021-22         | 2023-24                 | 18.85           | 13.22                       | 42.27           | 84.05         | (-) 13.48                        | 0.33  | 0.07        | 0.15        | 0.55                                       | 5.37             | 18.59            |              |
| 2                                     | Himachal Pradesh Horticultural Produce Marketing and Processing Corporation Limited | 2021-22         | 2023-24                 | 38.77           | 45.55                       | 167.58          | 112.73        | (-) 83.87                        | 2.89  | 2.38        | 0.00        | 5.27                                       | (-)45.10         | 0.45             | 180          |
| 3                                     | Himachal Pradesh State Forest Development Corporation Limited                       | 2018-19         | 2022-23                 | 11.71           | 5.71                        | 179.61          | 202.88        | (-)113.04                        | 0.98  | 1.06        | 0.00        | 2.04                                       | (-)101.33        | (-)95.62         | 1,227        |
| <b>Total</b>                          |   |                 |                         | <b>88.18</b>    | <b>64.48</b>                | <b>389.46</b>   | <b>399.66</b> | <b>(-) 29</b>                    | <b>4.20</b>                                   | <b>3.51</b> | <b>0.15</b> | <b>7.86</b>                                | <b>(-)141.06</b> | <b>(-)76.58</b>  | <b>1,423</b> |
| <b>Financing</b>                      |   |                 |                         |                 |                             |                 |               |                                  |   |             |             |  |                  |                  |              |
| 4                                     | Himachal Backward Classes Finance & Development Corporation                         | 2015-16         | 2023-24                 | 12.47           | 18.26                       | 41.28           | 2.98          | 9.02                             | 0.49  | 0.46        | 0.00        | 0.95                                       | 21.49            | 39.75            | 15           |
|                                       |   | 2016-17         | 2023-24                 | 13.22           | 19.15                       | 43.83           | 3.22          | 10.06                            | 1.04  | 0.49        | 0.00        | 1.53                                       | 23.28            | 42.43            |              |
|                                       |   | 2017-18         | 2023-24                 | 13.22           | 20.16                       | 45.64           | 3.47          | 10.76                            | 0.70  | 0.85        | 0.00        | 1.55                                       | 23.98            | 44.14            |              |
|                                       |   | 2018-19         | 2023-24                 | 14.22           | 21.63                       | 49.23           | 3.51          | 11.06                            | 0.30  | 0.56        | 0.00        | 0.86                                       | 25.28            | 46.91            |              |
| 5                                     | Himachal Pradesh Mahila Vikas Nigam   | 2016-17         | 2022-23                 | 9.94            | 000                         | 12.66           | 0.78          | 2.62                             | 0.62  | 0.00        | 0.00        | 0.62                                       | 12.56            | 12.56            | 7            |
| 6                                     | Himachal Pradesh Minorities Finance & Development Corporation                       | 2016-17         | 2022-23                 | 11.34           | 23.47                       | 35.30           | 1.34          | (-)5.72                          | (-)0.29                                       | 0.78        | 0.00        | 0.49                                       | 5.62             | 29.09            | 18           |
| <b>Total</b>                          |   |                 |                         | <b>35.50</b>    | <b>45.10</b>                | <b>97.19</b>    | <b>5.63</b>   | <b>7.96</b>                      | <b>0.63</b>                                   | <b>1.34</b> | <b>0.00</b> | <b>1.97</b>                                | <b>43.46</b>     | <b>88.56</b>     | <b>40</b>    |
| <b>Infrastructure</b>                 |   |                 |                         |                 |                             |                 |               |                                  |   |             |             |  |                  |                  |              |
| 7                                     | Himachal Pradesh Road & Other Infrastructure Development Corporation Limited        | 2021-22         | 2023-24                 | 25.00           | 0.00                        | 599.06          | 0.45          | 0.30                             | 0.30  | 0.00        | 0.11        | 0.41                                       | 25.30            | 25.30            | 38           |
| 8                                     | Himachal Pradesh State Industrial Development Corporation Limited                   | 2020-21         | 2023-24                 | 30.82           | 0.00                        | 341.22          | 59.74         | 79.39                            | 7.68  | 0.00        | 3.67        | 11.35                                      | 110.21           | 110.21           | 132          |
| 9                                     | Dharamshala Smart City Limited  | 2018-19         | 2022-23                 | 0.00034         | 0.00                        | 246.02          | 0.00          | 0.00                             | 0.00  | 0.00        | 0.00        | 0.00                                       | 0.00034          | 0.00034          | 24           |
|                                       |   | 2019-20         |                         | 0.00034         | 0.00                        | 246.28          | 0.00          | 0.00                             | 0.00  | 0.00        | 0.00        | 0.00                                       | 0.00034          | 0.00034          |              |
| 10                                    | Shimla Smart City Limited   | 2018-19         | 2022-23                 | 0.007           | 0.00                        | 66.44           | 0.00          | 0.00                             | 0.00  | 0.00        | 0.00        | 0.00                                       | 0.007            | 0.007            | 19           |
|                                       |   | 2019-20         |                         | 0.007           | 0.00                        | 105.00          | 0.00          | 0.00                             | 0.00  | 0.00        | 0.00        | 0.00                                       | 0.007            | 0.007            |              |
| <b>Total</b>                          |   |                 |                         | <b>55.83468</b> | <b>0.00</b>                 | <b>1,291.56</b> | <b>60.19</b>  | <b>79.69</b>                     | <b>7.98</b>                                   | <b>0.00</b> | <b>3.78</b> | <b>11.76</b>                               | <b>135.52</b>    | <b>135.52</b>    | <b>213</b>   |
| <b>Manufacture</b>                    |   |                 |                         |                 |                             |                 |               |                                  |   |             |             |  |                  |                  |              |
| 11                                    | Himachal Pradesh General Industries Corporation Limited                             | 2021-22         | 2023-24                 | 7.16            | 0.00                        | 70.49           | 62.37         | 43.54                            | 3.44  | 0.21        | 1.43        | 5.08                                       | 50.70            | 50.70            | 104          |
| <b>Total</b>                          |   |                 |                         | <b>7.16</b>     | <b>0.00</b>                 | <b>70.49</b>    | <b>62.37</b>  | <b>43.54</b>                     | <b>3.44</b>                                   | <b>0.21</b> | <b>1.43</b> | <b>5.08</b>                                | <b>50.70</b>     | <b>50.70</b>     | <b>104</b>   |
| <b>Services</b>                       |   |                 |                         |                 |                             |                 |               |                                  |   |             |             |  |                  |                  |              |
| 12                                    | Himachal Pradesh State Civil Supplies Corporation Limited                           | 2019-20         | 2023-24                 | 3.51            | 0.00                        | 493.98          | 1,429.96      | 36.67                            | 1.12  | 0.45        | 0.62        | 2.19                                       | 40.18            | 40.18            | 594          |
| 13                                    | Himachal Pradesh State Electronics Development Corporation Limited                  | 2021-22         | 2023-24                 | 3.72            | 0.00                        | 128.67          | 53.04         | 10.68                            | 0.57  | 0.00        | 0.20        | 0.77                                       | 14.40            | 14.40            | 36           |
| 14                                    | Himachal Pradesh State Handicrafts & Handloom Corporation Limited                   | 2020-21         | 2023-24                 | 9.25            | 0.00                        | 24.02           | 24.48         | (-)12.42                         | 1.01  | 0.03        | 0.26        | 1.30                                       | (-)3.17          | (-)3.17          | 22           |

