



154

**GOVERNMENT OF HIMACHAL PRADESH**

**FINANCE ACCOUNTS**

**Volume-I**

**2010-2011**

©  
**COMPTROLLER AND AUDITOR GENERAL OF INDIA**  
**2011**

# **Volume-I**





**GOVERNMENT OF HIMACHAL PRADESH**

# **FINANCE ACCOUNTS**

**Volume-I**

**2010-2011**



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## **Certificate of the Comptroller and Auditor General of India**

This compilation containing the Finance Accounts of the Government of Himachal Pradesh for the year ending 31<sup>st</sup> March, 2011 presents the financial position along with accounts of the receipts and disbursements of the Government for the year. These accounts are presented in two volumes, Volume-I contains the consolidated position of the state of finances and Volume-II depicts the accounts in detail. The Appropriation Accounts of the Government for the year for Grants and Charged Appropriations are presented in a separate compilation.

The Finance Accounts have been prepared under my supervision in accordance with the requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 and have been compiled from the vouchers, challans and initial and subsidiary accounts rendered by the treasuries, offices, and departments responsible for the keeping of such accounts functioning under the control of the Government of Himachal Pradesh and the statements received from the Reserve Bank of India. Statements (No. 9 and 14), explanatory notes (Statements No. 5, 11 and 12) and appendices ( V and X ) in this compilation have been prepared directly from the information received from the Government of Himachal Pradesh/Corporations/Companies/Societies who are responsible to ensure the correctness of such information.

The treasuries, offices, and /or departments functioning under the control of the Government of Himachal Pradesh are primarily responsible for preparation and correctness of the initial and subsidiary accounts as well as ensuring the regularity of transactions in accordance with the applicable laws, standards, rules and regulations relating to such accounts and transactions. I am responsible for preparation and submission of Annual Accounts to the State Legislature. My responsibility for the preparation of accounts is discharged through the office of the Accountant General (A&E). The audit of these accounts is independently conducted through the office of the Accountant General (Audit) in accordance with the requirements of Articles 149 and 151 of the Constitution of India and the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, for expressing an opinion on these Accounts based on the



results of such audit. These offices are independent organizations with distinct cadres, separate reporting lines and management structure.

The audit was conducted in accordance with the Auditing Standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance that the accounts are free from material misstatement. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements.

On the basis of the information and explanations that my officers required and have obtained, and according to the best of my information as a result of test audit of the accounts and on consideration of explanations given, I certify that, to the best of my knowledge and belief, the Finance Accounts read with the explanatory 'Notes to Accounts' give a true and fair view of the financial position, and the receipts and disbursements of the Government of Himachal Pradesh for the year 2010-11.

Points of interest arising from study of these accounts as well as test audit conducted during the year or earlier years are contained in my Reports on the Government of Himachal Pradesh being presented separately for the year ended 31<sup>st</sup> March, 2011.

16 SEP 2011  
The  
New Delhi

  
(VINOD RAI)  
Comptroller and Auditor General of India



## Guide to the Finance Accounts

### A. BROAD OVERVIEW OF THE STRUCTURE OF GOVERNMENT ACCOUNTS

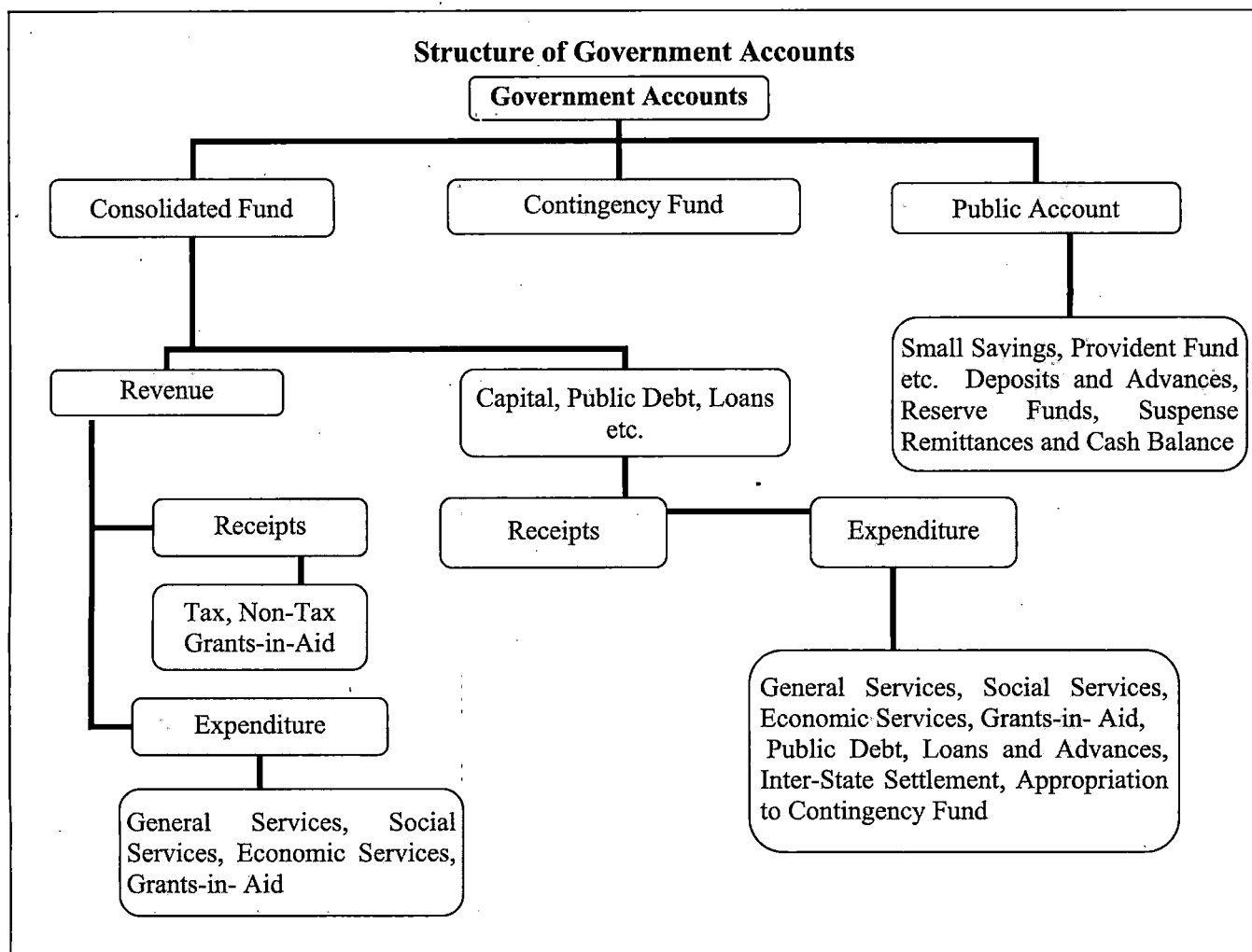
#### **1. The Accounts of the Government are kept in three parts:**

**Part I:** The Consolidated Fund: All Receipts and Expenditure on Revenue and Capital Account, Public Debt and Loans & Advances form the Consolidated Fund of the State

**Part II:** The Contingency Fund: Legislature may by law establish a Contingency Fund which is in the nature of an imprest. The Fund is placed at the disposal of the Governor to enable advances to be made for meeting unforeseen expenditure pending authorisation of such expenditure by the State Legislature. The fund is recouped by debiting the expenditure to the concerned functional major head in the Consolidated Fund of the State.

**Part III:** The Public Account: All other public moneys received by or on behalf of the Government are credited to the Public Account. The expenditure out of this account is not subject to the vote of the Legislature. In respect of the receipts into this account, the Government acts as a banker or trustee. Transactions relating to Debt (other than Public Debt in Part I), Deposits, Advances, Reserve Funds, Remittances and Suspense form the Public Account.

#### **A.1.1 Pictorial representation of Structure of Government Accounts**



## **2. Divisions, Sections, Sectors etc.**

The two main divisions of the Accounts in the Consolidated fund are, as depicted in A.1.1 on previous page, 'Revenue and 'Capital, Public Debt, Loans etc.' which are divided into sections 'Receipts' 'and 'Expenditure'. Within each of the Divisions and Sections of the Consolidated Fund the transactions on the expenditure side are grouped into Sectors such as, "General Services", "Social Services", "Economic Services", under which specific functions or services shall be grouped. The sectors are sub-divided into sub sectors/Major heads of account. Major heads correspond to functions and are further divided into sub major heads (sub functions) and minor heads (programmes) which are depicted in Volume II of the Finance Accounts. The classification below minor heads of account i.e. sub heads (schemes) and detailed and object heads( objects of expenditure) are not depicted in the Finance Accounts (minor exceptions exist), though some details are included in the appendices.

