

CHAPTER 4

QUALITY OF ACCOUNTS AND FINANCIAL REPORTING PRACTICES

Chapter 4: 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

The Government has to provide and pay interest on the amounts in the Interest-bearing Deposits/Funds namely Defined Contribution Pension Scheme, State Compensatory Afforestation Deposit and Mines and Mineral Development, Restoration and Rehabilitation Fund. During the year 2023-24, Government has not paid interest amounting to ₹ 0.06 crore towards Defined Contribution Pension Scheme. This has resulted in understatement of Revenue and Fiscal Deficit to that extent.

4.2 Off-budget borrowings

As per Para 10(3) of Haryana FRBM Act 2005, whenever the State Government undertakes unconditionally and substantially to repay the principal amount and/or pay the interest of any separate legal entity, it has to reflect such liability as the borrowings of the State.

Haryana Police Housing Corporation Limited (HPHCL) raised two loans of ₹ 550 crore (October 2015) and ₹ 300 crore (January 2011) from Housing and Urban Development Corporation Limited (HUDCO). The sanctions for Loan Guarantees were issued by Home Department with concurrence of Finance Department, Government of Haryana. As per conditions of the sanctions, the repayment of Principal as well as Interest will be made as per loan agreement. According to these conditions, State Government will make annual allocation of funds in the Budget to the tune earmarked in Loan Agreement along with interest for making repayment to HUDCO. Accordingly, the Finance Department stands committed to provide required funds to HPHCL for the repayment of both the principal and interest. Thus, these were in the nature of Off Budget borrowings.

As per sanctions issued by Home Department, the amount released towards the repayment of principal and interest of loans were shown as Grants-in-Aid in the Budget and Accounts in contravention of Haryana FRBM Act, 2005. The State Government's liability for repayment of loan (₹ 845.35 crore) transacted by Haryana Police Housing Corporation Limited was not reflected as debt of the Government of Haryana in the accounts. Loan amount of ₹ 201.60 crore was outstanding in books of accounts of HPHCL towards HUDCO as on 31st March 2024. Not reflecting the loans in the Finance Accounts resulted in understatement of borrowing to that extent.

4.3 Funds transferred directly to implementing agencies in the State

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 State Budget from 2014-15 onwards. However, during 2023-24, GoI transferred ₹ 15,373.59 crore directly to various implementing agencies/Non-Governmental Organisations which included transfer to intermediaries/beneficiaries in the State as detailed in *Appendix 4.1*.

4.4 Deposit of Local Funds

All money realised or realisable under the Panchayati Raj Acts are kept as Panchayat Bodies Fund under the Major Head 8448-Deposits of Local Funds. The details of opening balance, receipts, disbursements and closing balance under the Fund during the last five years is given in *Table 4.1*.

Table 4.1: Details of Panchayat Bodies Fund during 2019-20 to 2023-24

(₹ in crore)

Year	2019-20	2020-21	2021-22	2022-23	2023-24
Opening Balance	7.81	7.34	8.77	9.05	9.13
Receipt	1.66	2.34	0.68	0.87	0.78
Disbursement	2.13	0.91	0.40	0.79	1.02
Closing Balance	7.34	8.77	9.05	9.13	8.89

Source: Finance Accounts for the respective years

Issues related to transparency

4.5 Delay in submission of Utilisation Certificates

Rule 8.14 of the Punjab Financial Rules, Volume-1 (as applicable to Haryana State)/Financial Rules/Financial Code, Utilisation Certificates (UCs) in respect of Grants-in-Aid received by the grantee should be furnished by the grantee to the authority that sanctioned it, within 12 months of closure of financial year of sanction of grant. Non submission of UCs, carries a risk that the amount shown in the Finance Accounts had not reached the beneficiaries. In those cases in which conditions are attached to the utilisation of grant in the form of

specification of particular objects of expenditure or the time within which the money must be spent or otherwise, the departmental officer on whose signature or countersignature the Grant-in-Aid bill was drawn should be primarily responsible for certifying to the Accountant General, the fulfilment of the conditions attaching to the grant. 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. The status of outstanding UCs and year-wise break up of outstanding UCs as per records of the Principal Accountant General (Accounts and Entitlements) is given in **Table 4.2** and **Table 4.3**.