| 1.                              | 2.  | 3.                                   | 4.      | 5.       | 6.       | 7.              | 8.               | 9.               | 10.              | 11.                | 12.              | 13.           | 14.          | 15.              | 16.              |                  |               |
|---------------------------------|---|--------------------------------------|---------|----------|----------|-----------------|------------------|------------------|------------------|--------------------|------------------|---------------|--------------|------------------|------------------|------------------|---------------|
| 15                              | Himachal Pradesh Tourism Development Corporation                      | 2017-18                              | 2023-24 | 12.30    | 0.00     | 78.25           | 98.36            | (-27.27)         | (-2.76)          | 0.11               | 0.00             | (-2.65)       | (-14.97)     | (-14.97)         | 1,760            |                  |               |
| 16                              | Himachal Pradesh Kaushal Vikas Nigam                                  | 2019-20                              | 2022-23 | 0.007    | 0.00     | 128.36          | 0.00             | 0.58             | 0.02             | 0.00               | 0.00             | 0.02          | 0.587        | 0.587            | 48               |                  |               |
| 17                              | Himachal Consultancy Organisation Limited                             | 2021-22                              | 2022-23 | 0.18     | 0.00     | 12.90           | 27.44            | 2.79             | 0.95             | 0.00               | 0.00             | 0.95          | 2.97         | 2.97             | 18               |                  |               |
| 18                              | Shimla Jal Prabandhan Nigam Limited                                   | 2021-22                              | 2022-23 | 0.10     | 0.00     | 456.38          | 109.99           | 0.00             | 0.00             | 0.00               | 0.00             | 0.00          | 0.10         | 0.10             | 304              |                  |               |
| 19                              | Ropeway and Rapid Transport System Development Corporation HP Limited | 2020-21                              | 2022-23 | 0.01     | 0.00     | 43.49           | 0.17             | 0.00             | 0.00             | 0.00               | 0.00             | 0.00          | 0.01         | 0.01             | 65               |                  |               |
| 20                              | Sri Naina Devi Ji & Sri Anandpur Sahib Ji Ropeway Limited             | 2019-20                              | 2022-23 | 1.00     | 0.00     | 1.01            | 0.00             | (-0.03)          | (-0.03)          | 0.00               | 0.00             | (-0.03)       | 0.97         | 0.97             | 3                |                  |               |
| 21                              | Mandi International Airport Limited                                   | 1 <sup>st</sup> Account not received |         |          |          |                 |                  |                  |                  |                    |                  |               |              |                  |                  |                  |               |
| <b>Sector total</b>             |   |                                      |         |          |          | <b>30.077</b>   | <b>0.00</b>      | <b>1,367.06</b>  | <b>1,743.44</b>  | <b>11.00</b>       | <b>0.88</b>      | <b>0.59</b>   | <b>1.08</b>  | <b>2.55</b>      | <b>41.08</b>     | <b>41.08</b>     | <b>2,850</b>  |
| <b>Grand Total A</b>            |   |                                      |         |          |          | <b>197.90</b>   | <b>109.58</b>    | <b>3,215.76</b>  | <b>2,271.29</b>  | <b>(-68.20)</b>    | <b>17.13</b>     | <b>5.65</b>   | <b>6.44</b>  | <b>29.22</b>     | <b>129.70</b>    | <b>239.28</b>    | <b>4,630</b>  |
| <b>B</b>                        | <b>Statutory Corporations</b>   |                                      |         |          |          |                 |                  |                  |                  |                    |                  |               |              |                  |                  |                  |               |
| <b>Financing</b>                |   |                                      |         |          |          |                 |                  |                  |                  |                    |                  |               |              |                  |                  |                  |               |
| 1                               | Himachal Pradesh Financial Corporation                                | 2018-19                              | 2023-24 | 99.57    | 106.15   | 305.97          | 2.55             | (-160.16)        | 6.40             | 7.60               | 0.00             | 14.00         | (-60.59)     | 45.56            | 14               |                  |               |
|                                 |   | 2019-20                              | 2023-24 | 99.57    | 110.06   | 311.20          | 1.52             | (-166.84)        | (-6.68)          | 7.49               | 0.00             | 0.81          | (-67.27)     | 42.79            |                  |                  |               |
|                                 |   | 2020-21                              | 2023-24 | 99.57    | 112.88   | 318.18          | 1.23             | (-173.82)        | (-6.98)          | 7.40               | 0.00             | 0.42          | (-74.25)     | 38.63            |                  |                  |               |
|                                 |   | 2021-22                              | 2023-24 | 99.57    | 112.88   | 326.17          | 1.45             | (-180.97)        | (-7.16)          | 7.25               | 0.00             | 0.09          | (-81.40)     | 31.48            |                  |                  |               |
| <b>Sector total</b>             |   |                                      |         |          |          | <b>99.57</b>    | <b>112.88</b>    | <b>326.17</b>    | <b>1.45</b>      | <b>(-180.97)</b>   | <b>(-7.16)</b>   | <b>7.25</b>   | <b>0.00</b>  | <b>0.09</b>      | <b>(-81.40)</b>  | <b>31.48</b>     | <b>14</b>     |
| <b>Services</b>                 |   |                                      |         |          |          |                 |                  |                  |                  |                    |                  |               |              |                  |                  |                  |               |
| 2                               | Himachal Road Transport Corporation                                   | 2021-22                              | 2022-23 | 1063.12  | 18.02    | 923.84          | 1,049.20         | (-1,707.12)      | (-133.18)        | 5.74               | 0.00             | (-127.44)     | (-644.00)    | (-625.98)        | 11,138           |                  |               |
| <b>Sector total</b>             |   |                                      |         |          |          | <b>1063.12</b>  | <b>18.02</b>     | <b>923.84</b>    | <b>1,049.20</b>  | <b>(-1,707.12)</b> | <b>(-133.18)</b> | <b>5.74</b>   | <b>0.00</b>  | <b>(-127.44)</b> | <b>(-644.00)</b> | <b>(-625.98)</b> | <b>11,138</b> |
