



लोकहितार्थ सत्यनिष्ठा  
Dedicated to Truth in Public Interest



सत्यमेव जयते

# Accounts at a glance

2018-19



GOVERNMENT OF HARYANA





# Accounts at a glance 2018-19

**Principal Accountant General  
(Accounts and Entitlements)  
Haryana**



**GOVERNMENT OF HARYANA**



# Preface

I am happy to present the twenty first issue of our annual publication, the 'Accounts at a glance' for the year 2018-19, which provides a broad overview of Governmental activities, as reflected in the Finance Accounts and Appropriation Accounts.

The Finance Accounts are summary statements of accounts under the Consolidated Fund, Contingency Fund and Public Account. The Appropriation Accounts record the grant-wise expenditure against provisions approved by the State Legislature and depict explanations for variations between the actual expenditure and the funds allocated.

Finance and Appropriation Accounts are prepared annually by my office under the direction of the Comptroller and Auditor General of India (C&AG) in accordance with the requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Services) Act, 1971 for being laid before the Legislature of the State.

We look forward to reader's feedback that would help us in improving the publication.

Chandigarh  
Date : 16 June, 2020

*Vishal Bansal*  
(Vishal Bansal)  
Pr. Accountant General (A&E)  
Haryana



# Our Vision, Mission and Core Values

## VISION

*(The vision of the institution of the Comptroller and Auditor General of India represents what we aspire to become.)*

We strive to be a global leader and initiator of national and international best practices in public sector auditing and accounting and recognized for independent, credible, balanced and timely reporting on public finance and governance.

Mandated by the Constitution of India, we promote accountability, transparency and good governance through high quality auditing and accounting and provide independent assurance to our stakeholders: the Legislature, the Executive and the Public—that public funds are being used efficiently and for the intended purposes.

## MISSION

*(Our mission enunciates our current role and describes what we are doing today.)*

## CORE VALUES

*(Our core values are the guiding beacons for all that we do and give us the benchmarks for assessing our performance.)*

- ò Independence
- ò Objectivity
- ò Integrity
- ò Reliability
- ò Professional Excellence
- ò Transparency
- ò Positive Approach



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## Chapter I

# Overview

### 1.1 Introduction

The Principal Accountant General (Accounts and Entitlements) [PAG (A&E)], Haryana collates, classifies, compiles the accounts data rendered by multiple agencies and prepares the accounts of the Government of Haryana. The compilation is done from the initial accounts rendered by 22 District Treasuries, 116 Public Works Divisions (Building & Roads and Public Health), 86 Irrigation Divisions, 43 Forest Divisions, accounts rendered by the other states/accounting offices and advices of Reserve Bank of India. Every month, a Monthly Civil Account is presented by the office of the PAG (A&E) to the Government of Haryana. The office of the PAG (A&E) also submits a quarterly Appreciation Note on the important financial indicators and quality of expenditure of the Government. The PAG (A&E) also prepares, annually, Finance Accounts and the Appropriation Accounts which are placed before the State Legislature after audit by the PAG (Audit), Haryana and certification by the Comptroller and Auditor General of India.

## 1.2 Structure of Government Accounts

### 1.2.1 Government accounts are kept in three parts:

#### Structure of Government Accounts

##### Part 1

##### ● CONSOLIDATED FUND

All revenue received by the Government including tax and non-tax revenues, loans raised and repayment of loans given (including interest thereon) form the Consolidated Fund.

All expenditure and disbursements of the Government, including release of loans and repayments of loans taken (and interest thereon), are met from this fund.

The Contingency Fund is in the nature of an imprest, intended to meet unforeseen expenditure, not provided in the budget, pending authorization by the Legislature. Such expenditure is recouped subsequently from the Consolidated Fund.

The corpus of this fund for the Government of Haryana is ₹200.00 crore.

##### Part 2

##### ● CONTINGENCY FUND

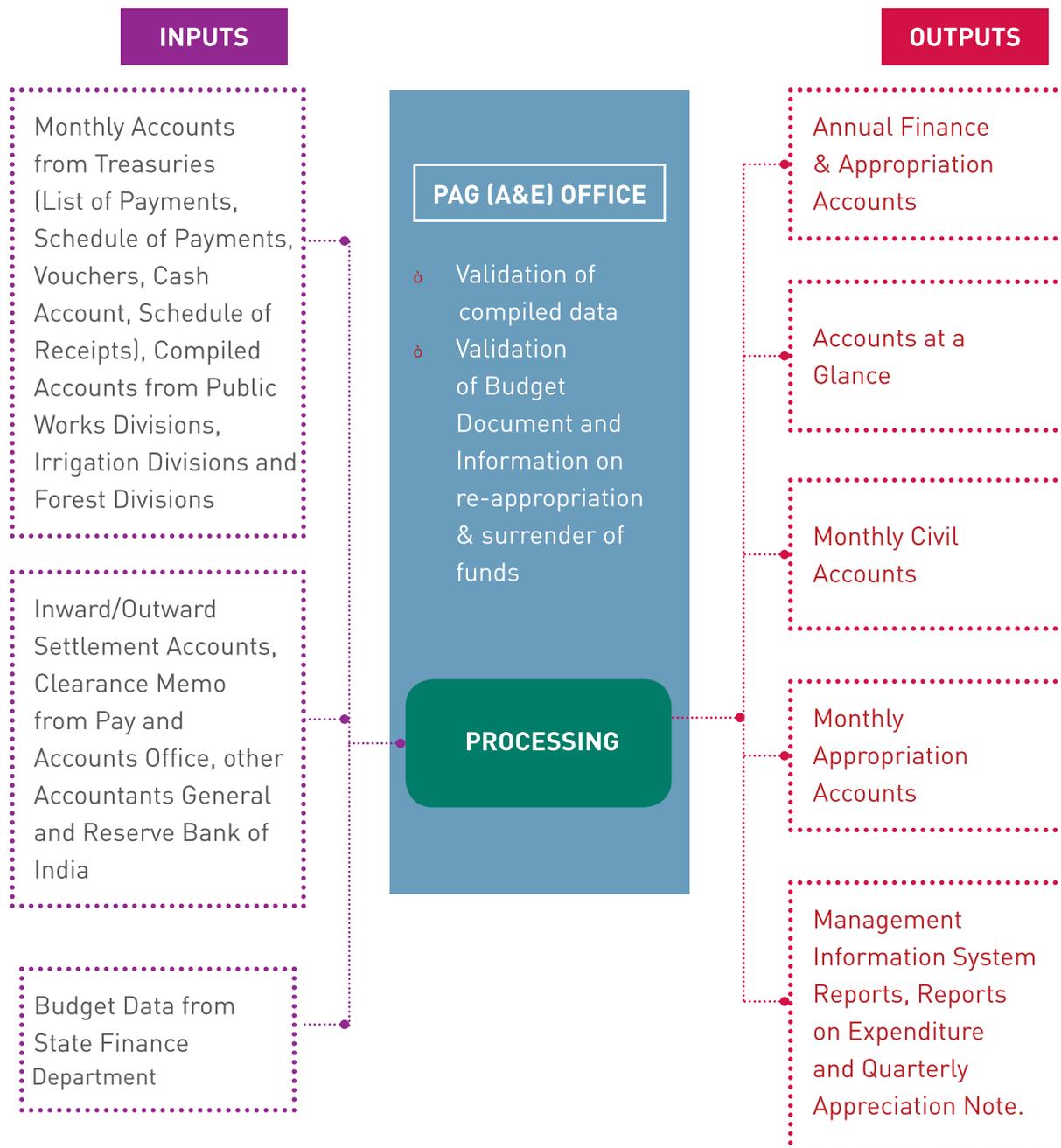
##### Part 3

##### ● PUBLIC ACCOUNT

In Public Account, the transactions relating to Debt (Other than those included in Part 1), Deposits, Advances [in respect of which Government incurs a liability to pay the money received or has a claim to recover the amounts paid, together with the repayments of the former (Debt and Deposits) and recoveries of the latter (Advances)], Remittances and Suspense (embracing all merely adjusting heads under which shall appear such transactions as remittances of cash between treasuries and currency chests and transfer between different accounting circles) shall be recorded. The initial debits or credits of these heads will be cleared eventually by corresponding receipts or payments either within the same circle or in another account circle or by booking to the final heads of accounts.

## 1.2.2 Compilation of Accounts

### Flow diagram for Accounts Compilation



## 1.3 Finance Accounts and Appropriation Accounts

### 1.3.1 Finance Accounts

The Finance Accounts depict the receipts and disbursements of the Government for the year, together with the financial results disclosed by the Revenue and Capital Accounts, Public Debt and Public Account balances recorded in the accounts. Finance Accounts are prepared in two volumes to make them more comprehensive and informative. Volume I of the Finance Accounts contains the certificate of the Comptroller and Auditor General of India, summarized statements of overall receipts and disbursements and 'Notes to Accounts' containing summary of significant accounting policies, comments on quality of accounts and other items. Volume II contains detailed statements (Part-I) and appendices (Part-II).

The Union Government transfers substantial funds directly to State Implementing Agencies/ Non-Governmental Organisations for implementation of various schemes and programmes. During the year 2018-19, the Government of India (GoI) released ₹ 4,226 crore directly to the implementing agencies in Haryana. Since these funds are not routed through the State Budget, these are not reflected in the Accounts of the State Government. These transfers are exhibited in Appendix VI of Volume II of the Finance Accounts.

### 1.3.2 Financial highlight of year 2018-19

The following table provides the details of actual financial results vis-a-vis budget estimates for the year 2018-19:

Sl. No	Component	Budget Estimates (₹ in crore)	Actuals (₹ in crore)	Percentage of Actuals to B.E.	Percentage of Actuals to GSDP #
1.	Tax Revenue (including Central Share) (a)	58,432	50,836	87	7
2.	Non-Tax Revenue	11,303	7,976	71	1
3.	Grants-in-aid & Contributions	7,198	7,073	98	1
4.	<i>Revenue Receipts (1+2+3)</i>	<b>76,933</b>	<b>65,885</b>	<b>86</b>	<b>9</b>
5.	Recovery of Loans & Advances	5,361	5,372	100	1
6.	Other Receipts	1,040	49	5	..*
7.	Borrowings & Other Liabilities (b)	28,836	21,912	76	3
8.	<i>Capital Receipts(5+6+7)</i>	<b>35,237</b>	<b>27,333</b>	<b>78</b>	<b>4</b>
9.	<i>Total Receipts (4+8)</i>	<b>1,12,170</b>	<b>93,218</b>	<b>83</b>	<b>13</b>
10.	<i>Revenue Expenditure</i>	<b>90,585</b>	<b>77,155</b>	<b>85</b>	<b>11</b>
11.	Expenditure on Interest Payments (Out of Revenue Expenditure)	14,147	13,551	96	2
12.	<i>Capital Expenditure</i>	<b>19,573</b>	<b>15,307</b>	<b>78</b>	<b>2</b>
13.	<i>Loans and Advances Disbursed</i>	<b>2,012</b>	<b>756</b>	<b>38</b>	<b>..*</b>
14.	<i>Total Expenditure (10+12+13)</i>	<b>1,12,170</b>	<b>93,218</b>	<b>83</b>	<b>13</b>
15.	<i>Revenue Surplus (+)/ Deficit (-) (4-10)</i>	<b>(-)13,652</b>	<b>(-)11,270</b>	<b>83</b>	<b>2</b>
16.	<i>Fiscal Deficit (4+5+6-14)</i>	<b>(-)28,836</b>	<b>(-)21,912</b>	<b>76</b>	<b>3</b>

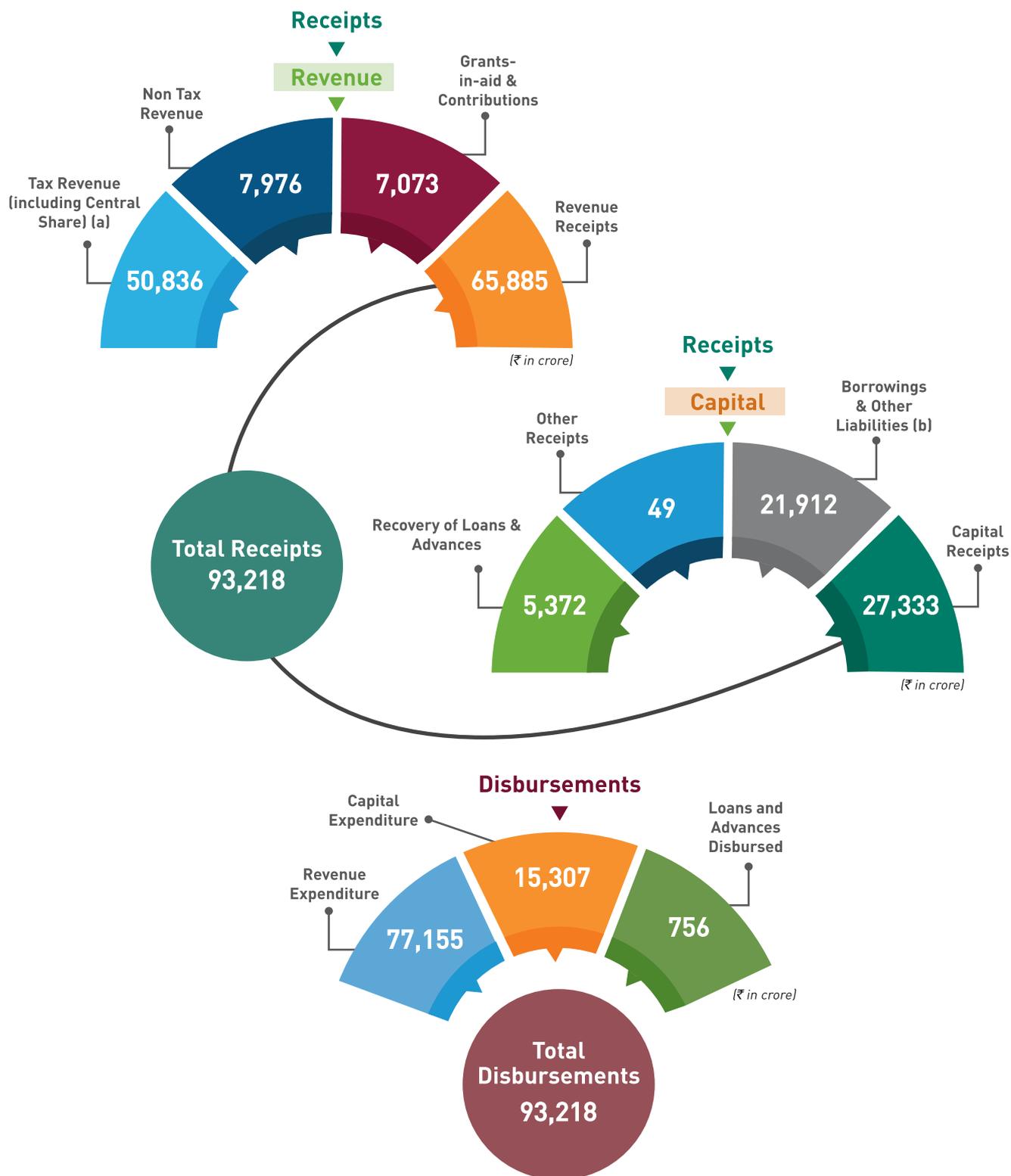
(a) Includes share of net (tax) proceed assigned to the state amounting to ₹ 8,255 crore. (State Government Own Tax receipts were ₹ 42,581 crore which was 6 per cent of GSDP)

(b) Borrowing and other Liabilities: Net (Receipts - Disbursement) of Public Debt + Net of Contingency Fund + Net (Receipts Disbursement) of Public Account + Net of opening and closing balance.