Table 4.2: Status of outstanding Utilisation Certificates

(₹ in crore)

Due year ¹	Opening Balance		Addition		Clearance		Due for submission	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Upto 2019-20	1,732	8,469.49	7,892	8,914.81	7,620	6,786.72	2,004	10,597.58
2020-21	2,004	10,597.58	730	6,425.48	292	2,472.28	2,442	14,550.78
2021-22	2,442	14,550.78	654	5,333.74	265	1,583.19	2,831	18,301.02
2022-23	2,831	18,301.02	695	6,800.26	866	7,124.63	2,660	17,976.65
2023-24	2,660	17,976.65	603	6,319.29	1,226	7,276.44	2,037	17,019.50

Source: Compiled from the information provided by AG (A&E) Haryana

Out of 2,660 outstanding utilisation certificates (as on 31 March 2023) amounting to ₹ 17,976.65 crore, 1,226 UCs of ₹ 7,276.44 crore pertaining to previous years were cleared during the year 2023-24. 2,037 UCs amounting to ₹ 17,019.50 crore were still outstanding as on 31 March 2024.

Table 4.3: Year-wise Break-up of Outstanding UCs

Year of disbursing grants	UCs Awaited as on 31 March 2023	
	Number	Amount (₹ in crore)
2009-10	1	10.85
2010-11	7	33.08
2011-12	41	137.00
2012-13	48	241.74
2013-14	78	562.58
2014-15	58	199.44
2015-16	126	281.31
2016-17	180	595.99
2017-18	160	783.81
2018-19	281	2,019.47
2019-20	354	3,052.85
2020-21	90	671.51
2021-22	264	4,325.17
2022-23	349	4,104.70
Total	2,037	17,019.50

¹ UCs for GIA disbursed during 2022-23 become due only during 2023-24.

Out of total 2,037 outstanding UCs, 1,688 UCs for grants of ₹ 12,914.80 crore pertain to the period 2009-10 to 2021-22. Out of total amount of ₹ 17,019.50 crore for which UCs were outstanding, 87.53 *per cent* pertain to four Departments i.e. Rural Development Department: ₹ 5,551.38 crore (32.62 *per cent*), Urban Development Department: ₹ 5,320.07 crore (31.26 *per cent*), Health Department/Medical: ₹ 2,470.12 crore (14.51 *per cent*) and General Education Department: ₹ 1,555.41 crore (9.14 *per cent*) as depicted in **Appendix 4.2**.

During the exit conference (December 2024), the Additional Chief Secretary, Finance Department intimated that position has been improved in comparison to previous year and directed to issue letters to concerned Departments to expedite the matter.

4.6 Abstract Contingent bills

When money is required in advance or when they are not able to calculate the exact amount required, Drawing and Disbursing Officers (DDOs) are permitted to draw money without supporting documents, through Abstract Contingent (AC) bills, by debiting service heads and the expenditure is reflected as an expense under the service head. These amounts are held under objection pending submission of Detailed Contingent (DC) bills to the office of the Principal Accountant General (Accounts and Entitlements) of the State within a month. Delayed submission or prolonged non-submission of DC bills indicates that funds were drawn without requirement for immediate payment and may affect the completeness and correctness of accounts.

Details of unadjusted AC bills as on 31 March 2024 are given in **Table 4.4**.

Table 4.4: Details of un-adjusted AC Bills as on 31 March 2024

Year	Number of un-adjusted AC Bills	Amount (₹ in crore)
Upto 2022-23	322	133.33
2023-24	533	236.34
Total	855	369.67

Source: Information received from office of the PAG (A&E), Haryana

4.7 Indiscriminate use of Minor Head-800

Minor Head 800-Other Receipts/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. During the year 2023-24, ₹ 3,245.48 crore under various Major Heads, constituting 2.51 *per cent* of total Revenue and Capital expenditure (₹ 1,29,116.64 crore) was classified under the Minor Head 800-Other Expenditure in the accounts. During the previous year ₹ 9,488.99 crore, constituting 8.04 *per cent* of the total Revenue and Capital

expenditure (₹ 1,18,071.16 crore) was classified under Minor Head 800 'Other Expenditure'.

Similarly, receipts of ₹ 3,267.03 crore constituting 3.22 *per cent* of total Revenue Receipts (₹ 1,01,314.84 crore) was classified under Minor Head 800-Other Receipts in the accounts in comparison to the previous year amounting to ₹ 3,811.78 crore, constituting 4.27 *per cent* of the total Revenue Receipts (₹ 89,194.69 crore) was classified showing a significant improvement.