## **B. WHAT DO THE STATEMENTS CONTAIN**

The Finance Accounts have been divided into two volumes. Volume I presents the financial statements of the Government in the form of commonly understood summarised form while the details are presented in Volume II

**Volume I** contains the Certificate of the Comptroller and Auditor General of India, four summary statements as given below and Notes to Accounts including accounting policy.

1. Statement of financial position: Cumulative figures of assets and liabilities of the Government, as they stand at the end of the year, are depicted in the statement. The assets are largely financial assets with the figures for progressive capital expenditure denoting physical assets of the Government. Assets, as per the accounting policy, are depicted at historical cost.
2. Statement of receipts and disbursement: This is a summarised statement showing all receipts and disbursements of the Government during the year in all the three parts in which Government account is kept, namely, the consolidated fund, contingency fund and public account. Further within the consolidated fund, receipts and expenditure on revenue and capital account are depicted distinctly.

The fiscal parameters of the Government, i.e. the primary, revenue and fiscal deficit are calculated on the operations of the consolidated fund of the State. Hence the following two statements give the operations of the consolidated fund in a summarised form.

3. Statement of receipts (consolidated fund): This statement comprises revenue and capital receipts and receipts from borrowings of the Government consisting of loans from the GOI, other institutions, market loans raised by the Government and recoveries on account of loans and advances made by the Government.
4. Statement of expenditure (consolidated fund): This statement not only gives expenditure by function (activity) but also summarises expenditure by nature of activity (objects of expenditure).

In addition the volume comprises an appendix, Appendix (i), which depicts Cash Balances and Investment of Cash Balances of the Government.

**The second volume** comprises three parts. **The first part contains six statements** as given below:

5. Statement of progressive capital expenditure: This statement details progressive capital expenditure by functions, the aggregate of which is depicted in statement-1.
6. Statement of Borrowings and other liabilities: Borrowings of the Government comprise market loans raised by it (internal debt) and Loans and Advances received from the GOI. Both these together form the public debt of the State Government. In addition, this summary statement depicts 'other liabilities' which are the balances under various sectors in the public account. In respect of the latter, the Government is a trustee or custodian of the funds, hence these constitute liabilities of the Government. The statement also contains a note on service of debt, i.e a note on the quantum of net interest charges met from revenue receipts.
7. Statement of Loans given by the Government: The loans and advances given by the State Government are depicted in statement 1 and recoveries, disbursements feature in statement 2, 3 and 4. Here, loans and advances are summarised sector and loanee group wise. This is followed by a note on the recoveries in arrear in respect of loans, the details of which are maintained by the AG office and details of which are maintained by the State departments.
8. Statement of Grants-in-aid given by the State Government, organised by guarantee institutions group wise. It includes a note on grants given in kind also.
9. Statement of Guarantees given by the Government: Guarantees given by the State Government for repayment of loans, etc. raised by Statutory Corporations, Government Companies, Local Bodies and Other Institutions during the year and sums guaranteed outstanding as at the end of the year are presented in his statement.
10. Statement of Voted and Charged Expenditure: This statement presents details of voted and charged expenditure of the Government.

**Part II Volume II** This part contains **9 statements** presenting details of transactions **by minor head** corresponding to statements in Volume I and Part I of Volume II

11. Detailed Statement of Revenue and Capital Receipts by minor heads: This statement presents the revenue and capital receipts of the Government in detail.
12. Detailed Statement of Revenue Expenditure by minor heads: This statement presents the details of revenue expenditure of the Government in detail. Non Plan and Plan figures are depicted separately and a comparison with the figures for the previous year are available.

13. Detailed Statement of Capital Expenditure by minor heads: This statement presents the details of capital expenditure of the Government in detail. Non Plan and Plan figures are depicted separately and a comparison with the figures for the previous year are available. Cumulative capital expenditure upto the end of the year is also depicted.
14. Detailed Statement of Investments of the Government: The position of Government Investment in the share capital and debentures of different concerns is depicted in this statement for the current and previous year. Details include type of shares held, face value, dividend received etc.
15. Detailed Statement of Borrowings and other Liabilities: Details of borrowings (market loans raised by the Government and Loans etc from GOI) by minor heads, the maturity and repayment profile of all loans is provided in this statement. This is the detailed statement corresponding to statement 6 in Part I Volume II.
16. Detailed Statement on Loans and Advances given by the Government: The details of loans and advances given by the Government, the changes in loan balances, loans written off, interest received on loans etc. is presented in this statement. It also presents plan loans separately. This is the detailed statement corresponding to statement 7 in Part I Volume II.
17. Detailed Statement on Sources and Application of funds for expenditure other than revenue account: The capital and other expenditure (other than on revenue account and the sources of fund for the expenditure is depicted in this statement.
18. Detailed Statement on Contingency Fund and other Public Account transactions: The statement shows changes in contingency fund during the year, the appropriations to the fund, expenditure, amount recouped etc. It also depicts the transactions in public account in detail.
19. Statement showing details of earmarked balances: This statement shows the details of investment out of reserve funds in public account.

**Part III Volume II contains appendices** on salaries, subsidies, grants-in-aid scheme wise and institution wise, details of externally aided projects, scheme wise expenditure in respect of major Central schemes and State Plan schemes etc. These details are present in the accounts at sub head level or below (i.e. below minor head levels) and so are not depicted in the Finance accounts. For a detail list please refer to the index in Volume I or II. The Statements read with the appendices give a complete picture of the state of finances prevailing in the State Government.



### **C. READY RECKONER**

For a quick reference to what the statements contain, please refer to the table below. The summary and detail statement in respect of the important parameters is depicted below. The number of appendices depicted below are not exhaustive.

<b>Parameter</b>	<b>Summary Statements (Volume I)</b>	<b>Detailed Statements (Volume II)</b>	<b>Appendices</b>
Revenue Receipts (including Grants received)	2, 3	11	
Revenue Expenditure	2, 4	12	II (Salary), III (Subsidy)
Grants-In-Aid given by the Government	2	8	IV
Capital Receipts	2, 3	11	
Capital Expenditure	1, 2, 4	5, 13, 17	
Loans and Advances given by the Government	1, 2, 7	16	
Debt Position/ Borrowings	1, 2, 6	15	
Investments of the Government in Companies, Corporations etc		14	
Cash	1, 2		I, VIII
Balances in Public Account and investments thereof	1, 2	18, 19	
Guarantees		9	
Schemes			V (Externally Aided Projects), VI, VII

#### **C. Book adjustments:**

Certain transactions are in the nature of periodical adjustments and book adjustments and do not represent actual cash transaction, as mentioned below. The specific details are mentioned as 'Notes to Accounts' and as footnotes in the relevant statements.

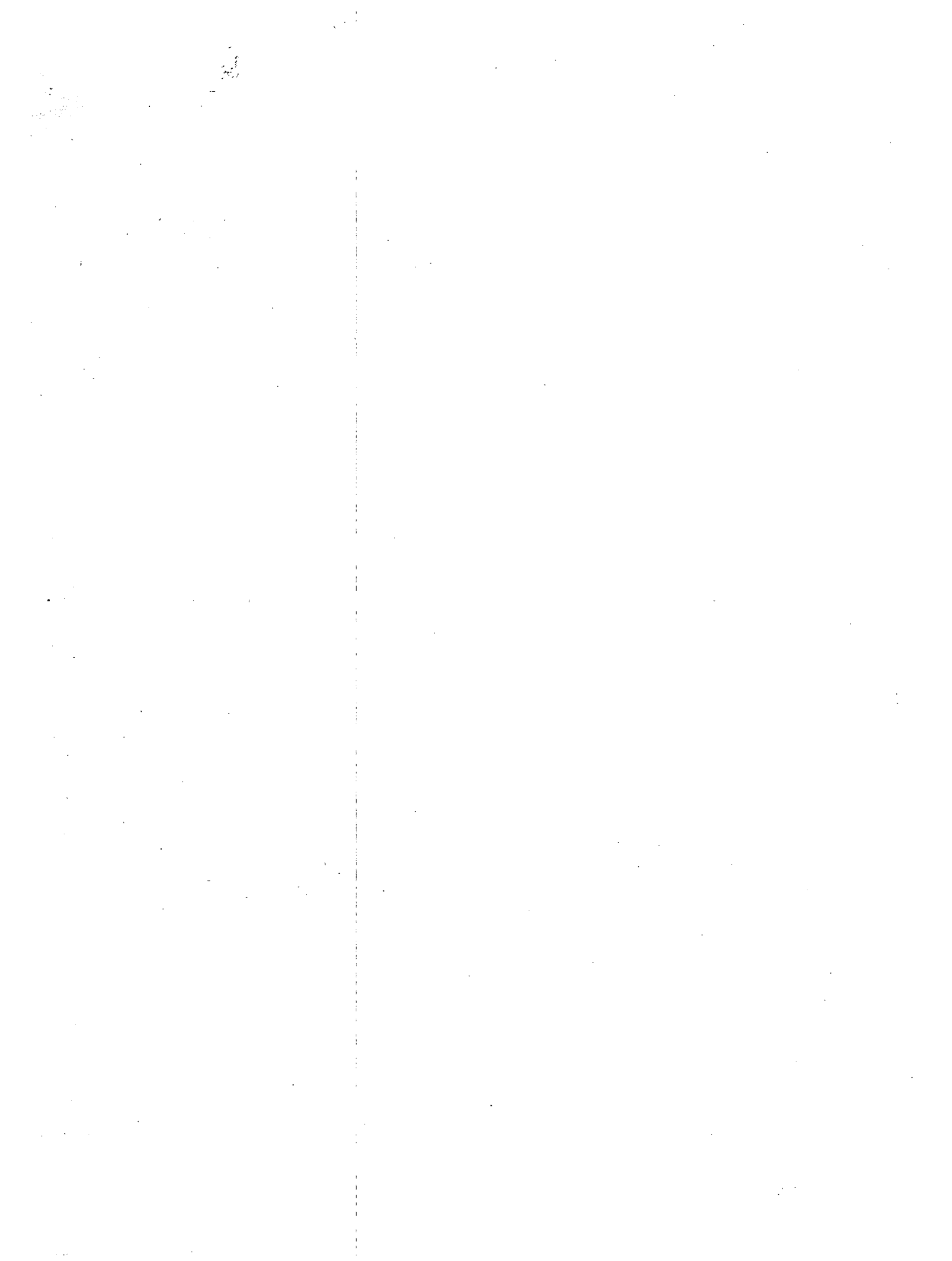
(i) Adjustment of all deductions (GPF, recoveries of advances given etc) from salaries by debiting functional major heads (department concerned) by book adjustment to revenue receipt (e.g. deductions other than GPF)/Public Account (e.g. GPF).