# GSDP figure (₹ 7,07,126 crore) on current prices as per Advance Estimates is taken from Department of Economic and Statistic Analysis, Haryana and was also available on the web site of Ministry of Statistics and Programme Implementation, Govt. of India.

\* Percentage is negligible, hence shown as ..

## Receipts and disbursements during 2018-19



(a) Includes share of net (tax) proceed assigned to the state amounting to ₹8,255 crore. [State Government Own Tax receipts were ₹42,581 crore which was 6 per cent of GSDP]

(b) Borrowing and other Liabilities: Net [Receipts - Disbursement] of Public Debt + Net of Contingency Fund + Net [Receipts - Disbursement] of Public Account + Net of opening and closing balance.

### 1.3.3 Appropriation Accounts

Under the Constitution, no expenditure can be incurred by the Government except with authorization of the Legislature. Barring certain expenditure specified in the Constitution as “charged” on the Consolidated Fund, which can be incurred without vote of the Legislature, all other expenditure requires to be “voted”. The Appropriation Accounts supplement the Finance Accounts. The budget of the Haryana has 18 Charged Appropriations and 45 voted Grants. The purpose of the Appropriation Accounts is to indicate the extent to which the actual expenditure complied with the appropriation authorized by the Legislature through the Appropriation Act of each year.

### 1.3.4 Efficiency on Budget Preparation

At the end of the year, the actual expenditure of the government of Haryana against the budget approved by the Legislature, showed a net saving of ₹ 20,370 crore (14.37 per cent of budget estimates of ₹ 1,41,733 crore) and underestimation of ₹ 664 crore (6.45 per cent of budget estimates of ₹ 10,298 crore) on reduction of expenditure. Certain grants, like those relating to Buildings and Roads, Education, Health, Local Government, Agriculture and Rural and Community Development showed substantial savings.

## 1.4 Sources and Application of Funds

### 1.4.1 Ways and Means Advances

Ways and Means Advances are taken from the Reserve Bank of India to maintain liquidity by making good the deficiency in the agreed minimum cash balance (₹1.14 crore) which the State Government is required to maintain with the Reserve Bank of India. During 2018-19, the Government of Haryana availed Ways and Means advance of ₹ 505.03 crore (two times : ₹320.72 crore and ₹184.31 crore) however, the same was repaid during the year, thereby leaving nil balance.

### 1.4.2 Overdraft from the Reserve Bank of India

Overdraft is taken from the Reserve Bank of India while the limit of minimum cash balance falls below i.e. ₹1.14 crore, even after taking Ways and Means Advances which is required to be maintained with the Reserve Bank of India. During the year 2018-19 there was no overdraft of the State.

### 1.4.3 Fund flow statement

The state had a Revenue Deficit of ₹ 11,270 crore and a Fiscal Deficit of ₹ 21,912 crore in 2018-19. The Fiscal Deficit was met from net Public Debt (₹17,081 crore), increase in Public Account (₹4,526 crore) and net decrease of opening and closing cash balance (₹305 crore). Around 62 per cent of the revenue receipts (₹65,885 crore) of the State Government was spent on committed expenditure like salaries (₹19,412 crore), interest payments (₹13,551 crore) and pensions (₹ 8,140 crore).

## Sources and Application of Funds

(₹ in crore)

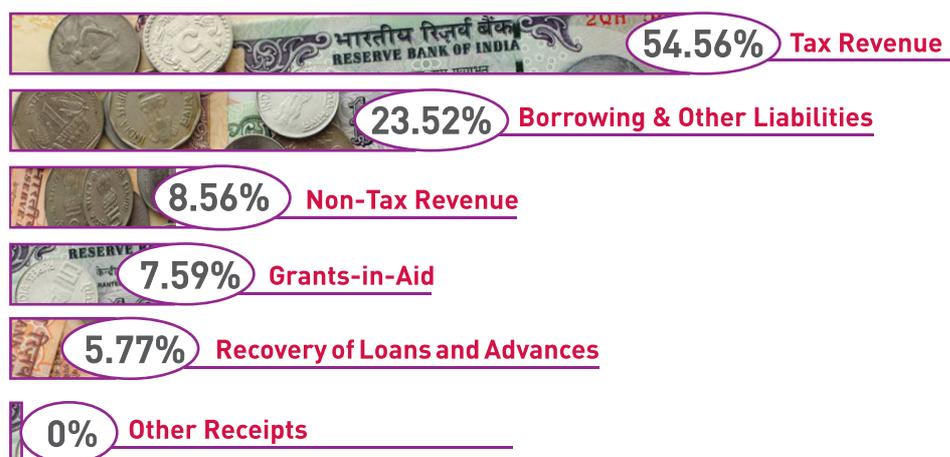
	PARTICULARS	AMOUNT
<b>SOURCES</b>	Opening Cash Balance as on 1 April 2018	(-)489
	Revenue Receipts	65,885
	Capital Receipts	49
	Recovery of Loans and Advances	5,372
	Public Debt	34,265
	Small Savings, Provident Funds etc.	3,512
	Reserves Fund & Sinking Funds	945
	Deposits Received	26,504
	Civil Advances Repaid	0
	Suspense Account	80,206*
	Remittances	8,911
	Contingency Fund	12
	<b>TOTAL</b>	<b>2,25,172</b>
	<b>APPLICATION</b>	Revenue Expenditure
Capital Expenditure		15,307
Loans Given		756
Repayment of Public Debt (including Ways and Means Advances)		17,184
Appropriation to Contingency Fund		12
Small Savings, Provident Funds etc.		2,344
Reserves Fund & Sinking Funds		392
Deposits Repaid		25,167
Civil Advances Given		0
Suspense Account		78,909**
Remittances		8,740
Closing Cash Balance as on 31 March 2019		(-)794
<b>TOTAL</b>		<b>2,25,172</b>

\* Includes ₹ 79,290 crore on account of cash balances investment account.

\*\* Includes ₹ 77,927 crore on account of cash balances investment account.

#### 1.4.4 Where the ₹ came from?

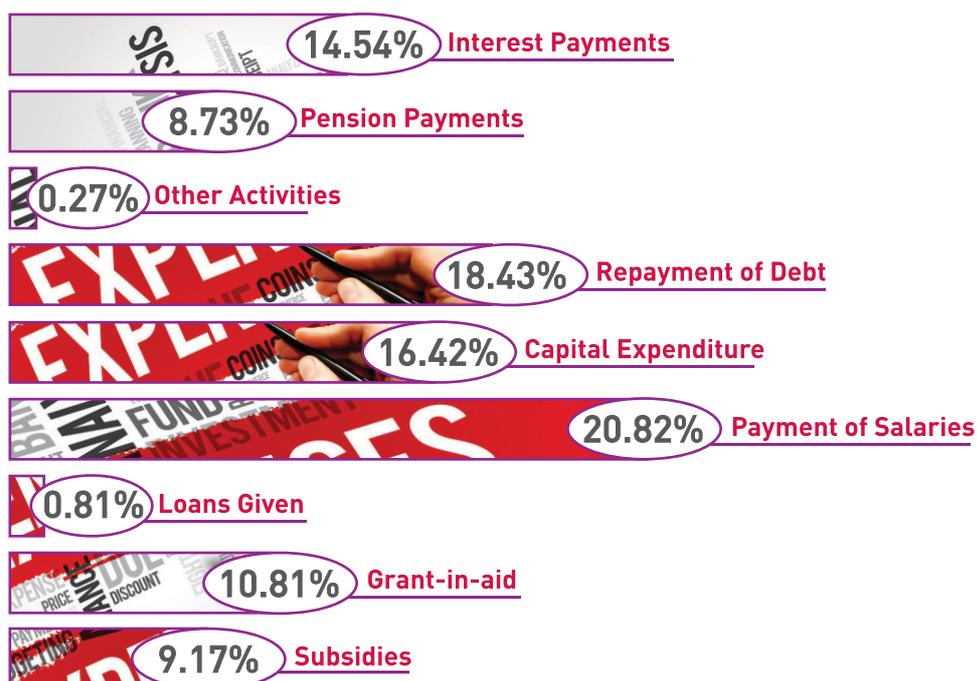
##### Actual Receipts



(Amount of Other Receipts was negligible hence value shown as zero)

#### 1.4.5 Where the ₹ went?

##### Actual Expenditure



During the year 2018-19, Revenue Deficit of ₹ 11,270 crore (₹ 10,562 crore Deficit in 2017-18) and fiscal deficit of ₹ 21,912 crore (₹ 19,114 crore deficit in 2017-18) represent 1.59 per cent and 3.10 per cent of the Gross State Domestic Product (GSDP) respectively. The fiscal deficit constituted 24 per cent of total expenditure.

## What do the deficits and surpluses indicate?

### DEFICIT

Refers to the gap between revenue and expenditure. The kind of deficit, how the deficit is financed, and application of funds are important indicators of prudence in financial management.

Refers to the gap between revenue receipt and revenue expenditure. Revenue expenditure is required to maintain the existing establishment of government and ideally, should be fully met from revenue receipts.

### REVENUE DEFICIT/ SURPLUS

### FISCAL DEFICIT/ SURPLUS

Refers to the gap between total receipts (excluding borrowings) and total expenditure. This gap, therefore, indicates the extent to which expenditure is financed by borrowings and ideally should be invested in capital projects.

## 1.5 Fiscal Responsibility and Budget Management (FRBM) Act, 2005

Deficit indicators, revenue augmentation and expenditure management are major yardsticks for judging the fiscal performance of the Government. The Government of Haryana has enacted the Fiscal Responsibility and Budget Management (FRBM) Act, 2005. As per this Act, the State Government was required to achieve certain fiscal targets by specified periods. Though, the State Government has not amended its FRBM Act in terms of recommendations of Fourteenth Central Finance Commission, yet the achievement of the State Government on various parameters is as under:

Sr. No.	Financial Parameter	Actual (₹ in crore)	Ratio to GSDP*	
			Target	Achievement
1	Revenue Deficit	11,270.42	0.00	1.59 (not achieved)
2	Fiscal Deficit	21,911.75	3.25 or less	3.10 (achieved)
3	Debt	1,56,834.74	20.92 or less	22.18 (not achieved)

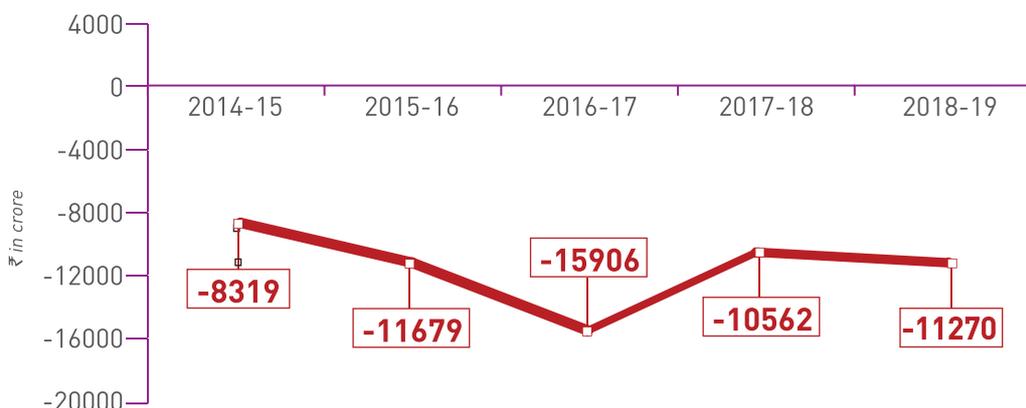
\* GSDP figure (₹ 7,07,126.33 crore) on current prices as per Advance Estimates is taken from Department of Economic and Statistic Analysis, Haryana and was also available on the website of Ministry of Statistics and Programme Implementation, Govt. of India.

The State Government had made disclosures to the Legislature required under the Haryana Fiscal Responsibility and Budget Management Rules, 2005.

The State Government had Revenue Deficit of ₹ 10,562 crore in 2017-18 and ₹11,270 crore during the year 2018-19 which was not as per the recommendations of Fourteenth Finance Commission. Fiscal Deficit increased by ₹ 2,798 crore from ₹ 19,114 crore in 2017-18 to ₹21,912 crore in the current year and was to 3.10 per cent of GSDP which confirmed to the recommendations of 3.25 per cent of Fourteenth Finance Commission. Against the recommendations of reducing outstanding debt to 20.92 per cent of GSDP by the year 2018-19, the outstanding debt stood at ₹1,56,835 crore as on 31 March 2019, being 22.18 per cent of GSDP.