| <b>Total B</b>                  |   |                                      |         |          |          | <b>1,162.69</b> | <b>130.90</b>    | <b>1,250.01</b>  | <b>1,050.65</b>  | <b>(-1,888.09)</b> | <b>(-140.34)</b> | <b>12.99</b>  | <b>0.00</b>  | <b>(-127.35)</b> | <b>(-725.40)</b> | <b>(-594.50)</b> | <b>11,152</b> |
| <b>Grand Total A and B</b>      |   |                                      |         |          |          | <b>1,360.59</b> | <b>240.48</b>    | <b>4,465.77</b>  | <b>3,321.94</b>  | <b>(-1,956.29)</b> | <b>(-123.21)</b> | <b>18.64</b>  | <b>6.44</b>  | <b>(-98.13)</b>  | <b>(-595.70)</b> | <b>(-355.22)</b> | <b>15,747</b> |
| <b>C</b>                        | <b>Inactive Government Companies</b>                                  |                                      |         |          |          |                 |                  |                  |                  |                    |                  |               |              |                  |                  |                  |               |
| <b>Agriculture and Allied</b>   |   |                                      |         |          |          |                 |                  |                  |                  |                    |                  |               |              |                  |                  |                  |               |
| 1                               | Agro Industrial Packaging India Limited                               | 2013-14                              | 2014-15 | 17.72    | 60.15    | 1.33            | 0.00             | (-78.23)         | (-0.04)          | 0.00               | 0.00             | (-0.04)       | (-60.51)     | (-0.36)          | 1                |                  |               |
| <b>Total</b>                    |   |                                      |         |          |          | <b>17.72</b>    | <b>60.15</b>     | <b>1.33</b>      | <b>0.00</b>      | <b>(-78.23)</b>    | <b>(-0.04)</b>   | <b>0.00</b>   | <b>0.00</b>  | <b>(-0.04)</b>   | <b>(-60.51)</b>  | <b>(-0.36)</b>   | <b>1</b>      |
| <b>Manufacture</b>              |   |                                      |         |          |          |                 |                  |                  |                  |                    |                  |               |              |                  |                  |                  |               |
| 2                               | Himachal Worsted Mills Limited  | 2000-01                              | 2001-02 | 0.92     | 0        | 0               | 0.00             | (-5.44)          | (-0.01)          | 0.00               | 0.00             | (-0.01)       | (-4.52)      | (-4.52)          | -                |                  |               |
| <b>Total</b>                    |   |                                      |         |          |          | <b>0.92</b>     | <b>0</b>         | <b>0</b>         | <b>0.00</b>      | <b>(-5.44)</b>     | <b>(-0.01)</b>   | <b>0.00</b>   | <b>0.00</b>  | <b>(-0.01)</b>   | <b>(-4.52)</b>   | <b>(-4.52)</b>   | <b>-</b>      |
| <b>Services</b>                 |   |                                      |         |          |          |                 |                  |                  |                  |                    |                  |               |              |                  |                  |                  |               |
| 3                               | Himachal Pradesh Beverage Limited                                     | 2016-17                              | 2018-19 | 1.00     | 0        | 124.35          | 543.97           | 9.49             | 9.49             | 0.00               | 4.78             | 14.27         | 10.49        | 10.49            | 10               |                  |               |
| <b>Sector total</b>             |   |                                      |         |          |          | <b>1.00</b>     | <b>0</b>         | <b>124.35</b>    | <b>543.97</b>    | <b>9.49</b>        | <b>9.49</b>      | <b>0.00</b>   | <b>4.78</b>  | <b>14.27</b>     | <b>10.49</b>     | <b>10.49</b>     | <b>10</b>     |
| <b>Total C</b>                  |   |                                      |         |          |          | <b>19.64</b>    | <b>60.15</b>     | <b>125.68</b>    | <b>543.97</b>    | <b>(-74.18)</b>    | <b>9.44</b>      | <b>0.00</b>   | <b>4.78</b>  | <b>14.22</b>     | <b>(-54.54)</b>  | <b>5.61</b>      | <b>11</b>     |
| <b>Grand Total A, B and C</b>   |   |                                      |         |          |          | <b>1,380.23</b> | <b>300.63</b>    | <b>4,591.45</b>  | <b>3,865.91</b>  | <b>(-2,030.47)</b> | <b>(-113.77)</b> | <b>18.64</b>  | <b>11.22</b> | <b>(-83.91)</b>  | <b>(-650.24)</b> | <b>(-349.61)</b> | <b>15,782</b> |
| <b>D</b>                        | <b>Power Sector</b>   |                                      |         |          |          |                 |                  |                  |                  |                    |                  |               |              |                  |                  |                  |               |
| 1                               | Himachal Pradesh State Electricity Board Limited                      | 2021-22                              | 2022-23 | 832.23   | 5,147.87 | 11,006.78       | 7,114.31         | (-1,809.61)      | (-103.69)        | 525.67             | 0.00             | 421.98        | (-977.38)    | 4,170.49         | 18,589           |                  |               |
| 2                               | Himachal Pradesh Power Transmission Corporation Limited               | 2021-22                              | 2023-24 | 561.99   | 1,830.05 | 3,274.49        | 98.77            | (-395.91)        | (-169.79)        | 123.78             | 0.00             | (-46.01)      | 166.08       | 1,996.13         | 318              |                  |               |
| 3                               | Himachal Pradesh Power Corporation Limited                            | 2020-21                              | 2022-23 | 2,187.71 | 1,171.09 | 8,195.82        | 122.08           | (-552.07)        | (-188.04)        | 142.77             | 0.00             | (-45.27)      | 1,635.64     | 2,806.73         | 560              |                  |               |
| 4                               | Beas Valley Power Corporation Limited                                 | 2021-22                              | 2022-23 | 300.00   | 1,784.61 | 2,276.50        | 0.00             | 0.00             | 0.00             | 0.00               | 0.00             | 0.00          | 300.00       | 2,084.61         | 101              |                  |               |
| <b>Sector Total</b>             |   |                                      |         |          |          | <b>3,881.93</b> | <b>9,933.62</b>  | <b>24,753.59</b> | <b>7,335.16</b>  | <b>(-2,757.59)</b> | <b>(-461.52)</b> | <b>792.22</b> | <b>0.00</b>  | <b>330.70</b>    | <b>1,124.34</b>  | <b>11,057.96</b> | <b>19,568</b> |
| <b>Grand total of All SPSEs</b> |   |                                      |         |          |          | <b>5,262.16</b> | <b>10,234.25</b> | <b>29,345.04</b> | <b>11,201.07</b> | <b>(-4,788.06)</b> | <b>(-575.29)</b> | <b>810.86</b> | <b>11.22</b> | <b>246.79</b>    | <b>474.10</b>    | <b>10,708.35</b> | <b>35,350</b> |