(ii) Creation of funds/adjustment of contribution to Funds in Public Account by debit to Consolidated Fund e.g. Calamity Relief Fund, Reserve Funds, Sinking Fund etc.

(iii) Crediting of deposit heads of accounts in public account by debit to Consolidated Fund

(iv) Annual adjustment of interest on GPF and State Government Group Insurance Scheme where interest on General Provident Fund of State Government is adjusted by debiting 2049-Interest and crediting 8009-General Provident Fund.

(v) Certain adjustments such as adjustment of Debt waiver scheme granted by the Government of India in accordance with the recommendation of Finance commission. It affects both Revenue Receipts and Public Debt heads where Central loans are written off by crediting 0075-Misc. General Services by contra entry in the Major Head 6004-Loans and Advances from the Central Government.



## 1: STATEMENT OF FINANCIAL POSITION

(₹ in crore)

Assets <sup>1</sup>	Reference (Sr. no)		As on 31 <sup>st</sup> March 2011	As on 31 <sup>st</sup> March 2010
	Notes to Account	Statement		
<b>Cash</b>				
(i) Cash in Treasuries and Local Remittances		18	2.25	3.46
(ii) Departmental Balances		18	0.16	0.16
(iii) Permanent Imprest		18	0.03	0.03
(iv) Cash Balance Investments		18	9,06.53	5,82.60
(v) Deposits with Reserve Bank of India	7	18	(-),2,74.11	(-),3,05.09
(vi) Investments from Earmarked Funds <sup>2</sup>		...	...	...
<b>Capital Expenditure</b>				
(i) Investments in shares of Companies, Corporations, etc		14	28,63.53	26,62.52
(ii) Other Capital Expenditure		13 { ...	1,39,37.46	1,29,95.33
<b>Contingency Fund (un-recouped)</b>		...	...	...
<b>Loans and Advances</b>		16	4,83.28	3,29.31
<b>Advances with departmental officers</b>		...	...	...
<b>Suspense and Miscellaneous Balances<sup>3</sup></b>		...	...	...
<b>Remittance Balances</b>		...	...	...
<b>Cumulative excess of expenditure over receipts<sup>4</sup></b>		17	93,37.43	80,99.67
<b>Total</b>			<b>2,72,56.56</b>	<b>2,43,67.99</b>

<sup>1</sup>The figures of assets and liabilities are cumulative figures. Please also see note 1 (ii) in the section 'Notes to Accounts'.

<sup>2</sup>Investments out of earmarked funds in shares of companies etc are excluded under capital expenditure and included under 'Investments from Earmarked Funds'

<sup>3</sup>In this statement the line item 'Suspense and Miscellaneous Balances' does not include 'Cash Balance Investment Account', 'Departmental Balance' and 'Permanent Cash Imprest' which are included separately above, though the latter forms part of this sector elsewhere in these Accounts.

<sup>4</sup>The Cumulative excess of expenditure over receipts is different from, and not the fiscal/revenue deficit for the current year.

## 1: STATEMENT OF FINANCIAL POSITION

(₹ in crore)

Liabilities	Reference (Sr. no.)		As on 31 <sup>st</sup> March 2011	As on 31 <sup>st</sup> March 2010
	Notes to Account	Statement		
<b>Borrowings (Public Debt)</b>				
(i) Internal Debt		15	1,76,93.88	1,61,29.00
(ii) Loans and Advances from Central Government				
Non-Plan Loans		15	11.82	14.18
Loans for State Plan Schemes		15	9,13.82	9,30.89
Loans for Central Plan Schemes		15	0.12	0.14
Loans for Centrally Sponsored Plan Schemes		15	34.59	38.61
Other loans		15	0.13	0.13
<b>Contingency Fund (corpus)</b>		18	5.00	5.00
<b>Liabilities on Public Account</b>				
(i) Small Savings, Provident Funds, etc.		6	61,02.35	52,14.11
(ii) Reserve Funds	9	18	77.35	1,38.30
(iii) Deposits		18	15,80.14	12,47.18
(iv) Remittance Balances		18	5,27.67	4,79.72
(v) Suspense and Miscellaneous Balances		18	3,09.69	1,70.73
<b>Cumulative excess of receipts over expenditure</b>			...	...
<b>Total</b>			<b>2,72,56.56</b>	<b>2,43,67.99</b>

## 2. STATEMENT OF RECEIPTS AND DISBURSEMENTS

Receipts			Disbursements		
	2010-11	2009-10		2010-11	2009-10
<b>Part-I Consolidated Fund</b>					
<b>Section-A: Revenue</b>			<b>(₹ in crore)</b>		
<b>Revenue Receipts</b>	1,27,10.61	1,03,46.36	<b>Revenue Expenditure</b>	1,39,46.05*	1,11,51.01
<b>Tax revenue (raised by the State)</b>	36,42.38	25,74.52	Salaries <sup>1</sup>	58,24.45	46,65.83
<b>Non-tax revenue</b>	16,95.31	17,83.66	Grants-in-aid <sup>2</sup>	8,43.60	7,13.80
			Subsidies <sup>1</sup>	4,38.68	4,03.44
Others	16,25.36	17,06.73	<b>General services</b>	<b>42,89.41</b>	<b>35,60.56</b>
Interest receipts	69.95	76.93	Pension	21,05.39	13,48.46
			Interest Payment and service of debt	19,49.77	19,55.85
<b>Share of Union Taxes/Duties</b>	<b>17,15.35</b>	<b>8,61.63</b>	Others	2,34.25	2,56.25
			<b>Social services</b>	<b>12,28.09</b>	<b>9,03.34</b>
			<b>Economic services</b>	<b>13,16.07</b>	<b>8,99.75</b>
<b>Grants from Central Government</b>	<b>56,57.57</b>	<b>51,26.55</b>	<b>Compensation and assignment to Local Bodies and PRIs</b>	<b>5.75</b>	<b>4.29</b>
<b>Revenue Deficit</b>	<b>(-)12,35.44*</b>	<b>(-)8,04.65</b>			
<b>Section-B: Capital</b>					
<b>Capital Receipts</b>	<b>6,45.85</b>		<b>Capital Expenditure</b>	<b>17,88.99</b>	<b>19,43.44</b>
			<b>General Services</b>	73.33	63.56
			<b>Social Services</b>	6,11.32	6,09.54
			<b>Economic Services</b>	11,04.34	12,70.34
<b>Recoveries of Loans and Advances</b>	<b>72.59</b>	<b>33.85</b>	<b>Loans and Advances disbursed</b>	<b>2,26.56</b>	<b>69.67</b>
Economic Services	59.84	19.75	Economic Services	2,17.36	63.32
Other Services	12.44	13.77	Other services	7.90	5.95
Social Services	0.31	0.33	Social Services	1.30	0.40

<sup>1</sup> Salary, Subsidy and Grants-in-aid figures have been summed up across all sectors to present a consolidated figure. The expenditure in this statement under the sectors 'Social', 'General' and 'Economic' services does not include expenditure on salaries, subsidies and grants-in-aid (explained in footnote 2) under Revenue Expenditure and salaries under capital expenditure. Salaries, sometimes, also figure under capital expenditure. The expenditure booked in the object head Salary is excluding ROP.