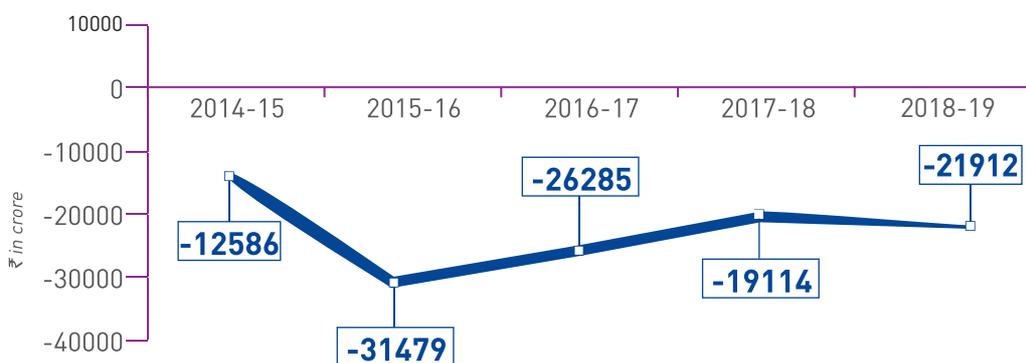
### 1.5.1 Trend of Revenue Deficit/ Surplus

#### Trend of Revenue Deficit/ Surplus



### 1.5.2 Trend of Fiscal Deficit

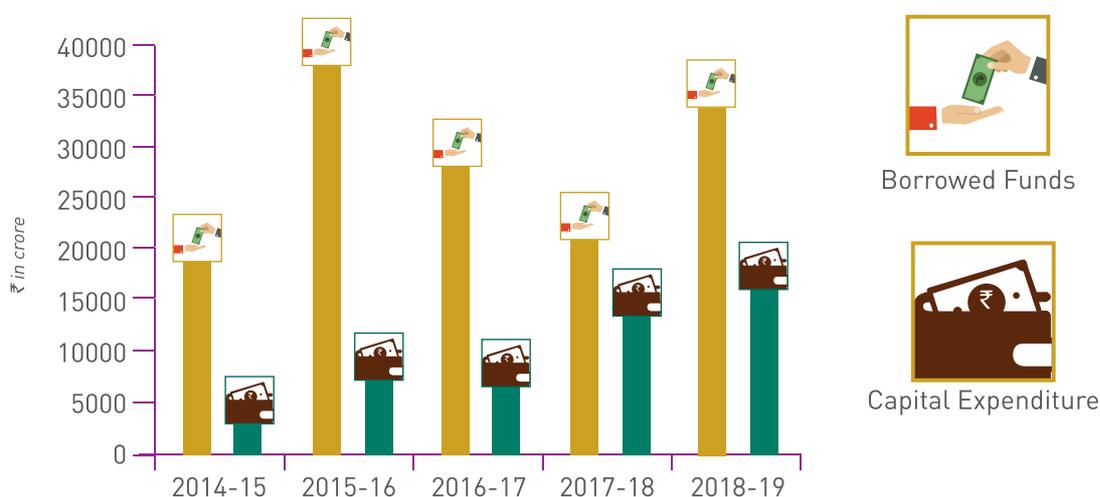
#### Trend of Fiscal Deficit



### 1.5.3 Proportion of borrowed funds spent on Capital Expenditure

(₹ in crore)

Year	Borrowed Fund	Capital Expenditure
2014-15	18,859	3,716
2015-16	37,998	6,908
2016-17	28,170	6,863
2017-18	21,490	13,538
2018-19	34,265	15,307



The governments usually run fiscal deficits and borrow funds for capital/ assets formation or for creation of economic and social infrastructure, so that assets created through borrowings could pay for themselves by generating an income stream. Thus, it is desirable to fully utilize borrowed funds for the creation of capital assets and to use revenue receipts for the repayment of principal and interest. The State Government, however, spent only 45 per cent of the borrowings of the current year (₹34,265 crore) on capital expenditure (₹ 15,307 crore) and 2 per cent on Loans and Advances given by the State Government (₹ 756 crore). It would therefore appear that balance 53 per cent of borrowings in the public debt (₹ 18,202 crore) was utilized to repay the principal (₹17,184 crore) and part of interest on public debt of previous years and to meet periodic shortfalls of revenue against expenditure in the current year.

## Chapter II

# Receipts

### 2.1 Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total receipts for 2018-19 were ₹93,218 crore.

### 2.2 Revenue Receipts

The revenue receipts of the government comprise three components viz. Tax Revenue, Non-tax Revenue and Grants-in-aid received from the Union Government.

#### ● TAX REVENUE

Comprises taxes collected and retained by the state and State share of Union Taxes under Article 280(3) of the Constitution.

Includes interest receipts, dividend, profits, departmental receipts etc.

#### ● NON-TAX REVENUE

#### ● GRANTS-IN-AID

Grants-in-aid represent Central Assistance to the State Government from the Union Government. It also includes "External Grant Assistance" and "Aid, Material and Equipment" received from Foreign Governments and channelized through the Union Government. In turn, the State Government also gives Grants-in-aid to institutions like Panchayati Raj Institutions, Autonomous bodies etc.

## Revenue Receipts



### 2.2.1 Revenue Receipts Components (2018-19)

Components		Actuals (₹ in crore)	Percentage to Revenue Receipts
<b>A.</b>	<b>Tax Revenue*</b>	<b>50,836</b>	<b>77</b>
	Goods and Services Tax	20,813	32
	Taxes on Income & Expenditure	5,000	8
	Taxes on Property & Capital Transactions	5,656	8
	Taxes on Commodities & Services	19,367	29
<b>B.</b>	<b>Non-Tax Revenue</b>	<b>7,976</b>	<b>12</b>
	Interest Receipts, Dividends and Profits	2,010	3
	General Services	615	1
	Social Services	3,077	5
	Economic Services	2,274	3
<b>C.</b>	<b>Grants-in-aid &amp; Contributions</b>	<b>7,073</b>	<b>11</b>
	<b>Total Revenue Receipts</b>	<b>65,885</b>	<b>100</b>

\*Includes share of net proceeds assigned to State (received from the Government of India).

### 2.2.2 Trend of Revenue Receipts

(₹ in crore)

Components	2014-15	2015-16	2016-17	2017-18	2018-19
Tax Revenues (Raised by the State)	27,635 (6)	30,929 (7)	34,026 (7)	41,099 (7)	42,581 (6)
State Share of Union Taxes/Duties	3,548 (1)	5,496 (1)	6,597 (1)	7,298 (1)	8,255 (1)
Non-Tax Revenues	4,613 (1)	4,753 (1)	6,196 (1)	9,113 (1)	7,976 (1)
Grants in Aid	5,003 (1)	6,379 (1)	5,678 (1)	5,185 (1)	7,073 (1)
<b>Total Revenue Receipts</b>	<b>40,799</b> <b>(9)</b>	<b>47,557</b> <b>(10)</b>	<b>52,497</b> <b>(10)</b>	<b>62,695</b> <b>(10)</b>	<b>65,885</b> <b>(9)</b>
<b>GSDP</b>	<b>4,35,310</b>	<b>4,92,657</b>	<b>5,47,396</b>	<b>6,08,471</b>	<b>7,07,126</b>

Note: Figures in parentheses represent percentage to GSDP (Gross State Domestic Product). GSDP Figures for 2018-19 at current prices, as intimated by Department of Economic & Statistical Analysis, Haryana.

Though the GSDP increased by 16.21 per cent in 2018-19 as compared to previous year, growth in revenue receipts was 5.09 per cent. The total tax revenue (including share of Union Taxes) increased by 5.04 per cent, the non-tax revenue decreased by 12.48 per cent and the grants-in-aid increased by 36.41 per cent as compared to previous year.

## Trend of Components of Revenue Receipts



## 2.3 Tax Revenue

(₹ in crore)

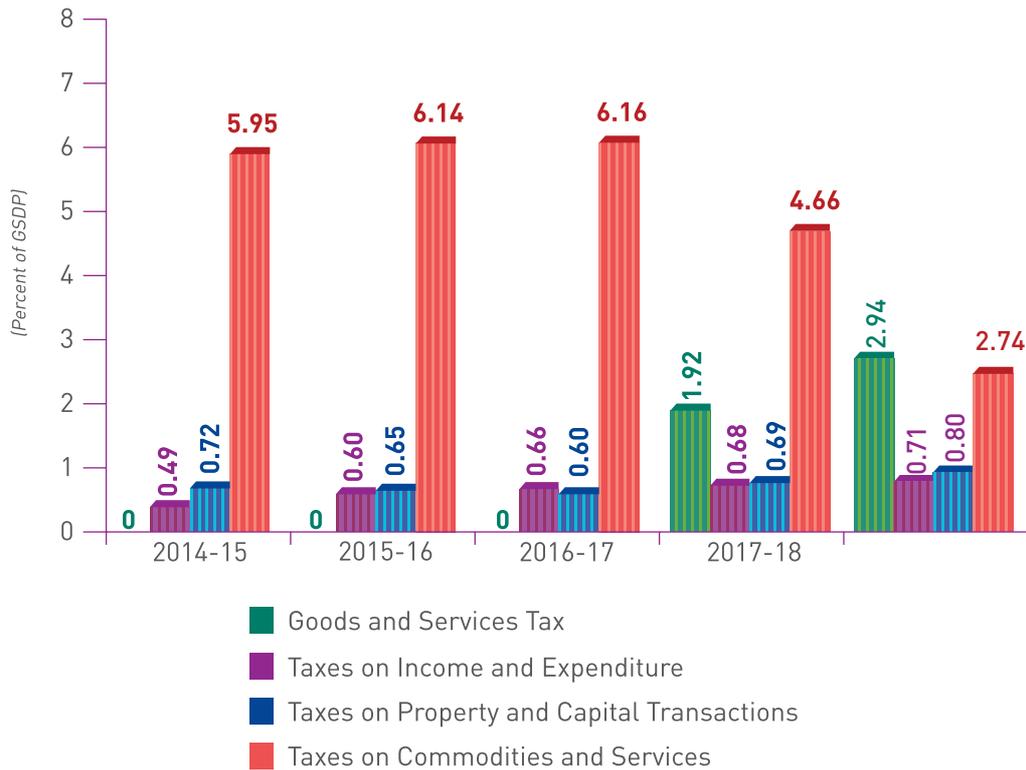
Sector-wise Tax Revenue					
Components	2014-15	2015-16	2016-17	2017-18	2018-19
a. Goods and Services Tax	NA*	NA*	NA*	11,675 (1.92)	20,813 (2.94)
b. Taxes on Income and Expenditure	2,124 (0.49)	2,938 (0.60)	3,591 (0.66)	4,124 (0.68)	5,000 (0.71)
c. Taxes on Property and Capital Transactions	3,127 (0.72)	3,207 (0.65)	3,303 (0.60)	4,210 (0.69)	5,656 (0.80)
d. Taxes on Commodities and Services	25,932 (5.95)	30,280 (6.14)	33,729 (6.16)	28,388 (4.66)	19,367 (2.74)
Total Tax Revenues	31,183 (7.16)	36,425 (7.39)	40,623 (7.42)	48,397 (7.95)	50,836 (7.19)
<b>GSDP</b>	<b>4,35,310</b>	<b>4,92,657</b>	<b>5,47,396</b>	<b>6,08,471</b>	<b>7,07,126</b>

Note: Figures in parentheses represent percentage to GSDP.

\* Not Applicable.

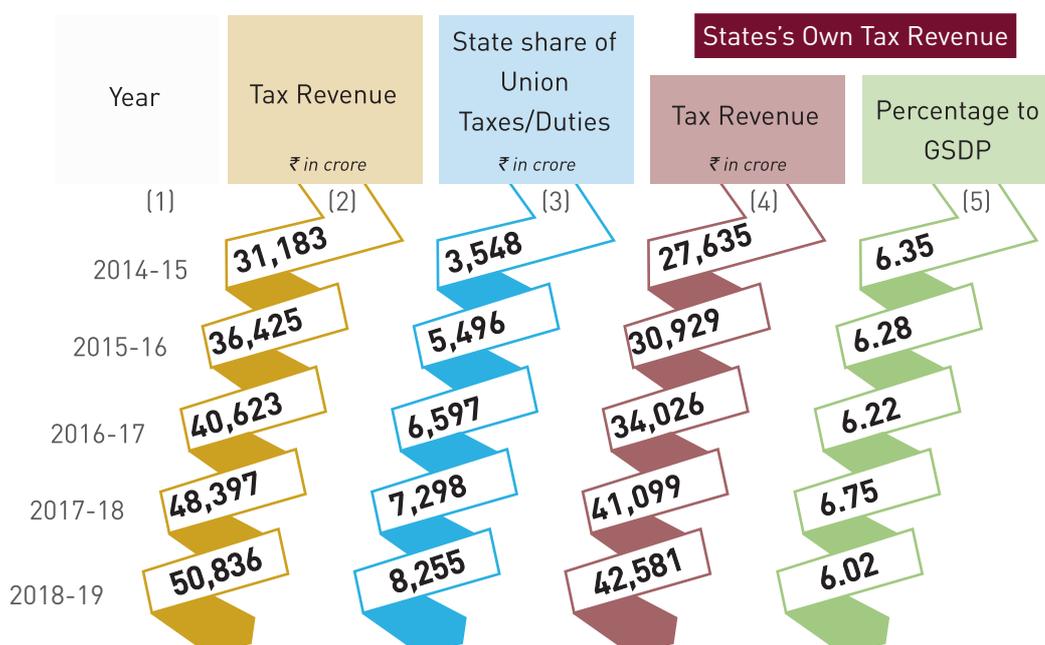
The increase in total tax revenue during 2018-19 was mainly attributable to allocation of State share from Government of India i.e. Central Goods and Services Tax (₹2,038 crore), Corporation Tax (₹ 2,871 crore), Taxes on Income other than corporation Tax (₹2,114 crore) and higher collection under State Goods and Services Tax (₹18,613 crore), Stamps and Registration Fees (₹ 5,636 crore), State Excise (₹6,042 crore), Taxes on Vehicles (₹ 2,908 crore).

## Trend of Major Taxes in proportion to GDP



### 2.3.1 State's own Tax and State's share of Union Taxes

Tax Revenue of the State Government comes from two sources viz. State's own tax collections and devolution of Union taxes.