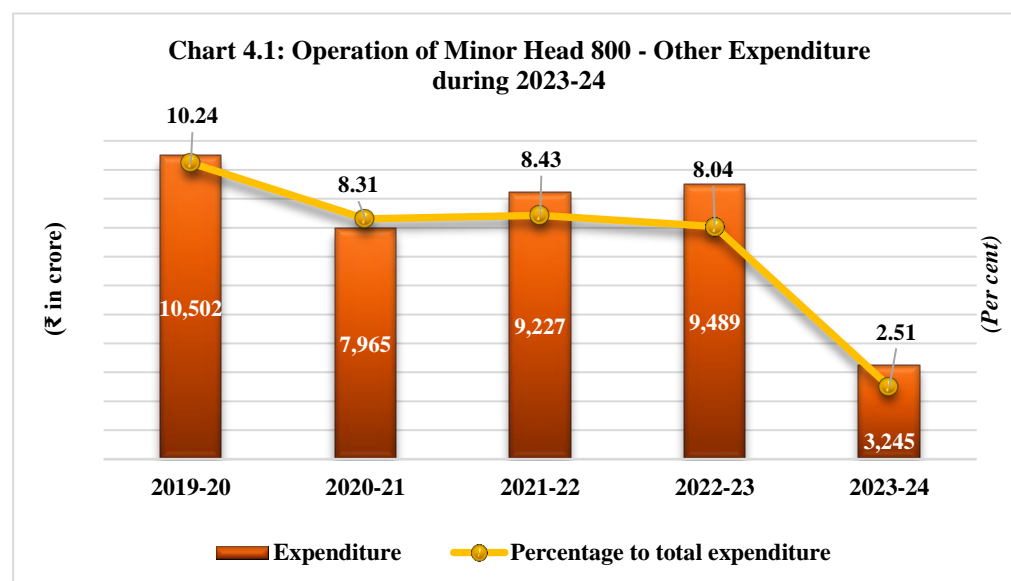
Cases where substantial proportion (more than 50 *per cent*) of the expenditure was classified under Minor Head 800-Other Expenditure are given in **Table 4.5**.

Table 4.5: Major Head-wise details of expenditure booked under Minor Head 800-Other Expenditure

(₹ in crore)

Sr. No.	Major Head	Description	Total Expenditure	Expenditure under Minor Head 800	Percentage
1.	2075 ²	Miscellaneous General Services	0.88	0.51	57.95
2.	2700 ³	Major Irrigation	1,721.86	1,207.02	70.10
3.	2701	Medium Irrigation	222.07	181.67	81.81
Total			1,944.81	1,389.20	71.43

Operation of Minor Head 800-Other Expenditure is shown in **Chart 4.1** during 2019-24.



The expenditure under Minor Head 800 decreased from 10.24 *per cent* in 2019-20 to 8.31 *per cent* in 2020-21. However, during 2021-22, it marginally increased to 8.43 *per cent* and further decreased to 8.04 *per cent* in 2022-23. In 2023-24, expenditure under the head has decreased to 2.51 *per cent*.

² Major Head 2075 pertains to Mukhya Mantri Parivar Samridhi Yojana (MMPSY)

³ Major Head 2700 & 2701 pertain to Interest on Capital, Energy Charges

During the exit conference (December 2024), the Additional Chief Secretary, Finance Department stated that the matter would be taken up with concerned Departments for corrective action.

Issues related to measurement

4.8 Outstanding balances under Suspense and Remittances

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 4.6**.

Table 4.6: Details of Outstanding Suspense and Remittances Balances

(₹ in crore)

(a) 8658- Suspense Accounts						
Minor Head	2021-22		2022-23		2023-24	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
101- Pay and Accounts Office Suspense	--	1.05	--	(-) 2.31	(-) 4.35	--
Net	1.05(Cr.)		2.31(Dr.)		4.35(Cr.)	
102- Suspense Accounts (Civil)	-	(-) 0.08	--	0.18	(-)0.10	0.01
Net	0.08(Dr.)		0.18(Cr.)		0.11(Cr.)	
107- Cash Settlement Suspense Account	36.09	18.14	15.64	10.20	16.27	15.58
Net	17.95(Dr.)		5.44(Dr.)		0.69(Dr.)	
109- Reserve Bank Suspense (Headquarters)	(-) 0.39	5.55	0.35	(-) 27.33	30.60	(-)12.71
Net	5.94(Cr.)		27.68(Dr.)		43.31(Dr.)	
110- Reserve Bank Suspense-Central Accounts Office	(-) 20.30	(-) 15.96	--	8.03	0.43	2.00
Net	4.34(Cr.)		8.03(Cr.)		1.57(Cr.)	
112- Tax Deducted at Source Suspense	1,347.84	1,088.91	1,729.38	1,572.53	2,251.33	1,844.20
Net	258.93(Dr.)		156.85(Dr.)		407.13(Dr.)	
(b) 8782-Cash Remittances and adjustments between officers rendering accounts to the same Accounts Office.						
Minor Head	2021-22		2022-23		2023-24	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
102- Public Works Remittances	10,790.00	10,786.50	10,116.57	10,081.48	12,099.18	12,083.04
Net	4 (Dr.)		35.09(Dr.)		16.14(Dr.)	
103- Forest Remittances	202.28	202.71	334.72	332.74	278.05	278.34
Net	0.43 (Cr.)		1.98(Dr.)		0.29(Cr.)	