Note: Highlighted figures of Himachal Pradesh Agro Industries Corporation Limited, Himachal Backward Classes Finance & Development Corporation, Dharamshala Smart City Limited, Shimla Smart City Limited and Himachal Pradesh Financial Corporation is not included in the Sector Total and Grand Total.

**Appendix-5.3**

(Reference: Paragraph 5.7.3)

**Statement showing the funds infused in SPSEs by the State Government as on 01 April 1999 and from 1999-2000 to 2022-23**

(₹ in crore)

|  | Upto 1999-2000   | 2000-01 | 2001-02 | 2002-03 | 2003-04 | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | Total        |      |              |
|--|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|--------------|------|--------------|
| 1  | 2  | 3       | 4       | 5       | 6       | 7       | 8       | 9       | 10      | 11      | 12      | 13      | 14      | 15      | 16      | 17      | 18      | 19      | 20      | 21      | 22      | 23      | 24      | 25      | 26           |      |              |
| <b>STATE PUBLIC SECTOR ENTERPRISES (Other than Power Sector)</b> |  |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |              |      |              |
| <b>AGRICULTURE AND ALLIED</b>                                    |  |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |              |      |              |
| <b>1</b>   | <b>Himachal Pradesh Agro Industries Corporation Limited</b>                                |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |              |      |              |
| Equity   | 9.84   | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 7.05    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00         | 0.00 | <b>16.89</b> |
| IFL  | 0.00   | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 2.50    | 0.00    | 2.54    | 0.00    | 0.00    | 6.52    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00         | 0.00 | <b>11.56</b> |
| <b>2</b>   | <b>Himachal Pradesh Horticultural Produce Marketing and Processing Corporation Limited</b> |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |              |      |              |
| Equity   | 10.23  | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 20.97   | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00         | 0.00 | <b>31.20</b> |
| IFL  | 0.00   | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 2.25    | 0.00    | 0.00    | 0.00    | 0.00    | 7.00    | 5.00    | 0.00    | 14.54   | 3.55    | 0.00    | 8.00    | 10.00   | 0.00    | 0.00    | 0.00    | 0.00    | 0.00         | 0.00 | <b>50.34</b> |
| <b>3</b>   | <b>Himachal Pradesh State Forest Development Corporation Limited</b>                       |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |              |      |              |
| Equity   | 11.71  | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00         | 0.00 | <b>11.71</b> |
| IFL  | 0.00   | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00         | 0.00 | <b>0.00</b>  |
| <b>Grand Total Agriculture and Allied</b>                        |  |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         | <b>59.80</b> |      |              |
| <b>Grand Total Agriculture and Allied</b>                        |  |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         | <b>61.90</b> |      |              |
| <b>FINANCING</b>   |  |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |              |      |              |
| <b>4</b>   | <b>Himachal Backward Classes Finance and Development Corporation</b>                       |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |              |      |              |
| Equity   | 1.57   | 0.40    | 0.65    | 0.80    | 1.20    | 1.00    | 0.50    | 1.20    | 0.90    | 1.10    | 0.86    | 0.00    | 0.00    | 0.28    | 0.54    | 0.80    | 0.67    | 0.54    | 0.75    | 1.00    | 0.00    | 1.75    | 1.25    | 0.00    | 0.00         | 0.00 | <b>17.76</b> |
| IFL  | 0.01   | 0.01    | 0.00    | 0.00    | 0.00    | 0.00    | 0.15    | 0.00    | 0.00    | -0.10   | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00         | 0.00 | <b>0.07</b>  |
| <b>5</b>   | <b>Himachal Pradesh Mahila Vikas Nigam</b>   |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |              |      |              |
| Equity   | 1.25   | 0.00    | 0.10    | 0.22    | 0.30    | 0.30    | 0.30    | 0.40    | 0.85    | 0.85    | 1.08    | 0.30    | 1.14    | 0.00    | 0.60    | 0.65    | 0.75    | 0.75    | 0.80    | 1.77    | 1.35    | 0.75    | 0.39    | 0.00    | 0.00         | 0.00 | <b>14.90</b> |
| IFL  | 0.00   | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00         | 0.00 | <b>0.00</b>  |
| <b>6</b>   | <b>Himachal Pradesh Minorities Finance and Development Corporation</b>                     |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |              |      |              |
| Equity   | 0.75   | 0.17    | 0.25    | 0.40    | 0.40    | 0.40    | 0.49    | 0.40    | 0.46    | 1.02    | 1.08    | 1.16    | 0.50    | 0.64    | 1.30    | 0.53    | 0.64    | 0.75    | 0.00    | 1.68    | 0.00    | 1.75    | 0.00    | 0.00    | 0.00         | 0.00 | <b>14.77</b> |
| IFL  | 0.00   | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00         | 0.00 | <b>0.00</b>  |
| O&AE   | 0.00   | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 4.00         | 0.00 | <b>4.00</b>  |
| <b>Grand Total Financing</b>                                     |  |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         | <b>47.43</b> |      |              |
| <b>Grand Total Financing</b>                                     |  |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         | <b>0.00</b>  |      |              |
| <b>Grand Total Financing</b>                                     |  |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         | <b>4.00</b>  |      |              |
| <b>INFRASTRUCTURE</b>  |  |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |              |      |              |
| <b>7</b>   | <b>Himachal Pradesh Road and Other Infrastructure Development Corporation Limited</b>      |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |              |      |              |
| Equity   | 5.00   | 20.00   | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00         | 0.00 | <b>25.00</b> |
| IFL  | 0.00   | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00         | 0.00 | <b>0.00</b>  |
| <b>8</b>   | <b>Himachal Pradesh State Industrial Development Corporation Limited</b>                   |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |              |      |              |
| Equity   | 29.59  | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 1.23    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00         | 0.00 | <b>30.82</b> |
| IFL  | 0.00   | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00         | 0.00 | <b>0.00</b>  |
| <b>9</b>   | <b>Dharamshala Smart City Limited</b>  |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |              |      |              |
| Equity   | 0.00   | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00         | 0.00 | <b>0.00</b>  |
| IFL  | 0.00   | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00         | 0.00 | <b>0.00</b>  |
| <b>10</b>  | <b>Shimla Smart City Limited</b>   |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |              |      |              |
| Equity   | 0.00   | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.01    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00         | 0.00 | <b>0.01</b>  |
| IFL  | 0.00   | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00         | 0.00 | <b>0.00</b>  |
| O&AE   | 0.00   | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 0.00    | 1.26         | 0.00 | <b>1.26</b>  |
| <b>Grand Total Infrastructure</b>                                |  |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         | <b>55.83</b> |      |              |
| <b>Grand Total Infrastructure</b>                                |  |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         | <b>0.00</b>  |      |              |
| <b>Grand Total Infrastructure</b>                                |  |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         | <b>1.26</b>  |      |              |