Following table depicts the comparative position about tax revenue received from the two sources over a period of five years:

(₹ in crore)

Description	2014-15	2015-16	2016-17	2017-18	2018-19
States own Tax collection	27,635	30,929	34,026	41,099	42,581
Devolution of Union Taxes	3,548	5,496	6,597	7,298	8,255
<b>Total Tax Revenue</b>	<b>31,183</b>	<b>36,425</b>	<b>40,623</b>	<b>48,397</b>	<b>50,836</b>
Percentage of States own tax to total tax revenue	89	85	84	85	84

The proportion of State's own tax collection in overall tax revenue has decreased to 85 per cent during the year 2014-15 to 2015-16, further decreased to 84 per cent in 2016-17, again increased to 85 per cent in 2017-18 and again decreased to 84 per cent in 2018-19.

### 2.3.2 Trend in State's Own Tax collection over the past five years

(₹ in crore)

Description	2014-15	2015-16	2016-17	2017-18	2018-19
1. State Goods and Services Tax	NA*	NA*	NA*	10,833	18,613
2. Taxes on Sales, Trade etc.	18,993	21,060	23,488	15,609	8,998
3. State Excise	3,470	4,371	4,613	4,966	6,042
4 Taxes on Vehicles	1,192	1,401	1,583	2,778	2,908
5. Stamp and Registration fees	3,109	3,191	3,283	4,192	5,636
6. Taxes and Duties on electricity	240	257	276	306	337
7. Land Revenue	15	15	16	18	19
8. Taxes on Goods and Passengers	527	554	595	2,317	21
9. Other Taxes	89	80	172	79	7
<b>Total State's own Taxes</b>	<b>27,635</b>	<b>30,929</b>	<b>34,026</b>	<b>41,099</b>	<b>42,581</b>

\* Not Applicable

## 2.4 Cost of Tax Collection

(₹ in crore)

Taxes	2014-15	2015-16	2016-17	2017-18	2018-19
<b>1. Taxes on Sales, Trade etc.</b>					
Revenue collection	18,993	21,060	23,488	15,609	8,998
Expenditure on collection	119	129	142	148	151
Percentage Cost of tax collection	0.63	0.61	0.60	0.95	1.68
<b>2. State Excise</b>					
Revenue collection	3,470	4,371	4,613	4,966	6,042
Expenditure on collection	29	31	35	42	38
Percentage Cost of tax collection	0.84	0.71	0.76	0.85	0.63
<b>3. Taxes on Vehicles, Goods and Passengers</b>					
Revenue collection	1,719	1,955	2,178	5,095	2,929
Expenditure on collection	17	19	29	38	56
Percentage Cost of tax collection	0.99	0.97	1.35	0.75	1.91
<b>4. Stamp and Registration Fee</b>					
Revenue collection	3,109	3,191	3,283	4,192	5,636
Expenditure on collection	10	15	11	10	9
Percentage Cost of tax collection	0.32	0.47	0.34	0.24	0.16

The expenditure on collection of Taxes on Sales, Trade etc. and Taxes on Vehicles, Goods and Passengers was high as compared to expenditure on collection of other taxes.

## 2.5 Trend in States Share of Union Taxes over the past five years

(₹ in crore)

Description	2014-15	2015-16	2016-17	2017-18	2018-19
Central Goods and Services Tax (CGST)	NA*	NA*	NA*	105	2,038
Integrated Goods and Services Tax (IGST)	NA*	NA*	NA*	737	163
Corporation Tax	1,239	1,733	2,118	2,236	2,871
Taxes on Income other than Corporation Tax	885	1,205	1,472	1,888	2,114
Other Taxes on Income and Expenditure	Nil	Nil	Nil	Nil	15
Taxes on Wealth	3	1	5	Nil	1
Customs	574	880	911	737	585
Union Excise Duties	324	733	1,041	770	389
Service Tax	523	940	1,050	825	75
Other Taxes and Duties on Commodities and Services	Nil	4	Nil	Nil	4
<b>States share of Union Taxes/Duties</b>	<b>3,548</b>	<b>5,496</b>	<b>6,597</b>	<b>7,298</b>	<b>8,255</b>
<b>Total Tax Revenue</b>	<b>31,183</b>	<b>36,425</b>	<b>40,623</b>	<b>48,397</b>	<b>50,836</b>
Percentage of Union Taxes to Total Tax Revenue	11	15	16	15	16

\* Not Applicable

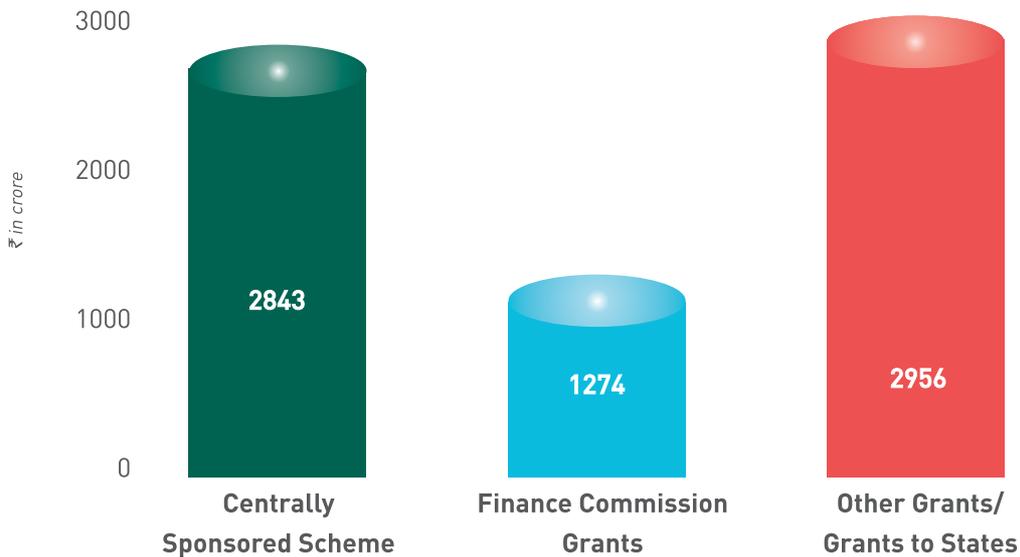
Government of Haryana received ranging between 11 per cent to 16 per cent share of total Tax Revenue from the net proceeds of all shareable Union taxes during the period 2014-15 to 2018-19.

## 2.6 Grants-in-aid

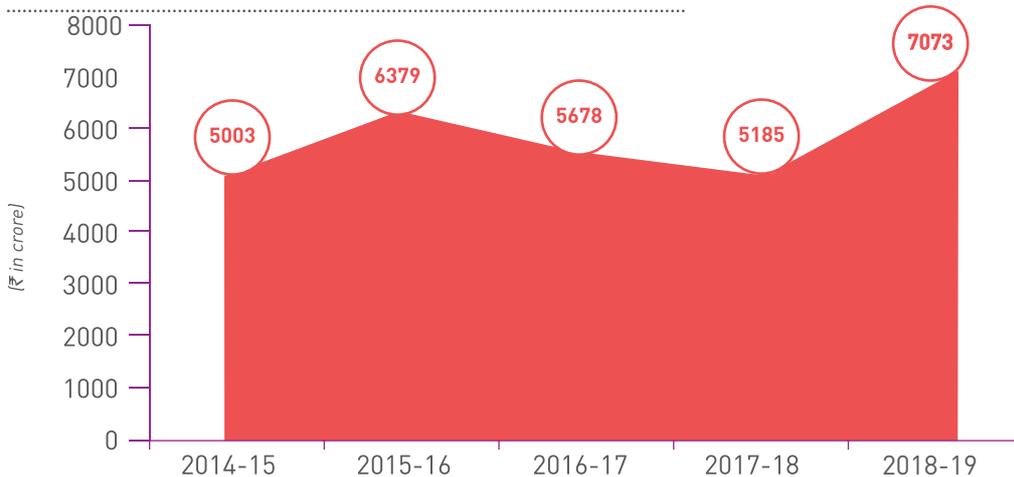
Grants-in-aid represent assistance from the Government of India, and comprise, grant for State Schemes, Central Schemes and Centrally Sponsored Schemes approved by the Planning Commission and State Grants recommended by the Finance Commission.

Total receipts during 2018-19 under Grants -in-aid were ₹ 7,073 crore as shown below:

### Grants-in-Aid

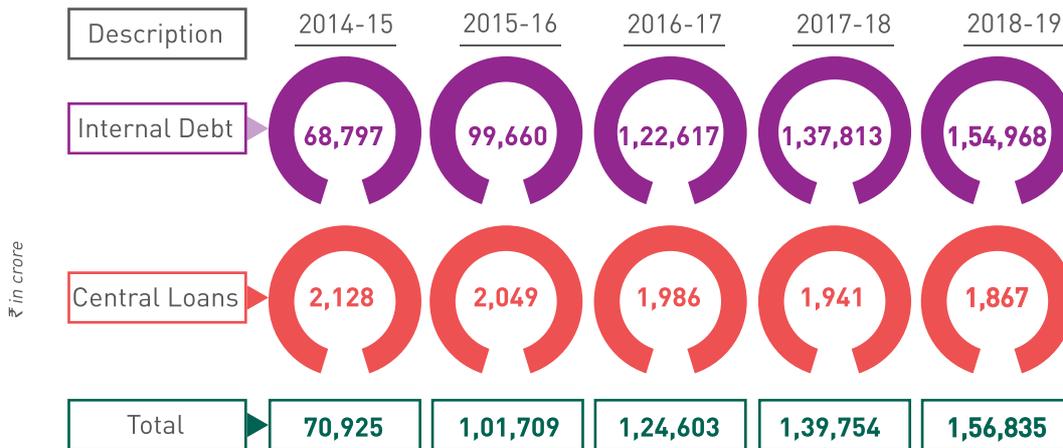


### Trend of Grants-in-aid



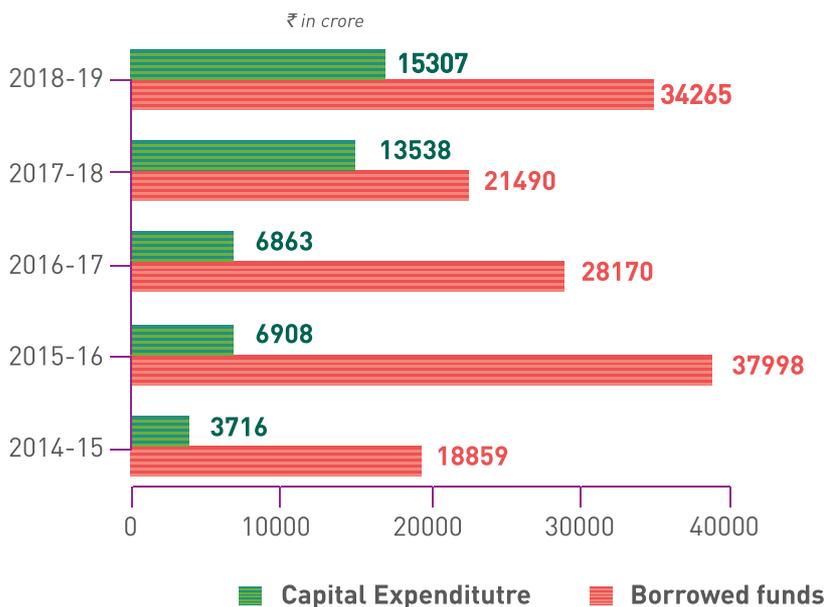
## 2.7 Public Debt

Trend of position of Public Debt over the past five years



During the year 2018-19, thirteen loans totaling ₹ 21,265 crore were raised from the open market at interest rates varying from 7.80 per cent to 9.89 per cent and the same are redeemable during the period between 2023-39. In addition, the State Government raised loans of ₹ 12,344 crore from the financial institutions and ₹ 26 crore from other loans. An amount of ₹ 505.03 crore (two times : ₹ 320.72 crore and ₹ 184.31 crore) obtained from Ways and Means Advances from the Reserve Bank of India. Thus the total Internal Debt raised by the Government during the year 2018-19 aggregated to ₹ 34,140 crore. The Government also received ₹ 125 crore from Government of India as loans and advances.

### Borrowed funds viz-a-viz Capital Expenditure



# Chapter III

## Expenditure

### 3.1 Introduction

Expenditure is classified as Revenue Expenditure and Capital Expenditure. Revenue expenditure is used to meet the day-to-day running of the organization. Capital expenditure is used to create permanent assets, or to enhance the utility of such assets, or to reduce permanent liabilities.

In Government accounts, the expenditure is classified at top level into three sectors: General Services, Social Services and Economic Services. The significant areas of expenditure covered under these sectors are mentioned in the table given below:

#### GENERAL SERVICES

Includes Justice, Police, Jail, PWD, Interest and Pension etc.

Includes Education, Health & Family Welfare, Water Supply and Welfare of SC-ST etc.

#### SOCIAL SERVICES

#### ECONOMIC SERVICES

Includes Agriculture, Rural Development, Irrigation, Cooperation, Energy, Industries and Transport etc.

### 3.2 Revenue Expenditure

The shortfall of revenue expenditure against budget estimates as per Appropriation Accounts during the past five years is given on next page:

(₹ in crore)

Year	2014-15	2015-16	2016-17	2017-18	2018-19
Budget Estimates (BE)	56,953	70,365	79,284	86,715	91,072
Actuals	49,408	61,047	68,766	73,491	77,365
Gap	7,545	9,318	10,518	13,224	13,707
Percentage of variation of Gap against BE	13	13	13	15	15

[Source: Appropriation Accounts of respective years]

Compounding the shortfall (by 14 per cent) of Revenue Receipts against Budget Estimates in 2018-19, the State Government faced with the problem of generating revenue surplus in terms of the recommendations of Fourteenth Finance Commission.

Around 53 per cent of the total revenue expenditure during 2018-19 was incurred on committed expenses viz. on Salaries (₹19,412 crore), Interest payment (₹13,551 crore) and Pensions (₹8,140 crore) which is the committed liability of the State Government.