<sup>2</sup> Grants-in-aid are given to statutory corporations, companies, autonomous bodies, local bodies etc by the Government which is included as a line item above. These grants are distinct from compensation and assignment of taxes, duties to the Local Bodies which is depicted as a separate line item 'Compensation and assignment to Local Bodies and PRIs'.

\* Includes an amount of ₹ 6,99.96 crore (₹ 6,43.08 crore + ₹ 56.88 crore) by way of book adjustment. {See also footnote at page no. 152 and 155 (Vol-II)}.

## 2. STATEMENT OF RECEIPTS AND DISBURSEMENTS

Receipts			Disbursements		
	2010-11	2009-10		2010-11	2009-10
<b>Section-B: Capital</b> (₹ in crore)					
<b>Public debt receipts</b>	<b>24,11.06</b>	<b>25,52.51</b>	<b>Repayment of Public Debt</b>	<b>8,69.64</b>	<b>8,66.80</b>
Internal Debt <sup>3</sup> (market loans etc.)	23,72.26*	24,83.49	Internal Debt (market loans etc.)	8,07.38	8,10.76
Loans from Govt. of India	38.80	69.02	Loans from Govt. of India	62.26	56.04
Net of Inter State Settlement Account	...	...	Net of Inter State Settlement Account	...	...
<b>Total Receipts Consolidated Fund</b>	<b>1,58,40.11</b>	<b>1,29,32.72</b>	<b>Total Expenditure Consolidated Fund</b>	<b>1,68,31.24</b>	<b>1,40,30.92</b>
<b>Deficit in Consolidated Fund</b>	<b>(-9,91.13*</b>	<b>(-10,98.20</b>			
<b>Part-II Contingency Fund</b>					
<b>Contingency Fund</b>	...	...	<b>Contingency Fund</b>	...	...
<b>Part III Public Account <sup>4</sup></b>					
<b>Small Savings</b>	<b>21,65.72</b>	<b>16,59.48</b>	<b>Small Savings</b>	<b>12,77.48</b>	<b>11,13.80</b>
<b>Reserves &amp; Sinking Funds</b>	<b>4,33.20</b>	<b>2,94.82</b>	<b>Reserves &amp; Sinking Funds</b>	<b>4,94.15</b>	<b>8,97.17</b>
<b>Deposits</b>	<b>15,04.99</b>	<b>10,30.74</b>	<b>Deposits</b>	<b>11,72.03</b>	<b>7,65.69</b>
<b>Advances</b>	<b>1,25.06</b>	<b>1,92.80</b>	<b>Advances</b>	<b>1,25.06</b>	<b>1,92.80</b>
<b>Suspense and Miscellaneous</b>	<b>2,59,51.15</b>	<b>3,41,04.72</b>	<b>Suspense and Miscellaneous</b>	<b>2,61,38.44**</b>	<b>3,34,41.46</b>
<b>Remittances</b>	<b>38,64.25</b>	<b>32,96.60</b>	<b>Remittances</b>	<b>38,16.30</b>	<b>32,21.53</b>
<b>Total Receipts Public Account</b>	<b>3,40,44.37</b>	<b>4,05,79.16</b>	<b>Total Disbursements Public Account</b>	<b>3,30,23.46**</b>	<b>3,96,32.45</b>
<b>Deficit in Public Account</b>	...	...	<b>Surplus in Public Account</b>	<b>10,20.91</b>	<b>9,46.71</b>
<b>Opening Cash Balance</b>	<b>(-3,01.64</b>	<b>(-1,50.14</b>	<b>Closing Cash Balance</b>	<b>(-2,71.86</b>	<b>(-3,01.64</b>
<b>Increase in cash Balance</b>	...	<b>1,51.50</b>	<b>Decrease in cash balances</b>	<b>29.78</b>	...

3. Includes receipt of ₹ 7,60.61 crore on National Small Savings Funds.

4. For details see Statement No. 18 in Volume-II.

\* Includes an amount of ₹ 6,43.08 crore by way of book adjustment. {See also footnote at page no. 152 (Vol-II)}

\*\* Includes an amount of ₹ 56.88 crore by way of book adjustment. {See also footnote at page no.155 (Vol-II)}

**3. STATEMENT OF RECEIPTS  
CONSOLIDATED FUND  
I -TAX & NON TAX REVENUE**

(₹ in crore)

	Description	Actuals	
		2010-11	2009-10
<b>A.</b>	<b>Tax Revenue</b>		
<b>A.1</b>	<b>Own Tax revenue</b>	<b>36,42.38</b>	<b>25,74.52</b>
	Sales Tax (Taxes on Sales, Trade etc.)	21,01.10	14,87.40
	Others	5,85.80	2,36.21
	State Excise	5,61.53	5,00.26
	Taxes on Vehicles	1,63.02	1,33.97
	Stamps and Registration fees	1,32.69	1,13.40
	Taxes on goods and passengers	93.46	88.74
	Land Revenue	4.78	14.54
<b>A.2</b>	<b>Share of net proceeds of Taxes</b>	<b>17,15.35</b>	<b>8,61.63</b>
	Corporation Tax	6,70.50	3,54.59
	Taxes on Income other than Corporation Tax	3,54.32	1,97.52
	Customs	2,99.96	1,20.59
	Union Excise Duties	2,18.21	97.13
	Service Tax	1,70.98	91.00
	Taxes on Wealth	1.38	0.80
	<b>Total A Tax Revenue</b>	<b>53,57.73</b>	<b>34,36.15</b>
<b>B</b>	<b>Non-tax Revenue</b>		
	Power	10,93.21	12,14.80
	Non-ferrous Mining and Metrological Industries	1,13.84	85.09
	Education, Sports, Art and Culture	81.93	83.61
	Interest receipts	69.95	76.93
	Forestry and Wild live	65.44	72.11
	Dividends and Profits	64.11	73.49
	Public Works	34.66	30.82



**3. STATEMENT OF RECEIPTS  
CONSOLIDATED FUND  
I- TAX & NON TAX REVENUE**

(₹ in crore)

	Description	Actuals	
		2010-11	2009-10
<b>B</b>	<b>Non-tax Revenue</b>		
	Other Administration Services	31.00	17.28
	Water Supply and Sanitation	25.97	19.61
	Police	19.10	11.57
	Crop Husbandry	10.22	6.78
	Roads and Bridges	10.09	7.64
	Co-operation	9.59	3.35
	Medical and Public Health	8.40	5.81
	Contributions and Recoveries towards Pension and other Retirement benefits	7.39	6.43
	Major Irrigation	6.81	0.09
	Stationery and Printing	6.26	6.63
	Labour and Employment	6.22	5.91
	Social Security and Welfare	5.79	3.73
	Industries	4.56	30.81
	Other General Economic Services	2.99	3.01
	Housing	2.87	2.05
	Public Service Commission	2.15	2.81
	Other Rural Development Programmes	2.14	2.13
	Miscellaneous General Services	2.06	1.05
	Urban Development	1.79	2.72
	Fisheries	1.25	1.61
	Tourism	0.94	1.84
	Information and Publicity	0.93	0.89

**3. STATEMENT OF RECEIPTS  
CONSOLIDATED FUND  
III-CAPITAL, PUBLIC DEBT AND OTHER RECEIPTS**

(₹ in crore)

Description	Actuals	
	2010-11	2009-10
<b>D. Capital Receipts</b>		
Disinvestment proceeds	6,45.85	...
Others	...	...
<b>Total D Capital Receipt</b>	<b>6,45.85</b>	...
<b>E. Public Debt receipts</b>		
<b>Internal Debt</b>	<b>23,72.26**</b>	<b>24,83.49</b>
	Market Loans	6,44.89
	WMA <sup>1</sup> from the RBI	...
	Bonds	...
	Loans from Financial Institutions	9,66.76
	Special Securities issued to National Small Savings Fund	7,60.61
	Other Loans	...
<b>Loans and Advances from Central Govt.</b>	<b>38.80</b>	<b>69.02</b>
	Non Plan Loans	0.02
	Loans for State Plan Schemes	38.78
	Loans for Central Plan Schemes	...
	Loans for Centrally Sponsored Plan Schemes	...
	Other Loans	...
<b>Total E Public Debt</b>	<b>24,11.06**</b>	<b>25,52.51</b>
<b>F. Loans and Advances by State Government (Recoveries)*</b>	<b>72.59</b>	<b>33.85</b>
<b>G. Inter State Settlement</b>	...	...
<b>Total Receipts in Consolidated Fund (A+B+C+D+E+F+G)</b>	<b>1,58,40.11**</b>	<b>1,29,32.72</b>

\* Details are in Statement No. 7 and 16 in Volume-II.