| 1  | 2  | 3     | 4     | 5     | 6     | 7     | 8     | 9     | 10    | 11    | 12    | 13    | 14    | 15    | 16    | 17    | 18    | 19    | 20    | 21    | 22    | 23     | 24     | 25     | 26       |        |
|--|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|--------|--------|----------|--------|
| <b>MANUFACTURE</b>                       |  |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        |          |        |
| <b>11</b>                                | <b>Himachal Pradesh General Industries Corporation Limited</b>                             |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        |          |        |
| Equity                                   | 4.98   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 2.06  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00     | 7.04   |
| IFL                                      | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00     | 0.00   |
| Grand Total Manufacture                  |  |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        | 7.04     |        |
| <b>SERVICES</b>                          |  |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        |          |        |
| <b>12</b>                                | <b>Himachal Pradesh State Civil Supplies Corporation Limited</b>                           |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        |          |        |
| Equity                                   | 3.52   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00     | 3.52   |
| IFL                                      | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00     | 0.00   |
| <b>13</b>                                | <b>Himachal Pradesh State Electronics Development Corporation Limited</b>                  |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        |          |        |
| Equity                                   | 3.72   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00     | 3.72   |
| IFL                                      | 0.48   | 1.50  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | -1.93  | 0.00   | 0.00     | 0.05   |
| <b>14</b>                                | <b>Himachal Pradesh State Handicrafts and Handloom Corporation Limited</b>                 |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        |          |        |
| Equity                                   | 4.09   | 0.01  | 0.01  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 4.61  | 0.00  | 0.00  | 0.00  | 0.50  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00     | 9.22   |
| IFL                                      | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00     | 0.00   |
| <b>15</b>                                | <b>Himachal Pradesh Tourism Development Corporation</b>                                    |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        |          |        |
| Equity                                   | 12.30  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 2.00   | 0.00     | 14.30  |
| IFL                                      | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00     | 0.00   |
| O&AE                                     | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 38.21  | 16.00  | 0.00     | 54.21  |
| <b>16</b>                                | <b>Himachal Pradesh Kaushal Vikas Nigam</b>  |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        |          |        |
| Equity                                   | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.01  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00     | 0.01   |
| IFL                                      | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00     | 0.00   |
| <b>17</b>                                | <b>Shimla Jal Prabandhan Nigam Limited</b>   |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        |          |        |
| Equity                                   | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.05  | 0.00   | 0.00   | 0.00   | 0.00     | 0.05   |
| IFL                                      | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00     | 0.00   |
| O&AE                                     | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 114.89 | 180.13 | 111.20 | 97.97    | 504.19 |
| <b>18</b>                                | <b>Ropeway and Rapid Transport System Development Corporation HP Limited</b>               |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        |          |        |
| Equity                                   | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.01   | 0.00   | 0.00   | 0.00     | 0.01   |
| IFL                                      | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00     | 0.00   |
| O&AE                                     | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 7.50   | 26.13  | 6.89   |          | 40.52  |
| <b>19</b>                                | <b>Sri Naina Devi Ji and Sri Anandpur Sahib Ji Ropeway Development Corporation Limited</b> |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        |          |        |
| Equity                                   | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.50   | 0.00   | 0.00   | 0.00     | 0.50   |
| IFL                                      | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00     | 0.00   |
| Grand Total Services                     |  |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        | 31.322   |        |
| Grand Total Services                     |  |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        | 0.05     |        |
| Grand Total Services                     |  |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        | 598.92   |        |
| <b>STATUTORY CORPORATION (FINANCING)</b> |  |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        |          |        |
| <b>20</b>                                | <b>Himachal Pradesh Financial Corporation</b>  |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        |          |        |
| Equity                                   | 21.58  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 20.00 | 51.00 | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.40  | 0.00   | 0.00   | 0.00   | 0.00     | 92.98  |
| IFL                                      | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 2.83   | 0.00   | -2.83    | 0.00   |
| Grand Total Financing                    |  |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        | 92.98    |        |
| Grand Total Financing                    |  |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        | 0.00     |        |
| <b>STATUTORY CORPORATION (SERVICE)</b>   |  |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        |          |        |
| <b>21</b>                                | <b>Himachal Road Transport Corporation</b>   |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        |          |        |
| Equity                                   | 163.16   | 11.90 | 12.00 | 11.01 | 26.70 | 12.30 | 12.30 | 12.30 | 31.49 | 31.00 | 42.18 | 31.92 | 25.30 | 44.34 | 58.00 | 42.95 | 41.20 | 45.00 | 50.00 | 59.00 | 79.39 | 62.02  | 140.48 | 180.00 | 1,225.94 |        |
| IFL                                      | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00     | 0.00   |
| Grand Total Service                      |  |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        | 1,225.94 |        |
| Grand Total Service                      |  |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        | 0.00     |        |