The position of committed and uncommitted revenue expenditure over the last five years is given below:

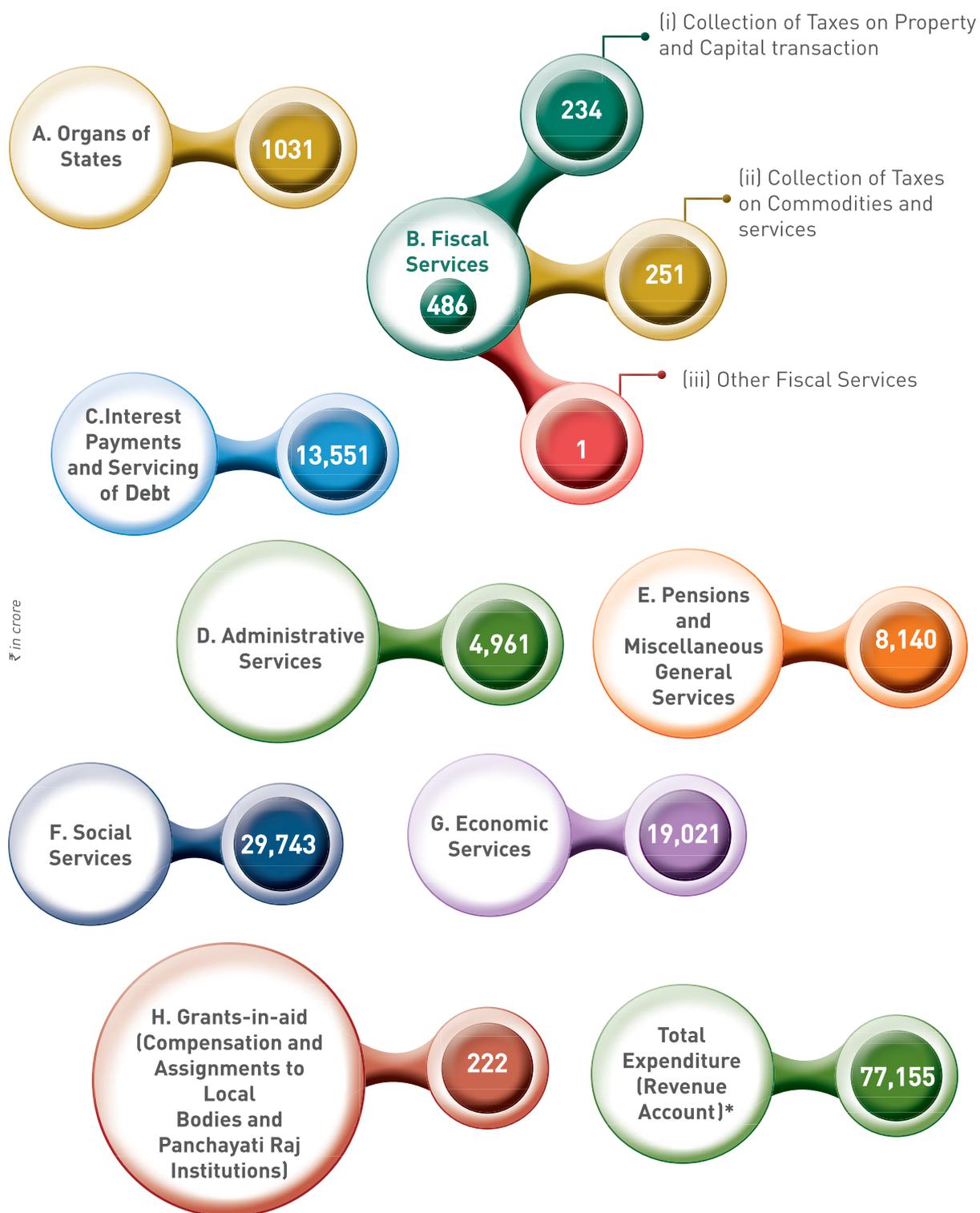
(₹ in crore)

Component	2014-15	2015-16	2016-17	2017-18	2018-19
Total revenue expenditure	49,118	59,236	68,403	73,257	77,155
Committed revenue expenditure #	25,289	28,229	32,511	38,548	41,103
Percentage of committed revenue expenditure to total revenue expenditure	51	48	48	53	53
Uncommitted revenue expenditure	23,829	31,007	35,892	34,709	36,052

# Committed revenue expenditure includes expenditure on Salaries, Interest Payments and Pensions.

It may be seen that the Uncommitted Revenue Expenditure available for implementation of various schemes has increased by 51 per cent from ₹ 23,829 crore in 2014-15 to ₹ 36,052 crore in 2018-19. The Total Revenue Expenditure increased by 57 per cent from ₹ 49,118 crore in 2014-15 to ₹ 77,155 crore in 2018-19 and Committed Revenue Expenditure increased by 63 per cent over the same period.

### 3.2.1 Sectoral distribution of Revenue Expenditure (2018-19)



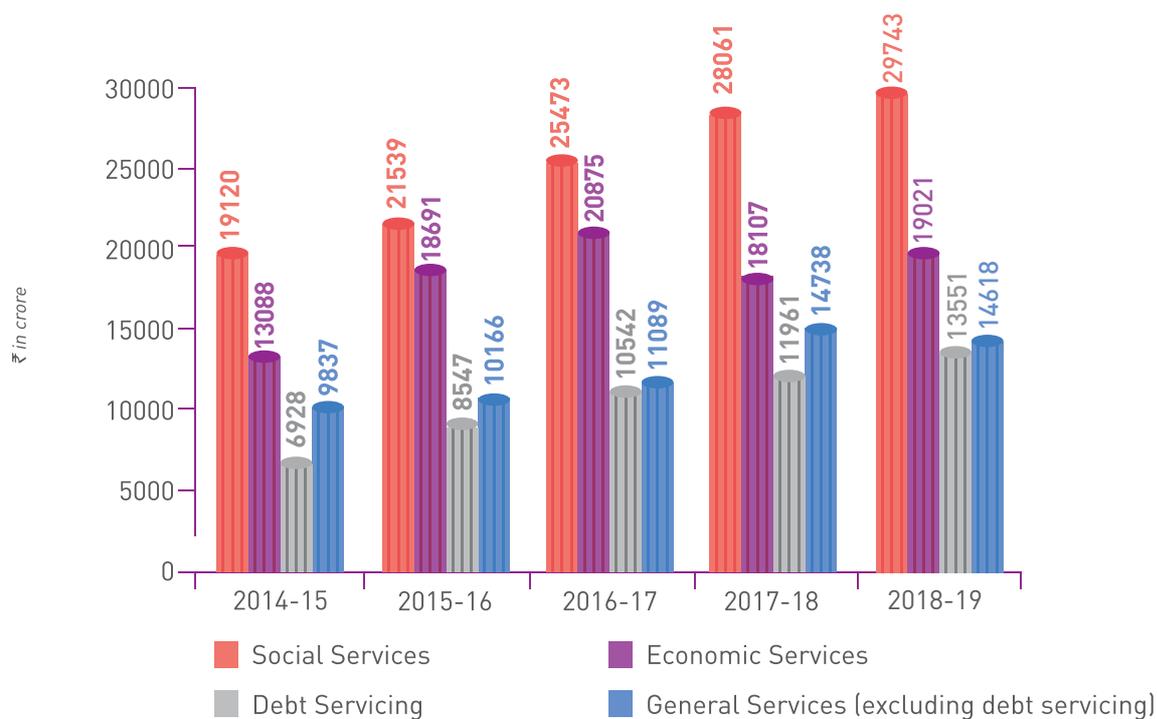
\* (Net, after deducting recoveries)

### 3.2 Major components of Revenue Expenditure (2014-15 to 2018-19)

(₹ in crore)

Components	2014-15	2015-16	2016-17	2017-18	2018-19
Social Services	19,120	21,539	25,473	28,061	29,743
Economic Services	13,088	18,691	20,875	18,107	19,021
Debt Servicing	6,928	8,547	10,542	11,961	13,551
General Services (excluding expenditure on debt servicing)	9,837	10,166	11,089	14,738	14,618

#### Trend of Major Components of Revenue Expenditure



### 3.3 Capital Expenditure

Capital expenditure is essential if the growth process is to be sustained. Capital Expenditure during 2018-19 amounting for ₹ 15,307 crore (2 per cent of GSDP) were excess than Budget Estimates by ₹4,266 crore. The growth in capital expenditure has not kept pace with the growth of GSDP since 2014-15 onwards (except 2015-16 and 2017-18).

This can be seen from the table below:

(₹ in crore)

S.No.	Components	2014-15	2015-16	2016-17	2017-18	2018-19
1	Budget (B.E.)	5,747	5,904	8,817	11,122	19,573
2	Actual Capital Expenditure (#)	3,716	6,908	6,863	13,538	15,307
3	Percentage of Actual Capital Expenditure to B.E.	65	117	78	122	78
4	Percentage Yearly growth in Capital Expenditure	(-)6	86	(-)1	97	13
5	GSDP	4,35,310	4,92,657	5,47,396	6,08,471	7,07,126
6	Percentage Yearly growth in GSDP	13	13	11	11	16

(#) Does not include expenditure on Loans and Advances

### 3.3.1 Sectoral distribution of Capital Expenditure

During 2018-19, the Government spent ₹1,088 crore on various Irrigation Projects (₹ 551 crore on Major Irrigation and ₹537 crore on Medium Irrigation). Apart from above, the Government spent ₹1,604 crore on construction of roads and bridges and invested ₹ 13,423 crore in Government Companies and Co-operative Institutions. During the year, share capital amounting to ₹49 crore was redeemed by Co-operative Banks and Societies.

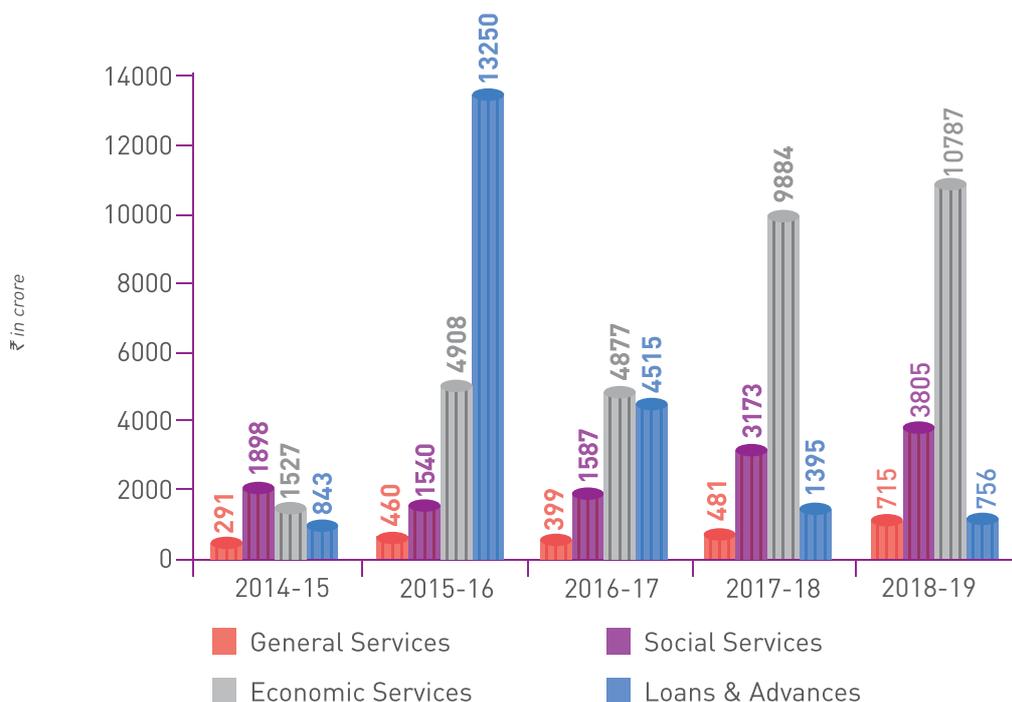
### 3.3.2 Sectoral distribution of Capital Expenditure over the past five years

(₹ in crore)

Sector	2014-15	2015-16	2016-17	2017-18	2018-19
General Services	291 (6)	460 (2)	399 (3)	481 (3)	715 (4)
Social Services	1,898 (42)	1,540 (8)	1,587 (14)	3,173 (21)	3,805 (24)
Economic Services	1,527 (34)	4,908 (24)	4,877 (43)	9,884 (66)	10,787 (67)
Loans and Advances	843 (18)	13,250 (66)	4,515 (40)	1,395 (10)	756 (5)
<b>Total Capital Expenditure</b>	<b>4,559</b>	<b>20,158</b>	<b>11,378</b>	<b>14,933</b>	<b>16,063</b>

Note: Figures in parentheses represent percentage to total capital expenditure.

## Trend of Sectoral Distribution of Capital Expenditure



### 3.3.3 Sectoral distribution of Capital and Revenue Expenditure

The comparative sectoral distribution of capital and revenue expenditure over the past five years is illustrated below:

(₹ in crore)

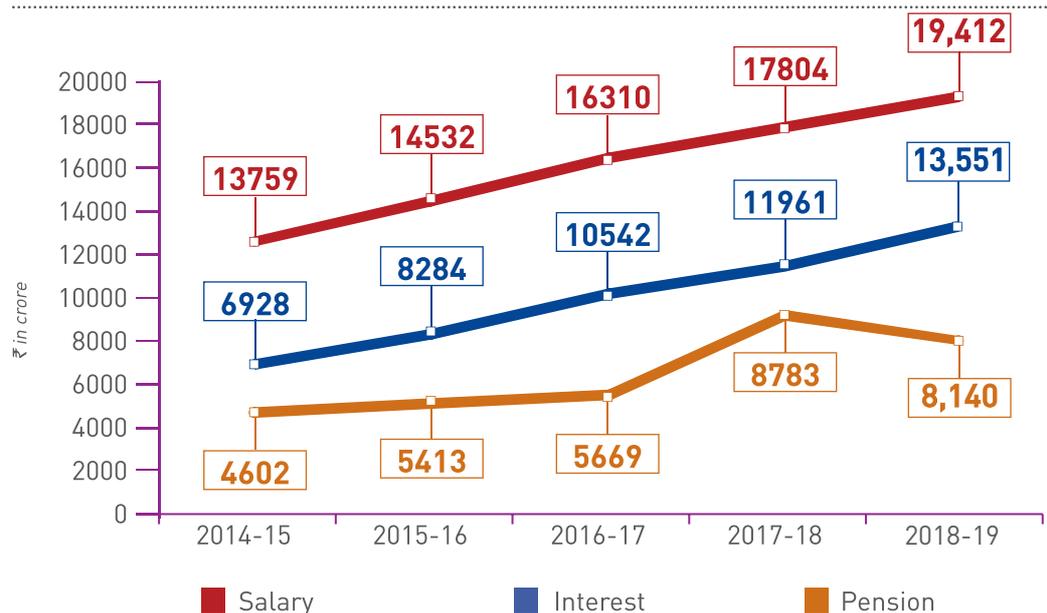
S.No.	Sector	Section	2014-15	2015-16	2016-17	2017-18	2018-19
(A)	General Services	Capital	291	460	399	481	715
		Revenue	16,765	18,713	21,631	26,699	28,169
(B)	Social Services	Capital	1,898	1,540	1,587	3,173	3,805
		Revenue	19,120	21,539	25,473	28,061	29,743
(C)	Economic Service	Capital	1,527	4,908	4,877	9,884	10,787
		Revenue	13,088	18,691	20,875	18,107	19,021
(D)	Grants-in-aid and Contributions	Capital	NA*	NA*	NA*	NA*	NA*
		Revenue	145	293	424	390	222

\* Not Applicable

### 3.4 Committed Expenditure

Expenditure on Salaries and Interest Payments showed increase while that on Pensions decreased in 2018-19 over the previous year

#### Trend of Committed Expenditure



The trend of committed expenditure in comparison to revenue expenditure and revenue receipts over the past five years is depicted below:

(₹ in crore)

Component	2014-15	2015-16	2016-17	2017-18	2018-19
Committed Expenditure	25,289	28,229	32,511	38,548	41,103
Revenue Expenditure	49,118	59,236	68,403	73,257	77,155
Revenue Receipts	40,799	47,557	52,497	62,695	65,885
Percentage of committed expenditure to Revenue Receipts	62	59	62	61	62
Percentage of committed expenditure to Revenue Expenditure	51	48	48	53	53

The committed expenditure increased by 63 per cent from 2014-15 to 2018-19 while revenue expenditure registered growth of 57 per cent during the same period, leaving the Government with lesser flexibility in development spending.