Source: Finance Accounts

4.9 Reconciliation of Departmental figures

To exercise effective control of expenditure, to keep it within the budget grants and to ensure accuracy of their accounts, all Chief Controlling Officers (CCOs)/ Controlling Officers (COs) are required to reconcile the figures of Receipts and Expenditure recorded in their books every month with the figures accounted for by the Principal Accountant General (Accounts and Entitlements).

During the year 2023-24, Revenue receipts amounting to ₹ 1,01,274.31 crore (99.96 per cent of total Revenue receipts) and Revenue expenditure amounting

to ₹ 1,11,826.03 crore (98.79 *per cent* of total Revenue expenditure) and Capital expenditure amounting to ₹ 15,728.30 crore (98.79 *per cent* of total Capital expenditure) were reconciled by the State Government.

4.10 Reconciliation of Cash Balances

The Cash Balance of the State Government up to 2023-24 as per Accounts of the Principal Accountant General (Accounts and Entitlements) {PAG (A&E)} was ₹ 373.36 crore (debit) while the same was reported as ₹ 81.90 crore (credit) by the Reserve Bank of India. As such, there was an unreconciled difference of ₹ 291.46 crore (debit) up to the year 2023-24. This was mainly due to pending reconciliation between treasury/ RBI/ Agency Bank and PAG (A&E).

4.11 Adverse Balance

Adverse balance is a situation, when a head of account closing to balances at the end of the financial year reflects minus balance, debit/(-) credit balance representing liability heads or heads where it should normally have credit balance, and credit/ (-) debit balance representing Assets heads or heads where it should normally have debit balance. The adverse balance in a head of account arises either due to misclassification, more disbursement than the availability of funds, more disbursement than the contribution received, non-carrying forward of balances from one accounting unit to another, administrative reorganisation leading to creation of States/more accounting units, etc. In 2023-24, there was Adverse Balance of ₹ (-)13.50 crore, under Major Head 7610- Loans to Government servants etc, 800- Other Advances, 99- Wheat loan to State Service officers (Non-Gazetted).

Issues related to disclosure

4.12 Compliance to Accounting Standards

As per Article 150 of the Constitution of India, the President of India may, on the advice of the CAG of India, prescribe the form of accounts of the Union and of the States. In accordance with this provision, the President of India has so far notified three Indian Government Accounting Standards (IGAS). Compliance to these Accounting Standards by Government of Haryana in 2023-24 and deficiencies therein are detailed in **Table 4.7**.

Table 4.7: Compliance to Accounting Standards

Sr. No.	Accounting Standard	Compliance by State Government	Compliance/deficiency
1	IGAS 1: Guarantees Given by the Government – Disclosure requirements	Complied (Statements 9 and 20 of Finance Accounts)	Detailed information like number of Guarantees for each institution has been furnished. However, no information regarding automatic debit mechanism and structured payment arrangements has been provided.
2	IGAS 2: Accounting and Classification of Grants-in-Aid	Complied (Statement 10 of Finance Accounts)	(i) Grants-in-aid of ₹ 4,499.30 crore have been shown as allocated for creation of capital assets. (ii) Information has been furnished in respect of Grants-in-Aid given in kind by the State Government.
3	IGAS 3: Loans and Advances made by Governments	Not Complied (Statement 18 of Finance Accounts)	Closing balances depicted in Statements 7 and 18 of the Finance Accounts as on 31 March 2024 were yet to be reconciled by the State Government. Detailed information of repayment in arrears of loanee entities has not been provided.