*State Finances Audit Report for the year ended 31 March 2023*

| 1   | 2  | 3     | 4     | 5     | 6     | 7     | 8     | 9     | 10     | 11     | 12     | 13     | 14      | 15     | 16     | 17      | 18     | 19     | 20     | 21     | 22     | 23     | 24     | 25     | 266       |       |
|---|--|-------|-------|-------|-------|-------|-------|-------|--------|--------|--------|--------|---------|--------|--------|---------|--------|--------|--------|--------|--------|--------|--------|--------|-----------|-------|
| <b>INACTIVE AGRICULTURE AND ALLIED &amp; SERVICE</b>  |  |       |       |       |       |       |       |       |        |        |        |        |         |        |        |         |        |        |        |        |        |        |        |        |           |       |
| <b>22</b>   | <b>Agro Industrial Packaging India Limited</b>                 |       |       |       |       |       |       |       |        |        |        |        |         |        |        |         |        |        |        |        |        |        |        |        |           |       |
| Equity  | 16.75  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00   | 0.00    | 0.00   | 0.00   | 0.00    | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00      | 16.75 |
| IFL   | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00   | 0.00    | 0.00   | 0.00   | 0.00    | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00      | 0.00  |
| <b>23</b>   | <b>Himachal Pradesh Beverages Limited</b>                      |       |       |       |       |       |       |       |        |        |        |        |         |        |        |         |        |        |        |        |        |        |        |        |           |       |
| Equity  | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00   | 0.00    | 0.00   | 0.00   | 0.00    | 0.00   | 1.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00      | 1.00  |
| IFL   | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00   | 0.00    | 0.00   | 0.00   | 0.00    | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00      | 0.00  |
| Grand Total Agriculture and Allied                    |  |       |       |       |       |       |       |       |        |        |        |        |         |        |        |         |        |        |        |        |        |        |        |        | 17.75     |       |
| Grand Total   |  |       |       |       |       |       |       |       |        |        |        |        |         |        |        |         |        |        |        |        |        |        |        |        | 0.00      |       |
| Total Equity  | 300.04   | 32.48 | 13.01 | 12.43 | 28.60 | 16.06 | 13.59 | 14.30 | 38.31  | 53.97  | 117.17 | 34.61  | 26.94   | 45.76  | 67.49  | 44.94   | 43.26  | 48.04  | 51.56  | 63.90  | 81.25  | 66.27  | 144.12 | 180.00 | 1,538.09  |       |
| Total IFL   | 0.49   | 1.51  | 0.00  | 0.00  | 0.00  | 0.00  | 0.15  | 0.00  | 2.25   | -0.10  | 0.00   | 0.00   | 9.50    | 5.00   | 2.54   | 14.54   | 3.55   | 6.52   | 8.00   | 10.00  | 0.00   | 0.90   | 0.00   | -2.83  | 62.02     |       |
| O & AE  | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00   | 0.00    | 0.00   | 0.00   | 0.00    | 0.00   | 0.00   | 0.00   | 0.00   | 114.89 | 225.84 | 153.33 | 110.12 | 604.18    |       |
| Grand Total   | 300.53   | 33.99 | 13.01 | 12.43 | 28.60 | 16.06 | 13.74 | 14.30 | 40.56  | 53.87  | 117.17 | 34.61  | 36.44   | 50.76  | 70.03  | 59.48   | 46.81  | 54.56  | 59.56  | 73.90  | 196.14 | 293.01 | 297.45 | 287.29 | 2,204.29  |       |
| <b>STATE PUBLIC SECTOR ENTERPRISES (Power Sector)</b> |  |       |       |       |       |       |       |       |        |        |        |        |         |        |        |         |        |        |        |        |        |        |        |        |           |       |
| <b>1</b>  | <b>Himachal Pradesh Power Corporation Limited</b>              |       |       |       |       |       |       |       |        |        |        |        |         |        |        |         |        |        |        |        |        |        |        |        |           |       |
| Equity  | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 80.11  | 241.32 | 242.41 | 75.76  | 48.05   | 202.18 | 180.00 | 193.31  | 91.25  | 133.27 | 137.12 | 160.00 | 165.00 | 62.21  | 11.00  | 67.35  | 2,090.34  |       |
| IFL   | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00   | 0.00    | 0.00   | 0.00   | 0.00    | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00      |       |
| Disinvestment   | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00   | -537.15 | 0.00   | 0.00   | -550.00 | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | -1,087.15 |       |
| <b>2</b>  | <b>Himachal Pradesh Power Transmission Corporation Limited</b> |       |       |       |       |       |       |       |        |        |        |        |         |        |        |         |        |        |        |        |        |        |        |        |           |       |
| Equity  | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 11.00  | 45.70  | 60.00  | 50.00   | 5.78   | 8.00   | 25.96   | 32.79  | 19.51  | 27.71  | 40.00  | 53.75  | 84.00  | 67.00  | 8.00   | 539.20    |       |
| IFL   | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00   | 0.00    | 0.00   | 0.00   | 0.00    | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00      |       |
| Disinvestment   | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00   | -108.70 | 0.00   | 0.00   | 0.00    | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | -108.70   |       |
| <b>3</b>  | <b>Himachal Pradesh State Electricity Board Limited</b>        |       |       |       |       |       |       |       |        |        |        |        |         |        |        |         |        |        |        |        |        |        |        |        |           |       |
| Equity  | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 396.52 | 0.00    | 50.00  | 31.75  | 75.00   | 50.00  | 50.00  | 17.28  | 50.00  | 35.91  | 50.77  | 50.00  | 50.00  | 907.23    |       |
| IFL   | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00   | 0.00    | 0.00   | 0.00   | 0.00    | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00      |       |
| O & AE  | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00   | 0.00    | 0.00   | 0.00   | 0.00    | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 11.00  | 0.00   | 0.00   | 11.00     |       |
| Disinvestment   | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00   | 0.00    | 0.00   | 0.00   | 0.00    | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00      |       |
| Total Equity  | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 80.11  | 252.32 | 288.11 | 532.28 | 98.05   | 257.96 | 219.75 | 294.27  | 174.04 | 202.78 | 182.11 | 250.00 | 254.66 | 196.98 | 128.00 | 125.35 | 3,536.77  |       |
| Total IFL   | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00   | 0.00    | 0.00   | 0.00   | 0.00    | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00      |       |
| Total O&AE  | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00   | 0.00    | 0.00   | 0.00   | 0.00    | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 11.00  | 0.00   | 0.00   | 11.00     |       |
| Total Disinvestment                                   | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00   | -645.85 | 0.00   | 0.00   | -550.00 | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | -1,195.85 |       |
| Grand Total   | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 80.11  | 252.32 | 288.11 | 532.28 | -547.80 | 257.96 | 219.75 | -255.73 | 174.04 | 202.78 | 182.11 | 250.00 | 254.66 | 207.98 | 128.00 | 125.35 | 2,351.92  |       |
| Total Equity  | 300.04   | 32.48 | 13.01 | 12.43 | 28.60 | 16.06 | 13.59 | 14.30 | 118.42 | 306.29 | 405.28 | 566.89 | 124.99  | 303.72 | 287.24 | 339.21  | 217.30 | 250.82 | 233.67 | 313.90 | 335.91 | 263.25 | 272.12 | 305.35 | 5,074.87  |       |
| Total IFL   | 0.49   | 1.51  | 0.00  | 0.00  | 0.00  | 0.00  | 0.15  | 0.00  | 2.25   | -0.10  | 0.00   | 0.00   | 9.50    | 5.00   | 2.54   | 14.54   | 3.55   | 6.52   | 8.00   | 10.00  | 0.00   | 0.90   | 0.00   | -2.83  | 62.02     |       |
| Total O & AE  | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00   | 0.00    | 0.00   | 0.00   | 0.00    | 0.00   | 0.00   | 0.00   | 0.00   | 114.89 | 236.84 | 153.33 | 110.12 | 615.18    |       |
| Total Disinvestment                                   | 0.00   | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00  | 0.00   | 0.00   | 0.00   | 0.00   | -645.85 | 0.00   | 0.00   | -550.00 | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | -1,195.85 |       |
| G.G. Total  | 300.53   | 33.99 | 13.01 | 12.43 | 28.60 | 16.06 | 13.74 | 14.30 | 120.67 | 306.19 | 405.28 | 566.89 | -511.36 | 308.72 | 289.78 | -196.25 | 220.85 | 257.34 | 241.67 | 323.90 | 450.80 | 500.99 | 425.45 | 412.64 | 4,556.22  |       |