## Chapter IV

# Appropriation Accounts

### 4.1 Summary of Appropriation Accounts for 2018-19

(₹ in crore)

S. No.	Nature of Expenditure	Original Grant	Supplementary grant	Surrender (by way of Re-appropriation)	Total Budget	Actual expenditure (Net)	Savings(-) Excesses(+)
1.	<b>Revenue</b>						
	Voted	71,217	5,257	Nil	76,474	63,629	(-) 12,845
	Charged	14,457	141	Nil	14,598	13,736	(-) 862
2.	<b>Capital</b>						
	Voted	25,490	3,783	Nil	29,273	25,920	(-) 3,353
	Charged	100	10	Nil	110	138	(+) 28
3.	<b>Public Debt</b>						
	Charged	12,466	6800	Nil	19,266	17,184	(-)2,082
4.	<b>Loans and Advances</b>						
	Voted	1,766	246	Nil	2,012	756	(-)1,256
	<b>Total</b>						
	Voted	98,473	9,286	Nil	1,07,759	90,305	(-) 17,454
	Charged	27,023	6,951	Nil	33,974	31,058	(-) 2,916

### 4.2 Trend of Savings / Excess during the past five years

(₹ in crore)

Year	Savings (-) Excess (+)				
	Revenue	Capital	Public Debt	Loan & Advances	Total
2014-15	(-) 7,545	(-) 4,618	(-) 5,623	(-) 158	(-) 17,944
2015-16	(-) 9,318	(-) 3,496	(-) 2,821	(-) 444	(-) 16,079
2016-17	(-) 10,518	(-) 4,393	(-) 4,402	(-) 276	(-) 19,589
2017-18	(-) 13,224	(-) 4,988	(-) 3,606	(-) 209	(-) 22,027
2018-19	(-) 13,707	(-) 3,325	(-) 2,082	(-) 1,256	(-) 20,370

### 4.3 Significant savings

Substantial savings under a grant indicates either non-implementation or slow implementation of certain schemes/ programmes.

Some grants with persistent and significant net savings for the last five years are given below:

(₹ in crore)

Grant No.	Nomenclature	2014-15	2015-16	2016-17	2017-18	2018-19
4	Revenue	--	--	--	--	328
7	Planning and Statistics	334	238	283	122	332
8	Buildings & Roads	--	--	1,880	1,464	1,142
9	Education	--	--	3,436	2,446	1,900
10	Technical Education	137	--	--	--	68
11	Sports and Youth Welfare	59	84	106	226	119
12	Art and Culture	--	5	4	--	10
13	Health	--	--	--	849	920
14	Urban Development	405	870	--	554	39
15	Local Government	584	1,408	--	1,463	2,169
16	Labour	--	13	--	--	5
17	Employment	25	30	--	--	45
18	Industrial Training	--	--	--	136	238
19	Welfare of SCs and BCs	98	325	222	369	335
21	Women and Child Development	359	437	406	343	554
23	Food and Supplies	3,431	2,148	--	--	294
25	Industries	--	78	439	242	357
26	Mines and Geology	--	--	-	--	13
27	Agriculture	474	375	827	649	957
28	Animal Husbandry & Dairy Development	--	182	--	--	108
29	Fisheries	--	--	-	43	33
30	Forest & Wild Life	--	--	98	143	145
31	Ecology and Environment	--	--	--	3	8
32	Rural and Community Development	--	815	--	2,394	1,358
35	Tourism	--	11	36	52	25
37	Elections	--	--	--	38	31
39	Information and Publicity	44	--	--	--	224
41	Electronics & IT	14	24	31	--	65
44	Printing and Stationery	12	12	16	18	11
PD	Public Debt	5,622	2,821	4,402	3,606	2,082
45	Loans and Advances by State Government	--	--	--	209	1,256

Note: -- in the above table denotes non-significant savings

The persistent huge savings under Buildings and Roads, Education, Health, Local Government, Agriculture and Rural and Community Development are on account of schemes which though approved by the legislature have been given lesser priority during implementation. This can be attributed either due to increased budget estimation or the Government's desire to keep its fiscal deficit below the ceiling.

During 2018-19, Supplementary grants totaling ₹16,237 crore (13.38 per cent of total expenditure of ₹1,21,363) proved to be unnecessary in some cases. A few instances where there were savings at the end of the year even against original allocation are given below:-

(₹ in crore)

Grant No.	Nomenclature	Section	Original	Supplementary	Actual Expenditure
7	5475-Capital Outlay on Other General Economic Services 789-Special Component Plan for Scheduled Castes 99-Welfare of Scheduled Castes under District Plan Scheme	Capital	160	120	159
9	2202-General Education 01-Elementary Education 101-Government Primary Schools 95-Expansion of Facilities Classes VI-VIII (Full Time)	Revenue	472	75	377
15	2217-Urban Development 80-General 192-Assistance to Municipalities / Municipal Councils 94-Rajiv Awas Yojna renamed as Pradhan Mantri Awas Yojna (PMAY)	Revenue	160	70	117
15	2217-Urban Development 80-General 800-Other Expenditure 75-Share of Surcharge on VAT for Urban Local Bodies	Revenue	900	74	481
24	4700-Capital Outlay on Major Irrigation 13-Modernisation and Lining of Canal System 789-Special Component Plan for Scheduled Castes 99-Rehabilitation of Canal Network-Improvement of Water Courses in Scheduled Castes Population in the State	Capital	100	25	99
25	2851-Village and Small Industries 101-Industrial Estates 97-Creation, Upgradation and Maintenance of Industrial Infrastructure renamed as Development of Infrastructure under New Enterprises Promotion Policy-2015	Revenue	150	250	96

(₹ in crore)

Grant No.	Nomenclature	Section	Original	Supplementary	Actual Expenditure
32	2515-Other Rural Development Programmes 102-Community Development 94-Haryana Gramin Vikas Yojana (HGVY)	Revenue	200	200	200
36	2055-Police 109-District Police 99-District Police Force	Revenue	3,149	171	2,907
40	2810-New and Renewable Energy 101-Grid Interactive and Distributed Renewable Power 99-Grid Connected Rooftop SPV Power Plant Programme	Revenue	94	100	53

A few instances where there was excess expenditure at the end of the year even after supplementary allocations were made are given below:

(₹ in crore)

Grant No.	Nomenclature	Section	Original	Supplementary	Actual Expenditure	Excess
8	5054-Capital Outlay on Roads and Bridges 80-General 800-Other Expenditure 99-Research	Capital (Charged)	30	10	58	18
24	4701-Capital Outlay on Medium Irrigation 80-General 800-Other Expenditure 98-Payment of Enhanced Land Compensation under Court Orders	Capital (Charged)	70	..	80	10
42	2014-Administration of Justice 102-High Courts 98-Establishment	Revenue (Charged)	120	..	137	17

## Chapter V

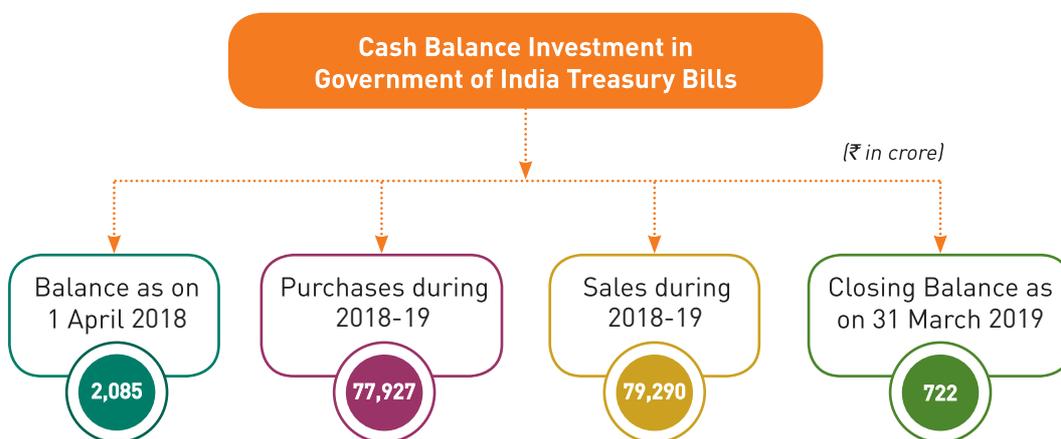
# Assets and Liabilities

### 5.1 Assets

The existing forms of accounts do not clearly depict valuation of Government assets like land, building etc., except the year of acquisition/ purchase. Similarly while the accounts present the impact of liabilities arising in the current year, they do not depict the overall impact of the liabilities to future generations except to the limited extent shown by the rate of interest and period of existing loans.

Total investment as share capital in non-financial Public Sector Undertakings (PSUs) stood at ₹ 30,748 crore at the end of the year of 2018-19. However, dividends received during the year were ₹ 56.60 crore (i.e. 0.18 per cent on total investment). During 2018-19, investments increased by ₹ 13,374 crore and dividend income increased by ₹ 49.07 crore.

Cash Balance with RBI stood at ₹ (-)489 crore on 1 April 2018 and decreased to ₹ (-)794 crore at the end of March 2019. In addition, Government had invested an amount of ₹ 77,927 crore on 141 occasions in 14 days Treasury Bills and rediscounted Treasury Bills worth ₹ 79,290 crore on 175 occasions during 2018-19. The position of investment during the year 2018-19 is depicted in the table given below:



## 5.2 Debt and Liabilities

Article 293 of the Constitution of India empowers the State Government to borrow on the security of the Consolidated Fund of the State within such limits, if any, as may be fixed by the State Legislature from time to time.

Details of the Public Debt and total liabilities of the State Government for the last five years are as under:

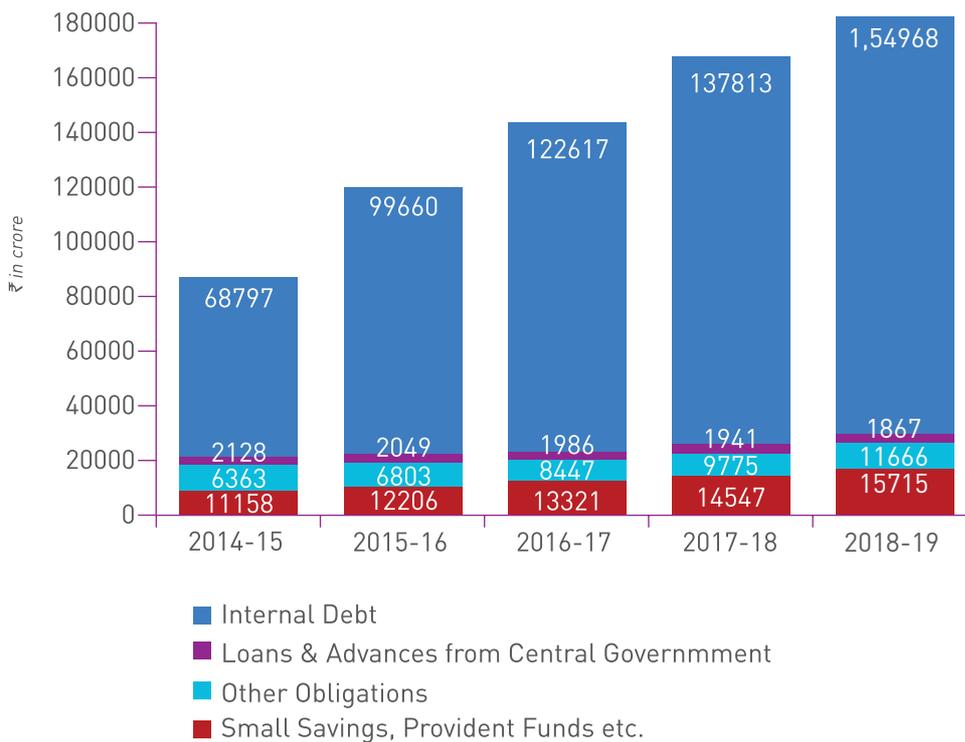
Year	Public Debt (₹ in crore)	Per cent of GSDP	Public Account* (₹ in crore)	Per cent of GSDP	Total Liabilities (₹ in crore)	Per cent of GSDP
2014-15	70,925	16	17,521	4	88,446	20
2015-16	1,01,709	21	19,009	4	1,20,718	25
2016-17	1,24,603	23	21,768	4	1,46,371	27
2017-18	1,39,754	23	24,322	4	1,64,076	27
2018-19	1,56,835	22	27,381	4	1,84,216	26

\* Excludes suspense and remittance balance.

Note: Figures are progressive balance to the end of the year.