\*\* See\* footnote at page no. 5 (Vol-I)

1. WMA: Ways and Means Advances

**4. STATEMENT OF EXPENDITURE CONSOLIDATED FUND**  
**A. EXPENDITURE BY FUNCTION**

(₹ in crore)

	Description	Revenue	Capital	L&A	Total
<b>A</b>	<b>General Services</b>				
<b>A.1</b>	<b>Organs of State</b>	<b>1,41.58</b>	...	...	<b>1,41.58</b>
	Parliament/State/Union Territory Legislatures	13.14	...	...	13.14
	President, Vice President/Governor, Administrator of Union Territories	3.52	...	...	3.52
	Council of Minister	4.19	...	...	4.19
	Administration of Justice	1,01.81	...	...	1,01.81
	Elections	18.92	...	...	18.92
<b>A.2</b>	<b>Fiscal Services</b>	<b>1,56.17</b>	...	...	<b>1,56.17</b>
	Land Revenue	1,21.77	...	...	1,21.77
	Stamps and Registration	1.04	...	...	1.04
	State Excise	3.04	...	...	3.04
	Taxes on Sales, Trade etc.	2.95	...	...	2.95
	Taxes on Vehicles	2.16	...	...	2.16
	Other Taxes and Duties on Commodities and Services	24.55	...	...	24.55
	Other Fiscal Services	0.66	...	...	0.66
<b>A.3</b>	<b>Interest Payments</b>	<b>19,49.77</b>	...	...	<b>19,49.77</b>
	Interest Payments	19,49.77	...	...	19,49.77
<b>A.4</b>	<b>Administrative Services</b>	<b>9,14.67</b>	<b>73.33</b>	...	<b>9,88.00</b>
	Public Service Commission	7.97	...	...	7.97
	Secretariat-General Service	50.15	...	...	50.15
	District Administration	1,05.91	...	...	1,05.91
	Treasury and Accounts Administration	28.24	...	...	28.24
	Police	4,45.61	17.19	...	4,62.80
	Jails	15.17	...	...	15.17
	Supplies and Disposals	1.24	...	...	1.24
	Stationery and Printing	21.01	...	...	21.01
	Public Works	1,78.27	53.54	...	2,31.81
	Other Administrative Services	61.10	2.60	...	63.70

**4. STATEMENT OF EXPENDITURE CONSOLIDATED FUND**  
**A. EXPENDITURE BY FUNCTION**

(₹ in crore)

	Description	Revenue	Capital	L&A	Total
<b>A</b>	<b>General Services-concl.</b>				
<b>A.5</b>	<b>Pension &amp; Miscellaneous General Services</b>	<b>21,17.07</b>	...	...	<b>21,17.07</b>
	Pensions and Other Retirement Benefits	21,05.39	...	...	21,05.39
	Miscellaneous General Services	11.68	...	...	11.68
	<b>Total General Services</b>	<b>52,79.26</b>	<b>73.33</b>	...	<b>53,52.59</b>
<b>B</b>	<b>Social Services</b>				
<b>B.1</b>	<b>Education, Sports Art &amp; Culture</b>	<b>26,88.89</b>	<b>2,00.25*</b>	<b>1.00</b>	<b>28,90.14</b>
	General Education	26,39.29	2,00.25	1.00	28,40.54
	Technical Education	21.54	...	...	21.54
	Sports and Youth Services	19.10	...	...	19.10
	Art and Culture	8.96	...	...	8.96
<b>B.2</b>	<b>Health &amp; Family Welfare</b>	<b>7,63.00</b>	<b>66.25</b>	...	<b>8,29.25</b>
	Medical and Public health	6,80.03	66.25	...	7,46.28
	Family Welfare	82.97	...	...	82.97
<b>B.3</b>	<b>Water Supply, Sanitation, Housing and Urban Development</b>	<b>7,69.70</b>	<b>3,29.12</b>	..	<b>10,98.82</b>
	Water Supply, Sanitation	6,46.82	3,04.43	...	9,51.25
	Housing	33.27	11.34	...	44.61
	Urban Development	89.61	13.35	...	1,02.96
<b>B.4</b>	<b>Information and Broadcasting</b>	<b>21.18</b>	<b>0.12</b>	...	<b>21.30</b>
	Information & Publicity	21.18	0.12	...	21.30
<b>B.5</b>	<b>Welfare of Scheduled Caste, Scheduled Tribes and other Backward Classes</b>	<b>65.90</b>	<b>6.93</b>	<b>0.30</b>	<b>73.13</b>
	Welfare of Scheduled Caste, Scheduled Tribes and other Backward Classes	65.90	6.93	0.30	73.13

\* Includes expenditure of ₹ 1,44.02 crore (General Education), ₹ 41.53 crore (Technical Education), ₹ 9.33 crore (Sports & Youth Services) and ₹ 5.37 crore (Art & Culture).

**4. STATEMENT OF EXPENDITURE CONSOLIDATED FUND**  
**A. EXPENDITURE BY FUNCTION**

(₹ in crore)

	Description	Revenue	Capital	L&A	Total
<b>B</b>	<b>Social Services-concl.</b>				
<b>B.6</b>	<b>Labour and Labour Welfare</b>	<b>41.04</b>	...	...	<b>41.04</b>
	Labour and Employment	41.04	...	...	41.04
<b>B.7</b>	<b>Social Welfare &amp; Nutrition</b>	<b>6,18.22</b>	<b>8.24</b>	...	<b>6,26.46</b>
	Social Security and Welfare	2,80.38	8.24	...	2,88.62
	Nutrition	53.03	...	...	53.03
	Relief on Account of Natural Calamities	2,84.81	...	...	2,84.81
<b>B.8</b>	<b>Others</b>	<b>10.95</b>	<b>0.41</b>	...	<b>11.36</b>
	Other Social Services	0.61	0.41	...	1.02
	Secretariat- Social Services	10.34	...	...	10.34
	<b>Total Social Services</b>	<b>49,78.88</b>	<b>6,11.32</b>	<b>1.30</b>	<b>55,91.50</b>
<b>C</b>	<b>Economic Services</b>				
<b>C.1</b>	<b>Agriculture &amp; Allied Activities</b>	<b>10,67.87</b>	<b>67.76</b>	<b>24.39</b>	<b>11,60.02</b>
	Crop Husbandry	2,36.11	(-)0.19*	0.66	2,36.58
	Soil & Water Conservation	59.50	50.12	...	1,09.62
	Animal Husbandry	1,81.13	9.99	...	1,91.12
	Dairy Development	11.78	...	...	11.78
	Fisheries	10.43	1.14	...	11.57
	Forestry & Wild Life	3,40.38	6.45	...	3,46.83
	Plantations	0.94	...	...	0.94
	Food, Storage & Warehousing	84.60	(-)0.01*	...	84.59
	Agricultural Research & Education	1,13.34	...	...	1,13.34
	Co-operation	29.66	0.26	23.73	53.65
<b>C.2</b>	<b>Rural Development</b>	<b>3,40.16</b>	<b>0.05</b>	...	<b>3,40.21</b>
	Special Programmes for Rural Development	22.23	...	...	22.23
	Rural Employment	61.33	...	...	61.33

\* See footnote at page no. 185 and 188 (Vol-II).