## Appendix-5.4

(Reference: Paragraph 5.8.2)

## Statement showing the accumulated losses in SPSEs

(₹ in crore)

| Sr. No.                       | Sector Type            | Name of the SPSEs   | Year of Account | Year in which finalised | Net Profit (+)/ Loss (-) after interest & Tax | Paid-up Capital | Long-term loans outstanding | Free Reserves | Total Assets     | Turnover        | Accumulated Loss (-) | Capital Employed | Net worth      |
|-------------------------------|------------------------|---|-----------------|-------------------------|---|-----------------|-----------------------------|---------------|------------------|-----------------|----------------------|------------------|----------------|
| <b>Government Companies</b>   |                        |   |                 |                         |   |                 |                             |               |                  |                 |                      |                  |                |
| 1                             | Agriculture and Allied | Himachal Pradesh Agro Industries Corporation Limited                                | 2021-22         | 2023-24                 | 0.33  | 18.85           | 13.22                       | 0.00          | 42.27            | 84.05           | -13.48               | 18.59            | 5.37           |
| 2                             | Agriculture and Allied | Himachal Pradesh Horticultural Produce Marketing and Processing Corporation Limited | 2021-22         | 2023-24                 | 2.89  | 38.77           | 45.55                       | 0.00          | 167.58           | 112.73          | -83.87               | 0.45             | -45.10         |
| 3                             | Agriculture and Allied | Himachal Pradesh State Forest Development Corporation Limited                       | 2018-19         | 2022-23                 | 0.98  | 11.71           | 5.71                        | 0.00          | 179.61           | 202.88          | -113.04              | -95.62           | -101.33        |
| 4                             | Financing              | Himachal Pradesh Minorities Finance & Development Corporation                       | 2016-17         | 2022-23                 | -0.29   | 11.34           | 23.47                       | 0.00          | 35.3             | 1.34            | -5.72                | 29.09            | 5.62           |
| 5                             | Services               | Himachal Pradesh State Handicrafts & Handloom Corporation Limited                   | 2020-21         | 2023-24                 | 1.01  | 9.25            | 0                           | 0.00          | 24.02            | 24.48           | -12.42               | -3.17            | -3.17          |
| 6                             | Services               | Himachal Pradesh Tourism Development Corporation                                    | 2017-18         | 2023-24                 | -2.76   | 12.3            | 0                           | 0.00          | 78.25            | 98.36           | -27.27               | -14.97           | -14.97         |
| 7                             | Services               | Sri Naina Devi Ji & Sri Anandpur Sahib Ji Ropeway Limited                           | 2019-20         | 2022-23                 | -0.03   | 1               | 0                           | 0.00          | 1.01             | 0               | -0.03                | 0.97             | 0.97           |
| 8                             | Agriculture and Allied | Agro Industrial Packaging India Limited   | 2013-14         | 2014-15                 | -0.04   | 17.72           | 60.15                       | 0.00          | 1.33             | 0               | -78.23               | -0.36            | -60.51         |
| 9                             | Manufacture            | Himachal Worsted Mills Limited  | 2000-01         | 2001-02                 | -0.01   | 0.92            | 0                           | 0.00          | 0                | 0.00            | -5.44                | -4.52            | -4.52          |
| 10                            | Power                  | Himachal Pradesh State Electricity Board Limited                                    | 2021-22         | 2022-23                 | -103.69                                       | 832.23          | 5,147.87                    | 0.00          | 11,006.78        | 7,114.31        | -1,809.61            | 4,170.49         | -977.38        |
| 11                            | Power                  | Himachal Pradesh Power Transmission Corporation Limited                             | 2021-22         | 2023-24                 | -169.79                                       | 561.99          | 1,830.05                    | 0.00          | 3,274.49         | 98.77           | -395.91              | 1,996.13         | 166.08         |
| 12                            | Power                  | Himachal Pradesh Power Corporation Limited  | 2020-21         | 2022-23                 | -188.04                                       | 2,187.71        | 1,171.09                    | 0.00          | 8,195.82         | 122.08          | -552.07              | 2,806.73         | 1,635.64       |
| <b>Total</b>                  |                        |   |                 |                         | <b>-459.44</b>                                | <b>3,703.79</b> | <b>8,297.11</b>             | <b>0.00</b>   | <b>23,006.46</b> | <b>7,859.00</b> | <b>-3,097.09</b>     | <b>8,903.81</b>  | <b>606.70</b>  |
| <b>Statutory Corporations</b> |                        |   |                 |                         |   |                 |                             |               |                  |                 |                      |                  |                |
| 13                            | Financing              | Himachal Pradesh Financial Corporation  | 2021-22         | 2023-24                 | -7.16   | 99.57           | 112.88                      | 0.00          | 326.17           | 1.45            | -180.97              | 31.48            | -81.40         |
| 14                            | Services               | Himachal Road Transport Corporation   | 2021-22         | 2022-23                 | -133.18                                       | 1,063.12        | 18.02                       | 0.00          | 923.84           | 1,049.23        | -1,707.12            | -625.98          | -644.00        |
| <b>Total</b>                  |                        |   |                 |                         | <b>-140.34</b>                                | <b>1,162.69</b> | <b>130.9</b>                | <b>0.00</b>   | <b>1,250.01</b>  | <b>1,050.68</b> | <b>-1,888.09</b>     | <b>-594.5</b>    | <b>-725.40</b> |
| <b>Grand Total</b>            |                        |   |                 |                         | <b>-599.78</b>                                | <b>4,866.48</b> | <b>8,428.01</b>             | <b>0.00</b>   | <b>24,256.47</b> | <b>8,909.68</b> | <b>-4,985.18</b>     | <b>8,309.31</b>  | <b>-118.70</b> |