Source: Indian Government Accounting Standards and Finance Accounts.

4.13 Issues related to Compilation of Accounts

4.13.1 Reconciliation of Loans and Advances

Details received in respect of Loans and Advances by the Government of Haryana from different entities was not maintained by the Government of Haryana. Neither was any reconciliation in respect of these loans and advances carried out nor was the same possible in the absence of details such as individual loanee entity, repayment and interest. Absence of details carries the risk of non-recovery as well as impacting treatment in books of accounts. Repayment of Loans and Advances during 2023-24 was ₹ 301.15 crore. The balance of Loans and Advances as on 31 March 2024 stood at ₹ 14,328.46 crore.

During the exit conference (December 2024), the Additional Chief Secretary, Finance Department assured for reconciliation of loans and advances.

4.14 Delay in submission of accounts of autonomous bodies for certification

Several autonomous bodies have been set up by the Government in the fields of Urban Development, Housing, Labour Welfare, Agriculture and Justice. The audit of accounts of 43 bodies in the State has been entrusted to the CAG of India. The status of entrustment of audit, rendering of accounts to audit, issuance of Separate Audit Reports (SARs) and their placement in the Legislature is indicated in **Appendix 4.3**.

Out of 43 autonomous bodies, accounts of 12 autonomous bodies pertaining to the financial year 2022-23 or earlier years were not submitted to Audit as of June 2024. Delay in finalisation of accounts carries the risk of financial irregularities going undetected and, therefore, the accounts need to be finalised timely and submitted to Audit.

During the exit conference (December 2024), the Additional Chief Secretary, Finance Department assured to take up the matter with the concerned autonomous bodies.

4.15 Non-submission/delay in submission of accounts

In order to identify the institutions which attract audit under Section 14 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 [CAG's (DPC) 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, the purpose of assistance granted and total expenditure of the institutions.

182 annual accounts of 92 autonomous bodies/authorities where grants of ₹ 739.25 crore was given by the Government were awaited in Audit as of July 2024. In the absence of annual accounts, it could not be ascertained whether these bodies/authorities attracted the provisions of Section 14 of the CAG's (DPC) Act, 1971.

The Government may consider adopting appropriate measures to ensure receipt of accounts from the grantee institutions at the end of every year in order to enable identification of institutions attracting audit by the CAG of India.

4.16 Departmentally managed commercial activities

The Government Departments performing activities of quasi-commercial nature are required to prepare proforma accounts annually in the prescribed format showing the working results of financial operations so that the Government can assess their working. The final accounts reflect their overall financial health and efficiency in conducting their business. In the absence of timely finalisation of accounts, the investment of the Government remains outside the scrutiny of Audit/State Legislature. Consequently, corrective measures, if any required, for ensuring accountability and improving efficiency cannot be taken in time. Besides, the delay tends itself to the risk of fraud and leakage of public money.

As of March 2024, three⁴ such Departments had not prepared their accounts for the period ranging between 2009-10 and 2022-23. Government funds amounting to ₹ 13,878.08 crore⁵ were invested in these Departments. Though the arrears in preparation of accounts have been repeatedly commented in the

⁴ (i) National Text Book scheme since 2009-10 in Printing and Stationery Department; (ii) Grain Supply Scheme since 2019-20 in Food and Supplies Department and (iii) Haryana Roadways since 2022-23 in Transport Department.

⁵ (i) National Text Book scheme: ₹ 17.97 crore; (ii) Grain Supply Scheme: ₹ 12,238.73 crore and (iii) Haryana Roadways: ₹ 1,621.38 crore.

earlier State Finances Audit Reports, no improvement had taken place in this regard.

4.17 Timeliness and Quality of Accounts

The accounts of the State Government are compiled by Principal Accountant General (Accounts and Entitlements) of the State from the initial accounts rendered by district treasuries, sub-treasuries, cyber treasury, public works divisions and forest divisions, apart from the RBI advices.

During 2023-24, no accounts were excluded from the monthly Civil Accounts by the Principal Accountant General (Accounts and Entitlements), Haryana on account of delays by the account rendering units.

Other Issues

4.18 Misappropriations, losses, thefts, etc.

Rule 2.33 of the Punjab Financial Rules, as applicable to Haryana, stipulates that every Government employee would be held personally responsible for any loss sustained by Government through fraud or negligence on his part or any loss arising from fraud or negligence on the part of any other Government employee to the extent that he contributed to the loss by his own action or negligence. Further, as per rule 2.34 *ibid*, the cases of defalcations and losses are required to be reported to the PAG (A&E).