**4. STATEMENT OF EXPENDITURE CONSOLIDATED FUND  
A. EXPENDITURE BY FUNCTION**

(₹ in crore)

	Description	Revenue	Capital	L&A	Total
<b>C</b>	<b>Economic Services-contd.</b>				
	Land Reforms	5.97	...	...	5.97
	Other Rural Development Programmes	2,50.63	0.05	...	2,50.68
<b>C.3</b>	<b>Irrigation &amp; Flood Control</b>	<b>2,58.91</b>	<b>3,08.57</b>	...	<b>5,67.48</b>
	Major Irrigation	7.20	21.03	...	28.23
	Major & Medium Irrigation	5.62	41.43	...	47.05
	Minor Irrigation	2,45.26	1,20.70	...	3,65.96
	Flood Control & Drainage	0.83	1,24.16	...	1,24.99
	Command Area Development	...	1.25	...	1.25
<b>C.4</b>	<b>Energy</b>	<b>7,97.01</b>	<b>1,60.00</b>	<b>1,92.97</b>	<b>11,49.98</b>
	Power	7,92.88*	1,60.00	1,92.97	11,45.85
	New and Renewable energy	4.13	...	...	4.13
<b>C.5</b>	<b>Industry &amp; Minerals</b>	<b>54.35</b>	<b>19.75</b>	...	<b>74.10</b>
	Village & Small Industries	44.68	19.75	...	64.43
	Industries	3.92	...	...	3.92
	Non- Ferrous Mining & Metallurgical Industries	5.75	...	...	5.75
<b>C.6</b>	<b>Transport</b>	<b>11,18.24</b>	<b>4,64.79</b>	...	<b>15,83.03</b>
	Civil Aviation	0.31	4.55	...	4.86
	Roads & Bridges	10,22.62**	4,25.40	...	14,48.02
	Road Transport	95.27	34.84	...	1,30.11
	Inland Water Transport	0.04	...	...	0.04
<b>C.7</b>	<b>Science Technology and Environment</b>	<b>3.60</b>	...	...	<b>3.60</b>
	Other Scientific Research	3.36	...	...	3.36
	Ecology & Environment	0.24	...	...	0.24
<b>C.8</b>	<b>General Economic Service</b>	<b>42.02</b>	<b>83.42</b>	...	<b>1,25.44</b>
	Secretariat- Economic Services	14.88	...	...	14.88
	Tourism	9.16	3.47	...	12.63

\* See\* footnote at page no. 152 (Vol.-II).

\*\* See\* footnote at page no. 155 (Vol.-II).

**4. STATEMENT OF EXPENDITURE CONSOLIDATED FUND**  
**A. EXPENDITURE BY FUNCTION**

(₹ in crore)

	Description	Revenue	Capital	L&A	Total
<b>C</b>	<b>Economic Services-concl.</b>				
	Census Surveys & Statistics	7.94	...	...	7.94
	Civil Supplies	8.14	...	...	8.14
	Other General Economic Service	1.90	79.95	...	81.85
	<b>Total Economic Services</b>	<b>36,82.16</b>	<b>11,04.34</b>	<b>2,17.36</b>	<b>50,03.86</b>
<b>D.</b>	<b>Loans, Grants -in-aid and Contributions</b>				
	Compensation & Assignments to Local Bodies and Panchayati Raj Institutions	5.75	...	...	5.75
	<b>Total -Loans, Grants-in-aid &amp; Contributions</b>	<b>5.75</b>	<b>...</b>	<b>...</b>	<b>5.75</b>
<b>E.</b>	<b>Loans to Government servants etc.</b>				
	Loans to Government servants etc.	...	...	7.90	7.90
	<b>Total-Loans to Government servants etc.</b>	<b>...</b>	<b>...</b>	<b>7.90</b>	<b>7.90</b>
<b>F.</b>	<b>Public Debt</b>				
	Internal Debt of the State Government	...	...	8,07.38	8,07.38
	Loans and Advances from the Central Government	...	...	62.26	62.26
	<b>Total-Public Debt</b>	<b>...</b>	<b>...</b>	<b>8,69.64</b>	<b>8,69.64</b>
	<b>Total Consolidated Fund Expenditure</b>	<b>1,39,46.05*</b>	<b>17,88.99</b>	<b>10,96.20</b>	<b>1,68,31.24</b>

\* See \* footnote at page no. 4 (Vol.-I)

## Notes to Accounts

### **1. Summary of significant accounting policies:**

#### **(i) Entity and Accounting Period:**

These accounts present the transactions of the Government of Himachal Pradesh for the period 1<sup>st</sup> April 2010 to 31<sup>st</sup> March 2011

#### **(ii) Basis of Accounting:**

With the exception of periodical adjustment and book adjustments the accounts represent the actual cash receipts and disbursements during the account period. Assets are valued at historical cost and Government investment etc is shown at historical cost. Physical assets are not depreciated or amortised. The losses of physical assets at the end of its life is also not expensed or recognised.

The pension liability of the Government, i.e. the liability towards payment of retirement benefits for the past and the present service of its employees is not included in the accounts. However, the retirement benefits disbursed during the accounts period have been reflected in the accounts.

The expenditure on "Pension and other Retirement benefits" to State Government employees during the year was ₹ 21,05.39 crore (15.10 % of total revenue expenditure). However, the employees recruited by the State Government w.e.f . 15.05.2003 are eligible for New Pension Scheme. An amount of ₹ 1,37.19 crore towards employee's contribution and employer's share has been deposited under the head "8342-Other Deposits-117-Defined Contribution Pension Scheme for Government Employees" during the year. The State Government liability on this account as on 31<sup>st</sup> March, 2011 was ₹ 1,83.18 crore.

#### **(iii) Currency in which Accounts are kept:**

The accounts of Government are maintained in Indian ₹

#### **(iv) Form of Accounts:**

Under Article 150 of the Constitution, the accounts of the Union and of the States are kept in such form as the President may on the advice of the Comptroller and Auditor General, prescribe. The word 'Form' used in Article 150 has a comprehensive meaning so as to include the prescription not only of the broad form in which the accounts are to be kept but also the basis for selecting appropriate heads under which the transactions are to be classified.



**(v) Classification between Revenue and Capital:**

Revenue expenditure is recurring in nature and is supposed to be met from revenue receipts. Capital Expenditure is defined as expenditure incurred with the object of increasing concrete assets of a material and permanent character. Expenditure on Grants-in-aid is recorded as revenue expenditure in the books of the grantor. In the books of the recipient it is taken as revenue receipt.

**2. Financial Status:** Revenue Deficit, Fiscal Deficit and Primary Deficit of the State during 2010-11 was ₹12,35.44 crore, ₹ 25,32.55 crore and ₹ 5,82.78 crore respectively. Receipt under Major Head 4000-Capital Receipt to the tune of ₹ 6,45.85 crore has been accounted for during the year on the account of disinvestment by the State Government from H.P. Power Transmission Corporation Ltd.

**3. Inclusion of statements/information recommended by Twelfth Finance Commission in the Finance Accounts:-**

To bring out greater transparency and to enable informed decision making in Government accounts, the Twelfth Finance Commission had recommended inclusion of eight additional Statements/information.

All the information recommended by the Twelfth Finance Commission has been included in the Finance Accounts either in a separate Appendix or through a relevant footnote. This does not include data on committed liabilities in the future and implications of major policy decisions on new schemes proposed in the State budget for the future cash flows, as requisite information was not available with the State Government.

**4. (i) Booking under Minor Head '800-Other Receipts'**

₹ 31,55.05 crore under 23 Major Heads of accounts (representing functions of the Government) were classified under the Minor Head '800-Other Receipts'. These constituted more than 50 per cent of the total receipts recorded under the respective Major Heads. Of these, ₹ 31,32.04 crore under seven Major Heads of Accounts having receipt more than ₹ 5.00 crore are reflected in detail in Annexure-A to this Notes to Accounts. Major Heads such as "0040- Taxes on Sales, Trade etc.", "0045- Other Taxes and Duties on Commodities and Services", "0070-Other Administrative Services", "0425-Co-operation", "0700-Major Irrigation", "0801-Power" and "1054-Roads and Bridges" with substantial receipts are classified as 'Other receipts'.

**(ii) Booking under Minor Head '800-Other Expenditure'**

₹ 11.41 crore under only one Major Head "2075- Miscellaneous General Services" of account having expenditure more than ₹ 5.00 crore (representing functions of the Government) was classified under the Minor Head '800-Other Expenditure' in the accounts constituting more than 50 per cent of the total expenditure (₹11.68 crore) recorded under the respective Major Head. The

payment of allowance to the Family and dependents of Ex-Rulers, Gallantry Awards, Payment of pension to Ex-Servicemen who are above 65 years of age and Helicopter services for all purposes etc. are not depicted distinctly in Finance Accounts, though the details of these expenditure are depicted at the sub-head (scheme) level or below in the Detailed Demands for Grants and corresponding headwise Appropriation Accounts forming part of the State Government accounts.

#### 5. Unadjusted Abstract Contingency Bills (AC Bills)

The Drawing and Disbursing Officers are authorized to draw sums of money by preparing Abstract Contingency Bills by debiting Service Heads. They are required to present Detailed Contingency Bill (vouchers in support of final expenditure) in all these cases within a specific period. Presently, 23 AC Bills amounting to ₹ 0.68 crore for the year 2008-09 (22) and 2009-10 (1) have not been received within the same financial year. Constant efforts are being made to get the issue settled with the State Government. The age wise detail is given below: -

Year	Number of AC bills awaited	Amount involved (₹ in crore)
2008-2009	22	0.68
2009-2010	01	@
2010-2011	...	...

#### 6. Reconciliation of Receipt and Expenditure

All Drawing and Disbursing Officers are required to reconcile the receipts and expenditure figures of the Government with the figures accounted for by the Accountant General. Such reconciliation has been completed 100 percent by the DDOs for a net value of ₹ 1,57,35.04 crore of the total expenditure of the Government and ₹ 1,33,56.46 crore of total receipts of the Government for the year 2010-11.