**Appendix-5.5**

(Reference: Paragraph 5.10.2)

**List of SPSEs whose accounts are in arrears with number of accounts in arrears as of 30 September 2023**

| <b>Sr. No.</b>     | <b>Name of SPSEs whose accounts are in arrears as of 30 September 2023 and accounts finalised up to</b> | <b>No. of accounts are in arrear</b> |
|--------------------|---|--------------------------------------|
| 1                  | Himachal Pradesh Agro Industries Corporation Limited (2021-22)  | 1                                    |
| 2                  | Himachal Pradesh Horticultural Produce Marketing and Processing Corporation Limited (2021-22)           | 1                                    |
| 3                  | Himachal Pradesh State Forest Development Corporation Limited (2018-19)                                 | 4                                    |
| 4                  | Himachal Backward Classes Finance and Development Corporation (2018-19)                                 | 4                                    |
| 5                  | Himachal Pradesh Mahila Vikas Nigam (2017-18)   | 5                                    |
| 6                  | Himachal Pradesh Minorities Finance and Development Corporation (2016-17)                               | 6                                    |
| 7                  | Himachal Pradesh Road and Other Infrastructure Development Corporation Limited (2021-22)                | 1                                    |
| 8                  | Himachal Pradesh State Industrial Development Corporation Limited (2020-21)                             | 2                                    |
| 9                  | Dharamshala Smart City Limited (2019-20)  | 3                                    |
| 10                 | Shimla Smart City Limited (2019-20)   | 3                                    |
| 11                 | Himachal Pradesh General Industries Corporation Limited (2021-22)                                       | 1                                    |
| 12                 | Himachal Pradesh Power Corporation Limited (2020-21)  | 2                                    |
| 13                 | Himachal Pradesh Power Transmission Corporation Limited (2021-22)                                       | 1                                    |
| 14                 | Himachal Pradesh State Civil Supplies Corporation Limited (2019-20)                                     | 3                                    |
| 15                 | Himachal Pradesh State Electronics Development Corporation Limited (2021-22)                            | 1                                    |
| 16                 | Himachal Pradesh State Handicrafts and Handloom Corporation Limited (2020-21)                           | 2                                    |
| 17                 | Himachal Pradesh Tourism Development Corporation (2017-18)  | 5                                    |
| 18                 | Himachal Pradesh Kaushal Vikas Nigam (2019-20)  | 3                                    |
| 19                 | Himachal Consultancy Organisation Limited (2021-22)   | 1                                    |
| 20                 | Sri Naina Devi Ji and Sri Anandpur Sahib Ji Ropeway Limited (2019-20)                                   | 3                                    |
| 21                 | Ropeway and Rapid Transport System Development Corporation HP Limited (2020-21)                         | 2                                    |
| 22                 | Himachal Pradesh Beverage Limited (2016-17)   | 6                                    |
| 23                 | Agro Industrial Packaging India Limited (2013-14)   | 9                                    |
| 24                 | Himachal Pradesh Electricity Board Limited (2021-22)  | 1                                    |
| 25                 | Beas Valley Power Corporation Limited (2021-22)   | 1                                    |
| 26                 | Shimla Jal Prabandhan Corporation Limited (2021-22)   | 1                                    |
| 27                 | Mandi International Airport Limited (First account not submitted)                                       | 1                                    |
| <b>Grand Total</b> |   | <b>73</b>                            |

### Appendix-5.6

(Reference: Paragraph 5.12.1)

#### List of SPSEs where Supplementary Audit was conducted

| Sr. No.            | Name of SPSEs (Year of Accounts finalised)  | No. of accounts finalised between 01 October 2022 and 30 September 2023 |
|--------------------|---|---|
| 1                  | Himachal Pradesh Agro Industries Corporation Limited (2020-21 & 2021-22)                      | 2   |
| 2                  | Himachal Pradesh State Electricity Board Limited (2021-22)                                    | 1   |
| 3                  | Himachal Pradesh Power Corporation Limited (2020-21)  | 1   |
| 4                  | Shimla Jal Prabandhan Nigam Limited (2021-22)   | 1   |
| 5                  | Himachal Pradesh State Electronics Development Corporation Limited (2021-22)                  | 1   |
| 6                  | Himachal Pradesh Horticultural Produce Marketing and Processing Corporation Limited (2021-22) | 1   |
| 7                  | Ropeways and Rapid Transport system Development HP Corporation (2020-21)                      | 1   |
| 8                  | Himachal Consultancy Organisation Limited (2021-22)   | 1   |
| 9                  | Himachal Pradesh Tourism Development Corporation Limited (2017-18)                            | 1   |
| 10                 | Himachal Pradesh Road and Other Infrastructure Development Corporation Limited (2021-22)      | 1   |
| 11                 | Himachal Pradesh Mahila Vikas Nigam (2016-17 & 2017-18)                                       | 2   |
| 12                 | Himachal Pradesh State Handicrafts and Handloom Corporation Limited (2020-21)                 | 1   |
| 13                 | Himachal Backward Classes Finance and Development Corporation (2015-16 to 2018-19)            | 4   |
| 14                 | Himachal Pradesh State Civil Supplies Corporation Limited (2019-20)                           | 1   |
| 15                 | Himachal Pradesh State Industrial Development Corporation Limited (2020-21)                   | 1   |
| 16                 | Himachal Pradesh Power Transmission Corporation Limited. (2021-22)                            | 1   |
| <b>Grand Total</b> |   | <b>21</b>   |





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