The State Government reported 52 cases of misappropriation and defalcation involving Government money amounting to ₹ 69.95 lakh on which final action was pending as of July 2024. The Department-wise break up of pending cases is given in **Table 4.8**.

Table 4.8: Pending cases of misappropriations, losses, theft, defalcations, etc.

(₹ in lakh)

Sr. No.	Name of Department	Cases of misappropriation/ losses/ theft of Government material		Reasons for delay in final disposal of pending cases of misappropriation, losses, thefts, etc.					
				Awaiting departmental investigation or pending in courts of law		Departmental action initiated but not finalised		Awaiting orders for recovery or write off	
		Number of cases	Amount	Number of cases	Amount	Number of cases	Amount	Number of cases	Amount
1	Development and Panchayat	1	6.50	0	0	1	6.50	0	0
2	Education	20	40.12	1	0.09	18	40.03	1	0
3	Labour and Employment	2	0.28	0	0	2	0.28	0	0
4	Social Justice and Empowerment	3	8.63	0	0	2	5.93	1	2.70
5	Women and Child Development	3	10.52	1	10.52	2	0	0	0
6	Irrigation	19	2.07	0	0	17	1.85	2	0.22
7	Public Health	2	0.65	0	0	2	0.65	0	0
8	Haryana Skill Development & Industries Training	1	1.18	0	0	1	1.18	0	0
9.	Information, Public relation and Language Department	1	0	0	0	0	0	1	0
Total		52	69.95	2	10.61	45	56.42	5	2.92

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 4.9**.

Table 4.9: Profile of misappropriations, losses, defalcations, etc.

(₹ in lakh)

Age-profile of the pending cases			Nature of the pending cases		
Range in years	Number of cases	Amount involved		Number of cases	Amount involved
0-5	8	13.75	Theft cases	48	59.21
6-10	21	46.43			
11-15	2	1.01	Misappropriation/loss of Government material	4	10.74
16-20	3	6.59			
21-25	7	1.35			
26 and above	11	0.82			
Total	52	69.95	Total pending cases as of June 2024	52	69.95

Out of 52 cases of losses due to theft/misappropriation, 44 cases of ₹ 56.20 lakh were more than five years old, including 18 cases which were more than 20 years old.

During the exit conference (December 2024), the Additional Chief Secretary, Finance Department assured to examine the matter for corrective action.

4.19 Follow up action on State Finances Audit Report

According to the instructions issued (October 1995) by the Government of Haryana, Finance Department and reiterated in July 2001, the Administrative Departments were to initiate *suo motu* action on all paragraphs and reviews featuring in the Comptroller and Auditor General of India's Audit Reports. The Administrative Departments were also required to furnish Action Taken Notes to the Legislative Committees indicating the remedial action taken or proposed to be taken by them within three months of the presentation of the Audit Reports to the Legislature. State Audit Finance Report for the year 2021-22 has been discussed on selective basis by the Public Accounts Committee (June 2023).

State Finances Audit Report for the year 2022-23 was laid before State Legislature on 13 November 2024.

4.20 Conclusions

Utilisation Certificates amounting to ₹ 17,019 crore (2,037 UCs) were outstanding, indicating lack of internal control of administrative departments and tendency on the part of the Government to disburse fresh grants without ascertaining proper utilisation of earlier grants. Similarly Detailed Contingent Bills amounting to ₹ 369.67 crore (855 AC Bills) were awaited.

Twelve autonomous bodies did not submit their final accounts for considerable periods. As a result, their financial position could not be assessed.

In absence of annual accounts, it could not be ascertained whether 92 autonomous bodies/authorities where grants of ₹ 739.25 crore was given attracted provision of Section 14 of CAG's (DPC) Act, 1971.

Further, in 52 cases of theft, misappropriation, loss of Government material and defalcation (amounting to ₹ 69.95 crore), departmental action was pending for long periods.

4.21 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 Government should ensure adjustment of Abstract Contingent bills within stipulated period, as required under the Rules.
3. The Finance Department should put in place a system to expedite the process of compilation and submission of annual accounts by the autonomous bodies.

4. 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.



Chandigarh

(SHAIENDRA VIKRAM SINGH)

Date: 26 March 2025

Principal Accountant General (Audit), Haryana

Countersigned



New Delhi

(K. SANJAY MURTHY)

Date: 08 April 2025

Comptroller and Auditor General of India