Public Debt and other liabilities showed a net increase of ₹ 20,140 crore (12 per cent) in 2018-19 over the previous year.

### Trend in Government Liabilities



### 5.3 Guarantees

In addition to directly raising loans, State Governments also guarantee loans raised by Statutory Corporations, Government Companies and Corporations, Co-operative Societies etc. from the market and financial institutions for implementation of various schemes and programmes. These guarantees are contingent liability on the Consolidated Fund of the State in case of default in the payment of loans capital and payment of interest thereon raised by Statutory Corporations, Government Companies, Corporations, Cooperative Societies, etc., for whom the guarantee was extended and are projected outside the State Budget. The position of guarantees by the State Government for the re-payment of loans (payment of principal and interest thereon) raised by Statutory Corporations, Government Companies and Corporations, Co-operative Societies etc., for the last five years is given below:

(₹ in crore)

At the end of the year	Maximum Amount Guaranteed (Principal only)	Amount outstanding at the end of the year	
		Principal	Interest
2014-15	31,319	30,388*	NA <sup>#</sup>
2015-16	34,974	16,876*	NA <sup>#</sup>
2016-17	17,911	8,244*	NA <sup>#</sup>
2017-18	19,000	14,138*	NA <sup>#</sup>
2018-19	20,654	18,220*	NA <sup>#</sup>

\* Inclusive of Principal and Interest.

# Not Available.

Note: Details are available at Statement No. 20 of Finance Accounts and these are based on information received from the State Government, Finance Department.

## Chapter VI

# Other Items

### 6.1 Adverse Balances under Internal Debt

Borrowings of State Governments are governed by Article 293 of the Constitution of India. In addition to directly raising loans, the State Government also guarantees loans raised by Government Companies and Corporations from the market and financial institutions for implementation of various schemes and programmes which are projected outside the State Budget. These loans are treated as receipts of the concerned Administrative Departments and do not appear in the books of the Government. However, the loan repayments appear in Government Account, resulting in irreconcilable adverse balances and understatement of liabilities in Government Accounts. As on 31 March 2019, no adverse balances are appearing in favour of Haryana State.

### 6.2 Loans and Advances given by the State Government

Total Loans and Advances made by the State Government at the end of 2018-19 were ₹ 11,474 crore. Out of these, loans and advances to Government Corporations/ Companies, Non-Government Institutions and Local Bodies amounted to ₹ 11,398 crore. Recovery of principal aggregating to ₹55.29 crore was in arrears at the end of 2018-19. The information relating to recovery of interest in arrear was not made available by the State Government. During 2018-19, ₹ 5,372 crore was received towards repayment of loans and advances (including conversion of Loans of ₹5,190 crore into equity in respect of Power Distribution Companies), out of which ₹ 58 crore relates to repayment of Loans to Government Servants. Effective steps to recover the outstanding loans would help the Government improving its fiscal position.

### 6.3 Financial assistances to local bodies and others

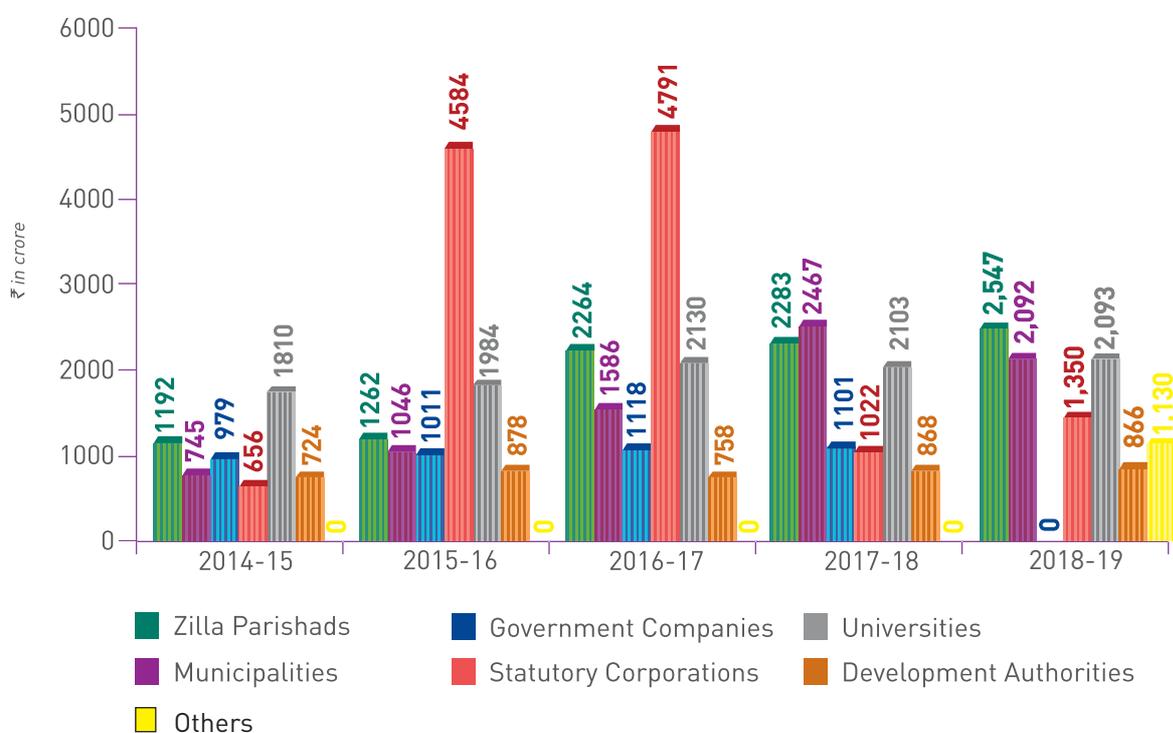
Grants-in-aid given to local bodies, autonomous bodies etc. increased from ₹ 6,106 crore in 2014-15 to ₹ 10,078 crore in 2018-19. Grants to Zilla Parishads (Panchayati Raj Institutions) and Municipalities/Municipal Councils (₹ 4,639 crore) represent 46 per cent of total grants given during the year.

Details of Grants-in-aid Given for the past 5 years are as under:

(₹ in crore)

S. No.	Name of Institutions	2014-15	2015-16	2016-17	2017-18	2018-19
1	Zilla Parishads	1,192	1,262	2,264	2,283	2,547
2	Municipalities	745	1,046	1,586	2,467	2,092
3	Government Companies	979	1,011	1,118	1,101	Nil
4	Statutory Corporations	656	4,584	4,791	1,022	1,350
5	Universities	1,810	1,984	2,130	2,103	2,093
6	Development Authorities	724	878	758	868	866
7	Others	Nil	Nil	Nil	Nil	1,130
	<b>Total</b>	<b>6,106</b>	<b>10,765</b>	<b>12,647</b>	<b>9,844</b>	<b>10,078</b>

### Grants-in-aid Given



Details of Grants-in-aid Given for Creation of Assets for the past 5 years are as under:

(₹ in crore)

S. No	Name of Institutions	2014-15	2015-16	2016-17	2017-18	2018-19
1	Zilla Parishads	Nil	Nil	Nil	1,545	2,336
2	Municipalities	Nil	Nil	373	2,145	1,028
3	Government Companies	50	Nil	59	14	Nil
4	Statutory Corporations	Nil	Nil	11	117	43
5	Universities	28	29	122	153	183
6	Development Authorities	Nil	Nil	7	133	143
7	Others	Nil	Nil	Nil	Nil	142
	<b>Total</b>	<b>78</b>	<b>29</b>	<b>572</b>	<b>4,107</b>	<b>3,875</b>

## 6.4 Cash Balance and Investment of Cash Balance

(₹ in crore)

Component	As on 1 April 2018	As on 31 March 2019	Net increase(+)/ decrease (-)
Cash Balances	(-) 489	(-) 794	(-) 305
Investment from cash balance ( GOI Treasury Bills)	2,085	722	(-) 1,363
Investment from earmarked fund balances	2,820	3,055	235
(a) Sinking Fund	1,775	1,924	149
(b) Guarantee Redemption Fund	1,043	1,129	86
(c ) Other Funds	2	2	Nil
Interest realized during the year	95	92	(-)3

State Government had a negative closing cash balance as on 31 March 2019. Interest receipts on the investment of cash balance has decreased by 3 per cent from ₹ 95 crore in 2017-18 to ₹92 crore in 2018-19

## 6.5 Reconciliation of Accounts

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 office of the PAG (A&E). Such reconciliation of receipts and expenditure figures under the Consolidated Fund have been completed cent per cent by all CCOs/Cos.

## 6.6 Submission of Accounts by Accounts Rendering Units

The Finance Accounts 2018-19 present the transactions of the Government of Haryana for the period 1 April 2018 to 31 March 2019. The accounts of receipts and expenditure of the Government of Haryana have been compiled based on the initial accounts rendered by 22 District Treasuries, 116 Public Works Divisions (B & R and Public Health), 86 Irrigation Divisions, 43 Forest Divisions and Advices of the Reserve Bank of India. Rendition of monthly accounts by the Accounts Rendering Units of the State Government was satisfactory and no accounts remained excluded at the end of the Financial Year.

## 6.7 Unadjusted 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 PAG (A&E), within a month. Delayed submission or prolonged non-submission of DC bills may affect the completeness

and correctness of accounts. The detail of AC Bills, under objection, pending adjustment, as on 31 March 2019 is as under:

Year	Pending DC Bills	
	Number	Amount (₹ in crore)
Up to 2016-17	03	2.60
2017-18	10	2.29
2018-19	339	97.72
<b>Total</b>	<b>352</b>	<b>102.61</b>

91.63 per cent amount of pending DC bills till 2018-19, pertains to four departments viz. Transport Department (47.61 per cent - 77 DC bills of ₹ 48.85 crore), Sports and Youth Welfare Department (19.42 per cent - 7 DC bills of ₹ 19.93 crore), General Education Department (19.37 per cent - 214 DC bills of ₹ 19.87 crore) and Health Department (5.23 per cent - 5 DC bills of ₹ 5.37 crore).

## 6.8 Status of Suspense and Remittances Balances

The Finance Accounts reflect the net balances under Suspense and Remittance Heads. The outstanding balances under these heads are worked out aggregating the outstanding debit and credit balances separately under various heads. Significant suspense items shown as gross debit and credit balances under Major Head 8658-Suspense Account and 8782-Remittances for the last five years, are as under:

Minor Head	2014-15		2015-16		2016-17		2017-18		2018-19	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
<b>[a] 8658-Suspense Accounts</b>										
101-Pay and Accounts Office Suspense	16.23	0.08	17.27	0.08	25.25	0.01	14.42	0.01	20.40	0.04
<b>Net</b>	<b>16.15 Dr.</b>		<b>17.19 Dr.</b>		<b>25.24 Dr.</b>		<b>14.41 Dr.</b>		<b>20.36 Dr.</b>	
102-Suspense Account (Civil)	90.30	0.30	43.45	(-)2.96	27.29	0.30	14.66	0.30	14.89	Nil
<b>Net</b>	<b>90.00 Dr.</b>		<b>46.41 Dr.</b>		<b>26.99 Dr.</b>		<b>14.36 Dr.</b>		<b>14.89 Dr.</b>	
107-Cash Settlement Suspense Account	161.53	37.65	172.18	39.62	200.83	48.73	121.95	68.33	53.07	NA*
<b>Net</b>	<b>123.88 Dr.</b>		<b>132.56 Dr.</b>		<b>152.10 Dr.</b>		<b>53.62 Dr.</b>		<b>53.07 Dr.</b>	
109-Reserve Bank Suspense (Hqrs)	(-)1.73	6.66	3.70	0.36	3.83	11.21	1.71	0.64	(-)10.56	(-)4.65
<b>Net</b>	<b>8.39 Cr.</b>		<b>3.34 Dr.</b>		<b>7.38 Cr.</b>		<b>1.07 Dr.</b>		<b>5.91 Cr.</b>	
110-Reserve Bank Suspense-Central Accounts Office	2.99	4.30	4.64	4.31	2.07	4.30	4.33	Nil	4.67	Nil
<b>Net</b>	<b>1.31 Cr.</b>		<b>0.33 Dr.</b>		<b>2.23 Cr.</b>		<b>4.33 Dr.</b>		<b>4.67 Dr.</b>	
112-Tax Deducted at Source (TDS) Suspense	NA*	25.60	NA*	23.23	NA*	134.87	NA*	77.08	NA*	29.85
<b>Net</b>	<b>25.60 Cr.</b>		<b>23.23 Cr.</b>		<b>134.87 Cr.</b>		<b>77.08 Cr.</b>		<b>29.85 Cr.</b>	

\* Not Applicable.

<b>(b) 8782-Cash Remittances and adjustments between officers rendering accounts to the same Accounts Office</b>										
102-Public Works Remittances	124.52	278.69	155.48	290.90	88.00	284.00	54.87	231.32	90.37	431.89
<b>Net</b>	<b>154.17 Cr.</b>		<b>135.42 Cr.</b>		<b>196.00 Cr.</b>		<b>176.45 Cr.</b>		<b>341.52 Cr.</b>	
103-Forest Remittances	4.53	4.91	2.47	3.90	(-) 0.61	2.52	Nil	3.46	Nil	1.76
<b>Net</b>	<b>0.38 Cr.</b>		<b>1.43 Cr.</b>		<b>3.13 Cr.</b>		<b>3.46 Cr.</b>		<b>1.76 Cr.</b>	

\* Not Applicable.

## 6.9 Status of Outstanding Utilization Certificates

Rule 8.14 of the Punjab Financial Rules, Volume-I (as applicable to Haryana State) prescribes that, where grants are sanctioned for specific purposes, the departmental officers concerned should furnish Utilization Certificates (UCs) to the PAG (A&E), within the stipulated period. UCs outstanding beyond the specified periods indicate absence of assurance on utilization of the grants for intended purposes and the expenditure shown in accounts to that extent can not be treated as final. The details of outstanding UCs as per the records of the PAG (A&E) are as under: -

Year *	Number of UCs awaited	Amount (₹ in crore)
Upto 2016-17	584	2,711.37
2017-18	399	2,060.81
2018-19	749	3,697.31
<b>Total</b>	<b>1,732</b>	<b>8,469.49</b>

(\* The year mentioned above relates to "Due Year" i.e. after 12 months of actual drawal).