7. Cash Balance (Deposits with RBI) worked out by the A.G. is ₹ 2,74.11 crore (credit). The cash balance reported by RBI as on 31<sup>st</sup> March, 2011 is ₹ 2,78.21 crore (debit). At the end of March, 2011 accounts, there was a difference of ₹ 4.10 crore (debit) between two figures. The difference of ₹ 0.78 crore (debit) has been reconciled up to May 2011 accounts and remaining difference of ₹ 3.32 crore (debit) is under reconciliation with RBI, Nagpur.

@ Amounting to ₹ 10,000/- (₹ Ten thousand ) only.

**8. Guarantees:** Guarantees in Statement No.9 are reported on the information received from Statutory Corporation/Boards/Government Companies and Cooperative Societies/Banks etc. State Government received ₹ 0.20 crore as Guarantee Commission. No Guarantee Redemption Fund has been set up by the State Government so far. No letter of comfort was issued during the year. Guarantee amounting to ₹ 38.27 crore in respect of H.P. State Co-operative Agriculture and Rural Development Bank Ltd. has been invoked during the year 2010-11.

**9. Status of Reserve Fund:** Closing balance in the Reserve Fund as on 31<sup>st</sup> March 2011 ₹ 77.35 crore (Credit). Analysis reveals that no transaction has been recorded under the Major Head 8115-Depreciation/Renewal Reserve Funds-103-Depreciation Reserve Funds Government Commercial Departments and Undertakings and the Major Head 8226-Depreciation/Renewal Reserve Funds-101-Depreciation Reserve Funds Government Commercial Departments /Undertakings since a long. The matter in this regards has been taken up with the State Government to review the unutilisation of the Reserve Fund.

**10. Submission of Accounts by treasuries:** Accounts of one hundred eighty treasuries rendered by District Treasuries were received and accounted for during the year. 127 Public Works / Irrigation and Public Health divisions and 87 Forest divisions rendered 2568 accounts during the year. The delay ranging from 1 to 7 days has been noticed in rendition of monthly accounts by the Treasuries/Divisions. However, the Monthly Civil Accounts were rendered on due dates to State Govt.

**11.** 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.

The position of Suspense Balances under Major Suspense Heads for the last three years is given below:-

(₹ in crore)

Name of Minor Head	2008-09		2009-10		2010-11	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
101-Pay and Accounts Office-Suspense	73.49	7.37	80.64	17.34	25.24	20.24
Net	66.12 Dr.		63.30 Dr.		5.00 Dr.	
102-Suspense Account (Civil)	61.58	9.58	8.44	0.42	115.37	99.53
Net	52.00 Dr.		8.02 Dr.		15.84 Dr.	
107-Cash Settlement Suspense Account	5.46	1.08	4.38	1.12	3.26	2.42
Net	4.38 Dr.		3.26 Dr.		0.84 Dr.	
109-Reserve Bank Suspense-Headquarters	(-)0.50	-0.10	(-) 12.96	(-) 19.76	(-)1.32	(-)0.10
Net	0.40 Cr.		6.80 Dr.		1.22 Cr.	
110-Reserve Bank Suspense-Central Accounts Office	5.96	0.10	4.17	0.10	4.19	0.20
Net	5.86 Dr.		4.07 Dr.		3.99 Dr.	
112-Tax Deducted at Source (TDS) Suspense	53.84	64.50	91.39	1,08.50	2,39.60	2,69.19
Net	10.66 Cr.		17.11 Cr.		29.59 Cr.	
129-Material Purchase Settlement Suspense Account	24.90	1,95.94	47.66	2,78.13	58.09	358.47
Net	1,71.04 Cr.		2,30.47 Cr.		3,00.38 Cr.	

There is increase in Major Head 8658-Suspense Account-102 Suspense Account(Civil) and 8658 -Suspense Account-112-Tax Deducted at Source (TDS) Suspense and 8658 -Suspense Account-129-Material Purchase Settlement Suspense Account

Constant efforts are being made to reduce the outstanding balances under the suspense heads. However, clearance of suspense items depends on the details to be furnished by the Govt. Department, Public Works/Irrigation and Public Health Divisions, Central Ministries/PAO's/RBI etc.

12. The State Government provides funds to State/district-level autonomous bodies and authorities, societies, non-governmental organizations, etc. for implementation of Centrally Sponsored Schemes (State Share) and State schemes. Since the funds are generally not being spent fully by the implementing agencies in the same financial year, there remain unspent balances in the bank accounts of these implementing agencies.

The aggregate amount of the unspent balances in the accounts of the implementing agencies kept outside Government accounts (in bank accounts) is not readily ascertainable. The Government expenditure as reflected in the Accounts to that extent is, therefore, not final.

13. The position of awaited Utilisation Certificates was as under:-

Year	Number of UCs awaited	Amount involved (₹ in crore)
Up to 2008-2009	4021	4,18.62
2009-2010	5313	4,59.15
2010-11	16143	7,64.10

14. **Transfer of Funds to P.D. Accounts:** Transfer to P.D. Accounts is booked as expenditure in the Consolidated Fund (Service major heads of the State). No amount has been transferred to P.D. Accounts by the State Government during 2010-11. Details of the P.D. Accounts at the close of the year is as under:-

PD Accounts existing as on 1.4.2010 (No's)	Balance as on 1.4.2010 (₹ in crore)	PD Accounts opened during the year. (No's)	PD Accounts closed during the year. (No's)	PD Accounts as on 31.3.2011 (No's)	Balance as on 31.3.2011 (₹ in crore)
1.	2	3	4	5	6
134	137.56	-Nil-	2	132	74.66

15. **Operation of State Disaster Response Fund:** In terms of Notification No. 32-3/2010-NDM-1 dated 28.09.2010 issued by Govt. of India, Ministry of Home Affairs (Disaster Management Division), the State Government has to open State Disaster Response Fund under the Major Head

“8121-General and other Reserve Fund” in the Public Account under the Reserve Fund bearing interest to accommodate the amount of annual contribution to the State Disaster Response Fund from the financial year 2010-11. The State Government has not operated the said Major Head and the entire transaction has been accommodated in the Major Head “8235-General and Other Reserve Fund-111- State Disaster Response Fund” for the year 2010-11.

**16. Release of Funds by Govt. of India:** Government of India releases fund to State Governments to implement various schemes under sharing pattern in the State. The following funds (Major Schemes only) have been released by Govt. of India during 2010-11 and funds released by the State Government on account of Central Share and State Share are detailed below:-.

₹ in crore.

Name of the Scheme	Amount released by GOI	Central Share actually released by State Govt.	Deficit (-) Excess (+)	State Share as per Funding pattern	State Share released	Deficit (-) Excess (+)	Total releases	Expenditure
1	2.	3.	4	5.	6	7	8	9
Information and Communication Technology.	7.54	15.26	(+)7.72	1.70	1.70	...	16.96	16.96
GIA to H.P. University for NSS	1.56	1.49	(-)0.07	0.52	0.52	...	2.01	2.01
Integrated Child Development Services	59.84	82.90	(+)23.06	6.40	6.40	...	89.30	89.29
Integrated Child Development Scheme	53.31	4.00	(-)49.31	2.02	2.02	...	6.02	6.06
Integrated Development Programme of ISOPOM	0.89	0.90	(+)0.01	0.29	0.29	...	1.19	1.19
Macro Management of Agriculture	22.91	20.25	(-)2.66	3.06	3.06	...	23.31	26.37
Systematic Control of Animal Disease	1.50	1.69	(+)0.19	0.44	0.44	...	2.13	1.82
Integrated Development of Handloom	2.44	2.57	(+)0.13	0.71	0.71	...	3.28	3.28
Up gradation of Judiciary Infrastructure	5.90	3.47	(-)2.43	2.00	2.00	...	5.47	5.49

**17. Book/Periodical Adjustments:** During the year 2010-11 following Book/Periodical adjustments have been carried out in the office of the Accountant General:-

**'A' Periodical adjustments:**

(₹ in crore)

Sl.No.	Book adjustment	Head of Account		Amount	Remarks
		From	To		
1.	Interest Payment on G.P.F	2049	8009	4,52.66	Represents interest on GPF contributions of State Government employees
2.	Interest Payment on Contributory Pension Scheme.	2049	8342	0.04	Represents interest on Contributions towards Pension Scheme for the State Government employees
3.	Interest Payment on Employees Insurance Scheme	2049	8011	13.35	Represents interest on contributions towards Group Insurance Scheme of the State Government employees
4.	Payment of Employer Share on account of Contributory Pension Scheme	2071	8342	67.91	Represents State Government Share on account of Contributory Pension Scheme for State Government employees
5.	Transfer to State Disaster Response Fund	2245	8235	277.80	Represents the expenditure met from State Disaster Response Fund.
6.	Transfer to State Disaster Response Fund	2245	8235	130.76	Represents transfer of amount to State Disaster Response Fund.

**'B' Book Adjustments:****(₹ in crore)**

Sl.No.	Book adjustment	Head of Account		Amount	Remarks
		From	To		
1.	G.P.F Subscription/ Recoveries	2014	8009	25.42	...
2.	-do-	2029	8009	38.91	...
3.	-do-	2052	8009	14.34	...
4.	-do-	2053	8009	25.21	...
5.	-do-	2055	8009	1,23.83	...
6.	-do-	2059	8009	37.26	...
7.	-do-	2070	8009	13.07	...
8.	-do-	2202	8009	7,16.30	...
9.	-do-	2210	8009	1,59.03	...
10.	-do-	2211	8009	24.55	...
11.	-do-	2215	8009	77.28	...
12.	-do-	2401	8009	32.19	...
13.	-do-	2403	8009	36.47	...
14.	-do-	2406	8009	35.05	...
15.	-do-	2515	8009	21.97	...
16.	-do-	2702	8009	44.19	...
17.	-do-	3054	8009	1,26.20	...
		Others		141.74	...
		<b>Grand Total</b>		<b>16,93.01</b>	...
1.	Contributory Pension Scheme	2202	8342	16.62	...
2.	Contributory Pension Scheme	3054	8342	6.85	...
		Others		45.77	...
		<b>Grand Total</b>		<b>69.24</b>	...



**'C' Other Adjustments:**

Sl.No.	Book Adjustment	Head of Account		Amount (₹ in crore)	Remarks
		From	To		
1.	Transfer to Service Head.	6003	2801	6,43.08	To rectify the misclassification in previous years of loans raised by HPSEB.
2	Transfer to Service Head.	8658	3054	56.88	Transfer of disallowed amounts on account of National Highways from 8658-Suspense Account-101-Pay and Accounts-05-MORTH.
3.	Write-off balances	6003	8680	0.11	Write off amount from Major Head 6003-Internal Debt. of State Govt-101-Market Loans-02-Market Loans not bearing interest by RBI.
4.	Write-off balances	8658	8680	2.42	Write off amount from Major Head 8658-Suspense Account-107-Cash Settlement Suspense Account

## Annexure-A

**Details of Revenue Receipts under Minor Head ( More than ₹ 5.00 crore)  
800-'Other Receipts' during 2010-2011**

Sl. No.	Major head		Receipt under minor head 800 (₹ in crore)	Total Receipt (₹ in crore)	Percentage
1	0040	Taxes on Sales, Trade etc.	17,99.04	21,01.10	85.63
2	0045	Other Taxes and Duties on Commodities and Services	1,90.78	2,84.21	67.13
3	0070	Other Administrative Services	23.13	31.00	74.62
4	0425	Co-operation	9.04	9.59	94.27
5	0700	Major Irrigation	6.81	6.81	100.00
6	0801	Power	10,93.21	10,93.21	100.00
7	1054	Roads and Bridges	10.03	10.09	99.41
		<b>Total</b>	<b>31,32.04</b>	<b>35,36.01</b>	

Note:- There are 16 other receipt heads where receipts amounted to more than 50% of amounts under the Major Head. These aggregated to a sum of ₹ 23.01 crore.

**APPENDIX (I) CASH BALANCES AND INVESTMENTS OF  
CASH BALANCES**

	As on Ist April, 2010	As on 31st March, 2011
	1	2
	(₹ in crore)	
<b>(A) General Cash Balances -</b>		
(1) Cash in Treasuries	0.60	0.58
(2) Remittances in Transit Local	2.86	1.67
(3) Deposit with Reserve Bank*	(-)3,05.09	(-)2,74.11(a)
<b>Total</b>	<b>(-)3,01.63</b>	<b>(-)2,71.86</b>
(4) Investments held in the "Cash Balance Investment Account"	5,82.60	9,06.53
<b>Total-(A)</b>	<b>2,80.97</b>	<b>6,34.67</b>
<b>(B) Other Cash Balances and Investments -</b>		
(1) Cash with departmental Officers, viz., Public Works etc.	0.16	0.16
(2) Permanent Advance for contingent expenditure with departmental officers	0.03	0.03
<b>Total-(B)</b>	<b>0.19</b>	<b>0.19</b>
<b>Total-(A) &amp; (B)</b>	<b>2,81.16</b>	<b>6,34.86</b>

\* The balance under the head "Deposit with Reserve Bank" is arrived at after taking into account the Inter Government monetary settlements pertaining to transactions of financial year 2010-11 advised to the RBI till 5/2011

(a) There was a difference of ₹ 4.10 crore (Cr) between the figures reflected in the account for ₹ 2,74.11 crore (Cr) and as intimated by the Reserve Bank of India for ₹ 2,78.21 crore (Dr). The difference of ₹ 0.78 crore (Dr) has been reconciled and remaining difference of ₹ 3.32 crore (Dr) is under reconciliation.

**APPENDIX (I) CASH BALANCES AND INVESTMENTS OF  
CASH BALANCES**

**EXPLANATORY NOTES**

**(a) Cash and Cash Equivalent:-** Cash and cash equivalents consist of cash in treasuries and deposit with Reserve Bank of India and other Banks and Remittances in Transit. The Balance under the Head "Deposits with Reserve Bank" depicts combined balance of the Consolidated Fund, Contingency Fund and the Public Account at the end of the year. To arrive at the overall cash position, the cash balances with treasuries, departments and investments out of the cash balances /reserve funds etc. are added to the balance in "Deposits with RBI".

**(b) Daily Cash Balance:** Under an agreement with the Reserve Bank of India, the State Government has to maintain a minimum cash balance of ₹ 0.55 crore with the Bank. If the balance falls below the agreed minimum on any day, the deficiency is made good by taking ordinary and special ways and means advances/overdrafts from time to time.

For arriving at the daily cash balance\* for the purpose of grant of Ways and Means advances/Overdraft, the RBI evaluates the holdings of the 14 day treasury bills along with the transactions reported (at RBI counters, Inter-Government transactions and Treasury transactions reported by the agency banks) for the day. To the cash balance so arrived, the maturity of 14 day Treasury Bills if any, is added and excess balance, if any, after maintaining the minimum cash balance is reinvested in Treasury Bills. If the net cash balance arrived at results in less than the minimum cash balance or a credit balance and if there are no 14 day treasury bills maturing on that day, RBI rediscounts the holdings of the 14 day Treasury Bills and makes good the shortfall. If there is no holding of 14 day Treasury Bills on that day the State Government applies for Ways and Means Advances/Special Ways and Means Advances/ Over Draft.

**(c)** The limit for ordinary ways and means advances to the State Government was ₹ 1,90.00 crore with effect from 01-04-2009. The Bank has also agreed to give special ways and means advances against the pledge of Government Securities. The limit of special ways and means advances revised by the Bank from time to time.

\* The cash balance (Deposit with RBI) above in the closing cash balance of the year as on 31st March but worked out by May, 2011 and not simply the daily balance on 31st March, 2011.

**APPENDIX (I) CASH BALANCES AND INVESTMENTS OF  
CASH BALANCES****EXPLANATORY NOTES**

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The extent to which the Government maintained the minimum cash balance with the Reserve Bank of India during 2010-11 is given below: -

(i) Number of days on which the minimum balance was maintained without taking any advance	365
(ii) Number of days on which the minimum balance was maintained by taking ordinary ways and means advance	...
(iii) Number of days on which the minimum balance was maintained by taking special ways and means advances	...
(iv) Number of days on which there was shortfall in minimum balance even after taking the above advances, but no overdraft was taken	...
(v) Number of days on which overdrafts were taken	...

**APPENDIX (I) CASH BALANCES AND INVESTMENTS OF  
CASH BALANCES**

**EXPLANATORY NOTES**

To make up the deficiency in the Cash Balance, Government treasury bills for ₹2,58,61.42 crore were invested on 166 occasions and ₹ 2,55,37.49 crore rediscounted on 262 occasions during the year 2010-11.

The following is an analysis of the Investments held in the Cash Balance Investment Account:-

(₹ in crore)

	Opening balance Ist April 2010	Purchases during the year 2010-11	Sales during the year 2010- 11	Closing balance on 31st March, 2011	Interest realised during the year 2010-11
1	2	3	4	5	6
Government of India Treasury Bills	5,82.60	2,58,61.42	2,55,37.49	9,06.53	49.60
<b>Total</b>	5,82.60	2,58,61.42	2,55,37.49	9,06.53	49.60