92.17 per cent amount of pending UCs as on 31 March, 2019 pertains to four departments viz. Urban Development Department (52.16 per cent - 630 UCs amounting to ₹4,418.18 crore), Rural Development Department (33.61 per cent - 681 UCs amounting to ₹2,846.60 crore), Health Department (3.99 per cent - 27 UCs amounting to ₹338.20 crore) and General Education Department (2.41 per cent - 89 UCs amounting to ₹203.73 crore)

## 6.10 Commitments on account of Incomplete Capital works

A total expenditure of ₹644.24 crore was incurred up to the year 2018-19 by the State Government on 109 incomplete projects, each involving ₹5 crore and above, against original estimated cost of ₹1,515.09 crore as detailed in Appendix IX in Volume II of the Finance Accounts. A summarized view on commitments on account of 'Incomplete Capital Works' is furnished below: (₹ in crore)

S. No.	Category of works (No. of works)	Estimated cost of works	Expenditure during the year	Progressive expenditure to the end of the year	Pending payments	Estimated cost after revision
1	Irrigation Works (58)	935.87	240.99	338.72	593.42	Not Available
2	Building Works (7)	55.44	12.20	46.26	11.25	Not Available
3	Road & Bridge Works (44)	523.78	115.33	259.26	216.78	Not Available
	<b>Total</b>	<b>1,515.09</b>	<b>368.52</b>	<b>644.24</b>	<b>821.45</b>	<b>Not Available</b>

## 6.11 Defined Contributory Pension Scheme (DCPS)

The expenditure during the year on "Pension and other Retirement Benefits" to State Government employees recruited on or before 31 December 2005 was ₹7,605.52 crore ( 9.86 per cent of the total revenue expenditure). State Government employees recruited on or after 1 January 2006 are eligible for the New Pension Scheme (NPS) which is a Defined Contributory Pension Scheme.

In terms of the Scheme, the employee contributes 10 per cent of basic pay and dearness allowances, which is matched by the State Government and the entire amount is transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/Trustee Bank. As per prescribed procedure, both the contributions are to be initially credited to the Public Account under Major Head 8342-Other Deposits, 117-Defined Contribution Pension Scheme for Government Employees. Thereafter, the entire amount is to be transferred to the National Securities Depository Limited (NSDL)/Trustee Bank through the designated fund manager in the same year itself.

The actual amount payable by employees and the matching Government contribution, over the years, has not been estimated. During the year, the State Government deposited ₹1,086.15 crore with the NSDL/Trustee Bank against employees' contribution of ₹ 565.88 crore and employer's share of ₹ 534.30 crore. Thus, short contribution of ₹31.58 crore by the Government towards DCPS has understated the revenue expenditure to this extent. A balance of ₹ 28.56 crore was lying under Major Head 8342-Other Deposits, Minor Head 117-Defined Contribution Pension Scheme for Government Employees as on 31 March 2019 pending transfer.

NSDL has confirmed deposit of ₹1101.45 crore. The State Government was approached to reconcile the difference between the amount deposited by the State Government and that acknowledged by the NSDL. They have reconciled the figures by working out ₹ 1,101.45 crore minus ₹ 21.79 crore (pertaining to the year 2017-18) plus ₹ 6.46 crore (pertaining to the year 2018-19 but included in the year 2019-20) and there had been a meagre difference of ₹ 0.03 crore between the two sets of figures which is due to refund of amount to the employees concerned by the State Government.

The interest outstanding towards DCPS since its inception has not been estimated. The difference between Employees' Contribution and Employer's Contribution has not been reconciled, representing outstanding liabilities on account of un-collected, unmatched and un-transferred amount with accrued interest thereon besides enhancing the liquidity position of the State Government.

## 6.12 Personal Deposit Accounts

Under Para 12.16 and 12.17 of Punjab Financial Rules Volume I (as applicable to Haryana State), the State Government is authorised to open Personal Deposit (PD) accounts to deposit funds required for specific purposes by transfer of funds from the Consolidated Fund or otherwise with the approval of Principal Accountant General. Transfer of funds to PD accounts is booked as expenditure from the Consolidated Fund under the concerned service Major Heads without any actual cash flow. PD accounts are normally required to be closed on the last working day of the year and the unspent balances transferred back to the Consolidated Fund and PD accounts are reopened next year, if necessary. The number of PD accounts opened by transfer from the Consolidated Fund as on 31 March 2019 was one only. Further, under Rule 12.17 of Rules *ibid*, the PD accounts which have been opened by transfer of funds other than from the Consolidated Fund, should be reviewed every year and the accounts which are in-operative for more than three complete account years should be closed and balance lying in such accounts should be credited to Government accounts.

The status of PD accounts remained open as on 31 March 2019 is given below:

PD Accounts opened from	Opening Balance as on 01 April 2018		Opened during the year 2018-19		Closed during the year 2018-19		Closing Balance as on 31 March 2019	
	Number	Amount (₹ in crore)	Number	Amount (₹ in crore)	Number	Amount (₹ in crore)	Number	Amount (₹ in crore)
Consolidated Fund	..	..	1	1043.38	..	24.94*	1	1018.44
Other than Consolidated Fund	128	248.72	14	222.56	..	162.82*	142	308.46
<b>Total</b>	<b>128</b>	<b>248.72</b>	<b>15</b>	<b>1265.94</b>	<b>..</b>	<b>187.76*</b>	<b>143</b>	<b>1326.90</b>

\*No PD account was closed during the year. The amount represents transactions of Minus Memoranda appearing in the Operative PD accounts during the year.

As such, there is net increase of ₹1,078.18 crore in the balances of PD accounts during 2018-19. Four number PD accounts containing ₹ 0.35 crore, are in operative for more than three years and have not been closed by the State Government in deviation of rules.

### 6.13 Investments

The State Government invests in the equity and shares of Statutory Corporations, Government Companies, Joint Stock Companies and Co-operative Institutions. As per the accounts, the investments of the Government in 110 entities was ₹ 30,747.91 crore as on 31 March 2019. An amount of ₹ 56.60 crore was received as dividend/interest during 2018-19 (i.e. 0.18 per cent of total invested amount). Out of these, ₹ 2.15 crore was received as dividend/interest from one Statutory Corporation i.e. Haryana Warehousing Corporation, Chandigarh wherein invested amount was ₹ 2.92 crore and rest of dividend/interest amount of ₹ 54.45 crore only was received on invested amount of ₹ 30,744.99 crore in 109 entities. The details are given in Statement 19. These figures, however, have not been reconciled with the figures of the investee organizations, which is to be done.

### 6.14 Rush of Expenditure

Principles of prudent financial management prescribe that rush of expenditure at the fag end of the financial year should be avoided and expenditure is to be regulated in a phased manner during the year. Instructions were issued by the State Government to curb rush of expenditure from time to time. The trend of expenditure incurred during the month of March 2019 as compared to the total expenditure during 2018-19 (P) is as under:

Expenditure incurred in March 2019 (₹ in crore)	Total Expenditure 2018-19 (P) (₹ in crore)	Percentage of Expenditure incurred during March 2019 to Total Expenditure 2018-19 (P)
11,728.83	90,464.93	12.97

## **6.15 Status of Reserve Funds**

Details of Reserve Funds are available in Statements 21 and 22 of the Finance Accounts. There were 09 Reserve Funds (04 Interest Bearing and 05 Non-Interest Bearing) earmarked for specific purposes. Details of some major Reserve Funds are given below:

### **6.15.1 Reserve Fund Bearing Interest**

#### **6.15.1 (a) State Disaster Response Fund**

The State Government replaced the Calamity Relief Fund with the State Disaster Response Fund (SDRF) in 2010-11. In terms of the guidelines of the Fund, the Centre, and the States, are required to contribute to the Fund in the proportion of 75:25, however, on the recommendations of 14th Finance Commission, the Government of India has decided to share the SDRF contributions between Centre and States in the ratio of 90:10 with effect from 01 April 2018 for two years i.e. during 2018-19 and 2019-20. In terms of guidelines issued by Ministry of Home Affairs, Government of India on 28 September 2010 and 30 July 2015, Fund balances are required to be invested as per the recommendations of the State Executive Committee (SEC) constituted for the management of the Fund.

During 2018-19, the Central Government released ₹ 320.40 crore on account of SDRF (first and second installment of Central share for 2018-19). As against Government of India release of ₹320.40 crore, State's matching share works out to ₹ 35.60 crore. The State Government, during the year, transferred an amount of ₹ 557.03 crore (including ₹ 31.43 crore lying unspent with the Departmental Authorities and interest of ₹ 169.60 crore on the un-invested balance in the Fund). An expenditure of ₹ 96.00 crore was met from the Fund. The State Government has not made any investment, though ₹ 2155.09 crore were in credit balance as on 31 March 2018. There was a balance of ₹ 2,616.12 crore in the Fund as on 31 March 2019.

### **6.15.2 Reserve Funds Not Bearing Interest**

#### **6.15.2 (a) Consolidated Sinking Fund**

The State Government of Haryana in 2002 constituted the Consolidated Sinking Fund (CSF) for redemption of Open Market Loans. As per guidelines, the Government is required to contribute to the Fund at 1 to 3 per cent of the outstanding open market loans as at the end of the previous year.

The State Government, however, during the year has not made any contribution to the Fund, thereby leading to short contribution to the Fund by ₹ 970.20 crore (one per cent of outstanding market loans of ₹ 97,019.59 crore as on 31 March 2018).

The balance in the Consolidated Sinking Fund as on 31 March 2019 was ₹ 1,926.17 crore out of which ₹ 1,924.05 crore has been invested.

### 6.15.2 (b) Guarantee Redemption Fund

Government of Haryana constituted the Guarantee Redemption Fund (GRF) in 2003 for meeting obligations arising out of the guarantees issued on behalf of State Public Sector Undertakings and local bodies. As per the provisions of the Fund, the State Government is required to transfer to the Fund, the guarantee fee collected, along with annual or periodic contributions as estimated by the Government. The Fund is administered by the Reserve Bank of India. At the beginning of the year 2018-19, the outstanding guarantees of the Government stood at ₹14,137.72 crore. RBI guidelines of 2013 indicates contribution of minimum 1 per cent of outstanding guarantees at the beginning of the year and thereafter a minimum of 0.5 per cent every year to achieve a corpus of minimum 3 to 5 per cent of the outstanding guarantees of the previous year. During the year, the State Government did not contribute any amount to the GRF.

Entire Fund balance of ₹ 1,128.28 crore (which is 7.98 per cent of the outstanding guarantees of ₹ 14,137.72 crore) has been invested as on 31 March 2019.

### 6.15.2 (c) Mines and Mineral Development, Restoration and Rehabilitation Fund

The Fund was established vide Haryana Government notification dated 10 July 2015 for environmentally sustainable growth of the mining sector, protection, preservation, rehabilitation and restoration of the mining sites in the State and to undertake other related works in the overall interest of protection and preservation of ecology and environment of the area. The Fund has been opened under "Reserve Funds not bearing interest" though it is bearing interest @ 6 per cent per annum.

As per constitution of the Fund, an amount equal to 10 per cent of the 'Dead Rent/Royalty/Contract Money' paid to the State is to be charged from the mineral concession holders in the nature of 'other charges' for restoration and rehabilitation works and credited to the Fund. Also, an amount equal to 5 per cent of the amount received by State Government on account of the 'Dead Rent/Royalty/Contract Money' in a financial year is to be deposited/transferred in the Fund as Government Contribution to the Fund.

A balance of ₹ 110.66 crore was in the Fund as on 1 April 2018. The State Government during the year received an amount of ₹ 500.60 crore on account of Dead Rent etc., and an amount of ₹ 46.72 crore on account of 'other charges' from the Concession Holders. The amount of ₹ 71.75 crore (Concession Holders' contribution: ₹ 46.72 crore plus State share: ₹ 25.03 crore i. e. 5 per cent of Dead Rent of ₹ 500.60 crore) was required to be transferred to the Fund. However, the State Government, during the year transferred to the Fund only an amount of ₹ 56.48 crore (without specifying the State contribution and Concession Holders' contribution) thereby leading to short contribution of ₹ 15.27 crore to the Fund. The State Government, during the year, allowed an interest of ₹ 3.39 crore on the balances in the Fund against the due amount of ₹ 6.64 crore (6 per cent of ₹ 110.66 crore) thereby leading to the short contribution to the Fund on account of interest to the extent of ₹ 3.25 crore. As no expenditure was met from the Fund, there was a balance of ₹170.52 crore in the Fund as on 31 March 2019.

There is no reconciliation in accounts between the receipt of dead rent etc. and concession holders' contribution vis-a- vis Government transfers to the Fund.

### 6.15.3 In-operative Reserve Funds

"Fund for Development Scheme" and "Fund for Village Reconstructions for Harijan Uplift" are inoperative for the last four years. Balances under these funds as on 31 March 2019 are ₹ 1.41 crore and ₹2.29 crore respectively.

## 6.16 Accounting of Building and Other Construction Workers Welfare Cess

The Building and Other Construction Workers' Welfare Cess Act, 1996 provides to levy and collection of 1 per cent to 2 per cent cess on the cost of construction incurred by employers to augment the resources of the Building and Other Construction Workers Welfare Boards with an aim to facilitate improvement in working conditions of the workers and to provide financial aid to them.

The Government of Haryana notified the "Haryana Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules, 2005" and constituted the "Haryana Building and Other Construction Workers' Welfare Board" who further established the "Haryana Building and Other Construction Workers' Welfare Fund".

Since, no accounting procedure has been prescribed by the State Government for accounting of cess and no sub-head has been opened for booking the same after being collected by various departments executing construction projects involving labour, the different departmental authorities in the State continued to adopt different methodology in this regard. Some departments are collecting cess and transferring the same, directly to the "Haryana Building and Other Construction Workers' Welfare Board" without routing it through the Consolidated Fund of the State. On the other side, the Public Works Department continued to book the cess under deposit head 8443 Civil Deposits, 108-Public Works Deposits in spite of the fact that there is no specific sub-head under the Minor Head 108-Public Works Deposits for booking of this cess. Hence, the amount of cess collected, actually transferred to Haryana Construction and Other Workers' Welfare Board, balance yet to be transferred and expenditure incurred out of cess collections cannot be ascertained in the absence of prescribed accounting rules for account of cess.



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